

ILLINOIS POLLUTION CONTROL BOARD

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STATE OF ILLINOIS
Pollution Control Board

ORIGINAL

GOVERNOR May 2, 2007
Rod R. Blagojevich

Jack Lavin, Director
Department of Commerce and Economic Opportunity
620 East Adams Street, S-6
Springfield, Illinois 62704



CHAIRMAN

G. Tanner Girard, Ph.D.

Re: Request for Economic Impact Study for: NO_x Emissions from Stationary Reciprocating Internal Combustion Engines and Turbines: Amendments to 35 Ill. Adm. Code Section 201.146 and Parts 211 and 217, (R07-18)

Dear Director Lavin:

On April 19, 2007, the Board accepted for hearing, and immediately sent to first notice, a proposal filed by the Illinois Environmental Protection Agency (IEPA) to amend the Board's air quality regulations. I am writing to request that your Department conduct an economic impact study concerning this proposal. The proposal, filed by the IEPA on April 6, 2007, is intended to reduce intrastate and interstate transport of nitrogen oxide (NO_x) emissions on an annual basis and on an ozone season basis by reducing NO_x emissions from stationary reciprocating internal combustion engines and turbines. These engines and turbines are frequently associated with gas pipelines.

The IEPA filed this rulemaking under the "fast-track" rulemaking authority of section 28.5 of the Environmental Protection Act, which contains strict deadlines for the Board to meet in its rulemaking process. The Board must hold at least two, and possibly three, hearings on the proposal. Additionally, the Board must submit the proposed amendments to the Joint Committee on Administrative Rules on either August 14, 2007 or September 3, 2007 (130 or 150 days after the proposal's filing), depending on whether the Board holds two or three hearings. The Board has scheduled hearings in this rulemaking to begin on May 21, 2007, June 19, 2007, and July 2, 2007. The Board respectfully requests that your Department expedite its determination whether it will conduct an economic impact study on the proposal, and respond no later than Monday, May 21, 2007.

Since 1998, Section 27 (b) of the Environmental Protection Act has required the Board to:

1) "request that the Department of Commerce and Economic Opportunity (formerly the Department of Commerce and Community Affairs) conduct a study of the economic impact of the proposed rules. The Department may within 30 to 45 days of such request produce a study of the economic impact

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of the proposed rules. At a minimum, the economic impact study shall address a) economic, environmental, and public health benefits that may be achieved through compliance with the proposed rules, b) the effects of the proposed rules on employment levels, commercial productivity, the economic growth of small businesses with 100 or less employees, and the State's overall economy, and c) the cost per unit of pollution reduced and the variability of company revenues expected to be used to implement the proposed rules; and

(2) conduct at least one public hearing on the economic impact of those rules. At least 20 days before the hearing, the Board shall notify the public of the hearing and make the economic impact study, or the Department of Commerce and Economic Opportunity's explanation for not producing an economic impact study, available to the public. Such public hearing may be held simultaneously or as a part of any Board hearing considering such new rules." 415 ILCS 5/27(b) (2004).

I would greatly appreciate a response from you concerning DCEO's position on whether it will perform the economic impact study by Monday, May 21, 2007.

If I, or my staff, can provide you with any additional information, please let me know.

Thank you in advance for your prompt response.

Sincerely,

G. Tanner Girard Acting Chairman Pollution Control Board

S. Torra Guard

cc: Warren Ribley, DCEO

John T. Therriault, Assistant Clerk of the Board