

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 3745-21-09

**Rule Type:** Amendment

**Rule Title/Tagline:** Control of emissions of volatile organic compounds from stationary sources and perchloroethylene from dry cleaning facilities.

**Agency Name:** Ohio Environmental Protection Agency

**Division:**

**Address:** 50 West Town Street, Suite 700 PO Box 1049 Columbus OH 43216-1049

**Contact:** Holly Kaloz **Phone:** 614-644-2760

**Email:** holly.kaloz@epa.ohio.gov

#### I. Rule Summary

1. Is this a five year rule review? Yes
  - A. What is the rule's five year review date? 11/29/2021
2. Is this rule the result of recent legislation? No
3. What statute is this rule being promulgated under? 119.03
4. What statute(s) grant rule writing authority? 3704.03(E)
5. What statute(s) does the rule implement or amplify? 3704.03(A), 3704.03(E)
6. What are the reasons for proposing the rule?

This rule is being filed to fulfill the requirements of ORC 106.03 (5-yr review) and to adopt mandatory Reasonably Available Control Technology (RACT) requirements for the Cincinnati and Cleveland 2015 ozone nonattainment areas.

7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.

This rule identifies VOC emission and control requirements for several source categories that emit VOC. Amendments pursuant to the 5-year review are being

made to correct formatting to meet LSC requirements, to update facility names and addresses, to remove permanently closed facilities, and to remove unnecessary restriction language from the rule. In addition, amendments are being made to expand RACT requirements to the Cincinnati nonattainment area.

- 8. Does the rule incorporate material by reference? Yes**
- 9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

This rule contains references to the Ohio Administrative Code (OAC). While copies of these rules and statutes are generally available to the public through libraries and on-line sources, including the Ohio EPA website, ORC 121.76 (A) exempts such references from the provisions of ORC 121.71 through 121.75.

This rule also contains references to the Code of Federal Regulations (CFR). These rules are generally available through libraries, Ohio EPA and U.S. EPA websites. CFR references have also been dated to reference the specific version of the rules. ORC 121.75 (D) exempts such references from the requirements of ORC 121.71 through 121.74.

This rule also contains references to the United States Code (USC), the Federal Insecticide, Rodenticide, and Fungicide Act, and the Clean Air Act. These rules and Acts are generally available through libraries, Ohio EPA and Government Printing Office's websites. USC references have also been dated to reference the specific version of the rules. ORC 121.75(D) exempts such references from the requirements of ORC 121.71 through 121.74.

The rule also contains references to analytical test methods used to determine parameters for materials subject to this rule or other materials utilized by regulators and impacted parties to determine or achieve compliance with these rules. These test methods and materials are commonly known and utilized by laboratories performing this type of analytical work. Copies of these test methods are available in libraries and the websites of the method's supporting organization (ASTM, ANSI, NFPA, NACE, etc.).

Referenced materials are cited, dated and availability noted in paragraph (JJ) of rule 3745-21-01 of the Administrative Code.

- 10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Refile: Ohio EPA has identified necessary clarifications and made revisions to OAC 3745-21-09, specifically, paragraphs (A)(1), (A)(3)(a), (A)(6), (A)(7), (C). These revisions clarify applicability for sources that will become subject to a new provision that supersedes an existing requirement. These revisions were identified during our internal review and are not the result of external comments.

*11/29/2021 Ohio EPA's website is converting to the State of Ohio IOP platform during the comment period for this rule-making, therefore the link to the rules in the public notice would no longer work. Ohio EPA is revise filing to change the public notice to the updated web location.*

## **II. Fiscal Analysis**

### **11. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

0.00

Not Applicable

### **12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

OAC Chapter 3745-21 has been in the OAC since 1972. The rules have evolved over the years to address requirements in the Clean Air Act to develop regulations as part of an effort to achieve the NAAQS for CO and ozone within the state. These rules and additional technical support were submitted to U.S. EPA for review and approval as part of the SIP.

