

Department of Environmental Quality
Promoting Leadership in Environmental Decision-making to Grow our Economy
(PLEDGE)
April 1, 2004

The Department of Environmental Quality (DEQ) recognizes that timely decisions on air permit to install (PTI) applications are needed in this global economy. Therefore, the DEQ announces the creation of **PLEDGE – Promoting Leadership in Environmental Decision-making to Grow our Economy** and commits to processing targeted air new source review PTI applications within 120 days of receipt in a cooperative, transparent manner. PLEDGE is a minimum two-year, or possibly three-year, pilot program to ensure timely decisions on air PTI applications of significant economic impact. PLEDGE will not compromise state and federal requirements, including public participation, nor will it guarantee the project will be approved. PLEDGE will require the cooperation and dedication of staffs of both the DEQ's Air Quality Division (AQD) and the Applicant. Information requests and submittals, AQD's independent technical review, discussion of draft conditions, and the development of the public participation documents must be done in an efficient and timely manner. A Memorandum of Understanding (MOU) will be signed by the Applicant and the AQD to ensure both are working toward a common goal – an informed decision within 120 calendar days of the application submittal.

Key Points of pilot program:

- Partnership created between the DEQ and Department of Labor and Economic Growth (DLEG) to address the loss of manufacturing jobs in Michigan.
- The DEQ and Applicant both committed to the common goal of a permit review and decision completed in an efficient and timely manner.
- Early notification and involvement of local governments, citizens, and environmental groups.
- Guaranteed fixed dates for permit decision points.
- State and federal environmental requirements, including public participation, will not be compromised.

PLEDGE will not apply to all applications. The PLEDGE designation will be made in collaboration with the Directors of the DEQ and DLEG. The resources committed to each PLEDGE project allow up to five projects during each pilot year to be designated priority under the program.

Attached is a flow chart outlining the steps of the PLEDGE project review. Each step is vital and the days listed are a fixed deadline. No exceptions will be made.

After the PLEDGE designation is made, a pre-application meeting will be held at least 45 days before application submittal. As a minimum, this meeting will include a detailed overview of the proposed project and application, identification of the information required for the technical review, discussion of policy issues with a schedule to reach consensus before submittal of the application, designation of all Applicant and AQD contact persons, and a confirmation of the application submittal date. The Applicant and the AQD will then meet, as necessary, to address unresolved issues from the pre-application meeting. All identified policy issues should be resolved before the application is submitted. All information will be considered confidential and will not be released until submittal of the application.

An AQD Public Liaison and a DLEG Public Liaison will be named for each PLEDGE project to ensure that all persons interested in the process are informed. The Liaisons will provide application information and project developments to all interested parties. The Applicant must communicate their intentions to

the local government, the public, and citizen groups, at least 30 days before the application is submitted. To ensure the public has access to all information, the Applicant's notification must provide general information about the proposal and describe how the Applicant's contact person and the AQD Public Liaison may be contacted.

The AQD will establish a project review team and identify a Project Team Leader. The Team Leader will be responsible for ensuring all aspects of the review are completed. The Team Leader will coordinate with the Permit Section Chief and Unit Supervisors regarding workload; however, the PLEDGE project review will be the top priority.

A permit application number and deadline dates based upon the confirmed submittal date will be established. A copy of this information will be placed on the AQD Permit Section, or a possible joint DEQ/DLEG, web site. It is important that all involved with the submittal and review are aware of the deadlines and the current status of the application review. The placement on the web site will also provide additional notification to the public. This information will be updated daily with a summary provided weekly to the Applicant and Directors of the DEQ and DLEG. Additional documents associated with the PLEDGE project review may be provided on the web site.

