

ILLINOIS POLLUTION CONTROL BOARD  
July 13, 2000

IN THE MATTER OF: )  
)  
PROPOSED NEW 35 ILL. ADM. CODE 217, ) R01-9  
SUBPART W, THE NOX TRADING ) (Rulemaking - Air)  
PROGRAM FOR ELECTRICAL GENERATING )  
UNITS, AND AMENDMENTS TO )  
35 ILL. ADM. CODE 211 AND 217 )

Proposed Rule. First Notice.

OPINION AND ORDER OF THE BOARD (by R.C. Flegal):

On July 11, 2000, the Illinois Environmental Protection Agency (Agency) filed a proposal to amend 35 Ill. Adm. Code 211 and 217 of the Illinois air regulations. The Agency proposes to have the Board add a new Subpart W to Part 217, and to make various conforming amendments to Parts 211 and 217. The rules would control the emission of nitrogen oxides (NOx) emissions from fossil fuel electrical generating units. The controls would be effective during the period from May 1 to September 30 of each calendar year beginning in 2003.

The Agency has stated that the proposed amendments are intended to meet several obligations of the State of Illinois under the federal Clean Air Act Amendments of 1990 (CAA) (42 U.S.C. §§ 7401 *et seq.* (1990)). Section 107(a) of the CAA (42 U.S.C. § 7407(a) (1990)) imposes on the State the primary responsibility for ensuring that Illinois meet the National Ambient Air Quality Standard (NAAQS) for ozone. It requires the State to submit a state implementation plan (SIP) that specifies emission limitations, controls, and other measures necessary for the attainment, maintenance, and enforcement of the NAAQS in this State. This rulemaking will allow Illinois:

1. to submit control strategies necessary to demonstrate attainment of the one-hour ozone National Ambient Air Quality Standard (NAAQS) for the Metro-East/St. Louis moderate ozone nonattainment area (NAA);
2. to submit control strategies necessary to demonstrate attainment of the one-hour ozone NAAQS for the Lake Michigan severe ozone NAA;
3. to satisfy a portion of Illinois' obligation to submit a State Implementation Plan (SIP) to address the requirements of the so-called NOx SIP Call, 63 Fed. Reg. 57356 (Oct. 27, 1998),<sup>1</sup> by implementing the NOx Trading Program, 40 C.F.R. part

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<sup>1</sup> The NOx SIP Call (entitled "Finding of Significant Contribution and Rulemaking for Certain States in the Ozone Transport Assessment Group Regions for Purpose of Reducing Regional Transport of Ozone") is a regulation promulgated by United States Environmental Protection

96, and determining source NO<sub>x</sub> allowance allocations for electrical generating units (EGUs) as part of that program; and

4. to meet the applicable requirements of Section 9.9 of the Environmental Protection Act (Act) (415 ILCS 5/9.9 (1998)).

The adoption by the Board of these amendments is authorized under Section 28.5 of the Act (415 ILCS 5/28.5 (1998)). Section 28.5 provides for “fast-track” adoption of certain regulations necessary for compliance with the CAA.

## PROCEDURAL MATTERS

### Pending Motions

Along with the proposal, the Agency filed a motion to waive the requirement that the Agency provide the original and nine copies of the proposal (35 Ill. Adm. Code 101.103(b) (1998)) and instead file one complete original and two complete copies, together with seven partial copies, consisting of the following: the pleadings; the applicable federal guidance documents; the appropriate *Federal Register* notices; and the text of the proposed rules absent supporting exhibits. The Agency maintains that the entire regulatory proposal consists of over 1,000 pages.

In addition to the request to file fewer than one original and nine copies of all documents, the Agency also requested that the Board waive the requirement that it provide the Attorney General’s Office and the Department of Natural Resources with a copy of the proposed amendments. The Agency asserts that it discussed the matter with both offices who agreed that the Agency need not supply their offices with a copy of the entire proposal.

A third segment of the Agency’s motion requested that it not be required to submit copies of three items incorporated by reference in new Subpart W to Part 217. The documents included in the request are the following segments of the *Code of Federal Regulations*:

40 C.F.R. 96, Subparts B, D, G, and H (1998);

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Agency (USEPA) to address ozone transport in the area of the country largely east of the Mississippi River, published on October 27, 1998, at 63 Fed. Reg. 57356. A number of petitions challenging this rulemaking were filed before the U.S. Court of Appeals for the D. C. Circuit. See Michigan v. EPA No. 98-147, 2000 WL 180650 (D.C. Cir. 2000). That court subsequently stayed the effective date of the NO<sub>x</sub> SIP Call rule. Michigan v. EPA, No. 98-1947, (D.C. Cir. May 25, 1999) (order granting stay). On March 3, 2000, the court upheld most of the NO<sub>x</sub> SIP Call rule, but reversed and remanded for further consideration the inclusion of portions of Missouri and Georgia in the rule, and reversed the inclusion of Wisconsin in the rule because USEPA had not made a showing that sources in Wisconsin significantly contributed to nonattainment or interfered with maintenance of the NAAQS in any other State. 2000 WL 180650 at \*31.

40 C.F.R. 96.1 through 96.3, 96.5 through 96.7, 96.50 through 96.54, 96.55(a) and (b), 96.56, and 96.57 (1998); and

40 C.F.R. 72, 75, and 76 (1998).

Finally, the Agency requests that it not be required to provide the Board with multiple copies of all documents relied on in development of the proposal and intended to be relied on at hearing. The Agency instead would provide the Board with three copies of each of 13 listed documents, one copy each of one other, and with no copies of three more documents. The documents for which the Agency requests a waiver of the requirement that it file fewer than one original and nine copies are listed in subheading 5 of the table of contents for the regulatory proposal. Those listed in that table of contents as items (d) through (j) and (l) through (q) are those of which the Agency wants to file three copies. The one in that table marked as item (k) is the one of which the Agency requests that the Board allow it to file a single copy. The Agency requested that the Board grant the Agency a waiver as to items (a) through (c) (the Clean Air Act, the Environmental Protection Act, and Title 35 of the Illinois Administrative Code), asserting that the documents are readily accessible to the Board.

The Board hereby grants the Agency's motion in part, and denies it in part. The Board orders the Agency to file an original and four copies of the proposal in its entirety, rather than only three copies. The remainder of the Agency's motion is granted.

#### Scheduling Constraints

Pursuant to Section 28.5 of the Act (415 ILCS 5/28.5 (1998)), the Board is required to proceed within set timeframes toward the adoption of the regulation. The Board has no discretion to adjust these timeframes under any circumstances. Today the Board adopts this proposal for first-notice publication in the *Illinois Register* under the Illinois Administrative Procedure Act (5 ILCS 100 (1998)) without commenting on the merits of the proposal. The following schedule indicates the dates on which the Board will act as provided in Section 28.5 of the Act (415 ILCS 5/28.5 (1998)):

First Notice	on or before July 25, 2000
First Hearing	on or before September 4, 2000
Second Hearing	on or before October 4, 2000
Third Hearing (if necessary)	on or before October 18, 2000
Second Notice (if 3rd hearing is canceled)	on or before November 20, 2000
(if 3rd hearing is held)	on or before December 8, 2000
Final Adoption	21 days after receipt of JCAR certificate of no objection

The third hearing may be canceled if unnecessary, as specified at Section 28.5(g)(3). The Board will proceed in this matter as required by Section 28.5 of the Act (415 ILCS 5/28.5 (1998)) and as discussed in the Board's resolutions regarding Section 28.5 of the Act. See RES 92-2 (October 28, 1992, and December 3, 1992).

Additional detail will be contained in a hearing officer order to be issued shortly.

ORDER

The Board directs the Clerk to cause the filing of the following with the Secretary of State for First Notice publication in the *Illinois Register*.

TITLE 35: ENVIRONMENTAL PROTECTION  
 SUBTITLE B: AIR POLLUTION  
 CHAPTER I: POLLUTION CONTROL BOARD

SUBCHAPTER c: EMISSION STANDARDS AND LIMITATIONS FOR  
 STATIONARY SOURCES

PART 211  
 DEFINITIONS AND GENERAL PROVISIONS

SUBPART A: GENERAL PROVISIONS

Section	
211.101	Incorporations by Reference
211.102	Abbreviations and Conversion Factors

SUBPART B: DEFINITIONS

Section	
211.121	Other Definitions
211.122	Definitions (Repealed)
211.130	Accelacota
211.150	Accumulator
211.170	Acid Gases
211.210	Actual Heat Input
211.230	Adhesive
211.240	Adhesion Promoter
211.250	Aeration
211.270	Aerosol Can Filling Line
211.290	Afterburner
211.310	Air Contaminant
211.330	Air Dried Coatings
211.350	Air Oxidation Process
211.370	Air Pollutant
211.390	Air Pollution
211.410	Air Pollution Control Equipment
211.430	Air Suspension Coater/Dryer
211.450	Airless Spray
211.470	Air Assisted Airless Spray
211.474	Alcohol

<u>211.479</u>	<u>Allowance</u>
211.484	Animal
211.485	Animal Pathological Waste
211.490	Annual Grain Through-Put
211.495	Anti-Glare/Safety Coating
211.510	Application Area
211.530	Architectural Coating
211.550	As Applied
211.560	As-Applied Fountain Solution
211.570	Asphalt
211.590	Asphalt Prime Coat
211.610	Automobile
211.630	Automobile or Light-Duty Truck Assembly Source or Automobile or Light-Duty Truck Manufacturing Plant
211.650	Automobile or Light-Duty Truck Refinishing
211.660	Automotive/Transportation Plastic Parts
211.670	Baked Coatings
211.680	Bakery Oven
211.685	Basecoat/Clearcoat System
211.690	Batch Loading
211.695	Batch Operation
211.696	Batch Process Train
211.710	Bead-Dipping
211.730	Binders
211.750	British Thermal Unit
211.770	Brush or Wipe Coating
211.790	Bulk Gasoline Plant
211.810	Bulk Gasoline Terminal
211.820	Business Machine Plastic Parts
211.830	Can
211.850	Can Coating
211.870	Can Coating Line
211.890	Capture
211.910	Capture Device
211.930	Capture Efficiency
211.950	Capture System
211.970	Certified Investigation
211.980	Chemical Manufacturing Process Unit
211.990	Choke Loading
211.1010	Clean Air Act
211.1050	Cleaning and Separating Operation
211.1070	Cleaning Materials
211.1090	Clear Coating
211.1110	Clear Topcoat
211.1130	Closed Purge System
211.1150	Closed Vent System

211.1170	Coal Refuse
211.1190	Coating
211.1210	Coating Applicator
211.1230	Coating Line
211.1250	Coating Plant
211.1270	Coil Coating
211.1290	Coil Coating Line
211.1310	Cold Cleaning
<u>211.1312</u>	<u>Combined Cycle System</u>
<u>211.1316</u>	<u>Combustion Turbine</u>
<u>211.1320</u>	<u>Commence Commercial Operation</u>
<u>211.1324</u>	<u>Commence Operation</u>
<u>211.1328</u>	<u>Common Stack</u>
211.1330	Complete Combustion
211.1350	Component
211.1370	Concrete Curing Compounds
211.1390	Concentrated Nitric Acid Manufacturing Process
211.1410	Condensate
211.1430	Condensible PM-10
211.1465	Continuous Automatic Stoking
211.1467	Continuous Coater
211.1470	Continuous Process
211.1490	Control Device
211.1510	Control Device Efficiency
<u>211.1515</u>	<u>Control Period</u>
211.1520	Conventional Air Spray
211.1530	Conventional Soybean Crushing Source
211.1550	Conveyorized Degreasing
211.1570	Crude Oil
211.1590	Crude Oil Gathering
211.1610	Crushing
211.1630	Custody Transfer
211.1650	Cutback Asphalt
211.1670	Daily-Weighted Average VOM Content
211.1690	Day
211.1710	Degreaser
211.1730	Delivery Vessel
211.1750	Dip Coating
211.1770	Distillate Fuel Oil
211.1780	Distillation Unit
211.1790	Drum
211.1810	Dry Cleaning Operation or Dry Cleaning Facility
211.1830	Dump-Pit Area
211.1850	Effective Grate Area
211.1870	Effluent Water Separator
211.1875	Elastomeric Materials

211.1880	Electromagnetic Interference/Radio Frequency (EMI/RFI) Shielding Coatings
211.1885	Electronic Component
211.1890	Electrostatic Bell or Disc Spray
211.1900	Electrostatic Prep Coat
211.1910	Electrostatic Spray
211.1920	Emergency or Standby Unit
211.1930	Emission Rate
211.1950	Emission Unit
211.1970	Enamel
211.1990	Enclose
211.2010	End Sealing Compound Coat
211.2030	Enhanced Under-the-Cup Fill
211.2050	Ethanol Blend Gasoline
211.2070	Excess Air
211.2080	<u>Excess Emissions</u>
211.2090	Excessive Release
211.2110	Existing Grain-Drying Operation (Repealed)
211.2130	Existing Grain-Handling Operation (Repealed)
211.2150	Exterior Base Coat
211.2170	Exterior End Coat
211.2190	External Floating Roof
211.2210	Extreme Performance Coating
211.2230	Fabric Coating
211.2250	Fabric Coating Line
211.2270	Federally Enforceable Limitations and Conditions
211.2285	Feed Mill
211.2290	Fermentation Time
211.2300	Fill
211.2310	Final Repair Coat
211.2330	Firebox
211.2350	Fixed-Roof Tank
211.2360	Flexible Coating
211.2365	Flexible Operating Unit
211.2370	Flexographic Printing
211.2390	Flexographic Printing Line
211.2410	Floating Roof
211.2420	<u>Fossil Fuel</u>
211.2425	<u>Fossil Fuel-Fired</u>
211.2430	Fountain Solution
211.2450	Freeboard Height
211.2470	Fuel Combustion Emission Unit or Fuel Combustion Emission Source
211.2490	Fugitive Particulate Matter
211.2510	Full Operating Flowrate
211.2530	Gas Service
211.2550	Gas/Gas Method
211.2570	Gasoline

