



# OFFICE OF THE SECRETARY OF STATE

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05/04/2007

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MAY 09 2007

STATE OF ILLINOIS  
Pollution Control Board

## POLLUTION CONTROL BOARD

James R. Thompson Center 100 W. Randolph St., Ste 11-500  
Dorothy Gunn  
CHICAGO, IL 60601

Dear Dorothy Gunn

Your rules Listed below met our codification standards and have been published in Volume 31, Issue 19 of the Illinois Register, dated 05/11/2007.

### ADOPTED RULES

Organic Material Emission Standards and Limitations for the Metro East Area 35 Ill. Adm. Code 219 Point Of Contact:Erin Conley	Page 7110
Organic Material Emission Standards and Limitations for the Chicago Area 35 Ill. Adm. Code 218 Point Of Contact:Erin Conley	Page 7086

### OTHER INFORMATION REQUIRED BY LAW TO BE PUBLISHED IN THE ILLINOIS REGISTER

Notice of Public Information Pursuant to 415 ILCS 5/7.2(b) Ill. Adm. Code Point Of Contact:Erin Conley	Page 7187
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### PROPOSED RULES

Control of Emissions from Large Combustion Sources 35 Ill. Adm. Code 225 Point Of Contact:Erin Conley	Page 6769
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If you have any questions, you may contact the Administrative Code Division at (217) 782 - 7017.

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NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Control Of Emissions from Large Combustion Sources

2) Code Citation: 35 Ill. Adm. Code 225

<u>Section Numbers:</u>	<u>Proposed Action:</u>
225.130	Amend
225.140	Amend
225.150	New
225.300	New
225.305	New
225.310	New
225.315	New
225.320	New
225.325	New
225.400	New
225.405	New
225.410	New
225.415	New
225.420	New
225.425	New
225.430	New
225.435	New
225.440	New
225.445	New
225.450	New
225.455	New
225.460	New
225.465	New
225.470	New
225.475	New
225.480	New
225.500	New
225.505	New
225.510	New
225.515	New
225.520	New
225.525	New
225.530	New
225.535	New
225.540	New

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225.545	New
225.550	New
225.555	New
225.560	New
225.565	New
225.570	New
225.575	New
225.600	New
225.605	New
225.610	New
225.615	New
225.620	New
225.625	New
225.630	New
225.635	New
225.640	New
225.APPENDIX A	New

- 4) Statutory Authority: Implementing and authorized by Section 27 of the Environmental Protection Act [415 ILCS 5/27].
- 5) A Complete Description of the Subjects and Issues Involved: For a more detailed discussion of these amendments, see the Board's April 19, 2007 opinion and order in docket R06-26. This rulemaking proposes amendments to Part 225 that are intended to reduce intra- and interstate transport of sulfur dioxide and nitrogen oxides from fossil fuel-fired electric generating units through the adoption of the Clean Air Interstate Rule (CAIR) trading programs for sulfur dioxide and nitrogen oxides.

The proposed amendments are intended to satisfy Illinois' obligations under the United States Environmental Protection Agency's (USEPA) Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone; Revisions to Acid Rain Program; Revisions to the NO<sub>x</sub> SIP Call (CAIR), 70 Fed. Reg. 25162 (May 12, 2005). The amendments also address, in part, the State's obligation to meet Clean Air Act (CAA) requirements for the control of fine particulate matter (PM<sub>2.5</sub>) and ozone in the Chicago and Metro East/St. Louis nonattainment areas.

To meet these goals the rulemaking proposes amending Subpart A and adding four new Subparts to Part 225. Proposed new Subpart C contains regulations and standards to establish a sulfur dioxide (SO<sub>2</sub>) trading program in Illinois. The amendments include provisions that establish to which units these rules apply, compliance and emission

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requirements, permit requirements, and the allocations of allowances under the trading program.

