



# ILLINOIS POLLUTION CONTROL BOARD

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STATE OF ILLINOIS  
Pollution Control Board

**GOVERNOR**

Rod R. Blagojevich

May 23, 2007

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: **Section 27 Proposed Rules for Nitrogen Oxide (NO<sub>x</sub>) Emissions From Stationary Reciprocating Internal Combustion Engines and Turbines: Amendments to 35 Ill. Adm. Code Parts 211 and 217, (R07-19)**

Dear Director Lavin:

On May 17, 2007, the Board opened a new docket to address issues that have risen in an existing docket, Nitrogen Oxide (NO<sub>x</sub>) Emissions from Stationary Reciprocating Internal Combustion Engines and Turbines: Amendments to 35 Ill. Adm. Code Section 201.146, 211, and 217, R07-18. I am writing to request that your Department conduct an economic impact study concerning this proposal. The rulemaking is based on another rulemaking that was filed by the Illinois Environmental Protection Agency (IEPA) on April 6, 2007, and is intended to reduce intrastate and interstate transport of nitrogen oxide (NO<sub>x</sub>) emissions on an annual basis and on an ozone season basis by reducing NO<sub>x</sub> emissions from stationary reciprocating internal combustion engines and turbines. These engines and turbines are frequently associated with gas pipelines.

The rulemaking that these amendments are based on was filed by the IEPA under the fast track rulemaking procedures of Section 28.5 of the Environmental Protection Act, 415 ILCS 5/28.5. The Board received an objection to the use of the fast-track procedures on April 16, 2007 from ANR Pipeline, Natural Gas Pipeline Company, Trunkline Gas Company, and Panhandle Eastern Pipeline Company, and on April 17, 2007 the Illinois Environmental Regulatory Group. Consistent with the strict timeframes of Section 28.5 of the Act, the Board filed the entire rule proposal with the Secretary of State, pending receipt of responses to the objections and ruling on them. Nitrogen Oxide (NO<sub>x</sub>) Emissions from Stationary Reciprocating Internal Combustion Engines and Turbines: Amendments to 35 Ill. Adm. Code Section 201.146, 211, and 217, R07-18 (April 19, 2007). This was published at 35 Ill. Reg. 6597 (May 4, 2007). The Board sent a request for an economic impact study in this rulemaking to the DCEO on May 2, 2007.

The Board ruled on the objections in a single May 17, 2007 order, finding that the IEPA April 6, 2007 proposal must be handled in two dockets under separate

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statutory authorities and rulemaking tracks. Since some portions of the proposed new 217.Subpart Q do not meet the standard for a fast track rule under Section 28.5 of the Act, the Board created a new docket to proceed with non-qualifying provisions under Section 27. Accordingly, the Board bifurcated the amendments that were originally proposed. Docket R07-18 was retitled and is continuing under the Section 28.5 hearing schedule for only those amendments that qualify as fast track rules. I am writing to request that your Department conduct an economic impact study concerning this proposal.

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 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 July 1, 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.

*G. Tanner Girard*

Sincerely,

G. Tanner Girard  
Acting Chairman  
Pollution Control Board

cc: Warren Ribley, DCEO  
John T. Therriault, Assistant Clerk of the Board