



Department of
**Environment &
Conservation**

Construction Permitting Overview

Things to Consider Before you Begin Construction

Topics

- The regulatory requirement for a construction permit
- Definitions
- Determining the scope of your project
- Changes requiring a construction permit
- What constitutes construction
- Construction permit applications
- Things to keep in mind when preparing your construction permit application

Requirement for a Construction Permit

Subparagraph 1200-03-09-.01(1)(a) of the Tennessee Air Pollution Control Regulations reads, in part:

“Except as specifically exempted in Rule 1200-03-09-.04, no person shall begin the construction of a new air contaminant source or the modification of an air contaminant source which may result in the discharge of air contaminants without first having applied for and received from the Technical Secretary a construction permit....”

Definitions

A *new source* is, with respect to any rule, any air contaminant source, the construction or modification of which is commenced on or after the date specified in that rule. Substantially replacing an existing source (replacing virtually all of an existing source, excluding foundation and utility and/or control lines to the site) is also a new source. [1200-03-02-.01(1)(cc)]

A *modification* is any physical change in or change in the method of operation of an air contaminant source which increases the amount of any air contaminant (to which an emission standard applies) emitted by such source or which results in the emission of any air contaminant (to which an emission standard applies) not previously emitted. [1200-03-02-.01(1)(aa)]

Definitions (continued)

An *Air Contaminant Source* is any and all sources of emission of air contaminants, except mobile sources. [1200-03-02-.01(1)(b)]

- A new or existing manufacturing facility, automobile assembly plant, electric generating unit, combustion source, or university would be an air contaminant source.



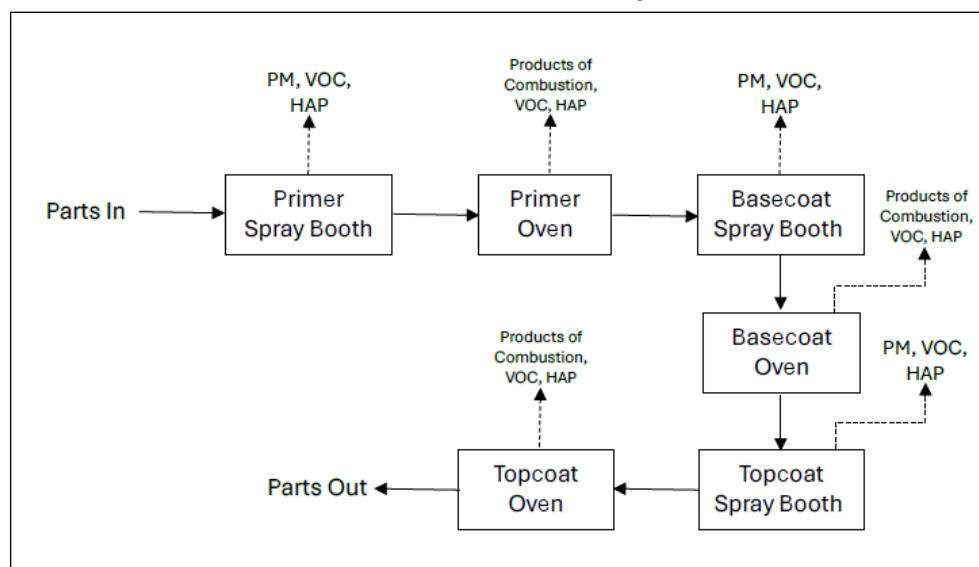
Definitions (continued)

A *Process Emission Source* is one or more units of processing equipment which may be operated independently of other parts of the operations at any given manufacturing or processing facility; also, where it is common practice to group more than one unit of like or similar processing equipment together and to apply a single or combined unit of air pollution control equipment to emissions of the entire group, such group of units shall be construed as a process emission source.

[1200-03-02-.01(1)(qq)]

Examples:

