

ILLINOIS POLLUTION CONTROL BOARD

January 5, 2006

IN THE MATTER OF:)
)
PROPOSED AMENDMENTS TO) R05-20
EXEMPTIONS FROM STATE) (Rulemaking - Air)
PERMITTING REQUIREMENTS)
FOR PLASTIC INJECTION MOLDING)
OPERATIONS)
(35 ILL. ADM. CODE 201.146))

Proposed Rule. Second Notice.

OPINION AND ORDER OF THE BOARD (by N.J. Melas):

Today the Board adopts the proposed rule for second notice pursuant to the Illinois Administrative Procedure Act (5 ILCS 100/1-1 *et seq.*). This rulemaking, proposed by the Chemical Industry Council of Illinois (CICI), proposes revisions to the Board's regulations regarding exemptions from air construction and operating permit requirements. The proposal seeks to add one category to the existing list of permit exemptions in Section 201.146. 35 Ill. Adm. Code 201.146. According to CICI, the purpose of the proposal is to eliminate the burden of state construction and operating permitting of low emitting emission units and activities for both the Environmental Protection Agency (Agency) and owners and operators of plastic injection molding (PIM) operations.

The Board received no public comments during the 45-day first-notice public comment period, which ended November 28, 2005, and the proposal adopted here is substantively unchanged from that adopted in the Board's September 15, 2005 first-notice opinion and order. In this opinion, the Board provides the procedural history of this rulemaking, an overview of the proposed exemption, and a discussion of the second-notice proposal.

Today the Board adopts this proposal for second-notice review by the Joint Committee on Administrative Rules (JCAR).

PROCEDURAL HISTORY

CICI states that because of the low level of emissions they generate, PIM operations would qualify for the exemption from permitting for Federally Enforceable State Operating Permit (FESOP) sources with a low potential to emit proposed by the proponents in the pending rulemaking docket Proposed Amendments to Exemptions from State Permitting Requirements (35 Ill. Adm. Code 201.146), R05-19. Statement at 3. CICI states, however, that proposed FESOP sources exemption would apply only to permitted facilities, so PIM facilities that do not require an Agency-issued air pollution control permit would not be eligible for that proposed exemption.

Today the Board adopts CICI's proposal for first-notice. First notice publication in the *Illinois Register* will begin a 45-day period for interested persons to file public comments with the Board. The Board describes the proposed exemption and the various issues raised at hearing in more detail below.

PROCEDURAL BACKGROUND

On April 19, 2005, CICI filed this proposal for rulemaking pursuant to Sections 27 and 28 of the Environmental Protection Act (Act) and 35 Ill. Adm. Code 102.202(b).¹ The Board accepted this matter for hearing on May 5, 2005. Section 201.146 contains a list of 59 exemptions based on categories of emission units and activities that CICI refers to as "categorical exemptions." Statement at 1-2.² The proposed amendment would include PIM operations in the categories of emissions units exempt from state air permitting requirements. The Board notes that it is simultaneously adopting for first notice another proposal that amends Section 201.146, entitled Proposed Amendments to Exemptions from State Permitting Requirements (35 Ill. Adm. Code 201.146), R05-19 (Sept. 15, 2005).

The Board granted CICI's motion to expedite this rulemaking on May 19, 2005. The Board has held two public hearings in this rulemaking. The first hearing was held on July 1, 2005, in Chicago before Hearing Officer Amy Antonioli and the second hearing was held on July 15, 2005, in Springfield before Hearing Officer John Knittle.³

Mr. Lynne Harris, Vice-President for Science and Technology of the Society of the Plastics Industry, Incorporated (SPI, Inc.) testified on behalf of CICI. Ms. Lisa Frede, Director of Regulatory Affairs for CICI, testified on CICI's behalf and stated that CICI has 198 member companies with over 54,000 employees. Tr.1 at 15. Ms. Pat Sharkey also testified on CICI's behalf.

Mr. Don Sutton testified on behalf of the Agency. Mr. Sutton is the manager of the permit section, Division of Air Pollution Control, Bureau of Air, since 1991. Mr. Sutton is responsible for issuing construction and operating permits for the Bureau of Air.

