



Air & Renewable Energy Regulatory Update

VEEP Workshop

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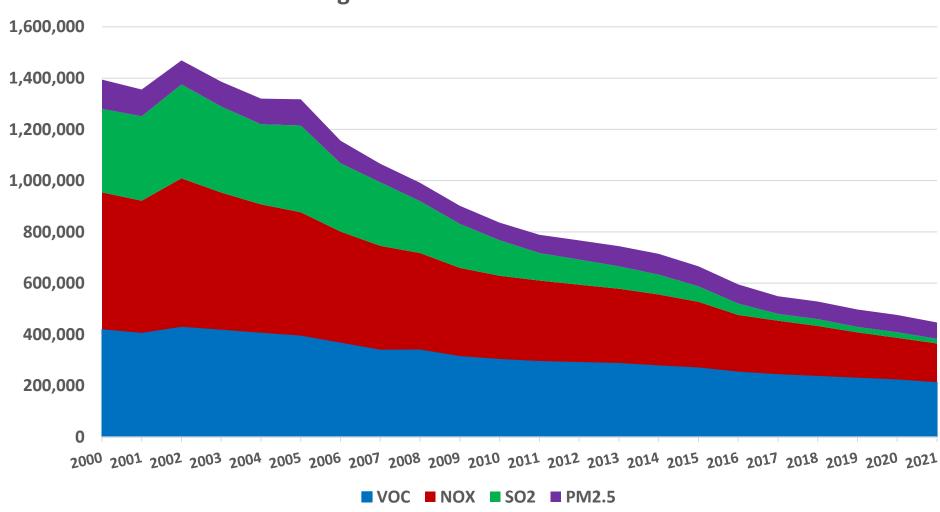
Virginia Department of Environmental Quality

May 25, 2023



Emission Reduction Trends

Virginia Criteria Pollutant Trends



EPA Our Nation's Air Report – Trends Through 2022

- The report released May 23 shows that between 1970 and 2022, the combined emissions of six key pollutants dropped by 78%, while the U.S. economy grew 304% over the same time.
- National average concentrations of air pollutants decreased considerably across the nation between 1990 and 2022:
 - Carbon Monoxide (CO) 8-Hour: 81%
 - Lead (Pb) 3-Month Average: 88% (from 2010)
 - Nitrogen Dioxide (NO₂) Annual: 60%
 - Nitrogen Dioxide (NO₂) 1-Hour: 54%
 - Ozone (O₃) 8-Hour: 22%
 - Particulate Matter 10 microns (PM₁₀) 24-Hour: 34%
 - Particulate Matter 2.5 microns (PM_{2.5}) Annual: 42% (from 2000)
 - Particulate Matter 2.5 microns (PM_{2.5}) 24-Hour: 42% (from 2000)
 - Sulfur Dioxide (SO₂) 1-Hour: 90%



The Clean Air Act, National Ambient Air Quality Standards, and the Federal-State Partnership

- The Act directs EPA to establish NAAQS for certain air pollutants at a level to protect human health with an adequate margin of safety
 - o Ozone
 - PM10
 - o PM2.5
 - Sulfur dioxide
 - Nitrogen dioxide
 - Lead
 - Carbon monoxide
- The Act directs states to develop, implement, and enforce plans to achieve and maintain the NAAQS
 - Northern Virginia nonattainment for ozone
 - Giles County nonattainment for SO2



Federal Ozone Air Quality Standards

1979 Standard

- 0.12 ppm
- Averaged over one hour

1997 Standard

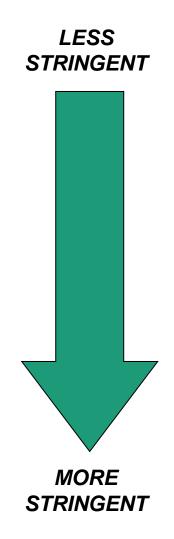
- 0.08 ppm
- Averaged over eight hours

2008 Standard

- o 0.075 ppm
- Averaged over eight hours

• 2015 Standard*

- o 0.070 ppm
- Averaged over eight hours

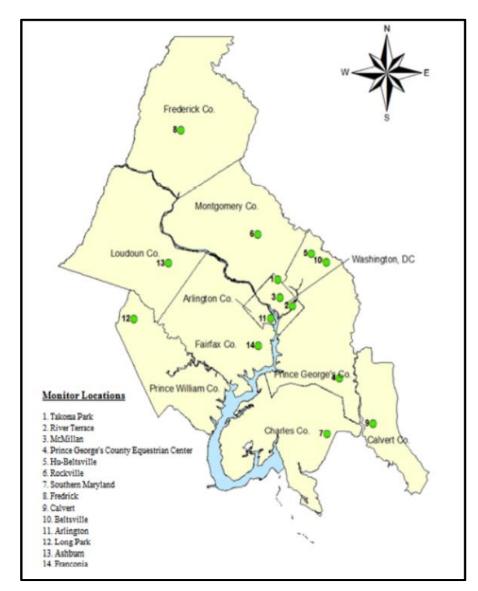


* EPA's revised draft Policy Assessment for the ozone NAAQS, dated March 1, 2023, indicates that EPA is not considering changing the primary ozone standard.



