

ILLINOIS POLLUTION CONTROL BOARD  
November 19, 1992

IN THE MATTER OF: )  
 )  
AMENDMENTS TO THE NEW ) R92-21  
SOURCE REVIEW RULES ) (Rulemaking)  
35 ILL. ADM. CODE 203 )

Proposed Rule. First Notice.

OPINION AND ORDER OF THE BOARD (by G. T. Girard):

On November 13, 1992, the Illinois Environmental Protection Agency (Agency) filed this proposal for rulemaking. The proposal is intended to address permitting for the construction and operation of new or modified major stationary sources in nonattainment areas. The proposal represents one part of Illinois' submittal of a complete state implementation plan (SIP). Pursuant to Section 182(a) of the Clean Air Act, as amended in 1990, Illinois is to adopt and submit its plan by November 15, 1992.

This proposal was filed pursuant to Section 28.5 of the Act and is accepted for hearing. (P.A. 87-1213, effective September 26, 1992.) Pursuant to the provisions of that section the Board is required to proceed within set time-frames toward the adoption of this regulation. The Board has no discretion to adjust these time-frames under any circumstances. Therefore, the Board acts today to send this proposal to first notice under the Illinois Administrative Procedure Act without commenting on the merits of the proposal. The following schedule<sup>1</sup> indicates the deadlines by which the Board must act under the provisions of Section 28.5:

First Notice	November 28, 1992
First Hearing	January 7, 1993
Second Hearing	February 6, 1993
Third Hearing	February 20, 1993
Second Notice	March 15 or April 5, 1993
Final Filing	21 days after receipt of JCAR certification of no objection

The Agency has filed a motion asking that the Board waive several requirements which govern the filing of a regulatory proposal. Specifically, the Agency asks that it be allowed to submit the original and five complete copies of the proposal and

<sup>1</sup> This schedule includes a second and third hearing which may be cancelled if unnecessary. Hearings will be continued from day to day as necessary to complete the subject matter established by statute for each set of hearings.

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four partial copies of the proposal, rather than the original and nine complete copies to the Board. Further, the Agency asks that it not be required to supply the Attorney General or the Department of Energy and Natural Resources with a complete copy of the proposal. Lastly, the Agency asks that it not be required to submit documents which are readily available to the Board on which the Agency will rely at hearing. The Board grants the Agency's motion.

The Board notes that it was necessary to format the proposal submitted by the Agency to comport with filing and other requirements of the Administrative Code Unit of the Secretary of State's Office. The specific changes necessary were:

1. The table of contents contained italicized material;
2. The authority note did not include Section 10 of the Act;
3. Section 203.145 included a Source note which was struck through and was incorrectly numbered;
4. Section 203.206 contained incorrect strike-through and underlines and required renumbering;
5. The indent levels in Section 203.302(a)(3)(A) and (B) were incorrect;
6. Section 203.303 contained incorrect strike-through and underlines and an error in a citation;
7. Subpart H in the text had incorrect spacing.

The Board notes that the text of the proposal contains several typographical and grammatical errors which the Board cannot correct under the provisions of Section 28.5(m) of the Act.

In the interest of administrative economy, the Board directs the Hearing Officer to verify that the persons on the Notice List in this proceeding wish to continue to receive mailings in this proceeding.

#### ORDER

The Board directs the Clerk to cause the filing of the following proposal for First Notice in the Illinois Register:

TITLE 35: ENVIRONMENTAL PROTECTION  
 SUBTITLE B: AIR POLLUTION  
 CHAPTER I: POLLUTION CONTROL BOARD  
 SUBCHAPTER a: PERMITS AND GENERAL PROVISIONS

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PART 203  
MAJOR STATIONARY SOURCES CONSTRUCTION AND MODIFICATION

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- 203.701 General Maintenance of Emission Offsets

SUBPART H: OFFSETS FOR EMISSION INCREASES FROM ROCKET  
ENGINES AND MOTOR FIRING

Section

- 203.801 Offsets for Emission Increases from Rocket Engines and Motor Firing

AUTHORITY: Implementing Section 9.1 and 10 and authorized by Section 27 of the Environmental Protection Act (Ill. Rev. Stat. 1991, ch. 111 1/2, pars. 1009.1, 1010 and 1027).

