ILLINOIS POLLUTION CONTROL BOARD December 2, 2004

IN THE MATTER OF:)	
)	
AMENDMENTS TO 35 ILL. ADM. CODE)	R05-11
205, EMISSIONS REDUCTION MARKET)	(Rulemaking - Air)
SYSTEM, AND 35 ILL. ADM. CODE 211)	-

Proposed Rule. First Notice.

OPINION AND ORDER OF THE BOARD (by T.E. Johnson):

On November 19, 2004, the Illinois Environmental Protection Agency (Agency) filed a proposal for rulemaking pursuant to Sections 9.8, 27 and 28 of the Environmental Protection Act (Act). 415 ILCS 5/9.8, 27 and 28 (2002). The Agency proposes to amend the Board's air rules, specifically the rules relating to Emissions Reduction Market System (ERMS). Today, the Board accepts the Agency's proposal for hearing and grants the motion for expedited consideration.

BACKGROUND

Part 205, ERMS, was adopted by the Board on November 20, 1997, and received approval by the United States Environmental Protection Agency (USEPA) as part of the Illinois State Implementation Plan (SIP) for ozone, effective November 14, 2001. Agency Stat. of Reas. at 1. The ERMS system is a cap and trade program that involves Volatile Organic Material (VOM) emissions in the Chicago area. *Id.* It is designed to reduce VOM emission in the Chicago non-attainment area below the levels required by reasonably available control technology and other emission standards. *Id.* The Agency is proposing revisions to the program rules affecting sources in the Chicago ozone non-attainment area.

The Agency asserts that revisions are needed because the USEPA is revoking the 1-hour ozone national ambient air quality standard (NAAQS) effective on June 15, 2005. Agency Stat. of Reas. at 2. The Agency contends that revocation of the 1-hour NAAQS affects applicability thresholds - currently sources subject to the CAAPP are those with potential to emit 25 tons of VOM, but once the 1-hour ozone NAAQS is revoked, the applicability threshold raises to 100 tons. Agency Stat. of Reas. at 2-3. The Agency asserts that this change will result in less facilities being subject to the rules and a corresponding loss of approximately 330 tons of VOM emissions reductions for each seasonal allotment period. Agency Statement of Reasons at 3. The Agency asserts that it must ensure that ERMS remains in place in its current form so the required VOM emissions reductions in the Chicago area is maintained. Agency Stat. of Reas. at 4.

MOTION FOR EXPEDITED CONSIDERATION

In the motion, the Agency asserts that if this proposed rulemaking is not promulgated by June 15, 2005, there will be a lapse in participation of the affected sources in the ERMS that will not only lessen emissions reductions but will also result in great administrative confusion for both the sources and the Agency. Mot. at 3. Accordingly, the Agency asserts that it is necessary to expedite review in this matter. *Id.* The Agency requests that the Board proceed to first notice under the Illinois Administrative Procedure Act without reaching a decision on the merits. *Id.* The Agency also requests that public hearings be held as soon as possible in accordance with Section 28(a) of the Act. Mot. at 4.

The motion is accompanied by the required affirmation attesting that the facts cited in the motion are true. Mot. at 4-5. In addition, the Agency states that it has done a fair amount of outreach on the proposal, and that no major concerns have been expressed to the Agency. Mot. at 3.

DISCUSSION

Motions for expedited review are addressed at Section 101.512 of the Board's regulations. Pursuant to that section, in deciding such a motion the Board must consider all statutory requirements and whether material prejudice will result from the granting of the motion. See 35 Ill. Adm. Code 101.512. Further, the Board will grant a motion for expedited review consistent with available resources and decision deadlines. *Id*.

The Board grants the Agency's motion. The Agency has demonstrated that expedited review is necessary under the considerations outlined in 35 III. Adm. Code 101.512. The Board must therefore adopt the rules on or before June 15, 2005. June 2, 2005 is the last regularly scheduled Board meeting prior to that date. Due to the stringent timeframe for final adoption the Board is today sending this proposal to first notice under the Administrative Procedure Act (5 ILCS 100/5-5 *et seq.* (2002)) without commenting on the merits of the proposal. The Board has, however, made some non-substantive grammatical, typographical, and mechanical changes to the proposal to conform the proposal to codification requirements.

The Board has certain statutorily set timeframes that must be observed in its general rulemaking process. First and second notice periods of 45 days each are required. See 35 Ill. Adm. Code 102.604, 102.606. In addition, the Board must provide notice of hearing prior to each public hearing by public advertisement in a newspaper of general circulation. 35 Ill. Adm. Code 102.416. It should be noted that in light of these fixed time periods and the need for expedited review of this proposal, this rulemaking will proceed quickly. The Board directs the hearing officer to schedule public hearings as expeditiously as possible. Copies of this opinion, the proposed rules, and any hearing officer orders may be viewed and downloaded from the Board's web site at www.ipcb.state.il.us and copies may also be requested from the Clerk's office.

Copies of this opinion, the proposed rules, and any hearing officer orders may be viewed and downloaded from the Board's web site at <u>www.ipcb.state.il.us</u> and copies may also be requested from the Clerk's office.

ORDER

The Board directs the Clerk to cause publication of the following rule in the *Illinois Register* for first notice under the Administrative Procedure Act (5 ILCS 100/5-5 et seq. (2002)):

TITLE 35: ENVIRONMENTAL PROTECTION SUBTITLE B: AIR POLLUTION CHAPTER I: POLLUTION CONTROL BOARD SUBCHAPTER b: ALTERNATIVE REDUCTION PROGRAM

PART 205 EMISSIONS REDUCTION MARKET SYSTEM

SUBPART A: GENERAL PROVISIONS

Section

- 205.100 Severability
- 205.110 Purpose
- 205.120 Abbreviations and Acronyms
- 205.130 Definitions
- 205.150 Emissions Management Periods

SUBPART B: APPLICABILITY

Section

- 205.200 Participating Source
- 205.205 Exempt Source
- 205.210 New Participating Source
- 205.220 Insignificant Emission Units
- 205.225 Startup, Malfunction or Breakdown

SUBPART C: OPERATIONAL IMPLEMENTATION

Section

- 205.300 Seasonal Emissions Component of the Annual Emissions Report
- 205.310 ERMS Applications
- 205.337 CAAPP Permits for ERMS Sources
- 205.316 Federally Enforceable State Operating Permits for ERMS Sources
- 205.318 Certification for Exempt CAAPP Sources
- 205.320 Baseline Emissions
- 205.330 Emissions Determination Methods
- 205.335 Sampling, Testing, Monitoring and Recordkeeping Practices

205.337 Changes in Emissions Determination Methods and Sampling, Testing, Monitoring and Recordkeeping Practices

SUBPART D: SEASONAL EMISSIONS MANAGEMENT

Section

- 205.400 Seasonal Emissions Allotment
- 205.405 Exclusions from Further Reductions
- 205.410 Participating Source Shutdowns

SUBPART E: ALTERNATIVE ATU GENERATION

Section

- 205.500 Emissions Reduction Generator
- 205.510 Inter-Sector Transaction

SUBPART F: MARKET TRANSACTIONS

Section

- 205.600 ERMS Database
- 205.610 Application for Transaction Account
- 205.620 Account Officer
- 205.630 ATU Transaction Procedures

SUBPART G: PERFORMANCE ACCOUNTABILITY

Section

- 205.710 Alternative Compliance Market Account (ACMA)
- 205.720 Emissions Excursion Compensation
- 205.730 Excursion Reporting
- 205.740 Enforcement Authority
- 205.750 Emergency Conditions
- 205.760 Market System Review Procedures

AUTHORITY: Implementing Section 9.8 and authorized by Sections 27 and 28 of the Environmental Protection Act [415 ILCS 5/9.8, 27 and 28].

SOURCE: Adopted at 21 Ill. Reg. 15777, effective November 27, 1997; amended at 29 Ill. Reg. _____, effective______.

SUBPART A: GENERAL PROVISIONS

Section 205.120 Abbreviations and Acronyms

Unless otherwise specified within this Part, the abbreviations used in this Part shall be the same as those found in 35 Ill. Adm. Code 211. The following abbreviations and acronyms are used in this Part:

ACMA	Alternative Compliance Market Account
Act	Environmental Protection Act [415 ILCS 5]
ATU	Allotment Trading Unit
BAT	Best Available Technology
CAA	Clean Air Act as amended in 1990 [42 U.S.C. 7401 through 7671q]
CAAPP	Clean Air Act Permit Program
ERMS	Emissions Reduction Market System
FESOP	Federally Enforceable State Operating Permit
LAER	Lowest Achievable Emission Rate
MACT	Maximum Achievable Control Technology
NAAQS	National Ambient Air Quality Standard
NESHAP	National Emission Standards for Hazardous Air Pollutants
RFP	Reasonable Further Progress
ROP	Rate of Progress
USEPA	United States Environmental Protection Agency
VOM	Volatile Organic Material

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.130 Definitions

Unless otherwise specified within this Part, the definitions for the terms used in this Part shall be the same as those found in Section 39.5 of the Act [415 ILCS 5/39.5] and in 35 Ill. Adm. Code 211.

"Account officer" means a natural person who has been approved by the Agency, as specified in Section 205.620 of this Part, and is subsequently responsible for one or more Transaction Accounts to which he or she is designated.

"Allotment" means the number of allotment trading units (ATUs) allotted to a source by the Agency, as established in the source's CAAPP permit <u>or FESOP</u>. "Allotment Trading Unit (ATU)" means a tradable unit that represents 200 lbs of VOM emissions and is a limited authorization to emit 200 lbs of VOM emissions during the seasonal allotment period.

"Annual Emissions Report" means the report submitted to the Agency annually pursuant to 35 Ill. Adm. Code 254.

"Baseline emissions" means a participating source's VOM emissions for the seasonal allotment period based on historical operations as determined under Subpart C of this Part. Baseline emissions shall be the basis of the allotment for each participating source.

"Best Available Technology (BAT)" means an emission level based on the maximum degree of reduction of VOM emitted from or which results from any emission unit, which the Agency, on a case-by-case basis, taking into account energy, environmental and

economic impacts, determines is achievable for such unit through application of production processes and available methods, systems, and techniques for control of VOM, considering the features and production process and control methods, systems and techniques already used for the unit. BAT for an emission unit shall not be more stringent than Best Available Control Technology (BACT) as would be determined contemporaneously for such unit under the federal rules for Prevention of Significant Deterioration of Air Quality (PSD), 40 CFR 52.21 (1996). In no event shall application of "best available technology" result in emissions of VOM which exceed the emissions allowed by any standard established pursuant to Section 111 of the Clean Air Act, if such a standard is applicable to the category of emission unit.

"CAAPP" means the Clean Air Act Permit Program, pursuant to Section 39.5 of the Act [415 ILCS 5/39.5].

"Chicago ozone nonattainment area" means the area composed of Cook, DuPage, Kane, Lake, McHenry, and Will Counties and Aux Sable Township and Goose Lake Township in Grundy County and Oswego Township in Kendall County.

"Emergency" means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, such as an act of God, that requires immediate corrective action to restore normal operation.

"Emissions excursion" refers to the event that occurs when a participating source or new participating source does not hold sufficient ATUs at the end of a reconciliation period to account for its VOM emissions from the preceding seasonal allotment period, in accordance with Section 205.150(c) or (d) of this Subpart.

"Excursion Compensation Notice" means an administrative notice issued by the Agency, pursuant to Section 205.720 of this Part, that notifies the owner or operator of a participating source or new participating source that the Agency has determined that the source has had an emissions excursion.

"General participant" means any person, other than a participating source or new participating source, that obtains a Transaction Account and is allowed to buy and sell ATUs.

