

June 21, 2006

(A-18J)

Kevin Kessler, Acting Director
Bureau of Air Management
Wisconsin Department of Natural Resources
101 South Webster Street
Box 7921
Madison, Wisconsin 53707-7921

Dear Mr. Kessler:

On September 20-21, 2005, the United States Environmental Protection Agency (USEPA) conducted an on-site evaluation of the Wisconsin Department of Natural Resources (WDNR) new source review (NSR) permit program. USEPA is scheduled to conduct NSR program evaluations for all permitting authorities nationwide. Enclosed you will find a copy of our final report on the WDNR NSR and Prevention of Significant Deterioration (PSD) program.

As part of our evaluation, we were to identify program strengths and those areas needing improvement.

Among the strengths are WDNR's overall clear and well-organized permits, their public notice process, and their Air Permit Improvement Initiative (APII) program. Permits issued by WDNR use a table format that clearly list applicable requirements, method of compliance demonstration, and monitoring required. The PSD permits issued include preliminary determinations (PD) which contain clear BACT analyses. WDNR requires all construction permitting actions to be public noticed, allowing a 30-day period for the public to provide comments on construction permits. WDNR established APII in 2003, in an effort to improve issuance of permits with hopes of achieving measurable environmental benefits.

Among the areas for improvement are WDNR's permit tracking system, and their process of responding to USEPA comments. Permits that are on WDNR's webpage are not searchable or sortable, and it is very difficult, for example, to locate certain types of facilities, or to view only recent draft

permits. WDNR has at times either not responded or responded after issuance of a permit to comments submitted by USEPA.

In response to WDNR's suggestion, Region 5 will diligently work to keep communications open with WDNR and stay consistent in working with our Office of Air Quality Planning and Standards (OAQPS) to communicate issues arising in the state of Wisconsin that require elevated attention. Region 5 has made a commitment to supplying/hosting training on NSR/PSD issues that will either come from OAQPS or staff from Region 5. The state workshop which is scheduled this fall will be an opportunity for states to give suggestions on what sort of topics they would like to be discussed. Finally, we have received WDNR's official submittal of the NSR Reform revisions. Region 5 will make its best effort in working with WDNR and OAQPS to have the approval process flow efficiently.

We would like to thank you and your staff for your assistance with the evaluation. If you have any questions, please contact me, or have your staff contact Danny Marcus at (312) 353-8781.

Sincerely yours,

/s/

Cheryl L. Newton, Acting Director
Air and Radiation Division

Enclosure

cc: Jeff Hanson
Wisconsin Department of Natural Resources