211.2590	Gasoline Dispensing Operation or Gasoline Dispensing Facility
<u>211.2620</u>	<u>Generator</u>
211.2610	Gel Coat
211.2630	Gloss Reducers
211.2650	Grain
211.2670	Grain-Drying Operation
211.2690	Grain-Handling and Conditioning Operation
211.2710	Grain-Handling Operation
211.2730	Green-Tire Spraying
211.2750	Green Tires
211.2770	Gross Heating Value
211.2790	Gross Vehicle Weight Rating
211.2810	Heated Airless Spray
<u>211.2815</u>	<u>Heat Input</u>
<u>211.2820</u>	<u>Heat Input Rate</u>
211.2830	Heatset
211.2850	Heatset Web Offset Lithographic Printing Line
211.2870	Heavy Liquid
211.2890	Heavy Metals
211.2910	Heavy Off-Highway Vehicle Products
211.2930	Heavy Off-Highway Vehicle Products Coating
211.2950	Heavy Off-Highway Vehicle Products Coating Line
211.2970	High Temperature Aluminum Coating
211.2990	High Volume Low Pressure (HVLP) Spray
211.3010	Hood
211.3030	Hot Well
211.3050	Housekeeping Practices
211.3070	Incinerator
211.3090	Indirect Heat Transfer
211.3110	Ink
211.3130	In-Process Tank
211.3150	In-Situ Sampling Systems
211.3170	Interior Body Spray Coat
211.3190	Internal-Floating Roof
211.3210	Internal Transferring Area
211.3230	Lacquers
211.3250	Large Appliance
211.3270	Large Appliance Coating
211.3290	Large Appliance Coating Line
211.3310	Light Liquid
211.3330	Light-Duty Truck
211.3350	Light Oil
211.3370	Liquid/Gas Method
211.3390	Liquid-Mounted Seal
211.3410	Liquid Service
211.3430	Liquids Dripping

211.3450	Lithographic Printing Line
211.3470	Load-Out Area
211.3480	Loading Event
211.3490	Low Solvent Coating
211.3500	Lubricating Oil
211.3510	Magnet Wire
211.3530	Magnet Wire Coating
211.3550	Magnet Wire Coating Line
211.3570	Major Dump Pit
211.3590	Major Metropolitan Area (MMA)
211.3610	Major Population Area (MPA)
211.3620	Manually Operated Equipment
211.3630	Manufacturing Process
211.3650	Marine Terminal
211.3660	Marine Vessel
211.3670	Material Recovery Section
211.3690	Maximum Theoretical Emissions
211.3695	Maximum True Vapor Pressure
211.3710	Metal Furniture
211.3730	Metal Furniture Coating
211.3750	Metal Furniture Coating Line
211.3770	Metallic Shoe-Type Seal
211.3790	Miscellaneous Fabricated Product Manufacturing Process
211.3810	Miscellaneous Formulation Manufacturing Process
211.3830	Miscellaneous Metal Parts and Products
211.3850	Miscellaneous Metal Parts and Products Coating
211.3870	Miscellaneous Metal Parts or Products Coating Line
211.3890	Miscellaneous Organic Chemical Manufacturing Process
211.3910	Mixing Operation
211.3915	Mobile Equipment
211.3930	Monitor
211.3950	Monomer
211.3960	Motor Vehicles
211.3965	Motor Vehicle Refinishing
211.3970	Multiple Package Coating
211.3980	<u>Nameplate Capacity</u>
211.3990	New Grain-Drying Operation (Repealed)
211.4010	New Grain-Handling Operation (Repealed)
211.4030	No Detectable Volatile Organic Material Emissions
211.4050	Non-Contact Process Water Cooling Tower
211.4055	Non-Flexible Coating
211.4065	Non-Heatset
211.4070	Offset
211.4090	One Hundred Percent Acid
211.4110	One-Turn Storage Space
211.4130	Opacity

211.4150	Opaque Stains
211.4170	Open Top Vapor Degreasing
211.4190	Open-Ended Valve
211.4210	Operator of a Gasoline Dispensing Operation or Operator of a Gasoline Dispensing Facility
211.4230	Organic Compound
211.4250	Organic Material and Organic Materials
211.4260	Organic Solvent
211.4270	Organic Vapor
211.4290	Oven
211.4310	Overall Control
211.4330	Overvarnish
211.4350	Owner of a Gasoline Dispensing Operation or Owner of a Gasoline Dispensing Facility
211.4370	Owner or Operator
211.4390	Packaging Rotogravure Printing
211.4410	Packaging Rotogravure Printing Line
211.4430	Pail
211.4450	Paint Manufacturing Source or Paint Manufacturing Plant
211.4470	Paper Coating
211.4490	Paper Coating Line
211.4510	Particulate Matter
211.4530	Parts Per Million (Volume) or PPM (Vol)
211.4550	Person
211.4590	Petroleum
211.4610	Petroleum Liquid
211.4630	Petroleum Refinery
211.4650	Pharmaceutical
211.4670	Pharmaceutical Coating Operation
211.4690	Photochemically Reactive Material
211.4710	Pigmented Coatings
211.4730	Plant
211.4740	Plastic Part
211.4750	Plasticizers
211.4770	PM-10
211.4790	Pneumatic Rubber Tire Manufacture
211.4810	Polybasic Organic Acid Partial Oxidation Manufacturing Process
211.4830	Polyester Resin Material(s)
211.4850	Polyester Resin Products Manufacturing Process
211.4870	Polystyrene Plant
211.4890	Polystyrene Resin
211.4910	Portable Grain-Handling Equipment
211.4930	Portland Cement Manufacturing Process Emission Source
211.4950	Portland Cement Process or Portland Cement Manufacturing Plant
211.4960	<u>Potential Electrical Output Capacity</u>
211.4970	Potential to Emit

211.4990	Power Driven Fastener Coating
211.5010	Precoat
211.5030	Pressure Release
211.5050	Pressure Tank
211.5060	Pressure/Vacuum Relief Valve
211.5061	Pretreatment Wash Primer
211.5065	Primary Product
211.5070	Prime Coat
211.5080	Primer Sealer
211.5090	Primer Surfacer Coat
211.5110	Primer Surfacer Operation
211.5130	Primers
211.5150	Printing
211.5170	Printing Line
211.5185	Process Emission Source
211.5190	Process Emission Unit
211.5210	Process Unit
211.5230	Process Unit Shutdown
211.5245	Process Vent
211.5250	Process Weight Rate
211.5270	Production Equipment Exhaust System
211.5310	Publication Rotogravure Printing Line
211.5330	Purged Process Fluid
211.5340	Rated Heat Input Capacity
211.5350	Reactor
211.5370	Reasonably Available Control Technology (RACT)
211.5390	Reclamation System
211.5410	Refiner
211.5430	Refinery Fuel Gas
211.5450	Refinery Fuel Gas System
211.5470	Refinery Unit or Refinery Process Unit
211.5480	Reflective Argent Coating
211.5490	Refrigerated Condenser
211.5500	Regulated Air Pollutant
211.5510	Reid Vapor Pressure
211.5530	Repair
211.5550	Repair Coat
211.5570	Repaired
<u>211.5580</u>	<u>Repowering</u>
211.5590	Residual Fuel Oil
211.5600	Resist Coat
211.5610	Restricted Area
211.5630	Retail Outlet
211.5650	Ringelmann Chart
211.5670	Roadway
211.5690	Roll Coater

211.5710	Roll Coating
211.5730	Roll Printer
211.5750	Roll Printing
211.5770	Rotogravure Printing
211.5790	Rotogravure Printing Line
211.5810	Safety Relief Valve
211.5830	Sandblasting
211.5850	Sanding Sealers
211.5870	Screening
211.5890	Sealer
211.5910	Semi-Transparent Stains
211.5930	Sensor
211.5950	Set of Safety Relief Valves
211.5970	Sheet Basecoat
211.5980	Sheet-Fed
211.5990	Shotblasting
211.6010	Side-Seam Spray Coat
211.6025	Single Unit Operation
211.6030	Smoke
211.6050	Smokeless Flare
211.6060	Soft Coat
211.6070	Solvent
211.6090	Solvent Cleaning
211.6110	Solvent Recovery System
211.6130	Source
211.6140	Specialty Coatings
211.6145	Specialty Coatings for Motor Vehicles
211.6150	Specialty High Gloss Catalyzed Coating
211.6170	Specialty Leather
211.6190	Specialty Soybean Crushing Source
211.6210	Splash Loading
211.6230	Stack
211.6250	Stain Coating
211.6270	Standard Conditions
211.6290	Standard Cubic Foot (scf)
211.6310	Start-Up
211.6330	Stationary Emission Source
211.6350	Stationary Emission Unit
211.6355	Stationary Gas Turbine
211.6360	Stationary Reciprocating Internal Combustion Engine
211.6370	Stationary Source
211.6390	Stationary Storage Tank
211.6400	Stencil Coat
211.6410	Storage Tank or Storage Vessel
211.6420	Strippable Spray Booth Coating
211.6430	Styrene Devolatilizer Unit

211.6450	Styrene Recovery Unit
211.6470	Submerged Loading Pipe
211.6490	Substrate
211.6510	Sulfuric Acid Mist
211.6530	Surface Condenser
211.6540	Surface Preparation Materials
211.6550	Synthetic Organic Chemical or Polymer Manufacturing Plant
211.6570	Tablet Coating Operation
211.6580	Texture Coat
211.6590	Thirty-Day Rolling Average
211.6610	Three-Piece Can
211.6620	Three or Four Stage Coating System
211.6630	Through-the-Valve Fill
211.6650	Tooling Resin
211.6670	Topcoat
211.6690	Topcoat Operation
211.6695	Topcoat System
211.6710	Touch-Up
211.6720	Touch-Up Coating
211.6730	Transfer Efficiency
211.6750	Tread End Cementing
211.6770	True Vapor Pressure
211.6790	Turnaround
211.6810	Two-Piece Can
211.6830	Under-the-Cup Fill
211.6850	Undertread Cementing
211.6860	Uniform Finish Blender
211.6870	Unregulated Safety Relief Valve
211.6880	Vacuum Metallizing
211.6890	Vacuum Producing System
211.6910	Vacuum Service
211.6930	Valves Not Externally Regulated
211.6950	Vapor Balance System
211.6970	Vapor Collection System
211.6990	Vapor Control System
211.7010	Vapor-Mounted Primary Seal
211.7030	Vapor Recovery System
211.7050	Vapor-Suppressed Polyester Resin
211.7070	Vinyl Coating
211.7090	Vinyl Coating Line
211.7110	Volatile Organic Liquid (VOL)
211.7130	Volatile Organic Material Content (VOMC)
211.7150	Volatile Organic Material (VOM) or Volatile Organic Compound (VOC)
211.7170	Volatile Petroleum Liquid
211.7190	Wash Coat
211.7200	Washoff Operations

211.7210	Wastewater (Oil/Water) Separator
211.7230	Weak Nitric Acid Manufacturing Process
211.7250	Web
211.7270	Wholesale Purchase - Consumer
211.7290	Wood Furniture
211.7310	Wood Furniture Coating
211.7330	Wood Furniture Coating Line
211.7350	Woodworking
211.7400	Yeast Percentage

Appendix A Rule into Section Table

Appendix B Section into Rule Table

**AUTHORITY:** Implementing Sections 9, 9.1, 9.9, and 10 and authorized by Sections 27 and 28.5 of the Environmental Protection Act [415 ILCS 5/9, 9.1, 9.9, 10, 27 and 28.5].

**SOURCE:** Adopted as Chapter 2: Air Pollution, Rule 201: Definitions, R71-23, 4 PCB 191, filed and effective April 14, 1972; amended in R74-2 and R75-5, 32 PCB 295, at 3 Ill. Reg. 5, p. 777, effective February 3, 1979; amended in R78-3 and 4, 35 PCB 75 and 243, at 3 Ill. Reg. 30, p. 124, effective July 28, 1979; amended in R80-5, at 7 Ill. Reg. 1244, effective January 21, 1983; codified at 7 Ill. Reg. 13590; amended in R82-1 (Docket A) at 10 Ill. Reg. 12624, effective July 7, 1986; amended in R85-21(A) at 11 Ill. Reg. 11747, effective June 29, 1987; amended in R86-34 at 11 Ill. Reg. 12267, effective July 10, 1987; amended in R86-39 at 11 Ill. Reg. 20804, effective December 14, 1987; amended in R82-14 and R86-37 at 12 Ill. Reg. 787, effective December 24, 1987; amended in R86-18 at 12 Ill. Reg. 7284, effective April 8, 1988; amended in R86-10 at 12 Ill. Reg. 7621, effective April 11, 1988; amended in R88-23 at 13 Ill. Reg. 10862, effective June 27, 1989; amended in R89-8 at 13 Ill. Reg. 17457, effective January 1, 1990; amended in R89-16(A) at 14 Ill. Reg. 9141, effective May 23, 1990; amended in R88-30(B) at 15 Ill. Reg. 5223, effective March 28, 1991; amended in R88-14 at 15 Ill. Reg. 7901, effective May 14, 1991; amended in R91-10 at 15 Ill. Reg. 15564, effective October 11, 1991; amended in R91-6 at 15 Ill. Reg. 15673, effective October 14, 1991; amended in R91-22 at 16 Ill. Reg. 7656, effective May 1, 1992; amended in R91-24 at 16 Ill. Reg. 13526, effective August 24, 1992; amended in R93-9 at 17 Ill. Reg. 16504, effective September 27, 1993; amended in R93-11 at 17 Ill. Reg. 21471, effective December 7, 1993; amended in R93-14 at 18 Ill. Reg. 1253, effective January 18, 1994; amended in R94-12 at 18 Ill. Reg. 14962, effective September 21, 1994; amended in R94-14 at 18 Ill. Reg. 15744, effective October 17, 1994; amended in R94-15 at 18 Ill. Reg. 16379, effective October 25, 1994; amended in R94-16 at 18 Ill. Reg. 16929, effective November 15, 1994; amended in R94-21, R94-31 and R94-32 at 19 Ill. Reg. 6823, effective May 9, 1995; amended in R94-33 at 19 Ill. Reg. 7344, effective May 22, 1995; amended in R95-2 at 19 Ill. Reg. 11066, effective July 12, 1995; amended in R95-16 at 19 Ill. Reg. 15176, effective October 19, 1995; amended in R96-5 at 20 Ill. Reg. 7590, effective May 22, 1996; amended in R96-16 at 21 Ill. Reg. 2641, effective February 7, 1997; amended in R97-17 at 21 Ill. Reg. 6489, effective May 16, 1997; amended in R97-24 at 21 Ill. Reg. 7695, effective June 9, 1997; amended in R96-17 at 21 Ill. Reg. 7856, effective June 17, 1997; amended in R97-31 at 22 Ill. Reg. 3497, effective February 2, 1998; amended in R98-17 at 22 Ill. Reg. 11405, effective June 22, 1998; amended in R01-09 at \_\_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

BOARD NOTE: This Part implements the Illinois Environmental Protection Act as of July 1, 1994.

