

DESIGNING FOR COMPETITIVE ADVANTAGE: FLEXIBLE AIR PERMITS

Facilities operating air contaminant sources are required to obtain and implement air permits. Operating permits provide owner/operators, agency inspectors and the public with facility specific information about applicable air pollution regulations and each facility's compliance requirements.

Traditionally, operating permits require process modifications and new operations to undergo a lengthy permit review and approval process. This generally does not provide facilities the ability to respond quickly to changes in market demand. A solution to the agency review and approval headache is to design flexible operating permits that allow facilities to respond to changes in operation without being impeded by the terms of their operating permits.

Who can benefit from flexible operating permits?

The need for permit flexibility will vary from source to source depending on the frequency of operational changes, the ability to plan future operations and the business-related need to respond to changing market conditions.

The following activities generally require a permit revision and/or agency approval prior to implementation:

- Adding a new emission unit or equipment;
- Reconstructing an emission unit;
- Modifying an emission unit;
- Relocating or reconfiguring equipment;
- Rerouting emissions to a different control device; and
- Adding a new control device.

If your permit is not designed to allow changes such as these to occur without a permit revision, your facility may be impeded from responding timely to marketplace changes.

How do you design flexible operating permits?

Flexible operating permits can be designed using three basic strategies:

- *Smart Permits.* Smart permits are written to allow the source to operate as flexibly as allowed by not including restrictive terms in the permit that are not included in the applicable federal and state requirements.
- *Advance Approvals.* Advance approvals authorize specified future changes to occur such that no further approval or permit revision is needed before the source can make changes. Advance approvals can be used for a potentially wide spectrum of changes including adding new units, modification of existing units and adding new air pollution equipment.
- *Specific Permit Terms.* A facility can request "non-applicability" limits so that a change will not trigger an applicability requirement and a permit modification/review.

Flexible operating permits may not be for everyone. These permits require more upfront input from production and planning and may require increased record keeping. However, if your industry requires you to respond rapidly to changes in the marketplace, than utilizing flexible operating permit strategies to modify existing or design new operating permits may provide your facility with a competitive edge.