

EPA Oversight of Synthetic-Minor-Source Permitting: U.S. EPA Office of Inspector General Report

07/13/2021

The United States Environmental Protection Agency (“EPA”) Office of Inspector General (“OIG”) issued a July 8th report titled:

EPA Should Conduct More Oversight of Synthetic-Minor-Source Permitting to Assure Permits Adhere to EPA Guidance (“Report”)

See *Report* No. 21-P-0175.

A “synthetic-minor-source” is generally described in the context of the Clean Air Act as one having a potential to emit that is at or above the major source emission threshold. However, the source accepts restrictions on emission rates, process controls, or other limitations in an air permit in order to stay below the major source emission thresholds. The designation of synthetic-minor-source is allowed for both regulated New Source Review pollutants and hazardous air pollutants.

OIG previously stated that the objective of preparing the *Report* was to:

. . . determine whether oversight is sufficient within the EPA and state and local agencies to assure that synthetic-minor-sources of air emissions comply with the emission or operational limits in their air permits.

EPA oversees state and local compliance monitoring for synthetic-minor-source permits. However, the *OIG Report* concluded that EPA conducts what it describes as “only limited oversight of the permits themselves.” It further notes that while EPA has issued guidance to state and local agencies for purposes of developing enforceable permit limitations, the federal agency does not review the permits to assure the guidance is being met.

OIG states that in developing this *Report* it reviewed 16 natural gas extraction industry synthetic-minor-source permits. It claims that many of the permit limitations did not comply with the referenced EPA guidance. Alleged deficiencies are stated to have included:

- Permit limits did not have sufficient information to determine whether they were technically accurate
- Some limits did not specify the method of assessing compliance
- Some limits did not have sufficient monitoring requirements to determine whether assumed pollution reduction from pollution control devices was being achieved

The *Report* also concluded that EPA did not provide expectations to state and local agencies via guidance.

The recommendations OIG conveyed to EPA included:

1. develop and implement an oversight plan for synthetic-minor-source permitting;
2. update its practical enforceability guidance;
3. assess EPA studies and other relevant information on enclosed combustion devices during its next review of applicable regulations to determine whether revisions to monitoring, record-keeping, and reporting requirements are needed;
4. develop and issue new guidance that includes key EPA expectations for synthetic-minor-source permitting; and
5. take steps to assure that all states adhere to public participation requirements for synthetic-minor permits. All recommendations are resolved with corrective actions pending.

A link to the *Report* can be found [here](#).