

**Iowa Department of Natural Resources
Environmental Protection Commission**

ITEM

19

INFORMATION

TOPIC

**Proposed Rule: Chapters 22 and 23, Air Quality Program Rules - Updates,
Revisions, and Additions**

The attached Notice of Intended Action to amend Chapter 22 “Controlling Pollution,” and Chapter 23 “Emission Standards for Contaminants,” of the 567 Iowa Administrative Code is being presented to the Commission for information.

The primary purpose of the proposed rule changes is to adopt into the state air quality rules several federal regulations that were finalized over the last year. The proposed rule changes also include one clarification to the state air quality rules for construction permit exemptions.

At the March Commission meeting, the Department will request approval to publish a Notice of Intended Action on these proposed rule amendments.

This rulemaking provides the following updates, revisions, and additions:

- Item 1 amends Chapter 22 to clarify the construction permit exemption for laundry activities. This amendment will specify that exempted laundry activities include only washers and dryers located at a stationary source that are used to clean and dry on-site clothing, bedding, and other fabric items with water solutions of bleach or detergents.
- Item 2 also amends Chapter 22 to adopt EPA's new, preferred guideline air dispersion model, AERMOD. In the next few months, the Department will form a stakeholder workgroup to provide recommendations to the Department for updating its Air Dispersion Modeling Guidelines.
- Item 3 amends the Title V program definitions in Chapter 22 to add the federal definition of "area source." This term refers to nonmajor sources of hazardous air pollutants (HAPs).
- Item 4 amends the Title V program definitions to delete the chemical "methyl ethyl ketone" from the list of air pollutants. EPA recently removed this chemical from the list of HAPs.
- Items 5 amends Chapter 22 to better organize the rules that specify which sources are required to obtain Title V Operating Permits. The Department did not make any substantive changes to these requirements.

- Item 6 amends Chapter 22 to add clarity to the requirements for nonmajor (area) sources to obtain a Title V Operating Permit. The Department did not make any substantive changes to these requirements.
- Item 7 amends Chapter 22 to remove the provisions for Title V exempt sources that elect to apply for a Title V Operating Permit. This change reflects EPA's removal of these provisions from federal rules.
- Item 8 amends the Title V program rules to list sources that are now permanently exempt from the requirement to obtain a Title V Operating Permit. EPA recently finalized permanent exemptions for five categories of nonmajor (area) sources. These sources are: dry cleaners, halogenated solvent degreasers, chrome electroplaters, ethylene oxide sterilizers and secondary aluminum smelters. In 2002, EPA permanently exempted nonmajor publicly owned treatment works. The Department is adding this source category to the list of exemptions. Additionally, these changes will make the list of source category exemptions more consistent with federal regulations.
- Item 9 amends Chapter 23 to adopt recent federal amendments to the new source performance standards (commonly known as NSPS). EPA amended the NSPS for steel plants to add alternative requirements for monitoring emissions from furnace exhausts.
- Item 10 amends Chapter 23 to adopt a new NSPS. EPA recently finalized the NSPS for Other Solid Waste Incineration (OSWI) units. This amendment adopts the standards for "new" OSWI. The Department is not aware of any facilities potentially subject to these standards.

EPA also finalized emission guidelines for "existing" OSWI. The Department is not proposing rules to adopt the emissions guidelines for existing OSWI at this time. The Department will first determine if there are any facilities that are potentially subject to the federal emission guidelines. If necessary, the Department will propose rules for existing OSWI at a later date.

- Item 11 amends Chapter 23 to adopt recent federal changes to the national emission standards for hazardous air pollutants for source categories (commonly known as NESHAPs). The substantive changes include the following:
 - Removal of methyl ethyl ketone from the list of hazardous air pollutants;
 - Exemption of certain area source categories from the requirement to obtain a Title V Operating Permit; and
 - Retention of the health-based compliance alternatives contained in final rules for Industrial, Commercial and Institutional Boilers and Process Heaters.

- Item 12 adopts federal changes to the NESHAP for hazardous waste combustors to add hazardous waste solid fuel boilers, hazardous waste liquid fuel boilers, and hazardous waste hydrochloric acid production furnaces to the list of subject sources.

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Memo date: January 31, 2006

ENVIRONMENTAL PROTECTION COMMISSION [567]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 455B.133, the Environmental Protection Commission hereby gives Notice of Intended Action to amend Chapter 22, "Controlling Pollution," and Chapter 23, "Emission Standards for Contaminants," Iowa Administrative Code.

The purpose of the proposed rule changes is to adopt into the state air quality rules several federal regulations that were finalized over the last year. The proposed rule changes also include one clarification to state air quality rules for construction permit exemptions.