There have been two public comments filed in this rulemaking. The first was a correction to the July 1, 2005 hearing transcript filed by the Environmental Protection Agency (Agency) (PC 1), and the second was a post-hearing comment filed by CICI (PC 2). CICI has filed three errata sheets suggesting changes to the proposed rule language.

SUMMARY OF PROPOSAL FOR SECOND-NOTICE

¹ The proponents' statement of reasons will be cited to as "Statement at _."

² The Board will cite to the Statement of Reasons as "Statement at _."

³ The transcripts from the April 12, 2005 hearing will be cited to as "Tr.1 at _," and the transcript from the June 14, 2005 hearing will be cited to as "Tr.2 at _."

The proposed exemption adds a new exemption for owners and operators of PIM operations to the existing list of permit exemptions in Section 201.146. 35 Ill. Adm. Code 201.146. The rule language limits the exemption to facilities that use 5,000 tons or less of resin annually in the PIM process. The 5,000 ton limit applies facility-wide rather than to each piece of PIM equipment. Tr.2 at 10.

DISCUSSION OF SECOND-NOTICE PROPOSAL

The Board has received no public comments during the first-notice public comment period. At second notice, the Board only makes changes received from JCAR all of which are grammatical and non-substantive and, therefore, require no discussion.

The Board found at first notice that the proposal did not raise concerns regarding technical feasibility. Nobody testified or commented about DCEO's decision not to perform an economic impact study on this rulemaking. As found at first notice, the Board finds here that the proposal is both technically feasible and economically reasonable.

CONCLUSION

The Board adopts the proposed exemption from state air permitting proposal for second-notice review by JCAR. The 45-day second-notice public comment period will begin on the date written notice is received by JCAR and the Board will accept comments only from JCAR during the second-notice period. *See* 35 Ill. Adm. Code 102.606.

ORDER

The Board directs the Clerk to cause the filing of the following rule with the Joint Committee on Administrative Rules for its second-notice review. Proposed deletions to the current rules are stricken and proposed additions are underlined.

TITLE 35: ENVIRONMENTAL PROTECTION
 SUBTITLE B: AIR POLLUTION
 CHAPTER I: POLLUTION CONTROL BOARD
 SUBCHAPTER a: PERMITS AND GENERAL PROVISIONS

PART 201
 PERMITS AND GENERAL PROVISIONS

SUBPART A: DEFINITIONS

Section	
201.101	Other Definitions
201.102	Definitions
201.103	Abbreviations and Units
201.104	Incorporations by Reference

SUBPART B: GENERAL PROVISIONS

Section	
201.121	Existence of Permit No Defense
201.122	Proof of Emissions
201.123	Burden of Persuasion Regarding Exceptions
201.124	Annual Report
201.125	Severability
201.126	Repealer

SUBPART C: PROHIBITIONS

Section	
201.141	Prohibition of Air Pollution
201.142	Construction Permit Required
201.143	Operating Permits for New Sources
201.144	Operating Permits for Existing Sources
201.146	Exemptions from State Permit Requirements
201.147	Former Permits
201.148	Operation Without Compliance Program and Project Completion Schedule
201.149	Operation During Malfunction, Breakdown or Startups
201.150	Circumvention
201.151	Design of Effluent Exhaust Systems

SUBPART D: PERMIT APPLICATIONS AND REVIEW PROCESS

Section	
201.152	Contents of Application for Construction Permit
201.153	Incomplete Applications (Repealed)
201.154	Signatures (Repealed)
201.155	Standards for Issuance (Repealed)
201.156	Conditions
201.157	Contents of Application for Operating Permit
201.158	Incomplete Applications
201.159	Signatures
201.160	Standards for Issuance
201.161	Conditions
201.162	Duration
201.163	Joint Construction and Operating Permits
201.164	Design Criteria
201.165	Hearings
201.166	Revocation
201.167	Revisions to Permits
201.168	Appeals from Conditions
201.169	Special Provisions for Certain Operating Permits
201.170	Portable Emission Units

**SUBPART E: SPECIAL PROVISIONS FOR OPERATING PERMITS FOR CERTAIN
SMALLER SOURCES**

Section	
201.180	Applicability (Repealed)
201.181	Expiration and Renewal (Repealed)
201.187	Requirement for a Revised Permit (Repealed)