SOURCE: Adopted and codified at 7 Ill. Reg. 9344, effective July 22, 1983; codified at 7 Ill. Reg. 13588; amended in R85-20 at 12 Ill. Reg. 6118, effective March 22, 1988; amended in R91-24 at 16 Ill. Reg. 13551, effective August 24, 1992; amended in \_\_\_\_\_ at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

SUBPART A: GENERAL PROVISIONS

Section 203.101 Definitions

~~Unless a different meaning of the term is clear from its context otherwise specified within this Part, the definitions of the terms used in this Part shall be the same as those used in the Pollution Control Board (Board) Rules and Regulations 35 Ill. Adm. Code 201 and 211.~~

Section 203.107 Allowable Emissions

- a) "Allowable Emissions" means the emission rate of a

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stationary source calculated using the maximum rated capacity of the source (unless the source is subject to federally enforceable permit conditions or other such federally enforceable limits which restrict the operating rate, or hours of operation, or both) and the most stringent of the following:

- 1) Any applicable standards adopted by the United States Environmental Protection Agency (USEPA) pursuant to Sections 111 and 112 of the Clean Air Act (42 U.S.C. 7401, et seq.) and made applicable in Illinois pursuant to Section 9.1 of the Environmental Protection Act (Act) (Ill. Rev. Stat. ~~1989~~1991, ch. 111 1/2, pars. 1001 et seq.);
- 2) The applicable emission standards or limitations contained in this Chapter and approved by ~~the United States Environmental Protection Agency~~ USEPA pursuant to Section 110(a)(2) or 110(a)(3) of the Clean Air Act, including those standards or limitations with a future compliance date and any other emission standard or limitation enforceable under the Environmental Protection Act or by the USEPA under Section 113 of the Clean Air Act; or
- 3) The emissions rate specified as ~~an~~ a federally enforceable permit condition including those emissions rates with a future compliance date.
  - b) The allowable emissions may be based on ~~an~~ a federally enforceable permit condition limiting material or fuel throughput.
  - c) If a source is not subject to an emission standard described in subsection (a) above and is not subject to a permit condition described in subsection (b) above, the allowable emissions shall be the source's potential to emit.

(Source: Amended at \_\_\_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### Section 203.110 Available Growth Margin

"Available Growth Margin" means the portion which remains of any emission allowance for new or modified major stationary sources expressly identified in the attainment demonstration approved by the United States U.S. Environmental Protection Agency (USEPA) under Section 172(~~bc~~)(5)(4) of the Clean Air Act (42 U.S.C. 7502(~~bc~~)(5)(4)) for a particular pollutant and area in a zone (within a nonattainment area) to which economic development should be targeted, in accordance with Section 173(a)(1)(B) of the Clean Air Act (42 U.S.C. 7503(a)(1)(B)).

(Source: Amended at \_\_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.112 Building, Structure and Facility

- a) The terms "building", "structure", and "facility" include all of the pollutant-emitting activities which belong to the same industrial grouping, are located on one or more contiguous or adjacent properties, and are under the control of the same person (or persons under common control). Pollutant-emitting activities shall be considered as part of the same "Major Group" (i.e., which have the same two-digit code) as described in the Standard Industrial Classification Manual, 1972, as amended by the 1977 Supplement (U.S. Government Printing Office stock numbers 4101-0066 and 003-005-00176-0, respectively) incorporated by reference in 35 Ill. Adm. Code 720.111.
- b) The terms "building", "structure", and "facility" shall also include:
- 1) the transfer of materials, including but not limited to grain, gasoline, petroleum liquids, coal, fertilizer, crushed stone and ore, from vessels, motor vehicles or other conveyances, irrespective of ownership or industrial grouping, to or from a building, structure, or facility as defined in subsection (a) above, and
  - 2) activities at or adjacent to such building, structure or facility which are associated with such transfer, including but not limited to ~~idling of propulsion engines~~, the operation of engines to provide heat, refrigeration or lighting, operating of auxiliary engines for pumps or cranes, and transfer of materials from hold to hold or tank to tank during onloading or offloading operations except those activities causing emissions resulting directly from internal combustion engines from transportation purposes or from a non road engine or non road vehicle.

(Source: Amended at \_\_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.122~~1~~ Emission Offset

"Emission ~~o~~ffset" means a creditable emission reduction used to compensate for the increase in emissions resulting from a new major source or a major modification in accordance with Sections 203.302 and 203.303 of this Part.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.1232 Emissions Unit

"Emissions Unit" means any part of a stationary source which emits or has the potential to emit any air pollutant subject to regulation under the Act or this Chapter or by the United States Environmental Protection Agency ~~USEPA~~ under the Clean Air Act (42 U.S.C. 7401, the Act or et seq.).

(Source: Added at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.123 Federally Enforceable

"Federally enforceable" means enforceable by the United States Environmental Protection Agency.