Section 211.102 Abbreviations and Conversion Factors

a) Abbreviations used in this Part include the following:

ASTM	American Society for Testing and Materials
bbl	barrels (42 gallons)
btu	British thermal units (60°F)
btu/hr	btu per hour
°C	degrees Celsius or centigrade
CAAPP	Clean Air Act Permit Program
cm	centimeters
cu in	cubic inches
<u>EGU</u>	<u>Electrical Generating Unit</u>
°F	degrees Fahrenheit
FIP	Federal Implementation Plan
ft	feet
ft <sup>2</sup>	square feet
ft <sup>3</sup>	cubic feet
g	grams
gpm	gallons per minute
g/mole	grams per mole
gal	gallons
hp	horsepower
hr	hours
in	inch
°K	degrees Kelvin
kcal	kilocalories
kg	kilograms
kg/hr	kilograms per hour
kPa	kilopascals; one thousand newtons per square meter
kW	kilowatt
l	liters
l/sec	liters per second
lbs	pounds
lbs/day	pounds per day
lbs/hr	pounds per hour
lbs/gal	pounds per gallon
lbs/yr	pounds per year
LEL	lower explosive limit
m	meters
m <sup>2</sup>	square meters
m <sup>3</sup>	cubic meters

mg	milligrams
Mg	Megagrams, metric tons or tonnes
ml	milliliters
min	minutes
MJ	megajoules
mmbtu	million British thermal units
mmbtu/hr	million British thermal units per hour
mmHg	millimeters of mercury
MTE	maximum theoretical emissions
<u>MWe</u>	<u>megawatt of electricity</u>
MW	megawatt; one million watts
MW-hr	megawatt per hour
NDO	natural draft opening
No <sub>x</sub>	nitrogen oxides
<u>peoc</u>	<u>potential electrical output capacity</u>
ppm (vol)	parts per million
ppmv	parts per million by volume
ppmvd	parts per million by volume dry
psi	pounds per square inch
psia	pounds per square inch absolute
psig	pounds per square inch gauge
PTE	potential to emit
RACT	reasonably available control technology
scf	standard cubic feet
scm	standard cubic meters
sec	seconds
SIP	State Implementation Plan
TTE	temporary total enclosure
sq cm	square centimeters
sq in	square inches
T	short ton (2,000 lbs)
ton	short ton (2,000 lbs)
TPY	tons per year
USEPA	United States Environmental Protection Agency
VOC	volatile organic compounds
VOL	volatile organic liquids
VOM	volatile organic materials

b) The following conversion factors have been used in this Part:

English	Metric
1 gal	3.785 l
1,000 gal	3,785 l or 3.785 m <sup>3</sup>
1 psia	6.897 kPA (51.71 mmHg)
2.205 lbs	1 kg
32°	0°C (273.15°K)

1 bbl	159.0 l
1 cu in	16.39 ml
1 lb/gal	119,800 mg/l
1 lb/mmbtu	1.548 kg/MW-hr
1 lb/T	0.500 kg/Mg
1 ton	0.907 Mg
1 T	0.907 Mg
mmbtu/hr	0.293 MW

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

#### Section 211.479 Allowance

“Allowance” means an authorization to emit up to one ton of NO<sub>x</sub> during the control period of a specified year or any year thereafter under 35 Ill. Adm. Code 217 and 40 CFR part 96.

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

#### Section 211.1312 Combined Cycle System

“Combined Cycle System” means a system comprised of one or more combustion turbines, heat recovery steam generators, and steam turbines configured to improve overall efficiency of electricity generation or steam production.

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

#### Section 211.1316 Combustion Turbine

“Combustion Turbine” means an enclosed fossil or other fuel-fired device that is comprised of a compressor, a combustor, and a turbine, and in which the flue gas resulting from the combustion of fuel in the combustor passes through the turbine, rotating the turbine.

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

#### Section 211.1320 Commence Commercial Operation

For purposes of 35 Ill. Adm. Code 217, “commence commercial operation” means, with regard to an EGU that serves a generator, to have begun to produce steam, gas, or other heated medium used to generate electricity for sale or use, including test generation. Such date shall remain the unit’s date of commencement of operation even if the EGU is subsequently modified, reconstructed or repowered.

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

Section 211.1324 Commence Operation

For purposes of 35 Ill. Adm. Code 217, “commence operation” means with regard to a stationary boiler, combustion turbine, or combined cycle system to have begun any mechanical, chemical, or electronic process, including, start-up of the unit’s combustion chamber. Such date shall remain the unit’s date of commencement of operation even if the unit is subsequently modified, reconstructed, or repowered.

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

Section 211.1328 Common Stack

“Common stack” means a single flue through which emissions from two or more units are exhausted.

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

Section 211.1515 Control Period

For purposes of 35 Ill. Adm. Code 217, “control period” means the period beginning May 1 of a year and ending on September 30 of the same year, inclusive.

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

Section 211.2080 Excess Emissions

“Excess emissions” means any tonnage of NOx emitted by a NOx budget unit during a control period that exceeds the NOx allowances available for compliance deduction for the unit and for a control period.

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

Section 211.2420 Fossil Fuel

“Fossil fuel” means natural gas, petroleum, coal, or any form of solid, liquid, or gaseous fuel derived from such material.

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

Section 211.2425 Fossil Fuel-Fired

“Fossil fuel-fired” means the combustion of fossil fuel, alone or in combination with any other fuel, where fossil fuel actually combusted comprises or is projected to comprise more than 50 percent of the annual heat input on a btu basis during any year.

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

Section 211.2620 Generator

“Generator” means a device that produces electricity.

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

Section 211.2815 Heat Input

“Heat input” means the product of the gross heating value of the fuel and the amount of fuel combusted in a combustion device. Heat input does not include the heat derived from preheated combustion air, recirculated flue gases, or exhaust from other sources.

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

Section 211.2820 Heat Input Rate

“Heat input rate” means the amount of heat input used by a combustion device, divided by its operating time (in hrs).

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

Section 211.3980 Nameplate Capacity

“Nameplate capacity” means the maximum electrical generating output (in MWe) that a generator can sustain over a specified period of time when not restricted by seasonal or other deratings as measured in accordance with the United States Department of Energy standards.

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

Section 211.4960 Potential Electrical Output Capacity

“Potential electrical output capacity” means the MWe capacity rating for the units which shall be equal to 33% of the maximum design heat input capacity of the steam generating unit.

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

Section 211.5580 Repowering

For purposes of 35 Ill. Adm. Code 217, Subpart W, “repowering” means the conversion or replacement of an existing budget EGU, as identified in Appendix F, with a technology capable of controlling NOx and other combustion emissions simultaneously with improved boiler or generation efficiency and with waste reduction, or any other replacement generation technology as determined by the Illinois Environmental Protection Agency. Repowering shall be considered a control technology for purposes of 35 Ill. Adm. Code 217.

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

TITLE 35: ENVIRONMENTAL PROTECTION  
 SUBTITLE B: AIR POLLUTION  
 CHAPTER I: POLLUTION CONTROL BOARD

SUBCHAPTER c: EMISSION STANDARDS AND LIMITATIONS FOR  
 STATIONARY SOURCES

PART 217  
 NITROGEN OXIDES EMISSIONS

SUBPART A: GENERAL PROVISIONS

Section	
217.100	Scope and Organization
217.101	Measurement Methods
217.102	Abbreviations and Units
217.103	Definitions
217.104	Incorporations by Reference

SUBPART W: NO<sub>x</sub> TRADING PROGRAM FOR ELECTRICAL GENERATING  
 UNITS

<u>Section</u>	
<u>217.750</u>	<u>Purpose</u>
<u>217.752</u>	<u>Severability</u>
<u>217.754</u>	<u>Applicability</u>
<u>217.756</u>	<u>Compliance Requirements</u>
<u>217.758</u>	<u>Permitting Requirements</u>
<u>217.760</u>	<u>NO<sub>x</sub> Trading Budget</u>
<u>217.762</u>	<u>Methodology for Calculating NO<sub>x</sub> Allocations for Budget Electrical Generating    Units (“EGUs”)</u>
<u>217.764</u>	<u>NO<sub>x</sub> Allocations for EGUs</u>
<u>217.766</u>	<u>(Reserved)</u>
<u>217.768</u>	<u>New Source Set-Asides for “New” Budget EGUs</u>
<u>217.770</u>	<u>Early Reduction Credits for Budget EGUs</u>
<u>217.772</u>	<u>(Reserved)</u>
<u>217.774</u>	<u>Opt-in Units</u>
<u>217.776</u>	<u>Opt-in Process</u>
<u>217.778</u>	<u>Budget Opt-in Units: Withdrawal from the NO<sub>x</sub> Trading Program</u>
<u>217.780</u>	<u>Opt-in Units: Change in Regulatory Status</u>
<u>217.782</u>	<u>Allowance Allocations to Budget Opt-in Units</u>

Appendix D Non-Electrical Generating Units

Appendix F Allowances for Electrical Generating Units

**AUTHORITY: Implementing Sections 9.9 and 10 and authorized by Section 27 of the Environmental Protection Act (Ill. Rev. Stat. 1981, ch. 111 ½ pars. 1010 and 1027) [415 ILCS 5/9.9, 10 and 27.]**

SOURCE: Adopted as Chapter 2: Air Pollution, Rule 207: Nitrogen Oxides Emissions, R71-23, 4 PCB 191, April 13, 1972, filed and effective April 14, 1972; amended at 2 Ill. Reg. 17, p. 101, effective April 13, 1978; codified at 7 Ill. Reg. 13609; amended in R01-9 at \_\_\_\_ Ill. Reg. \_\_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

## SUBPART A: GENERAL PROVISIONS

### Section 217.100 Scope and Organization

- a) This Part sets standards and limitations for emission of oxides of nitrogen from stationary sources.
- b) Permits for sources subject to this Part may be required pursuant to 35 Ill. Adm. Code 201.
- c) Notwithstanding the provisions of this Part the air quality standards contained in 35 Ill. Adm. Code 243 may not be violated.
- ~~d) This Part is divided into Subparts which are grouped as follows:
 
  - 1) ~~Subpart A: General Provisions;~~
  - 2) ~~Subparts B-J: Fuel Combustion Sources and Incinerators;~~
  - 3) ~~Subparts K-M: Process Emission Sources;~~
  - 4) ~~Subparts N-End: Industry and Site-specific rules.~~~~
- ed These rules have been grouped for convenience of the public; the scope of each is determined by its language and history.

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

### Section 217.101 Measurement Methods

Measurement of nitrogen oxides shall be according to:

- a) The the-phenol disulfonic acid method, 36 Fed. Reg. 15, 718 40 CFR 60, Appendix A, Method 7- (1999); and
- b) Continuous emissions monitoring pursuant to 40 CFR 75 (1999).

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

### Section 217.102 Abbreviations and Units

- a) The following abbreviations are used in this Part:

btu	British thermal unit (60°F)
<u>EGU</u>	<u>Electrical Generating Unit</u>
kg	kilogram
kg/MW-hr	kilograms per megawatt-hour, usually used as an hourly emission rate
lb	pound
NO <sub>x</sub> <u>x</u>	Nitrogen Oxides
lbs/mmbtu	pounds per million btu, usually used as an hourly emission rate
Mg	megagram or metric tonne
mmbtu	million British thermal units
mmbtu/hr	million British thermal units per hour
<u>MWe</u>	<u>megawatt of electricity</u>
MW	megawatt; one million watts
MW-hr	megawatt-hour
<u>peoc</u>	<u>potential electrical output capacity</u>
ppm	parts per million
ppmv	parts per million by volume
T	English ton

- b) The following conversion factors have been used in this Part:

English	Metric
2.205 lb	1 kg
1 T	0.907 Mg
1 lb/T	0.500 kg/Mg
Mmbtu/hr	0.293 MW
1 lb/mmbtu	1.548 kg/MW-hr

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

#### Section 217.104 Incorporations by Reference

The following materials are incorporated by reference. These incorporations do not include any later amendments or editions.

- a) The the-phenol disulfonic acid method as published in ~~36 Fed. Reg. 15, 718~~, 40 CFR 60, Appendix A, Method 7 (1999);
- b) 40 CFR 96, Subparts B, D, G and H (1999);
- c) 40 CFR 96.1 through 96.3, 96.5 through 96.7, 96.50 through 96.54, 96.55 (a) & (b), 96.56 and 96.57 (1999); and
- d) 40 CFR 72, 75 & 76 (1999).

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

SUBPART W: NO<sub>x</sub> TRADING PROGRAM FOR ELECTRICAL GENERATING UNITS

Section 217.750 Purpose

The purpose of this Subpart is to control the emissions of nitrogen oxides (NO<sub>x</sub>) during the ozone control period (May 1 through September 30 of each year) from electrical generating units (EGUs) by determining source allocations and implementing the NO<sub>x</sub> Trading Program pursuant to 40 CFR 96, as authorized by Section 9.9 of the Act. [415 ILCS 5/9.9].