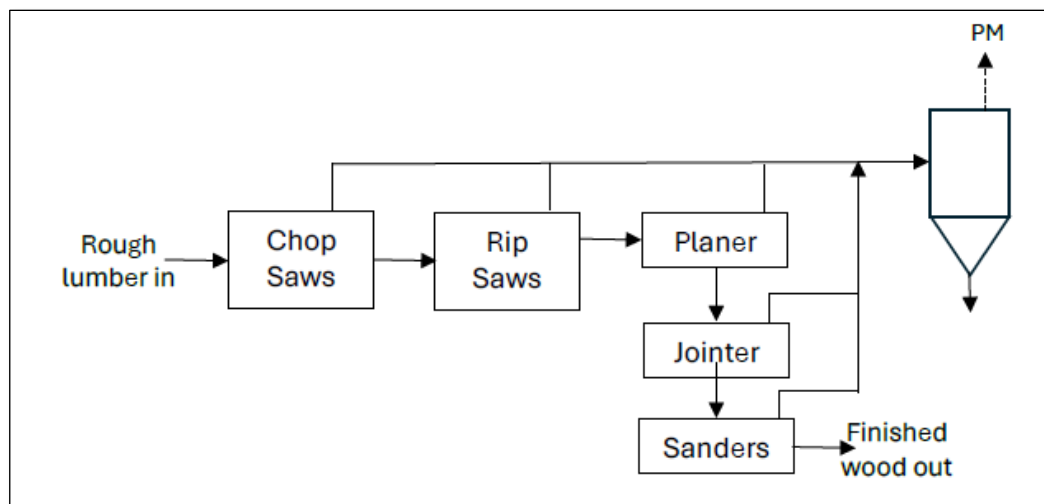
- A surface coating line that consists of multiple coating booths and curing or drying ovens



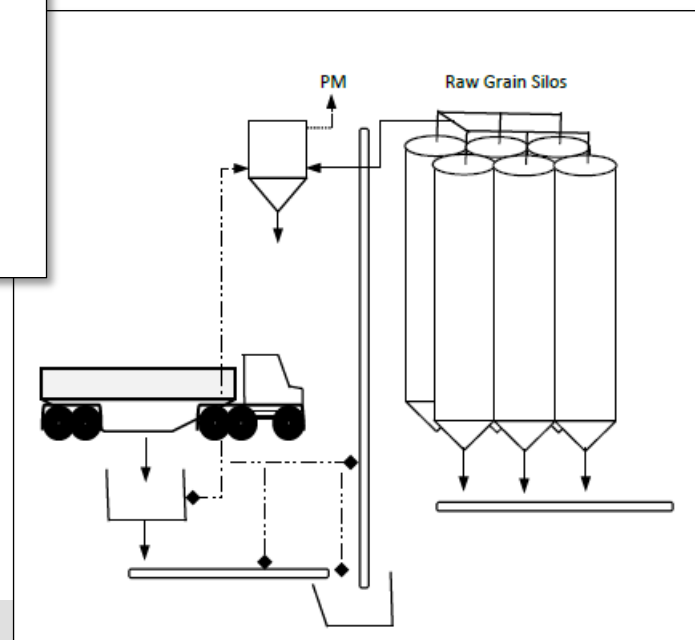
Definitions (continued)

Process Emission Source, Examples:

- Woodworking operation – several emission units ducted to the same control device



- Grain unloading operation with baghouse control



Definitions (continued)

Fuel Burning Equipment is any equipment, device, or contrivance and all appurtenances thereto, in which fuel is burned for the primary purpose of producing thermal or mechanical energy and in which the material being heated is not contacted by, and adds no substance to, the products of combustion. [1200-03-02-.01(1)(r)]

Examples:

- *Internal combustion engines*
- *Combustion turbines*
- *Boilers*



https://www.hurstboiler.com/boilers/scotch_marine/series_500



<https://www.gevernova.com/gas-power/products/gas-turbines/7f>



<https://www.toromontpowersystems.com/electric-power/products/diesel-generators>

Determine the Scope of your Project

Define your Project

- Are you constructing a new air contaminant source?
- Are you adding one or more new process emission sources/emission units or are you modifying an existing process emission source/emission unit?
- Get a list of all new equipment; identify any existing equipment that will be modified
- Prepare a facility layout and process flow diagram
- Identify the process emission sources and emission units in your project

Determine the Scope of your Project (continued)

Determine project emissions

- Calculate emissions from each new emission unit and each modified emission unit (if applicable)
- Compile a facility-wide emission summary that includes existing and new emission units
 - Has your facility category changed?
- Identify any new emission units that qualify as exempt from the requirement to obtain an air permit

Changes Requiring a Construction Permit

Existing Title V Facilities

- Some new process emission sources/emission units can be added through the minor modification process or through operational flexibility.
- Changes that require a significant modification to the Title V permit almost always require a construction permit.
- Emission units that qualify as insignificant activities do not require a construction permit. However, some insignificant activities are required to be included in permit applications.

Changes Requiring a Construction Permit (continued)

New Title V Facilities

- A construction permit is required for all process emission sources/emission units that do not qualify for designation as insignificant activities.
- Insignificant activities should be included in the permit application.