This Chapter has been modified over the years to incorporate requirements for categories of sources for which U.S. EPA has indicated that RACT should apply. In general, the levels of control that are available have been evaluated and presented in a series of CTGs issued by U.S. EPA. There are also rules based on information provided by U.S. EPA for other sources which were identified as non-CTG RACT.

Given the many and varied types of processes that are regulated under OAC chapter 3745-21, it is difficult to give an exact cost of compliance with the rules in this chapter in a limited space. The cost of compliance with these rules can range from zero cost for a control technology such as a work practice or raw material change, to a few million dollars for the installation and operation of a mechanical control device. As part

of the permitting process, facilities can perform a RACT analysis which allows them to determine, based on all technologies available, the best and most cost-effective control strategy for their facility.

This rule has been in effect for several years. Most of the costs associated with compliance with the existing requirements of this rule have been addressed in previous rulemakings and have been well established in the industry. There may be some additional cost of compliance related to the expansion of the requirements in the Cincinnati ozone nonattainment area in order to meet mandatory RACT requirements; however, many of the facilities affected by this expansion may already meet the requirements and not incur additional costs.

It should be noted that CTG based rules similar to Ohio's rules can also be found in Ohio's neighbor states and in any state containing a moderate ozone non-attainment area. Facilities wishing to locate in these types of areas will need to meet these requirements in all states.

13. **Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). Yes**
14. **Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). Yes**
15. **If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

Not Applicable

### **III. Common Sense Initiative (CSI) Questions**

16. **Was this rule filed with the Common Sense Initiative Office? Yes**
17. **Does this rule have an adverse impact on business? Yes**
  - A. **Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No**
  - B. **Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No**

- C. **Does this rule require specific expenditures or the report of information as a condition of compliance?** Yes

The rule requires periodic submission of reports that typically include deviations from requirements and exceedances of emissions limits. These costs are discussed in the fiscal analysis for this rule.

- D. **Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies?** No

**IV. Regulatory Restrictions (This section only applies to agencies indicated in R.C. 121.95 (A))**

18. **Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95?** Yes

- A. **How many new regulatory restrictions do you propose adding?** 1

New restriction: OAC 3745-21-09(EFF): Portable oil and gas sources. Portable oil and gas sources relocating to Butler, Clermont, Cuyahoga, Geauga, Hamilton, Lake, Lorain, Medina, Portage, or Summit or Warren county may be subject to the USEPA CTG "Control Techniques Guidelines for the Oil and Natural Gas Industry". Sources subject to the requirements of this CTG shall submit an application for a federally enforceable installation permit in accordance with Chapter 3745-31 of the Administrative Code to incorporate applicable requirements of the CTG into a federally enforceable permit prior to relocation.

Removed restriction 1: OAC 3745-21-01(W): Except as otherwise provided in this paragraph, the definitions in rule 3745-15-01 of the Administrative Code and paragraph (B) of this rule shall apply to rule 3745-21-14 (removed shall)

Removed restriction 2: OAC 3745-21-01(W)(4): Irrespective of the product being produced, a batch process train which is independent of other processes shall be considered a single batch process train for purposes of this rule. (changed "shall be" to "is")

- B. **How many existing regulatory restrictions do you propose removing?** 107

Removed restriction: OAC 3745-21-09(B)(3)(c): A copy of such record shall be sent to the director within forty-five days after the exceedance occurs. (deleted sentence; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(B)(3)(e): A copy of such record shall be sent to the director within forty-five days after the exceedance occurs. (deleted sentence; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(B)(3)(g): A copy of such record shall be sent to the director within thirty days after the exceedance occurs. (deleted sentence; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(B)(3)(i): A copy of such record shall be sent to the director within forty-five days after the exceedance occurs. (deleted sentence; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(B)(3)(k): A copy of such record shall be sent to the director within forty-five days after the exceedance occurs. (deleted sentence; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(B)(3)(m): These quarterly reports shall be submitted by April thirtieth, July thirty-first, October thirty-first, and January thirty-first, and shall cover the records for the previous calendar quarters. (deleted sentence; added deadlines to previous sentence)

