

**General Meeting of Collision Industry
Conference (CIC)
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**Autobody Refinishing Area Source Rule
Update**

US Environmental Protection Agency

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Discussion Summary

Presentation

- Stakeholder Involvement
- Communication Strategy
- Our Understanding of the Industry
- Goals Expressed by Industry Representatives
- Regulatory Considerations
- Rule Development Process with Timeline

Appendix to Presentation

- Background
 - 1990 Clean Air Act
 - Air Toxics
 - Basic History
 - Why we need an Area Source Rule
 - Pollutants of Concern for Auto Refinishing
 - General Information and Terms

Stakeholder Involvement

- **Autobody shops**
- **Restoration shops**
- **Fleet maintenance shops**
- **State Small Business Assistance Program (SBAP) Representatives**
- **Automobile Services Association (ASA)**
- **Automotive Aftermarket Industry Association (AAIA)**
- **Autobody associations (CIC, SCRS, CAA)**
- **National Paint & Coatings Association (NPCA)**
- **NADA and state dealer associations**
- **U.S. EPA Regional Representatives**
- **State Permit & Enforcement Representatives**

Communication Strategy

- Shop Visits
- Public Meetings
- Conferences
- Trade Magazines
- Websites
- Federal Register

EPA's Understanding of the Industry

•Through our interaction we have learned

Most licensed shops use spray booths and are very clean

Different levels of throughput such as

- Customization
- Hobbyist
- Small collision repair shops (3-10 cars/wk, primarily insurance)
- Large collision repair (>20 cars/wk, wide range of services, insurance & private pay)
- Fleet maintenance & repair (private business, State or local government, in-house work, etc.)
- Backyard shops
- Restoration (1-2 cars/yr, high \$/job, private pay)
- Mobile repair operations (spot repairs @ dealerships)
- Conversion industry
- Refinish schools
- Heavy duty trucks
- Agricultural vehicles

Goals Expressed by Industry Representatives

- Level the “Playing Field”
- Point of Sale Restrictions
- Spray booths
- Clean operations
- Consider Potential Economic Effect on Businesses Supported by Insurance Work
- Eliminate “Dirty Shops” to Improve Image

Regulatory Considerations

- What the Rule will look like
- Applicability
- Emission Limits
- Work Practices Standards
- Notification, Recordkeeping and Reporting

Rule Development Process

- 2005
 - Perform Data Gathering
 - Perform Data Analysis and QA/QC
- 2006
 - Develop Emission Limits
 - Determine Environmental & Economic Impacts
- August 2007
 - Propose Rule
 - Receive Comments
- August 2008
 - Promulgate Final Rule
- August 2011
 - Rule goes into Effect

Appendix

Background

- **1990 Clean Air Act**

- EPA sets limits on the emissions of a pollutant
- Allows the States to have stronger pollution controls
- States take the lead implementing the Clean Air Act
 - **special understanding of local industries, geography, housing patterns, etc.**

- **Air Toxics**

- EPA refers to chemicals that cause serious health and environmental hazards as **hazardous air pollutants (HAP)** or **air toxics**
- Some air pollutants can cause cancer, problems with having children and other very serious illnesses as well as environmental damage
- The 1990 Clean Air Act deals more strictly with large sources (**major**) than small ones, but EPA must regulate small sources (**area**) of HAP as well
- Major sources are to use **Maximum Available Control Technology (MACT)** to reduce pollutant releases; this is a very high level of pollution control.
- EPA must issue regulations for major sources first, then issue regulations for small sources, setting priorities for which small sources to tackle first, based on health and environmental hazards, production volume, etc.

Appendix

Background (Con't)

- **Basic History**
 - Regulations were issued for major sources performing autobody refinishing in April 2004
 - National volatile organic compound (VOC) standards for automobile refinish coatings were issued in September 1998
- **Why we need an Area Source Rule**
 - The Clean Air Act (CAA) requires EPA to identify a list of at least 30 air toxics that pose the greatest potential health threat in urban areas,
 - EPA is to consider MACT for these sources but have discretion for requiring Generally Available Control Technology (GACT).
- **Pollutants of Concern for Auto Refinishing**
 - Primary - Inorganics
 - Hex Chrome, Lead, Cadmium, and Manganese
 - Secondary - Organics
 - Toluene, Xylene, Methyl Ethyl Ketone (MEK), and Methyl Isobutyl Ketone (MIBK)

Appendix

General Information and Terms

Control Technologies

- MACT – Maximum achievable control technology is defined in the Clean Air Act as the average of the top-performing 12% of sources or the average of the lowest-emitting 12% of sources
- GACT – Generally available control technology may be adopted if it achieves comparable emission reductions at a reduced burden to the industry

Major vs. Area Sources

- Major sources are sources that emit 10 tons/year or more of a single HAP or 25 tons/year or more of a combination of HAP
- Area sources are those that emit less than the criteria established for major sources