(Source: Added at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.126 ~~LAER~~Lowest Achievable Emission Rate

"LAER" is an ~~abbreviation~~acronym for lowest achievable emission rate.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.128 Potential to Emit

"Potential to ~~E~~mit" means the maximum capacity of a stationary source to emit a pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design only if the limitation or the effect it would have on emissions is federally enforceable. Secondary emissions do not count in determining the potential to emit of a stationary source.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.145 Volatile Organic ~~Compound~~Material

~~"Volatile Organic Compound" means "volatile organic material", as that term is defined at 35 Ill. Adm. Code 211.122.~~

"Volatile organic material" (VOM) means any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate, which participates in atmospheric photochemical reactions.

- a) This includes any such organic compound other than the

following, which have been determined to have negligible photochemical reactivity: Methane; ethane; methylene chloride (dichloromethane), 1,1,1-trichloroethane (methyl chloroform); 1,1,1-trichloro-2,2,2-trifluoroethane (CFC-113); trichlorofluoromethane (CFC-11); dichlorodifluoromethane (CFC-12); chlorodifluoromethane (CFC-22); trifluoromethane (FC-23); 1,2-dichloro 1,1,2,2-tetrafluoroethane (CFC-114); chloropentafluoroethane (CFC-115); 1,1,1-trifluoro 2,2-dichloroethane (HCFC-123); 1,1,1,2-tetrafluoroethane (HFC-134a); 1,1-dichloro 1-fluoroethane (HCFC-141b); 1-chloro 1,1-difluoroethane (HCFC-142b); 2-chloro-1,1,1,2-tetrafluoroethane (HCFC-124); pentafluoroethane (HFC-125); 1,1,2,2-tetrafluoroethane (HFC-134); 1,1,1-trifluoroethane (HFC-143a); 1,1-difluoroethane (HFC-152a); and perfluorocarbon compounds which fall into these classes:

- 1) Cyclic, branched, or linear, completely fluorinated alkanes;
- 2) Cyclic, branched, or linear, completely fluorinated ethers with no unsaturations;
- 3) Cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations; and
- 4) Sulfur containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluoroine.

- b) For purposes of determining VOM emissions and compliance with emissions limits, VOM will be measured by the test methods in the approved implementation plan or 40 CFR Part 60, Appendix A, incorporated by reference at Sections 215.105, 218.112, and 219.112, as applicable or by source-specific test methods which have been established pursuant to a permit issued pursuant to a program approved or promulgated under Title V of the Clean Air Act or under 40 CFR Part 51, Subpart I or Appendix S, incorporated by reference at Sections 218.112 and 219.112 or under 40 CFR Part 52.21, incorporated by reference at Sections 218.112 and 219.112, as applicable. Where such a method also measures compounds with negligible photochemical reactivity, these negligibly-reactive compounds may be excluded as VOM if the amount of such compounds is accurately quantified, and such exclusions is approved by the Agency.



- c) As a precondition to excluding these negligibly-reactive compounds as VOM or at any time thereafter, the Agency may require an owner or operator to provide monitoring or testing methods and results demonstrating, to the satisfaction of the Agency, the amount of negligibly-reactive compounds in the source's emissions.
- d) The USEPA shall not be bound by any State determination as to appropriate methods for testing or monitoring negligibly-reactive compounds if such determination is not reflected in any of the provisions of paragraph (2).

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### Section 203.150 Public Participation

Prior to the initial issuance or revision of a permit pursuant to Subpart B, the Agency shall provide at a minimum, notice of the proposed issuance of a permit, and a comment period, and opportunity for public hearing pursuant to the Agency public participation procedures ~~found at~~ set forth at 35 Ill. Adm. Code ~~166~~ 252.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### SUBPART B: MAJOR STATIONARY ~~EMISSIONS~~ SOURCES IN NONATTAINMENT AREAS

#### Section 203.201 Prohibition

In any nonattainment area, no person shall cause or allow the construction of a new major stationary source or major modification that is major for the pollutant for which the area is designated a nonattainment area, except as in compliance with this Part for that pollutant. In areas designated nonattainment for ozone, this prohibition shall apply to new major stationary sources or major modifications of sources that emit volatile organic materials or nitrogen oxides.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### Section 203.203 Construction Permit Requirement and Application

- a) A construction permit is required prior to actual construction of a major new source or major modification.
- b) Applications for construction permits required under

this Section shall contain sufficient information to demonstrate compliance with 35 Ill. Adm. Code 201 and the requirements of this ~~Subchapter~~ Part including, but not limited to, Subpart C.

