



**TESTIMONY OF YOGINDER MAHAJAN**

Good Morning. My name is Yoginder Mahajan. I am employed as an Environmental Protection Engineer in the Air Quality Planning Section in the Bureau of Air of the Illinois Environmental Protection Agency (Illinois EPA). I have been employed in this capacity since March 1992. Prior to my employment with the Illinois EPA, I worked for various metal fabrication companies for nine (9) years. My educational background includes a Bachelor of Engineering Degree in Mechanical Engineering from Bhopal University at Bhopal, India.

As part of my regular duties in the Air Quality Planning Section, I have been involved with preparing emissions estimates for various source categories used in the development of the 1990 ozone season weekday emissions inventories; evaluating control technologies applicable to volatile organic material (VOM) emissions sources utilized in the preparation of the Rate-of-Progress plans for the Chicago and St. Louis ozone nonattainment areas; and assisting in the development of regulations for the control of VOM emissions from the source categories included in the Rate-of-Progress plans. Regarding the proposal before you today, I have been involved in the development of the regulations to control nitrogen oxides (NOx) emissions from electrical generating units.

On December 21, 2000, the Illinois EPA adopted the NOx Trading Program for Electrical Generating Units, Subpart W of 35 Ill. Adm. Code 217 to comply with the NOx SIP Call promulgated by U.S. EPA in October 1998 (63 FR 57356, October 27, 1998). The affected sources were required to participate in the NOx Trading Program administered by U.S. EPA. The NOx SIP Call Trading Program was an ozone season trading program. On August 23, 2007, in response to U.S. EPA promulgating the Clean Air Interstate Rule (CAIR), the Illinois Pollution Control Board adopted Subparts D and E of 35 Ill. Adm. Code 225, the CAIR Annual NOx Trading Program and CAIR Ozone Season NOx Trading Program. 70 FR 25162, May 12,

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2005. The sources affected by CAIR are the same electrical generating units that were affected by the NOx SIP Call, Subpart W of 35 Ill. Adm. Code 217. The NOx SIP Call and CAIR are cap and trade programs that require affected sources to hold NOx allowances equal to their NOx emissions. The monitoring and reporting of NOx emissions in both programs are substantially identical.

For Illinois, U.S. EPA allocated 30,701 NOx allowances in Phase I of the CAIR ozone season NOx trading budget. This is the same number of NOx allowances allocated in the NOx SIP Call trading budget. After deducting 30% of the allowances for the new unit set-aside and clean air set-aside, the Illinois EPA has allocated 21,491 NOx allowances for each ozone season in 2009 through 2011 to the 249 affected units pursuant to procedures set forth at Part 225, Subpart E. The estimated NOx emissions reductions from NOx SIP Call were 85,777 per year from 2007 base year NOx emissions. In Phase II of CAIR, starting with the 2015 ozone season, U.S. EPA allocated 28,981 NOx allowances per ozone season. The Illinois EPA believes that the CAIR NOx ozone trading will provide reductions in NOx emissions equal to or greater than the estimated reductions in NOx emissions achieved from the NOx SIP Call.

In the preamble to the CAIR rule, U.S. EPA stated that it will not administer the NOx SIP Call Ozone Season Trading Program after September 30, 2008. CAIR provided for the NOx SIP Call Trading Program to be replaced by the CAIR Ozone Season NOx Trading Program. The proposed Sunset Provisions, Section 217.751 of 35 Ill. Adm. Code require that the provisions of Subpart W shall not apply for any control period in 2009 or thereafter. Noncompliance with the provisions that occurred prior to 2009 is subject to the applicable provisions of Subpart W. Adoption of this proposal will eliminate duplicate requirements for the affected sources. The Illinois EPA believes that this proposal is consistent with U.S. EPA's requirements and it will not adversely impact the affected sources or the air quality in Illinois.



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