NEW JERSEY CLEAN AIR COUNCIL

Clean Air Council Members

Michael Egenton, Chairman

James Blando, Ph.D., Vice Chairman

Ferdows Ali, Ph.D.

Jorge H. Berkowitz, Ph.D.

Leonard Bielory, M.D.

Joseph Constance

Elease Evans

Gene Feyl

Toby Hanna, P.E.

Marcelino Iglesias

Richard M. Lynch, Ph.D.

Raymond M. Manganelli, Ph.D.

John Maxwell

Draft Approved: 5/11/05

Clean Air Council Members

Stephen J. Papenberg Kenneth Thoman Irwin Zonis

Clean Air Council Liaison

Sonia Evans, CAC Liaison Telephone 609-633-2007

Fax 609-984-6369

cac@dep.state.nj.us CAC Web Site

http://www.state.nj.us/dep/cleanair

NJ CLEAN AIR COUNCIL MEETING RECORD

March 9, 2005, 9:30 a.m.
Schering-Plough
Summit Site

2nd Floor Conference Room S-12-2A
556 Morris Avenue5/13/2005
Summit, New Jersey 07901

CALL TO ORDER: Michael Egenton opened the meeting.

COUNCIL MEMBERS PRESENT: All of the Council members were present with the changes noted below. (See Attachment 1 – Attendance Sheet)

EXCUSED: Jorge Berkotitz, Gene Feyl, Raymond Manganelli, Steve

Papenberg

SPEAKERS: Chris Salmi, Assistant Director, Air Quality Management;

Peg Hanna, Manager, Diesel Risk Reduction Team

PUBLIC: Kelly Moretta, Schering-Plough Corp.,

Meeting Record

Roll call was taken. Chairman called for discussion about the January and February Minutes. Irwin Zonis recommended that the January and February minutes be approved as submitted. John Maxwell made the motion to approve the January and February minutes as submitted. Ken Thoman seconded the motion. The January and February minutes were approved by a unanimous vote.

Administrative Report

Presented by Chris Salmi, Assistant Director, Air Quality Management:

Preconstruction Permitting

The Bureau of Preconstruction Permitting (BPP) continues to make progress in attaining its goal of eliminating backlogged Preconstruction Permits by the end of 2005. BPP has reduced the backlog below 2% of all permits received (approximately 50).

Operating Permits

As of January 31, 2004, the DEP has taken final action on 87% of the applications for initial Title V operating permits. The DEP has issued 282 initial operating permits and taken 71 other final actions on the 408 applications received. Of the 55 applications remaining on hand, 53 are considered backlogged for purposes of the Doria report. The 282 initial operating permits that have been approved cover 15,171 pieces of equipment. The remaining 55 applications cover 6,779 pieces of equipment.

Camden Resource Recovery Title V Permit

The South Jersey Environmental Justice Alliance (SJEJA), the New Jersey Environmental Federation, the New Jersey Public Interest Research Group (NJPIRG) and South Camden Citizens in Action, collectively, filed a petition to the USEPA objecting to the Title V permit for the Camden County Energy Recovery Facility. The petition requests that EPA remand the permit to NJDEP for modification to ensure compliance with all applicable requirements and take aggressive action in permitting industrial facilities such as this one in Camden.

Hess PSD Permit Appeal

On February 1, 2005, the USEPA's Environmental Appeals Board (EAB) remanded to the Department a Prevention of Significant Deterioration (PSD) permit issued to Amerada Hess Corporation (Hess) for the Hess oil refinery in the Port Reading area of Woodbridge. Hess had sought the permit to authorize a 4% increase in the capacity of the fluid catalytic cracking unit (FCCU) at the refinery. Hess challenged several conditions in the permit. The EAB did not find any substantial problems with the permit conditions; it found two procedural issues. The air permit program met with Hess and the permits will be reissued shortly with changes, response to all comments, and a cover letter to address the identified issues.

American Electric Power

According to Air Daily, the Public Utilities Commission of Ohio approved American Electric Power's (AEP) Rate Stabilization Plan in part to offset the capital cost of air pollution controls. Specifically, the approved plan was for the AEP subsidiaries of Columbus Southern Power and Ohio Power. The rate increases will help offset the capital spending for pollution controls. Reports state that AEP intends to install additional SO2 and NOx controls because of the increased cost of allowances.

Motor Vehicle Inspection System

Through NJ's bidding process, a consultant will be contracted to provide project services, including a comprehensive study and evaluation of all components of the NJ Motor Vehicle Inspection System to determine if this system should continue unchanged or should be modified. The contractor will issue a final report with selected options and methods to implement the selected option.

Private Inspection Facilities

The performance at private facilities continues to improve. In 2002, the overall initial equipment audit-passing rate was 76%. In 2003, it was 78%. In 2004, the rate was 84%.

Carbon Monoxide Maintenance Areas

The State of New Jersey currently has three (3) carbon monoxide maintenance areas. The Department is working on the second ten (10) year maintenance phase for these areas.

S-1759, Diesel Bill

Presented by Peg Hanna, Manager, Diesel Risk Reduction Team: (See Attachments 2,3,4)

- The diesel bill was voted out of the Senate Environment Committee on 3/7/05 by a vote of 3:2.
- The fundamental provisions remained the same (targeting on-road fleets of 10 or more and public construction contracts with non-road vehicles), however, there were several notable changes:
 - 1. A constitutional amendment was approved by the committee, which would reallocate 20% of the Corporation Business Tax to fund the cost of retrofits for the regulated community. Reimbursement would be 100% of the cost of retrofits plus installation.
 - 3. School buses remain as a voluntary sector; no retrofits are mandated.
 - 2. A provision was added to give NJDEP flexibility to change or modify targets if necessary, which means that school buses could potentially be added by NJDEP as a mandatory retrofit sector in the future.
- NJDEP has been asked to evaluate impacts of regulating smaller fleets as well as to re-evaluate current order of phase-in for retrofits.

NEW BUSINESS/OLD BUSINESS

- Chairman shared George Currier's resignation letter with members. (See Attachment
 5)
- Chairman extended appreciation to Janet Griffin-Wojtowicz and Kelly Moretta for hosting the meeting.
- Chairman extended thanks to Tom Micai for his efforts with I/M program. Lines at Bakers' Basin Inspection Station have been as short as 8 minutes.
- Chairman to contact Governor's office about reappointing Joseph Spatola
- Ken Thoman offered to schedule tour of coal power plants at IBEW and Duck Island.
- Annual Public Hearing Update—Speakers--Chairman to contact Assemblymen
 Munoz and Conaway, Gary Carter, and NJ Medical Society; James Blando to pursue
 Pediatric Association; Toby Hanna to invite authors of Belvidere Study; Sonia to
 invite Commissioner Jacobs to July meeting. Members were reminded to schedule
 entire day for meeting, starting at 9:00 a.m. for a pre-meeting
- Chairman called for motion to adjourn the meeting. John Maxwell made the motion the motion, seconded by Ken Thoman. The meeting was adjourned at 12:00 p.m.

ARTICLES OF INTEREST

• New Clips

NEXT MEETING

April 13, 2005, Public Hearing Room, NJDEP

May 11, 2005, 9:30 a.m., NJ State Chamber of Commerce, 1st Floor Main Conference Room, 216 West State Street, Trenton, NJ 08608 (609) 989-7888