

Managing Air Inspections in the Age of Information

A PRACTICAL GUIDE - Kristen Ellis Johnson

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Air Inspections

- What We Know
- What to Expect
- How to Prepare
- Best Practices
- Collateral Effects



WHAT WE KNOW

- Broad authority to audit and inspect
 - CAA 112r (RMP) and 113 (Federal Enforcement)
 - 114 Information Requests
 - RSMo 643.060 (4) Director to enforce, investigate complaints, issue orders, and take all actions necessary to implement
- EPA National Enforcement Priorities focused on air
- Increased Information Available
- Expect more unannounced, targeted inspections

MDNR Responsive

Investigated 80% of concerns reported (annual average)

EPA's National Enforcement Compliance Initiatives (NECI)

2020-2023

- Air
- Creating Cleaner Air for Communities by Reducing Excess Emissions of Harmful Pollutants
- <u>Stopping Aftermarket Defeat Devices for Vehicles and Engines</u>
- Hazardous Chemicals
- Reducing Hazardous Air Emissions from Hazardous Waste Facilities
- Reducing Risks of Accidental Releases at Industrial and Chemical Facilities
- Water
- Reducing Significant Non-Compliance with National Pollutant Discharge Elimination System
- Reducing Non-Compliance with Drinking Water Standards at Community Water Systems

2024-2027

- Reducing Air Toxics in Overburdened Communities (modified)
- Mitigating Climate Change (new)
- Addressing Exposure to PFAS (new)
- Chemical Accident Risk Reduction (continued)
- Protecting Communities from Coal Ash Contamination (new)
- Increasing Compliance with Drinking Water Standards (continued)

EPA Policy: Federal Enforcement

Imminent & Substantial Danger

Nationwide Initiatives (EJ & NECI)

EPA Funding Air & Enviro Justice

- FY 2023 Budget Justification
 - \$100 million community air quality monitoring
 - \$299.4 million air regulations (NAAQS)
 - \$12.7 million wildfire prevention
 - \$294.938 million Environmental Justice
 - \$11.8 million (FY22); \$10.3 million (FY21)
 - \$69.5 million –Criminal (291 FTE)
 - \$8 million (32 FTE) in 2022

WHAT TO EXPECT:

Increased Transparency

- Missouri CBI regulation updated 2022
- MDNR now publishing air applications online
- Release of Inspection Reports
- Air Quality Index Data

- Proposed AERR Rule
 - Require direct reporting to EPA
 - Criteria Pollutant and HAP
 - Does away with CBI

WHAT TO EXPECT: Monitoring Technology

NextGen has arrived

- -Ambient monitoring system
- -Fence line monitoring
- -Mobile monitoring
- -Personal monitors



How to Prepare

Identify compliance gaps

Ongoing Training

Know Your Status

- Value of conducting audits
- Consider impact of regulatory changes
- Recordkeeping
- Emergency Management Systems

Ongoing Training

- Great Resignation has "ended" but impacts still evident
- Boomers retiring (all 65 by 2030)
- Institutional Knowledge

Mirror Inspector Training

- Thorough understanding of sector-specific guidance
- Familiar with applicable industry standard (OSHA, NFPA, ANSI)
- Knowledgeable regarding plant operations and processes
- Sufficient history regarding any releases, emergency response/mitigation

Best Practices: Inspection Day

- Accompany inspectors
- Take your own notes, duplicate sampling
- Balance of access and safety
- Responding to requests
- Access to Records
- Notice of Potential Findings Confidential Information

Expect Transparency

Protecting Confidential Business Information

Confidential Business Information

40 CFR 2.208

- Exemption 4 Freedom of Information Act
 - Trade Secrets or
 - Commercial or Financial <u>and</u> obtained from a person <u>and</u> privileged or confidential

10 CSR 10-6.021

- 2022 Revised to mimic federal
 - Reasonable measures to protect
 - Not obtainable
 - No statute requires disclosure

Emissions Data is not CBI...what is?

- Process information
- Equipment design, innovative technology
- Manufacturing methods and capacity
- Financial information Profit/Loss data
- Marketing Strategy

Collateral Effects

Consider the whole picture of violations

2023 Penalties – Clean Air Act

- \$55,808 per day per violation (administrative)
- DOJ referral penalties exceed \$446,456
- \$117,468 per day per violation (judicial)
- Missouri \$10,000 per day
- Either civil penalty 643.151 or administrative 643.085

SEC Disclosure –

- Currently, must disclose material risks to business or financial condition
 - 10% of current assets OR
 - Involves governmental authority and monetary sanctions --\$300,000
- Expected Rule: climate-related risks and management

Any Questions?

Thank You



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