Item 1 amends subparagraph 22.1(2)"x"(5) to clarify that this exemption from construction permitting includes only laundry activities located at a stationary source that use washers and dryers to clean or dry clothing, bedding, and other fabric items used on site with water solutions of bleach or detergents.

Item 2 amends subrule 22.4(1) to reflect the U.S. Environmental Protection Agency's (EPA's) November 9, 2005, amendments to 40 CFR Part 51, Appendix W, Guideline on Air Quality Models. The most substantive change in this amendment was EPA's promulgation of American Meteorological Society/Environmental Protection Agency Regulatory Model (AERMOD) as the preferred guideline model. AERMOD replaces the Industrial Source Complex (ISC3) model.

Item 3 amends 567—22.100(455B) to add the definition of "area source" to the Title V program definitions. This term refers to nonmajor sources of hazardous air pollutants. This definition of "area source" is consistent with the federal definitions contained in Section 112 of the Clean Air Act and in 40 CFR 63.2.

Item 4 amends rule 567—22.100(455B) to delete the chemical "methyl ethyl ketone" from the list of air pollutants listed under the "hazardous air pollutant" definition in the Title V program rules. On December 19, 2005, EPA removed methyl ethyl ketone from the list of hazardous air pollutants contained in section 112 of the Clean Air Act. The federal amendments were promulgated in 40 CFR Parts 63, 70 and 71.

Item 5 amends subrule 22.101(1) to better organize the rules that specify which sources are required to obtain Title V Operating Permits. The Department did not make any substantive changes to this subrule.

Items 6 rescinds subrule 22.101(2) and adopts a new subrule to add clarity to the requirements for nonmajor (area) sources to obtain a Title V Operating Permit. The Department did not make substantive changes to the requirements.

Item 7 rescinds subrule 22.101(3) to remove the provisions for Title V exempt sources that elect to apply for a Title V Operating Permit. On December 19, 2005, EPA deleted these provisions from 40 CFR 70.3(b)(3).

Item 8 rescinds rule 567—22.102(455B) and adopts a new rule to list source categories are exempt from the requirement to obtain a Title V Operating Permit. On December 19, 2005, EPA promulgated amendments to 40 CFR Part 63 and 70 to permanently exempt five categories of nonmajor (area) sources that are subject to national emissions standards for hazardous air pollutants (NESHAP). The five area source categories that are now exempt from the requirements to obtain a Title V Operating Permit are dry cleaners, halogenated solvent degreasers, chrome electroplaters, ethylene oxide sterilizers, and secondary aluminum smelters. On October 21, 2002, EPA exempted from Title V the area sources that are subject to the NESHAP for publicly owned treatment works (40 CFR Part 63, Subpart VVV). The new rule

includes this source category in the list of exemptions. Additionally, this new rule will add clarity to the state's Title V rules, and will make provisions for source category exemptions more consistent with 40 CFR 70.3.

Item 9 amends the introductory paragraph of subrule 23.1(2) for new source performance standards (commonly known as NSPS) to reflect the recent federal amendments to 40 CFR Part 60. EPA made a number of minor, technical and administrative changes to the federal NSPS regulations. In addition, EPA amended the standards for steel plants (Subparts AA and AAa) on February 22, 2005, to add alternative requirements for monitoring emissions from furnace exhausts and to make minor editorial corrections.

Item 10 amends subrule 23.1(2) to adopt a new NSPS. On December 16, 2005, EPA finalized standards for Other Solid Waste Incineration (OSWI) units. This amendment adopts the standards for "new" OSWI, for which construction is commenced after December 9, 2004, or for which modification or reconstruction is commenced on or after June 16, 2006 (Part 60, Subpart EEEE).

On December 16, 2005, EPA also finalized emission guidelines for "existing" OSWI, for which construction commenced on or before December 9, 2004 (Part 60, Subpart FFFF). The Department is not proposing rules to adopt emission guidelines for existing OSWI at this time. The Department will first determine if there are any facilities potentially subject to the federal emission guidelines. If necessary, the Department will propose rules for existing OSWI at a later date.

Item 11 amends the introductory paragraph of subrule 23.1(4), which are the emission standards for hazardous air pollutants for source categories (commonly known as NESHAPs) to reflect recent amendments to 40 CFR Part 63. From January 2005 through January 2006, EPA

made numerous, minor changes to 40 CFR Part 63, which included both technical and administrative updates and corrections.

