

The background of the slide is a scenic view of rolling mountains in North Carolina, likely the Blue Ridge Mountains. The mountains are layered, with the foreground being a lush green forested ridge and subsequent ridges becoming increasingly hazy and blue as they recede into the distance under a clear sky.

Science & Tech Committee Manufacturers and Chemical Industry Council of NC

CAPCA Fall Meeting
22 October 2009

Who is MCIC & Why I am here

- Represent 56 Manufacturers in NC employing 58,000 workers @ 130 Facilities – supporting 994,000 Workers in other NC industries
- Concerns:
Environmental, Health, Safety & Taxation issues affecting NC Manufacturers
- To provide you with an update of what industry has done to work with the various regulatory agencies and legislature in the last 12 months.

MCIC's mission

- To represent the interests of Manufacturers in NC
- Promote Science, engineering, and economics in the legislative and regulatory process.
- Educate and inform members to enhance capabilities to operate responsibly and successfully.

MCIC's Goal

- To proactively work with the various regulatory agencies and the legislature, in an open public format, to provide insight into the practicality of rules and laws under consideration.
- We want to work to have rules that we can implement, that follow the law, and provide industry as a whole with a simple track for compliance and success.

Issues of note – Last 12 months

Anti-Idling Rule

Good example of work between the State and Manufacturing to craft a rule meeting State's needs while providing manufacturer's with a simplistic compliance approach.

Unfortunately, others have challenged the rule and it awaits legislative action.

RPS – SB3

Have continued to work in the legislature to preserve tax relief during this tough time.

AQMP

Look forward to working w/ DAQ, as with Anti-Idling, to understand the approach and seek practical solutions.

Issues of note – Cont'd

- **Combustion Source Exemption - Removal**

In the Mid 1990's the EMC provided policy guidance under the NC Air Toxics program allowing industry an opportunity to wait for the "promulgation" of Federal MACT standards for combustion sources. This temporary exemption would allow for an understanding of the controls and costs associated with compliance for the Federal MACT standards for combustion sources with the exemption "sun setting" at the compliance date for the MACT standard.

MCIC sees no reason to reverse this policy and will work with other interested parties to seek legislative review.

Compliance with the MACT standard is presumption of compliance with NC Air Toxics leading to a 5 year exemption from modeling.

Issues of note – Cont'd

- **MACT v. NC Air Toxics**

MCIC had a Bill introduced this past legislative session that would allow sources subject to a MACT standard to be deemed compliant with NC Air Toxics, while allowing for continued oversight by DAQ to step in where a threat to the environment was perceived or existed. The Bill was ultimately held hostage by the Speaker of the House.

Issues of note – Cont'd

- **Risk Based Remediation -**

MCIC continues to work with the Division of Waste Management and other interested parties to develop a risk based remediation program for the clean up of contaminated industrial sites that can be introduced for legislative action.

- **Tiered Enforcement**

MCIC seeks recognition of the difference between paperwork violations and actual emissions violations that result in harm to the environment.

- Economic incentives are jeopardized with a single paperwork violation. Exemption/prevention/exclusion from participation in incentive programs sponsored by the State of NC.

Issues of note - Current

NSR – Acceptance into the SIP

MCIC anxiously awaits the adoption of NC's NSR rule into the SIP by USEPA.
(Actuals to projected Actuals)

NSR – Visibility

MCIC agrees with DAQ's position that current background should be utilized in visibility calculations under the PSD program.

Issues of note - Future

**“Abandon all hope,
ye who enter in”**

Dante's Inferno, Cantos III

Issues of note - Future

Greenhouse Gases

MCIC advocated for NC to not adopt GHG reporting rule and wait for a Federal Rule to be adopted. EPA has not adopted; thereby obviating the need for the adoption of a duplicative rule. It is MCIC understanding that NC will no longer seek this rule and thus, legislative action will not occur.

NSR & GHG – MCIC will be closely following this issue as it evolves due to the implications for future investment and job creation.