"New participating source" means a source not operating prior to May 1, 1999, located in the Chicago ozone nonattainment area, that emits or has the potential to emit 25 tons per year or more of VOM or is required to obtain a CAAPP permit; and has or will have seasonal emissions of at least 10 tons of VOM.

"Participating source" means a source operating prior to May 1, 1999, located in the Chicago ozone nonattainment area, that emits or has the potential to emit 25 tons per year or more of VOM or is required to obtain a CAAPP permit; and has baseline emissions of at least 10 tons, as specified in Section 205.320(a) of this Part, or seasonal emissions of at least 10 tons in any seasonal allotment period beginning in 1999.

"Reconciliation period" means the period from October 1 through December 31 of each year during which the owner or operator of a participating source or new participating source must compile actual VOM emissions for the previous seasonal allotment period and may also buy or sell ATUs so that sufficient ATUs are held by the source by the conclusion of the reconciliation period.

"Seasonal allotment period" means the period from May 1 through September 30 of each year.

"Seasonal emissions" means actual VOM emissions at a source that occur during a seasonal allotment period.

"Sell" means to transfer ATUs to another person through sale, lease, trade or other means of transfer.

"Special participant" means any person that registers with the Agency and may purchase and retire ATUs but not sell ATUs, as specified in Section 205.610 of this Part.

"Throughput" means the activity of an emission unit during a particular period relevant to its generation of VOM emissions, including, but not limited to, the amount of material transferred for a liquid storage operation, the amount of material processed through or produced by the emission unit, fuel usage, or the weight or volume of coatings or inks.

"Transaction Account" means an account authorized by the Agency or its designee that allows an account officer to buy or sell ATUs.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

Section 205.150 Emissions Management Periods

- a) The VOM emissions control period is the seasonal allotment period, which is from May 1 through September 30, annually.
- b) The reconciliation period is from October 1 to December 31, annually. During each reconciliation period, participating sources and new participating sources shall:
 - 1) Compile data of actual VOM emissions during the immediately preceding seasonal allotment period; and
 - 2) Submit its seasonal emissions component of its Annual Emissions Report, in accordance with Section 205.300 of this Part.
- c) At the end of each reconciliation period, on and after the dates specified in Section 205.200 of this Part, each participating source shall:

- Hold ATUs in an amount not less than its VOM emissions during the preceding seasonal allotment period, except as provided in Sections 205.220, 205.225, 205.315, <u>205.316</u>, 205.320(e)(3) or (f) and 205.750 of this Part; or
- 2) Except as provided in subsection (f) of this Section, hold Hold ATUs in an amount not less than 1.3 times its seasonal emissions during the preceding seasonal allotment period that are attributable to a major modification during the preceding seasonal allotment period, if a participating source commences operation of a major modification pursuant to 35 Ill. Adm. Code 203 on or after May 1, 1999. Additionally, such source must hold ATUs in accordance with subsection (c)(1) of this Section for VOM emissions not attributable to this major modification during the preceding seasonal allotment period.
- d) At the end of each reconciliation period, on and after the date on which the source commences operation, as specified in Section 205.210 of this Part, each new participating source shall:
 - Except as provided in subsection (f) of this Section, if If the new participating source is a new major source pursuant to 35 Ill. Adm. Code 203, hold ATUs in an amount not less than 1.3 times its VOM emissions during the preceding seasonal allotment period; or
 - 2) If the new participating source is not a new major source pursuant to 35 Ill. Adm. 203, hold ATUs in an amount not less than its VOM emissions during the preceding seasonal allotment period, except as provided in Sections 205.220, 205.225 and 205.750 of this Part.
- e) <u>Except as provided in subsection (f) of this Section, any Any participating source</u> that commences operation of a major modification on or after May 1, 1999, or any new participating source that is a new major source, which, at the end of each reconciliation period, holds ATUs in an amount not less than 1.3 times the VOM emissions during the preceding seasonal allotment period, in accordance with subsection (c)(2) or (d)(1) of this Section, as applicable, shall be deemed to have satisfied the <u>VOM</u> offset requirements of 35 Ill. Adm. Code 203.302(a), 203.602 and 203.701.
- <u>f)</u> <u>Chicago area classification</u>
 - 1) If the nonattainment classification of the Chicago area for ozone is changed such that the required offset ratio is no longer 1.3 to 1 and a new offset ratio applies, as specified in 35 Ill. Adm. Code 203.302, that ratio shall then apply in lieu of the 1.3 to 1 ratio set forth in subsections (c)(2),

(d)(1), and (e) of this Section. Such new ratio shall not apply to any part of a source or any modification already subject to the 1.3 to 1 ratio or other new offset ratio prior to the effective date of the new ratio.

 <u>If the Chicago area is designated to attainment for ozone, the 1.3 to 1 ratio</u> set forth in subsections (c)(2), (d)(1), and (e) of this Section or any new ratio established pursuant to subsection (f)(1) of this Section shall cease to apply. However, such ratio shall continue to apply to any part of a source or any modification that is already subject to the ratio prior to such designation.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

SUBPART B: APPLICABILITY

Section 205.200 Participating Source

- <u>a)</u> The requirements of this Part shall apply to any source operating prior to May 1, 1999, located in the Chicago ozone nonattainment area, that
 - 1) emits or has the potential to emit 25 tons per year or more of VOM or is required to obtain a CAAPP permit; and
 - <u>2)</u> has baseline emissions of at least 10 tons, as specified in Section
 205.320(a) of this Part, or seasonal emissions of at least 10 tons in any seasonal allotment period beginning in 1999.
- b) Each participating source shall hold ATUs, as specified in Section 205.150(c) of this Part, in accordance with the following schedule:
 - <u>1)a</u>) For any participating source that has baseline emissions of at least 10 tons of VOM, as determined in accordance with Section 205.320(a) of this Part, beginning with the 1999 seasonal allotment period;
 - 2)b) For any source that first becomes a participating source because its VOM emissions increase to 10 tons per season or more in any seasonal allotment period beginning with 1999 and this emissions increase is not a major modification pursuant to 35 Ill. Adm. Code 203, beginning with the first seasonal allotment period after such increased emissions occurred; or
 - 3)e) For any source that will first be subject to the requirements of this Part because of a VOM emissions increase at any time on or after May 1, 1999 that constitutes a major modification pursuant to 35 Ill. Adm. Code 203, upon commencing operation of this modification.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.205 Exempt Source

- a) Any source that otherwise meets the criteria for participating sources shall be exempt from the requirements of this Part, except that any such source shall be required to submit the seasonal emissions component of the Annual Emissions Report as specified in Section 205.300 of this Part, if the source accepts a 15 tons per seasonal allotment period limit on its VOM emissions in its CAAPP permit <u>or</u> <u>FESOP</u> for each seasonal allotment period in which the source would be required to participate in the ERMS in accordance with the following:
 - If the source would be required to participate in the ERMS beginning with the 1999 seasonal allotment period in accordance with Section 205.200(b)(1)(a) of this Subpart, such source shall apply for the applicable permit limitation by March 1, 1998; or
 - 2) If the source is required to participate in the ERMS in any seasonal allotment period after 1999 because its VOM emissions increase to 10 tons or more in any seasonal allotment period beginning with 1999 in accordance with Section 205.200(b)(2) of this Subpart, such source shall apply for the applicable permit limitation by December 1 of the first year in which its seasonal emissions are at least 10 tons.
- b) Any source that otherwise meets the criteria for participating sources shall be exempt from the requirements of this Part, except that any such source shall be required to submit the seasonal emissions component of the Annual Emissions Report and an ERMS application as specified in Sections 205.300 and 205.310(d) of this Part, respectively, if such source reduces its seasonal emissions by at least 18 percent beginning in 1999. Any such source shall accept conditions in its CAAPP permit or FESOP limiting its seasonal emissions to at least 18 percent less than its baseline emissions, as determined in accordance with Section 205.320 of this Part. Any such source shall apply for the applicable permit limitation(s) by March 1, 1998. ATUs equivalent to any amount of VOM emissions reductions achieved by the source beyond 12 percent (at least six percent) shall be issued by the Agency to the ACMA.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.210 New Participating Source

- <u>a)</u> The requirements of this Part shall apply to any new participating source, a source not operating prior to May 1, 1999, located in the Chicago ozone nonattainment area, that
 - 1) <u>emits or has the potential to emit 25 tons per year or more of VOM or is</u> required to obtain a CAAPP permit; and

- 2) has or will have seasonal emissions of at least 10 tons of VOM.
- b) Each new participating source shall hold ATUs, as specified in Section 205.150(d) of this Part, upon commencing operation.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

Section 205.220 Insignificant Emission Units

- <u>a)</u> Emission units identified as insignificant activities pursuant to the CAAPP permit for <u>a each</u> participating or new participating source are exempt from the requirements of this Part.
- b) Emission units that the Agency determines would qualify as insignificant activities under 35 Ill. Adm. Code 201.Subpart F if the source were a CAAPP source and for which a statement to this effect is contained in the FESOP for a participating or new participating source are exempt from the requirements of this Part.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

SUBPART C: OPERATIONAL IMPLEMENTATION

Section 205.300 Seasonal Emissions Component of the Annual Emissions Report

- a) For each year in which the source is operational, the owner or operator of each participating source and new participating source shall submit, as a component of its Annual Emissions Report, seasonal emissions information to the Agency for each seasonal allotment period after the effective date of this Part in accordance with the following schedule:
 - For each participating source or new participating source that generates VOM emissions from less than 10 emission units, by October 31 of each year; and
 - 2) For each participating source or new participating source that generates VOM emissions from 10 or more emission units, by November 30 of each year.
- b) In addition to any information required pursuant to 35 Ill. Adm. Code 254, the seasonal emissions component of the Annual Emissions Report shall contain the following information for the preceding seasonal allotment period for each emission unit emitting or capable of emitting VOM, except that such information is not required for emission units excluded pursuant to Section 205.220 of this

Part or for VOM emissions attributable to startup, malfunction or breakdown, as specified in Section 205.225 of this Part:

- 1) Actual seasonal emissions of VOM from the source;
- 2) A description of the methods and practices used to determine VOM emissions, as required by the source's CAAPP permit <u>or FESOP</u>, including any supporting documentation and calculations;
- 3) A detailed description of any monitoring methods that differ from the methods specified in the CAAPP permit <u>or FESOP</u> for the source, as provided in Section 205.337 of this Subpart;
- 4) If a source has experienced an emergency, as provided in Section 205.750 of this Part, it shall reference the associated emergency conditions report that has been approved by the Agency;
- 5) If a source's baseline emissions have been adjusted because of a variance, consent order or CAAPP permit compliance schedule, as provided for in Section 205.320(e)(3) of this Subpart, it shall provide documentation quantifying the adjusted VOM emissions amount; and
- 6) If a source is operating a new or modified emission unit for which three years of operational data is not yet available, as specified in Section 205.320(f) of this Subpart, it shall specify seasonal emissions attributable to the new emission unit or the modification of the emission unit.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.310 ERMS Applications

- a) The owner or operator of each participating source or new participating source shall submit to the Agency an ERMS application in accordance with the following schedule:
 - For a participating source with baseline emissions of at least 10 tons of VOM, as determined in accordance with Section 205.320(a) of this Subpart, by March 1, 1998;
 - 2) For any source that first becomes a participating source because its VOM emissions increase to 10 tons or greater during any seasonal allotment period beginning with 1999, on or before December 1 of the year of the first seasonal allotment period in which its VOM emissions are at least 10 tons, provided that this emissions increase is not a major modification pursuant to 35 Ill. Adm. Code 203; or

