

1 BEFORE THE ILLINOIS POLLUTION CONTROL BOARD
2
3
4 IN THE MATTER OF: AMENDMENTS TO
5 GENERAL PERMITTING PROVISIONS TO
6 REQUIRE PERPETUAL PERMITS FOR CERTAIN No. R98-013
7 SOURCES: AMENDMENTS TO 35 ILL. ADM.
8 CODE 201

9
10
11
12
13 Proceedings held on January 12, 1998, at 10:00
14 a.m., at the Illinois Police Training Board, Third
15 Floor Conference Room, 600 South Second Street,
16 Springfield, Illinois, before the Honorable Charles
17 King, Hearing Officer.

18
19
20
21 Reported by: Darlene M. Niemeyer, CSR, RPR
 CSR License No.: 084-003677

22
23
24 KEEFE REPORTING COMPANY
 11 North 44th Street
25 Belleville, IL 62226
 (618) 277-0190

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
BY: Rachel Doctors, Esq.
Assistant Counsel
2200 Churchill Road
Springfield, Illinois 62794-9276
On behalf of the Illinois EPA.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

WITNESS	PAGE NUMBER
Harish Desai	6

E X H I B I T S

NUMBER	MARKED FOR I.D.	ENTERED
(No exhibits were marked.)		

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

P R O C E E D I N G S

(January 12, 1998; 10:00 a.m.)

HEARING OFFICER KING: Good morning. My name is Charles King. I am the hearing officer in this rulemaking proceeding, R98-13, Amendments to General Permitting Provisions to Require Perpetual Permits for Certain Sources, Amendments to 35 Illinois Administrative Code, Section 201.

With us this morning is Chairman Claire Manning of the Pollution Control Board.

CHAIRMAN MANNING: Good morning.

HEARING OFFICER KING: This is the second hearing in this matter. The first hearing was held on December 8. This is based on a proposal filed October 10, 1997, by the Illinois Environmental Protection Agency. It was accepted on October 16 by the Board and sent to first notice on November 20th.

I note that we have one new participant here that was not at the previous hearing. You can put in an appearance if you wish. You don't have to.

MS. DONELAN: Okay. I don't wish to at this time. Thank you.

HEARING OFFICER KING: All right. Do you know if you are on the notice and service lists?

MS. DONELAN: Yes, we are.

1 HEARING OFFICER KING: All right. Then we may as
2 well -- Chairman Manning, do you have anything to say
3 before we start?

4 CHAIRMAN MANNING: No, just welcome to everybody
5 and we are really happy that the parties have done
6 such a good job to make our job easier in terms of
7 this rulemaking. It is really a substantial
8 rulemaking and you are to be commended at how well you
9 work together to put it in such good shape.

10 HEARING OFFICER KING: With that, I will turn it
11 over to Ms. Doctors.

12 MS. DOCTORS: Good morning. My name is Rachel
13 Doctors. I am an attorney with the Illinois EPA. I
14 am representing them in this matter.

15 We are proposing to expand the Board's existing
16 perpetual permit program that applies presently to
17 sources that are less than 25 tons per year and expand
18 it to all sources that are not major, i.e., not
19 required to obtain Title 5 permits pursuant to Section
20 39.5 of the Act or required to obtain a Federally
21 Enforceable State Operating Permit.

22 This proposal is consistent with Public Act 90-367
23 requiring adoption of this program by June 30th of
24 1998. In addition, it includes several clean-up
25 amendments to eliminate duplicative sections.

5

1 I would like to just note that at the last hearing
2 Board Member McFawn proposed re-ordering two
3 subsections in Section 201.169. She proposed
4 switching the order of (b)(1) and (b)(2), and that
5 seems like a good change. I would like to note that
6 if the change is made then in Subsection (b)(3), the
7 reference to (b)(1) needs to be changed to (b)(2).

8 At this time Harish Desai will now testify on the
9 merits of the proposal.

10 HEARING OFFICER KING: All right. Would the court
11 reporter please swear the witness in.

12 (Whereupon the witness was sworn by the
13 Notary Public.)

14 H A R I S H D E S A I,
15 having been first duly sworn by the Notary Public,
16 saith as follows:

17 MR. DESAI: My name is Harish Desai. I am
18 testifying for the Illinois Environmental Protection
19 Agency, the Illinois EPA, by whom I am employed as a
20 Unit Manager of Unit 1 of the Permit Section, the
21 Division of Air Pollution Control, Bureau of Air. I
22 have been working in the Permit Section since 1971.

23 I have a Bachelor of Science Degree in Chemistry
24 and Physics from the University of Bombay, Bombay,
25 India, and a Master of Science Degree in Chemical

6

1 Engineering from the University of Detroit, Detroit
2 Michigan.

3 On August 10, 1997, Governor Edgar signed Senate
4 Bill 819, which requires the Illinois EPA to issue
5 operating permits that do not have expiration dates
6 for sources that do not require permits under Clean
7 Air Act Permit Program, CAAPP, or Federally
8 Enforceable State Operating Permit, FESOP. Even
9 though these permits do not have fixed predetermined
10 expiration dates, they must be promptly renewed upon
11 written request from the Illinois EPA. The Illinois
12 EPA may request renewal of these permits if new
13 standards are developed for these sources or if a
14 particular source is experiencing noncompliance.