SUBPART F: CAAPP PERMITS

Section	
201.207	Applicability
201.208	Supplemental Information
201.209	Emissions of Hazardous Air Pollutants
201.210	Categories of Insignificant Activities or Emission Levels
201.211	Application for Classification as an Insignificant Activity
201.212	Revisions to Lists of Insignificant Activities or Emission Levels

**SUBPART G: EXPERIMENTAL PERMITS
(Reserved)**

SUBPART H: COMPLIANCE PROGRAMS AND PROJECT COMPLETION SCHEDULES

Section	
201.241	Contents of Compliance Program
201.242	Contents of Project Completion Schedule
201.243	Standards for Approval
201.244	Revisions
201.245	Effects of Approval
201.246	Records and Reports
201.247	Submission and Approval Dates

SUBPART I: MALFUNCTIONS, BREAKDOWNS OR STARTUPS

Section	
201.261	Contents of Request for Permission to Operate During a Malfunction, Breakdown or Startup
201.262	Standards for Granting Permission to Operate During a Malfunction, Breakdown or Startup
201.263	Records and Reports
201.264	Continued Operation or Startup Prior to Granting of Operating Permit
201.265	Effect of Granting of Permission to Operate During a Malfunction, Breakdown or Startup

SUBPART J: MONITORING AND TESTING

Section	
201.281	Permit Monitoring Equipment Requirements
201.282	Testing
201.283	Records and Reports

SUBPART K: RECORDS AND REPORTS

Section	
201.301	Records
201.302	Reports

SUBPART L: CONTINUOUS MONITORING

Section	
201.401	Continuous Monitoring Requirements
201.402	Alternative Monitoring
201.403	Exempt Sources
201.404	Monitoring System Malfunction
201.405	Excess Emission Reporting
201.406	Data Reduction
201.407	Retention of Information
201.408	Compliance Schedules

201.APPENDIX A	Rule into Section Table
201.APPENDIX B	Section into Rule Table
201.APPENDIX C	Past Compliance Dates

AUTHORITY: Implementing Sections 10, 39, and 39.5 and authorized by Section 27 of the Environmental Protection Act [415 ILCS 5/10, 27, 39, and 39.5].

SOURCE: Adopted as Chapter 2: Air Pollution, Part I: General Provisions, in R71-23, 4 PCB 191, filed and effective April 14, 1972; 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. 13579; amended in R82-1 (Docket A) at 10 Ill. Reg. 12628, effective July 7, 1986; amended in R87-38 at 13 Ill. Reg. 2066, effective February 3, 1989; amended in R89-7(A) at 13 Ill. Reg. 19444, effective December 5, 1989; amended in R89-7(B) at 15 Ill. Reg. 17710, effective November 26, 1991; amended in R93-11 at 17 Ill. Reg. 21483, effective December 7, 1993; amended in R94-12 at 18 Ill. Reg. 15002, effective September 21, 1994; amended in R94-14 at 18 Ill. Reg. 15760, effective October 17, 1994; amended in R96-17 at 21 Ill. Reg. 7878, effective June 17, 1997; amended in R98-13 at 22 Ill. Reg. 11451, effective June 23, 1998; amended in R98-28 at 22 Ill. Reg. 11823, effective July 31, 1998; amended in R02 -10, at 27 Ill. Reg. 5820, effective March 21, 2003; amended in R05-20 at 30 Ill. Reg. _____, effective _____.

SUBPART C: PROHIBITIONS

Section 201.146 Exemptions from State Permit Requirements

Construction or operating permits, pursuant to Sections 201.142, 201.143 and 201.144 of this Part, are not required for the classes of equipment and activities listed below in this Section. The permitting exemptions in this Section do not relieve the owner or operator of any source from any obligation to comply with any other applicable requirements, including the obligation to obtain a permit pursuant to Sections 9.1(d) and 39.5 of the Act, Sections 165, 173 and 502 of the Clean Air Act or any other applicable permit or registration requirements.