Removed restriction: OAC 3745-21-09(B)(4)(c): These quarterly reports shall be submitted by April thirtieth, July thirty-first, October thirty-first, and January thirty-first, and shall cover the records for the previous calendar quarters. (deleted sentence; added deadlines to previous sentence)

Removed restriction: OAC 3745-21-09(B)(4)(d): The continuous monitoring and recording devices shall be installed and placed in operation either within one hundred eighty days of March 31, 1993 or by the date of operation of any new control equipment installed for the source after March 31, 1993 to achieve compliance with the VOC control requirements of this rule. (deleted sentence; added deadlines to previous sentence)

Removed restriction: OAC 3745-21-09(B)(5): the alternative recordkeeping and reporting program shall supersede paragraph (B)(3) or (B)(4) of this rule and shall be specified in the terms and conditions of the permit (removed shall)

Removed restriction: OAC 3745-21-09(B)(5): Any alternative recordkeeping and reporting program approved by the director shall also be approved by the USEPA as a revision to the state implementation plan. (deleted sentence; added "and USEPA as a revision to the state implementation plan" to previous sentence)

Removed restriction: OAC 3745-21-09(C): For any source located in Ashtabula, Cuyahoga, Geauga, Lake, Lorain, Medina, Portage, or Summit county subject to paragraph (C) of this rule, the requirement to comply with paragraph (C) of this rule shall terminate at such time the source becomes subject to and complies with rule 3745-21-29 of the Administrative Code. (changed "shall terminate" to "terminates")

Removed restriction: OAC 3745-21-09(C)(1)(a)(ii): RT shall be calculated as follows: (changed "shall be" to "is")

Removed restriction: OAC 3745-21-09(C)(5)(b): A copy of such monthly record shall be sent to the director within thirty days following the end of the calendar month. (deleted sentence; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(C)(7)(b): A copy of such monthly record shall be sent to the director within thirty days following the end of the calendar month. (deleted sentence; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(C)(8)(d): The calculated, controlled VOC emission rate, in mass of VOC per unit volume of coating solids, as applied. The controlled VOC emission rate shall be: (changed to "The calculated, controlled VOC emission rate, in mass of VOC per unit volume of coating solids, as applied, calculated using the following:")

Removed restriction: OAC 3745-21-09(C)(9): A copy of such monthly record shall be sent to the director within thirty days following the end of the calendar month. (deleted sentence; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(H)(3): Paragraphs (H)(1) and (H)(2) of this rule shall not apply to the application of organisol or plastisol coatings. (changed to "The application of organisol or plastisol coatings are exempt from paragraphs (H)(1) and (H)(2) of this rule.")

Removed restriction: OAC 3745-21-09(I)(4)(b)(iii): Paragraphs (I)(4)(a) and (I)(4)(d) of this rule shall not apply to the following: (changed "shall not apply" to "are not applicable")

Removed restriction: OAC 3745-21-09(K)(2): The emission limit under paragraph (K)(1) of this rule shall not apply to..." (changed "shall" to "does")

Removed restriction: OAC 3745-21-09(K)(4): The emission limit under paragraph (K)(1) of this rule shall not apply to..." (changed "shall" to "does")

Removed restriction: OAC 3745-21-09(K)(5): The emission limit under paragraph (K)(1) of this rule shall not apply to..." (changed "shall" to "does")

Removed restriction: OAC 3745-21-09(K)(6)(b)(ii): Paragraphs (K)(6)(a) and (K)(6)(e) of this rule shall not apply to the following: (changed "shall" to "do")

Removed restriction: OAC 3745-21-09(L)(3): Any owner or operator of a fixed roof tank that is not exempted pursuant to paragraph (L)(2) of this rule shall maintain records of the following information in a readily accessible location for at least five years and shall make copies of the records (removed shall)

