# **Executive Summary**

# Amendments to 25 Pa. Code Chapters 121 and 127

#### **New Source Review**

The Department of Environmental Protection recommends proposed amendments to 25 *Pa. Code* Chapters 121 and 127 (relating to general provisions; and construction, modification, reactivation and operation of sources) for consideration by the Environmental Quality Board (Board).

### **Purpose of the Proposed Rulemaking**

On May 16, 2008, the U.S. Environmental Protection Agency (EPA) published its final rule for the "Implementation of the New Source Review (NSR) Program for Particulate Matter Less Than 2.5 Micrometers (PM2.5)," (73 FR 28321). This Federal regulation requires states with PM2.5 nonattainment areas to submit revised nonattainment NSR programs to the EPA for State Implementation Plan (SIP) approval within three years from the date of publication of the final rule, or by May 16, 2011.

The proposed rulemaking would amend the existing nonattainment NSR requirements in 25 *Pa. Code* Chapter 127, Subchapter E (relating to new source review), to incorporate the recently promulgated Federal requirements for PM2.5 and PM2.5 precursors including sulfur dioxide (SO<sub>2</sub>), and nitrogen oxides (NOx). The proposed amendments would limit the emissions of PM2.5 and PM2.5 precursors for new major sources or major sources being modified in certain counties and portions of counties of this Commonwealth that are designated as nonattainment for the PM2.5 National Ambient Air Quality Standard (NAAQS).

This control measure is reasonably necessary to attain and maintain the 1997 and 2006 PM2.5 NAAQS. The proposed rulemaking, if adopted by the Board as final-form rulemaking, would be submitted to the EPA as a revision to the SIP.

## **Summary of Proposal**

The proposed amendments would add a new term and definition, "PM2.5," under 25 *Pa. Code* § 121.1 (relating to definitions). The proposed amendments would amend the definitions of the following existing terms under § 121.1 to include the requirements for PM2.5: "regulated NSR pollutant" and "significant." In addition, the proposed amendments would delete an existing term and definition, "maximum allowable emissions," under § 121.1.

Section 127.201 (relating to general requirements) is proposed to be amended to include subsection (g). Under proposed subsection (g), PM2.5 and PM10 emissions shall include condensable emissions in determining whether a source is subject to the major

source NSR program beginning January 1, 2011, or earlier date established by the Administrator.

Section 127.201a (relating to measurements, abbreviations and acronyms) is proposed to be amended to include the following abbreviations: "PM2.5" and "PM-10." In addition, other minor editorial changes are proposed for this section.

Section 127.202 (relating to effective date) is proposed to be amended to include references to PM2.5.

Section 127.203 (relating to facilities subject to special permit requirements) is proposed to be amended to provide that aggregated VOC or NOx emissions shall meet certain applicability requirements.

Section 127.203a (relating to applicability determination) is proposed to be amended to clarify the requirements for estimating an emissions increase.

Section 127.204 (relating to emissions subject to this subchapter) is proposed to be amended to include some minor editorial changes.

Section 127.206 (relating to ERC general requirements) is proposed to be amended to include minor changes relating to interpollutant offsetting authorized under this subchapter and the dates related to when emission reductions may be used to generate emission reduction credits (ERCs).

Section 127.210 (relating to offset ratios) is proposed to be amended to include, among other things, interpollutant offsetting ratios for SO<sub>2</sub> and NOx to PM2.5. This section is further proposed to be amended to provide that the emissions offsets shall be of the same NSR regulated pollutant unless interpollutant offsetting is authorized for a particular pollutant as specified. In addition, the offset requirements for PM2.5 emissions or emissions of a PM2.5 precursor may be satisfied by offsetting reductions of PM2.5 emissions or emissions of PM2.5 precursors.

#### **Affected Parties**

The owners and operators of new or modified major facilities would be affected by adoption of the proposed amendments as final-form rulemaking. There are approximately 700 major facilities in this Commonwealth that may be subject to the existing NSR rules if major modifications to those facilities are proposed. The majority of those facilities affected by these regulatory changes are already subject to the existing NSR provisions in 25 *Pa. Code* Chapter 127, Subchapter E, and also to the requirements of 40 CFR Part 51, Appendix S (relating to emission offset interpretative ruling).

## **Advisory Groups**

The concepts and draft regulatory language of the proposed rulemaking were discussed with the Air Quality Technical Advisory Committee (AQTAC) at its September 18 and December 11, 2008, and March 12, 2009, meetings. The proposed rulemaking was discussed with the AQTAC at its meeting on May 28, 2009. The AQTAC concurred with the Department's recommendation to seek Board approval of the proposed rulemaking. The proposed rulemaking was also discussed with the Citizens Advisory Council on July 21, 2009.

# **Public Comments and EQB**

The Department recommends a 60-day public comment period on the proposed rulemaking and three public hearings.