

GOVERNOR

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ILLINOIS POLLUTION CONTROL BOARD

October 26, 2010

Warren Ribley, Director Department of Commerce and Economic Opportunity 500 East Monroe Street Springfield, Illinois 62701

Re: Request for Economic Impact Study for: <u>Regulatory Proposal for NOx</u> <u>Trading Program Sunset Provisions for Non-Electric Generation Units ("Non-EGU."): Amendments to 35 Ill. Adm. Code Part 217, Subpart U</u> R11-8

Dear Director Ribley:

I am writing to request that your Department conduct an economic impact study concerning the above proposal. On August 19, 2010, the Illinois Environmental Protection Agency (IEPA) filed a proposal under the general rulemaking provisions of Sections 10, 27 and 28 of the Environmental Protection Act (415 ILCS 5/10, 27, 28 (2008)) and the Board's procedural rules at 35 Ill. Adm. Code 102.202(b). Generally, the proposed amendments would sunset the trading provisions of the Nitrogen Oxide SIP Call Trading Program. The sole provisions to be amended involve the holding and trading provisions in Part 217.Subpart U, codified at 35 Ill. Adm. Code Part 217.Subpart U.

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.

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,

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G. Tanner Girard, Acting Chairman Pollution Control Board

cc: John T. Therriault, Assistant Clerk