- c) The permit shall include conditions specifying the manner in which the requirements of Subparts B and C of this Part are satisfied.
- d) No permittee shall violate any condition contained in a construction permit issued for a new major stationary source or major modification which is subject to this Part.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.206 Major Stationary Source

a) The following constitute a major stationary source:

- 1) ~~Any stationary source of air pollutants which emits, or has the potential to emit, 100 tons per year or more of any pollutant for which pollutant the area is a nonattainment area.~~ For an area designated as nonattainment for ozone, a major stationary source is a stationary source which emits or has the potential to emit volatile organic material in an amount equal to or greater than the following:
  - A) 100 tons per year in an area classified as marginal or moderate nonattainment for ozone;
  - B) 50 tons per year in an area classified as serious nonattainment for ozone;
  - C) 25 tons per year in an area classified as severe nonattainment for ozone; and
  - D) 10 tons per year in an area classified as extreme nonattainment for ozone;
- 2) ~~Any physical change that would occur at a stationary source not qualifying under paragraph 1 as a major stationary source, if the change would constitute a major stationary source by itself.~~ For an area designated as nonattainment for nitrogen dioxide, a major stationary source is a stationary source which emits or has the potential to emit 100 tons per year or more of nitrogen dioxide.

- 3) For an area designated as nonattainment for ozone, a major stationary source is a stationary source which emits or has the potential to emit nitrogen oxides in an amount equal to or greater than the following, unless USEPA has made a finding under Sections 110 and 182(f) of the Clean Air Act that controlling of emissions of nitrogen oxides from such sources shall not be required:
- A) 100 tons per year in an area classified as marginal or moderate nonattainment for ozone
  - B) 50 tons per year in an area classified as serious nonattainment for ozone,
  - C) 25 tons per year in an area classified as severe nonattainment for ozone, and
  - D) 10 tons per year in an area classified as extreme nonattainment for ozone.
- 4) For an area designated nonattainment for PM-10 a major stationary source is a stationary source which emits or has the potential to emit:
- A) 100 tons per year or more of PM-10 in an area classified as moderate nonattainment area, or
  - B) 70 tons per year or more of PM-10 in an area classified as serious nonattainment.
- 5) For an area designated nonattainment for carbon monoxide, carbon monoxide, a major stationary source is a stationary source which emits or has the potential to emit:
- A) 100 tons per year or more of carbon monoxide in a nonattainment area, except as provided in (B) below,
  - B) 50 tons per year or more in an area classified as "serious" nonattainment for carbon monoxide where stationary sources significantly contribute to ambient carbon monoxide levels, as determined under rules issued by USEPA.
- 5) For an area designated nonattainment for a pollutant other than ozone, nitrogen dioxide, PM-10 or carbon monoxide, a major stationary source is a stationary source which emits or has

the potential to emit 100 tons per year or more of the pollutant.

- b) ~~A major stationary source that is a major for volatile organic compounds shall be considered major for ozone.~~ Any physical change that occurs at a stationary source which does not qualify under paragraph (a) of this Section as a major stationary source will be considered a major stationary source, if the change would constitute a major stationary source by itself.
- c) The reconstruction of a major stationary source will be treated as the construction of a new major stationary source if the fixed capital cost of new components exceeds approximately half of the fixed capital cost of an entirely new stationary source. Determining whether reconstruction will occur is based on the following:
- 1) Fixed capital cost shall mean the capital needed to provide all the depreciable components;
  - 2) The fixed capital cost for the replacements in comparison to the fixed capital cost that would be required to construct a comparable entirely new source;
  - 3) The estimated life of the source after the replacements compared to the life of a comparable entirely new source; and
  - 4) The extent to which the components being replaced cause or contribute to the emissions from the source.
- d) For purposes of this Part, the fugitive emissions of a stationary source shall not be included in determining whether it is a major stationary source, unless the source belongs to one of the following categories of stationary sources:
- 1) Coal cleaning plants (with thermal dryers);
  - 2) Kraft pulp mills;
  - 3) Portland cement plants;
  - 4) Primary zinc smelters;
  - 5) Iron and steel mills;
  - 6) Primary aluminum ore reduction plants;

- 7) Primary copper smelters;
- 8) Municipal incinerators capable of charging more than 250 tons of refuse per day;
- 9) Hydrofluoric, sulfuric, or nitric acid plants;
- 10) Petroleum refineries;
- 11) Lime plants;
- 12) Phosphate rock processing plants;
- 13) Coke oven batteries;
- 14) Sulfur recovery plants;
- 15) Carbon black plants (furnace process);
- 16) Primary lead smelters;
- 17) Fuel conversion plants;
- 18) Sintering plants;
- 19) Secondary metal production plants;
- 20) Chemical process plants;
- 21) Fossil-fuel boilers (or combination thereof) totaling more than 250 million Btu per hour heat input;
- 22) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;
- 23) Taconite ore processing plants;
- 24) Glass fiber processing plants;
- 25) Charcoal production plants;
- 26) Fossil fuel-fired steam electric plants of more than 250 million Btu per hour heat input;
- 27) Any other stationary source categories which was regulated as of August 7, 1980 by USEPA by a standard promulgated under Section 111 or 112 of the Clean Air Act (42 U.S.C. 7411, 7412), but only with respect to those air pollutants that have been regulated for that category;