Existing and New Non-Title V Facilities

- Emission units that qualify for exemption do not require a construction permit. However, a 30-day written notification is required for new insignificant activities or emission units.
- A construction permit is required for all process emission sources/emission units that do not qualify for exemption.

What constitutes *construction*?

For new sources or modifications that are subject to major New Source Review (NSR) [paragraphs 1200-03-09-.01(4) and (5)], the Tennessee Air Pollution Control Regulations offer clear definitions of *construction* and *commence* construction. These are always binding for those types of changes or additions.

However, for new sources or modifications which are not subject to major New Source Review [non-PSD sources located in attainment areas], Division policies allow for certain activities to go forward prior to the issuance of a construction permit.

What constitutes *construction*? (continued)

There are certain activities (of a more general nature), which the Division does not typically consider to be “construction” of the new or modified source. [Those activities include:](#)

- General site grading at the source location;
- Construction of a general slab, which does not include dedicated footers/foundations for specific equipment related to the air contaminant source;
- Construction of a general building at the source location;

What constitutes *construction*? (continued)

- Installation of utility piping, conduit, wiring, etc., which does not include unique devices for specific equipment related to the project; and
- On-site storage of process equipment in a location other than where it is (eventually) to be operated or installed.

In summary, activities of a general nature, which are not directly related to the installation or modification of specific equipment related to the air contaminant source, can normally take place prior to the issuance of a construction permit.

What constitutes *construction*? (continued)

If construction activities related to the emission source (other than those on the previous slides) go forward before a valid construction permit is in place, enforcement action may result.

Construction Permit Applications

Preparing a construction permit application

- Complete all necessary application forms (Title V or non-Title V)
- Include a facility layout and process flow diagram(s)
- Tell us about your facility
 - What do you make or do?
 - What's the purpose of this process emission source?
- If the process emission source includes multiple emission units, describe all the equipment

Construction Permit Applications (continued)

- Include emission calculations and a facility-wide emission summary
 - If a new air contaminant source, include all emission units in the application
 - If a modification to an existing air contaminant source, include the emissions from the new or modified sources as well as emissions from the existing sources
- Identify all applicable requirements, list them in the permit application
 - Federal requirements – NSR, NESHAP, NSPS
 - Provide a list of the applicable sections of the rule in the application
 - Don't forget the area source NESHAP rules
 - State requirements
 - Chapter 18
 - Low NO_x burner requirements

Things to keep in mind

Things to consider when preparing your construction permit application:

For process emission sources using a control device

- Performance testing may be required
 - When using a control device to comply with a federal standard or to avoid an applicable requirement
- Control Efficiency
- Capture Efficiency – are all emissions generated by the source captured and routed to the control device?

Things to keep in mind (continued)

For process emission sources using a control device

- Permanent Total Enclosure – sometimes referred to as PTE (but this can be confusing)
 - Required in certain situations, usually for VOC and volatile HAP sources with control devices.
 - Is a permanently installed enclosure that completely surrounds a process emission source or emission unit such that all emissions are captured and contained for discharge through a control device.
 - In some cases, a temporary total enclosure (TTE) must be constructed prior to source testing.
 - If you will have a PTE, the Division strongly encourages you to work with an experienced consultant to ensure it meets all federal and state requirements.

Things to keep in mind (continued)

Consider how you plan to demonstrate compliance

- Control device monitoring
 - Monitoring equipment such as thermocouples, magnehelic gauges, flow meters, etc. may be required
- Recordkeeping

Remember the timeframes for permit issuance, submit your complete application as early as possible

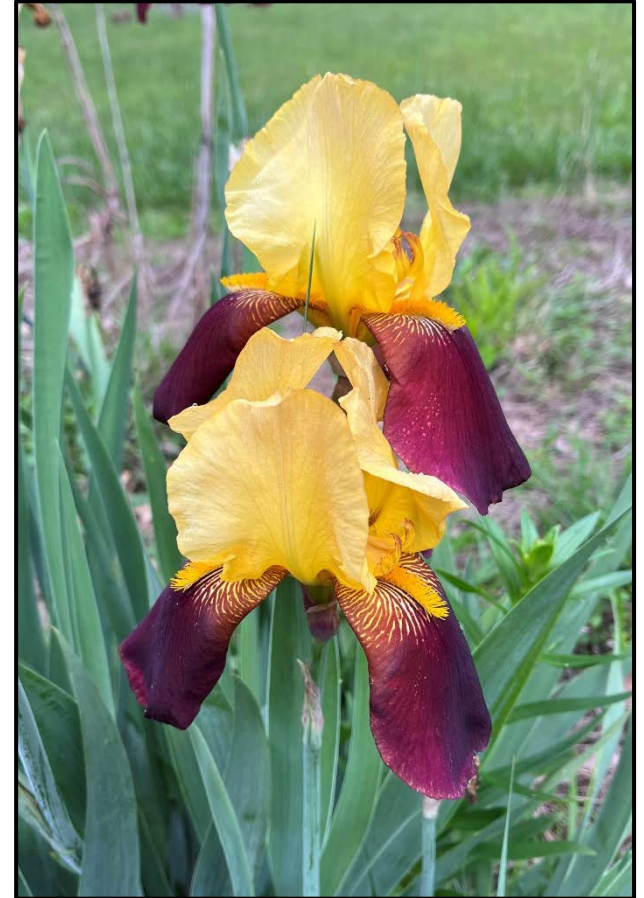
What about my source?

