**State of Utah**

**Administrative Rule Analysis**

Revised June 2022

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| **NOTICE OF PROPOSED RULE** | | |
| **TYPE OF RULE:**  New \_\_X\_; Amendment \_\_\_; Repeal \_\_\_; Repeal and Reenact \_\_\_ | | |
| **Title No. - Rule No. - Section No.** | | |
| **Rule or Section Number:** | **R307-313** | **Filing ID: Office Use Only** |

**Agency Information**

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| **1. Department:** | Environmental Quality | |
| **Agency:** | Air Quality | |
| **Room number:** |  | |
| **Building:** | MASOB | |
| **Street address:** | 195 North 1950 West | |
| **City, state and zip:** | Salt Lake City, Utah 84116 | |
| **Mailing address:** | P.O. Box 144820 | |
| **City, state and zip:** | Salt Lake City, Utah 84114-4820 | |
| **Contact persons:** | | |
| **Name:** | **Phone:** | **Email:** |
| Bo Wood | 385-499-3416 | rwood@utah.gov |
| Ryan Bares |  | rbares@utah.gov |
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| **Please address questions regarding information on this notice to the agency.** | | |

**General Information**

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| **2. Rule or section catchline:** |
| R307-313. VOC and Blue Smoke Controls for Hot Mix Asphalt Plants |
| **3. Purpose of the new rule or reason for the change** (Why is the agency submitting this filing?)**:** |
| On August 3, 2018 the EPA designated portions of Utah’s Wasatch Front as nonattainment for the 2015 National Ambient Air Quality Standard for 8-hour ozone concentrations (83 FR 25776). As a result of this designation, the state of Utah must identify and implement reductions of Volatile Organic Compound emissions in the designated areas as part of its obligations under section 182(b)(A)(i) of the Clean Air Act. This rule is part of the state’s ongoing State Implementation Plan to address ground level ozone and is intended to be included in the final submission of the plan. |
| **4. Summary of the new rule or change** (What does this filing do? If this is a repeal and reenact, explain the substantive differences between the repealed rule and the reenacted rule)**:** |
| This rule will require emission reduction technologies to be installed on hot mix asphalt plants operating in Salt Lake, Weber, Davis, Tooele, and Utah counties in an effort to meet the Clean Air Act requirements and assist in attaining health-based air quality standards. Emission capture and control devices will be required to be installed on hot mix asphalt plants and associated oil storage tanks subject to the rule, reducing Volatile Organic Compound emissions. |

**Fiscal Information**

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| **5. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:** | | | |
| **A) State budget:** | | | |
| This rule is not expected to create additional costs or savings for state government because these plants are already permitted and inspected under existing rules. Inspectors will be able to confirm compliance as part of normal inspection processes. | | | |
| **B) Local governments:** | | | |
| This rule will have no impact on local governments because it does not apply to them. | | | |
| **C) Small businesses** ("small business" means a business employing 1-49 persons)**:** | | | |
| This rule is not expected to have a fiscal impact on small businesses since HMA plants operating in the relevant counties are owned and operated by a business with more than 50 employees. | | | |
| **D) Non-small businesses** ("non-small business" means a business employing 50 or more persons)**:** | | | |
| A DAQ analysis finds that eight non-small businesses presently operate 15 stationary hot-mix asphalt plants in the targeted counties. The cost to install required blue-smoke controls is approximately $339,675 per plant with an additional estimated cost of $15,100 per year operating cost. The estimated capital costs to install VOC controls on hot oil storage tanks is $171,400 per plant, with approximately $4,000 in annual operating costs. The combined total fiscal impact to these businesses is estimated to be $7,666,125 in initial capital costs and $286,500 per year in ongoing operational costs. A cost of controls analysis conducted by UDAQ staff finds over the 35-year expected life expectancy of controls, the cost of Volatile Organic Compound (VOC) emissions removed is $6,197 per ton of VOC emissions reduced from hot mix asphalt plants and $2,052 per ton of VOC emissions reduced from the installation of tank controls. The combined cost per ton of VOC emissions reduced from the installation of both emission reduction technologies is $3,436. DAQ considers this emission reduction technology to be economically feasible. | | | |
| **E) Persons other than small businesses, non-small businesses, state, or local government entities** ("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an ***agency***)**:** | | | |
| This rule is not expected to have a fiscal impact on persons other than small businesses, non-small businesses, state, or local government entities because it does not apply to them. | | | |
| **F) Compliance costs for affected persons** (How much will it cost an impacted entity to adhere to this rule or its changes?)**:** | | | |
| Compliance with this rule is expected to require each HMA plant to incur an initial capital cost of $571,075 and $19,100 thereafter in annual operating costs. | | | |
| **G) Regulatory Impact Summary Table** (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.) | | | |
| **Regulatory Impact Table** | | | |
| **Fiscal Cost** | **FY2023** | **FY2024** | **FY2025** |
| State Government | $0 | $0 | $0 |
| Local Governments | $0 | $0 | $0 |
| Small Businesses | $0 | $0 | $0 |
| Non-Small Businesses | $7,666,125 | $286,500 | $286,500 |
| Other Persons | $0 | $0 | $0 |
| **Total Fiscal Cost** | **$0** | **$0** | **$0** |
| **Fiscal Benefits** | **FY2023** | **FY2024** | **FY2025** |
| State Government | $0 | $0 | $0 |
| Local Governments | $0 | $0 | $0 |
| Small Businesses | $0 | $0 | $0 |
| Non-Small Businesses | $0 | $0 | $0 |
| Other Persons | $0 | $0 | $0 |
| **Total Fiscal Benefits** | **$0** | **$0** | **$0** |
| **Net Fiscal Benefits** | **$0** | **$0** | **$0** |
| **H) Department head comments on fiscal impact and approval of regulatory impact analysis:** | | | |
| The Executive Director of the Department of Environmental Quality, Kimberly D. Shelley, has reviewed and approved this regulatory impact analysis. | | | |