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

Section 217.752 Severability

If any Section, subsection or clause of this Subpart is found invalid, such finding shall not affect the validity of this Subpart as a whole or any Section, sentence or clause not found invalid.

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

Section 217.754 Applicability

- a) The following fossil fuel-fired stationary boilers, combustion turbines or combined cycle systems are electrical generating units (EGUs) and are subject to this Subpart:
- 1) Any unit serving a generator that has a nameplate capacity greater than 25 MWe and produces electricity for sale, excluding those units listed in Appendix D of this Part.
  - 2) Any unit with a maximum design heat input that is greater than 250 mmbtu/hr that commences operation on or after January 1, 1999, serving at any time a generator that has a nameplate capacity of 25 MWe or less and has the potential to use more than 50% of the potential electrical output capacity of the unit. Fifty percent (50%) of a unit's potential electrical output capacity shall be determined by multiplying the unit's maximum design heat input by 0.0488 MWe/mmbtu. If the size of the generator is greater than this calculated number, the unit is an EGU subject to the provisions of this Subpart.
- b) Those units that meet the above criteria and are subject to the NO<sub>x</sub> Trading Program emissions limitations contained in this Subpart are budget EGUs.
- c) Low-emitter status: Notwithstanding subsection (a) of this Section, the owner or operator of a budget EGU under subsection (a) of this Section may elect low-

emitter status by obtaining a permit with federally enforceable conditions meeting the requirements of subsection (c)(1) of this Section. Starting with the effective date of such permit, the EGU shall not be a budget EGU and shall be subject only to the requirements of this subsection.

- 1) For each control period under subsection (c) of this Section, the federally enforceable permit conditions must:
  - A) Restrict the EGU to burning only natural gas, fuel oil, or natural gas and fuel oil;
  - B) Limit the EGU's potential NOx mass emissions for the control period to 25 tons or less;
  - C) Restrict the EGU's operating hours during the control period to the number calculated by dividing 25 tons of potential NOx mass emissions by the EGU's maximum potential hourly NOx mass emissions;
  - D) Require that the EGU's potential NOx mass emissions be calculated by using the monitoring provisions of 40 CFR 75 or if the EGU does not rely on these monitoring provisions, by using the applicable default rate, as follows:
    - i) Select the applicable default NOx emission rate from one of the following:
      - 0.7 lb/mmbtu for combustion turbines burning natural gas exclusively during the control period;
      - 1.2 lbs/mmbtu for combustion turbines burning any fuel oil during the control period;
      - 1.5 lbs/mmbtu for boilers burning natural gas exclusively during the control period;.or
      - 2 lbs/mmbtu for boilers burning any fuel oil during the control period.
    - ii) Multiply the default NOx emission rate under subsection (c)(1)(D)(i) of this Section by the EGU's unit-specific maximum rated heat input (mmbtu) which is the higher of the manufacturer's maximum rated hourly heat input or the highest observed hourly heat input. The owner or operator of the EGU may request in the permit application required by this subsection that the Agency use a lower value for the

EGU's maximum rated hourly heat input. The Agency may approve such lower value if the owner or operator demonstrates that the maximum hourly heat input specified by the manufacturer or the highest observed hourly heat input, or both, are not representative. The owner or operator must also demonstrate that such lower value is representative of the EGU's current capabilities because modifications have been made to the EGU that permanently limit the EGU's capacity;

E) Require that the owner or operator of the EGU retain for five years at the source that includes the EGU, records demonstrating that the operating hours restriction, the fuel use restriction, and the other requirements of the permit related to these restrictions were met; and

F) Require that the owner or operator of the EGU report to the Agency the EGU's hours of operation (treating any partial hour of operation as a whole hour of operation), heat input, and fuel use by type during each control period. This report shall be submitted by November 1 of each year the EGU elects low-emitter status.

2) The Agency will notify USEPA in writing of each EGU electing low-emitter status pursuant to the requirements of subsection (c)(1) of this Section and when any of the following occurs:

A) The permit with federally enforceable conditions that includes the restrictions in subsection (c)(1) of this Section is issued by the Agency;

B) Such permit is revised to remove any such restriction;

C) Such permit includes any such restriction that is no longer applicable; or

D) The EGU does not comply with any such restriction.

3) The EGU shall become a budget EGU, subject to the requirements of this Subpart if, for any control period under subsection (c) of this Section, the fuel use restriction or the operating hours restriction under subsection (c)(1) of this Section is removed from the EGU's permit or otherwise becomes no longer applicable, or the EGU does not comply with the fuel use restriction or the operating hours restriction under subsection (c)(1) of this Section. Such EGU shall be treated as commencing operation and, for a unit under subsection (a)(1) of this Section, commencing commercial operation, on September 30 of the year prior to the control period for which the fuel use

restriction or the operating hours restriction is no longer applicable or during which the EGU does not comply with the fuel use restriction or the operating hours restriction.

4) The owner or operator of an EGU to which the Agency has ever allocated allowances may elect low-emitter status. In that case, the Agency will reduce the EGU trading budget by the number of allowances corresponding to the amount of NOx emissions the EGU is permitted to emit during the control period as set forth in the EGU's federally enforceable state operating permit.

d) Notwithstanding the provisions in subsection (a) of this Section, sources may opt-into the NOx Trading Program and will receive allowance allocations consistent with applicable requirements, if they meet the requirements for a budget opt-in unit pursuant to Sections 217.774 through 217.782 of this Part.

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

#### Section 217.756 Compliance Requirements

All EGUs subject to the requirements of this Subpart must comply with the following:

a) The requirements of this Subpart and 40 CFR 96 (excluding 40 CFR 96.4(b), 96.55(c), and excluding 40 CFR 96, Subparts C, E, and I) as incorporated by reference in Section 217.104 of this Part.

b) Permit requirements:

1) The owner or operator of each source with one or more budget EGUs at the source must apply for a permit issued by the Agency with federally enforceable conditions covering the NOx Trading Program ("budget permit") that complies with the requirements of Section 217.758 of this Part.

2) The owner or operator of each budget source and each budget EGU at the source must operate the budget EGU in compliance with such budget permit.

c) Monitoring requirements:

1) The owner or operator of each budget source and each budget EGU at the source must comply with the monitoring requirements of 40 CFR 96, Subpart H. The account representative of each budget source and each budget EGU at the source must comply with those sections of the monitoring requirements of 40 CFR 96, Subpart H, applicable to an account representative.

2) The compliance of each budget EGU with the budget emissions limitation under subsection (d) of this Section shall be determined by the emissions measurements recorded and reported in accordance with 40 CFR 96, Subpart H.

d) NOx requirements:

- 1) By November 30 of each year, the allowance transfer deadline, the account representative of each budget source and each budget EGU at the source shall hold allowances available for compliance deductions under 40 CFR 96.54 in the budget EGU's compliance account or the source's overdraft account. The number of allowances held shall not be less than the budget EGU's total tons of NOx emissions for the control period, rounded to the nearest whole ton, as determined in accordance with 40 CFR 96, Subpart H, plus any number necessary to account for actual utilization (e.g., for testing, start-up, malfunction, and shut down) under 40 CFR 96.42(e) for the control period.
- 2) Each ton of NOx emitted in excess of the number of NOx allowances held by the owner or operator for each budget EGU for each control period shall constitute a separate violation of this Part and the Act.
- 3) A budget EGU shall be subject to the monitoring and NOx requirements of subsections (c)(1) and (d)(1) of this Section starting on the later of May 1, 2003, the date on which the EGU commences OR THE FIRST DAY OF THE CONTROL SEASON SUBSEQUENT TO THE CALENDAR YEAR IN WHICH ALL OF THE OTHER STATES SUBJECT TO THE PROVISIONS OF THE NOX SIP CALL [63 Fed. Reg. 57355 (October 27, 1998)] THAT ARE LOCATED IN USEPA REGION V OR THAT ARE CONTIGUOUS TO ILLINOIS HAVE ADOPTED REGULATIONS TO IMPLEMENT NOX TRADING PROGRAMS AND OTHER REQUIRED REDUCTIONS OF NOX EMISSIONS PURSUANT TO THE NOX SIP CALL, AND SUCH REGULATIONS HAVE RECEIVED FINAL APPROVAL BY USEPA AS PART OF THE RESPECTIVE STATES' SIPS FOR OZONE, OR A FINAL FIP FOR OZONE PROMULGATED BY USEPA IS EFFECTIVE.
- 4) Allowances shall be held in, deducted from, or transferred among allowance accounts in accordance with this Subpart and 40 CFR 96, Subparts F and G, and Sections 217.774 through 217.782 of this Part.
- 5) In order to comply with the requirements of subsection (d)(1) of this Section, an allowance may not be utilized for a control period in a year prior to the year for which the allowance is allocated.

- 6) An allowance allocated by the Agency or USEPA under the NO<sub>x</sub> Trading Program is a limited authorization to emit one ton of NO<sub>x</sub> in accordance with the NO<sub>x</sub> Trading Program. No provision of the NO<sub>x</sub> Trading Program, the budget permit application, the budget permit, or a retired unit exemption under 40 CFR 96.5, and no provision of law shall be construed to limit the authority of the United States or the State to terminate or limit this authorization.
  - 7) An allowance allocated by the Agency or USEPA under the NO<sub>x</sub> Trading Program does not constitute a property right.
  - 8) Upon recordation by USEPA under 40 CFR 96, Subpart F or G, or Section 217.782 of this Part, every allocation, transfer, or deduction of an allowance to or from a budget EGU's compliance account or to or from the overdraft account of the budget source where the budget EGU is located is deemed to amend automatically, and become a part of, any budget permit of the budget EGU. This automatic amendment of the budget permit shall be deemed an operation of law and will not require any further review.
- e) Recordkeeping and reporting requirements:
- 1) Unless otherwise provided, the owner or operator of the budget source and each budget EGU at the source shall keep on site at the source each of the documents listed in subsections (e)(1)(A) through (e)(1)(D) of this Section for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Agency or USEPA.
    - A) The account certificate of representation of the account representative for the source and each budget EGU at the source, all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 40 CFR 96.13, provided that the certificate and documents must be retained on site at the source beyond such five-year period until such documents are superseded because of the submission of a new account certificate of representation changing the account representative.
    - B) All emissions monitoring information, in accordance with 40 CFR 96, Subpart H, provided that to the extent that 40 CFR 96, Subpart H provides for a three-year period for recordkeeping, the three-year period shall apply.
    - C) Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO<sub>x</sub> Trading Program or documents necessary to demonstrate compliance with the requirements of the NO<sub>x</sub> Trading Program.

- D) Copies of all documents used to complete a budget permit application and any other submission under the NOx Trading Program.
- 2) The account representative of a budget source and each budget EGU at the source must submit to the Agency and USEPA the reports and compliance certifications required under the NOx Trading Program, including those under 40 part 96, Subparts D and H, and Section 217.774 of this Part.
- f) Liability:
- 1) No revision of a permit for a budget EGU shall excuse any violation of the requirements of the NOx Trading Program that occurs prior to the date that the revision to such budget permit takes effect.
- 2) Each budget source and each budget EGU shall meet the requirements of the NOx Trading Program.
- 3) Any provision of the NOx Trading Program that applies to a budget source (including any provision applicable to the account representative of a budget source) shall also apply to the owner and operator of such budget source and to the owner and operator of each budget EGU at the source.
- 4) Any provision of the NOx Trading Program that applies to a budget EGU (including any provision applicable to the account representative of a budget EGU) shall also apply to the owner and operator of such budget EGU. Except with regard to the requirements applicable to budget EGUs with a common stack under 40 CFR 96, Subpart H, the owner and operator and the account representative of one budget EGU shall not be liable for any violation by any other budget EGU of which they are not an owner or operator or the account representative.
- 5) Excess emissions requirements. The account representative of a budget EGU that has excess emissions in any control period shall:
- A) Surrender the allowances as required for deduction under 40 CFR 96.54(d)(1); and
- B) Pay any fine, penalty, or assessment or comply with any other remedy imposed under 40 CFR 96.54(d)(3) and the Act.
- g) Effect on other authorities. No provision of the NOx Trading Program, a budget permit application, a budget permit, a low-emitter exemption under 40 CFR 96.4(b), or a retired unit exemption under 40 CFR 96.5 shall be construed as exempting or excluding the owner and operator and, to the extent applicable, the

account representative of a budget source or budget EGU, from compliance with any other regulation promulgated under the CAA, the Act, an approved State implementation plan, or a federally enforceable permit.

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

Section 217.758 Permitting Requirements

a) Budget permit requirements:

- 1) Each source with a budget EGU is required to submit a complete permit application addressing all applicable NOx Trading Program requirements for a permit meeting the requirements of this Section, applicable to each budget EGU at the source. Each budget permit (including any draft or proposed budget permit, if applicable) will contain elements required for a complete budget permit application under subsection (b)(2) of this Section.
- 2) Each budget permit (including a draft or proposed budget permit, if applicable) shall contain federally enforceable conditions addressing all applicable NOx Trading Program requirements and shall be a complete and segregable portion of the source's entire permit under subsection (a)(1) of this Section.
- 3) No budget permit shall be issued, and no NOx allowance account shall be established for a budget EGU at a source, until the Agency and USEPA have received a complete account certificate of representation under 40 CFR 96, Subpart B, for an account representative of the source and the budget EGU at the source.
- 4) For budget EGUs that commenced operation before November 1, 2002, and for which a CAAPP permit is not required pursuant to Section 39.5 of the Act, the owner or operator of such unit must submit a budget permit application meeting the requirements of this Section on or before November 1, 2002.
- 5) For budget EGUs that commenced operation before August 1, 2002, and for which a CAAPP permit is required pursuant to Section 39.5 of the Act, the owner or operator of such unit must submit a budget permit application meeting the requirements of this Section on or before August 1, 2002.
- 6) For budget EGUs that are subject to Section 39.5 of the Act and that commence operation on or after August 1, 2002, and for budget EGUs not subject to Section 39.5 of the Act and that commence operation on or after November 1, 2002, the owner or operator of such units must submit applications for construction and operating permits pursuant to the requirements of Sections 39 and 39.5 of the Act and 35 Ill.Adm.Code 201

and such applications must specify that they are applying for budget permits, and must address the budget permit application requirements of this Section.

b) Budget permit applications:

- 1) Duty to apply. The owner or operator of any source with one or more budget EGUs shall submit to the Agency a complete budget permit application for the source under subsection (b)(2) of this Section by the applicable deadline in subsection (a)(4), (a)(5), or (a)(6) of this Section. The owner or operator of any source with one or more budget EGUs shall reapply for a budget permit for the source as required by this Subpart, 35 Ill. Adm. Code 201, and Sections 39 and 39.5 of the Act.
- 2) Information requirements for budget permit applications. A complete budget permit application shall include the following elements concerning the source for which the application is submitted:
  - A) Identification of the source, including plant name. The ORIS (Office of Regulatory Information Systems) or facility code assigned to the source by the Energy Information Administration shall also be included, if applicable;
  - B) Identification of each budget EGU at the source. An explanation whether each EGU is a budget EGU under Section 217.754 or 217.774 of this Part;
  - C) The compliance requirements of Section 217.756 of this Part; and
  - D) For each opt-in unit at the source the following certification statements by the account representative:
    - i) “I certify that each unit for which this permit application is submitted under Section 217.774 of this Part is not a budget EGU under Section 217.754 of this Part and is not covered by a retired unit exemption that is in effect under 40 CFR 96.5.”
    - ii) If the application is for an initial budget permit, “I certify that each unit for which this permit application is submitted under Section 217.774 of this Part, and has documented heat input for more than 876 hours in the six months immediately preceding the submission of an application for an initial budget permit under Section 217.774(d) of this Part.”

