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March 20, 1998 Volume 22, Issue 12

EPA5PIL001311

ADOPTED RULES

POLLUTION CONTROL BOARD

Major Stationary Sources Construction And Modification

35 Ill. Adm. Code 2035674

POLLUTION CONTROL BOARD

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Major Stationary Sources Construction and Modification
- 2) Code Citation: 35 Ill. Adm. Code 203
- 3) Section Number: Adopted Action:
203.206 Amended
203.207 Amended
203.301 Amended
- 4) Statutory Authority: 415 ILCS 5/28.5
- 5) Effective Date of Amendments: March 10, 1998
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Do these amendments contain incorporations by reference? No
- 8) Date filed in Board's principal office: March 5, 1998
- 9) Notice of proposal published in Illinois Register: 21 Ill. Reg. 12823 (September 19, 1997)
- 10) Has JCARR issued a statement of objections to these rules? No
- 11) Differences between proposal and final version:

LINE	DESCRIPTION OF CHANGE
1. 70	Changed "Section" to "Sections".
2. 71-72	Deleted Ill. Rev. Stat. citation.
3. 72	Corrected ILCS cite.
4. 131	Deleted "(8) below" and added "subsection (b)(5)(B)".
5. 206	Deleted old source note.
6. 209	Added ", (e)" after "(d)".
7. 224	Struck "Sections" and added "Section".
8. 259-268	Moved stricken language to line 284.
9. 260	Changed "which" to "that".
10. 272	Added "of" after "more"; deleted "or" after "more".

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11. 301 Deleted old source note.
12. 327 Added "Except as provided in subsection (e) or (f)," at the beginning of the sentence; Changed "the" to "the".
13. 343 Added "stationary" after "major".
14. 348 Changed "Section 203.207(d)" to "Section 203.207(e)".
15. 391 Deleted old source note.
- 12) Have all the changes agreed upon by the Board and JCARR been made as indicated in the agreement letter issued by JCARR? Yes
- 13) Will these amendments replace an emergency rule currently in effect? No
- 14) Are there any other amendments pending on this Part? No
- 15) Summary and purpose of amendments:

A more detailed discussion of these rules appears in the Board's March 5, 1998 opinion and order.

New Source Review Rules (NSR rules) establish a construction permit program in areas that are not in attainment with the National Ambient Air Quality Standards (NAAQS) established under the Federal Clean Air Act. See 42 U.S.C. Section 7409 (1996). The NSR rules are intended to ensure that the construction of a major new source of air pollution, or a large increase of emissions at an existing source, does not interfere with a nonattainment area's timely achievement of NAAQS.

These adopted NSR rules apply to areas in Illinois that have been designated as being in "serious" or "severe" nonattainment with the ozone NAAQS. Currently, the following areas have been designated as being in "serious" or "severe" nonattainment with the ozone NAAQS: Cook, DuPage, Lake, McHenry, and Will Counties, and Aux Sable Township and Goose Lake Township in Grundy County, and Oswego Township in Kendall County.

The United States Environmental Protection Agency (USEPA) recently issued a guidance on the NSR rules entitled "Notice of Proposed Rulemaking, Prevention of Significant Deterioration (PSD) and Nonattainment New Source Review (NSR)", (61 Fed. Reg. 38249 (July 23, 1996)) (NSR Rule Proposal). These amendments to Part 203 conform Illinois' NSR rules to USEPA's guidance entitled "Notice of Proposed Rulemaking, Prevention of Significant Deterioration and Nonattainment New Source Review", (61 Fed. Reg. 38249 (July 23, 1996)). The Board adopted these rules under the fast track rulemaking procedures of the Environmental Protection Act. (See 415 ILCS 5/28.5.)

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16) Information and questions regarding the adopted amendment shall be directed to:

Amy Muran Felton, Attorney
Illinois Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago, Illinois 60601
312-814-7011

Request for copies of the rules or the Board's March 5, 1998 opinion and order should be addressed to Victoria Agyeman, at 312-814-3620 or at the above address and should reference Docket R98-10.