28) Any other stationary source category designated by the United States Environmental Protection Agency by rule.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.207 Major Modification of a Source

- a) Except as provided in subsection (c) below, a physical change, or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant for which the area is designated a nonattainment area, shall constitute a major modification of a source.
- b) Any net emissions increase that is significant for volatile organic ~~compounds~~ material or nitrogen oxides shall be considered significant for ozone.
- c) A physical change or change in the method of operation shall not include:
  - 1) Routine maintenance, repair, and replacement which does not constitute reconstruction pursuant to Section 203.206(c).
  - 2) Use of an alternative fuel or raw material by reason of any order under Sections 2(a) and (b) of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 791), the Power Plant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301) (or any superseding legislation) or by reason of a natural gas curtailment plan pursuant to the Federal Power Act (16 U.S.C. 791, et seq.).
  - 3) Use of an alternative fuel by reason of an order or rule under Section 125 of the Clean Air Act (42 U.S.C. 7425).
  - 4) Use of an alternative fuel at a steam generating unit to the extent that the fuel is generated from municipal solid waste.
  - 5) Use of an alternative fuel or raw material by a stationary source which:
    - A) Was capable of accommodating such alternative fuel or raw material before December 21, 1976, and which has continuously remained capable of accommodating such fuels or materials unless such change would be

prohibited under any enforceable permit condition established after December 21, 1976, pursuant to 40 CFR 52.21, this Part, or 35 Ill. Adm. Code 201.142 or 201.143, or

- B) Is approved for use under any permit issued pursuant to this Part or 35 Ill. Adm. Code 201.142 or 201.143.
- 6) An increase in the hours of operation or in the production rate, unless such change is prohibited under any enforceable permit condition which was established after December 21, 1976 pursuant to 40 CFR 52.21, this Part, or 35 Ill. Adm. Code 201.142 or 201.143.
- 7) Any change in ownership at a stationary source.
- d) In areas classified as serious or severe nonattainment for ozone, beginning November 15, 1992 or such later date that an area is classified by the United States Environmental Protection Agency (USEPA) as a serious or severe nonattainment area for ozone, any physical change or change in the method of operation of a major stationary source which results in an increase in emissions of 25 tons per year or more of volatile organic material or nitrogen oxides from any discrete operation, unit, or other pollutant emitting activity at the source shall be considered a major modification unless:
- 1) The emissions and potential to emit emissions of such pollutant, i.e., volatile organic material or nitrogen oxides, are less than 100 tons per year, and
  - 2) The owner or operator of the source elects to offset the increase by a greater reduction in emissions of such pollutant i.e. volatile organic material or nitrogen oxides, from other operations, units, or activities within the source at an internal offset ratio of at least 1.3. to 1.
- e) In areas classified as extreme nonattainment for ozone, beginning on the date that an area is classified by USEPA as an extreme nonattainment area for ozone, any physical change in or change in the method of operation of a major stationary source which results in any increase in emissions of volatile organic material or nitrogen oxides from a discrete operation, unit, or other pollutant emitting activity shall be considered a

major modification.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## Section 203.208 Net Emission Determination

A net emissions increase is the amount by which the sum of any increase in actual emissions from a particular physical change or change in method of operation at a source, and any other increases and decreases in actual emissions at the source that are contemporaneous with the particular change and are otherwise creditable, exceeds zero. The following steps determine whether the increase or decrease in emissions is available.

- a) Except for increases or decreases in VOC and NOx emissions in serious and severe ozone nonattainment areas which are addressed in Section 203.209(b), an increase or decrease in actual emissions is contemporaneous only if it occurs between the date that an increase from a particular change occurs and the date five years before a timely and complete application is submitted for the particular change. It must also occur after either April 24, 1979, or the date the area is designated by the U.S. United States Environmental Protection Agency (USEPA) as a nonattainment area for the pollutant, whichever is more recent;
- b) An increase or decrease in actual emissions is creditable:
  - 1) Only if there is not in effect for the source at the time the particular change occurs, a permit which relied on the same increase or decrease in actual emissions; and
  - 2) Only to the extent the new and old levels differ.
- c) A decrease in actual emissions is creditable to the extent that:
  - 1) It is federally enforceable at and after the time that actual construction on the particular change begins;
  - 2) It has approximately the same qualitative significance for public health and welfare as that attributed to the increase from the particular change;
  - 3) The old level of actual emissions or the old level of allowable emissions, whichever is lower,



