

# ARKANSAS POLLUTION CONTROL & ECOLOGY COMMISSION ECONOMIC IMPACT/ENVIRONMENTAL BENEFIT ANALYSIS

**Rule Number & Title: Regulation Number 19, Regulations of the Arkansas Plan of Implementation for Air Pollution Control**

**Petitioner: Arkansas Department of Environmental Quality**

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## 2A. ECONOMIC IMPACT

### 1. Who will be affected economically by this proposed rule?

**State: a) the specific public and/or private entities affected by this rulemaking, indicating for each category if it is a positive or negative economic effect; and b) provide the estimated number of entities affected by this proposed rule.**

- a) *Entities affected by this rulemaking are Electric Generating Units affected by the Clean Air Interstate Rule (CAIR), facilities subject to Startup, Shutdown and Malfunction (SSM) provisions in Arkansas Pollution Control & Ecology Commission Regulation 19, facilities that use t-butyl acetate, and facilities emitting Direct PM<sub>2.5</sub>. The repeal of provisions pertaining to CAIR, which was replaced by the Cross-State Air Pollution Rule (CSAPR), will have no economic effect on facilities subject to these provisions as CAIR has not been in effect since December 31, 2014. The economic effects on smaller public entities are null, as no new entities are expected to be required to apply for an air permit as a result of these revisions. The economic effect of changes to the SSM Policy in Regulation 19 on facilities cannot be determined as the provisions amended in this rulemaking regulate periods of excess emissions during emergency and malfunction, which are by their nature unpredictable. The exclusion of t-butyl acetate from the definition of VOC for the purposes of VOC emissions limitations will not have a significant economic impact because it relieves regulatory burden by removing recordkeeping, emissions reporting, photochemical dispersion modeling and inventory requirements related to use of t-butyl acetate. The definition of "Direct PM<sub>2.5</sub> emissions" included in this rulemaking will have no economic impact and is identical to the definition in 40 C.F.R. 51.1000.*
- b) *The number of entities affected by this rule will vary due to diversity of items addressed in this rulemaking; however, ADEQ anticipates minimum to no impact other than the*

*proposed changes that will affect facilities subject to reporting SSM.*

Sources and Assumptions: *Not Applicable*

**2. What are the economic effects of the proposed rule?**

**State: a) the estimated increased or decreased cost for an average facility to implement the proposed rule; and b) the estimated total cost to implement the rule.**

a) *From a facility standpoint, there is no cost above what is required by the federal rule to implement the rule changes for which this statement is being prepared. There is no increase of permitting fees associated with this proposed rulemaking.*

b) *See response to 2 a.*

Sources and Assumptions: *Not Applicable*

**3. List any fee changes imposed by this proposal and justification for each.**

*No changes to the fee structure were made in this rulemaking.*

**4. What is the probable cost to ADEQ in manpower and associated resources to implement and enforce this proposed change, and what is the source of revenue supporting this proposed rule?**

*There is no additional cost to ADEQ to implement this rule.*

Sources and Assumptions: *Not Applicable*

**5. Is there a known beneficial or adverse impact to any other relevant state agency to implement or enforce this proposed rule? Is there any other relevant state agency's rule that could adequately address this issue, or is this proposed rulemaking in conflict with or have any nexus to any other relevant state agency's rule? Identify state agency and/or rule.**

*There is no known impact to another state agency nor is there another state agency's rule that could address any of the proposed changes. This rulemaking is not in conflict with, nor has any nexus to, any other relevant state agency's rule.*

Sources and Assumptions: *Not Applicable.*

**6. Are there any less costly, non-regulatory, or less intrusive methods that would achieve the same purpose of this proposed rule?**

*No.*

Sources and Assumptions: *Not Applicable.*

## **2B. ENVIRONMENTAL BENEFIT**

### **1. What issues affecting the environment are addressed by this proposal?**

*The proposed revisions to Regulation No. 19 are mostly administrative or serve to satisfy federal requirements. ADEQ does not anticipate any issues affecting the environment.*

### **2. How does this proposed rule protect, enhance, or restore the natural environment for the well-being of all Arkansans?**

*While the proposed rule is mostly administrative, it is expected to provide indirect long-term positive effects on the environment. By adopting the proposed revisions, Regulation No. 19 will neither conflict with other proposed state rulemakings or with federal rules, nor will it be more stringent than federal rules.*

Sources and Assumptions: *Not Applicable.*

### **3. What detrimental effect will there be to the environment or to the public health and safety if this proposed rule is not implemented?**

*If the proposed rule is not implemented, Regulation No. 19 will be inconsistent with federal requirements for SSM Policy and interstate transport of air pollution. As a result of this inconsistency, failure to implement this proposed rule will cause confusion for the regulated community and environmental consultants because of contradictory language in current federal rules in comparison to the outdated, federally-enforceable Arkansas language in Regulation 19. Uncertainty over which requirements are applicable to a source leads to improper permitting and reporting, which obstructs environmental standards and can lead to unpermitted and/or illegal releases of toxic pollutants. The proposed rule serves to ensure that sources have a clear outline of their legal responsibilities to protect the public and the environment from emissions that are deemed by EPA to be unhealthy, unsafe, and/or damaging to public property.*

Sources and Assumptions: *Not Applicable.*

### **4. What risks are addressed by the proposal and to what extent are the risks anticipated to be reduced?**

*There are no risks addressed by this proposal.*

Sources and Assumptions: *Not Applicable.*