The full text of the Adopted Amendments begins on the next page:

POLLUTION CONTROL BOARD

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TITLE 35: ENVIRONMENTAL PROTECTION
SUBTITLE B: AIR POLLUTION
CHAPTER I: POLLUTION CONTROL BOARD
SUBCHAPTER a: PERMITS AND GENERAL PROVISIONS

PART 203

MAJOR STATIONARY SOURCES CONSTRUCTION AND MODIFICATION

SUBPART A: GENERAL PROVISIONS

Section	Definitions
203.101	Actual Construction
203.103	Actual Emissions
203.104	Allowable Emissions
203.107	Available Growth Margin
203.110	Building, Structure and Facility
203.112	Commence
203.113	Construction
203.116	Dispersion Enhancement Techniques
203.117	Emission Baseline
203.119	Emission Offset
203.121	Emissions Unit
203.122	Federally Enforceable
203.123	Fugitive Emissions
203.124	Installation
203.125	Lowest Achievable Emission Rate
203.126	Nonattainment Area
203.127	Potential to Emit
203.128	Reasonable Further Progress
203.131	Secondary Emissions
203.134	Stationary Source
203.136	Stationary Source
203.145	Volatile Organic Material (Repealed)
203.150	Public Participation
203.155	Severability (Repealed)

SUBPART B: MAJOR STATIONARY
SOURCES IN NONATTAINMENT AREAS

Section	Prohibition
203.201	Coordination with Permit Requirement and Application Pursuant to Ill. Adm. Code 201
203.202	Construction Permit Requirement and Application
203.203	Duration of Construction Permit (Repealed)
203.204	Effect of Permits
203.205	Major Stationary Source
203.206	Major Stationary Source
203.207	Major Modification of a Source

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- 203.208 Net Emission Determination
- 203.209 Significant Emissions Determination
- 203.210 Relaxation of a Source-Specific Limitation
- 203.211 Permit Exemption Based on Fugitive Emissions

SUBPART C: REQUIREMENTS FOR MAJOR STATIONARY SOURCES IN NONATTAINMENT AREAS

- Section 203.301 Lowest Achievable Emission Rate
- 203.302 Maintenance of Reasonable Further Progress and Emission Offsets
- 203.303 Baseline and Emission Offsets Determination
- 203.304 Exemptions from Emissions Offset Requirement (Repealed)
- 203.305 Compliance by Existing Sources
- 203.306 Analysis of Alternatives

SUBPART F: OPERATION OF A MAJOR STATIONARY SOURCE OR MAJOR MODIFICATION

- Section 203.601 Lowest Achievable Emission Rate Compliance Requirement
- 203.602 Emission Offset Maintenance Requirement
- 203.603 Ambient Monitoring Requirement (Repealed)

SUBPART G: GENERAL MAINTENANCE OF EMISSION OFFSETS

- Section 203.701 General Maintenance of Emission Offsets

SUBPART H: OFFSETS FOR EMISSION INCREASES FROM ROCKET ENGINES AND MOTOR FIRING

- Section 203.801 Offsetting by Alternative or Innovative Means
- AUTHORITY:** Implementing Section 9.1 and 10 and authorized by Section 27 and 28.5 of the Environmental Protection Act (Ill. Rev. Stat. 1991, ch. 111 1/2, pars. 1009.1, 1010 and 1027) (415 ILCS 5/9.1, 10 27 and 28.51).

SOURCE: Adopted and codified at 7 Ill. Reg. 9344, effective July 22, 1983; recodified at 7 Ill. Reg. 13588; amended in R85-20 at 12 Ill. Reg. 6118, effective March 22, 1986; amended in R91-24 at 16 Ill. Reg. 13551, effective August 24, 1992; amended in R92-21 at 17 Ill. Reg. 6973, effective April 30, 1993; amended in R93-9 at 17 Ill. Reg. 16630, effective September 27, 1993; amended in R93-26 at 18 Ill. Reg. 6335, effective April 15, 1994; amended in R98-10 at 22 Ill. Reg. 5674 effective MAR 10 1998.