- 3) For a new participating source or for a major modification of any source existing prior to May 1, 1999, that is <u>a major new source or a major modification</u> subject to 35 Ill. Adm. Code 203 based on VOM emissions, at the time a construction permit application is submitted or due for the source or modification, whichever occurs first.
- b) Except as provided in subsection (d) of this Section, each ERMS application for participating sources shall contain all information required by the Agency pursuant to Section 39.5 of the Act [415 ILCS 5/39.5] or reference such information if previously submitted to the Agency, including the following information:
 - 1) Data sufficient to establish the appropriate baseline emissions for the source in accordance with Section 205.320 of this Subpart, including but not limited to the following:
 - A) VOM emissions data and production types and levels from the baseline emissions year(s), as specified in Section 205.320(a)(1), (b) or (c) of this Subpart, as appropriate;
 - B) If the source is proposing a substitute baseline emissions year(s), as provided in Section 205.320(a)(2) of this Subpart, a justification that the year is more representative than 1994, 1995 or 1996, including data on production types and levels from the proposed substitute year(s) and historical production data, as needed to justify that the proposed substitute year(s) is representative; and
 - C) If the source is proposing a baseline emissions adjustment based on voluntary over-compliance, as provided in Section 205.320(d) of this Subpart, sufficient information for the Agency to determine the appropriate adjustment;
 - 2) A description of methods and practices used to determine baseline emissions and that will be used to determine seasonal emissions for purposes of demonstrating compliance with this Part, in accordance with Sections 205.330 and 205.335 of this Subpart;
 - Identification of any emission unit for which exclusion from further reductions is sought pursuant to Section 205.405(b) of this Part and including all of the information required pursuant to Section 205.405(b) of this Part;
 - 4) Identification of any emission unit excluded from further reductions pursuant to Section 205.405(a) of this Part; and

- 5) Identification of any new or modified emission unit for which a construction permit was issued prior to January 1, 1998, but for which three years of operational data is not available, and the permitted VOM emissions or the permitted increase in VOM emissions from such emission unit(s), adjusted for the seasonal allotment period.
- c) Except as provided in subsection (h) of this Section, the ERMS application submitted by each participating source shall also be an application for a significant modification of its CAAPP permit or a revision to its FESOP, or a revision to its CAAPP or FESOP application if a CAAPP permit or FESOP has not yet been issued for the source.
- d) The ERMS application for any source that elects to reduce its seasonal emissions by at least 18 percent from its baseline emissions, as provided in Section 205.205(b) of this Part, shall include:
 - 1) VOM emissions data sufficient to establish the appropriate baseline emissions for the source in accordance with Section 205.320 of this Subpart; and
 - 2) A description of methods and practices used to determine baseline emissions and that will be used to demonstrate that its seasonal emissions will be at least 18 percent less than its baseline emissions, in accordance with Sections 205.330 and 205.335 of this Subpart.
- e) Within 120 days after receipt of an ERMS application, the Agency shall provide written notification to the source of a preliminary baseline emissions determination. Public notice of a draft CAAPP permit in accordance with Section 39.5(8) of the Act [415 ILCS 5/39.5(8)] shall fulfill this requirement for a preliminary baseline emissions determination if issued within 120 days.
- f) The ERMS application for each source applying for a major modification, as provided in subsection (a)(3) of this Section, shall include the information specified in subsection (b) of this Section and a certification by the owner or operator recognizing that the source will be required to hold ATUs by the end of each reconciliation period in accordance with Section 205.150(c)(2) of this Part, and provide a plan explaining the means by which it will obtain ATUs for the VOM emissions attributable to the major modification for the first three seasonal allotment periods in which this major modification is operational.
- g) The ERMS application for each new participating source shall include:
 - 1) A description of methods and practices that will be used to determine seasonal emissions for purposes of demonstrating compliance with this Part, in accordance with Sections 205.330 and 205.335 of this Subpart;

- 2) A certification by the owner or operator recognizing that the source will be required to hold ATUs by the end of each reconciliation period in accordance with Section 205.150(d) of this Part for each seasonal allotment period in which it is operational; and
- 3) If the source is a new major source subject to 35 Ill. Adm. Code 203, a plan explaining means by which it will obtain such ATUs for the first three seasonal allotment periods in which it is operational.
- h) The owner or operator of any participating source that has identified a new or modified emission unit, as specified in subsection (b)(5) of this Section, shall submit a written request for, or an application for, a revised emissions baseline and allotment. Such written request or application shall be submitted by December 1 of the year of the third complete seasonal allotment period in which such newly constructed emission unit is operational, which submittal shall include information on the seasonal emissions for these first three seasonal allotment periods.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

Section 205.315 CAAPP Permits for ERMS Sources

- Except as provided in Section 205.316(c) of this Subpart, the The Agency shall a) determine the baseline emissions for each participating source in accordance with Section 205.320 of this Subpart, through its final permit action on a new or modified CAAPP permit for the each such source. The Agency's baseline emissions determination may be appealed in accordance with the CAAPP appeal procedures specified in Section 40.2 of the Act [415 ILCS 5/40.2]. If the permit conditions establishing a source's baseline emissions are appealed, the baseline emissions for the source shall be as proposed in the source's ERMS application during the pendency of the appeal. During the pendency of the appeal, ATUs shall be allotted to the source pursuant to the part of the source's proposed baseline emissions that is not disputed in the appeal. If such source's seasonal VOM emissions exceed the ATUs it holds at the end of reconciliation periods during the pendency of the appeal, the source will not be deemed to have had an emissions excursion to the extent that such seasonal VOM emissions do not exceed the amount it proposed as its baseline in its ERMS application, less reductions required pursuant to Section 205.400(c) or (e) of this Part, if applicable. Such source shall not be allowed to sell ATUs during the pendency of the appeal.
- b) <u>Except as provided in Section 205.316(c) of this Subpart, the</u> The Agency shall determine, in accordance with Sections 205.330 and 205.335 of this Subpart, the methods and practices applicable to each participating source and new participating source to determine seasonal emissions through its final permit action on a new or modified CAAPP permit for <u>the</u> each such source. The

Agency's determination of the methods and practices applicable may be appealed in accordance with the CAAPP appeal procedures specified in Section 40.2 of the Act [415 ILCS 5/40.2].

- Except as provided in Section 205.316(c) of this Subpart, the The Agency shall c) determine, in accordance with Section 205.405(b) of this Part, if an emission unit qualifies for exclusion from further reductions in its final permit action on a new or modified CAAPP permit for each such source. The Agency's determination may be appealed in accordance with the CAAPP appeal procedures specified in Section 40.2 of the Act [415 ILCS 5/40.2]. If the permit conditions establishing the Agency's BAT determination are appealed, ATUs shall be allotted to the source for any emission unit for which the Agency's BAT determination is being appealed with the emissions reduction required by Section 205.400(c) or (e) of this Part during the pendency of the appeal. If the seasonal VOM emissions for the subject emission unit(s) exceed the ATUs that are attributed to the unit(s) during the pendency of the appeal, the source will not be deemed to have an emissions excursion to the extent that such seasonal VOM emissions do not exceed the amount of ATUs that would be attributed to this unit if the BAT exclusion was accepted. Such source shall not be allowed to sell ATUs during the pendency of the appeal.
- d) The <u>CAAPP permit for a allotment for each participating source shall specify the</u> <u>allotment</u> for each seasonal allotment period shall be specified in its CAAPPpermit.
- e) To the extent possible, the Agency shall initiate the procedures of 35 Ill. Adm. Code 252, as required by Section 39.5 of the Act [415 ILCS 5/39.5], by grouping the draft CAAPP permits and supporting documents for participating sources. Specifically, to the extent possible, the Agency shall issue a joint public notice and hold a joint hearing, as appropriate, addressing participating sources for which a hearing is requested.
- f) When a CAAPP permit for a participating source is transferred from the current permittee to another person:
 - 1) In the case of a name change of the participating source where ownership is not altered, appropriate documentation shall be submitted to revise the Transaction Account to reflect the name change; or
 - 2) In the case of an ownership change of the participating source, the allotment shall also be transferred by the owner or operator of the permitted source to the new owner or operator, or the new owner or operator shall submit a statement to the Agency certifying that such transfer is not occurring and demonstrating that necessary ATUs are or will be available by other means for the intended operation of the source.

- g) Upon reopening or renewal of the CAAPP permit for any participating source or new participating source, any multiple season transfer agreement, as provided in Section 205.630(a)(2)(B) of this Part, that has three or more years of transfers remaining shall be identified in the renewed or reissued CAAPP permit for each such source.
- b) Upon reopening or renewal of the CAAPP permit for any participating source or new participating source, any ATUs that will be issued by the Agency for three years or more to any such source pursuant to Section 205.410, 205.500 or 205.510 of this Part shall be identified in the renewed or reissued CAAPP permit for each such source.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.316 Federally Enforceable State Operating Permits for ERMS Sources

- a) Any participating or new participating source shall not operate without a CAAPP permit or FESOP.
 - If a source has a CAAPP permit containing ERMS provisions and the source elects to obtain a different permit in lieu of the CAAPP permit, the source shall apply for and obtain a FESOP that contains ERMS provisions including, but not limited to, emissions calculation methodologies, baseline emissions, and allotment for each seasonal allotment period, all of which are identical to those provisions contained in its CAAPP permit.
 - 2) If a participating or new participating source does not have a CAAPP permit containing ERMS provisions and the source elects to obtain a permit other than a CAAPP permit, the source shall apply for and obtain a FESOP that contains, in addition to other necessary provisions, federally enforceable ERMS provisions, including baseline emissions, allotment for each seasonal allotment period, identification of any units deemed to be insignificant activities for the purposes of the ERMS, emissions calculation methodologies, and provisions addressing all other applicable requirements of this Part.
- b) When determining the baseline emissions and allotment for a participating source as required under subsection (a)(2) of this Section:
 - The Agency shall determine baseline emissions in accordance with Section 205.320 of this Subpart, through its final permit action on the new or modified FESOP for the source. The Agency's baseline emissions determination may be appealed in accordance with the appeal procedures specified in Section 40 of the Act [415 ILCS 5/40]. If the permit conditions establishing a source's baseline emissions are appealed, the baseline emissions for the source shall be as proposed in the source's

ERMS application during the pendency of the appeal. During the pendency of the appeal, ATUs shall be allotted to the source pursuant to the part of the source's proposed baseline emissions that is not disputed in the appeal. If such source's seasonal VOM emissions exceed the ATUs it holds at the end of reconciliation periods during the pendency of the appeal, the source will not be deemed to have had an emissions excursion to the extent that such seasonal VOM emissions do not exceed the amount it proposed as its baseline in its ERMS application, less reductions required pursuant to Section 205.400(c) or (e) of this Part, if applicable. Such source shall not be allowed to sell ATUs during the pendency of the appeal.

- The Agency shall determine, in accordance with Section 205.405(b) of 2) this Part, if an emission unit qualifies for exclusion from further reductions in its final permit action on a new or modified FESOP for the source. The Agency's determination may be appealed in accordance with the appeal procedures specified in Section 40 of the Act [415 ILCS 5/40]. If the permit conditions establishing the Agency's BAT determination are appealed, ATUs shall be allotted to the source for any emission unit for which the Agency's BAT determination is being appealed with the emissions reduction required by Section 205.400(c) or (e) of this Part during the pendency of the appeal. If the seasonal VOM emissions for the subject emission unit(s) exceed the ATUs that are attributed to the unit(s) during the pendency of the appeal, the source will not be deemed to have an emissions excursion to the extent that such seasonal VOM emissions do not exceed the amount of ATUs that would be attributed to this unit if the BAT exclusion was accepted. Such source shall not be allowed to sell ATUs during the pendency of the appeal.
- c) The Agency shall determine, in accordance with Sections 205.330 and 205.335 of this Subpart, the methods and practices applicable to the participating source or new participating source to determine seasonal emissions through its final permit action on the new or modified FESOP for such source. The Agency's determination of the methods and practices applicable may be appealed in accordance with the appeal procedures specified in Section 40 of the Act [415] ILCS 5/40].
- <u>d)</u> When a FESOP for a participating source is transferred from the current permittee to another person:
 - 1) In the case of a name change of the participating source where ownership is not altered, appropriate documentation shall be submitted to revise the Transaction Account to reflect the name change; or
 - 2) In the case of an ownership change of the participating source, the allotment shall also be transferred by the owner or operator of the

permitted source to the new owner or operator, or the new owner or operator shall submit a statement to the Agency certifying that such transfer is not occurring and demonstrating that necessary ATUs are or will be available by other means for the intended operation of the source.