- a) Air contaminant detectors or recorders, combustion controllers or combustion shutoffs;
- b) Air conditioning or ventilating equipment not designed to remove air contaminants generated by or released from associated equipment;
- c) Each fuel burning emission unit for indirect systems and for heating and reheating furnace systems used exclusively for residential, or commercial establishments using gas and/or fuel oil exclusively with a design heat input capacity of less than 14.6 MW (50 mmbtu/hr) , except that a permit shall be required for any such emission unit with a design heat input capacity of at least 10 mmbtu/hr that was constructed, reconstructed or modified after June 9, 1989 and that is subject to 40 CFR 60, Subpart D;
- d) Each fuel burning emission unit other than those listed in subsection (c) of this Section for direct systems used for comfort heating purposes and indirect heating systems with a design heat input capacity of less than 2930 kW (10 mmbtu/hr);
- e) Internal combustion engines or boilers (including the fuel system) of motor vehicles, locomotives, air craft, watercraft, lifttrucks and other vehicles powered by nonroad engines;
- f) Bench scale laboratory equipment and laboratory equipment used exclusively for chemical and physical analysis, including associated laboratory fume hoods, vacuum producing devices and control devices installed primarily to address potential accidental releases;
- g) Coating operations located at a source using not in excess of 18,925 l (5,000 gal) of coating (including thinner) per year;
- h) Any emission unit acquired exclusively for domestic use, except that a permit shall be required for any incinerator and for any fuel combustion emission unit using solid fuel with a design heat input capacity of 14.6 MW (50 mmbtu/hr) or more;

- i) Any stationary internal combustion engine with a rated power output of less than 1118 kW (1500 horsepower), except that a permit shall be required for any stationary gas turbine engine with a rated heat input at peak load of 10.7 gigajoules/hr (10 mmbtu/hr) or more that is constructed, reconstructed or modified after October 3, 1977 and that is subject to requirements of 40 CFR 60, Subpart GG;
- j) Rest room facilities and associated cleanup operations, and stacks or vents used to prevent the escape of sewer gases through plumbing traps;
- k) Safety devices designed to protect life and limb, provided that a permit is not otherwise required for the emission unit with which the safety device is associated;
- l) Storage tanks for liquids for retail dispensing except for storage tanks that are subject to the requirements of 35 Ill. Adm. Code 215.583(a)(2), 218.583(a)(2) or 219.583(a)(2);
- m) Printing operations with aggregate organic solvent usage that never exceeds 2,839 l (750 gal) per year from all printing lines at the source, including organic solvent from inks, diluents, fountain solutions and cleaning materials;
- n) Storage tanks of:
 - 1) Organic liquids with a capacity of less than 37,850 l (10,000 gal), provided the storage tank is not used to store any material listed as a hazardous air pollutant pursuant to Section 112(b) of the Clean Air Act, and provided the storage tank is not subject to the requirements of 35 Ill. Adm. Code 215.583(a)(2), 218.583(a)(2) or 219.583(a)(2);
 - 2) Any size containing exclusively soaps, detergents, surfactants, waxes, glycerin, vegetable oils, greases, animal fats, sweetener, corn syrup, aqueous salt solutions or aqueous caustic solutions, provided an organic solvent has not been mixed with such materials; or
 - 3) Any size containing virgin or re-refined distillate oil, hydrocarbon condensate from natural gas pipeline or storage systems, lubricating oil or residual fuel oils.
- o) Threaded pipe connections, vessel manways, flanges, valves, pump seals, pressure relief valves, pressure relief devices and pumps;
- p) Sampling connections used exclusively to withdraw materials for testing and analyses;