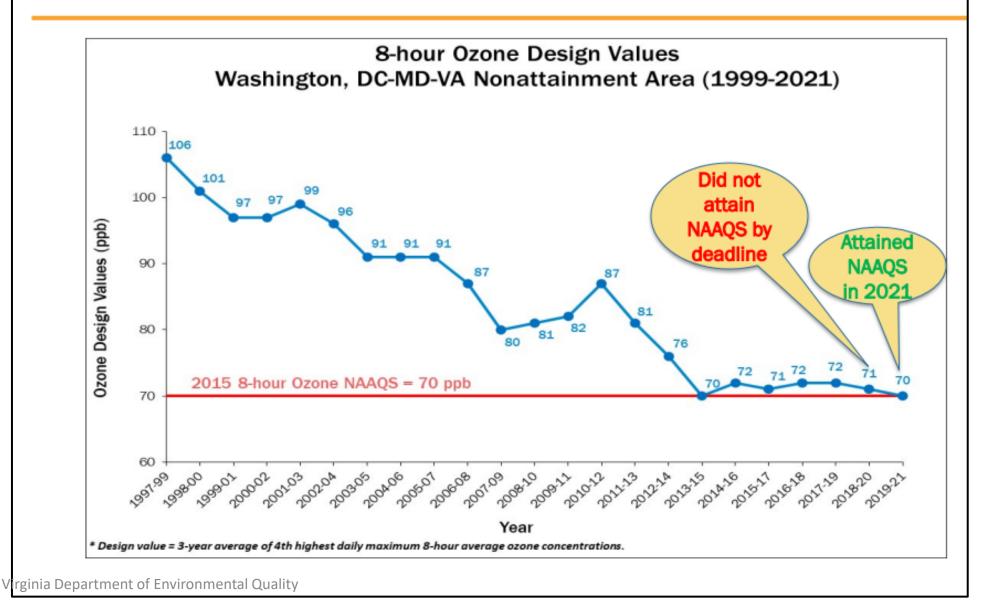
Metropolitan Washington, D.C. 2015 Ozone NAAQS Nonattainment Area

- Tri-state nonattainment area:
 - More than 5,800,000 people
 - District of Columbia
 - Maryland: Counties of Calvert, Charles, Frederick, Montgomery and Prince George's
 - Virginia: Counties of Arlington, Fairfax, Loudoun, and Prince William; Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park
- Historic, persistent ozone problems





Ozone Design Value Trend





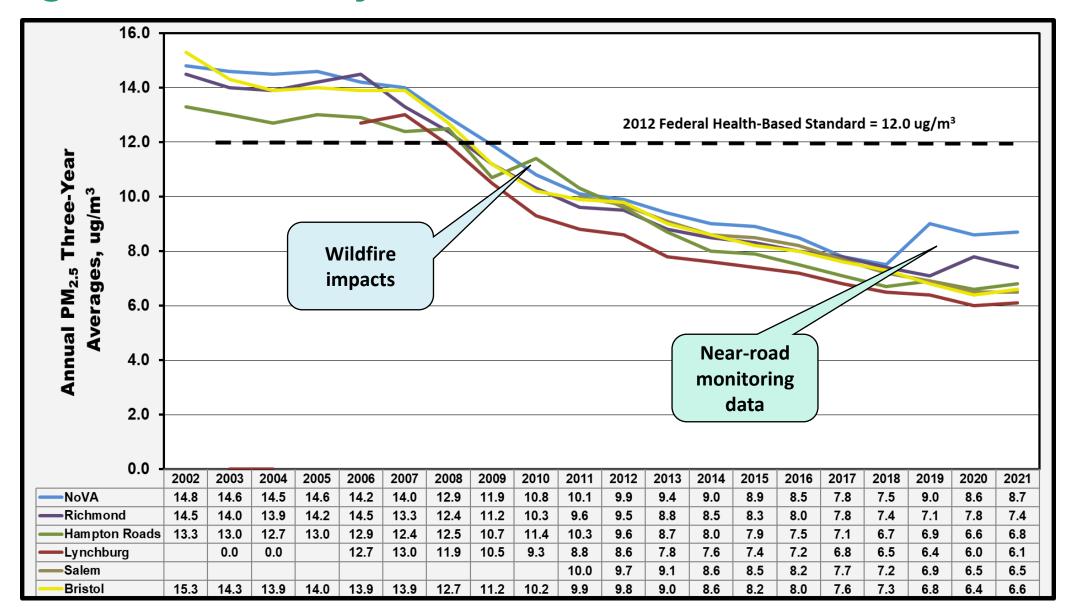


Next Steps

- DEQ officially asked EPA for a Clean Data Determination (CDD) for the region last November
- DEQ's letter was quickly followed with similar requests from D.C. and Maryland for a CDD
- EPA was receptive and proposed making the CDD on January 31, 2023
- A CDD is the first step in EPA's process to formally redesignate the Northern Virginia/D.C./Suburban Maryland region as attainment for the ozone NAAQS