- <u>Upon reopening or renewal of the FESOP for any participating source or new participating source, any multiple season transfer agreement, as provided in Section 205.630(a)(2)(B) of this Part, that has three or more years of transfers remaining shall be identified in the renewed or reissued FESOP for such source.</u>
- f)Upon reopening or renewal of the FESOP for any participating source or new
participating source, any ATUs that will be issued by the Agency for three years
or more to any such source pursuant to Section 205.410, 205.500 or 205.510 of
this Part shall be identified in the renewed or reissued FESOP for such source.

(Source: Added at 29 Ill. Reg. _____, effective _____)

Section 205.318 Certification for Exempt CAAPP Sources

The owner or operator of any source that is located in the Chicago ozone nonattainment area that is required to obtain a CAAPP permit, and has seasonal emissions, as determined in accordance with Section 205.320(a) of this Subpart, of less than 10 tons shall submit a written certification to the Agency by March 1, 1998, certifying that its VOM emissions are below 10 tons per season as specified in Section 205.320(a) of this Subpart. Such certification shall include the amount of VOM emissions at the source during the 1994, 1995, 1996 and 1997 seasonal allotment periods, and supporting calculations.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.320 Baseline Emissions

- a) Except as provided in subsection (b) or (c) of this Section, baseline emissions shall be determined by the Agency in accordance with the following, adjusted as specified in subsections (d), (e) and (f) of this Section:
 - Baseline emissions shall be calculated using the average of the two seasonal allotment periods with the highest VOM emissions during 1994, 1995 or 1996.
 - 2) Any source may propose to substitute seasonal emissions on a year-foryear basis due to non-representative conditions in 1994, 1995 or 1996, but must stay within the period from 1990 through 1997, and must have accurate seasonal emissions data for the substitute year(s). When considering whether to substitute a seasonal baseline emission year(s), the Agency must consider the information submitted by the source pursuant to Section 205.310(b)(1)(B) of this Subpart, as well as the accuracy of that

data. For the purposes of this subsection (a)(2), "non-representative conditions" include, but are not limited to, events such as strikes, fires, floods and market conditions.

- b) Except as provided below in subsection (c) of this Section, for For any source that has seasonal emissions of less than 10 tons, as determined in accordance with subsection (a) of this Section, but becomes a participating source because its seasonal emissions increase to 10 tons or more in any seasonal allotment period beginning with 1999, baseline emissions shall be determined by the Agency based on actual VOM emissions from the first seasonal allotment period in which the source's sources emissions equaled or exceeded 10 tons, adjusted as specified in subsections (d), (e) and (f) of this Section, provided such emissions increase is not a major modification pursuant to 35 Ill. Adm. Code 203.
- c) For any source that has seasonal emissions of less than 10 tons, as determined in accordance with subsection (a) of this Section, but becomes a participating source because its seasonal emissions increase to 10 tons or more in any seasonal allotment period beginning with 1999 and this emissions increase constitutes a major modification pursuant to 35 III. Adm. Code 203, baseline emissions shall be determined by the Agency based on the average of the actual seasonal emissions from the two seasonal periods prior to a timely submittal of its application for the major modification, adjusted as specified in subsections (d) and (e) of this Section. Any such source may substitute seasonal emissions on a year-for-year basis due to non-representative conditions in either of the two seasonal allotment periods prior to submittal of its application. For the purposes of this subsection, "non-representative conditions" include, but are not limited to, conditions such as strikes, fires, floods and market conditions.
- d) The baseline emissions of any participating source shall be increased for voluntary over-compliance that occurred after October 31, 1990 and results in a VOM emissions level that is lower than the level required by applicable requirements effective in 1996, including limitations in the source's permit(s) based on such applicable requirements. Voluntary over-compliance shall be determined in accordance with the following:
 - Determine the actual activity or production types and levels from the seasonal allotment period(s) selected for baseline emissions pursuant to subsection (a), (b) or (c) of this Section;
 - 2) Determine seasonal emissions for each emission unit as the product of the amount of activity or production, as determined in accordance with subsection (d)(1) of this Section, and the actual emissions level;
 - 3) Determine seasonal emissions for each emission unit as the product of the amount of activity or production, as determined in accordance with

subsection (d)(1) of this Section, and the allowable emissions level pursuant to all applicable requirements effective through 1996, including limitations in the source's permit(s) based on such applicable requirements; and

- Determine the appropriate adjustment to baseline emissions by subtracting the seasonal emissions determined pursuant to subsection (d)(2) of this Section from the seasonal emissions determined pursuant to subsection (d)(3) of this Section.
- e) The baseline emissions of any participating source shall be decreased if any of the following circumstances exist:
 - If a source is out of compliance with any applicable requirements, including limitations in the source's permit(s) based on such applicable requirements, in any of the seasonal allotment periods used for baseline emissions, its baseline emissions shall be lowered to reflect the amount of VOM emissions that would be achieved if in compliance with such requirements.
 - 2) If any of the seasonal allotment periods selected for baseline emissions do not reflect compliance with requirements effective through 1996 that became applicable after any of the years selected as baseline years, the source's baseline emissions shall be lowered to reflect the amount of VOM emissions that would be achieved if in compliance with such requirements.
 - 3) If, in any of the years selected for baseline emissions, a source's VOM emissions are in excess of the amount of VOM emissions allowed by applicable rules because it has been granted a variance, has entered into a consent order, or is operating pursuant to a CAAPP permit compliance schedule, the baseline emissions for such source shall be lowered to reflect the VOM emissions amount that would be achieved if in compliance with such requirements, subject to the following:
 - A) Each such source shall be allowed to emit VOM emissions in excess of the ATUs it holds at the end of the reconciliation period each year until compliance with the applicable regulation is achieved, or upon expiration of the relief allowed for in the variance, consent order or CAAPP permit compliance schedule, whichever occurs first;
 - B) Such excess VOM emissions shall be allowed to the extent allowed in the variance, consent order or CAAPP permit compliance schedule; and

- C) The seasonal component of the Annual Emissions Report for each such source shall be adjusted each year until compliance with the applicable requirement(s) is achieved, or upon expiration of the relief allowed for in the variance, consent order or CAAPP permit compliance schedule, whichever occurs first, as specified in subsection (e)(3)(B) of this Section.
- 4) For any participating source that operated with excess emissions during startup, malfunction or breakdown during any year used to determine its baseline emissions, whether or not such operation was authorized pursuant to the source's permit, excess VOM emissions attributable to startup, malfunction or breakdown shall be excluded from the baseline emissions.
- f) For new or modified emission units at a source for which a construction permit was issued prior to January 1, 1998, but for which three years of operational data is not available, the baseline emissions determination for the source shall include VOM emissions from such new emission unit or the increase in emissions from the modification of such emission unit based on the two seasonal allotment periods with the highest VOM emissions from the first three complete seasonal allotment periods in which any such new or modified emission unit is operational. ATUs shall only be issued in accordance with this subsection after the baseline emissions has been determined. Any such source shall not be required to hold ATUs for VOM emissions attributable to the new emission unit or the modification of the existing emission unit for the first three complete seasonal allotment periods in which it is operational.
- g) For any source which acquired emission reduction credits pursuant to a written agreement, entered into prior to January 1, 1998, and such emission reduction credits were acquired for use as emissions offsets, in accordance with 35 III. Adm. Code 203, such emission reduction credits, adjusted for the seasonal allotment period, and reduced by 24 percent, shall be included in the baseline emissions determination for the source, only to the extent that:
 - 1) The Agency has issued a federally enforceable permit, prior to January 1, 1998, to the source from which the emission reduction credits were acquired, and such federally enforceable permit recognized the creation of the VOM emission reduction credits by the cessation of all VOM-emitting activities and the withdrawal of the operating permits for VOM-emitting activities at such other sources; and
 - 2) The Agency has not relied upon the emission reduction credits to_ demonstrate attainment or reasonable further progress.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

Section 205.330

Emissions Determination Methods

The owner or operator of a participating source or new participating source shall determine VOM emissions from the source during the seasonal allotment period using methods as necessary to demonstrate compliance with this Part. Such methods shall be, at a minimum, as stringent as those required by any applicable requirement and any permit condition. The Agency shall establish the emissions determination methods applicable to each such source in the source's CAAPP permit <u>or FESOP</u>. The following methods, in conjunction with relevant source-specific throughput and operating data, are acceptable methods a source may use to determine seasonal emissions, depending on the type of emission unit:

- a) Material balance calculation, based on the VOM content of raw materials and recovered materials, as is typically used for degreasers, coating lines, and printing lines equipped with a carbon adsorption system (recovery-type control device) or without any control device;
- b) A standard engineering formula for estimation of emissions, as is typically used for storage and transfer of volatile organic liquids;
- c) A source-specific emission factor(s), based on representative testing and sampling data and appropriate analysis, as typically used for petroleum refining processes;
- d) A published USEPA emission factor(s), as is typically used for component leaks;
- e) A source-specific emission rate or VOM control efficiency, based on representative testing, as is typically used for chemical processes and afterburners (destruction-type control device), respectively;
- f) A method not listed above that is sufficient to demonstrate compliance with this Section; or
- g) An appropriate combination of the above methods, as typically used for a coating or printing line equipped with a control device, where the available emissions are determined by material balance and the control efficiency is determined by representative testing.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.335 Sampling, Testing, Monitoring and Recordkeeping Practices

The owner or operator of a participating source or new participating source shall conduct sampling, perform testing, conduct monitoring and maintain records as needed to support its method for determining seasonal emissions in accordance with Section 205.330 of this Subpart and to demonstrate compliance with this Part. Such sampling, testing, monitoring and recordkeeping shall be, at a minimum, as stringent as that required by any applicable requirement and any permit condition. The Agency shall establish the practices applicable to each such source in the source's CAAPP permit <u>or FESOP</u>.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.337 Changes in Emission Determination Methods and Sampling, Testing, Monitoring and Recordkeeping Practices

- a) The methods used for determining seasonal emissions from a source shall generally be consistent with the methods used to determine its baseline emissions unless the source's permit accommodates the use of alternate methods to determine VOM emissions.
- b) Modification of Methods and Practices
 - If a source proposes new or revised methods to determine VOM emissions or new or revised supporting practices for sampling, testing, monitoring or recordkeeping that differ significantly from the methods and practices specified by its current permit, the source shall obtain a revised <u>CAAPP</u> permit in accordance with the procedures specified in Section 39.5 of the Act [415 ILCS 5/39.5], <u>or a revised FESOP</u>, prior to relying on such methods and practices.
 - 2) The Agency shall issue a revised permit if it finds, based upon submission of an appropriate permit application, that the proposed methods or practices are needed or appropriate to address changes in the operation of the source or emission units that were not considered when the current permit was issued, that the proposed methods and procedures will not significantly affect the determination of actual seasonal emissions, or that the proposed methods and procedures incorporate new or improved analytical techniques or estimation methods that will increase the accuracy with which actual seasonal emissions are determined, and other applicable requirements for issuance of a revised permit are met.
 - 3) If the Agency approves the use of a modified method or practice, the Agency is authorized to determine a corrected baseline and thereafter issue ATUs in accordance with Section 205.400(c) of this Part pursuant to this corrected baseline.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

SUBPART D: SEASONAL EMISSIONS MANAGEMENT

a) Each participating source shall receive an allotment which shall be issued by the Agency and distributed in ATUs.

