



ARKANSAS
Department of Environmental Quality

Memorandum

TO: Charles Moulton, Hearing Officer
Arkansas Pollution Control and Ecology Commissioners

FROM: Mike Bates, Chief, Air Division *MB*

DATE: May 7, 2012

SUBJECT: Proposed Revisions to Regulation Number 19, Regulations of the Arkansas Plan of Implementation for Air Pollution Control

The Arkansas Department of Environmental Quality (ADEQ) proposes revisions to Regulation Number 19, Regulations of the Arkansas Plan of Implementation for Air Pollution Control. Regulation Number 19 is applicable to minor sources and sources subject to Prevention of Significant Deterioration ("PSD") regulation.

The changes to Regulation Number 19 are being proposed in response to the United States Environmental Protection Agency's ("EPA") June 3, 2010, Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule ("Tailoring Rule") and the Finding of Substantial Inadequacy and SIP Call issued by EPA on December 13, 2010 (75 FR 77698). The Tailoring Rule requires that greenhouse gases be subject to regulation under the Clean Air Act. The amendments to Regulation Number 19 include the addition of definitions in Chapter 2 for "carbon dioxide (CO₂) equivalent emissions," and "greenhouse gases." Language has been added to Regulation 19.405(B)(1) to clarify that the intent of the GHG provisions added to the state regulations shall not expand the permitting scope in Regulation 19 beyond that addressed in the Federal GHG Tailoring Rule and to alleviate concerns regarding unintended consequences. Language has been added to ensure greenhouse gas permitted emission increases less than 75,000 tons per year will be processed as "De Minimis" permit changes (Reg.19.407). These amendments will modify ADEQ's PSD permitting program to match EPA's Tailoring Rule, so that existing facilities subject to the PSD permitting program will be required to include greenhouse gases in their permits if they increase their emissions of greenhouse gases by 75,000 tons of carbon dioxide equivalent per year or more. The requirements also apply to preconstruction permits for new facilities that emit at least 100,000 tons per year of greenhouse gases (Reg.19.904). Changes made to Appendix A of Regulation Number 19 seek to clarify that activities emitting less than 75,000 tons per year of carbon dioxide emissions or less than five (5) tons per year of any other air pollutant regulated under Regulation Number 19 are included in the Group A Insignificant Activities List for Appendix A, Regulation Number 19. Making these changes will maintain consistency between Federal air pollution control programs and the Commission's regulations governing air pollution in Arkansas and enable ADEQ to seek approval of the Arkansas State Implementation Plan (SIP) and withdrawal of the Federal Implementation Plan (FIP) currently in place governing PSD permitting of greenhouse gas emissions in Arkansas.