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

Section 217.760 NOx Trading Budget

The NOx trading budget available for allowance allocations for each control period shall be determined as follows:

- a) The total base EGU trading budget is 30,701 tons per control period subject, however, to the following:
  - 1) In 2003 through 2005, 5% of this number shall be allocated to the new source set-aside under Section 217.768 of this Part, resulting in an EGU trading budget of 29,166 tons available for allocation per control period; and
  - 2) In 2006 and thereafter, 2% of this amount shall be allocated to the new source set-aside, resulting in an EGU trading budget of 30,087 tons available for allocation per control period.
- b) The Agency may adjust the total base EGU trading budget available for allocation in subsection (a) of this Section to remove allowances from budget EGUs opting to become exempt pursuant to the requirements for low-emitters in Section 217.754(c)(4) of this Part.
- c) If USEPA adjusts the total base EGU trading budget for any reason, the Agency will adjust the budget pro-rata.

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

Section 217.762 Methodology for Calculating NOx Allocations for Budget Electrical Generating Units("EGUs")

The methodology for calculating the allowances to be allocated to budget EGUs is based on the following emission rates and heat inputs:

- a) The applicable NOx emission rates are as follows:
  - 1) For budget EGUs listed in Appendix F: 0.15 lb/mmbtu.
  - 2) For budget EGUs not listed in Appendix F: The more stringent of 0.15 lb/mmbtu or the permitted NOx emission rate, but not less than 0.055 lb/mmbtu.
- b) Heat input (HI) (in mmbtu/control period) is determined as follows:
  - 1) The budget EGU's two highest heat inputs from the control periods four to six years prior to the year for which the allocation is being made are

averaged. However, for a budget EGU that did not commence commercial operation at least six years prior to the control period for which the allocation is being made, the heat inputs for the following control periods shall be used:

A) If the budget EGU has heat input for the control period four years prior to the year for which the NO<sub>x</sub> allocation is being made, but not for the control periods five and six years prior, the heat input for that control period four years prior shall be used; or

B) If the budget EGU has heat inputs for the control periods four and five years prior to the year for which the NO<sub>x</sub> allocation is being made, but not for the control period six years prior, the heat input for the control periods four and five years prior shall be averaged.

2) The budget EGU's heat input in subsection (b) of this Section for the control period in each year will be determined in accordance with:

A) 40 CFR 75, as incorporated by reference in Section 217.104 of this Part, if the budget EGU was otherwise subject to its requirements for the year; or

B) The best available data reported to the Agency for the budget EGU if the budget EGU was not subject to the requirements of 40 CFR 75, for the year.

c) The general equation for determining allowances is:

$$A = \frac{HI \times ER}{2000}$$

Where

HI = heat input (in mmbtu/control period) as determined in Section 217.762(b) of this Part.

ER = The NO<sub>x</sub> emission rate in lbs/mmbtu as determined in Section 217.762(a) of this Part.

A = allowances of NO<sub>x</sub>/control period.

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

Section 217.764 NOx Allocations for Budget EGUs

For each control period, the Agency will allocate the total number of NOx allowances in the trading budget apportioned to budget EGUs under Section 217.760 of this Part. These allocations will be issued as provided in subsections (a) through (f) of this Section. Specifically,

a) In 2003, 2004, and 2005 (or the first three years of the program):

- 1) The Agency will allocate to each budget EGU that is listed in Appendix F of this Part the number of allowances listed in Column 7 of Appendix F of this Part for that budget EGU, as well as any allowances that are not allocated from the new source set-aside to budget EGUs in subsection (a)(2) of this Section. Any such allowances from the new source set-aside will be allocated to budget EGUs listed in Appendix F of this Part pursuant to 217.768(j) of this Part.
- 2) The Agency will allocate allowances from the new source set-aside to budget EGUs that commenced commercial operation on or after January 1, 1995, pursuant to Section 217.768 of this Part.
- 3) The Agency will report these allocations to USEPA at the time it submits the SIP.

b) In 2006 (or the fourth year of the program):

- 1) The Agency will allocate to each budget EGU that is listed in Appendix F of this Part, the number of allowances listed in Column 8 of Appendix F for that budget EGU, and any allowances that are not allocated to budget EGUs under subsection (b)(2) of this Section will be allocated as provided in subsection (b)(4) of this Section.
- 2) The Agency will apportion to each budget EGU that commenced commercial operation on or after January 1, 1995, and before May 1, 2002, allowances as calculated in Equation 1 as follows:

$$\text{Eq. 1: } A = \frac{0.80 \times (HI \times ER)}{2000}$$

Where:

HI = heat input (in mmbtu/control period) as determined in Section 217.762(b) of this Part.

ER = the NOx emission rate in lbs/mmbtu, as determined in Section 217.762(a)(2) of this Part.

A = allowances of NO<sub>x</sub>/control period.

- 3) Notwithstanding subsection (b)(2) of this Section, if the total number of allowances determined by subsection (b)(2) of this Section is more than 6,017, which is the number of allowances remaining in the trading budget after allocations have been made to budget EGUs in subsection (b)(1) of this Section, the Agency will pro-rate the number of NO<sub>x</sub> allowances available to budget EGUs pursuant to the criteria in subsection (b)(2) of this Section so that the total number of allowances allocated to these budget EGUs does not exceed 6, 017.
  - 4) If the total number of allowances allocated pursuant to subsection (b)(2) of this Section is less than 6,017, which is the number of allowances remaining in the trading budget after allocations have been made to budget EGUs in subsection (b)(1) of this Section, the Agency will allocate the remaining allowances to budget EGUs as follows:
    - A) For budget EGUs in subsection (b)(1) of this Section, the pro-rata allocation shall be determined by the heat input calculated pursuant to Section 217.762(b) of this Part, multiplied by the emission rate in Section 217.762(a)(1) of this Part.
    - B) For budget EGUs in subsection (b)(2) of this Section, the pro-rata allocation shall be determined by the heat input calculated pursuant to Section 217.762(b) of this Part, multiplied by the emission rate in Section 217.762(a)(2) of this Part.
  - 5) The Agency will allocate allowances from the new source set-aside, pursuant to Section 217.768 of this Part, to budget EGUs that have not operated for the full 2002 control period.
  - 6) The Agency will report these allocations to USEPA by April 1, 2003, except for allocations from the new source set-aside, which the Agency will report by May 1, 2006.
- c) In 2007 (or the fifth year of the program):
- 1) The Agency will allocate to each budget EGU that is listed in Appendix F of this Part, the number of allowances listed in Column 8 of Appendix F for that budget EGU, and any allowances that are not allocated to budget EGUs under subsection (b)(2) of this Section will be allocated as provided in subsection (b)(4) of this Section.
  - 2) The Agency will apportion to each budget EGU that commenced commercial operation on or after January 1, 1995, and before May 1, 2003, allowances as calculated in Equation 1 as follows:

$$\text{Eq. 1: } A = \frac{0.80 \times (\text{HI} \times \text{ER})}{2000}$$

Where:

HI = heat input (in mmbbtu/control period) as determined in Section 217.762(b) of this Part.

ER = the NO<sub>x</sub> emission rate in lbs/mmbtu, as determined in 217.762(a)(2) of this Part.

A = allowances of NO<sub>x</sub>/control period.

- 3) Notwithstanding subsection (c)(2) of this Section, the total number of allowances determined by subsection (c)(2) of this Section is more than 6,017, which is the number of allowances remaining in the trading budget after allocations have been made to budget EGUs in subsection (c)(1) of this Section, the Agency will pro-rate the number of NO<sub>x</sub> allowances available to budget EGUs pursuant to the criteria in subsection (c)(2) of this Section so that the total number of allowances allocated to these budget EGUs does not exceed 6, 017.
- 4) If the total number of allowances allocated pursuant to subsection (c)(2) of this Section is less than 6,017, which is the number of allowances remaining in the trading budget after allocations have been made to budget EGUs in subsection (c)(1) of this Section, the Agency will allocate the remaining allowances to budget EGUs as follows:
  - A) For budget EGUs in subsection (c)(1) of this Part, the pro-rata allocation shall be determined by the heat input calculated pursuant to Section 217.762(b) of this Part, multiplied by the emission rate in Section 217.762(a)(1) of this Part.
  - B) For budget EGUs in subsection (c)(2) of this Section, the pro-rata allocation shall be determined by the heat input calculated pursuant to Section 217.762(b) of this Part, multiplied by the emission rate in Section 217.762(a)(2) of this Part.
- 5) The Agency will allocate allowances from the new source set-aside, pursuant to Section 217.768 of this Part, to budget EGUs that have not operated for the full 2003 control period.
- 6) The Agency will report these allocations to USEPA by April 1, 2004, except for allocations from the new source set-aside, which the Agency will report by May 1, 2007.

d) In 2008 (or the sixth year of the program):

- 1) The Agency will allocate to each budget EGU that is listed in Appendix F of this Part, the number of allowances listed in Column 9 of Appendix F for that budget EGU and any allowances that are not allocated to budget EGUs under subsection (d)(2) of this Section will be allocated as provided in subsection (d)(4) of this Section.
- 2) The Agency will apportion to each budget EGU that commenced commercial operation on or after January 1, 1995, and before May 1, 2004, allowances calculated in Equation 1 as follows:

$$\text{Eq. 1: } A = \frac{0.50 \times (\text{HI} \times \text{ER})}{2000}$$

Where:

HI = heat input (in mmbtu/control period) as determined in Section 217.762(b) of this Part.

ER = the NO<sub>x</sub> emission rate in lbs/mmbtu, as determined in Section 217.762(a)(2) of this Part.

A = allowances of NO<sub>x</sub>/control period.

- 3) Notwithstanding subsection (d)(2) of this Section, the total number of allowances determined by subsection (d)(2) of this Section is more than 15,043, which is the number of allowances remaining in the trading budget after allocations have been made to budget EGUs in subsection (d)(1) of this Section, the Agency will pro-rate the total number of NO<sub>x</sub> allowances available to budget EGUs that received allowances pursuant to the criteria in subsection (d)(2) of this Section so that the total number of allowances allocated to these budget EGUs does not exceed 15,043.
- 4) If the total number of allowances allocated pursuant to subsection (d)(2) of this Section is less than 15,043, which is the number of allowances remaining in the trading budget after allocations have been made to budget EGUs in subsection (d)(1) of this Section, the Agency will allocate the remaining allowances to budget EGUs as follows:
  - A) For budget EGUs in subsection (d)(1) of this Section, the pro-rata allocation shall be determined by the heat input calculated pursuant to Section 217.762(b) of this Part, multiplied by the emission rate in Section 217.762(a)(1) of this Part.

- B) For budget EGUs in subsection (d)(2) of this Section, the pro-rata allocation shall be determined by the heat input calculated pursuant to Section 217.762(b) of this Part, multiplied by the emission rate in Section 217.762(a)(2) of this Part.
- 5) The Agency will allocate allowances from the new source set-aside, pursuant to Section 217.768 of this Part, to budget EGUs that have not operated for the full 2004 control period.
- 6) As of April 30, 2008, if the number of allowances in the new source set-aside exceeds three percent (3%) of the total number of tons of NO<sub>x</sub> emissions in the trading budget apportioned to budget EGUs as determined pursuant to Section 217.768(i) and (j) of this Part, the number of allowances above three percent (3%) will be allocated to budget EGUs receiving allowances pursuant to this subsection.
- 7) The Agency will report these allocations to USEPA by April 1, 2005, except for allocations from the new source set-aside, which the Agency will report by May 1, 2008.
- e) In 2009 (or the seventh year of the program):
- 1) The Agency will allocate to each budget EGU that is listed in Appendix F of this Part, the number of allowances listed in Column 9 of Appendix F for that budget EGU and any allowances that are not allocated to budget EGUs under subsection (e)(2) of this Section as provided in subsection (e)(4) of this Section.
- 2) The Agency will assign to each budget EGU that commenced commercial operation on or after January 1, 1995, and before May 1, 2005, allowances as calculated in Equation 1 as follows:

$$\text{Eq. 1: } A = \frac{0.50 \times (\text{HI} \times \text{ER})}{2000}$$

Where:

HI = heat input (in mmbtu/control period) as determined in Section 217.762(b) of this Part.

ER = the NO<sub>x</sub> emission rate in lbs/mmbtu, as determined in Sections 217.762(a)(2) of this Part.

A = allowances of NO<sub>x</sub>/control period.

