FACT SHEET

Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act (MM2A) – Final Action

ACTION

- On August 30, 2024, the U.S. Environmental Protection Agency (EPA) finalized amendments
 to Clean Air Act rules for certain major sources to maintain public health protections and to
 promote transparency and accountability when certain major sources of hazardous air
 pollutants (HAPs) reclassify themselves as area sources under the National Emissions
 Standards for Hazardous Air Pollutants (NESHAP) program.
- "Major sources" emit or have the potential to emit (PTE) 10 tons per year (tpy) or more of a single HAP or 25 tpy or more of a combination of HAP. "Area sources" emit HAP at levels below those thresholds.
- These final amendments fulfill EPA's obligation to require sources of persistent and bioaccumulative HAP listed in Clean Air Act (CAA) section 112(c)(6) to continue to comply with major source emission standards under 112(d)(2) or standards under 112(d)(4) even if the sources reclassify as area sources. This will assure that at least 90% of the cumulative emissions of these pollutants are subject to standards under CAA section 112(d)(2) or 112(d)(4).
- Clean Air Act section 112(c)(6) lists seven persistent and bioaccumulative HAP:
 - 1. alkylated lead compounds,
 - 2. polycyclic organic matter (POM),
 - 3. mercury,
 - 4. hexachlorobenzene,
 - 5. polychlorinated biphenyls(PCB),
 - 6. 2,3,7,8-tetrachlorodibenzofurans (TCDF) and
 - 7. 2,3,7,8-tetrachlorodibenzo-p-dioxin (TCDD).
- Additionally, this final rule clarifies what notification requirements a reclassifying facility must meet and minor amendments to reporting requirements for submission of confidential business information.
- These requirements will apply to all sources that choose to reclassify after this final rule publishes in the *Federal Register*.

BACKGROUND

- HAP, also known as toxic air pollutants or air toxics, are those pollutants that are known or suspected to cause cancer or other serious health effects, such as reproductive effects, birth defects, or adverse environmental effects. EPA is working with state, local, and tribal governments to reduce emissions of the 188 toxic air pollutants identified by Congress in the Clean Air Act Amendments of 1990.
- Section 112 of the CAA establishes the regulatory structure for the control of sources that emit HAP. Within the regulatory framework of CAA section 112, major sources are, with

- certain exceptions, subject to NESHAP based on an assessment of maximum achievable control technology (MACT). Area sources may be subject to NESHAP based on generally available control technology (GACT) standards rather than MACT.
- In May 1995, EPA issued the memorandum "Potential to Emit for MACT Standards Guidance on Timing Issues", which is commonly referred to as the "Once in Always In Policy" or the "1995 Seitz Memorandum." This Policy determined that facilities that are major sources of HAP on the first significant compliance date of an applicable major source NESHAP must comply "permanently" with that standard and, thus, be subject to title V permitting, even if the sources were to later become area sources by limiting their emissions. This position was transitional policy guidance, intended to remain in effect only until the agency proposed and promulgated amendments to the 40 CFR part 63 General Provisions.
- On January 25, 2018, EPA issued a guidance memorandum titled "Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act." The memorandum discussed the statutory provisions that govern when a major source subject to a major source NESHAP under section 112 of the CAA may be reclassified as an area source, and thereby avoid being subject to major source NESHAP requirements. This policy is commonly referred to as "Major MACT to Area" (MM2A). The MM2A Memorandum also withdrew the Once In Always In Policy.
- On October 1, 2020, EPA completed a final rule, titled Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act (2020 MM2A final rule), that allows a major source of HAP to reclassify as an area source at any time after taking steps to limit emissions. This final rule modifies the 2020 MM2A final rule.
- On January 20, 2021, President Biden issued Executive Order 13990 Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis. This Executive Order directed EPA to review actions promulgated during the prior four years and determine whether they should be revised or rescinded as appropriate and consistent with applicable law. The 2020 MM2A final rule was identified as an action to review under the Executive Order.
- On September 27, 2023, EPA proposed to amend Clean Air Act rules to safeguard public health and promote transparency and accountability when major sources of HAPs reclassify as area sources.
- EPA continues to consider other aspects of the 2023 reclassification proposal, including safeguards and federal enforceability for limits used to support reclassification of sources.

FOR MORE INFORMATION

- Interested parties can download a copy of the final rule and <u>Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act</u>. Today's action and other background information are also available electronically at <u>EPA's electronic public docket and comment system</u>.
- For further technical information about the rule, contact Nathan Topham, EPA's Office of Air Quality Planning and Standards, at 919-541-0483 or Topham.Nathan@epa.gov.