



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

MAR 8 0 2011

REPLY TO THE ATTENTION OF:
AR-18J

Andrew Stewart, Chief
Permits and Stationary Source Modeling Section
Bureau of Air Management
Wisconsin Department of Natural Resources
101 South Webster Street
P.O. Box 7921
Madison, Wisconsin 53707

Re: Wisconsin's Permit Exemption SIP submittal.

Dear Mr. Stewart:

On May 5, 2008, the U. S. Environmental Protection Agency received a request from the Wisconsin Department of Natural Resources (WDNR) to revise Wisconsin's State Implementation Plan (SIP). This submittal consists of a revision to Wisconsin rule NR 406, Wisconsin's construction permitting program and to NR 407, Wisconsin's operating permit program, allowing for a permitting exemption for sources with 10 tons per year (TPY) or less of criteria pollutant emissions. This revision may constitute a SIP relaxation for certain sources, because Wisconsin's currently approved SIP does not include a 10 TPY emissions-based exemption threshold for all source types. Thus, certain sources are required to obtain a permit under the current SIP, but may no longer be required to obtain a permit under the SIP revision.

Federal regulations require that a state's minor New Source Review (NSR) program ensure that the construction of a source will not result in a violation of the SIP, or interfere with attainment or maintenance of a National Ambient Air Quality Standard (NAAQS) (40 C.F.R. § 51.160(a)). States are required to provide a demonstration in a SIP revision request showing "that the national ambient air quality standards, prevention of significant deterioration (PSD) increments, reasonable further progress demonstration, and visibility, as applicable, are protected if the plan is approved and implemented" (40 C.F.R. § 51, App. V 2.2(d)). In addition, the Clean Air Act (Act) section 110(l) provides, "The Administrator shall not approve a revision of a plan if the revision would interfere with any applicable requirement concerning attainment and reasonable further progress (as defined in section 7501 of this title [section 171]), or any other applicable requirement of this Act."

WDNR has not demonstrated in its SIP submittal that the proposed rule changes will comply with the federal program requirements described above. While WDNR did submit to

EPA some additional information for the requested rule changes via email in July and September of 2008, this information does not fully address the requirements of section 110(l). In order for EPA to move forward with proposing approval of the submittal, WDNR must submit a demonstration showing that the NAAQS, PSD increments, reasonable further progress demonstration, visibility, and anti-backsliding requirements, as applicable, would be protected if the submitted rule changes were approved into Wisconsin's SIP. In the absence of this submittal, EPA will have to propose disapproval of this SIP request.

We look forward to working with you to develop this submittal. We would appreciate a response to this letter informing us of how you plan to proceed by April 30, 2011. If you have any questions, please do not hesitate to contact me, or contact Susan Kraj, of my staff, at (312) 353-2654.

Sincerely,

A handwritten signature in black ink, appearing to read "John Mooney", written over a circular stamp or seal.

John Mooney, Acting Chief
Air Programs Branch