**Citation Information**

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| **6. Provide citations to the statutory authority for the rule. If there is also a federal requirement for the rule, provide a citation to that requirement:** | | |
| 19-2-104 |  |  |
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**Incorporations by Reference Information**

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| **7. Incorporations by Reference** (if this rule incorporates more than two items by reference, please include additional tables)**:** | |
| **A) This rule adds, updates, or removes the following title of materials incorporated by references** (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*)**:** | |
| **Official Title of Materials Incorporated (from title page)** |  |
| **Publisher** |  |
| **Issue Date** |  |
| **Issue or Version** |  |

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| --- | --- |
| **B) This rule adds, updates, or removes the following title of materials incorporated by references** (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*)**:** | |
| **Official Title of Materials Incorporated (from title page)** |  |
| **Publisher** |  |
| **Issue Date** |  |
| **Issue or Version** |  |

**Public Notice Information**

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| **8. The public may submit written or oral comments to the agency identified in box 1.** (The public may also request a hearing by submitting a written request to the agency. See Section 63G-3-302 and Rule R15-1 for more information.) | | |
| **A) Comments will be accepted until:** | | 12/30/2022 |
| **B) A public hearing (optional) will be held:** | | |
| **On** (mm/dd/yyyy)**:** | **At** (hh:mm AM/PM)**:** | **At** (place)**:** |
| 12/28/2022  The scheduled hearing will be canceled if no request is received. | 11:00 am | Video call link: https://meet.google.com/ozs-cxod-pvn  Or dial: |
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| **9. This rule change MAY become effective on:** | 02/02/2023 |
| NOTE: The date above is the date the agency anticipates making the rule or its changes effective. It is NOT the effective date. | |

**Agency Authorization Information**

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| **To the agency**: Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the *Utah State Bulletin* and delaying the first possible effective date. | | | |
| **Agency head or designee and title:** | Bryce C. Bird, Director | **Date:** | 11/02/2022 |

**R307. Environmental Quality, Air Quality.**

**R307-313. VOC and Blue Smoke Controls for Hot Mix Asphalt Plants**

**R307-313-1. Purpose.**

Rule R307-313 establishes emission controls and work practice standards for the emissions of blue smoke and volatile organic compounds (VOC) from hot mix asphalt plants and associated oil storage tanks.

**R307-313-2 Applicability.**

Rule R307-313 applies to stationary hot mix asphalt plants and their associated oil storage tanks located in Salt Lake, Davis, Weber, Utah, and Tooele counties with an annual production level greater than or equal to 75,000 tons of hot mix asphalt per rolling 12-month period.

**R307-313-3 Definitions.**

Terms defined in Section 307-312-3 are incorporated by reference.

“Blue smoke” means a mixture of visible emissions and VOC emissions from HMA plants that results from the process of mixing hot oil with aggregate.

“Dryer” means a piece of machinery where aggregate is dried and heated during the asphalt manufacturing process, usually drum or cylinder shaped.

“Load out” means an area used for the loading of material from a silo or a batch tower into a truck or train or other means of transport, often located under a silo.

“Silo” means a tower used to store material.

“Storage tank” means any storage vessel where oils are heated and stored before mixing with aggregate.

“Warm mix asphalt” means asphalt produced at a temperature at or below 275 degrees F (135 degrees c).

**R307-313-4. Blue Smoke and VOC Emissions from Hot Mix Asphalt Plants.**

(1). The owner or operator shall install emission capture and control systems that capture and reduce blue smoke emissions from dryers, conveyors, silos, and load out areas. The owner or operator shall operate emission capture and control systems at all times during the production of hot mix asphalt products. Emission capture and control systems shall also reduce VOC emissions from captured blue smoke as verified by the manufacturer of control systems upon installation.

(2). Visible emissions from emission points subject to Rule R307-313-4 shall not exceed opacity limits of 10% at emission points covered by Section R307-313-4 as measured according to 40 CFR 60, Appendix A, Method 9.

(3). Owners or operators whose production consists entirely of warm mix asphalt shall be exempt from the provisions in Section R307-313-4.

**R307-313-5. VOC Emissions from Storage Tanks.**

(1). Storage tanks shall be equipped with VOC capture and control systems such as a condenser and a carbon-filled vessel which shall reduce VOC emissions as verified by the manufacturer of capture and control systems upon installation.

(2). Emission points subject to R307-313-5 shall operate with no visible emissions as measured according to 40 CFR 60, Appendix A, Method 9.

**R307-313-6. Recordkeeping.**

(1). The owner or operator shall:

(a). Retain a copy of the manufacturer’s recommendations for proper operation and maintenance of equipment in Sections R307-313-4 and R307-313-5.

(b). Establish a plan for scheduled maintenance based upon these recommendations.

(c). Maintain records showing proper operation and maintenance of equipment in accordance with the manufacturer’s recommendations for equipment referenced in Section R307-313-4 and Section R307-313-5.

(d). Maintain records of the temperature at which asphalt products were produced.

(2). These records shall be stored for at least 2 years and shall be made available to the director upon request.

**R307-313-7. Compliance Schedule.**

The owners and operators of hot mix asphalt plants subject to Rule R307-313 shall comply with R307-313 by May 1, 2023.

**KEY: air pollution, volatile organic compounds, VOC, hot mix asphalt, asphalt, aggregate, blue smoke**

**Date of Enactment or Last Substantive Amendment:**

**Authorizing, and Implemented or Interpreted Law: 19-2-104**