Proposed new Subpart D seeks to add requirements to control nitrogen oxide (NO<sub>x</sub>) emissions from large electrical generating units through a NO<sub>x</sub> trading program. The amendments establish applicability and compliance requirements and establish an annual trading budget for affected units. The regulations include standards to set aside a certain amount of allowances for new units. Additionally, the proposed regulations contain recordkeeping and reporting provisions for units to earn Clean Air Set Aside (CASA) credits if the company sponsors a project that qualifies as a energy efficiency and conservation, renewable energy, or clean technology project.

The proposed new Subpart E includes amendments to establish a NO<sub>x</sub> emission control program for the ozone season. Again, this program establishes applicability and compliance requirements, and proposes permit requirements. The amendments propose the timelines to establish the ozone season and set the standards for the ozone allocations. Subpart E also proposes standards for new units set asides and clean air set-asides.

Proposed new Subpart F is the result of a joint motion filed with the Board by the Illinois Environmental Protection Agency (Agency) and Dynegy Midwest Generation. The Agency and Midwest Generation stated in their motion that on December 10, 2006, they entered into a memorandum of understanding (MOU) wherein the parties agreed to a timeline for Midwest Generation to achieve deep and sustained reductions in emissions of mercury, SO<sub>2</sub>, and NO<sub>x</sub> from their coal-fired Illinois EGUs. As a result, the Agency and Midwest Generation requested that the Board include with a new Subpart F to establish standards for Combined Pollutant Standards (CPS). The proposed Subpart F will establish an alternative means of compliance with the proposed emissions standards for mercury in Subpart B, Section 225.230(a) and will establish specific emissions levels for NO<sub>x</sub>, PM, and SO<sub>2</sub>. Reductions in mercury, NO<sub>x</sub>, PM, and SO<sub>2</sub> emissions will be accomplished through a combination of permanent shut-downs of EGUs, installation of activated halogenated carbon injection systems for reduction of mercury (ACI), and the installation of pollution control equipment for NO<sub>x</sub>, PM, and SO<sub>2</sub> emissions that will also reduce mercury emissions as a co-benefit. EGUs identified for compliance with the proposed Subpart F are referred to as a CPS Group.

Finally, the proposed amendments contain new definitions and materials to be incorporated by reference to supplement the proposed trading programs.

- 6) Published Studies or Reports, and Sources of underlying data, used to compose this rulemaking: None

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- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? Yes
- 10) Are there any other proposed rules pending on this Part? No
- 11) Statement of Statewide Policy Objective: This proposed rule does not create or enlarge a State mandate, as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b) (2004)].
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: The Board held hearings this rulemaking on October 10 through October 12, 2006, in Springfield and on November 28 through November 30, 2006, in Collinsville. The Board received a significant amount of public comments in this rulemaking prior to proposing the amendments for first notice. The Board will continue to accept written public comment on this proposal for 45 days after the date of publication in the Illinois Register. Comments should reference Docket R06-26 and be addressed to:

Clerk's Office  
Illinois Pollution Control Board  
100 W. Randolph St., Suite 11-500  
Chicago, IL 60601

Interested persons may request copies of the Board's opinion and order by calling the Clerk's office at 312-814-3620, or download from the Board's Web site at [www.ipcb.state.il.us](http://www.ipcb.state.il.us).

For more information contact Amy Antonioli at 312/814-3665 or email at [antonioa@ipcb.state.il.us](mailto:antonioa@ipcb.state.il.us).

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: This rulemaking will impact any small businesses, small municipalities and not for profit corporations that own or operate a large electrical generating unit that qualifies under the proposed amendments. These regulations are, however, substantively similar to those requirements imposed by the USEPA.

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- B) Reporting, bookkeeping or other procedures required for compliance: This rulemaking imposes new recordkeeping and reporting requirements to comply with the proposed trading programs.
  - C) Types of Professional skills necessary for compliance: No professional skills beyond those currently required by the existing state and federal air pollution control regulations applicable to affected sources will be required.
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2007

The full text of the Proposed Amendments begins on the next page: