

ORIGINAL

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

RECEIVED  
CLERK'S OFFICE  
JUL 22 1996  
STATE OF ILLINOIS  
POLLUTION CONTROL BOARD

IN THE MATTER OF: )  
 )  
EXEMPTIONS FROM STATE )  
PERMIT REQUIREMENTS, ) R96-17  
AMENDMENTS TO 35 ILL. ADM. ) (Rulemaking)  
CODE 201 AND 211. )  
 )

NOTICE

TO: Dorothy Gunn, Clerk  
Illinois Pollution Control Board  
State of Illinois Center  
100 W. Randolph, Suite 11-500  
Chicago, Illinois 60601

Marie E. Tipsord  
Illinois Pollution Control Board  
110 South State  
Jerseyville, Illinois 62052

G. Tanner Girard  
Illinois Pollution Control Board  
110 South State  
Jerseyville, Illinois 62052

Robert Lieberman  
Department Of Natural Resources  
Division of Energy and  
Environmental Assessment  
524 S. Second Street  
Springfield, IL 62701-1787

SEE ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of the Pollution Control Board the APPEARANCE, MOTION FOR LEAVE TO FILE PRE-FILED TESTIMONY, INSTANTER AND TESTIMONY OF WILLIAM D. MARR of the Illinois Environmental Protection Agency, a copy of which is herewith served upon you.

ENVIRONMENTAL PROTECTION AGENCY  
OF THE STATE OF ILLINOIS

By: Sheila G. Kolbe  
Sheila G. Kolbe  
Assistant Counsel  
Division of Legal Counsel

DATED: July 18, 1996

P.O. Box 19276  
Springfield, Illinois 62794-9276  
217/524-3333

**THIS FILING IS SUBMITTED  
ON RECYCLED PAPER**

SERVICE LIST FOR R96-17

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APG, Maryland 21010-5401



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	)	

APPEARANCE

The undersigned, as one of its attorneys, hereby enters an Appearance on behalf of the Respondent, Illinois Environmental Protection Agency.

ENVIRONMENTAL PROTECTION AGENCY  
OF THE STATE OF ILLINOIS

By: Sheila Kolbe  
 Sheila Kolbe  
 Assistant Counsel  
 Division of Legal Counsel

DATED: July 18, 1996

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**MOTION TO FILE PRE-FILED TESTIMONY, INSTANTER**

NOW COMES Respondent, Illinois Environmental Protection Agency ("Agency"), by its attorney, Sheila G. Kolbe, and moves that the Hearing Officer, pursuant to 35 Ill. Adm. Code 101.247(a) and 102.280(c), grant the Agency leave to file its Pre-filed Testimony, instanter, in this matter and in support of the Motion, states as follows:

1. The Agency filed the above captioned rulemaking on May 10, 1996.
2. The Hearing Officer has set hearings in this matter for July 23, 1996, in Collinsville, Illinois, and August 16, 1996, in Chicago, Illinois, in her Order dated June 12, 1996.
3. The Hearing Officer's Order of June 12, 1996, also stated that pre-filed testimony must be submitted no later than July 13, 1996.
4. Since public notice, the Agency has received some phone calls from interested parties such that it may be helpful to pre-file testimony.
5. 35 Ill. Adm. Code 102.280 permits prefiled testimony by the proponent of a rulemaking.

**WHEREFORE**, for the reasons set forth above, the parties respectfully move the Board to grant the Agency's Motion to File Pre-Filed Testimony, Instanter, in this matter.

Respectfully submitted,

**ILLINOIS ENVIRONMENTAL  
PROTECTION AGENCY**

By: Sheila G. Kolbe, Esq.  
One of Its Attorneys

Sheila G. Kolbe, Esq.  
Illinois Environmental Protection Agency  
Assistant Counsel  
Division of Legal Counsel

DATED: July 18, 1996  
P.O. Box 19276  
Springfield, Illinois 62794-9276

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TESTIMONY OF WILLIAM D. MARR

FIRST HEARING:  
JULY 23, 1996  
Collinsville, Illinois

SECOND HEARING:  
AUGUST 16, 1996  
Chicago, Illinois

Good morning. My name is William D. Marr. I am employed by the Illinois Environmental Protection Agency ("Agency") in the Permit Section of the Division of Air Pollution Control in the Bureau of Air. I have been employed by the Agency as an Air Pollution Permit Analyst since May 1992. My educational background includes a Bachelor of Science Degree in Mechanical Engineering from Southern Illinois University at Carbondale.

The proposal before you today would affect exemptions from state air permit requirements, and I was involved in the development of the Agency's proposal. I personally prepared the Technical Support Document accompanying the proposal.

This proposal would amend 35 Ill. Adm. Code 201.146 ("Section 201.146") to expand, clarify, and modify the list of emission units and activities that are exempt from state air pollution control construction and operating permits, as specified in 35 Ill. Adm. Code 201.142, 201.143, and 201.144 ("state permit requirements"). The proposal would also amend Section 201.146 to establish greater consistency between the exemptions from state air permit requirements and the insignificant activity provisions of the Clean Air Act Permit Program ("CAAPP") for major sources of air pollution, as specified at 35 Ill. Adm. Code 201.210.