Removed restriction: OAC 3745-21-09(M)(3)(b): Such records shall includeincluding the following: (changed to "including")

Removed restriction: OAC 3745-21-09(N)(3): Paragraphs (N)(1) and (N)(2) of this rule shall not apply to the following: (changed "shall" to "do")

Removed restriction: OAC 3745-21-09(O)(5): Any owner or operator of a solvent metal cleaning operation shall maintain records of the following information in a readily accessible location for at least five years and shall make these records available..." (removed shall)

Removed restriction: OAC 3745-21-09(O)(6)(a): Paragraph (O)(2)(d)(v) of this rule shall not apply to(changed "shall" to "does")

Removed restriction: OAC 3745-21-09(O)(6)(b): paragraphs (O)(2) to (O)(5) of this rule shall not apply to(changed "shall" to "do")

Removed restriction: OAC 3745-21-09(O)(6)(d): Such documentation shall be provided to the appropriate Ohio EPA district office or local air agency. (changed "such documentation shall" to "and documentation is")

Removed restriction: OAC 3745-21-09(P)(2): the following operating practices shall be followed (changed "shall be followed" to "are applicable")

Removed restriction: OAC 3745-21-09(P)(2)(a): The vapor balance system shall be kept in good working order and shall be used at all times during the transfer of gasoline. (removed shall be)

Removed restriction: OAC 3745-21-09(P)(5)(a): Paragraphs (P)(1) to (P)(4) of this rule shall not apply (changed "shall not apply" to "are not applicable")

Removed restriction: OAC 3745-21-09(P)(5)(b): Paragraph (P)(1)(b) of this rule shall not apply (changed "shall not apply" to "is not applicable")

Removed restriction: OAC 3745-21-09(P)(6): Any owner or operator of a bulk gasoline plant shall maintain records of the following information in a readily accessible location for at least five years and shall immediately make these records available (removed shall)

Removed restriction: OAC 3745-21-09(Q)(4): Paragraph (Q)(1) of this rule shall not apply to (changed "shall" to "does")

Removed restriction: OAC 3745-21-09(R)(2): the following operating practices shall be followed (changed "shall be followed" to "are applicable")

Removed restriction: OAC 3745-21-09(R)(2)(a): The vapor balance system shall be kept in good working order and shall be used at all times during the transfer of gasoline. (changed to "A vapor balance system kept in good working order and used at all times during the transfer of gasoline.")

Removed restriction: OAC 3745-21-09(R)(2)(b): There shall be no leaks in the delivery vessel pressure/vacuum relief valves and hatch covers. (changed to "Secure delivery vessel pressure/vacuum relief valves and hatch covers which do not leak.")

Removed restriction: OAC 3745-21-09(R)(2)(c): There shall be no leaks in the vapor and liquid lines during the transfer of gasoline. (changed to "Secure vapor and liquid lines which do not leak during the transfer of gasoline.")

Removed restriction: OAC 3745-21-09(R)(4): Paragraphs (R)(1) to (R)(3) of this rule shall not apply to the following: (changed "shall" to "do")

Removed restriction: OAC 3745-21-09(R)(5): The records shall be maintained at the facility for a period of three years. (removed shall and moved to list form following)

Removed restriction: OAC 3745-21-09(R)(5): The owner or operator shall notify the director if the annual gasoline throughput for any rolling twelve-month period is equal to or greater than one hundred twenty thousand gallons. (removed shall and moved to list form following)

Removed restriction: OAC 3745-21-09(R)(5): The director shall be notified within forty-five days after the exceedance occurs. (removed shall and moved to list form following)

Removed restriction: OAC 3745-21-09(T)(1)(e): The tag shall be readily visible and weatherproof (removed shall and moved to list form following)

Removed restriction: OAC 3745-21-09(T)(1)(e): it shall bear an identification number (removed shall and moved to list form following)

Removed restriction: OAC 3745-21-09(T)(1)(e): and it shall clearly indicate the date the leak was detected (removed shall and moved to list form following)