SUBPART B: MAJOR STATIONARY SOURCES IN

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NONATTAINMENT AREAS

Section 203.206 Major Stationary Source

- a) For purposes of this Part, the term "major stationary source" shall exclusively mean "building, structure and facility," as those terms are defined in Section 203.113 of this Part.
- b) The following constitute a major stationary source:
 - 1) For an area designated as nonattainment for ozone, a major stationary source is a stationary source which emits or has the potential to emit volatile organic material in an amount equal to or greater than the following:
 - A) 100 tons per year in an area classified as marginal or moderate nonattainment for ozone;
 - B) 50 tons per year in an area classified as serious nonattainment for ozone;
 - C) 25 tons per year in an area classified as severe nonattainment for ozone; and
 - D) 10 tons per year in an area classified as extreme nonattainment for ozone.
 - 2) For an area designated as nonattainment for nitrogen dioxide, a major stationary source is a stationary source which emits or has the potential to emit 100 tons per year or more of nitrogen dioxide.
 - 3) For an area designated as nonattainment for ozone, a major stationary source is a stationary source which emits or has the potential to emit nitrogen oxides in an amount equal to or greater than the following, unless United States Environmental Protection Agency (USEPA) has made a finding under Sections 110 and 182(c) of the Clean Air Act that controlling of emissions of nitrogen oxides from such source shall not be required:
 - A) 100 tons per year in an area classified as marginal or moderate nonattainment for ozone,
 - B) 50 tons per year in an area classified as serious nonattainment for ozone,
 - C) 25 tons per year in an area classified as severe nonattainment for ozone, and
 - D) 10 tons per year in an area classified as extreme nonattainment for ozone.
 - 4) For an area designated nonattainment for PM-10, a major stationary source is a stationary source which emits or has the potential to emit:
 - A) 100 tons per year or more of PM-10 in an area classified as moderate nonattainment area, or
 - B) 70 tons per year or more of PM-10 in an area classified as serious nonattainment.
 - 5) For an area designated nonattainment for carbon monoxide, a major stationary source is a stationary source which emits or has the

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- potential to emit:
- A) 100 tons per year or more of carbon monoxide in a nonattainment area, except as provided in subsection (b)(5)(B) below;
 - B) 50 tons per year or more in an area classified as "serious" nonattainment for carbon monoxide where stationary sources significantly contribute to ambient carbon monoxide levels, as determined under rules issued by USEPA, pursuant to the Clean Air Act.
- 6) For an area designated nonattainment for a pollutant other than ozone, nitrogen dioxide, PM-10 or carbon monoxide, a major stationary source is a stationary source which emits or has the potential to emit 100 tons per year or more of the pollutant.
- c) Any physical change that occurs at a stationary source which does not qualify under subsection (a) of this Section as a major stationary source will be considered a major stationary source, if the change would constitute a major stationary source if the fixed-capital reconstruction of a new major stationary source if the fixed-capital cost of new components exceeds approximately half of the fixed-capital cost of an entirely new stationary source. Determining whether reconstruction will occur is based on the following:
- 1) Fixed-capital cost shall mean the capital needed to provide all the depreciable components for the replacements in comparison to the fixed-capital cost that would be required to construct a comparable entirely new source.
 - 2) The estimated life of the source after the replacements compared to the life of a comparable entirely new source; and
 - 3) The extent to which the components being replaced cause or contribute to the emissions from the source.
- d) For purposes of this Part, in areas that are classified as serious, severe, or extreme nonattainment, the fugitive emissions of a stationary source shall be included in determining whether it is a major stationary source. In areas that are not classified as serious, severe or extreme nonattainment, the fugitive emissions of a stationary source shall not be included in determining whether it is a major stationary source, unless the source belongs to one of the following categories of stationary sources:
- 1) Coal cleaning plants (with thermal dryers);
 - 2) Kraft pulp mills;
 - 3) Portland cement plants;
 - 4) Primary zinc smelters;
 - 5) Iron and steel mills;
 - 6) Primary aluminum ore reduction plants;
 - 7) Primary copper smelters;
 - 8) Municipal incinerators capable of charging more than 250 tons of refuse per day;