During the review process, the following standards will be met:

- The goal for the Applicant and AQD staff is the development of a draft permit that meets all state and federal requirements, with sufficient support documentation.
- All telephone calls involving the Applicant and/or AQD staff will be returned within one working day.
- All requests for information will be completely responded to within two working days.
- Verification that e-mails have been received will be completed daily.
- All spreadsheets, including equations, shall be submitted electronically, as well as in hard copy format.
- Communications will be done via telephone or e-mail. An established form will be used to document all requests for information.
- During the technical review process, the PLEDGE project will be the top priority for both the Applicant and AQD staff.
- The Applicant and AQD staff will be available to answer questions; vacation time will not delay the review process.
- The Issue Resolution Process will not apply to PLEDGE projects. The Issue Resolution Process is followed by permit applicants whenever there is a disagreement on technical issues or policy issues. The PLEDGE process time line requires all such issues to be resolved before the application submittal or more expeditiously than the Issue Resolution Process.
- The PLEDGE process cannot address any issues involving enforcement actions.

PLEDGE Project Review Process - All time frames are based on calendar days

The designation of an air new source review PTI application as a PLEDGE project shall occur no later than **60 days prior to the submittal** of the application.

A pre-application meeting between the Applicant and AQD shall be a minimum of **45 days prior to the submittal**. Additional meetings may also be held to identify and resolve any technical or policy issues.

The Applicant must notify the local governments, the public, and citizen groups of their proposal. The notification must provide a general discussion of the project as well as the contact names for the

Applicant and the AQD and DLEG Public Liaisons. This notification must occur a minimum of **30 days prior to the submittal**.

Day 0 is identified as the date the application is submitted. The application will receive a number and will be assigned immediately upon receipt. The Permit Section Chief shall serve as the arbitrator on permit review issues, and as the disseminator of review status information.

All required information must be submitted by **Day 50**.

On **Day 55**, a determination will be made by the Permit Section Chief as to the status of the application. If the technical review is complete and there is agreement on the draft conditions, the public participation process begins. The next five days will be spent developing the Fact Sheet and Public Notice and proceeding with the scheduling and noticing of the Comment Period and potential Hearing. A Hearing will be held only if one is requested.

If the technical review has not been completed because there is insufficient information, the PLEDGE designation will be denied and the application review continues in the traditional manner once the information becomes available. The denial of the PLEDGE designation does not preclude the Applicant from re-applying once the information becomes available. However, a redetermination that a new application warrants a PLEDGE designation will be required.

If the technical review is complete, but there is disagreement on the proposal or the draft conditions, the AQD will proceed based upon the review completed to date. The decision by the AQD may be in concert with the Applicant's proposal, or may differ based upon the independent technical review. The AQD may recommend approval of the permit based upon draft conditions and/or may recommend denial because the Applicant's proposal does not meet state and/or federal requirements. As stated previously, the next five days will be spent developing the Fact Sheet and Public Notice and proceeding with the scheduling and noticing of the Comment Period and potential Hearing. A Hearing will be held only if one is requested. If there is disagreement between the Applicant and the AQD on the proposal, the Applicant is urged to provide public comments during the Public Comment Period.

The Public Comment Period will be announced on **Day 60**. The announcement will be published in a minimum of one newspaper of general circulation in the area of the facility, on the AQD web site, via direct mail, if applicable, and in the next DEQ Calendar. The Decision-maker will also be identified.

A 30-day Public Comment Period will be held. A Hearing will be held by **Day 95**, only if one is requested in writing.

By **Day 99**, if there are no comments received, a decision on the permit will be made by the Decision-maker, effective immediately.

By **Day 120**, a decision will be made on the PLEDGE project by the Decision-maker.

If comments were received on the draft conditions and the proposed site is located in a National Ambient Air Quality Standards (NAAQS) attainment area, federal rules require a 33-day delayed effective date. The AQD has no influence on the delayed effective date or the United States Environmental Protection Agency's Environmental Appeals Board (EAB) process. However, it is important to note that early education and involvement of the community and its leaders, the resolution of policy issues prior to Day 0, and the submittal of detailed information reduces the likelihood of an appeal.

If the site is located in a NAAQS nonattainment area, the permit is effective immediately and the EAB does not retain review rights. It is anticipated that NAAQS nonattainment areas will be designated in Michigan in April 2004.