Removed restriction: OAC 3745-21-09(T)(1)(e): The tag shall remain in place until the leaking component is repaired. (removed shall and moved to list form following)

Removed restriction: OAC 3745-21-09(T)(1)(f): The monitoring log shall contain (changed to "containing")

Removed restriction: OAC 3745-21-09(T)(4): "...shall be acceptable to the director." (changed "shall be" to "is")

Removed restriction: OAC 3745-21-09(U)(1): the limit which is least restrictive shall apply (changed "shall apply" to "applies")

Removed restriction: OAC 3745-21-09(U)(2): Paragraph (U)(1) of this rule shall not apply (changed "shall not apply" to "is not applicable")

Removed restriction: OAC 3745-21-09(U)(2)(e)(iii): paragraphs (U)(2)(e)(i) to (U)(2)(e)(iii) of this rule shall not apply (changed "shall not apply" to "is not applicable")

Removed restriction: OAC 3745-21-09(U)(2)(f)(ii): "... The alternative limitation shall be..." (changed to " provided the alternative limit is")

Removed restriction: OAC 3745-21-09(U)(2)(f)(ii): The alternative limitation shall be an emissions rate (e.g., pounds VOC per gallon) or overall per cent reduction but shall not be in terms of mass per time (e.g., pounds per hour). (changed to "and is expressed as an emissions rate (e.g., pounds VOC per gallon) or overall per cent reduction but not in terms of mass per time (e.g., pounds per hour)."

Removed restriction: OAC 3745-21-09(U)(2)(f)(iii): The installation permit shall contain..." (changed to "containing")

Removed restriction: OAC 3745-21-09(U)(2)(h): (pounds of VOC attributed to metal parts or products coating lines in which non-metal parts or products were being coated shall not count towards (changed "shall not count" to "is exempt from counting")

Removed restriction: OAC 3745-21-09(V)(1)(h): the gasoline tank truck shall also be inspected/repared in accordance with the following procedures (changed to "the following inspection and repair procedures apply")

Removed restriction: OAC 3745-21-09(X)(2): Paragraph (X)(1) of this rule shall not apply to the following operations: (changed to "The following operations are exempt from the requirements of paragraph Paragraph (X)(1) of this rule")

Removed restriction: OAC 3745-21-09(Y)(2): Paragraph (Y)(1) of this rule shall not apply (changed "shall not apply" to "is not applicable")

Removed restriction: OAC 3745-21-09(Z)(3): The following external floating roof tanks shall be exempted (changed "shall be" to "are")

Removed restriction: OAC 3745-21-09(Z)(4): and shall make copies of the records available (removed shall)

Removed restriction: OAC 3745-21-09(AA)(2)(a): Paragraphs (AA)(1)(a) to (AA)(1)(e) of this rule shall not apply (changed "shall not apply" to "are not applicable")

Removed restriction: OAC 3745-21-09(AA)(2)(b): Paragraph (AA)(1)(a) of this rule shall not apply (changed "shall not apply" to "is not applicable")

Removed restriction: OAC 3745-21-09(AA)(2)(c): Paragraph (AA)(1)(a) of this rule shall not apply (changed "shall not apply" to "is not applicable")

Removed restriction: OAC 3745-21-09(AA)(4): and shall make these records available (removed shall)

Removed restriction: OAC 3745-21-09(BB)(1)(e): The leak shall be repaired (changed "The leak shall be" to "and the leak")

Removed restriction: OAC 3745-21-09(BB)(3): Paragraphs (BB)(1)(a), (BB)(1)(b), and (BB)(2) of this rule shall not apply (changed "shall" to "do")

Removed restriction: OAC 3745-21-09(BB)(4)(a): and shall make these records available (removed shall)

Removed restriction: OAC 3745-21-09(BB)(4)(b): and shall make these records available (removed shall)

Removed restriction: OAC 3745-21-09(DD)(2)(b)(i): Any pump in light liquid service shall be monitored monthly. (changed to "Monthly for any pump in light liquid service.")