Virginia's Air Quality Trends – PM_{2.5}





1971 Standards (TSP)

- o Primary
 - 260 µg/m³, 24-hour
 - 75 μg/m³, annual
- Secondary
 - 150 µg/m³, 24-hour
 - 60 μg/m³, annual

1987 Standards (PM₁₀)

- 150 μg/m³, 24-hour
- 50 μg/m³, annual

1997 Standards (PM_{2.5} & PM₁₀)

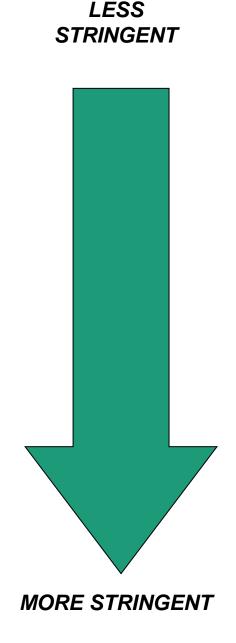
- o PM2.5
 - 65 µg/m³, 24-hour
 - 15.0 µg/m³, annual
- o PM10
 - 150 µg/m³, 24-hour
 - 50 µg/m³, annual

2006 Standards (PM_{2.5} & PM₁₀)

- o PM2.5
 - 35 µg/m³, 24-hour
 - 15.0 μg/m³, annual
- PM10: 150 μg/m³, 24-hour

2012 Standards (PM_{2.5} & PM₁₀)

- o PM2.5
 - 35 µg/m³, 24-hour
 - 12.0 μg/m³, annual primary; 15.0 μg/m³ annual secondary.
- o PM10: 150 μg/m³, 24-hour



Federal
Particulate
Air Quality
Standards

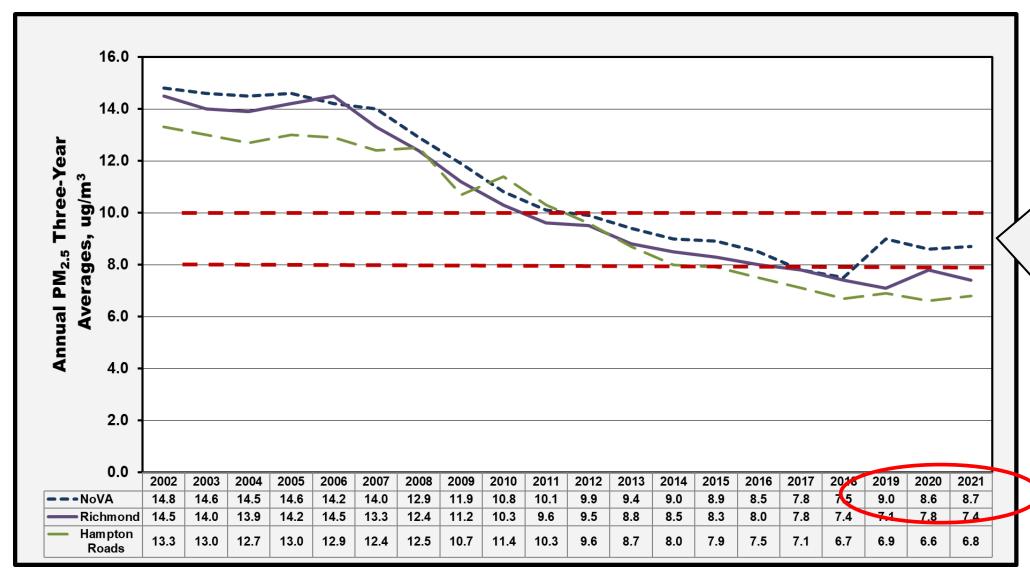


PM_{2.5} NAAQS Updates

- Current standards:
 - o 35 μg/m³, daily 24 hr. average
 - 0 12.0 μg/m³, annual average
- EPA in January proposed to lower the annual PM2.5 NAAQS to between 9-10 microns per cubic meter,
 - Also taking comment on whether to establish the annual standard as low as 8 microns per cubic meter instead
 - o Proposed to retain the daily 24 hr. standard
- Comment period closed in March
- EPA expected to finalize the new PM2.5 NAAQS sometime later this year.