exceeds the new level of actual emissions; and

- 4) It is demonstrated by the Agency not to have been previously relied on in issuing any permit pursuant to this part or 35 Ill. Adm. Code 201.142 or 201.143 or for demonstrating attainment or reasonable further progress in the nonattainment area which the particular change will impact.
- d) An increase that results from a physical change at a source occurs when the emissions unit on which construction occurred becomes operational and begins to emit a particular pollutant. Any replacement unit that requires shakedown becomes operational only after a shakedown period not to exceed 180 days.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### Section 203.209 Significant Emissions Determination

- a) A net emission increase in the pollutant emitted is significant if the rate of emission is equal to or in excess of the following:
  - 1a) Carbon monoxide: 100 tons per year (tpy)
  - 2b) Nitrogen oxides: 40 tpy for a nonattainment area for nitrogen dioxide and 40 tpy for an ozone nonattainment area, except as provided in subsection (b) of this Section
  - 3e) Sulfur dioxide: 40 tpy
  - 4d) Particulate matter measured as PM-10: 15 tpy
  - 5e) Ozone: 40 tpy of volatile organic compounds material, except as provided in subsection (b) of this Section
  - 6f) Lead: 0.6 tpy
- b) For areas classified as serious or severe nonattainment for ozone, an increase in emissions of volatile organic material or nitrogen oxides shall be considered significant if the net emissions increase of such air pollutant from a stationary source located within such area exceeds 25 tons when aggregated with all other net increases in emissions from the source over any period of 5 consecutive calendar years which includes the calendar year in which such increase occurred. This provision shall become effective beginning November 15, 1992 or such later date that an area is classified as a

serious or severe nonattainment area for ozone.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

SUBPART C: REQUIREMENTS FOR MAJOR STATIONARY SOURCES IN  
NONATTAINMENT AREAS

Section 203.301 Lowest Achievable Emission Rate

- a) For any source, lowest achievable emission rate (LAER) will be the more stringent rate of emissions based on the following:
- 1) The most stringent emission limitation which is contained in the implementation plan of any state for such class or category of stationary source, unless it is demonstrated that such limitation is not achievable; or
  - 2) The most stringent emission limitation which is achieved in practice by such a class or category of stationary source. This limitation, when applied to a modification, means the lowest achievable emissions rate for the new or modified emissions units within the stationary source. In no event shall the application of this term permit a proposed new or modified stationary source to emit any pollutant in excess of the amount allowable under an applicable new source performance standard adopted by USEPA pursuant to Section 111 of the Clean Air Act and made applicable in Illinois pursuant to Section 9.1 of the Act.
- b) The owner or operator of a new major stationary source shall demonstrate that the control equipment and process measures applied to the source will produce LAER.
- c) The owner or operator of a major modification shall demonstrate that the control equipment and process measures applied to the major modification will produce LAER. This requirement applies to each emissions unit at which a net increase in emissions of the pollutant has occurred or would occur as a result of a physical change or change in the method of operation.
- d) The owner or operator shall provide a detailed showing that the proposed emission limitations constitute LAER. Such demonstration shall include:
- 1) A description of the manner in which the proposed

emission limitation was selected, including a detailed listing of information resources,

- 2) Alternative emission limitations, and
  - 3) Such other reasonable information as the Agency may request as necessary to determine whether the proposed emission limitation is LAER.
- e) In areas classified as serious or severe nonattainment for ozone, for modifications which are major pursuant to the applicability provisions of Section 203.207(d) for volatile organic material and nitrogen oxide emissions, LAER shall apply except as provided as follows:
- 1) In the case of a stationary source which does not emit or have the potential to emit 100 tons per year or more of volatile organic material or nitrogen oxides, a requirement for Best Available Control Technology (BACT) as defined in Section 169 of the Clean Air Act (42 U.S.C. 7401 et seq.) substitutes for LAER. BACT shall be determined in accordance with policies and procedures published by the USEPA.
  - 2) In the case of a stationary source which emits or has the potential to emit 100 tons per year or more of volatile organic material or nitrogen oxides, the requirements for LAER shall not apply if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of such pollutant from other operations, units or activities within the source at an internal offset ratio of at least 1.3. to 1.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.302 Maintenance of Reasonable Further Progress and Emission Offsets

