

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

IN THE MATTER OF:)
)
NO_x TRADING PROGRAM SUNSET) R11- 8
PROVISIONS FOR NON-ELECTRIC) (Rulemaking – Air)
GENERATING UNITS (“NON-EGU”):)
AMENDMENTS TO 35 ILL.)
ADM. CODE PART 217, SUBPART U)

TESTIMONY

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 (“Agency”). I have been employed in this capacity since March 1992. Prior to my employment with the Agency, I worked for various metal fabrication industries 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 was involved with preparing emission 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 source categories included in the Rate-of-Progress plans.

On March 1, 2001, the Illinois Pollution Control Board (“Board”) adopted Subpart U of Part 217 pursuant to the United States Environmental Protection Agency’s (“U.S. EPA”) NO_x

SIP Call (October 27, 1998). Subpart U implemented the NO_x Trading Program to reduce NO_x emissions during the ozone season from non-EGU emission sources in Illinois. Subpart U met the requirements of the federal NO_x SIP Call for non-EGU's by providing for the participation of affected sources in the federal NO_x trading program, by requiring affected sources to continuously monitor their NO_x emissions, to maintain appropriate records, and to report their emissions to U.S. EPA for each ozone season beginning in 2004.

On May 12, 2005, the U.S. EPA adopted the Clean Air Interstate Rule ("CAIR") to replace the NO_x SIP Call trading program beginning with the 2009 control period. In addition to the previous NO_x trading program for the ozone season, CAIR established an annual NO_x trading program, and modified the Title IV trading program to further reduce emissions of sulfur dioxide. On August 23, 2007, the Board adopted Subparts D and E of 35 Ill. Adm. Code 225, the CAIR Annual NO_x Trading Program and CAIR Ozone Season NO_x Trading Program for EGUs. Under CAIR, U.S. EPA provided the States the option of including non-EGU's in the ozone season NO_x trading program only. However, the Illinois EPA did not propose to include non-EGU in the CAIR ozone season NO_x trading program, and the Board concurred with the Illinois EPA's proposal in its finally adopted rules. The U.S. EPA approved the Board's final CAIR rules. USEPA has not allocated NO_x allowances to non-EGU's in Illinois after the 2008 control period.

The NO_x SIP Call requirement that non-EGU comply with emissions monitoring, recordkeeping, and reporting requirements for NO_x mass emissions under 40 CFR Part 75 remains in effect, as does the requirement that Illinois continue to meet the statewide ozone season NO_x emissions budget for affected non-EGUs established by the NO_x SIP Call. Illinois EPA's proposal sunsets the trading provisions and certain permitting provisions of Part 217,

Subpart U beginning with the 2009 control period, since the NOx SIP Call program is no longer administered by the U.S. EPA. These provisions will remain in effect for violations that occurred prior to 2009. Illinois EPA's proposal retains the requirements necessary to continue to demonstrate compliance with the statewide NOx emissions budget established by the federal NOx SIP Call for affected non-EGU sources, namely the requirements to continuously monitor NOx emissions, maintain appropriate records, and report NOx emissions to U.S. EPA.

Reported NOx emissions from affected non-EGUs since 2004 are well below the statewide NOx emissions budget established by the NOx SIP Call, and Illinois EPA believes that Illinois will continue to meet the NOx emissions budget in future years. Significant restrictions are in place for non-EGUs as a result of a combination of consent decrees, permit restrictions, and NOx reasonably available control technology regulations adopted by the Board (Subparts D through I, K, and M of Part 217).

In Illinois statewide, there are approximately 54 non-EGUs affected by the NOx SIP Call. Of these 54 non-EGUs, four units are no longer operating. This proposal will not impose new requirements or costs on affected sources. Therefore, the proposal is both technically and economically feasible.

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