

In Support of Modernizing the New Source Review Program

1 The New Source Review (NSR) Program is a Clean Air Act (CAA) permitting process created by the
2 1977 amendments to the statute. The Environmental Protection Agency (EPA) requires permits for new or
3 modified stationary sources of air emissions before construction begins. The goal of the NSR program is
4 to prevent significant deterioration of air quality by requiring industrial facilities, including power plants,
5 to use modern air pollution control technology. The process involves engineering reviews to determine
6 and set pollution limits for new or modified air pollution sources.

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8 NSR has become complicated and time-consuming over the last five decades of its implementation. In
9 particular, the process for modifying an existing unit with the best available emissions control technology
10 is cumbersome. It focuses on annual total emissions rather than other metrics, such as maximum hourly
11 emission rates.

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13 A component of the NSR program is prevention of significant deterioration (PSD), which requires major
14 new sources or significant modifications to existing sources in attainment areas to install the best
15 available control technology and conduct air quality analyses to prevent new or mitigate existing air
16 quality violations. The definitions of terms in the PSD program have varied across administrations,
17 creating regulatory uncertainty and financial constraints for facilities required to comply with the National
18 Ambient Air Quality Standards program.

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20 Another component of the NSR program is routine maintenance, repair, and replacement (RMRR) that
21 exempts certain activities that restore, maintain, or replace parts of a stationary source from being
22 considered as “physical changes” to the unit, provided the unit’s capacity and emissions profile does not
23 change. A multi-factor test is used to determine the extent, purpose, frequency, and cost of RMRR work,
24 but it does not encourage the use of improved replacement parts over refurbished existing parts. This
25 creates higher restoration costs for older equipment when modern replacement parts would perform better.

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27 In September 2025, the Trump administration issued new guidance that allowed facilities to begin
28 construction on a project without an NSR permit, so long as direct work on the emitting unit is delayed
29 until the permit is issued. This enables facilities to begin preparations for the modification or construction
30 of a new emission source to remain on track while EPA reviews the permit application. This change,
31 while welcome, is a stopgap measure that does not address statutory issues, including the need for clarity
32 of what counts as a “modification” to an existing unit.

34 **NOW, THEREFORE, LET IT BE RESOLVED:** That the American Public Power Association (APPA)
35 supports statutory changes to the definition of “modification” that limit the scope of the New Source
36 Review Program (NSR) to address direct changes to the emitting unit, including the installation of
37 modern pollution control technology; and

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39 **BE IT FURTHER RESOLVED:** That APPA supports excluding changes to the definition of
40 modification that reduce emissions per unit of production or changes to restore, maintain, or improve
41 reliability and safety from the NSR process; and

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43 **BE IT FURTHER RESOLVED:** That APPA supports clarifying “Prevention of Significant
44 Deterioration” by defining the terms “construction” and “modification” to include modifications,
45 excluding changes that do not result in a significant increase in overall emissions or net emissions; and

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47 **BE IT FURTHER RESOLVED:** APPA supports reforms to the routine maintenance, repair, and
48 replacement (RMRR) NSR provisions to establish a bright line test for RMRR exclusion from NSR.
49 RMRR reforms should encourage the use of improved replacement parts in place of refurbished existing
50 parts.