- a) 1) The owner or operator of a new major source or major modification shall provide emission offsets equal to or greater than the allowable emissions from the source or the net increase in emissions from the modification sufficient to allow the Agency to determine that the source or modification will not interfere with reasonable further progress as set forth in Section 173 of the Clean Air Act (42 U.S.C. 7401 et seq.).
- 2) For new major sources or major modifications in

ozone nonattainment areas the ratio of total emission reductions provided by emission offsets for volatile organic material or nitrogen oxides to total increased emissions of such contaminants shall be at least as follows:

- A) 1.1 to 1 in areas classified as marginal;
  - B) 1.15 to 1 in areas classified as moderate;
  - C) 1.2 to 1 in areas classified as serious;
  - D) 1.3 to 1 in areas classified as severe; and
  - E) 1.5 to 1 in areas classified as extreme.
- 3) The offset requirement provided in subsection (2) above shall not be applicable in extreme areas to a modification of an existing source:
- A) if such modification consists of installation of equipment required to comply with the implementation plan or the Clean Air Act; or
  - B) if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of such pollutant from other discrete operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1.
- b) The Agency shall allow the use of all or some portion of the available growth margin to satisfy subsection (a) above if the owner or operator can present evidence that the possible sources of emission offsets were investigated, and none were available at that time and the new or modified major stationary source is located in a zone (within the nonattainment area) identified by USEPA in consultation with the Secretary of Housing and Urban Development, as a zone to which economic development should be targeted.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

Section 203.303 Baseline and Emission Offsets Determination

- a) An emission offset must be obtained from a source in operation prior to the permit application for the new or modified source. Emission offsets must be effective prior to start-up of the new or modified source.

- b) The emission offsets provided:
- 1) Must be of the same pollutant and further be of a type with approximately the same qualitative significance for public health and welfare as that attributed to the increase from a particular change;
  - 2) Must, in the case of a shutdown, have occurred since April 24, 1979 or the date the area is designated by the USEPA United States Environmental Protection Agency (USEPA) as a nonattainment area for the pollutant, whichever is more recent, and the shutdown source is being replaced by a similar new source; and must, in the case of a fuel combustion source, be based on the type of fuel being burned at the time the permit application is filed, and, if offset is to be produced by a future switch to a cleaner fuel, be accompanied by evidence that long-term supplies of the clean fuel are available and a commitment to a specified alternative control measure which would achieve the same degree of emission reduction if return of the dirtier fuel is proposed;
  - 3) Must, in the case of a shutdown of a source or permanent curtailment of production or operating hours occurring on or after the date a permit application is filed for a new or modified source, have been made known to the affected work force;
  - 4) Must, in the case of a past shutdown of a source or permanent curtailment of production or operating hours, have occurred since April 24, 1979, or the date the area is designated a nonattainment area for the pollutant, whichever is more recent, and the proposed new or modified source must be a replacement for the shutdown or curtailment;
  - 5) Must be federally enforceable by permit;
  - 6) Must not have been previously relied on, as demonstrated by the Agency, in issuing any permit pursuant to 35 Ill. Adm. Code 201.142 or 201.143 or this Part, or for demonstrating attainment or reasonable further progress.
- c) ~~The baselines for determining emission offsets are as follows:~~

~~Except as provided in subsection (2), t~~The baseline for

determining the extent to which emission reductions are creditable as offsets shall be the actual emissions of the source from which the offset is to be obtained, to the extent they are within any applicable emissions limitations of this Chapter or the Act or any applicable standards adopted by USEPA pursuant to Section 111 and 112 of the Clean Air Act, and made applicable in Illinois pursuant to Section 9.1 of the Environmental Protection Act (Ill. Rev. Stat. 1991 ch. 111 1/2, par. 1009.1).

~~2) If the demonstration of reasonable further progress and attainment of ambient air quality standards approved by USEPA pursuant to Section 110(a)(2) or 110(a)(3) of the Clean Air Act is based on the applicable emission limitations of this Chapter or the Act or any applicable standards adopted by USEPA pursuant to Section 111 and 112 of the Clean Air Act and made applicable in Illinois pursuant to Section 9.1 of the Environmental Protection Act for sources within an area, and the source from which the offset is to be obtained is subject to such limitations, the baseline for offsets shall be the lesser of such limitation or the potential to emit of the source.~~

d) The location of sources providing the emission offsets+reductions to fulfill the offset requirements of this Section:

