Dear Senators MARTIN, Souza, Jordan, and Representatives VANDER WOUDE, Amador, Smith:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of the Department of Environmental Quality:

IDAPA 58.01.01 - Rules for the Control of Air Pollution in Idaho - Proposed Rule (Docket No. 58-0101-1905).

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research and Legislation no later than fourteen (14) days after receipt of the rules' analysis from Legislative Services. The final date to call a meeting on the enclosed rules is no later than 08/28/2019. If a meeting is called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules' analysis from Legislative Services. The final date to hold a meeting on the enclosed rules is 09/26/2019.

The germane joint subcommittee may request a statement of economic impact with respect to a proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement, and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has been held.

To notify Research and Legislation, call 334-4854, or send a written request to the address on the memorandum attached below



## Legislative Services Office Idaho State Legislature

Eric Milstead Director Serving klaho's Citizen Legislature

#### **MEMORANDUM**

**TO:** Rules Review Subcommittee of the Senate Health & Welfare Committee and the House

Environment, Energy & Technology Committee

**FROM:** Deputy Division Manager - Katharine Gerrity

**DATE:** August 09, 2019

**SUBJECT:** Department of Environmental Quality

IDAPA 58.01.01 - Rules for the Control of Air Pollution in Idaho - Proposed Rule (Docket No. 58-0101-1905)

#### Summary and Stated Reasons for the Rule

The Department of Environmental Quality submits notice of proposed rule at IDAPA 58.01.01 - Rules for the Control of Air Pollution in Idaho. The department states that the purpose of the rulemaking is to ensure that the state rules remain consistent with federal regulations. The department notes that the rules are updated annually to maintain consistency with federal regulations implementing the Clean Air Act. The department adds that this rulemaking updates the incorporation by reference of federal regulations to include those revised as of July 1, 2019, and codified in the Code of Federal Regulations. The department indicates that the incorporation by reference of the federal regulations is necessary for EPA approval of Idaho's Title V Operating Permit Program and state primacy of Clean Air Act programs.

The department confirms that the proposed rule does not regulate an activity not regulated by the federal government, nor is it broader in scope or more stringent than federal regulations.

#### **Negotiated Rulemaking / Fiscal Impact**

The department states that negotiated rulemaking was not conducted due to the simple nature of the rulemaking and because DEQ has no discretion with respect to adopting federal regulations that are necessary for EPA approval of Idaho's Title V Operating Permit Program and state primacy of Clean Air Act programs.

#### **Statutory Authority**

The rulemaking appears to be authorized pursuant to sections 39-105 and 39-107, Idaho Code.

cc: Department of Environmental Quality Paula J. Wilson

\*\*\* PLEASE NOTE \*\*\*

Kristin Ford, Manager Research & Legislation Paul Headlee, Manager Budget & Policy Analysis April Renfro, Manager Legislative Audits Glenn Harris, Manager Information Technology

Tel: 208–334–2475 www.legislature.idaho.gov Per the Idaho Constitution, all administrative rules may be reviewed by the Legislature during the next legislative session. The Legislature has 3 options with this rulemaking docket: 1) Approve the docket in its entirety; 2) Reject the docket in its entirety; or 3) Reject the docket in part.

#### **IDAPA 58 – DEPARTMENT OF ENVIRONMENTAL QUALITY**

## 58.01.01 – RULES FOR THE CONTROL OF AIR POLLUTION IN IDAHO DOCKET NO. 58-0101-1905

#### **NOTICE OF RULEMAKING - PROPOSED RULE**

**AUTHORITY:** In compliance with Section 67-5221(1), Idaho Code, notice is hereby given that this agency has initiated proposed rulemaking. The action is authorized by Sections 39-105 and 39-107, Idaho Code. This rulemaking updates federal regulations incorporated by reference as mandated by the U.S. Environmental Protection Agency (EPA) for approval of Idaho's Title V Operating Permit Program pursuant to 40 CFR Part 70 and fulfilling the requirements of Idaho's delegation agreement with EPA under Section 112(l) of the Clean Air Act. It also updates citations to other federal regulations necessary to retain state primacy of Clean Air Act programs.

PUBLIC HEARING SCHEDULE: A public hearing concerning this proposed rulemaking will be held as follows:

#### **PUBLIC HEARING**

Tuesday, September 10th, 2019 3:00 p.m. (MDT)

Department of Environmental Quality Conference Room A 1410 N. Hilton Street Boise, Idaho

The meeting location will be accessible to persons with disabilities, and language translators will be made available upon request. Requests for these accommodations must be made no later than five (5) days prior to the meeting date. For arrangements, contact the undersigned.