- 3) Notwithstanding subsection (e)(2) of this Section, the total number of allowances determined by subsection (e)(2) of this Section is more than 15,043, which is the number of allowances remaining in the trading budget after allocations have been made to budget EGUs in subsection (e)(1) of this Section, the Agency will pro-rate the total number of NOx allowances allocated to budget EGUs that received allowances pursuant to the criteria in subsection (e)(2) of this Section so that the total number of allowances allocated to these budget EGUs does not exceed 15,043.
- 4) If the total number of allowances allocated pursuant to subsection (e)(2) of this Section is less than 15,043, which is the number of allowances remaining in the trading budget after allocations have been made to budget EGUs in subsection (e)(1) of this Section, the Agency will allocate the remaining allowances to budget EGUs as follows:
  - A) For budget EGUs in subsection (e)(1) of this Section, the pro-rata allocation shall be determined by the heat input calculated pursuant to Section 217.762(b) of this Part, multiplied by the emission rate in Section 217.762(a)(1) of this Part.
  - B) For budget EGUs in subsection (e)(2) of this Section, the pro-rata allocation shall be determined by the heat input calculated pursuant to Section 217.762(b) of this Part, multiplied by the emission rate in Section 217.762(a)(2) of this Part.
- 5) The Agency will allocate allowances from the new source set-aside, pursuant to Section 217.768 of this Part, to budget EGUs that have not operated for the full 2005 control period.
- 6) As of April 30, 2009, if the number of allowances in the new source set-aside exceeds three percent (3%) of the total number of tons of NOx emissions in the trading budget apportioned to budget EGUs as determined pursuant to Section 217.768(i) and (j) of this Part, the number of allowances above three percent (3%) will be allocated to budget EGUs receiving allowances pursuant to this subsection.
- 7) The Agency will report these allocations to USEPA by April 1, 2006, except for allocations from the new source set-aside, which the Agency will report by May 1, 2009.
- f) In 2010 (or the eighth year) of the program and annually thereafter, the Agency will apportion the available NOx allowances to each budget EGU based on its heat input determined in Section 217.762(b) of this Part, multiplied by:

- 1) For budget EGUs that commenced commercial operation prior to January 1, 1995, the NOx emission rate determined in Section 217.762(a)(1) of this Part; and
- 2) For budget EGUs that commenced commercial operation on or after January 1, 1995, the NOx emission rate determined in Section 217.762(a)(2) of this Part.
- 3) The Agency will allocate allowances from the new source set-aside, pursuant to Section 217.768 of this Part, to budget EGUs that have not operated for the full control period four years prior to the year in which the allocations are being made.
- 4) As of April 30, 2010, if the number of allowances in the new source set-aside exceeds three percent (3%) of the total number of tons of NOx emissions in the trading budget apportioned to budget EGUs as determined pursuant to Section 217.768(e) and (f) of this Part, the number of allowances above three percent (3%) will be allocated to budget EGUs receiving allowances pursuant to this subsection.
- 5) The Agency will report these allocations to USEPA by April 1 of each year that is three years prior to the year in which the allocations are being made, except for allocations from the new source set-aside, which the Agency will report by May 1 of each year in which the allocations are being made.

BOARD NOTE: Because of litigation involving the NOx SIP Call, Michigan v. EPA, No. 98-1497, 2000 WL 180650 (D.C. Cir. March 3, 2000), the years defining the control periods may change. Should this occur, the dates set forth under each year will be considered to adjust correspondingly.

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

Section 217.768 New Source Set-Asides for “New” Budget EGUs

- a) “New” budget EGUs
  - 1) A “new” budget EGU is one that commenced commercial operation on or after January 1, 1995, and does not receive allowances pursuant to Section 217.764 of this Part.
  - 2) “New” budget EGUs must have an allowance for every ton of NOx emitted during the control period as provided in Section 217.756(d) of this Part.
  - 3) A “new” budget EGU may request from the Agency a number of allowances that is not more than the number of allowances for which it is eligible, as determined in subsection (e) of this Section.

- b) The Agency shall apportion allowances from the new source set-aside as follows:
- 1) For 2003, 2004, and 2005, to budget EGUs that commenced commercial operation on or after January 1, 1995; and
  - 2) For 2006 and thereafter, to budget EGUs that have not operated the full control period four years prior to the control period for which the allocation is being made.
- c) The Agency will establish a new source set-aside for each control period. Each new source set-aside will be allocated allowances equal to:
- 1) Five percent (5%) of the EGU trading budget in 2003, 2004, and 2005, which is 1,535 allowances, subject to adjustment to reflect additions or deletions to the EGU trading budget;
  - 2) Two percent (2%) of the EGU of the trading budget in 2006 and thereafter, which is 614 allowances, subject adjustment to reflect additions or deletions to the EGU trading budget.
  - 3) As of April 30 of the applicable year, beginning in 2008 and thereafter, if the number of allowances in the new-source set-aside is greater than or equal to three percent (3%) of the total number of tons of NO<sub>x</sub> emissions in the trading budget apportioned to budget EGUs, which is 921 allowances, subject to adjustment to reflect additions or deletions to the EGU trading budget, pursuant to subsections (i) and (j) of this Section, the number of allowances above three percent (3%) will be allocated to budget EGUs receiving allowances pursuant to Section 217.764 of this Part. These allowances shall be allocated on a pro-rata basis.
- d) The account representative of a “new” budget EGU under subsection (a) of this Section may obtain allowances from the new source set-aside by submitting to the Agency a request, in writing or in a format specified by the Agency, to be allocated allowances for the current control period from the new source set-aside. The allocation request for each applicable control period must be submitted after the date on which the Agency issues a construction permit to the budget EGU and before March 1 of the control period for which the allocation is requested.
- e) In an allocation request under subsection (d) of this Section, the account representative may request allowances for a control period in a number that does not exceed the projected heat input in mmbtu during the applicable control period multiplied by the more stringent of 0.15 lb/mmbtu or the permitted emission rate, but no more stringent than 0.055 lb/mmbtu. The projected heat input shall be determined as set forth below, divided by 2000 lbs/ton:

- 1) For “new” budget EGUs that have heat input from at least three control periods prior to the allocation year, the average of the budget EGU’s two highest seasonal heat inputs from the control periods one to three years prior to the allocation year;
  - 2) For “new” budget EGUs that have heat input from only two control periods prior to the allocation year, the average of the budget EGU’s seasonal heat inputs from the control periods one and two years prior to the allocation year;
  - 3) For “new” budget EGUs that have seasonal heat input from only the control period prior to the allocation year, the heat input from that control period;  
or
  - 4) For “new” budget EGU that have not operated for more than half of a full control period prior to the allocation year, the budget EGU’s maximum design heat input for the control period as designated in the construction permit.
- f) Beginning in 2006, the Agency will review and allocate allowances pursuant to each allocation request, contingent upon receiving payment pursuant to subsection (k) of this Section, by April 15 of the applicable year, as follows:
- 1) Upon receipt of the allocation request, the Agency will determine whether the request is consistent with the requirements of subsections (d) and (e) of this Section and will make any necessary adjustments to the request to ensure that the control period and the number of allowances requested are consistent with those requirements of subsections (d) and (e) of this Section.
  - 2) If the new source set-aside for the control period for which allowances are requested has a number of allowances greater than or equal to the total number requested by all “new” budget EGUs, the Agency will allocate the number of allowances requested to the “new” budget EGUs.
  - 3) If the new source set-aside for the control period for which allowances are requested has a number of allowances less than the total number of allowances requested by all “new” budget EGUs, the Agency will allocate the available allowances to the “new” budget EGUs on a pro-rata basis, based on the number of allowances requested.
- g) For “new” budget EGUs that commenced commercial operation on or after January 1, 1995, but prior to January 1, 2003, the Agency will notify the account representative of the number of allowances that have been allocated to the “new” budget EGU by March 30 of the applicable year. There will be no charge for allowances received under this subsection.

- h) For “new” budget EGUs that commenced commercial operation on or after January 1, 2003, the Agency will notify by March 30 of the applicable year the account representative of the number of allowances that are eligible for purchase for the “new” budget EGU pursuant to the requirements of subsection (k) of this Section. If the Agency does not receive payment by April 15 of the applicable year, the account representative will forfeit his/her eligibility to purchase the allowances offered. The Agency will make available for purchase those forfeited allowances on a pro-rata basis to “new” budget EGUs that received allocations pursuant to subsection (f)(2) of this Section, up to the number of allowances requested by each account representative. Such additional allocations are subject to the purchase requirements of subsection (k) of this Section, to the extent applicable.
- i) For “new” budget EGUs that commence commercial operation for less than one-half of the control period in 2002, USEPA will deduct allowances to account for the actual utilization of the EGU during the 2003 control period consistent with the provisions of 40 CFR 96.42(e). Any allowances allocated by the Agency for such “new” budget EGUs that are not used for compliance during the 2003 control period shall be returned to the Agency’s new source set-aside account.
- j) For the years 2003, 2004, and 2005, any allowances that are not allocated pursuant to subsections (g), (h) and (i) of this Section, will be allocated on a pro-rata basis to the budget EGUs listed in Appendix F of this Part. There will be no charge for allowances received under this subsection.
- k) Fees for new source set-aside allowances:
- 1) “New” budget EGUs that commence commercial operation on or after January 1, 2003, that obtain allowances allocated from the new source set-aside shall pay for such allocations pursuant to Section 9.9 of the Act.
  - 2) The price of allowances from the new source set-aside shall be:
    - A) The average price at which NO<sub>x</sub> allowances are traded in the interstate NO<sub>x</sub> Trading Program for the preceding control period; and
    - B) For 2003 only, the price shall be the average price at which NO<sub>x</sub> allowances were traded in 2002 in the Ozone Transport Region.
  - 3) The fees collected by the Agency from the sale of allowances will be distributed pro-rata to budget EGUs receiving allowances pursuant to Section 217.764 of this Part on the basis of allocated allowances subject to Agency administrative costs assessed pursuant to Section 9.9 of the Act.

- 1) A “new” budget EGU will become an existing budget EGU and will receive allowances pursuant to the requirements of Section 217.764 of this Part, as follows:
- 1) For a budget EGU that commences commercial operation between and including January 1, 1995, and April 30, 2002, the budget EGU will be allocated allowances in 2003 for the 2006 control period and will become an existing budget EGU on May 1, 2006.
  - 2) For a budget EGU that commences commercial operation after April 30, 2002, the budget EGU will become an existing budget EGU in the control period for which it receives an allocation pursuant to Section 217.764 of this Part. It will be considered a “new” budget EGU and will receive its allowances from the new source set-aside in the intervening years from start-up until it receives allocations pursuant to Section 217.764 of this Part.

BOARD NOTE: Because of litigation involving the NO<sub>x</sub> SIP Call, Michigan v. EPA, No. 98-1497 2000 WL 180650, (D.C. Cir. March 3, 2000), the years defining the control periods may change. Should this occur, other dates in this Section will be considered to adjust as necessary.

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

#### Section 217.770 Early Reduction Credits for Budget EGUs

If a budget EGU reduces its NO<sub>x</sub> emission rate as required by the applicable provisions of subsection (c) of this Section in the 2001 or 2002 control period, for use in 2003 and/or 2004, the account representative may request early reduction credits (ERCs) for such reductions, and the Agency will allocate ERCs to the budget EGU in accordance with the following:

- a) Each budget EGU for which the account representative requests any ERCs under subsection (d) of this Section shall monitor NO<sub>x</sub> emissions in accordance with 40 CFR 96, Subpart H, as incorporated by reference in Section 217.104 of this Part, starting with the control period prior to the control period for which ERCs will first be requested and for each control period for which ERCs will be requested. The unit’s monitoring system availability shall be not less than 80 percent during the control period prior to the control period in which the NO<sub>x</sub> emissions reduction is made and the unit must be in compliance with any applicable State or federal emissions or emissions-related requirements.
- b) The NO<sub>x</sub> emission rate and heat input under subsections (c) through (e) of this Section shall be determined in accordance with 40 CFR 96, Subpart H.
- c) Each budget EGU for which ERCs are requested under subsection (d) of this Section must have reduced its NO<sub>x</sub> emission rate for each control period for which ERCs are requested, as follows:

- 1) For budget EGUs subject to the requirements of Title IV of the CAA and: not included in a NO<sub>x</sub> averaging plan pursuant to 40 CFR 72 and 76, as incorporated by reference in Section 217.104 of this Part, at least 30% less than the NO<sub>x</sub> emission rate specified in the applicable Title IV permit or other applicable federally enforceable permit; or
  - 2) For budget EGUs subject to the requirements of Title IV of the CAA and included in a NO<sub>x</sub> averaging plan pursuant to 40 CFR 72 and 76, at least 30% less than the annual emission rate required in the NO<sub>x</sub> averaging plan in the applicable Title IV permit or other applicable federally enforceable permit.
  - 3) For budget EGUs not subject to the requirements of Title IV of the CAA, at least 30% less than the actual NO<sub>x</sub> emissions rate (lbs/mmbtu) for the 2000 control period.
- d) The account representative of a budget EGU that meets the requirements of subsections (a) through (c) of this Section may submit to the Agency a request for ERCs for a EGU based on NO<sub>x</sub> emission rate reductions made by the EGU in control periods 2001 and 2002 in accordance with subsection (c) of this Section.
- 1) The number of ERCs for any applicable control period shall be an amount equal to the unit's heat input for such control period multiplied by the difference between the EGU's NO<sub>x</sub> emission rate (meeting the requirements of subsection (c) of this Section for such the applicable control period) and the EGU's actual NO<sub>x</sub> emission rate for the applicable control period, divided by 2000 lbs/ton, and rounded to the nearest ton.
  - 2) Upon request of the account representative, the ERC allowance allocation for a particular EGU may be deposited in the source's general account rather than in the unit's compliance account.
  - 3) The early reduction request must be submitted in a format specified by the Agency by:
    - A) November 1, 2001, for reductions made in the 2001 control period;  
or
    - B) November 1, 2002, for reductions made in the 2002 control period.
- e) In the event that the date for implementing the NO<sub>x</sub> SIP Call, May 1, 2003, is delayed, the early reduction request must be submitted by November 1 of the year two years before the implementation date for the reductions made in the control period two years before the implementation date, and by November 1 of the year preceding the implementation date for the reductions made in the control period

preceding the implementation date. Should this occur, the other dates in this Section shall be adjusted accordingly.

