BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

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IN THE MATTER OF: REGISTRATION OF SMALLER SOURCES (ROSS): NEW 35 ILL. ADM. CODE 201.175

R12-10 (Rulemaking-Air) CLERK'S OFFICE

NOTICE OF FILING

OCT 1 4 2011

TO: SEE ATTACHED PROOF OF SERVICE

PLEASE TAKE NOTICE that I have today submitted the Illinois Association of Aggregate Producers' Post-Hearing Comments, copies of which are served upon you.

By:

John Henriksen, Executive Director Winois Association of Aggregate Producers 1115 South Second Street Springfield, IL 62704 217.241.1639

Date: October 12, 2011

STATE OF ILLINOIS Pollution Control Board

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ILLINOIS ASSOCIATION OF AGGREGATE PRODUCERS' POST-HEARING COMMENTS

The following comments are submitted on behalf of the Illinois Association of Aggregate Producers (IAAP), the trade association representing companies that mine and produce crushed stone, sand and gravel. The IAAP currently represents companies producing more than 90 percent of Illinois' construction aggregates at over 250 plants and facilities in 70 counties throughout Illinois as well as operations in Indiana, Iowa, Kentucky, Missouri and Wisconsin.

Aggregate producers are required to obtain air pollution permits from the Illinois Environmental Pollution Agency (IEPA) in order to control emissions generated by mining and producing construction aggregates. Working closely with the IEPA Bureau of Air, the IAAP Environmental Committee revamped the air permit process in order to create "lifetime general operating permits" for both small and large aggregate processing plants. These lifetime permits eliminate the need to apply for construction permits, as well as for revised operating permits, when operators make plant modifications within specified limitations. Because these industry-specific permits do not expire after issuance, creating this air pollution permit program has saved the IEPA – and the aggregates industry – a lot of time and money over the years.

According to page 4 of the IEPA's Statement of Reasons in support of proposed new Section 201.175, a key reason for creating the ROSS program is to lighten the administrative burden on this agency through the conversion of approximately 3,500 small sources – including many aggregate processing plants – to "registrations" that no longer have direct permitting obligations to the IEPA. According to the IEPA permit database, these small sources include 79 sand and gravel pits (SIC Code 1422) and 205 stone quarries (SIC Code 1442), the majority of which (79%) qualify for the ROSS program because current emission thresholds well are below the limits set forth in their current lifetime general operating permits.

As outlined in the IEPA's proposed new Section 201.175, permits for aggregate processing plants with emission levels that qualify for the ROSS program would be replaced by "registrations". Yet as a practical matter, the administrative "benefit" to the IEPA for moving aggregate processing plants into the ROSS program is frankly quite negligible. The lifetime general operating permits designed by the IEPA and IAAP are already very streamlined given that the aggregates sector is exempt from applying for construction permits or revised operating permits as long as changes in the processing plants stay within specified limitations. In fact, the only permit obligation terminated by the ROSS program is the requirement that aggregate producers to file Annual Emissions Reports with the IEPA, a minor time/cost savings. Given that these plants are still required to perform annual emissions calculations under proposed new Section 201.175(b)(2), the only annual savings for the aggregates industry would be the cost of the first class postage stamp required to mail these reports to the IEPA. In essence, transitioning current air permits for aggregate processing plants into the ROSS program have little practical impact on either the IEPA or the aggregates industry.

In contrast, proposed new Section 201.175, if adopted as currently written, will actually cost the IEPA and the aggregates industry additional time and money when the ROSS program is implemented. Specifically, proposed new Section 201.175(b)(2)(A), relating to the annual renewal of registration, states:

A) For the purposes of determining compliance with subsection (a)(1)(C) of this Section, the owner or operator must sum the actual emissions from all units associated with the source for the prior calendar year, and if the summed actual emissions of combined particulate matter, carbon monoxide, nitrogen oxides, sulfur dioxide, and volatile organic material air pollutant emissions for the prior calendar year are greater than 7 tons, or if the total sum of actual emissions of combined particulate matter, carbon monoxide, nitrogen oxides, sulfur dioxide, and volatile organic material air pollutant emissions from the prior two calendar years are greater than 10 tons, the owner or operator must apply for the applicable operating permit under the Act pursuant to subsection (g) of this Section. (Emphasis added) The plain language of Section 201.175(b)(2)(A) requires an emissions source that no longer qualifies for the ROSS program to apply for a new operating permit if actual annual emissions exceed 7 tons for the prior calendar year. Yet the lifetime general operating permits being replaced by the ROSS program – for even <u>small</u> aggregate processing plants – currently allow particulate matter emissions <u>of up to 24.99 tons annually</u>! If aggregate production levels begin to increase in the following years, a distinct possibility as economic conditions improve in Illinois, aggregate processing plants will be required to leave the ROSS program and apply for new operating permits when annual emissions exceed 7 tons. The consultant's fees required to put together a complete permit application, when added to permit application fees, would have a negative financial impact on the aggregates industry. Moreover, requiring the IEPA to process and issue new permits based upon emissions levels that are currently acceptable under existing lifetime general operating permits for aggregate processing plants creates an illogical and unreasonable administrative burden on this agency. Therefore, to streamline participation in the ROSS program, the IEPA should add the following language to Section 201.175 (g):

(g)(4). Emission units previously covered by a lifetime operating permit or by a lifetime general operating permit that are no longer eligible for ROSS, pursuant to subsection (a) and (b) of this Section, may reinstate such permits if these emission units still comply with the terms and conditions of their previously held permits and submit the requisite annual permit fees to the Agency.

Allowing aggregate processing plants to reinstate previously held lifetime general operating permits if annual emissions exceed ROSS program levels will encourage existing sources to convert to this new program. In addition, proposed subsection (g)(4) would allow the IEPA to reinstate previously issued permits rather than process and issue unnecessary new permits This proposed amendment to Section 201.175(g) reduces the IEPA's workload and the aggregates industry's costs, thereby encouraging participation in this new regulatory program.

Respectfully,

John Henriksen, Executive Director Illinois Association of Aggregate Producers

PROOF OF SERVICE

I, John Henriksen, certify that I have served the attached Illinois Association of Aggregate Producers' Post-Hearing Comments by first class mail, postage prepaid, on October 12, 2011, to the following:

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