Proposed Rulemaking Announcement

DEQ re-opens comment period on proposed PM_{2.5}/GHG Permitting Rules

Why is DEQ re-opening the public comment period?

The Oregon Department of Environmental Quality is reopening the public comment period on proposed PM_{2.5}/Greenhouse Gas permitting rules. DEQ proposed four options for New Source Review/Prevention of Significant Deterioration (NSR/PSD) for fine particles and greenhouse gases (GHG). NSR/PSD is a preconstruction permitting program that ensures air quality is protected when facilities are built or modified.

Options 1 through 3 are variations on the Oregon approach to determine when NSR/PSD applies. Oregon's program sets a fixed baseline emission level or netting basis for each pollutant at each source which is used as a reference point for determining if future cumulative emission increases are significant enough to trigger NSR/PSD.

Option 4 proposes to use the federal approach for determining NSR/PSD applicability, which relies on a baseline that changes over time.

On Nov. 24, 2010, DEQ completed a 30-day public comment period and received comments from 19 organizations on the proposed rules. The majority of comments were either for or against Option 1 or 4. DEQ is still considering all four of the proposed options. However, we are seeking additional comment related to two specific issues raised by commenters during the initial public comment period.

Should sources be allowed to choose between existing netting basis or highest actual emissions in the last 10 years for determining a netting basis for PM_{2.5} and GHG?

Under Option 1 sources with a fixed netting basis for other pollutants would index their PM_{2.5} and GHG netting basis to their existing netting basis. Sources that do not currently have a fixed netting basis would set their netting basis at their highest actual emissions from the last 10 years.

DEQ received comments requesting that sources with an existing netting basis have the option of using their netting basis or their highest actual emissions in the last 10 years. Doing this would allow sources that were in operation during the baseline period to select a time period more

reflective of recent operation. It may also allow them to establish a higher netting basis.

An alternative would be to treat all sources the same by either setting the $PM_{2.5}$ or GHG netting basis for all sources using the most recent 10 years or setting the $PM_{2.5}$ or GHG netting basis for all sources proportional to their existing netting basis for other pollutants. In which case, sources without an existing netting basis for other pollutants would have a netting basis of zero for $PM_{2.5}$ and GHGs.

Should a source's Potential to Emit (PTE) be used to establish baseline emission rate or NSR/PSD approved Plant Site Emission Limit (PSEL)?

The current rules establish a new source's baseline emission rate equal to its PTE if the source was permitted to construct during the baseline period but had not started operating during that time. PTE is also used to establish PSELs for new and modified sources during NSR/PSD evaluations.

DEQ received comments suggesting this approach inflates the netting basis, making it less likely a source would later trigger NSR/PSD with future emissions increases.

An alternative would be to bring the netting basis or PSEL closer to actual emissions, as opposed to potential emissions, by reevaluating a source's emissions after construction and operation has begun.

DEQ is considering all comments and would like further comments on these approaches. To view all documents and to comment via email, <u>visit</u> DEQ's website.

How to Comment

Comments on the proposed rulemaking may be submitted in writing via mail, fax or e-mail at any time prior to the comment deadline of 5 p.m. on Dec. 23, 2010. Written comments may be mailed to Jill Inahara, Oregon DEQ, Program Operations, 811 SW 6th Avenue, Portland, OR, 97204 or faxed to 503-229-5675 or e-mailed to: AOFeb2011Rules@deq.state.or.us. Jill Inahara may be contacted at 503-229-5001, or toll-free in Oregon at 1-800-452-4011, extension 5001.



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www.oregon.gov/DEO/

The Department and the EQC have the statutory authority to address this issue under ORS 468.020 and 468A.025. These rules implement ORS 468.065, 468A.040, 468A.055, 468A.310.

Accessibility information

DEQ is committed to accommodating people with disabilities. Notify DEQ of any special physical or language accommodations or if you need information in large print, Braille or another format. To make these arrangements, contact DEQ Communications and Outreach at 503-229-5696 or call toll-free in Oregon at 800-452-4011; fax to 503-229-6762; or e-mail deginfo@deq.state.or.us People with hearing impairments may call 711

(E-mail comments will be acknowledged immediately. Comments and attachments are limited to 10 MB. If you do not receive an automatic response, or your comments and attachments will exceed this limit, please contact the DEQ staff listed above). If there is a delay between servers, e-mails may not be received before the deadline.

Comment deadline is December 23, 2010.

All comments are due to DEQ by 5 p.m., December 23, 2010. DEQ cannot consider comments from any party received after the deadline for public comment.

How will rules be adopted?

DEQ will prepare a response to comments received during the public hearings and comment period and may modify the proposed rules. Because of the extended public comment period, DEQ plans to recommend that the Oregon Environmental Quality Commission adopt the rules at the April 21-22, 2011 EQC meeting. DEQ will notify persons of the time and place for final EQC action if they submit comments during the hearing or comment period or request to be placed on DEQ's notification list for this rulemaking.

These amendments, if adopted, will be submitted to EPA as a revision to the State Implementation plan, which is a requirement of the Clean Air Act.