- f) The Agency will allocate ERCs to the budget EGUs meeting the requirements of subsections (a) through (c) of this Section and covered by ERC requests meeting the requirements of subsection (d) of this Section in accordance with the following procedures:
- 1) Upon receipt of each ERC request, the Agency will accept the request only if the requirements of subsections (a) through (d) of this Section are met and will make any necessary adjustment to the request to ensure that the amount of the ERCs requested meets the requirements of subsections (b) through (d) of this Section;
  - 2) The Agency shall allocate at least 15,261 ERCs over two years, as follows:
    - A) Not more than 7,630 ERC allowances for reductions made in the control period in 2001; and
    - B) At least 7,631 ERC allowances, plus any ERC allowances not allocated pursuant to subsection (f)(2)(A) of this Section, for reductions made in the control period in 2002.
  - 3) If the number of ERC allowances requested for a reduction achieved in the control period in 2001 is less than or equal to the number of ERC allowances designated for that control period in subsection (f)(2)(A) of this Section, the Agency will allocate to each budget EGU one allowance for each accepted ERC request;
  - 4) If the number of ERC allowances requested for a reduction achieved in control period in 2001 is greater than the number of ERC allowances designated for that control period in subsection (e)(2)(A) of this Section, the Agency will allocate to each budget EGU allowances for accepted requests on a pro-rata basis; and
  - 5) For accepted ERC requests for reductions made in the control period in 2002, the Agency will allocate ERCs on a pro-rata basis.
- g) The Agency will notify the account representative submitting an ERC request for the subsequent control period of the number of ERC allowances that will be allocated to each budget EGU for that control period as follows:
- 1) By May 1, 2002, for ERCs requested for and earned in the 2001 control period; and

- 2) By May 1, 2003, for ERCs requested for and earned in the 2002 control period.
- h) By May 1, 2003, the Agency will submit to USEPA the ERC allocations made by the Agency under this Section. USEPA will record such allocations to the extent that they are consistent with the requirements of this Section;
- i) ERC allowances recorded under subsection (h) of this Section may be deducted for compliance under 40 CFR 96.54, as incorporated by reference in Section 217.104 of this Part, for the control periods in 2003 or 2004. Notwithstanding 40 CFR 96.55(a), USEPA will deduct as retired any ERC allowances that are not deducted for compliance in accordance with 40 CFR 96.54 for the control period in 2003 or 2004; and
- j) ERC allowances are treated as banked allowances in 2004 for the purposes of 40 CFR 96.55(a) and (b).

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

Section 217.774 Opt-in Units

- a) Any operating fossil fuel-fired stationary boiler, combustion turbine, or combined cycle system in the State may qualify under this Subpart to become a budget opt-in unit if it:
  - 1) Is not a budget EGU under Section 217.754 of this Part;
  - 2) Vents all of its emissions to a stack or, for a unit that does not vent all of its emissions to a stack, obtains a permit with federally enforceable conditions specifying the applicable conditions for participation in the NOx Trading Program;
  - 3) Has documented heat input for more than 876 hours in the six months immediately preceding the submission of an application for an initial budget permit under subsection (d) of this Section;
  - 4) Is not covered by a retired unit exemption under 40 CFR 96.5; and
  - 5) Is not covered by the low-emitter exemption under Section 217.754(c) of this Part.
- b) Except as otherwise provided in this Part, a budget opt-in unit shall be treated as a budget EGU for purposes of applying this Subpart and 40 CFR 96.
- c) Authorized Account Representative:

- 1) If an opt-in unit is located at the same source as one or more budget EGUs, it shall have the same account representative as those budget EGUs.
  - 2) If the opt-in unit is not located at the same source as one or more budget EGUs, the owner or operator of the opt-in unit shall submit a complete account certificate of representation under 40 CFR 96.13.
- d) To apply for a budget permit, the account representative of a unit meeting the qualifications of subsection (a) of this Section must, except as provided under Section 217.778(f) of this Part, submit to the Agency:
- 1) A budget permit application for the unit that:
    - A) Meets the requirements under Section 217.758 of this Part; and
    - B) Contains provisions for a change in the regulatory status of the unit to a budget opt-in unit under Section 217.754 of this Part pursuant to the provisions of Section 217.780(b) of this Part.
  - 2) A monitoring plan for the unit in accordance with 40 CFR 96, Subpart H.

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

#### Section 217.776 Opt-In Process

The owner or operator of a unit meeting the qualifications of Section 217.774(a) of this Part may submit an application for a budget permit for a budget opt-in unit under Section 217.774(d) of this Part. The Agency will issue or deny a budget permit for such opt-in unit in accordance with Section 217.758 of this Part and the following:

- a) The Agency will determine, on an interim basis, the sufficiency of the monitoring plan accompanying the initial application for a budget permit for an opt-in unit. A monitoring plan is sufficient, for purposes of interim review, if the plan contains information demonstrating that the NOx emission rate and heat input of the unit are monitored and reported in accordance with 40 CFR 96, Subpart H. A determination of sufficiency shall not be construed as acceptance or approval of that unit's monitoring plan.
- b) If the Agency determines that the unit's monitoring plan is sufficient under subsection (a) of this Section and after completion of the monitoring system certification under 40 CFR 96, Subpart H, the NOx emission rate and the heat input of the unit shall be monitored and reported in accordance with 40 CFR 96, Subpart H, for one full control period during which the monitoring system availability is not less than 80 percent and during which the unit is in full compliance with any applicable State or federal emissions or emissions-related requirements.

- c) Based on the information monitored and reported under subsection (b) of this Section, the unit's baseline heat rate shall be calculated as the unit's total heat input (in mmbtu) for the control period and the unit's baseline NOx emission rate shall be calculated as the unit's total NOx emissions (in lbs) for the control period divided by the unit's baseline heat rate.

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

Section 217.778 Budget Opt-in Units: Withdrawal from NOx Trading Program

- a) Requesting withdrawal. To withdraw from the NOx Trading Program, the account representative of a budget opt-in unit shall submit to the Agency a request to withdraw from the NOx Trading Program and to withdraw the budget permit effective as of a specified date between (and not including) September 30 and before May 1. The submission shall be made no later than 90 days prior to the requested effective date of withdrawal.
- b) Conditions for withdrawal. Before a budget opt-in unit may withdraw from the NOx Trading Program and the budget permit may be withdrawn under this Section, the following conditions must be met:
- 1) For the control period immediately before the withdrawal is to be effective, the account representative must submit to the Agency an annual compliance certification report in accordance with 40 CFR 96.30.
  - 2) If the budget opt-in unit has excess emissions for the control period immediately before the withdrawal is to be effective, USEPA has deducted from the budget opt-in unit's compliance account, or the overdraft account of the NOx budget source where the budget opt-in unit is located, the number of allowances required in accordance with 40 CFR 96.54(d) for the control period.
  - 3) After the requirements for withdrawal under subsections (b)(1) and (b)(2) of this Section are met, USEPA will deduct from the opt-in unit's compliance account, or the overdraft account of the budget source where the budget opt-in unit is located, allowances equal in number to any allowances allocated to that unit under Section 217.782 of this Part for the control period for which the withdrawal is to be effective. USEPA will close the budget opt-in unit's compliance account and will establish, and transfer any remaining allowances to, a new general account for the owners and operators of the opt-in unit. The account representative for the budget opt-in unit shall become the account representative for the general account.
- c) A budget opt-in unit that withdraws from the NOx Trading Program shall comply with all requirements under the NOx Trading Program concerning all years for

which such budget opt-in unit was a budget opt-in unit, even if such requirements arise or must be complied with after the withdrawal takes effect.

d) Notification:

1) After the requirements for withdrawal under subsections (a) and (b) of this Section are met (including deduction of the full amount of allowances required), the Agency will revise the budget permit indicating a specified effective date for the withdrawal that is after the requirements in subsections (a) and (b) of this Section have been met and that is prior to May 1 or after September 30.

2) If the requirements for withdrawal under subsections (a) and (b) of this Section are not met, the Agency will issue a notification to the owner or operator and the account representative of the budget opt-in unit that the opt-in unit's request to withdraw its budget permit is denied. If the budget opt-in unit's request to withdraw is denied, the budget opt-in unit shall remain subject to the requirements for a budget opt-in unit.

e) Reapplication upon failure to meet conditions of withdrawal. If the Agency denies the budget opt-in unit's request to withdraw, the account representative of the budget opt-in unit may submit another request to withdraw in accordance with subsections (a) and (b) of this Section.

f) Ability to return to the NOx Trading Program. Once an opt-in unit withdraws from the NOx Trading Program and its budget permit is withdraw under this Section, the account representative may not submit another application for a budget permit under Section 217.774(d) of this Part for the unit prior to the date that is four years after the date on which the budget permit with opt-in conditions is withdrawn.

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

Section 217.780 Opt-in Units: Change in Regulatory Status

a) Notification. When an opt-in unit becomes a budget opt-in unit under Section 217.754(d) of this Part, the owner or operator shall notify the Agency and USEPA in writing of such change in the opt-in unit's regulatory status within 30 days of such change.

b) Any permit application that provides for a change in the regulatory status of a unit to a budget opt-in unit pursuant to Section 217.774(d)(1)(B) of this Part and included in a budget permit, is effective on the date on which such opt-in unit becomes a budget opt-in unit under Section 217.754 of this Part.

c) USEPA's action.

- 1) USEPA will deduct from the compliance account for the budget opt-in unit under this Section, or the overdraft account of the budget source where the budget opt-in unit is located, allowances equal in number to and allocated for the same or a prior control period as:
  - A) Any allowances allocated to the budget unit (as an opt-in unit) under Section 217.782 of this Part for any control period after the last control period during which the unit's budget permit was effective; and
  - B) If the effective date of any budget permit under subsection (b) of this Section is during a control period, the allowances allocated to the budget opt-in unit (as an opt-in unit) under Section 217.782 of this Part for the control period multiplied by the ratio of the number of days in the control period, starting with the effective date of the budget permit under subsection (b) of this Section, divided by the total number of days in the control period.
- 2) The account representative shall ensure that the compliance account of the budget opt-in unit under subsection (b) of this Section, or the overdraft account of the budget source where the budget opt-in unit is located, contains the allowances necessary for completion of the deduction under subsection (c)(1) of this Section. If the compliance account or overdraft account does not contain sufficient allowances, USEPA will deduct the required number of allowances, regardless of the control period for which they were allocated, whenever allowances are recorded in either account.
- 3) For every control period during which any budget permit under subsection (b) of this Section is effective, the budget opt-in unit under subsection (b) of this Section will be treated, solely for purposes of allowance allocations under Section 217.764 or 217.768 of this Part, as a unit that commenced operation on the effective date of the budget permit under subsection (b) of this Section and will be allocated allowances in accordance with Section 217.764 or 217.768 of this Part.
- 4) Notwithstanding subsection (c)(2) of this Section, if the effective date of any budget permit under subsection (b) of this Section is during a control period, the following number of allowances will be allocated to the budget opt-in unit under subsection (b) of this Section under Section 217.764 or 217.768 of this Part for the control period: the number of allowances otherwise allocated to the budget opt-in unit under Section 217.764 or 217.768 of this Part for the control period multiplied by the ratio of the number of days in the control period, starting with the effective date of the budget permit under subsection (b) of this Section, divided by the total number of days in the control period.

- d) When the owner or operator of an opt-in unit does not renew the budget permit for the budget opt-in unit issued pursuant to Section 217.774(d), USEPA will deduct from the budget opt-in unit's compliance account, or the overdraft account of the budget source where the budget opt-in unit is located, allowances equal in number to and allocated for the same or a prior control period as any allowances allocated to the budget opt-in unit under Section 217.782 of this Part for any control period after the last control period for which the budget permit is effective. The account representative shall ensure that the budget opt-in unit's compliance account or the overdraft account of the budget source where the budget opt-in unit is located contains the allowances necessary for completion of such deduction. If the compliance account or overdraft account does not contain sufficient allowances, USEPA will deduct the required number of allowances, regardless of the control period for which they were allocated, whenever allowances are recorded in either account.
- e) After the deduction under subsection (d) of this Section is completed, USEPA will close the opt-in unit's compliance account. If any allowances remain in the compliance account after completion of such deduction and any deduction under 40 CFR 96.54, USEPA will close the opt-in unit's compliance account and will establish, and transfer any remaining allowances to, a new general account for the owner or operator of the opt-in unit. The account representative for the opt-in unit shall become the account representative for the general account.

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

Section 217.782 Allowance Allocations to Budget Opt-In Units

- a) Allowance allocations:
- 1) By the December 31 immediately before the first control period for which the budget permit is effective, the Agency will allocate allowances to the budget opt-in unit and submit to USEPA the allocation for the control period in accordance with subsection (b) of this Section.
  - 2) By no later than the December 31 after the first control period for which the budget permit is in effect and the December 31 of each year thereafter, the Agency will allocate allowances to the budget opt-in unit and submit to USEPA allocations for the next control period, in accordance with subsection (b) of this Section.
- b) For each control period for which the budget opt-in unit has a budget permit, the budget opt-in unit will be allocated allowances in accordance with the following procedures:
- 1) The heat input (in mmbtu) used for calculating allowance allocations will be the lesser of:

- A) The opt-in unit's baseline heat input determined pursuant to Section 217.778(c) of this Part; or
- B) The opt-in unit's heat input, for the control period in the year prior to the year of the control period for which the allocations are being calculated, as determined in accordance with 40 CFR 96, Subpart H.
- 2) The Agency will allocate allowances to the budget opt-in unit in an amount equaling the heat input (in mmbtu) determined under subsection (b)(1) of this Section multiplied by the lesser of:
- A) The unit's baseline NOx emission rate (in lbs/mmbtu) determined pursuant to Section 217.776(c) of this Part; or
- B) The lowest NOx emissions limitation (calculated in lbs/mmbtu) under State or federal law that is applicable to the budget opt-in for the control period in the year prior to the year of the control period for which the allocations are being calculated during the control period, regardless of the averaging period to which the emissions limitation applies.