Virginia PM_{2.5} Monitoring Data and Possible New Standard



Depending on where the new standard is set, Virginia may have additional planning requirements, particularly for NoVA.



Solar PBR Program Status: 5/23/2023 Permitted Projects (Rated Capacity > 5 MW and Disturbance zone > 10 acres)

• PBRs Issued: 86

Megawatts (MW) 4,366

Permitted Acreage 51,668

Projects Operational
 30

MW in operation 1,278.3

Projects Under Construction 16



Potential Projects

Notices of Intent (NOI)

Projected MW 2,034.2

Projected NOI Acreage 22,932

Potential Total Acreage 77,910
 (NOI + permitted)



Section 130 Projects (Rated Capacity > 500 kW and ≤ 5 MW or Disturbance Zone > 2 acres and < 10 acres)

- Section 130 Permits
 - 78 Projects
 - 262.6 MW
 - 3,310 Acres



Project Acreage by City/County (Top 20)

Locality	# of Apps & Permits	Megawatts	Total Acres
Halifax County	11	462.1	5,121
Pittsylvania County	11	265	3,546
Louisa County	11	364	3,480
Prince George County	3	174.7	3,294
Lancaster County	5	145.2	3,136
Frederick County	4	235	2,648
Buckingham County	5	193.1	2,513
Greensville County	3	189	2,461
Gloucester County	4	191	2,376
Lunenburg County	3	137	1,994
Sussex County	3	138	1,986
Campbell County	3	155	1,962
Charlotte County	4	171.6	1,882
Isle of Wight County	3	125	1,748
Chesapeake City	5	228	1,711
Richmond County	5	142	1,701
Surry County	1	150	1,650
Southampton County	1	100	1,200
Henry County	4	109.8	1,165
Mecklenburg County	3	168	1,053



HB 206 Small Renewable Energy Projects' Impact on Natural Resources

- Passed by General Assembly in 2022
- Amended Va. Code §10.1-1197.6
- Solar projects are deemed to have a significant adverse impact if they disturb more than 10 acres of prime agricultural soils or 50 acres of contiguous forest lands
- Must submit plan detailing reasonable actions to avoid, minimize, or mitigate impacts
- Becomes effective upon adoption of implementing regulations



HB 206 Background

- HB 206 directed DEQ to:
 - oForm an advisory panel to look at the impact to prime agricultural soils and forest land and evaluate appropriate mitigation as a result of utility solar development under the Small Renewable Energy Permit By Rule (PBR) program
 - Prepare a report to the General Assembly by December 1, 2022
 - Develop regulations by December 31, 2024



HB 206 Advisory Panel

- DEQ solicited an advisory panel consisting of representatives from a variety of groups as specified in HB206
- The advisory panel was comprised of approximately 90 participants that included environmental interests, solar developer interests, localities, representatives from multiple state agencies, and other interested parties
 - Representatives from State Agencies and State Universities were utilized as Subject Matter Experts attending all advisory panel meetings and provided expertise as requested
- Due to size of panel, DEQ contracted with University of Virginia's Institute of Engagement and Negotiation (IEN) to facilitate
- DEQ and IEN set a series of 5 meetings to develop recommendations for the report to the General Assembly



HB 206 Workgroups

- Due to its size, advisory panel was split into 5 workgroups
 - Two of the workgroups were combined due to the similarity of topics
- Workgroup 1 Avoidance and Mitigation
- Workgroup 2 & 3 Mitigation/In Lieu Mitigation
- Workgroup 4 Significant Adverse Impact <10 Acres of Prime Soils and <50 Acres of Forest
- Workgroup 5 Local Control
- Workgroups developed 41 proposals, but did not reach consensus on any major concept



Illustrative Major Issues

- How do you value loss of environmental or ecological function?
 - "How much is a tree worth?"
 - Necessary to answer before value can be placed on mitigation measures
- Can/should applicant be allowed to perform mitigation measures off project site?
 - Should in lieu mitigation be allowed?
- Should prime agricultural soils be contiguous to trigger 10 acre presumption of significant adverse impact?
- At what point should localities be informed of the details of a proposed solar project?
 - Localities want to be informed as soon as possible
 - Applicants say informing too early would jeopardize competitive interests
- Should localities be able to impose stricter mitigation or additional requirements than state agencies?



Next Steps

- DEQ submitted lengthy Final Report to Governor and General Assembly last November
- Final Report contained few issues on which consensus was reached but thoroughly present the views of all Advisory Panel members
- HB 206 Advisory Panel formally disbanded last December
- General Assembly took no action last session to amend or revise HB 206 and has provided DEQ with no further comment or advice on how to proceed
- DEQ will shortly form new stakeholder workgroup and publish Notice of Intended Regulatory Action (NOIRA) to begin a regulatory process to revise the small solar permit by rule regulations by end of 2024 as directed by HB 206



QUESTIONS?