- b) Except for ATUs issued pursuant to Sections 205.500 and 205.510 of this Part, ATUs issued for any seasonal allotment period are valid for use during the seasonal allotment period following issuance and the next succeeding seasonal allotment period. All ATUs shall be valid until such ATUs expire or are retired.
- c) The initial allotment for each participating source shall be based on the baseline emissions for such source, as determined in accordance with Section 205.320 of this Part, and shall be reduced by 12 percent in 1999 or in such other year that a source is issued its initial allotment, except as provided in Section 205.405 of this Subpart.
- d) Except as provided in Section 205.337(b)(3) of this Part and subsections (c) and (e) of this Section, allotments shall remain at 1999 or initial levels unless the Agency makes a demonstration to the Board, in accordance with the rulemaking provisions of Sections 9.8, 27 and 28 of the Act [415 ILCS 5/9.8, 27 and 28], that further reductions are needed. An allotment or a baseline under this Part does not constitute a property right. Nothing in this Part shall be construed to limit the authority of the Board to terminate or limit such allotment or baseline pursuant to its rulemaking authority under Sections 9.8, 27 and 28 of the Act [415 ILCS 5/9.8, 27 and 28].
- e) If the baseline emissions for any participating source are increased in accordance with Section 205.320(f) of this Part, the allotment shall be increased by the modified portion of the baseline emissions amount, reduced by 12 percent, except as provided in Section 205.405 of this Subpart.
- f) Except as provided in subsection (h) of this Section, any new participating source shall not be issued ATUs by the Agency, but shall be required to hold ATUs at the end of the reconciliation period as specified in Section 205.150(d) of this Part for each seasonal allotment period in which it is operational.
- g) Any source existing as of May 1, 1999, which first becomes subject to the requirements of this Part because its seasonal emissions increase to 10 tons or more as a result of a major modification pursuant to 35 Ill. Adm. Code 203, in any seasonal allotment period beginning with 1999, shall not be allotted ATUs by the Agency for the VOM emissions attributable to this modification, except as provided in subsection (h) of this Section, but shall be allotted ATUs by the Agency based on its baseline emissions, as determined in accordance with Section 205.320 of this Part. Any such participating source shall be required to hold ATUs at the end of the reconciliation period as specified in Section 205.150(c) of this Part, for each seasonal allotment period in which it is subject to this Part.
- h) If a participating source or new participating source submits an ATU transfer agreement authorizing the transfer of ATUs for more than one year, as provided in Section 205.630(a)(2)(B) of this Part, the ATUs shall be automatically transferred by the Agency from the transferor's Transaction Account to the transferee's Transaction Account. Upon reopening or renewal of the CAAPP

permit <u>or FESOP</u> for any such source, any multiple season transfer agreement that has three or more years of transfers remaining shall be identified in the renewed or reissued CAAPP permit <u>or FESOP</u> for each such source.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

- Section 205.405 Exclusions from Further Reductions
 - a) VOM emissions from the following emission units, if satisfying subsection (a)(1), (a)(2) or (a)(3) of this Section prior to May 1, 1999, shall be excluded from the VOM emissions reductions requirements specified in Section 205.400(c) and (e) of this Subpart as long as such emission units continue to satisfy subsection (a)(1), (a)(2) or (a)(3) of this Section:
 - 1) Emission units that comply with any NESHAP or MACT standard promulgated pursuant to the CAA;
 - 2) Direct combustion emission units designed and used for comfort heating purposes, fuel combustion emission units and internal combustion engines; and
 - 3) An emission unit for which a LAER demonstration has been approved by the Agency on or after November 15, 1990.
 - b) When it is determined that an emission unit is using, prior to May 1, 1999, BAT for controlling VOM emissions, VOM emissions from such emission unit shall not be subject to the VOM emissions reductions requirement specified in Section 205.400(c) or (e) of this Subpart as long as such emission unit continues to use such BAT. The owner or operator of a source may request such exclusion from further reductions by providing the following information, in addition to the information required in Section 205.310 of this Part, in its ERMS application:
 - 1) Identification of each emission unit for which exclusion is requested, including the year of initial operation of such emission unit;
 - 2) Identification of all requirements applicable to the emission unit;
 - 3) A demonstration that the emission unit is using BAT for controlling VOM emissions;
 - 4) Identification of the permitted VOM emissions from the emission unit;
 - 5) VOM emissions from the emission unit for each seasonal allotment period used in the baseline emissions determination for the source; and

- 6) A description and quantification of any reductions in VOM emissions that were achieved at the emission unit or source based on its use of BAT.
- c) As part of its review of an ERMS application or application for a modified allotment, the Agency may determine that any such emission unit qualifies for exclusion from further reductions under subsection (a) or (b) of this Section. The Agency shall make its proposed determination in a draft CAAPP permit or <u>FESOP</u> subject to public notice and participation, accompanied by an explanation of its proposed action.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.410 Participating Source Shutdowns

- a) If a participating source shuts down all operations at the source, and withdraws its permit or its permit is revoked or terminates, allotments issued to such a source for each seasonal allotment period after the shutdown occurred shall be subject to the following:
 - 1) 80 percent of all such ATUs shall continue to be allotted to the owner or operator of such source or its duly authorized recipient; and
 - 2) 20 percent of all such ATUs shall be issued to the ACMA.
- b) Except as provided in subsection (c) of this Section, the owner or operator of any participating source that shuts down all operations, in accordance with subsection (a) of this Section, shall submit a written request to have its status changed to a general participant, upon withdrawal, revocation or termination of its permit.
- c) The owner or operator of any participating source that shuts down all operations, in accordance with subsection (a) of this Section, may authorize the issuance of future ATUs to the Transaction Account of another participating source, new participating source or general participant by submitting a transfer agreement authorizing a permanent transfer of all future ATUs. The CAAPP permit <u>or FESOP</u> of any participating source or new participating source designated to receive future allotments of ATUs pursuant to such a transfer agreement shall be modified to reflect this transfer upon reopening or renewal. Any ATUs issued pursuant to a transfer agreement entered into under this subsection before shut down of all operations of the participating source shall not be subject to subsection (a) of this Section.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

SUBPART E: ALTERNATIVE ATU GENERATION

Section 205.500 Emissions Reduction Generator

Any participating source, new participating source or general participant may submit a proposal for issuance of ATUs to it based on VOM emissions reductions, as specified in subsection (a) of this Section, achieved by any source or group of sources located in the Chicago ozone nonattainment area with an operating permit(s) other than a participating source or new participating source. The owner or operator of each source from which the VOM emissions reductions have been or will be achieved shall certify its acceptance of the terms of the proposal and that it has achieved or will achieve the emissions reductions specified in the proposal. An emissions reduction generator may apply for a modification to its operating permit to incorporate limitations that make the VOM emissions reductions specified in the relevant proposal enforceable.

- a) ATUs will only be issued pursuant to this Section if based on actual VOM emissions reductions that meet one or more of the following:
 - 1) If, based on the same actual production rate, VOM emissions at the source for any seasonal allotment period beginning in 1999 are or will be lower due to the use of technology or materials at the source than if operating at the same production rate at the emissions level allowed by applicable requirements effective in 1996 or any requirements included in the State Implementation Plan, provided such reductions occurred after 1990;
 - 2) The source shuts down a portion or all of its operation(s) after 1996 and withdraws the relevant operating permit(s), provided the VOM emissions from the shut down activity or activities will not be distributed elsewhere within the Chicago ozone nonattainment area;
 - 3) The source(s) curtails its seasonal production activity resulting in an actual reduction in VOM emissions during any seasonal allotment period beginning in 1999, provided the VOM emissions from the curtailment will not be distributed elsewhere within the Chicago nonattainment area. Such emissions reduction shall be based on the difference between the average production level for the two seasonal allotment periods prior to the year of curtailment and the curtailed production level, calculated at the VOM emission rate allowed by applicable requirements effective in 1996; or________
 - 4) The source shuts down operations or curtails seasonal production activity as described in subsections (a)(2) and (a)(3) of this Section, respectively, and the VOM emissions from the shut down activity or activities or curtailment will be distributed to a participating or new participating source or sources within the Chicago ozone nonattainment area, and the proposal provides that all ATUs issued pursuant to this Section on account of such shut down or curtailment are to be issued to the corresponding participating or new participating source or sources.

- b) If any proposal is based on a shut down of operations, as specified in subsection (a)(2) of this Section, that results in seasonal emissions reductions of 10 tons or more, 20 percent of ATUs issued based on such an emissions reduction generator proposal shall be allocated to the ACMA.
- c) Any proposal based on seasonal emissions reductions of 10 tons or more and the Agency's approval thereof shall be subject to the public notice requirements <u>in</u> <u>accordance with the regulations governing CAAPP permit or FESOP issuance of Section 39.5 of the Act [415 ILCS 5/39.5]</u>.
- d) Any proposal submitted shall include the following:
 - 1) Information identifying the source(s) from which the VOM emissions reductions has been or will be achieved and its owner or operator;
 - 2) An explanation of the method used to achieve the VOM emissions reductions;
 - 3) Relevant information describing the nature of the underlying activity that generated the VOM emissions and the relationship of the units at which the VOM emissions reduction occurred to other units or sources performing the same or related activity in the Chicago ozone-nonattainment area, if the VOM emissions reduction is attributable to a partial or complete source shutdown or a production curtailment, as specified in subsection (a)(2), (a)(3) or (a)(4) of this Section;
 - 4) The amount of VOM emissions for the two seasonal allotment periods prior to the year(s) of curtailment, including supporting calculations, if the VOM emissions reduction is attributable to a production curtailment as specified in subsection (a)(3) or (a)(4) of this Section;
 - 5) The amount of the VOM emissions reduction, including supporting calculations and documentation, such as material usage information;
 - 6) The name and address of the participating source(s), new participating source(s) or general participant(s) to which ATUs will be issued, including the name and telephone number of the account officer for such source or participant; and
 - 7) The owner or operator of each proposed emission reduction generator shall certify its acceptance of the terms of the proposal and certify that it has achieved or will achieve the emissions reductions specified in the proposal.