The substantive changes to 40 CFR Part 63 include the following:

- EPA amended Subpart C to delete methyl ethyl ketone from the list of hazardous air pollutants.
- EPA amended Subparts M (Dry Cleaning Facilities), N (Chromium Electroplating), O (Ethylene Oxide Sterilizers), T (Halogenated Solvent Cleaning) and RRR (Secondary Aluminum Production) to specify that area sources subject to these subparts are not required to obtain a Title V Operating Permit.
- EPA amended the standards for Industrial, Commercial and Institutional Boilers and Process Heaters (Subpart DDDDD). EPA issued the amendments concurrently with a final response to petitions for reconsideration on the final rule. EPA elected to retain the health-based compliance alternatives to the final rule. EPA did make a limited number of amendments to clarify the process for demonstrating eligibility to comply with the health-based compliance alternatives contained in the final rule.

Item 12 amends paragraph 23.1(4)"be", the NESHAP for hazardous waste combustors, to reflect changes to the federal standards. On October 12, 2005, EPA promulgated amendments to 40 CFR Part 63, Subpart EEE. The amendments included adding hazardous waste solid fuel boilers, hazardous waste liquid fuel boilers and hazardous waste hydrochloric acid production furnaces to the list of source categories subject to this rule. EPA made additional, technical amendments to Subpart EEE on December 19, 2005.

These amendments are intended to implement Iowa Code section 455B.133.

The following amendments are proposed.

ITEM 1. Amend subparagraph 22.1(2)"x"(5) as follows:

(5) Laundry activities, ~~not including dry cleaning and steam boilers.~~ located at a stationary source that use washers and dryers to clean or dry clothing, bedding, and other fabric items used on site with water solutions of bleach or detergents. This exemption does not include laundry activities that use dry cleaning or steam boilers.

Item 2. Amend subrule 22.4(1) as follows:

22.4(1) Federal rules 40 CFR 52.21(a) (Plan Disapproval), 52.21(q) (Public Participation), 52.21(s) (Environmental Impact Statement), and 52.21(u) (Delegation of Authority) are not adopted by reference. Also, for the purposes of 40 CFR 52.21(l), the department adopts by reference Appendix W to 40 CFR 51, Guideline on Air Quality Models (Revised), ~~as adopted August 12, 1996~~ amended through November 9, 2005.

ITEM 3. Amend rule **567—22.100(455B)** by adopting the following **new** definition in alphabetical order:

"Area source" means any stationary source of hazardous air pollutants that is not a major source as defined in rule 567—22.100(455B).

ITEM 4. Amend rule **567—22.100(455B)**, definition of "hazardous air pollutant," to delete the air pollutant "methyl ethyl ketone," as follows:

"Hazardous air pollutant" means any of the following air pollutants listed in Section 112 of the Act:

cas #	chemical name
78933	Methyl ethyl ketone

ITEM 5. Amend subrule 22.101(1) as follows:

22.101(1) Except as provided in rule 22.102(455B), any person who owns or operates any of the following sources shall obtain a Title V operating permit:

a. Any affected source subject to the provisions of Title IV of the Act;

b. Any major source;

c. ~~Any source subject to a standard or other requirement under 567—subrule 23.1(2) (standards of performance for new stationary sources), 567—subrule 23.1(5) (emission guidelines), unless the source is specifically exempted, or Section 111 of the Act; or 567—subrule 23.1(3) (emissions standards for hazardous air pollutants), 567—subrule 23.1(4) (emission standards for hazardous air pollutants for source categories) or Section 112 of the Act. A source is not required to obtain a permit solely because it is subject to the provisions of Section 112(r) of the Act. Any source required to obtain a Title V operating permit solely because of the requirement imposed by this paragraph, and which is not a major source, is required to obtain a Title V permit only for the emissions units and related equipment causing the source to be subject to the Title V program; Any source, including any nonmajor source, subject to a standard, limitation, or other requirement under Section 111 of the Act (567—subrule 23.1(2)--new source performance standards, 567—subrule 23.1(5)--emission guidelines);~~

d. ~~Any solid waste incinerator unit required to obtain a Title V permit under Section 129(e) of the Act; Any source, including any area source, subject to a standard or other requirement under Section 112 of the Act (567—subrules 23.1(3) and 23.1(4) emission standards for hazardous air pollutants), except that a source is not required to obtain a Title V permit solely because it is subject to regulations or requirements under Section 112(r) of the Act;~~

e. ~~Any source category designated by the administrator pursuant to 40 CFR 70.3 as amended through June 20, 1996.~~ Any solid waste incinerator unit required to obtain a Title V permit under Section 129(e) of the Act;

f. Any source category designated by the Administrator pursuant to 40 CFR 70.3 as amended through December 19, 2005.

ITEM 6. Rescind subrule 22.101(2) and adopt the following **new** subrule in lieu thereof:

22.101(2) Any nonmajor source required to obtain a Title V operating permit pursuant to subrule 22.101(1), is required to obtain a Title V permit only for the emissions units and related equipment causing the source to be subject to the Title V program.

ITEM 7. Rescind subrule 22.101(3).

ITEM 8. Rescind rule **567—22.102(455B)** and adopt the following **new** rule in lieu thereof:

567—22.102(455B) Source category exemptions.

22.102(1) All sources listed in subrule 22.101(1) that are not major sources, affected sources subject to the provisions of Title IV of the Act, or solid waste incineration units required to obtain a permit pursuant to Section 129(e) of the Act, are exempt from the obligation to obtain a Title V permit until such time as the Administrator completes a rulemaking to determine how the program should be structured for nonmajor sources and the appropriateness of any permanent exemptions in addition to those provided for in subrule 22.102(3).

22.102(2) In the case of nonmajor sources subject to a standard or other requirement under either Section 111 or Section 112 of the Act after July 21, 1992 publication, the Administrator will determine whether to exempt any or all such applicable sources from the requirement to obtain a Title V permit at the time the new or amended standard is promulgated.

22.102(3) The following source categories are exempt from the obligation to obtain a Title V permit:

a. All sources and source categories that would be required to obtain a Title V permit solely because they are subject to 40 CFR 60, Subpart AAA--Standards of Performance for New Residential Wood Heaters, as amended through December 14, 2000;

b. All sources and source categories that would be required to obtain a Title V permit solely because they are subject to 40 CFR 61, Subpart M--National Emission Standard for Hazardous Air Pollutants for Asbestos, section 61.145, Standard for Demolition and Renovation, as amended through July 20, 2004;

c. All sources and source categories that would be required to obtain a Title V permit solely because they are subject to any of the following subparts from 40 CFR 63:

(1) Subpart M--National Perchloroethylene Air Emission Standards for Dry Cleaning Facilities, as amended through December 19, 2005

(2) Subpart N--National Emission Standards for Chromium Emissions from Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks, as amended through December 19, 2005

(3) Subpart O--Ethylene Oxide Emissions Standards for Sterilization Facilities, as amended through December 19, 2005

(4) Subpart T--National Emission Standards for Halogenated Solvent Cleaning, as amended through December 19, 2005

(5) Subpart RRR--National Emission Standards for Hazardous Air Pollutants for Secondary Aluminum Production, as amended through December 19, 2005.

(6) Subpart VVV--National Emission Standards for Hazardous Air Pollutants: Publicly Owned Treatment Works, as amended through June 23, 2003.

ITEM 9. Amend subrule 23.1(2), introductory paragraph, as follows:

23.1(2) New source performance standards. The federal standards of performance for new stationary sources, as defined in 40 Code of Federal Regulations Part 60 as amended or corrected through ~~July 14, 2004~~December 16, 2005, are adopted by reference, except § 60.530 through § 60.539b (Part 60, Subpart AAA), and shall apply to the following affected facilities. The corresponding 40 CFR Part 60 subpart designation is in parentheses. Reference test methods (Appendix A), performance specifications (Appendix B), determination of emission rate change (Appendix C), quality assurance procedures (Appendix F) and the general provisions (Subpart A) of 40 CFR Part 60 also apply to the affected facilities.

ITEM 10. Amend subrule **23.1(2)** by adopting the following new paragraph "**www**":
www. Other solid waste incineration units (OSWI). Unless exempted, this standard applies to "other solid waste incineration units" (OSWI) for which construction is commenced after December 9, 2004, or for which modification or reconstruction is commenced on or after June 16, 2006. (Part 60, Subpart EEEE)

ITEM 11. Amend subrule 23.1(4), introductory paragraph, first sentence, as follows:
23.1(4) Emission standards for hazardous air pollutants for source categories. The federal standards for emissions of hazardous air pollutants for source categories, 40 Code of Federal Regulations Part 63 as amended or corrected through ~~January 10, 2005~~January 6, 2006, are adopted by reference, except those provisions which cannot be delegated to the states.

ITEM 12. Amend paragraph **23.1(4)"be"** as follows:
be. Emission standards for hazardous air pollutants from hazardous waste combustors. These standards apply to all hazardous waste combustors: hazardous waste incinerators, hazardous waste burning cement kilns, and hazardous waste burning lightweight aggregate kilns, hazardous waste solid fuel boilers, hazardous waste liquid fuel boilers, and hazardous waste

hydrochloric acid production furnaces, except as specified in Subpart EEE. Both area sources and major sources are subject to this subpart as of April 19, 1996, and are subject to the requirement to apply for and obtain a Title V permit. (Part 63, Subpart EEE, as amended through December 19, 2005)

Date

Jeffrey R. Vonk, Director