**DESCRIPTIVE SUMMARY:** The purpose of this rulemaking is to ensure that the state rules remain consistent with federal regulations. The Rules for the Control of Air Pollution in Idaho, IDAPA 58.01.01, are updated annually to maintain consistency with federal regulations implementing the Clean Air Act. This proposed rule updates the incorporation by reference of federal regulations to include those revised as of July 1, 2019, and codified in the Code of Federal Regulations (CFR).

Members of the regulated community who may be subject to Idaho's air quality rules, special interest groups, public officials, and members of the public who have an interest in the regulation of air emissions from sources in Idaho may be interested in commenting on this proposed rule. The proposed rule text is in legislative format. Language the agency proposes to add is underlined. Language the agency proposes to delete is struck out. It is these additions and deletions to which public comment should be addressed.

After consideration of public comments, DEQ intends to present the final proposal to the Idaho Board of Environmental Quality (Board) in November 2019 for adoption of a pending rule. The rule is expected to be final and effective upon adjournment of the 2020 legislative session if adopted by the Board and approved by the Legislature. DEQ will submit the final rule to EPA.

**INCORPORATION BY REFERENCE:** Pursuant to Section 67-5229(2)(a), Idaho Code, the following is a brief synopsis of why the incorporation by reference is necessary:

Adoption of federal regulations is necessary for EPA approval of Idaho's Title V Operating Permit Program and state primacy of Clean Air Act programs. Incorporation by reference allows DEQ to keep its rules up to date with federal regulation changes and simplifies compliance for the regulated community. Information for obtaining a copy of the federal regulations is included in the rule.

In compliance with Idaho Code 67-5223(4), DEQ prepared a brief synopsis detailing the latest revised edition or version of the incorporated material being proposed for incorporation by reference. The Overview of Incorporations by Reference can be obtained at <a href="https://www.deq.idaho.gov/58-0101-1905">www.deq.idaho.gov/58-0101-1905</a> or by contacting the undersigned.

**NEGOTIATED RULEMAKING:** Negotiated rulemaking was not conducted. DEQ determined that negotiated rulemaking is not feasible due to the simple nature of this rulemaking and because DEQ has no discretion with respect to adopting federal regulations that are necessary for EPA approval of Idaho's Title V Operating Permit Program and state primacy of Clean Air Act programs. Whenever possible, DEQ incorporates federal regulations by reference to ensure that the state rules are consistent with federal regulations.

**IDAHO CODE SECTION 39-107D STATEMENT:** This proposed rule does not regulate an activity not regulated by the federal government, nor is it broader in scope or more stringent than federal regulations.

**FISCAL IMPACT STATEMENT:** The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year: Not applicable.

ASSISTANCE ON TECHNICAL QUESTIONS AND SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning this rulemaking, contact Carl Brown at carl.brown@deq.idaho.gov or (208) 373-0206.

Anyone may submit written comments by mail, fax or e-mail at the address below regarding this proposed rule. DEQ will consider all written comments received by the undersigned on or before September 10, 2019.

Dated this 7th day of August, 2019.

Paula J. Wilson Hearing Coordinator Department of Environmental Quality 1410 N. Hilton Street Boise, Idaho 83706 Phone: (208) 373-0418 Fax: (208) 373-0481

paula.wilson@deq.idaho.gov

### THE FOLLOWING IS THE PROPOSED TEXT OF DOCKET NO. 58-0101-1905 (Only Those Sections With Amendments Are Shown.)

#### 107. INCORPORATIONS BY REFERENCE.

- **01. General.** Unless expressly provided otherwise, any reference in these rules to any document identified in Subsection 107.03 constitutes the full incorporation into these rules of that document for the purposes of the reference, including any notes and appendices therein. The term "documents" includes codes, standards or rules which have been adopted by an agency of the state or of the United States or by any nationally recognized organization or association. (5-1-94)
- **02. Availability of Referenced Material**. Copies of the documents incorporated by reference into these rules are available at the following locations: (5-1-94)
- a. All federal publications: U.S. Government Printing Office at http://www.ecfr.gov/cgi-bin/ECFR; and; (3-25-16)
  - **b.** Statutes of the state of Idaho: http://legislature.idaho.gov/idstat/TOC/IDStatutesTOC.htm; and (3-20-14)

