

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

Before the Air Quality Advisory Council on April 24, 2024
Before the Environmental Quality Board on June 11, 2024

RULE IMPACT STATEMENT

Subchapter 7. Permits for Minor Facilities
PART 9. Permits by Rule
252:100-7-60.5. [AMENDED]

DESCRIPTION: The Department of Environmental Quality (Department or DEQ) is proposing to amend the Permit By Rule (PBR) in OAC 252:100-7-60.5, Oil and natural gas sector, in response to the U.S. Environmental Protection Agency's (EPA's) recently promulgated requirements in 40 C.F.R. Part 60, Subpart OOOOb Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After December 6, 2022 (NSPS Subpart OOOOb). Specifically, the proposed amendment would allow the use of legally and practicably enforceable (LPE) limits when determining a facility's eligibility for the PBR. The gist of the proposed rule is to clarify source eligibility criteria for the PBR and ensure that the current PBR allows facilities potentially subject to NSPS Subpart OOOOb to take LPE limits to avoid applicability of the federal requirements for certain equipment.

CLASSES OF PERSONS AFFECTED: The classes of persons affected are the owners and operators of facilities that qualify for, and elect to obtain coverage under, the oil and natural gas PBR, including those that have already registered under the PBR.

CLASSES OF PERSONS WHO WILL BEAR COSTS: The classes of persons who will bear costs are the owners and operators of facilities that qualify for, and elect to obtain coverage under, the oil and natural gas PBR, including those that have already registered under the PBR. There are no new costs associated with this rulemaking activity.

INFORMATION ON COST IMPACTS FROM PRIVATE/PUBLIC ENTITIES: The Department has not received any information on cost impacts of the proposed amendments as of this date. There are no new costs associated with this rulemaking activity.

CLASSES OF PERSONS BENEFITTED: The classes of persons who would benefit from this rule are the owners and operators of facilities that qualify for, and elect to obtain coverage under, the oil and natural gas PBR, including those that have already registered under the PBR. The proposed amendments would ensure facilities subject to NSPS OOOOb are covered by the oil and natural gas PBR and clarify methods allowed when determining eligibility for the PBR, including taking a legally and practically enforceable limit to avoid applicability of NSPS OOOOb for certain equipment.

PROBABLE ECONOMIC IMPACT ON AFFECTED CLASSES OF PERSONS: The Department expects no significant economic impact on the affected classes of persons from this

rulemaking activity. Owners and operators of facilities that qualify for the oil and natural gas PBR, including those that have already registered under the PBR will continue to be covered by or qualify for the PBR. There could be some costs associated with demonstrating compliance with the LPE criteria in the PBR; however, those potential costs (and more) would also be present for facilities that do not elect to obtain coverage under the PBR, and instead are subject to NSPS OOOOb.

PROBABLE ECONOMIC IMPACT ON POLITICAL SUBDIVISIONS: The Department anticipates no economic impact on political subdivisions due to this rule.

POTENTIAL ADVERSE EFFECT ON SMALL BUSINESS: The Department anticipates no adverse effect on small business.

LISTING OF ALL FEE CHANGES, INCLUDING A SEPARATE JUSTIFICATION FOR EACH FEE CHANGE: The Department is not proposing any fee changes in this rule.

PROBABLE COSTS AND BENEFITS TO DEQ TO IMPLEMENT AND ENFORCE: The Department anticipates there will be no significant increased costs associated with the implementation and enforcement of these proposed amendments. The Department will benefit from the proposal because it will aid state implementation and enforcement of new and existing federal requirements.

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

SOURCE OF REVENUE TO BE USED TO IMPLEMENT AND ENFORCE RULE: Fees and federal grants will continue to be used to implement and enforce these regulations.

PROJECTED NET LOSS OR GAIN IN REVENUES FOR DEQ AND/OR OTHER AGENCIES, IF IT CAN BE PROJECTED: The Department expects no net loss or gain in revenues from these amendments.

COOPERATION OF POLITICAL SUBDIVISIONS REQUIRED TO IMPLEMENT OR ENFORCE RULE: None is required. The Department will be responsible for all aspects of implementation and enforcement of these regulations.

EXPLANATION OF THE MEASURES THE DEQ TOOK TO MINIMIZE COMPLIANCE COSTS: The proposed amendments minimize compliance costs by clarifying what methods may be used when determining applicability to the oil and natural gas PBR. The proposed amendments also ensure that the PBR covers standards set forth in NSPS OOOOb.

DETERMINATION OF WHETHER THERE ARE LESS COSTLY OR NONREGULATORY OR LESS INTRUSIVE METHODS OF ACHIEVING THE PURPOSE OF THE PROPOSED RULE: The Department has determined that there are no less costly or nonregulatory or less intrusive methods of achieving the purpose of the proposed rule.

DETERMINATION OF THE EFFECT ON PUBLIC HEALTH, SAFETY AND ENVIRONMENT: The proposed changes will have a positive effect on public health, safety, and the environment by updating the PBR to implement new and existing standards that were established to protect public health and welfare.

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 changes will have a positive effect on public health, safety, and the environment by updating the PBR to implement new and existing standards that were established to protect public health and welfare.

DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF THE PROPOSED RULE IS NOT IMPLEMENTED: Not implementing the proposed amendments would not have any detrimental effect on public health, safety, or environment. The regulatory requirements for qualifying facilities are already in place at the federal level.

PROBABLE QUANTITATIVE AND QUALITATIVE IMPACT ON BUSINESS ENTITIES (INCLUDE QUANTIFIABLE DATA WHERE POSSIBLE): The Department anticipates a positive impact on business entities that own or operate facilities which qualify for this PBR.

THIS RULE IMPACT STATEMENT WAS PREPARED ON: March 15, 2024
MODIFIED ON: