

State of Utah GARY R. HERBERT Governor

SPENCER J. COX Lieutenant Governor Department of Environmental Quality

> Amanda Smith Executive Director

DIVISION OF AIR QUALITY Bryce C. Bird Director

DAQ-009-15

#### MEMORANDUM

TO: A	ir Quality Board
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THROUGH: Bryce C. Bird, Executive Secretary

FROM: Martin Gray, Major New Source Review Section Manager

DATE: February 19, 2015

SUBJECT: PROPOSE FOR PUBLIC COMMENT: R307-210. Stationary Sources.

#### Background

In accordance with Section 111 of the Federal Clean Air Act, the Environmental Protection Agency (EPA) promulgates standards for groups of stationary sources that have been identified as significant contributors to air pollution. The new standards are then applicable to new sources as they commence operation.

The Utah Code Annotated (UCA) 19-2-104(3)(b)(iv) provides for the Board to make rules that meet the requirements of federal air pollution laws. This rulemaking satisfies the requirements of the UCA by incorporating standards promulgated by the EPA into the Utah Administrative Code R307-210.

#### Proposed Changes to the Rule

The Board last adopted substantive amendments to R307-210-1 on October 6, 2011. The rule incorporates the majority of 40 Code of Federal Regulations (CFR) Part 60, Standards of Performance for Stationary Sources. 40 CFR 60 has undergone many substantive changes that have not been incorporated into R307-210-1. R307-210-1 needs to be amended to incorporate the changes to 40 CFR 60. A list of the substantive changes to 40 CFR Part 60 that are proposed to be adopted by reference to R307-210-1, along with their summaries, is attached. Upon completion of this rulemaking, the new date of substantive amendment will be July 1, 2014.

On September 23, 2013, the Board approved R307-210-2 (Oil and Gas Sector: New Source Performance Standards) as an interim rule. This rule incorporated by reference the "Oil and Gas Sector: New Source Performance Standards" in 40 CFR 60.17, 40 CFR Part 60 Subpart KKK, 40 CFR Part 60 Subpart LLL, and 40 CFR Part 60 Subpart OOOO promulgated by the Environmental Protection Agency on August 16,

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2012, in 77 FR 49490 and revised on September 23, 2013, in 78 FR 58435. This rulemaking was undertaken to ensure Utah had the authority the address ozone pollution problems. Volatile organic compounds stemming from oil and gas industry activities are considered to be a contributor to ozone pollution. R307-210-2 is no longer needed as the federal standards incorporated by this rule will be adopted into R307-210-1 with this action.

Staff Recommendation: Staff recommends the Board propose the amendments to R307-210 for public comment.

FR Info (Title, Volume, Pages)	CFR Reference	Summary
01/18/2012 FR Vol. 77, No. 11 Pages 2456 - 2466 [FR DOC # 2012-712]	40 CFR Part 60, Appendix A	This final rule incorporates the most recent versions of ASTM International (ASTM) standards into EPA regulations that provide flexibility to use alternatives to mercury-containing industrial thermometers. This final rule allows the use of alternatives in field and laboratory applications previously impermissible as part of compliance with EPA regulations. The older embedded ASTM standards unnecessarily impede the use of effective, comparable, and available alternatives to mercury- containing industrial thermometers. Due to mercury's high toxicity, EPA seeks to reduce potential mercury exposures by reducing the overall use of mercury-containing products, including mercury-containing industrial thermometers.
02/16/2012 FR Vol. 77, No. 32 Pages 9303 - 9513 [FR DOC # 2012-806]	40 CFR Part 60, Subpart A, B, D, Da, Db, Dc	The EPA revised standards of performance in response to a voluntary remand of a final rule. Specifically, they amended new source performance standards (NSPS) after analysis of the public comments. The EPA also finalized several minor amendments, technical clarifications, and corrections to existing NSPS provisions for fossil fuel-fired EGUs and large and small industrial- commercial-institutional steam generating units.
04/19/2012 FR Vol. 77, No. 76 Pages 23399 - 23409 [FR DOC # 2012-8703]	40 CFR Part 60, Subpart Da	This document corrects certain preamble and regulatory text. This action corrects typographical errors, such as cross-reference errors and certain preamble text that is not consistent with the final regulatory text, which published in the Federal Register on Thursday, February 16, 2012.
07/30/2012 FR Vol. 77, No. 146 Pages 44488 - 44494	40 CFR Part 60, Appendix A	This action promulgates Method 16C for measuring total reduced sulfur (TRS) emissions from stationary sources. Method 16C offers the

FR Info (Title, Volume, Pages)	CFR Reference	Summary
[FR DOC # 2012-18513]		advantages of real-time data collection and uses procedures that are already in use for measuring other pollutants. Method 16C will be a testing option that is used at the discretion of the tester.
08/14/2012 FR Vol. 77, No. 157 Pages 48433 - 48448 [FR DOC # 2012-19691]	40 CFR Part 60, Subpart A, Ga	New source performance standards (NSPS) for nitric acid plants. Nitric acid plants include one or more nitric acid production units (NAPUs). These revisions include a change to the nitrogen oxides (NOX) emission limit, which applies to each NAPU commencing construction, modification, or reconstruction after October 14, 2011. These revisions also include additional testing and monitoring requirements.
08/16/2012 FR Vol. 77, No. 159 Pages 49489 – 49600 [FR DOC # 2012-16806]	40 CFR Part 60, Subparts KKK, LLL, OOOO	This action finalizes the review of new source performance standards for certain oil and natural gas source sources. In this action the EPA revised the new source performance standards for volatile organic compounds from leaking components at onshore natural gas processing plants and new source performance standards for sulfur dioxide emissions from natural gas processing plants. The rule also establishes standards for certain oil and gas operations not covered by the existing standards. In addition to the operations covered by the existing standards, the newly established standards will regulate volatile organic compound emissions from gas wells, centrifugal compressors, reciprocating compressors, pneumatic controllers and storage vessels. This action also finalizes the residual risk and technology review for the Oil and Natural Gas Transmission and Storage source category. This action includes revisions to the existing leak detection and repair requirements.

Final Standards of Performance for Stationary Sources (NSPS) for Adoption
From July 1, 2011 to July 1, 2014

FR Info (Title, Volume, Pages)	CFR Reference	Summary
		This action finalizes revisions to the regulatory provisions related to emissions during periods of startup, shutdown and malfunction. This final rule became effective on October 15, 2012.
09/12/2012 FR Vol. 77, No. 177 Pages 56421 - 56480 [FR DOC # 2012-20866]	40 CFR Part 60, Subpart A, J, Ja,	On June 24, 2008, the EPA promulgated amendments to the Standards of Performance for Petroleum Refineries and new standards of performance for petroleum refinery process units constructed, reconstructed or modified after May 14, 2007. The EPA subsequently received three petitions for reconsideration of these final rules. On September 26, 2008, the EPA granted reconsideration and issued a stay for the issues raised in the petitions regarding process heaters and flares. On December 22, 2008, the EPA addressed those specific issues by proposing amendments to certain provisions for process heaters and flares and extending the stay of these provisions until further notice. The EPA also proposed technical corrections to the rules for issues that were raised in the petitions for reconsideration. In this action, the EPA finalized those amendments and technical corrections and lifted the stay of all the provisions granted on September 26, 2008 and extended until further notice on December 22, 2008.
01/30/2013 FR Vol. 78, No. 20 Pages 6673 - 6724 [FR DOC # 2013-01288]	40 CFR Part 60 Subpart A, IIII, JJJJ	Final amendments to the national emission standards for hazardous air pollutants for stationary reciprocating internal combustion engines. The final amendments include alternative testing options for certain large spark ignition (generally natural gas-fueled) stationary reciprocating internal combustion engines, management practices for a subset of existing spark ignition stationary reciprocating internal combustion engines in

FR Info (Title, Volume, Pages)	CFR Reference	Summary
		sparsely populated areas and alternative monitoring and compliance options for the same engines in populated areas. The EPA established management practices for existing compression ignition engines on offshore vessels. The EPA also finalized limits on the hours that stationary emergency engines may be used for emergency demand response and establishing fuel and reporting requirements for certain emergency engines used for emergency demand response. The final amendments also correct minor technical or editing errors in the current regulations for stationary reciprocating internal combustion engines.
02/07/2013 FR. Vol. 78, No. 26 Pages 9111 – 9113 [FR DOC # 2012-31632]	40 CFR Part 60, Subpart CCCC, and DDDD	This action implemented the final decision on the issues for which EPA granted reconsideration in December 2011, which pertain to certain aspects of the March 21, 2011, final rule titled ''Standards of Performance for New Stationary Sources and Emissions Guidelines for Existing Sources: Commercial and Industrial Solid Waste Incineration Units'' (CISWI rule). This final action establishes effective dates for the standards and makes technical corrections to the final rule to clarify definitions, references, applicability and compliance issues. The purpose of these amendments is to clarify several provisions in order to implement the non-hazardous secondary materials rule as the agency originally intended.
02/12/2013 FR Vol. 78, No. 29 Pages 10005 - 10054 [FR DOC #2012-31633]	40 CFR Part 60, Subpart F	The EPA amended the new source performance standard for particulate matter for the Portland cement industry. These amendments promote flexibility, reduce costs, ease compliance and preserve health benefits. The EPA set the date for compliance with the existing source national

FR Info (Title, Volume, Pages)	CFR Reference	Summary
		emission standards for hazardous air pollutants to be September 9, 2015.
03/06/2013 FR Vol. 78, No. 44 Pages 14457 - 14457 [FR DOC # C1-2013-01288]	40 CFR Part 60 Subpart A, IIII, JJJJ	In rule document 2013–01288, appearing on pages 6674–6724 in the issue of Wednesday, January 30, 2013, changes were made to Table 2c of Subpart ZZZZ.
04/24/2013 FR Vol. 78, No. 79 Pages 24073 – 24094 [FR DOC # 2013-07859]	40 CFR Part 60 Subpart Da	The EPA took final action on its reconsideration of certain issues in the final MATS NESHAP issued pursuant to CAA section 112, and the New Source Performance Standards rule issued pursuant to CAA section 111 which is referred to as the Utility NSPS. The Administrator received petitions for reconsideration of certain aspects of the MATS NESHAP and the Utility NSPS. On November 30, 2012, the EPA granted reconsideration of, proposed, and requested comment on a limited set of issues. The EPA is now taking final action on the revised new source numerical standards in the MATS NESHAP and the definitional and monitoring provisions in the Utility NSPS that were addressed in the proposed reconsideration rule. As part of this action, the EPA is also making certain technical corrections to both the MATS NESHAP and the Utility NSPS. The EPA is not taking final action on requirements applicable during periods of startup and shutdown in the MATS NESHAP or on startup and shutdown provisions related to the PM standard in the Utility NSPS.
05/13/2013 FR Vol. 78, No. 92 Pages 28051 – 28078 [FR DOC # 2013-09427]	40 CFR Part 60 Subpart Ec	This action finalizes amendments to the federal plan and the new source performance standards for hospital/medical/infectious waste incinerators. These final actions implement national standards promulgated in the 2009 amendments to the

Final Standards of Performance for Stationary Sources (NSPS) for Adoption
From July 1, 2011 to July 1, 2014

FR Info (Title, Volume, Pages)	CFR Reference	Summary
		hospital/medical/infectious waste incinerator emissions guidelines that results in reductions in emissions of certain pollutants from all affected units. This rule became effective June 12, 2013.
07/07/2013 FR Vol. 78, No. 26 Pages 9111 - 9213 [FR DOC # 2012-31632]	40 CFR Part 60, Subpart CCCC	This action sets forth the EPA's final decision on the issues for which it granted reconsideration in December 2011, which pertain to certain aspects of the March 21, 2011, final rule titled ''Standards of Performance for New Stationary Sources and Emissions Guidelines for Existing Sources: Commercial and Industrial Solid Waste Incineration Units'' (CISWI rule). This action also includes the final decision to deny the requests for reconsideration with respect to all issues raised in the petitions for reconsideration of the final commercial and industrial solid waste incineration rule for which reconsideration was not granted. Among other things, this final action establishes effective dates for the standards and makes technical corrections to the final rule to clarify definitions, references, applicability and compliance issues. In addition, the EPA issued final amendments to the regulations that were codified by the Non-Hazardous Secondary Materials rule (NHSM rule). The purpose of these amendments is to clarify several provisions in order to implement the non-hazardous secondary materials rule as the agency originally intended. This subpart took effect on August 7, 2013.
09/23/2013 FR Vol. 78, No. 184 Pages 58415 – 58448 [FR DOC # 2013-22010]	40 CFR Part 60 Subpart OOOO	This action finalized the amendments to new source performance standards for the oil and natural gas sector. The Administrator received petitions for reconsideration of certain aspects of the August 12, 2012, final standards. These amendments are a

FR Info (Title, Volume, Pages)	CFR Reference	Summary
		result of reconsideration of certain issues raised by petitioners related to implementation of storage vessel provisions. The final amendments provide clarity of notification and compliance dates, ensure control of all storage vessel affected facilities and update key definitions. This action also corrects technical errors that were inadvertently included in the final standards. This final rule was effective on September 23, 2013.
12/19/2013 FR Vol. 78, No. 244 Pages 76753 – 76756 [FR DOC # 2013-29731]	40 CFR Part 60, Subpart Ja	The Environmental Protection Agency (EPA) took direct final action to amend the Standards of Performance for Petroleum Refineries for Which Construction, Reconstruction, or Modification Commenced After May 14, 2007. This direct final rule amends the definition of ''delayed coking unit'' by removing process piping and associated equipment (pumps, valves, and connectors) from the definition. This final rule also removes a redundant definition of ''delayed coking unit'' from the rule text.
02/27/2014 FR Vol. 79, No. 39 Pages 11227 – 11294 [FR DOC # 2014-02704]	40 CFR Part 60, Subparts and Appendices	This action promulgated technical and editorial corrections for source testing of emissions and operations. Some current testing provisions contain inaccuracies and outdated procedures, and new alternatives are being added. These revisions will improve the quality of data and will give testers additional flexibility to use the newly approved alternative procedures. This rule became effective on February 27, 2014.
4/4/2014 FR Vol. 79, No. 65 Pages 18951 – 18972 [FR DOC # 2014-06719]	40 CFR Part 60, Subparts A, BBa	This action finalizes revisions to the new source performance standards for kraft pulp mills. These revised standards include particulate matter emission limits for recovery furnaces; smelt

FR Info (Title, Volume, Pages)	CFR Reference	Summary
		dissolving tanks and lime kilns, and opacity limits for recovery furnaces and lime kilns equipped with electrostatic precipitators. These revised standards apply to emission units commencing construction, reconstruction or modification after May 23, 2013. This final rule removes the General Provisions exemption for periods of startup, shutdown and malfunction resulting in a standard that applies at all times. This final rule also includes additional testing requirements and updated monitoring, recordkeeping and reporting requirements for affected sources, including electronic reporting of performance test data. These revisions to the testing, monitoring, recordkeeping and reporting requirements are expected to ensure that control systems are properly maintained over time, ensure continuous compliance with standards and improve data accessibility for the Environmental Protection Agency (EPA), states, tribal governments and communities. This final action is effective on April 4, 2014.
05/06/2014 FR Vol. 79, No. 87 Pages 25681 - 25682 [FR DOC # C1-2012-19691]	40 CFR Part 60 Subpart A, Ga	In rule document 2012–19691 appearing on pages 48433 through 48448 in the issue of Tuesday, August 14, 2012, this action makes a change to a calculation.
05/16/2014 FR VOL. 79, No. 95 Pages 28439 – 28444 [FR DOC # 2014-11226]	40 CFR Part 60, Appendix F	This action promulgated quality assurance and quality control (QA/QC) procedures (referred to as Procedure 3) for continuous opacity monitoring systems (COMS) used to demonstrate continuous compliance with opacity standards specified in new source performance standards (NSPS) issued by the EPA pursuant to section 111(b).

#### R307. Environmental Quality, Air Quality.

R307-210. Stationary Sources. 2

#### 3 R307-210-1. Standards of Performance for New Stationary Sources 4 (NSPS).

5 The provisions of 40 Code of Federal Regulations (CFR) Part 60, effective on July 1, [2011]2014, except for Subparts Cb, Cc, Cd, Ce, б 7 BBBB, DDDD, and HHHH, are incorporated by reference into these rules with the exception that references in 40 CFR to "Administrator" shall 8 9 mean "director" unless by federal law the authority referenced is specific to the Administrator and cannot be delegated. 10

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12 [R307-210-2. Oil and Gas Sector: New Source Performance Standards. The "Oil and Gas Sector: New Source Performance Standards" in

13 40 CFR 60.17, 40 CFR Part 60 Subpart KKK, 40 CFR Part 60 Subpart LLL, 14

and 40 CFR Part 60 Subpart 0000 promulgated by the Environmental 15

Protection Agency on August 16, 2012 in 77 FR 49490 and revised on September 23, 2013 in 78 FR 58435 are hereby incorporated by 16 17 reference.] 18

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20 KEY: air pollution, stationary sources, new source review

- Date of Enactment or Last Substantive Amendment: [March 6, 2014]2015 21 22 Notice of Continuation: April 6, 2011
- Authorizing, and Implemented or Interpreted Law: 19-2-104(3)(g); 23 24 19-2-108