April 3, 2003

S 945. TIMELY ENVIRONMENTAL PERMIT PROCESS. TO PROVIDE THAT THE SECRETARY OF ENVIRONMENT AND NATURAL RESOURCES SHALL MODIFY THE PERMIT PROCESS FOR CERTAIN AIR QUALITY PERMITS, SHALL CONDUCT A THOROUGH REVIEW OF THE ENVIRONMENTAL PERMIT PROGRAMS TO IDENTIFY IMPEDIMENTS TO THE TIMELY ISSUANCE OF PERMITS BY THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, AND SHALL MAKE RECOMMENDATIONS FOR MODIFICATIONS TO THESE PROGRAMS IN ORDER TO ENHANCE ECONOMIC DEVELOPMENT.

Adds new GS 143-215.108A to allow certain forms of construction or expansion of a facility for which an air quality permit is required under GS 143-215.108 (AQP) prior to the issuance of such a permit. In such an instance allows the new construction of any component of the facility that is "not integral to the operation of the air contaminant source, equipment, or associated air-cleaning device, including any portion of the facility that relates to or supports both the air contaminant source, equipment, or associate air-cleaning device and other functions, such as the foundation, walls, roofs, electrical wiring, and vents." Prohibits the actual air contaminant sources, equipment, and associated air-cleaning devices from being constructed prior to issuance of an AQP. To qualify, facility owner, at least 15 days before commencing construction, must give notice to the Environmental Management Commission (EMC) of the intent to construct a facility for which an air quality permit will be required under GS 143-215.108. Requires notice to include certain information about proposed facility and an acknowledgement that any construction prior to regular air quality permit is undertaken at owner's own risk. Also allows similar procedure to be used to expand or alter a facility that is already subject to an AQP. Requires owner/applicant submitting a "notice of construction" to pay a permit fee of \$200 for each notice.

Provides procedure by which EMC may follow up receipt of owner's notice if there is a significant likelihood that owner/applicant will not qualify for an AQP, including authorization to issue order that construction or modification cease. Provides that evidence regarding any financial investment made, construction activity undertaken, or economic loss incurred by anyone proceeding under this "early construction" procedure is inadmissible in any contested administrative or judicial proceeding concerning the permit. Clarifies that this new authority does not relieve owner/applicant from compliance with any federal rule or federally approved state or local requirement. Provides that new authority does not apply to any construction or modification that is subject to requirements for the prevention of significant deterioration or federal nonattainment new source review.

Directs Sec'y of Environment and Natural Resources (Sec'y) to conduct a thorough examination of the permitting programs in the department to reduce the time required for permit issuance and recommend necessary legislation. The study must identify: (1) outdated regulations; (2) organizational impediments; (3) methods of streamlining; (4) opportunities to expand the use of general permits; (5) options to pay higher fees for faster service; (6) opportunities to eliminate certain minor permit requirements for those who operate under an independently certified environmental management system; and (7) opportunities to use other certified professionals to design and approve systems.

Directs the Sec'y, with the cooperation of the Dept. of Administration to review the rules implementing the state's Environmental Policy Act. Requires Sec'y to report findings on or before Dec. 31, 2003, to the Environmental Review Comm'n and to the Joint Legislative Comm'n on Governmental Operations.

Applies to construction of any new facility and construction associated with the modification of a permit for an existing facility that commences on or after date act becomes law. Does not apply to any application for a permit or a permit modification submitted to the EMC prior to the date act becomes law.

Intro. by Hoyle.

Ref. to GS 143, STUDY

June 5, 2003

**S 945. TIMELY ENVIRONMENTAL PERMIT PROCESS.** Intro. 4/3/03. Senate committee substitute makes the following changes to 1st edition. Deletes requirement in GS 143-215.108A(d) that in evaluating a permit application under that sec., Environmental Management Comm'n shall consider any written comment received in response to notice by publication under subsection (a) or (b) of sec. Amends Sec. 4.(e) to require that Sec'y of Environment and Natural Resources consult with representatives of environmental protection and natural resources conservation advocacy groups in connection with Dept's review of environmental permitting programs.

June 23, 2003

**S 945.** AIR QUALITY PERMITS (NEW). Intro. 4/3/03. Senate committee substitute makes the following changes to 2nd edition. Revises proposed GS 143-215.108A to specify activities that may be undertaken prior to securing required air quality permits (clearing and grading, construction of access roads and parking, installation of utilities, and construction of ancillary structures that are not a necessary component of an air contaminant source, equipment, or device for which a permit is required). Adds requirement that permitee provide published notice of intent to alter or expand physical arrangement or operation of permitted facilities at least 15 days prior to that

action and specifies contents of notice. Specifies criteria for Environmental Management Comm'n to consider in review of such notices of intent and requires Comm'n to notify permitee within 15 days of its determination as to whether the criteria have been met and whether or not the proposed alteration or expansion can commence. Adds provision that this section does not relieve person of obligation to comply with any other state law. Deletes provisions of bill regarding departmental studies regarding permit processing times and Environmental Policy Act implementation.

July 9, 2003

**S 945. AIR QUALITY PERMITS.** Intro. 4/3/03. House committee substitute makes the following changes to 3rd edition. Makes technical changes only.

August 20, 2003

SL 2003-428 (S 945). AIR QUALITY PERMITS. AN ACT TO CLARIFY THE EXTENT TO WHICH A PROSPECTIVE APPLICANT FOR AN AIR QUALITY PERMIT FOR A NEW FACILITY MAY ENGAGE IN CONSTRUCTION PRIOR TO OBTAINING THE AIR QUALITY PERMIT AND TO SPECIFY THE CIRCUMSTANCES UNDER WHICH A PERSON WHO HOLDS AN AIR QUALITY PERMIT MAY ALTER OR EXPAND THE FACILITY UPON GIVING NOTICE TO THE ENVIRONMENTAL MANAGEMENT COMMISSION AND THE PUBLIC OF THE PERMITTEE'S INTENT TO APPLY FOR MODIFICATION OF THE PERMIT. Summarized in Daily Bulletin 6/23/03 and 7/9/03. Enacted August 19, 2003. Effective August 19, 2003.