- e) The owner or operator of any emissions reduction generator may modify its operating permit to incorporate limitations that make the VOM emissions reductions specified in the relevant proposal enforceable.
- f) If the emissions reduction generator does not modify its permit, as specified in subsection (e) of this Section, or experiences a shutdown, as specified in subsection (a)(2) or (a)(4) of this Section, and the proposal is submitted prior to the availability of actual VOM emissions data from the relevant seasonal allotment period, the Agency shall determine if the proposal is acceptable on a preliminary basis and provide notification of this determination. The Agency shall not issue final approval, in accordance with subsection (g) of this Section, of any such proposal until the actual VOM emissions data is submitted.
- g) The Agency shall notify the participating source, new participating source or general participant in writing of its final decision with respect to the proposal within 45 days after receipt of such proposal or receipt of VOM emissions data to verify that the specified reductions occurred, whichever occurs later. If the Agency denies or conditionally approves a proposal, this written notice shall include a statement of the specific reasons for denying or modifying the proposal. The Agency's determination as to the approvability of any proposal submitted pursuant to this Section is subject to review by the Board as provided at 35 Ill. Adm. Code 105.102, provided the proposed emissions reduction generator is not requesting a permit revision. If such a permit revision is requested, the applicable permit review and appeal procedures shall apply.
- h) If the Agency deems that the proposal is sufficient to receive final approval, the Agency shall issue ATUs in accordance with the following:
 - 1) Any ATUs issued pursuant to this subsection shall be issued to the participating source(s), new participating source(s) or general participant identified in the proposal;
 - 2) If the emissions reduction generator modifies its operating permit as specified in subsection (e) of this Section, to incorporate limitations that make the VOM emissions reductions specified in the relevant proposal enforceable, ATUs shall be issued on the date such source is required to comply with the limitations in the permit and for each seasonal allotment period thereafter in which the VOM emissions reductions are required by the source's permit;
 - 3) If the proposal is based on a partial or complete shut down, as specified in subsection (a)(2) or (a)(4) of this Section, ATUs shall be issued before the seasonal allotment period for each year specified in the proposal;
 - 4) If the emissions reduction generator does not modify its permit and the proposal is submitted prior to the availability of actual VOM emissions

data from the relevant seasonal allotment period(s), the Agency shall issue ATUs upon final approval which shall occur after actual VOM emissions data is evaluated for the relevant seasonal allotment period;

- 5) If the emissions reduction generator includes information on actual VOM emissions reductions during the seasonal allotment period for which ATUs are sought, ATUs will be issued by the Agency upon final approval of the proposal;
- 6) Except as provided in subsection (h)(7) of this Section, ATUs issued pursuant to this subsection shall only be valid for the seasonal allotment period in which the emissions reductions were achieved;
- 7) If the VOM emissions reductions specified in a proposal are incorporated into the emissions reduction generator's permit or, if the emissions reduction generator shuts down all or a portion of its operations and withdraws all relevant operating permits, ATUs issued pursuant to this subsection shall be valid for the seasonal allotment period following issuance and for the next seasonal allotment period; and
- 8) The number of ATUs issued pursuant to subsection (h)(2) or (h)(3) of this Section based on a proposal under subsection (a)(4) of this Section shall be equal to the number of ATUs otherwise issuable under this Section reduced by 12 percent.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

Section 205.510 Inter-Sector Transaction

Any person may submit a proposal to the Agency to have ATUs issued to the Transaction Account of a participating source, new participating source or general participant equivalent to VOM emissions reductions from mobile sources or area sources <u>in the Chicago area</u>. Any such proposal for the VOM emissions reduction project is subject to Agency review and approval, shall be consistent with laws and regulations and shall include all supporting documentation. The Agency shall review all such proposals in accordance with the following:

a) Regulatory Based Proposal

If the VOM emission reductions that have been generated or will be generated are pursuant to a regulation that provides the procedure to determine VOM emissions reductions and allows for such reductions to be converted to ATUs, the Agency shall approve the proposal if based on the provisions of the applicable regulation. The Agency shall approve, conditionally approve or deny any complete and adequately supported proposal within 45 days after the Agency's receipt thereof by sending written notification of its decision. If the Agency denies or conditionally approves a proposal, this written notice shall include a statement of the specific reasons for denying or modifying the proposal.

b) Other Proposals

If the proposal is based on VOM emissions reductions that have been generated or will be generated which are beyond VOM emissions reductions required by any mandatory applicable rules, the proposal shall include an explanation of the method(s) used to achieve the VOM emissions reductions and the method(s) used to quantify the VOM emissions reductions, including supporting documentation and calculations. The Agency shall evaluate the validity of VOM emission reductions that allegedly were generated or will be generated and approve, conditionally approve or deny any complete proposal within 90 days after the Agency's receipt by sending written notification of its decision to the source. If the Agency denies or conditionally approves a proposal, this written notice shall include a statement of the specific reasons for denying or modifying the proposal.

- c) No ATUs shall be issued based on mobile or area source VOM emissions reductions unless a proposal, in accordance with this Section, has been approved by the Agency.
- d) All ATUs issued pursuant to a proposal approved pursuant to this Section shall be issued to the Transaction Account identified in the proposal. Such ATUs shall only be valid for the seasonal allotment period in which the emissions reductions were achieved, unless the Agency specifies in its approval that such ATUs shall be valid for the seasonal allotment period following issuance and for the next seasonal allotment period.
- e) The Agency's determination that a proposal submitted pursuant to this Section is denied or conditionally approved is subject to review by the Board as provided at 35 Ill. Adm. Code 105.102.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

SUBPART F: MARKET TRANSACTIONS

Section 205.610 Application for Transaction Account

a) Each participating source, new participating source and general participant shall apply for and obtain authorization for a Transaction Account from the Agency prior to conducting any market transactions. Each participating source shall submit to the Agency its completed application for a Transaction Account no later than 30 days prior to the beginning of the first seasonal allotment period in which the source is required to participate. Each new participating source shall submit to the Agency its completed application for a Transaction Account no later than 30 days prior to the beginning of the first seasonal allotment period in which it is operational.

- b) Each Transaction Account application shall include the following information:
 - 1) The name and address of the participating source, new participating source or general participant, and the name and address of its owner or operator;
 - 2) The names and addresses of all designated account officers;
 - 3) The certification specified in Section 205.620(a)(5) of this Subpart signed by each account officer; and
 - 4) For a participating source or new participating source, identification of the CAAPP permit <u>or FESOP</u> number for the source.
- c) Special Participants

Any person may purchase ATUs to retire for air quality benefit only. Such person shall be a special participant and shall register with the Agency prior to its first ATU purchase. Special participants will not have Transaction Accounts in the Transaction Account database. All ATUs purchased by special participants will be retired effective on the date of purchase and will be listed as retired in the appropriate database.

d) Special participants will be given a registration number by the Agency so that their purchases of ATUs can be recorded.

(Source: Amended at 29 Ill. Reg. _____, effective _____)

SUBPART G: PERFORMANCE ACCOUNTABILITY

Section 205.700 Compliance Accounting

- a) The owner or operator of each participating source or new participating source shall maintain and retain for five years at the source or at another location agreed to by the Agency, in conjunction with the records it maintains to demonstrate compliance with its CAAPP permit <u>or FESOP</u>, all of the following documents as its compliance master file:
 - 1) A copy of its seasonal component of its Annual Emissions Report;
 - Information on actual VOM emissions, as recorded in accordance with Section 205.335 of this Part, and as required by the CAAPP permit <u>or</u> <u>FESOP</u> for the source; and

- 3) Copies of any transfer agreements for the purchase or sale of ATUs and other documentation associated with the transfer of ATUs.
- b) Compliance Master File Review
 - The owner or operator of each participating source or new participating source shall allow the Agency or an authorized representative to enter and inspect the premises <u>as described by</u> in <u>accordance with</u> Section 39.5(7)(<u>p)</u>(ii) of the Act [415 ILCS 5/39.5(7)(<u>p)</u>(ii)] and to review its compliance master file.
 - 2) After the conclusion of each compliance master file review, a report shall be prepared by the Agency and issued to the inspected source that includes the following information:
 - A) An identification of any noncompliance with the requirements of this Part; and
 - B) An evaluation of increases and decreases in <u>seasonal</u> emissions of VOMs that are also hazardous air pollutants, as related to ATU transactions.
 - 3) Nothing in this Part shall affect any other obligations of a source to allow inspection(s) under State or federal laws or regulations.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.730 Excursion Reporting

Upon issuance of each Excursion Compensation Notice to any source that has already had one previous admitted or adjudicated emissions excursion, the source shall submit to the Agency any additional reports required by the source's <u>CAAPP</u> permit <u>or FESOP</u> pursuant to Section 39.5(7)(f) of the Act [415 ILCS 5/39.5(7)(f)].

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.750 Emergency Conditions

VOM emissions that are a consequence of an emergency, and are in excess of the technologybased emission rates which are achieved during normal operating conditions, to the extent that such excess emissions are not caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operation error, shall be deducted from the calculation of actual VOM emissions during the seasonal allotment period in which the emergency occurred, subject to the following:

- a) The owner or operator of the participating source or new participating source shall submit an initial emergency conditions report to the Agency within two days after the time when such excess emissions occurred due to the emergency. The submittal of this initial emergency conditions report shall be sufficient to fulfill the notice requirements of Section 39.5(7)(k) of the Act [415 ILCS 5/39.5(7)(k)] as it relates to VOM emissions at the source if the report provides a detailed description of the emergency, any steps taken to mitigate emissions and corrective actions taken, to the extent practicable. The final report shall contain the following information:
 - 1) A description of the cause(s) of the emergency and the duration of the episode;
 - 2) Verification that the source was being operated properly at the time of the emergency;
 - 3) A demonstration that the source took all reasonable steps to minimize excess VOM emissions during the emergency period, including but not limited to the following actions, if technically and economically feasible:
 - A) The level of operation of the affected emission unit(s) was minimized;
 - B) The level of emissions from the affected emission units(s) was minimized by use of alternative raw materials or alternative control measures;
 - C) The duration of the excess emissions was minimized; and
 - D) The amount of VOM emissions from other emission units at the source or other sources located in the Chicago ozone nonattainment area owned or operated by the person or entity were reduced;
 - 4) A demonstration that appropriate corrective action(s) were taken promptly;
 - 5) A demonstration that the affected emission units were:
 - A) Being carefully and properly operated at the time of the emergency, including copies of appropriate records and other relevant evidence;
 - B) Properly designed; and

- C) Properly maintained with appropriate preventative maintenance; and
- 6) An estimate of the amount of VOM emissions that occurred during the emergency in excess of the technology-based emission factor achieved during normal operating conditions, including supporting data, the relevant emissions factor, and calculations.
- b) The owner or operator of any such source may supplement its initial emergency conditions report within 10 days after the conclusion of the emergency situation. If an initial emergency conditions report is not supplemented, such report is deemed the final emergency conditions report. If, however, an initial emergency conditions report is supplemented, the combination of such initial report plus the supplemental information is deemed the final emergency conditions report.
- c) The Agency must approve, conditionally approve or reject the findings in the final emergency conditions report, submitted by the source, in writing within 45
 30 days after receipt of the initial emergency conditions a complete report, subject to the following:
 - 1) If the Agency concurs with the emergency conditions report, the source is not required to hold ATUs for the excess VOM emissions attributable to the emergency;
 - 2) If the Agency approves with conditions or rejects the emergency conditions report, the source shall be required to hold ATUs by the end of the reconciliation period in an amount not less than the emissions identified as excess in the emergency conditions report or provide emissions excursion compensation in accordance with Section 205.720 of this Subpart, if an emissions excursion occurred;
 - 3) If the Agency approves with conditions an emergency conditions report, the Agency must identify in its written notice the amount of VOM emissions that are not attributable to an emergency; and
 - 4) If the Agency approves with conditions or rejects a source's emergency conditions report, the source may raise the emergency as an affirmative defense pursuant to Section 39.5(7)(k) of the Act [415 ILCS 5/39.5(7)(k)] in any action brought for noncompliance with this Part or an action brought to review the Agency's issuance of an Excursion Compensation Notice, as provided in Section 205.720(d) of this Subpart.
- d) Nothing in this Section relieves any source of any obligation to comply with other applicable requirements, permit conditions, or other provisions addressing emergency situations.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

Section 205.760 Market System Review Procedures

Beginning in 2000, the Agency shall prepare an Annual Performance Review Report that addresses the effect of VOM emissions reductions in the Chicago ozone nonattainment area on progress toward meeting the RFP requirements and achieving attainment of the NAAQS for ozone by 2007.

- a) The Annual Performance Review Report will review trends and patterns which may have emerged in the operation of the ERMS, and shall include, but not be limited to, the following:
 - 1) Total aggregate VOM emissions during the previous seasonal allotment period;
 - 2) The number of ATUs retired for compliance purposes or for air quality benefit, currently being banked, or used by new participating sources for the previous seasonal allotment period;
 - 3) An evaluation of trading activities, including sources with no trading activity, sources that are net purchasers of ATUs and sources that are net sellers of ATUs;
 - 4) ACMA transactions since the preparation of the previous report and the account balance;
 - 5) A summary of emissions reduction generator and inter-sector proposals;
 - 6) Distribution of transactions by geographic area or character of source;
 - 7) Availability of ATUs for purchase;
 - 8) The average market price for ATU transactions from the previous seasonal allotment period; and
 - 9) Trends and spatial distributions of hazardous air pollutants.
- b) The Agency shall prepare the Report by <u>June 30</u> May 15 of the year following the seasonal allotment period addressed by the Report. The Agency will make copies of its Report available to interested parties upon request.