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- 9) Hydrofluoric, sulfuric, or nitric acid plants;
 - 10) Petroleum refineries;
 - 11) Lime plants;
 - 12) Phosphate rock processing plants;
 - 13) Coke oven batteries;
 - 14) Sulfur recovery plants;
 - 15) Carbon black plants (furnace process);
 - 16) Primary lead smelters;
 - 17) Fuel conversion plants;
 - 18) Sintering plants;
 - 19) Secondary metal production plants;
 - 20) Chemical process plants;
 - 21) Fossil-fuel boilers (or combination thereof) totaling more than 250 million Btu per hour heat input;
 - 22) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;
 - 23) Taconite ore processing plants;
 - 24) Glass fiber processing plants;
 - 25) Charcoal production plants;
 - 26) Fossil fuel-fired steam electric plants of more than 250 million Btu per hour heat input;
 - 27) Any other stationary source categories regulated by a standard promulgated under Section 111 or 112 of the Clean Air Act (42 U.S.C. 7411, 7412), but only with respect to those air pollutants that have been regulated for that category;
 - 28) Any other stationary source category designated by the USEPA by rule.
- (Source: Amended at 22 Ill. Reg. 5674 effective MAR 10 1998)
- Section 203.207 Major Modification of a Source
- a) Except as provided in subsection (c), (d), (e) or (f) below, a physical change, or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant for which the area is designated a nonattainment area, shall constitute a major modification of a source. Any net emissions increase that is significant for volatile organic material or nitrogen oxides shall be considered significant for ozone. A physical change or change in the method of operation shall not include:
 - 1) Routine maintenance and repair and replacement which does not constitute reconstruction pursuant to Section 203.206(c);
 - 2) Use of an alternative fuel or raw material by reason of any order under Section 2(a) and (b) of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 791), the Power Plant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301) or

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- any superseding legislation) or by reason of a natural gas curtailment plan pursuant to the Federal Power Act (16 U.S.C. 791, et seq.).
 - 3) Use of an alternative fuel by reason of an order or rule under Section 125 of the Clean Air Act (42 U.S.C. 7425).
 - 4) Use of an alternative fuel at a steam generating unit to the extent that the fuel is generated from municipal solid waste.
 - 5) Use of an alternative fuel or raw material by a stationary source which:
 - A) Was capable of accommodating such alternative fuel or raw material before December 21, 1976, and which has continuously remained capable of accommodating such fuels or materials unless such change would be prohibited under any enforceable permit condition established after December 21, 1976, pursuant to 40 CFR 52.21, this Part, or 35 Ill. Adm. Code 201.142 or 201.143, or
 - B) Is approved for use under any permit issued pursuant to this Part or 35 Ill. Adm. Code 201.142 or 201.143.
 - 6) An increase in the hours of operation or in the production rate, unless such change is prohibited under any enforceable permit condition which was established after December 21, 1976 pursuant to 40 CFR 52.21, this Part, or 35 Ill. Adm. Code 201.142 or 201.143.
 - 7) Any change in ownership at a stationary source.
- d) In an area classified as serious or severe nonattainment for ozone, increased emissions of volatile organic material or nitrogen oxides resulting from any physical change in, or change in the method of operation of, a stationary source located in the area shall be considered de minimis for purposes of this Part if the increase in net emissions of such air pollutant from such source does not exceed 25 tons when aggregated with all other net increases in emissions from the source over any period of five consecutive calendar years that includes the year in which such increase occurred.
- e) In the case of any major stationary source of volatile organic material or nitrogen oxides located in an area classified as serious or severe nonattainment for ozone (other than a source which emits or has the potential to emit 100 tons or more of volatile organic material or nitrogen oxides per year), whenever any change at that source results in any increase (other than a de minimis increase) in emissions of volatile organic material or nitrogen oxides, respectively, from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a major modification for purposes of this Part, except such increase shall not be considered a major modification for such purposes if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic material or nitrogen oxides, respectively, from other operations, units, or activities within the source at an internal offset ratio of at least

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- 1.3 to 1, in areas classified as serious or severe nonattainment for ozone beginning November 15, 1992, or such later date that an area is classified by the United States Environmental Protection Agency (USEPA) as a serious or severe nonattainment area for ozone, any physical change or change in the method of operation of a major stationary source which results in an increase in emissions of 25 tons per year or more of volatile organic material or nitrogen oxides from any discrete operation, unit, or other pollutant emitting activity at the source shall be considered a major modification unless:
- 1) The emissions and potential to emit emissions of such pollutant per year of volatile organic material or nitrogen oxides are less than 100 tons per year and
 - 2) The owner or operator of the source elects to offset the increase by a greater reduction in emissions of such pollutant per year of volatile organic material or nitrogen oxides from other operations, units, or activities within the source at an internal offset ratio of at least 1-3 to 1.
- f) In areas classified as extreme nonattainment for ozone, beginning on the date that an area is classified by USEPA as an extreme nonattainment area for ozone, any physical change which results in any increase in emissions of volatile organic material or nitrogen oxides from a discrete operation, unit, or other pollutant emitting activity shall be considered a major modification.

(Source: Amended at 22 Ill. Reg. 5674 effective
 MAR 10 1992)