- c. All documents herein incorporated by reference: (7-1-97)
- i. Department of Environmental Quality, 1410 N. Hilton, Boise, Idaho 83706-1255 at (208) 373-0502. (7-1-97)
  - ii. State Law Library, 451 W. State Street, P.O. Box 83720, Boise, Idaho 83720-0051, (208) 334-3316. (7-1-97)
- **03. Documents Incorporated by Reference**. The following documents are incorporated by reference into these rules: (5-1-94)
- a. Requirements for Preparation, Adoption, and Submittal of Implementation Plans, 40 CFR Part 51 revised as of July 1, 20189. The following portions of 40 CFR Part 51 are expressly excluded from any incorporation by reference into these rules:
- i. All sections included in 40 CFR Part 51, Subpart P, Protection of Visibility, except that 40 CFR 51.301, 51.304(a), 51.307, and 51.308 are incorporated by reference into these rules; and (3-30-07)
  - ii. Appendix Y to Part 51, Guidelines for BART Determinations Under the Regional Haze Rule. (3-30-07)
- **b.** National Primary and Secondary Ambient Air Quality Standards, 40 CFR Part 50, revised as of July 1, 20189.
- **c.** Approval and Promulgation of Implementation Plans, 40 CFR Part 52, Subparts A and N and Appendices D and E, revised as of July 1, 20189.
- d. Ambient Air Monitoring Reference and Equivalent Methods, 40 CFR Part 53, revised as of July 1, 20189.
  - e. Ambient Air Quality Surveillance, 40 CFR Part 58, revised as of July 1, 20189. (4-11-19)(
  - f. Standards of Performance for New Stationary Sources, 40 CFR Part 60, revised as of July 1, 20189.
- g. National Emission Standards for Hazardous Air Pollutants, 40 CFR Part 61, revised as of July 1, 20189.
- **h.** Federal Plan Requirements for Hospital/Medical/Infectious Waste Incinerators Constructed on or Before December 1, 2008, 40 CFR Part 62, Subpart HHH, revised as of July 1, 20189.
- i. National Emission Standards for Hazardous Air Pollutants for Source Categories, 40 CFR Part 63, revised as of July 1, 20189.
  - j. Compliance Assurance Monitoring, 40 CFR Part 64, revised as of July 1, 20189. (4-11-19)(\_\_\_\_\_\_)
  - k. State Operating Permit Programs, 40 CFR Part 70, revised as of July 1, 20189. (4-11-19)(\_\_\_\_\_)
  - l. Permits, 40 CFR Part 72, revised as of July 1, 20189. (4-11-19)(
  - m. Sulfur Dioxide Allowance System, 40 CFR Part 73, revised as of July 1, 20189. (4-11-19)(
  - n. Protection of Stratospheric Ozone, 40 CFR Part 82, revised as of July 1, 20189. (4-11-19)
  - o. Clean Air Act, 42 U.S.C. Sections 7401 through 7671g (1997). (3-19-99)
  - p. Medical Waste Combustors, Section 39-128, Idaho Code (1992). (3-20-14)

# Overview of Incorporations by Reference for the DEQ Air Quality Program Docket No. 58-0101-1905

Required by Idaho Code § 67-5223(4)

An efficient way to implement new or updated federal regulations is to incorporate them by reference into state rule. Reproducing the Code of Federal Regulations in state rule is impractical and costly. Therefore when possible, and as supported by Idaho industry, DEQ incorporates federal regulations by reference. Sections with no changes are also incorporated to ensure the state rules are consistent with federal regulations and to provide one set of rules for industry to follow. Idaho industry is required to comply with all applicable new and updated federal rules regardless of whether DEQ incorporates them by reference.

In addition, for DEQ to be the implementing authority for the Clean Air Act in the state of Idaho, the agency is required to (1) implement the National Ambient Air Quality Standards (NAAQS) and (2) implement an air quality operating permit program for facilities with significant emissions.

- (1) National Ambient Air Quality Standards Implementation—If an area in Idaho exceeds a NAAQS, DEQ will develop a state plan to improve air quality in that area. Whenever EPA updates a federal standard, DEQ also must demonstrate to EPA that it can implement the new standard. To obtain the appropriate authority to implement a new standard, DEQ incorporates by reference the following sections from the Code of Federal Regulations: Parts 50, 51, 52, 53, and 58.
- (2) **Operating Permit Program**—Operating permit requirements are outlined under Parts 64 and 70 of the Code of Federal Regulations. To write these permits in Idaho, DEQ must have the authority to include all of the applicable federal requirements. These requirements are contained in the Code of Federal Regulations Parts 52, 60, 61, 62, 63, 73, and 82.