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

Section 217.Appendix D Non-Electrical Generating Units

COMPANY ID # / NAME	UNIT DESIGNATION	UNIT DESCRIPTION
1	2	3
A E STALEY MANUFACTURING CO		
115015ABX	85070061299	COAL-FIRED BOILER 1
115015ABX	85070061299	COAL-FIRED BOILER 2
115015ABX	73020084129	BOILER #25
ARCHER DANIELS MIDLAND CO EAST PLANT		
115015AAE	85060030081	COAL-FIRED BOILER 1
115015AAE	85060030081	COAL-FIRED BOILER 2
115015AAE	85060030081	COAL-FIRED BOILER 3
115015AAE	85060030082	COAL-FIRED BOILER 4
115015AAE	85060030082	COAL-FIRED BOILER 5
115015AAE	85060030082	COAL-FIRED BOILER 6
115015AAE	85060030083	GAS-FIRED BOILER 7
115015AAE	85060030083	GAS-FIRED BOILER 8

## CPC INTERNATIONAL INC.

031012ABI	91020069160	COAL-FIRED BOILER 6
031012ABI	73020146041	BOILER SERIAL 15813
031012ABI	73020146042	BOILER SERIAL 15812
031012ABI	73020146043	GAS FIRED BOILER NO 4
031012ABI	73020147045	BOILER SERIAL 18345
031012ABI	73020147046	GAS FIRED BOILER NO 5

## GREAT LAKES NAVAL STATION

097811AAC	78080071011	BOILER # 5
097811AAC	78080071011	BOILER # 6

## INDIAN REFINING LIMITED PARTNERSHIP

101805AAC	72110297015	BOILER 18601
101805AAC	72110297016	BOILER 18602
101805AAC	72110297017	BOILER 18603

## JEFFERSON SMURFIT CORPORATION

119010AAL	72120426001	BLR 7-COAL FIRED
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## MARATHON OIL CO ILLINOIS REFINING DIVISION

033808AAB	72111291055	BOILER #3 OIL,REF GAS FIRED
033808AAB	72111291056	BOILER #4 REF GAS,OIL FIRED

## MOBIL JOLIET REFINING CORP

197800AAA	72110567002	AUX BOILER-REFINERY GAS FULL FIRE IF COGEN DOWN
197800AAA	86010009043	STATIONARY GAS TURBINE

## PEKIN ENERGY COMPANY

179060ACR	73020087019	
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## QUANTUM - USI DIVISION

063800AAC	72100016013	BOILER # 1
063800AAC	72100016013	BOILER # 2
063800AAC	72100016014	#3 GAS FIRED BOILER
063800AAC	72100016016	#5 GAS FIRED BOILER
063800AAC	72100016017	#6 BOILER

## QUANTUM - USI DIVISION

041804AAB	72121207108	BOILER NO 1
041804AAB	72121207109	BOILER NO 2
041804AAB	72121207110	BOILER NO 3

041804AAB	72121207111	BOILER NO 4
041804AAB	72121207112	BOILER NO 5
SHELL OIL CO WOOD RIVER MFG COMPLEX		
119090AAA	72110633080	BOILER NO 15
119090AAA	72110633081	BOILER NO 16
119090AAA	72110633082	BOILER NO 17
U S STEEL - SOUTH WORKS		
031600ALZ	82010044013	NO. 6 BOILER,#5 POWER STATION (FUEL-NAT.GAS)
031600ALZ	82010044014	NO 1 BLR NG
UNIV OF ILL - ABBOTT POWER PLANT		
019010ADA	82090027006	BOILER #7 (265 MBTU)
UNO-VEN COMPANY		
197090AAI	72110253037	BOILER 43-B-1

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

Section 217.Appendix F Allowance Allocations For Electrical Generating Units

Company Name/ ID #	Generating Unit Designation	EGU Designation	NOx Budget Allowances	80% of NOx Budget Allowances	50% of NOx Budget Allowances	2003, 2004, 2005 Allowances	2006, 2007 Allowances	2008, 2009 Allowances
1	2	3	4	5	6	7	8	9
Company Totals			No NSSA	No NSSA	No NSSA	5% NSSA	2% NSSA	2% NSSA

Ameren Energy Generating Company

135803AAA	Coffeen 1	Coffeen 1	550	440	275	523	431	270
135803AAA	Coffeen 2	Coffeen 2	945	756	473	898	741	463
077806AAA	G. Tower 3	Boiler 7	55	44	28	52	43	27
077806AAA	G. Tower 3	Boiler 8	44	35	22	42	35	22
077806AAA	G. Tower 4	Boiler 9	199	159	100	189	156	98
033801AAA	Hutsonville 3	Boiler 5	161	129	81	153	126	79
033801AAA	Hutsonville 4	Boiler 6	129	103	65	123	101	63
135805AAA	Merodosia 1	Boiler 1	33	26	17	31	26	16
135805AAA	Merodosia 1	Boiler 2	23	18	12	22	18	11
135805AAA	Merodosia 2	Boiler 3	23	18	12	21	18	11
135805AAA	Merodosia 2	Boiler 4	28	22	14	27	22	14
135805AAA	Merodosia 3	Boiler 5	432	346	216	410	339	212
135805AAA	Merodosia 4	Boiler 6	28	22	14	27	22	13
079808AAA	Newton 1	Newton 1	1,101	881	551	1,046	863	539
079808AAA	Newton 2	Newton 2	1,074	859	537	1,020	842	526
Ameren Eng. Gen. Co. Totals			4,825	3,860	2,413	4,584	3,783	2,364

## AES

057801AAA	D. Creek	D. Creek	914	731	457	868	717	448
143805AAG	Edwards 1	Edwards 1	251	201	126	239	197	123
143805AAG	Edwards 2	Edwards 2	368	294	184	350	288	180
143805AAG	Edwards 3	Edwards 3	655	524	328	622	513	321
AES Totals			2,188	1,750	1,094	2,079	1,715	1,072

## CWLP

167120AAO	Dallman 1	Boiler 31	141	113	71	134	111	69
167120AAO	Dallman 2	Boiler 32	202	162	101	192	158	99
167120AAO	Dallman 3	Boiler 33	474	379	237	450	372	232
167120AGQ	G. Turbine #2	G. Turbine #2	91	73	46	86	71	45
167120AAO	Lakeside 7	Lakeside 7	47	38	24	45	37	23
167120AAO	Lakeside 8	Lakeside 8	42	34	21	40	33	21
CWLP Totals			997	798	499	947	782	489

## Midwest Generation

063806AAF	Collins 1	Collins 1	302	242	151	287	237	148
063806AAF	Collins 2	Collins 2	305	244	153	290	239	150
063806AAF	Collins 3	Collins 3	469	375	235	446	368	230
063806AAF	Collins 4	Collins 4	290	232	145	275	227	142
063806AAF	Collins 5	Collins 5	458	366	229	435	359	224
031600AIN	Crawford 7	Crawford 7	365	292	183	347	286	179
031600AIN	Crawford 8	Crawford 8	463	370	232	440	363	227
031600AMI	Fisk 19	Fisk 19	523	418	262	497	410	256
031600AMI	Fisk Peaker	GT 31-1	9	7	5	9	7	4
031600AMI	Fisk Peaker	GT 31-2	9	7	5	9	7	4
031600AMI	Fisk Peaker	GT 32-1	9	7	5	9	7	4
031600AMI	Fisk Peaker	GT 32-2	9	7	5	9	7	4
031600AMI	Fisk Peaker	GT 33-1	9	7	5	8	7	5
031600AMI	Fisk Peaker	GT 33-2	9	7	5	8	7	5
031600AMI	Fisk Peaker	GT 34-1	9	7	5	8	7	5
031600AMI	Fisk Peaker	GT 34-2	9	7	5	8	7	5
197809AAO	Joliet 6	Boiler 5	119	95	60	113	93	58
197809AAO	Joliet 7	Boiler 71	455	364	228	432	357	223
197809AAO	Joliet 7	Boiler 72	709	567	355	673	556	347
197809AAO	Joliet 8	Boiler 81	748	598	374	711	587	367
197809AAO	Joliet 8	Boiler 82	497	398	249	472	390	244
179801AAA	Powerton 5	Boiler 52	739	591	370	702	579	362
179801AAA	Powerton 5	Boiler 51	739	591	370	702	579	362
179801AAA	Powerton 6	Boiler 61	739	591	370	702	579	362
179801AAA	Powerton 6	Boiler 62	739	591	370	702	579	362
097190AAC	Waukegan 6	Boiler 17	199	159	100	189	156	98
097190AAC	Waukegan 7	Waukegan 7	376	301	188	357	295	184
097190AAC	Waukegan 8	Waukegan 8	667	534	334	634	523	327
097190AAC	Peaker	GT 31-1	5	4	3	4	4	2
097190AAC	Peaker	GT 31-2	5	4	3	5	4	2
097190AAC	Peaker	GT 32-1	5	4	3	5	4	3
097190AAC	Peaker	GT 32-2	5	4	3	5	4	3
197810AAK	Will County 1	Will County 1	364	291	182	346	285	178

197810AAK	Will County 2	Will County 2	354	283	177	336	278	173
197810AAK	Will County 3	Will County 3	449	359	225	427	352	220
197810AAK	Will County 4	Will County 4	766	613	383	728	601	375
Midwest Generation Totals			11,926	9,541	5,963	11,330	9,350	5,844

## Dom. Energy

021814AAB	Kincaid 1	Kincaid 1	792	634	396	752	621	388
021814AAB	Kincaid 2	Kincaid 2	873	698	437	829	684	428
Dom. Energy Totals			1,665	1,332	833	1,581	1,305	816

## El. Energy Inc.

127855AAC	Joppa 1	Joppa 1	481	385	241	457	377	236
127855AAC	Joppa 2	Joppa 2	515	412	258	489	404	252
127855AAC	Joppa 3	Joppa 3	513	410	257	487	402	251
127855AAC	Joppa 4	Joppa 4	384	307	192	365	301	188
127855AAC	Joppa 5	Joppa 5	463	370	232	440	363	227
127855AAC	Joppa 6	Joppa 6	524	419	262	498	411	257
El. Energy Inc. Totals			2,880	2,304	1,440	2,736	2,258	1,411

## DMG

157851AAA	Baldwin 1	Baldwin 1	1,114	891	557	1,058	873	546
157851AAA	Baldwin 2	Baldwin 2	931	745	466	884	730	456
157851AAA	Baldwin 3	Baldwin 3	1,318	1,054	659	1,252	1,034	646
125804AAB	Havana 1-5	Boiler 1	0	0	0	0	0	0
125804AAB	Havana 1-5	Boiler 2	0	0	0	0	0	0
125804AAB	Havana 1-5	Boiler 3	0	0	0	0	0	0
125804AAB	Havana 1-5	Boiler 4	0	0	0	0	0	0
125804AAB	Havana 1-5	Boiler 5	0	0	0	0	0	0
125804AAB	Havana 1-5	Boiler 6	0	0	0	0	0	0
125804AAB	Havana 1-5	Boiler 7	0	0	0	0	0	0
125804AAB	Havana 1-5	Boiler 8	0	0	0	0	0	0
125804AAB	Havana 6	Boiler 9	547	438	274	520	429	268
155010AAA	Hennepin 1	Hennepin 1	149	119	75	142	117	73
155010AAA	Hennepin 2	Hennepin 2	540	432	270	513	423	265
183814AAA	Vermilion 1	Vermilion 1	17	14	9	16	13	8
183814AAA	Vermilion 2	Vermilion 2	31	25	16	30	24	15
119020AAE	Wood River 1	Wood River 1	0	0	0	0	0	0
119020AAE	Wood River 2	Wood River 2	0	0	0	0	0	0
119020AAE	Wood River 3	Wood River 3	0	0	0	0	0	0
119020AAE	Wood River 4	Wood River 4	219	175	110	208	172	107
119020AAE	Wood River 5	Wood River 5	714	571	357	678	560	350
DMG Totals			5,580	4,464	2,790	5,301	4,375	2,734

## SIPCO

199856AAC	Marion 1	Marion 1	14	11	7	13	11	7
199856AAC	Marion 2	Marion 2	10	8	5	10	8	5
199856AAC	Marion 3	Marion 3	30	24	15	29	23	15
199856AAC	Marion 4	Marion 4	511	409	256	485	401	250

SIPCO Totals	565	452	283	537	443	277
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## Union Electric

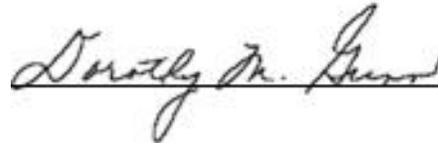
119105AAA	Turbine	Turbine	4	3	2	4	3	2
119105AAA	Venice 1	Venice 1	10	8	5	9	8	5
119105AAA	Venice 2	Venice 2	13	10	7	12	10	6
119105AAA	Venice 3	Venice 3	6	5	3	6	5	3
119105AAA	Venice 4	Venice 4	7	6	4	7	5	4
119105AAA	Venice 5	Venice 5	15	12	8	14	12	7
119105AAA	Venice 6	Venice 6	16	13	8	15	13	8
119105AAA	Venice 7	Venice 7	2	2	1	2	1	1
119105AAA	Venice 8	Venice 8	2	2	1	2	2	1
Union Electric Totals			75	60	38	71	59	37

TOTAL	30,701	24,561	15,351	29,166	24,070	15,044
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(Source: Added at \_\_\_\_ Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

IT IS SO ORDERED.

I, Dorothy M. Gunn, Clerk of the Illinois Pollution Control Board, do hereby certify that the above opinion was adopted on the 13th day of July 2000 by a vote of 7-0.



Dorothy M. Gunn, Clerk  
Illinois Pollution Control Board