Each change must be evaluated individually, on a case-by-case basis.

We are happy to discuss proposed changes before an application is submitted, but we are unable to make a determination over the phone or via email. A determination can only be made after we have received and reviewed all information related to the change.

Questions?

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<https://www.tn.gov/environment/air.html>



Department of
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Construction Permit Application Fees

Construction Permit Application Fees for non-Title V Sources

AMER	Application Fee
Less than 10 TPY	\$100
10 to < 100 TPY	\$500
100 to < 250 TPY	\$1,000
250 to < 500 TPY	\$2,000
500 to < 1,000 TPY	\$3,000
1,000 to < 5,000 TPY	\$4,000
5,000 and greater TPY	\$5,000

AMER

- AMER is the Anticipated Maximum Emission Rate from the source
- “Anticipated maximum emission rate” (AMER) means the maximum rate of actual emissions, in tons per year, from all regulated air pollutants, as defined in part (11)(b)19. of Rule 1200-03-09-.02, emitted from all sources listed in a construction permit application, excluding sources that are not required to obtain a permit in accordance with Rule 1200-03-09-.04.
- APC Form APC AMER (CN-3047) must be included with all non-Title V (true minor and CM) construction permit applications.

Change to Construction Permit Fees to Modify an Existing Source or Application

- Applicants submitting a construction permit application to modify an existing permitted source now pay the full construction permit application fee (still based on the maximum increase in emissions [AMIE]) instead of ½ the construction permit application fee.
- Applicants who revise an existing construction permit application that has been deemed complete but has not been issued and that result in an increase in allowable emissions sought by the applicant or an increase in actual emissions declared in the original application are subject to ½ the construction permit application fee (based on the AMIE of that change); this has not changed.

AMIE

- AMIE is the Anticipated Maximum Increase in Emissions of the existing source, or the AMER after the change minus the AMER before the change.
- Example:
 - The complete application had an AMER of 15 tons per year.
 - An updated application is submitted with an AMER of 20 tons per year.
 - $20 \text{ tpy} - 15 \text{ tpy} = 5 \text{ tpy}$
 - 5 tpy falls in the first category of less than 10 tpy, which has a fee of \$100. Since this is a modified application, 50% of \$100 is \$50.
- Be aware that this change will restart the Division's 115 or 180-day permit issuance timeline.

Construction Permit Application Fees for Title V Sources

What	Fee	Deadline
CP at T5 facility	\$7,000	180 days
Revisions to CP application after deemed complete	\$3,500	180 days
Major NSR (PSD/NA-NSR)	\$70,000	180 days
New PAL	\$10,000/pollutant	365 days
T5 to CM	\$18,000	365 days

Extensions of Issuance Deadlines

- For construction permit applications, if a mutual agreement letter required to reduce annual fees or to opt out of Title V has been requested by the Division at least seven days prior to a deadline specified in the rule, but is not received by that deadline, the applicable deadline shall be seven days after receipt of the agreement letter.
1200-03-26-.02(5)(e)5
- If a source is required to have a compliance schedule in their permit the deadline for permit issuance is extended as provided in 1200-03-26-.02(5)(e)6.

Compliance Schedules

- 21 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is not required to have a public comment period.
- 60 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity for public comment, and no public hearing is held.
- 60 days after receipt of a compliance schedule from the application that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity for public comment and a public hearing is announced along with the opportunity for public comment on the draft permit.

Compliance Schedules cont.'

- 90 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity for public comment, if a public hearing is requested during the public comment period, and the public hearing is held after the close of the public comment period.

Fee Website

- <https://www.tn.gov/environment/air/fees.html>