To maintain authority for implementing the Clean Air Act in Idaho, DEQ is required to continually demonstrate that our air quality program meets minimum federal requirements.

Note, if DEQ's air program does not meet EPA's minimum requirements, EPA could impose sanctions on Idaho as outlined in the Clean Air Act (42 USC § 7509). Under certain circumstances, these sanctions could include withholding federal highway funds or DEQ operating funds.

The following table summarizes the Code of Federal Regulations sections the DEQ Air Quality Program incorporates by reference.

40 CFR Part	Title	Changes During Past Year?	Impact on Idaho	Number of pages with changes
50	National primary and secondary ambient air quality standards	No	_	_
51	Requirements for preparation, adoption, and submittal of implementation plans	Yes	Yes	24
52	Subparts A and N and Appendices D and E: Approval and promulgation of implementation plans	Yes	Yes	7
53	Ambient air monitoring reference and equivalent methods	No	_	_
58	Ambient air surveillance	No	_	_
60	Standards of performance for new stationary sources	Yes	Yes	96
61	National emission standards for hazardous air pollutants	No	-	_
62	Subpart HHH: Federal plan requirements for hospital/medical/infectious waste incinerators constructed on or before December 1, 2008	No	-	_
63	National emission standards for hazardous air pollutants for source categories	Yes	Yes	99
64	Compliance assurance monitoring	No	-	_
70	State operating permit programs	No	_	_
72	Permits	No	_	_
73	Sulfur dioxide allowance system	No	-	_
82	Protection of stratospheric ozone	Yes	Yes	5

These changes are discussed in more detail below. The associated Federal Register notices are denoted in parentheses as hyperlinks.

#### The following parts were revised:

#### National Ambient Air Quality Standards (NAAQS) Implementation

The NAAQS implementation rules promulgated by EPA in this time period are mostly administrative in nature. These rules mostly affect DEQ, e.g. updates to state implementation plan (SIP) requirements that DEQ will need to follow, or EPA actions in response to DEQ's SIP submittals. Most notably, EPA determined that the Idaho portion of the Cache Valley has now attained the PM<sub>2.5</sub> standard.

A more detailed summary of the Code of Federal Register changes that impact NAAQS implementation is given below.

#### Part 51: Requirements for preparation, adoption, and submittal of implementation plans

- States are required to have a state implementation plan, which includes the rules and area-specific plans that address NAAQS. This section outlines the state implementation plan requirements for state environmental agencies.
  - Exemption of cis1,1,1,4,4,4-hexafluorobut-2-ene from the regulatory definition of VOCs (FR-2018-11-28)
  - Updates regulations to reflect corrections, alternative methods and equipment for air testing (FR-2019-11-14)
  - Implementation of 2015 Ozone NAAQS and defines nonattainment area SIP requirements; does not impact Idaho currently (FR-2018-12-06)
  - Revisions of 1998 regulations to implement the NOX SIP call and clean-up of emissions monitoring provisions; does not impact Idaho currently (<u>FR-2019-03-08</u>)

## **Part 52**, Subparts A and N and Appendices D and E: Approval and promulgation of implementation plans

- This section contains general provisions associated with state implementation plans and Idaho-specific state implementation plan actions.
  - Approval of Idaho's IBR and removal of an expired interim regulation (<u>FR-2018-08-20</u>)
  - Approval of the Pinehurst PM10 redesignation and limited maintenance plan,
     Pinehurst high winds exceptional event (2013), and the 2013 Emissions Inventory
     for the West Silver Valley PM<sub>2.5</sub> nonattainment area (FR-2018-08-11)
  - Approval of Idaho's interstate transport requirements for the 2012 PM<sub>2.5</sub> NAAQS (FR-2018-09-24)
  - Logan-UT PM<sub>2.5</sub> finding of attainment with a clean data determination (<u>FR-2018-10-19</u>)
  - Finalizes Good Neighbor provisions for interstate pollution transport; does not impact Idaho currently (FR-2018-12-21).
  - Revisions of 1998 regulations to implement the NOX SIP call and clean-up of emissions monitoring provisions; does not impact Idaho currently (See Part 51)
  - Kraft pulp mill rule revisions approval (FR-2019-04-08)

#### **Operating Permit Program Implementation**

There were updates to the subparts associated with DEQ's operating permit program that may have a minimal impact on Idaho facilities. A more detailed summary of the Code of Federal Register changes that impact DEQ's operating permit program is given below.