- q) All storage tanks of Illinois crude oil with capacity of less than 151,400 l (40,000 gal) located on oil field sites;
- r) All organic material-water single or multiple compartment effluent water separator facilities for Illinois crude oil of vapor pressure of less than 34.5 kPa absolute (5 psia);
- s) Grain-handling operations, exclusive of grain-drying operations, with an annual grain through-put not exceeding 300,000 bushels;
- t) Grain-drying operations with a total grain-drying capacity not exceeding 750 bushels per hour for 5% moisture extraction at manufacturer's rated capacity, using the American Society of Agricultural Engineers Standard 248.2, Section 9, Basis for Stating Drying Capacity of Batch and Continuous-Flow Grain Dryers;
- u) Portable grain-handling equipment and one-turn storage space;
- v) Cold cleaning degreasers that are not in-line cleaning machines, where the vapor pressure of the solvents used never exceeds 2 kPa (15 mmHg or 0.3 psi) measured at 38°C (100°F) or 0.7 kPa (5 mmHg or 0.1 psi) at 20°C (68°F);
- w) Coin-operated dry cleaning operations;
- x) Dry cleaning operations at a source that consume less than 30 gallons per month of perchloroethylene;
- y) Brazing, soldering, wave soldering or welding equipment, including associated ventilation hoods;
- z) Cafeterias, kitchens, and other similar facilities, including smokehouses, used for preparing food or beverages, but not including facilities used in the manufacturing and wholesale distribution of food, beverages, food or beverage products, or food or beverage components;
- aa) Equipment for carving, cutting, routing, turning, drilling, machining, sawing, surface grinding, sanding, planing, buffing, sand blast cleaning, shot blasting, shot peening, or polishing ceramic artwork, leather, metals (other than beryllium), plastics, concrete, rubber, paper stock, wood or wood products, where such equipment is either:
 - 1) Used for maintenance activity;
 - 2) Manually operated;
 - 3) Exhausted inside a building; or

- 4) Vented externally with emissions controlled by an appropriately operated cyclonic inertial separator (cyclone), filter, electro-static precipitor or a scrubber.
- bb) Feed mills that produce no more than 10,000 tons of feed per calendar year, provided that a permit is not otherwise required for the source pursuant to Section 201.142, 201.143 or 201.144;
 - cc) Extruders used for the extrusion of metals, minerals, plastics, rubber or wood, excluding:
 - 1) Extruders used in the manufacture of polymers;
 - 2) Extruders using foaming agents or release agents that contain volatile organic materials or Class I or II substances subject to the requirements of Title VI of the Clean Air Act; and
 - 3) Extruders processing scrap material that was produced using foaming agents containing volatile organic materials or Class I or II substances subject to the requirements of Title VI of the Clean Air Act.
 - dd) Furnaces used for melting metals, other than beryllium, with a brim full capacity of less than 450 cubic inches by volume;
 - ee) Equipment used for the melting or application of less than 22,767 kg/yr (50,000 lbs/yr) of wax to which no organic solvent has been added;
 - ff) Equipment used for filling drums, pails or other packaging containers, excluding aerosol cans, with soaps, detergents, surfactants, lubricating oils, waxes, vegetable oils, greases, animal fats, glycerin, sweeteners, corn syrup, aqueous salt solutions or aqueous caustic solutions, provided an organic solvent has not been mixed with such materials;
 - gg) Loading and unloading systems for railcars, tank trucks, or watercraft that handle only the following liquid materials: soaps, detergents, surfactants, lubricating oils, waxes, glycerin, vegetable oils, greases, animal fats, sweetener, corn syrup, aqueous salt solutions or aqueous caustic solutions, provided an organic solvent has not been mixed with such materials;
 - hh) Equipment used for the mixing and blending of materials at ambient temperatures to make water based adhesives, provided each material mixed or blended contains less than 5% organic solvent by weight;
 - ii) Die casting machines where a metal or plastic is formed under pressure in a die located at a source with a throughput of less than 2,000,000 lbs of metal or plastic per year, in the aggregate, from all die casting machines;

- jj) Air pollution control devices used exclusively with other equipment that is exempt from permitting, as provided in this Section;
- kk) An emission unit for which a registration system designed to identify sources and emission units subject to emission control requirements is in place, such as the registration system found at 35 Ill. Adm. Code 218.586 (Gasoline Dispensing Operations - Motor Vehicle Fueling Operations) and 35 Ill. Adm. Code 218, Subpart HH (Motor Vehicle Refinishing);
- ll) Photographic process equipment by which an image is reproduced upon material sensitized to radiant energy;
- mm) Equipment used for hydraulic or hydrostatic testing;
- nn) General vehicle maintenance and servicing activities conducted at a source, motor vehicle repair shops, and motor vehicle body shops, but not including:
 - 1) Gasoline fuel handling; and
 - 2) Motor vehicle refinishing.
- oo) Equipment using water, water and soap or detergent, or a suspension of abrasives in water for purposes of cleaning or finishing, provided no organic solvent has been added to the water;
- pp) Administrative activities including, but not limited to, paper shredding, copying, photographic activities and blueprinting machines. This does not include incinerators;
- qq) Laundry dryers, extractors, and tumblers processing that have been cleaned with water solutions of bleach or detergents that are:
 - 1) Located at a source and process clothing, bedding and other fabric items used at the source, provided that any organic solvent present in such items before processing that is retained from cleanup operations shall be addressed as part of the VOM emissions from use of cleaning materials;
 - 2) Located at a commercial laundry; or
 - 3) Coin operated.
- rr) Housekeeping activities for cleaning purposes, including collecting spilled and accumulated materials, including operation of fixed vacuum cleaning systems specifically for such purposes, but not including use of cleaning materials that contain organic solvent;