Removed restriction: OAC 3745-21-09(DD)(2)(b)(ii): Any valve in gas/vapor service or in light liquid service shall be monitored monthly (changed to "Monthly for any valve in gas/vapor service or in light liquid service")

Removed restriction: OAC 3745-21-09(DD)(2)(b)(ii): The quarterly monitoring shall begin (changed to "beginning")

Removed restriction: OAC 3745-21-09(DD)(2)(b)(ii): and shall be conducted in the first month of each calendar quarter (removed "shall be")

Removed restriction: OAC 3745-21-09(DD)(2)(j): and the first attempts at repair shall include (changed to "including")

Removed restriction: OAC 3745-21-09(DD)(2)(m): and shall include the following information (removed shall)

Removed restriction: OAC 3745-21-09(DD)(8)(c): The barrier fluid system shall be in heavy liquid service or shall not be in VOC service. (removed shall)

Removed restriction: OAC 3745-21-09(DD)(10)(d)(i): The flare shall be designed (changed to "Designed")

Removed restriction: OAC 3745-21-09(DD)(10)(d)(ii): The flare shall be operated (changed to "Operated")

Removed restriction: OAC 3745-21-09(DD)(10)(d)(ii): and shall be monitored with a thermocouple (removed shall)

Removed restriction: OAC 3745-21-09(DD)(10)(d)(ii): and shall be monitored to detect any failure (removed shall)

Removed restriction: OAC 3745-21-09(DD)(10)(d)(iii): The flare shall be (changed to "Be")

Removed restriction: OAC 3745-21-09(DD)(10)(d)(iv): or shall be two hundred Btu/scf or greater (removed "shall be")

Removed restriction: OAC 3745-21-09(DD)(10)(d)(v): the flare shall be designed and operated (removed "the flare shall")

Removed restriction: OAC 3745-21-09(DD)(10)(d)(vi)(a): shall be greater than one thousand Btu/scf (changed "shall be" to "is")

Removed restriction: OAC 3745-21-09(DD)(10)(d)(vi)(b): The flare shall be designed and operated (changed "shall be" to "is")

Removed restriction: OAC 3745-21-09(DD)(11)(b): A delay of repair shall be allowed if the repair is technically infeasible without a process unit shutdown. However, the repair shall occur before the end of the next process unit shutdown. (changed to "If the repair is technically infeasible without a process unit shutdown providing the repair occurs before the end of the next process unit shutdown.")

Removed restriction: OAC 3745-21-09(DD)(11)(c): A delay of repair shall be allowed for a piece of equipment that is (changed to "For a piece of equipment that is")

Removed restriction: OAC 3745-21-09(DD)(11)(d): A delay of repair for a valve shall be allowed if the following occurs: (changed to "For a valve shall be allowed if the following occurs:")

Removed restriction: OAC 3745-21-09(DD)(11)(e): A delay of repair for For a pump shall be allowed if the following occurs: (changed to "For a pump shall be allowed if the following occurs:")

Removed restriction: OAC 3745-21-09(DD)(11)(f): A delay of repair beyond a process unit shutdown shall be allowed for a valve if (changed to "Beyond a process unit shutdown for a valve provided")

Removed restriction: OAC 3745-21-09(DD)(13)(a): The alternative monitoring standard shall be based on maintaining the percentage of valves leaking at 2.0 or less. (removed sentence and added percentage to previous sentence)

Removed restriction: OAC 3745-21-09(DD)(13)(f)(i): All valves subject to this alternative monitoring standard shall be monitored..." (changed to "Monitor valves subject to "...this alternative monitoring standard..."")