(Source: Amended at 29 Ill. Reg. ____, effective _____)

TITLE 35: ENVIRONMENTAL PROTECTION

SUBTITLE B: AIR POLLUTION CHAPTER I: POLLUTION CONTROL BOARD SUBCHAPTER c: EMISSION STANDARDS AND LIMITATIONS FOR STATIONARY SOURCES

PART 211

DEFINITIONS AND GENERAL PROVISIONS

SUBPART A: GENERAL PROVISIONS

- 211.101 Incorporations by Reference
- 211.102 Abbreviations and Conversion Factors

SUBPART B: DEFINITIONS

	SUDPART D:
Section	
211.121	Other Definitions
211.122	Definitions (Repealed)
211.130	Accelacota
211.150	Accumulator
211.170	Acid Gases
211.210	Actual Heat Input
211.230	Adhesive
211.240	Adhesion Promoter
211.250	Aeration
211.270	Aerosol Can Filling Line
211.290	Afterburner
211.310	Air Contaminant
211.330	Air Dried Coatings
211.350	Air Oxidation Process
211.370	Air Pollutant
211.390	Air Pollution
211.410	Air Pollution Control Equipment
211.430	Air Suspension Coater/Dryer
211.450	Airless Spray
211.470	Air Assisted Airless Spray
211.474	Alcohol
211.479	Allowance
211.484	Animal
211.485	Animal Pathological Waste
211.490	Annual Grain Through-Put
211.495	Anti-Glare/Safety Coating
211.510	Application Area
211.530	Architectural Coating
211.550	As Applied
211.560	As-Applied Fountain Solution

211 570	A114
211.570	Asphalt
211.590	Asphalt Prime Coat
211.610	Automobile
211.630	Automobile or Light-Duty Truck Assembly Source or Automobile or Light-Duty
011 (50	Truck Manufacturing Plant
211.650	Automobile or Light-Duty Truck Refinishing
211.660	Automotive/Transportation Plastic Parts
211.670	Baked Coatings
211.680	Bakery Oven
211.685	Basecoat/Clearcoat System
211.690	Batch Loading
211.695	Batch Operation
211.696	Batch Process Train
211.710	Bead-Dipping
211.730	Binders
211.750	British Thermal Unit
211.770	Brush or Wipe Coating
211.790	Bulk Gasoline Plant
211.810	Bulk Gasoline Terminal
211.820	Business Machine Plastic Parts
211.830	Can
211.850	Can Coating
211.870	Can Coating Line
211.890	Capture
211.910	Capture Device
211.930	Capture Efficiency
211.950	Capture System
211.955	Cement
211.960	Cement Kiln
211.970	Certified Investigation
211.980	Chemical Manufacturing Process Unit
211.990	Choke Loading
211.1010	Clean Air Act
211.1050	Cleaning and Separating Operation
211.1070	Cleaning Materials
211.1090	Clear Coating
211.1110	Clear Topcoat
211.1120	Clinker
211.1130	Closed Purge System
211.1150	Closed Vent System
211.1170	Coal Refuse
211.1190	Coating
211.1210	Coating Applicator
211.1230	Coating Line
211.1250	Coating Plant
211.1270	Coil Coating
	0

211.1290	Coil Coating Lina
211.1290	Coil Coating Line Cold Cleaning
211.1310	Combined Cycle System
211.1312	Combustion Turbine
211.1320	Commence Commercial Operation
211.1324	Commence Operation
211.1328	Common Stack
211.1330	Complete Combustion
211.1350	Component
211.1370	Concrete Curing Compounds
211.1390	Concentrated Nitric Acid Manufacturing Process
211.1410	Condensate
211.1430	Condensible PM-10
211.1465	Continuous Automatic Stoking
211.1467	Continuous Coater
211.1470	Continuous Process
211.1490	Control Device
211.1510	Control Device Efficiency
211.1515	Control Period
211.1520	Conventional Air Spray
211.1530	Conventional Soybean Crushing Source
211.1550	Conveyorized Degreasing
211.1570	Crude Oil
211.1590	Crude Oil Gathering
211.1610	Crushing
211.1630	Custody Transfer
211.1650	Cutback Asphalt
211.1670	Daily-Weighted Average VOM Content
211.1690	Day
211.1710	Degreaser
211.1730	Delivery Vessel
211.1750	Dip Coating
211.1770	Distillate Fuel Oil
211.1780	Distillation Unit
211.1790	Drum
211.1810	Dry Cleaning Operation or Dry Cleaning Facility
211.1830	Dump-Pit Area
211.1850	Effective Grate Area
211.1870	Effluent Water Separator
211.1875	Elastomeric Materials
211.1880	Electromagnetic Interference/Radio Frequency Interference (EMI/RFI) Shielding
	Coatings
211.1885	Electronic Component
211.1890	Electrostatic Bell or Disc Spray
211.1900	Electrostatic Prep Coat
211.1910	Electrostatic Spray

211.1920	Emergency or Standby Unit
211.1920	Emission Rate
211.1950	Emission Unit
211.1930	Enamel
211.1990	Enclose
211.2010	End Sealing Compound Coat
211.2010	Enhanced Under-the-Cup Fill
211.2050	Ethanol Blend Gasoline
211.2050	Excess Air
211.2070	Excess An Excess Emissions
211.2080	Excessive Release
211.2090	
	Existing Grain-Drying Operation (Repealed) Existing Grain-Handling Operation (Repealed)
211.2130 211.2150	Existing Orani-matching Operation (Repeated) Exterior Base Coat
	Exterior End Coat
211.2170 211.2190	
	External Floating Roof
211.2210	Extreme Performance Coating
211.2230	Fabric Coating
211.2250	Fabric Coating Line
211.2270	Federally Enforceable Limitations and Conditions
211.2285	Feed Mill
211.2290	Fermentation Time
211.2300	Fill
211.2310	Final Repair Coat
211.2330	Firebox
211.2350	Fixed-Roof Tank
211.2360	Flexible Coating
211.2365	Flexible Operation Unit
211.2370	Flexographic Printing
211.2390	Flexographic Printing Line
211.2410	Floating Roof
211.2420	Fossil Fuel
211.2425	Fossil Fuel-Fired
211.2430	Fountain Solution
211.2450	Freeboard Height
211.2470	Fuel Combustion Emission Unit or Fuel Combustion Emission Source
211.2490	Fugitive Particulate Matter
211.2510	Full Operating Flowrate
211.2530	Gas Service
211.2550	Gas/Gas Method
211.2570	Gasoline
211.2590	Gasoline Dispensing Operation or Gasoline Dispensing Facility
211.2610	Gel Coat
211.2620	Generator
211.2630	Gloss Reducers
211.2650	Grain

211.2670	Grain-Drying Operation
211.2690	Grain-Handling and Conditioning Operation
211.2710	Grain-Handling Operation
211.2730	Green-Tire Spraying
211.2750	Green Tires
211.2770	Gross Heating Value
211.2790	Gross Vehicle Weight Rating
211.2810	Heated Airless Spray
211.2815	Heat Input
211.2820	Heat Input Rate
211.2830	Heatset
211.2850	Heatset Web Offset Lithographic Printing Line
211.2870	Heavy Liquid
211.2890	Heavy Metals
211.2910	Heavy Off-Highway Vehicle Products
211.2930	Heavy Off-Highway Vehicle Products Coating
211.2950	Heavy Off-Highway Vehicle Products Coating Line
211.2970	High Temperature Aluminum Coating
211.2990	High Volume Low Pressure (HVLP) Spray
211.3010	Hood
211.3030	Hot Well
211.3050	Housekeeping Practices
211.3070	Incinerator
211.3090	Indirect Heat Transfer
211.3110	Ink
211.3130	In-Process Tank
211.3150	In-Situ Sampling Systems
211.3170	Interior Body Spray Coat
211.3170	Internal-Floating Roof
211.3100	Internal Transferring Area
211.3230	Lacquers
211.3250	1
211.3250	Large Appliance Large Appliance Coating
211.3270	Large Appliance Coating Large Appliance Coating Line
211.3290	
211.3310	Light Liquid
	Light-Duty Truck
211.3350	Light Oil Light (Cas Mathed
211.3370	Liquid/Gas Method
211.3390	Liquid-Mounted Seal
211.3410	Liquid Service
211.3430	Liquids Dripping
211.3450	Lithographic Printing Line
211.3470	Load-Out Area
211.3480	Loading Event
211.3483	Long Dry Kiln
211.3485	Long Wet Kiln

211.3487	Low-NO _x Burner
211.3490	Low Solvent Coating
211.3490	Lubricating Oil
211.3500	Magnet Wire
211.3510	Magnet Wire Coating
211.3550	Magnet Wire Coating Line
211.3550	Major Dump Pit
211.3570	
211.3590	Major Metropolitan Area (MMA)
	Major Population Area (MPA)
211.3620	Manually Operated Equipment
211.3630	Manufacturing Process
211.3650	Marine Terminal
211.3660	Marine Vessel
211.3670	Material Recovery Section
211.3690	Maximum Theoretical Emissions
211.3695	Maximum True Vapor Pressure
211.3710	Metal Furniture
211.3730	Metal Furniture Coating
211.3750	Metal Furniture Coating Line
211.3770	Metallic Shoe-Type Seal
211.3780	Mid-Kiln Firing
211.3790	Miscellaneous Fabricated Product Manufacturing Process
211.3810	Miscellaneous Formulation Manufacturing Process
211.3830	Miscellaneous Metal Parts and Products
211.3850	Miscellaneous Metal Parts and Products Coating
211.3870	Miscellaneous Metal Parts or Products Coating Line
211.3890	Miscellaneous Organic Chemical Manufacturing Process
211.3910	Mixing Operation
211.3915	Mobile Equipment
211.3930	Monitor
211.3950	Monomer
211.3960	Motor Vehicles
211.3965	Motor Vehicle Refinishing
211.3970	Multiple Package Coating
211.3980	Nameplate Capacity
211.3990	New Grain-Drying Operation (Repealed)
211.4010	New Grain-Handling Operation (Repealed)
211.4030	No Detectable Volatile Organic Material Emissions
211.4050	Non-Contact Process Water Cooling Tower
211.4055	Non-Flexible Coating
211.4065	Non-Heatset
211.4067	NO _x Trading Program
211.4070	Offset
211.4090	One Hundred Percent Acid
211.4110	One-Turn Storage Space
_	

211 4120	
211.4130	Opacity Opacity
211.4150	Opaque Stains
211.4170	Open Top Vapor Degreasing
211.4190	Open-Ended Valve
211.4210	Operator of a Gasoline Dispensing Operation or Operator of a Gasoline
	Dispensing Facility
211.4230	Organic Compound
211.4250	Organic Material and Organic Materials
211.4260	Organic Solvent
211.4270	Organic Vapor
211.4290	Oven
211.4310	Overall Control
211.4330	Overvarnish
211.4350	Owner of a Gasoline Dispensing Operation or Owner of a Gasoline Dispensing
	Facility
211.4370	Owner or Operator
211.4390	Packaging Rotogravure Printing
211.4410	Packaging Rotogravure Printing Line
211.4430	Pail
211.4450	Paint Manufacturing Source or Paint Manufacturing Plant
211.4470	Paper Coating
211.4490	Paper Coating Line
211.4510	Particulate Matter
211.4530	Parts Per Million (Volume) or PPM (Vol)
211.4550	Person
211.4590	Petroleum
211.4610	Petroleum Liquid
211.4630	Petroleum Refinery
211.4650	Pharmaceutical
211.4670	Pharmaceutical Coating Operation
211.4690	Photochemically Reactive Material
211.4710	Pigmented Coatings
211.4730	Plant
211.4740	Plastic Part
211.4750	Plasticizers
211.4770	PM-10
211.4790	Pneumatic Rubber Tire Manufacture
211.4810	Polybasic Organic Acid Partial Oxidation Manufacturing Process
211.4830	Polyester Resin Material(s)
211.4850	Polyester Resin Products Manufacturing Process
211.4870	Polystyrene Plant
211.4890	Polystyrene Resin
211.4910	Portable Grain-Handling Equipment
211.4930	Portland Cement Manufacturing Process Emission Source
211.4950	Portland Cement Process or Portland Cement Manufacturing Plant
211.4960	Potential Electrical Output Capacity