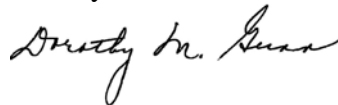
- ss) Refrigeration systems, including storage tanks used in refrigeration systems, but excluding any combustion equipment associated with such systems;
- tt) Activities associated with the construction, on-site repair, maintenance or dismantlement of buildings, utility lines, pipelines, wells, excavations, earthworks and other structures that do not constitute emission units;
- uu) Piping and storage systems for natural gas, propane and liquefied petroleum gas;
- vv) Water treatment or storage systems, as follows:
 - 1) Systems for potable water or boiler feedwater;
 - 2) Systems, including cooling towers, for process water, provided that such water has not been in direct or indirect contact with process streams that contain volatile organic material or materials listed as hazardous air pollutants pursuant to Section 112(b) of the Clean Air Act.
- ww) Lawn care, landscape maintenance and grounds keeping activities;
- xx) Containers, reservoirs or tanks used exclusively in dipping operations to coat objects with oils, waxes or greases, provided no organic solvent has been mixed with such materials;
- yy) Use of consumer products, including hazardous substances as that term is defined in the Federal Hazardous Substances Act (15 ~~USC U.S.C.~~ 1261 et seq.), where the product is used at a source in the same manner as normal consumer use;
- zz) Activities directly used in the diagnosis and treatment of disease, injury or other medical condition;
- aaa) Activities associated with the construction, repair or maintenance of roads or other paved or open areas, including operation of street sweepers, vacuum trucks, spray trucks and other vehicles related to the control of fugitive emissions of such roads or other areas;
- bbb) Storage and handling of drums or other transportable containers, where the containers are sealed during storage and handling;
- ccc) Activities at a source associated with the maintenance, repair or dismantlement of an emission unit or other equipment installed at the source, not including the shutdown of the unit or equipment, including preparation for maintenance, repair or dismantlement, and preparation for subsequent startup, including preparation of a shutdown vessel for entry, replacement of insulation, welding and cutting, and steam purging of a vessel prior to startup;

- ddd) Equipment used for corona arc discharge surface treatment of plastic with a power rating of 5 kW or less or equipped with an ozone destruction device;
- eee) Equipment used to seal or cut plastic bags for commercial, industrial or domestic use;
- fff) Each direct-fired gas dryer used for a washing, cleaning, coating or printing line, excluding:
- 1) Dryers with a rated heat input capacity of 2930 kW (10 mmbtu/hr) or more; and
 - 2) Dryers for which emissions other than those attributable to combustion of fuel in the dryer, including emissions attributable to use or application of cleaning agents, washing materials, coatings or inks or other process materials that contain volatile organic material are not addressed as part of the permitting of such line, if a permit is otherwise required for the line; ~~and~~
- ggg) Municipal solid waste landfills with a maximum total design capacity of less than 2.5 million Mg or 2.5 million m³ that are not required to install a gas collection and control system pursuant to 35 Ill. Adm. Code 220 or 800 through 849 or Section 9.1 of the Act; and -
- hhh) Plastic injection molding equipment with an annual through-put not exceeding 5,000 tons of plastic resin in the aggregate from all plastic injection molding equipment at the source, and all associated plastic resin loading, unloading, conveying, mixing, storage, grinding, and drying equipment and associated mold release and mold cleaning agents.

(Source: Amended at 30 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 January 5, 2006, by a vote of 4-0.



Dorothy M. Gunn, Clerk
Illinois Pollution Control Board