The primary effect of this proposal is to expand the list of activities and emission units that would qualify for exemption from state air permitting requirements by either adding categories of activities or emission units or by loosening the threshold for the exemption. The activities and emission units that are proposed for exemption are based on the Agency's historical experience that such emission units do not merit permitting. Associated emissions are very minimal and there are no applicable rules or a unit readily complies with applicable rules. Individual information on these activities has not been needed for purposes of air quality planning.

In this respect, the Agency believes that many of the emission units or activities that have been deemed insignificant under the CAAPP, as specified in 35 Ill. Adm. Code 201.210, can also be exempt from state air permitting requirements. The Agency does not believe,

however, that all of the activities and emission units listed as insignificant under the CAAPP merit exemption from the state air permit requirements. This is because the Agency retains discretion under the CAAPP to determine if a specific emission unit should be treated as significant. This discretion is appropriate for insignificant activities under the CAAPP as it applies to sources that are otherwise required to submit permit applications, thereby allowing the Agency the opportunity to evaluate proposed insignificant emission units. If an emission unit or activity qualifies for exemption from state air permitting requirements pursuant to Section 201.146, however, no permit application is required to be submitted to the Agency, thereby allowing the Agency no opportunity to evaluate the nature and significance of such emission units.

Certain of the proposed amendments to Section 201.146 are intended to clarify the types of activities or emission units that are covered by a particular exemption. For example, the exemptions for fuel combustion equipment would be reworded to make clear that they apply on an individual basis, to each fuel burning emission unit. The proposal also explains that if an emission unit is exempt, associated air pollution control equipment is also exempt.

In a few instances in the proposal, an existing exemption is being modified so that emission units subject to certain state requirements will require permits. An example is coating operations located at a source that are subject to the limitations or control requirements of 35 Ill. Adm. Codes 215, 218, or 219, Subpart F. The current exemption level for coating operations is the use of less than 5000 gallons of coating at a source per year. The applicability level for the coating rules in the ozone nonattainment areas is now such that coating lines that are exempt from permit requirements are subject to control requirements. The Agency believes permitting for these emission units is appropriate to facilitate compliance with the applicable rules.

Additionally, in a few instances, an existing exemption is being revised to clarify that an emission unit that is subject to a federal New Source Performance Standard (NSPS) under 40



CFR Part 60 requires a permit. These revisions are merely intended to clarify that permitting exemptions do not apply to emission units subject to an NSPS, as such emission units are required to obtain permits pursuant to Section 9.1(d)(2) of the Environmental Protection Act.

Finally, the proposal also includes revisions to update terminology, such as using the term "emission unit" to describe an individual item of equipment or activity, rather than "emission source." The proposed amendments also provide a definition for one term, "feed mill," used in the proposed amendments.

As the proposed amendments deal with and generally expand the list of exemptions from state air permit requirements, these revisions do not impose new emission limitations or control requirements on affected sources. Therefore, this proposal does not pose any issues with respect to technical feasibility. As previously stated, the additional exemptions will not significantly affect the effectiveness of the permit program. If anything, they will help focus attention on the more important emission units.

As an economic matter, the proposal will reduce costs. The amendments significantly expand the list of exemptions and many affected sources will be relieved of the requirement to obtain state air permits. Also, the affected sources will be relieved of other requirements resulting from a permit, such as the obligation to annually report emissions data for permitted emission units. As a consequence, the affected sources will realize a cost savings because they will be relieved of the need to collect data, prepare permit applications, submit reports, and pay permit fees. The savings in permit fees would likely be the minimum fee associated with state air operating permits, which is \$100 per year for sources with total permitted emissions of less than 25 tons per year. The loss of revenue to the Agency would be matched by the savings from eliminating permitting of these sources. Many other sources will still be required to have permits, because they still have emission units that are not exempt. However, these permits and related activity will be simplified as additional emission units are considered exempt and can be dropped from existing permits. New and revised permits will

not be needed as these newly exempt units are added or replaced at a source. The only sources that may be required to obtain a state permit for the first time based on this proposal are sources with coating operations that are subject to compliance requirements under 35 Ill. Adm. Codes 215, 218, or 219, Subpart F, and that use less than 5000 gallons of coatings (including thinner) at the source annually. Most, if not all of these sources will also be small sources that would only be required to pay the \$100 fee. These sources are already subject to data collection and to reporting requirements.

In conclusion, this proposal amends Section 201.146 to expand, clarify, and modify the list of emission units and activities that are exempt from state air permit requirements. The overall effect would be to reduce the effort expended by smaller sources in air permitting without any significant deterioration in the effectiveness of the air pollution control program. Accordingly, the Agency requests that the Pollution Control Board adopt these amendments to Parts 201 and 211 for the State of Illinois.

CERTIFICATE OF SERVICE

I, the undersigned, an attorney, certify that I have served the attached APPEARANCE,

MOTION FOR LEAVE TO FILE PRE-FILED TESTIMONY, INSTANTER AND TESTIMONY OF

WILLIAM D. MARR, by FIRST CLASS MAIL on July 18, 1996, upon the following persons:

Dorothy Gunn, Clerk  
Illinois Pollution Control Board  
State of Illinois Center  
100 W. Randolph, Suite 11-500  
Chicago, Illinois 60601

G. Tanner Girard  
Illinois Pollution Control Board  
110 South State  
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Sheila G. Kolbe, Esq.