TITLE 252. DEPARTMENT OF ENVIRONMENTAL QUALITY CHAPTER 100. AIR POLLUTION CONTROL

Before the Air Quality Advisory Council on June 16, 2021 Before the Environmental Quality Board on September 14, 2021

RULE IMPACT STATEMENT

Subchapter 8. Permits for Part 70 Sources and Major New Source Review (NSR) Sources Part 7. Prevention of Significant Deterioration (PSD) Requirements for Attainment Areas 252:100-8-36.2 [AMENDED]

DESCRIPTION: The Department of Environmental Quality (Department or DEQ) is proposing to amend and update Section 36.2 of OAC 252:100, Subchapter 8, to reduce the recordkeeping burden on the owners and operators of major stationary sources that use the "projected actual emissions" approach – defined in OAC 252:100-8-31 – to calculate project emission increases (or decreases), as long as the project does not have a "reasonable possibility" of exceeding PSD significance thresholds. The proposed changes reduce the burden on industry, but retain the requirement to maintain records demonstrating that a particular project is eligible for this reduction. The proposed changes would move the Department's rules closer to the requirements specified by the U.S. Environmental Protection Agency (EPA) in 40 C.F.R. § 51.166(r), while retaining the minimum pre-change records needed to demonstrate eligibility. The gist of the proposed rule and the underlying reason for these revisions is to reduce the recordkeeping burden on industry for projects demonstrated to result in emission increases that would be below 50% of the defined significance thresholds for PSD.

CLASSES OF PERSONS AFFECTED: Classes of persons affected are the owners and operators of facilities that are subject to the permitting requirements in OAC 252:100-8, Part 7 (PSD major sources).

CLASSES OF PERSONS WHO WILL BEAR COSTS: The owners and operators of facilities that are subject to the permitting requirements in OAC 252:100-8, Part 7, will bear the costs or likely experience a reduction in compliance costs.

INFORMATION ON COST IMPACTS FROM PRIVATE/PUBLIC ENTITIES: The Department has received information that the proposed rule would likely result in a reduction in compliance costs. An estimated cost of compliance was provided by a consultant who works with clients whose operations are subject to the current recordkeeping requirements.

CLASSES OF PERSONS BENEFITTED: The proposed changes will benefit the owners and operators of the facilities subject to these regulations.

PROBABLE ECONOMIC IMPACT ON AFFECTED CLASSES OF PERSONS: The Department anticipates a reduction in recordkeeping costs for the subject facilities, but no other significant economic impact as a result of the proposed changes.

PROBABLE ECONOMIC IMPACT ON POLITICAL SUBDIVISIONS: The Department anticipates no economic impact on political subdivisions as a result of the proposed changes.

POTENTIAL ADVERSE EFFECT ON SMALL BUSINESS: Because the rule applies only to major stationary sources, the Department expects negligible or no adverse effect on small business as a result of the proposed changes.

LISTING OF ALL FEE CHANGES, INCLUDING A SEPARATE JUSTIFICATION FOR EACH FEE CHANGE: No fee changes are included in the proposed amendment.

PROBABLE COSTS AND BENEFITS TO DEQ TO IMPLEMENT AND ENFORCE: The Department anticipates there will be minimal costs associated with the implementation and enforcement of these proposed amendments.

PROBABLE COSTS AND BENEFITS TO OTHER AGENCIES TO IMPLEMENT AND ENFORCE: There are none. No other agencies will be implementing or enforcing the proposed rule.

SOURCE OF REVENUE TO BE USED TO IMPLEMENT AND ENFORCE RULE: Federal grants and fees will continue to be used as the sources of revenue to implement and enforce the proposed rule.

PROJECTED NET LOSS OR GAIN IN REVENUES FOR DEQ AND/OR OTHER AGENCIES, IF IT CAN BE PROJECTED: The proposed revision should have little effect on net revenues for the Department and/or other agencies.

COOPERATION OF POLITICAL SUBDIVISIONS REQUIRED TO IMPLEMENT OR ENFORCE RULE: Cooperation of political subdivisions will not be required to implement or enforce the proposed rule.

EXPLANATION OF THE MEASURES THE DEQ TOOK TO MINIMIZE COMPLIANCE COSTS: The Department has worked with EPA and stakeholders to make these requested changes in a manner that would reduce the cost to the regulated community, while achieving the purpose of the proposed rule.

DETERMINATION OF WHETHER THERE ARE LESS COSTLY OR NONREGULATORY OR LESS INTRUSIVE METHODS OF ACHIEVING THE PURPOSE OF THE PROPOSED RULE: The proposed changes will establish state program requirements that are fully in compliance with federal requirements, while reducing the burden on industry stakeholders. The compliance costs for affected sources under the state rule should be similar to those under the federal program.

DETERMINATION OF THE EFFECT ON PUBLIC HEALTH, SAFETY AND ENVIRONMENT: The proposed revision will have minimal effect on public health, safety, and the environment.

IF THE PROPOSED RULE IS DESIGNED TO REDUCE SIGNIFICANT RISKS TO THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT, EXPLANATION OF THE NATURE OF THE RISK AND TO WHAT EXTENT THE PROPOSED RULE WILL REDUCE THE RISK: The proposed revision is not designed to reduce significant risks to public health, safety, and the environment.

DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF THE PROPOSED RULE IS NOT IMPLEMENTED: If the rule is not implemented, there will be no detrimental effect on public health, safety, and the environment.

PROBABLE QUANTITATIVE AND QUALITATIVE IMPACT ON BUSINESS ENTITIES (INCLUDE QUANTIFIABLE DATA WHERE POSSIBLE): This rule change should result in a reduction in compliance costs for business entities with facilities subject to PSD permitting requirements.

THIS RULE IMPACT STATEMENT WAS PREPARED ON: April 26, 2021 MODIFIED ON: