

Memorandum

TO: Charles Moulton, Hearing Officer

Arkansas Pollution Control and Ecology Commissioners

FROM: Mike Bates, Chief, Air Division

DATE: June 8, 2012

SUBJECT: Proposed Revisions to Regulation No. 26, Regulations of the Arkansas

Operating Air Permit Program

The Arkansas Department of Environmental Quality ("ADEQ") proposes revisions to Regulation No. 26, Regulations of the Arkansas Operating Air Permit Program.

The substantive changes to Regulation No. 26 are being proposed in response to the United States Environmental Protection Agency's ("EPA") July 20, 2011, "Deferral for CO₂ Emissions From Bioenergy and Other Biogenic Sources Under the Prevention of Significant Deterioration ("PSD") and Title V Programs, Final Rule" (76 FR 43490). This Final Rule defers the application of the PSD and Title V permitting requirements to biogenic carbon dioxide ("CO₂") emissions from bioenergy and other biogenic stationary sources until July 21, 2014. The amendments to Regulation No. 26 include the deferral for CO₂ emissions from bioenergy and other biogenic sources under the Title V Program in the definition of "CO₂ equivalent emissions" ("CO₂e").

Making the proposed amendments will maintain consistency between federal air pollution control programs and the Commission's regulations governing air pollution in Arkansas and it will maintain compliance with the federal deferral of permitting requirements for biogenic CO₂ emissions. The Department requests that the Commission consider the initiation of rulemaking to amend Regulation No. 26 to ensure that Regulation No. 26 will remain consistent with and be no more stringent than federal requirements. The Department also requests that the Commission consider the promulgation to amend Regulation No. 26 to be contingent upon the Commission's decision to initiate rulemaking to amend Regulation No. 19.