211.4970	Potential to Emit
211.4970	Power Driven Fastener Coating
211.4990	Precoat
211.5010	Preheater Kiln
	Preheater/Precalciner Kiln
211.5020	
211.5030	Pressure Release
211.5050	Pressure Tank
211.5060	Pressure/Vacuum Relief Valve
211.5061	Pretreatment Wash Primer
211.5065	Primary Product
211.5070	Prime Coat
211.5080	Primer Sealer
211.5090	Primer Surfacer Coat
211.5110	Primer Surfacer Operation
211.5130	Primers
211.5150	Printing
211.5170	Printing Line
211.5185	Process Emission Source
211.5190	Process Emission Unit
211.5210	Process Unit
211.5230	Process Unit Shutdown
211.5245	Process Vent
211.5250	Process Weight Rate
211.5270	Production Equipment Exhaust System
211.5310	Publication Rotogravure Printing Line
211.5330	Purged Process Fluid
211.5340	Rated Heat Input Capacity
211.5350	Reactor
211.5370	Reasonably Available Control Technology (RACT)
211.5390	Reclamation System
211.5410	Refiner
211.5430	Refinery Fuel Gas
211.5450	Refinery Fuel Gas System
211.5470	Refinery Unit or Refinery Process Unit
211.5480	Reflective Argent Coating
211.5490	Refrigerated Condenser
211.5500	Regulated Air Pollutant
211.5510	Reid Vapor Pressure
211.5530	Repair
211.5550	Repair Coat
211.5570	Repaired
211.5580	Repowering
211.5590	Residual Fuel Oil
211.5600	Resist Coat
211.5610	Restricted Area
211.5630	Retail Outlet

211.5650	Dingalmann Chart
211.5670	Ringelmann Chart Roadway
211.5690	Roll Coater
211.5090	Roll Coating
211.5710	Roll Printer
211.5750	Roll Printing
211.5770 211.5790	Rotogravure Printing
	Rotogravure Printing Line
211.5810	Safety Relief Valve
211.5830	Sandblasting
211.5850	Sanding Sealers
211.5870	Screening
211.5890	Sealer
211.5910	Semi-Transparent Stains
211.5930	Sensor
211.5950	Set of Safety Relief Valves
211.5970	Sheet Basecoat
211.5980	Sheet-Fed
211.5990	Shotblasting
211.6010	Side-Seam Spray Coat
211.6025	Single Unit Operation
211.6030	Smoke
211.6050	Smokeless Flare
211.6060	Soft Coat
211.6070	Solvent
211.6090	Solvent Cleaning
211.6110	Solvent Recovery System
211.6130	Source
211.6140	Specialty Coatings
211.6145	Specialty Coatings for Motor Vehicles
211.6150	Specialty High Gloss Catalyzed Coating
211.6170	Specialty Leather
211.6190	Specialty Soybean Crushing Source
211.6210	Splash Loading
211.6230	Stack
211.6250	Stain Coating
211.6270	Standard Conditions
211.6290	Standard Cubic Foot (scf)
211.6310	Start-Up
211.6330	Stationary Emission Source
211.6350	Stationary Emission Unit
211.6355	Stationary Gas Turbine
211.6360	Stationary Reciprocating Internal Combustion Engine
211.6370	Stationary Source
211.6390	Stationary Storage Tank
211.6400	Stencil Coat

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211.6410	Storage Tank or Storage Vessel
211.6420	Strippable Spray Booth Coating
211.6430	Styrene Devolatilizer Unit
211.6450	Styrene Recovery Unit
211.6470	Submerged Loading Pipe
211.6490	Substrate
211.6510	Sulfuric Acid Mist
211.6530	Surface Condenser
211.6540	Surface Preparation Materials
211.6550	Synthetic Organic Chemical or Polymer Manufacturing Plant
211.6570	Tablet Coating Operation
211.6580	Texture Coat
211.6590	Thirty-Day Rolling Average
211.6610	Three-Piece Can
211.6620	Three or Four Stage Coating System
211.6630	Through-the-Valve Fill
211.6650	Tooling Resin
211.6670	Topcoat
211.6690	Topcoat Operation
211.6695	Topcoat System
211.6710	Touch-Up
211.6720	Touch-Up Coating
211.6730	Transfer Efficiency
211.6750	Tread End Cementing
211.6770	True Vapor Pressure
211.6790	Turnaround
211.6810	Two-Piece Can
211.6830	Under-the-Cup Fill
211.6850	Undertread Cementing
211.6860	Uniform Finish Blender
211.6870	Unregulated Safety Relief Valve
211.6880	Vacuum Metallizing
211.6890	Vacuum Producing System
211.6910	Vacuum Service
211.6930	Valves Not Externally Regulated
211.6950	Vapor Balance System
211.6970	Vapor Collection System
211.6990	Vapor Control System
211.7010	Vapor-Mounted Primary Seal
211.7030	Vapor Recovery System
211.7050	Vapor-Suppressed Polyester Resin
211.7070	Vinyl Coating
211.7090	Vinyl Coating Line
211.7110	Volatile Organic Liquid (VOL)
211.7130	Volatile Organic Material Content (VOMC)
211.7150	Volatile Organic Material (VOM) or Volatile Organic Compound (VOC)
_11.,150	, since organic material (+ only or + oracle organic compound (+ oc)

211.7170	Volatile Petroleum Liquid
211.7190	Wash Coat
211.7200	Washoff Operations
211.7210	Wastewater (Oil/Water) Separator
211.7230	Weak Nitric Acid Manufacturing Process
211.7250	Web
211.7270	Wholesale Purchase - Consumer
211.7290	Wood Furniture
211.7310	Wood Furniture Coating
211.7330	Wood Furniture Coating Line
211.7350	Woodworking
211.7400	Yeast Percentage

Appendix A Rule into Section Table

Appendix B Section into Rule Table

AUTHORITY: Implementing Sections 9, 9.1, 9.9 and 10 and authorized by Sections 27 and 28.5 of the Environmental Protection Act [415 ILCS 5/9, 9.1, 9.9, 10, 27 and 28.5].

SOURCE: Adopted as Chapter 2: Air Pollution, Rule 201: Definitions, R71-23, 4 PCB 191, filed and effective April 14, 1972; amended in R74-2 and R75-5, 32 PCB 295, at 3 Ill. Reg. 5, p. 777, effective February 3, 1979; amended in R78-3 and 4, 35 PCB 75 and 243, at 3 Ill. Reg. 30, p. 124, effective July 28, 1979; amended in R80-5, at 7 Ill. Reg. 1244, effective January 21, 1983; codified at 7 Ill. Reg. 13590; amended in R82-1 (Docket A) at 10 Ill. Reg. 12624, effective July 7, 1986; amended in R85-21(A) at 11 Ill. Reg. 11747, effective June 29, 1987; amended in R86-34 at 11 Ill. Reg. 12267, effective July 10, 1987; amended in R86-39 at 11 Ill. Reg. 20804, effective December 14, 1987; amended in R82-14 and R86-37 at 12 Ill. Reg. 787, effective December 24, 1987; amended in R86-18 at 12 Ill. Reg. 7284, effective April 8, 1988; amended in R86-10 at 12 Ill. Reg. 7621, effective April 11, 1988; amended in R88-23 at 13 Ill. Reg. 10862, effective June 27, 1989; amended in R89-8 at 13 Ill. Reg. 17457, effective January 1, 1990; amended in R89-16(A) at 14 Ill. Reg. 9141, effective May 23, 1990; amended in R88-30(B) at 15 Ill. Reg. 5223, effective March 28, 1991; amended in R88-14 at 15 Ill. Reg. 7901, effective May 14, 1991; amended in R91-10 at 15 Ill. Reg. 15564, effective October 11, 1991; amended in R91-6 at 15 Ill. Reg. 15673, effective October 14, 1991; amended in R91-22 at 16 Ill. Reg. 7656, effective May 1, 1992; amended in R91-24 at 16 Ill. Reg. 13526, effective August 24, 1992; amended in R93-9 at 17 Ill. Reg. 16504, effective September 27, 1993; amended in R93-11 at 17 Ill. Reg. 21471, effective December 7, 1993; amended in R93-14 at 18 Ill. Reg. 1253, effective January 18, 1994; amended in R94-12 at 18 Ill. Reg. 14962, effective September 21, 1994; amended in R94-14 at 18 Ill. Reg. 15744, effective October 17, 1994; amended in R94-15 at 18 Ill. Reg. 16379, effective October 25, 1994; amended in R94-16 at 18 Ill. Reg. 16929, effective November 15, 1994; amended in R94-21, R94-31 and R94-32 at 19 Ill. Reg. 6823, effective May 9, 1995; amended in R94-33 at 19 Ill. Reg. 7344, effective May 22, 1995; amended in R95-2 at 19 Ill. Reg. 11066, effective July 12, 1995; amended in R95-16 at 19 Ill. Reg. 15176, effective October 19, 1995; amended in R96-5 at 20 Ill. Reg. 7590, effective May 22, 1996; amended in R96-16 at 21 Ill. Reg. 2641, effective February 7, 1997; amended in R97-17 at 21 Ill. Reg. 6489, effective May 16, 1997; amended in R97-24 at 21 Ill. Reg. 7695,

effective June 9, 1997; amended in R96-17 at 21 III. Reg. 7856, effective June 17, 1997; amended in R97-31 at 22 III. Reg. 3497, effective February 2, 1998; amended in R98-17 at 22 III. Reg.11405, effective June 22, 1998; amended in R01-9 at 25 III. Reg. 128, effective December 26, 2000; amended in R01-11 at 25 III. Reg. 4597, effective March 15, 2001; amended in R01-17 at 25 III. Reg. 5900, effective April 17, 2001; amended at 29 III. Reg._____, effective ______.

BOARD NOTE: This Part implements the Illinois Environmental Protection Act as of July 1, 1994.

SUBPART B: DEFINITIONS

Section 211.3695 Maximum True Vapor Pressure

"Maximum true vapor pressure" means the equilibrium partial pressure exerted by stored VOL at the temperature equal to the highest calendar-month average of the VOL storage temperature for VOLs stored above or below the ambient temperature or at the local maximum monthly average temperature of 75 degrees fahrenheit for the Chicago nonattainment area as defined at 35 Ill. Adm. Code 218.100 or 79 degrees fahrenheit for the Metro-East nonattainment area as defined at 35 Ill. Adm. Code 219.100 for VOLs stored at the ambient temperature, as determined:

- a) In accordance with methods described in American Petroleum Institute bulletin 2517, Evaporation Loss from External Floating Roof Tanks, incorporated by reference at 35 Ill. Adm. Code 218.112 and 219.112; or
- b) By ASTM Method D2879-83, incorporated by reference at 35 Ill. Adm. Code 218.112(a)(1) and 219.112(a)(1).

(Source: Amended at 29 Ill. Reg. ____, effective _____)

IT IS SO ORDERED.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above opinion and order on December 2, 2004, by a vote of 5-0.

Dretty In. Sunn

Dorothy M. Gunn, Clerk Illinois Pollution Control Board