#### **Part 60**: Standards of performance for new stationary sources

- The section describes the permitting requirements for new facilities of specific industries.
  - Amendments to the petroleum refinery NESHAPs and NSPS to clarify, correct, and make minor revisions to requirements for work practice standards, recordkeeping, and reporting; does not impact Idaho currently (FR-2018-11-26)
  - Updates regulations to reflect corrections, alternative methods and equipment for air testing (see Part 51)
  - Amendments to provisions of the 2016 NSPS and Emissions Guidelines for commercial and industrial solid waste incineration (CISWI) units; there are currently no CISWI units in Idaho (FR 2019-04-19)

#### **Part 63**: National emission standards for hazardous air pollutants

- This section addresses national emission standards for hazardous air pollutants for specific sources of pollution.
  - Extension of period for Mercury and Air Toxic Standards reports can be submitted as a PDF document; does not impact Idaho (FR-2018-07-02).
  - Updates regulations to reflect corrections, alternative methods and equipment for air testing (see Part 51)
  - Final amendments to residual risk and technology review (RTR) for Portland Cement Manufacturing Industry source category, reflecting corrections and clarifications to the requirements; does not impact Idaho currently (FR-2018-07-25)
  - Risk and Technology Review for Amino/ Phenolic Resins including several revisions, compliance date extensions, and minor technical corrections (<u>FR-2018-10-15</u>)
  - Risk and Technology Review for friction materials manufacturing facilities including revisions to report requirements; this does not impact Idaho currently (FR-2019-02-08)
  - Risk and Technology Review for leather finishing operations, includes clarification of rule provisions and amendments to reporting requirements, this does not impact Idaho currently (FR-2019-02-12)
  - Risk and Technology Review for surface coating of wood building products including amendments to electronic reporting, alternative compliance equation and technical and editorial changes (FR-2019-03-04)
  - Risk and Technology Review for surface coating of large appliances; printing coating and dying of fabrics and other textiles; surface coating of metal furniture; including several technical amendments (FR-2019-03-15)

#### Part 82: Protection of stratospheric ozone

- The purpose of this section is to implement the Montreal Protocol, which addresses substances that deplete the ozone layer.
  - Protection of Stratospheric Ozone: revision to references for refrigeration and air conditioning sector to incorporate latest edition of certain industry, consensusbased standards; addressing comments and finalizing use conditions for flammable refrigerants (FR-2018-08-09)
  - Expansion of the list of acceptable substitutes for use in refrigeration and air conditioning, foam blowing, fire suppression, cleaning solvents, and aerosols sectors (FR-2018-10-04)

#### The following parts were not revised:

#### Part 50: National primary and secondary ambient air quality standards

• This section contains the air quality standards that EPA promulgates for the criteria pollutants: course and fine particulate matter (PM<sub>10</sub> and PM<sub>2.5</sub>), ozone, sulfur dioxide (SO<sub>2</sub>), nitrogen dioxide (NO<sub>2</sub>), lead, and carbon monoxide (CO).

#### Part 53: Ambient air monitoring reference and equivalent methods

 DEQ is required to implement a NAAQS monitoring program in Idaho. Any updates to approved monitoring methods are included in this section. Approved industrial monitoring methods are also included in this section.

#### Part 58: Ambient air surveillance

• This section describes the requirements for states to operate a monitoring program.

#### Part 61: National emission standards for hazardous air pollutants

• This section addresses the national emission standards for certain hazardous air pollutants.

## **Part 62**, Subpart HHH: Federal plan requirements for hospital/medical/infectious waste incinerators constructed on or before December 1, 2008

• This section describes the requirements for hospital/medical/infectious waste incinerators. DEQ took delegation of these federal plan requirements.

#### Part 64: Compliance assurance monitoring

• This section outlines the compliance assurance monitoring requirements for emission units at major sources of pollution.

#### Part 70: State operating permit programs

• This section describes the minimum requirements for state permitting programs.

#### Part 72: Permits

• This section establishes permit requirements under the Acid Rain Program.

#### Part 73: Sulfur dioxide allowance system

- This part establishes the requirements and procedures for an SO<sub>2</sub> pollutant trading program.
- Idaho currently does not have any sources participating in a pollutant trading program.