1) ~~Must, for particulate matter, sulfur dioxide and carbon monoxide, be such that, relative to the site of the proposed new or modified source, the location of the offset, together with its effective stack height, ensures a positive net air quality benefit. This shall be demonstrated by atmospheric simulation modeling, unless the sources providing the offset are on the same premises or in the immediate vicinity of the new or modified source and the pollutants disperse from substantially the same effective stack height. In determining effective stack height, credit shall not be given for dispersion enhancement techniques. The owner or operator of a proposed new or modified source shall perform the analysis to demonstrate the acceptability of the location of an offset, if the Agency declines to make such analysis. Effective stack height means actual stack height plus plume rise. Where actual stack height exceeds good engineering practices, as determined pursuant to 40 CFR 51.100 (1987) (no future amendments or editions are~~

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~~included), the creditable stack height shall be used. Must be achieved in the same nonattainment area as the increase being offset, except as provided as follows:~~

- A) An owner or operator may obtain the necessary emission reductions from another nonattainment area where such other area has an equal or higher nonattainment classification than the area in which the source is located, and
- B) The emission reductions from such other area contribute to a violation of the national ambient air quality standard in the nonattainment area in which the new or modified source is located.
- 2) ~~Must, for nitrogen oxides, be in the general vicinity of the proposed new or modified source. Must, for particulate matter, sulfur dioxide and carbon monoxide, be such that, relative to the site of the proposed new or modified source, the location of the offset, together with its effective stack height, ensures a positive net air quality benefit. This shall be demonstrated by atmospheric simulation modeling, unless the sources providing the offset are on the same premises or in the immediate vicinity of the new or modified source and the pollutants disperse from substantially the same effective stack height. In determining effective stack height, credit shall not be given for dispersion enhancement techniques. The owner or operator of a proposed new or modified source shall perform the analysis to demonstrate the acceptability of the location of an offset, if the Agency declines to make such analysis. Effective stack height means actual stack height plus plume rise. Where actual stack height exceeds good engineering practices, as determined pursuant to 40 CFR 51.100 (1987) (no future amendments or editions are included), the creditable stack height shall be used.~~
- 3) ~~Must, for volatile organic compounds, be in the broad vicinity of the proposed new or modified source; that is, offsets must be obtained from within the Air Quality Control Region of the new or modified source, or from other areas which may~~

~~be contributing to the ozone problem at the site of the new or modified source.~~

- e) Replacement of one volatile organic ~~compound~~ material with another of lesser reactivity does not constitute an emission reduction.
- f) Emission reductions otherwise required by the Clean Air Act (42 U.S.C. 7401 et seq.) shall not be creditable for purposes of any such offset requirement. Incidental emission reductions which are not otherwise required by the Clean Air Act shall be creditable as emission reductions for such purposes if such emissions reductions meet the requirements of this subpart.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### Section 203.306 Analysis of Alternatives

~~For emission of volatile organic compounds or carbon monoxide,~~  
 ‡The owner or operator shall demonstrate that benefits of the new major source or major modification significantly outweigh the environmental and social costs imposed as a result of its location, construction, or modification, based upon an analysis of alternative sites, sizes, production processes and environmental control techniques for such proposed source.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

#### SUBPART H: OFFSETS FOR EMISSION INCREASES FROM ROCKET ENGINES AND MOTOR FIRING

##### Section 203.801 Offsets for Emission Increases from Rocket Engines and Motor Firing

A source may offset, by alternative or innovative means emission increases from rocket engine and motor firing, and cleaning related to such firing, at an existing or modified major source that tests rocket engines or motors under the following conditions:

- a) Any modification proposed is solely for the purpose of expanding the testing of rocket engines or motors at an existing source that is permitted to test such engines on November 15, 1990;
- b) The source demonstrates to the satisfaction of the Agency that it has used all reasonable means to obtain and utilize offsets, as determined on an annual basis, for the emissions increases beyond allowable levels, that all available offsets are being used, and that



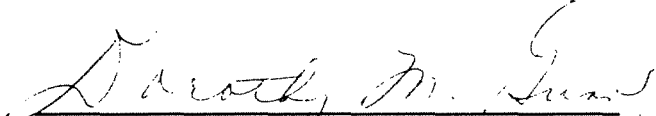
sufficient offsets are not available to the source;

- c) The source has obtained a written finding from the Department of Defense, Department of Transportation, National Aeronautics and Space Administration or other appropriate Federal agency, that the testing of rocket motors or engines at the facility is required for a program essential to the national security; and
- d) The source will comply with an alternative measure, imposed by the Agency or Board, designed to offset any emission increases beyond permitted levels not directly offset by the source.

(Source: Added at \_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

IT IS SO ORDERED.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, hereby certify that the above opinion and order was adopted on the 19<sup>th</sup> day of November, 1992, by a vote of 7-0.

  
Dorothy M. Gunn, Clerk  
Illinois Pollution Control Board