15 Senate Bill 819 merely expands the existing
16 authority of the Illinois EPA to issue so-called
17 "lifetime" operating permits, permits without an
18 expiration date, to all sources other than CAAPP or
19 FESOP sources. There are about 650 sources who can
20 qualify for this type of operating permit.

21 In 1993, the Environmental Protection Act was
22 amended to require the Illinois EPA to issue
23 "lifetime" operating permits to sources whose total
24 permitted emissions are less than 25 tons per year of
25 any combination of regulated air pollution. 35

7

1 Illinois Administrative Code Part 201, Subpart E was
2 adopted to carry out the provision for "lifetime"
3 permits.

4 Because the program only applied to sources whose
5 permitted emissions were less than 25 tons per year,
6 the permits were also referred to as Smaller Source
7 Operating Permits. In the last four years, the
8 Illinois EPA has issued Smaller Source Permits to
9 approximately 4,000 sources. Out of these 4,000
10 sources about 300 to 400 sources have obtained revised
11 lifetime operating permits because of new construction
12 or modification occurring at the source.

13 These operating permits do not have expiration
14 dates, although the Illinois EPA can request renewal
15 of lifetime operating permits by written notice. This
16 has not occurred in practice. The Smaller Source
17 Permits has not interfered with the enforcement or
18 allowed deterioration of air quality.

19 Senate Bill 819 expands the smaller source permit
20 program to all non-major sources that do not have to
21 have a federally enforceable permit, i.e., a FESOP or
22 CAAPP permit. This will allow about 650 more sources
23 to receive "lifetime" permits. As with the smaller
24 source programs, all permits for these larger sources
25 will be combined into one. As with the current

1 program, the Illinois EPA does not believe that this
2 reduces the effectiveness of environmental
3 regulation.

4 If any of these additional sources modify their
5 emission units or add additional units, they are
6 required to obtain a construction permit and update
7 their existing operating permit, just as smaller
8 sources have historically done. If their emissions
9 increase to major source levels or National Emission
10 Standards for Hazardous Air Pollutants, NESHAP,
11 standards may apply to them, then they are required to
12 obtain either a FESOP or CAAPP permit. In addition,
13 they still have to obtain a revised operating permit.

14 The "lifetime" permit program has been beneficial
15 as it has allowed the Illinois EPA to concentrate on
16 the larger FESOP and CAAPP sources and will save
17 approximately \$180,000.00 per year. It costs the
18 Agency \$1,500.00 per source to renew. 120 sources per
19 year were expected to renew. Hence, the Agency
20 expects to save 3.5 million over 20 years.

21 There are about 1,660 sources who have either
22 received or applied for FESOP permits and about 800
23 sources have applied for CAAPP permits. These sources
24 do not qualify for lifetime operating permits as
25 expiration and renewal is appropriate for them.

9

1 This concludes my testimony for this hearing.

2 CHAIRMAN MANNING: Thank you.

3 HEARING OFFICER KING: Chairman Manning, do you
4 have any questions for Mr. Desai?

5 CHAIRMAN MANNING: No, I don't, really. I think
6 everything is pretty straight forward. Thank you very
7 much.

8 I do, just to clarify, Ms. Doctors, you have no
9 problem with the Board making the change that was
10 suggested by Member McFawn?

11 MS. DOCTORS: Correct.

12 CHAIRMAN MANNING: Okay.

13 HEARING OFFICER KING: Are there any other
14 questions for Mr. Desai? Is there anyone else to
15 testify this morning?

16 MS. DONELAN: I would just like to make one
17 comment for the record, if I could.

18 HEARING OFFICER KING: All right.

19 MS. DONELAN: Good morning. My name is Cassandra
20 Donelan. I am the Project Manager for the Illinois
21 Environmental Regulatory Group or IERG.

22 IERG has reviewed the proposal for Amendments to
23 Permits and General Provisions at 35 Illinois
24 Administrative Code 201, and would like to express its
25 support. Thank you.

1 CHAIRMAN MANNING: Thank you.

2 HEARING OFFICER KING: Thank you. Is there
3 anything else from your side, Ms. Doctors?

4 MS. DOCTORS: No, that concludes the Agency's
5 presentation.

6 HEARING OFFICER KING: All right. Then in that
7 case, we will conclude this hearing. Thank you.

8 CHAIRMAN MANNING: Thank you very much.

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 STATE OF ILLINOIS)
) SS
2 COUNTY OF MONTGOMERY)

3

4 C E R T I F I C A T E

5

6 I, DARLENE M. NIEMEYER, a Notary Public in and for
7 the County of Montgomery, State of Illinois, DO HEREBY
8 CERTIFY that the foregoing 11 pages comprise a true,
9 complete and correct transcript of the proceedings
10 held on the 12th of January A.D., 1998, at 600 South
11 Second Street, Springfield, Illinois, In the Matter
12 of: Amendments to General Permitting Provisions to
13 Require Perpetual Permits for Certain Sources:
14 Amendments to 35 Ill. Adm. Code 201, in proceedings
15 held before the Honorable Charles King, Hearing
16 Officer, and recorded in machine shorthand by me.

17 IN WITNESS WHEREOF I have hereunto set my hand and
18 affixed my Notarial Seal this 13th day of January
19 A.D., 1998.

20

21

22 Notary Public and
23 Certified Shorthand Reporter and
24 Registered Professional Reporter

25 CSR License No. 084-003677
My Commission Expires: 03-02-99

12

KEEFE REPORTING COMPANY
Belleville, Illinois