Removed restriction: OAC 3745-21-09(DD)(13)(f)(iii): The percentage of valves leaking shall be determined... (changed to "Determine the percentage of valves leaking")

Removed restriction: OAC 3745-21-09(DD)(15)(b): The results of such compliance tests shall be reported (changed to "...and the results of such compliance tests reported")

Removed restriction: OAC 3745-21-09(DD)(15)(c): The semiannual reports shall be submitted by (changed to "...and submitted by")

Removed restriction: OAC 3745-21-09(DD)(15)(c): ...and shall include information for... (removed shall)

Removed restriction: OAC 3745-21-09(EE)(2)(a): "...shall be exempt from..." (changed "shall be" to "is")

Removed restriction: OAC 3745-21-09(EE)(2)(a): This exemption shall terminate (changed "shall terminate" to "terminates")

Removed restriction: OAC 3745-21-09(EE)(2)(b): shall be exempt from (changed "shall be" to "is")

Removed restriction: OAC 3745-21-09(EE)(2)(b): shall be based upon (changed "shall be" to "is")

Removed restriction: OAC 3745-21-09(FF): shall comply with the following (changed to "is subject to the following")

Removed restriction: OAC 3745-21-09(FF)(2): These records shall be maintained at the facility for a period of three years. (removed; added timeline to previous sentence)

Removed restriction: OAC 3745-21-09(FF)(2): A copy of the record showing the exceedance shall be submitted to the director within thirty days after the exceedance occurs. (removed; added deadline to previous sentence)

Removed restriction: OAC 3745-21-09(JJ): shall comply (changed to "is subject to")

Removed restriction: OAC 3745-21-09(KK): shall comply (changed to "is subject to")

Removed restriction: OAC 3745-21-09(LL): shall comply (changed to "is subject to")

Removed restriction: OAC 3745-21-09(MM)(1): The paint manufacturing operations shall include the following equipment for the processing or use of solvent based or waterbased paint materials: mixing tanks for paint liquids and pigments, grinding mills, paint thinning and tinting tanks, paint filling equipment for shipping containers, cleaning equipment for paint processing equipment, and recovery equipment for the cleaning solvents. The paint laboratory operations shall include the following equipment for the processing or use of solvent based or waterbased paint materials: paint spray booths and associated ovens within the paint manufacturing quality control laboratory and the paint research laboratory (removed; changed to list form)

## Rule Summary and Fiscal Analysis

### Part B - Local Governments Questions

**1. Does the rule increase costs for:**

|                                        |     |
|----------------------------------------|-----|
| <b>A. Public School Districts</b>      | No  |
| <b>B. County Government</b>            | Yes |
| <b>C. Township Government</b>          | Yes |
| <b>D. City and Village Governments</b> | Yes |

**2. Please estimate the total cost, in dollars, of compliance with the rule for the affected local government(s). If you cannot give a dollar cost, explain how the local government is financially impacted.**

OAC Chapter 3745-21 has been in the OAC since 1972. The rules have evolved over the years to address requirements in the Clean Air Act to develop regulations as part of an effort to achieve the NAAQS for CO and ozone within the state. These rules and additional technical support were submitted to U.S. EPA for review and approval as part of the SIP.

This Chapter has been modified over the years to incorporate requirements for categories of sources for which U.S. EPA has indicated that RACT should apply. In general, the levels of control that are available have been evaluated and presented in a series of CTGs issued by U.S. EPA. There are also rules based on information provided by U.S. EPA for other sources which were identified as non-CTG RACT.

Given the many and varied types of processes that are regulated under OAC chapter 3745-21, it is difficult to give an exact cost of compliance with the rules in this chapter in a limited space. The cost of compliance with these rules can range from zero cost for a control technology such as a work practice or raw material change, to a few million dollars for the installation and operation of a mechanical control device. As part of the permitting process, facilities can perform a RACT analysis which allows them to determine, based on all technologies available, the best and most cost-effective control strategy for their facility.

This rule has been in effect for several years. Most of the costs associated with compliance with the existing requirements of this rule have been addressed in previous rulemakings and have been well established in the industry. There may be some additional cost of compliance related to the expansion of the requirements in the

Cincinnati ozone nonattainment area in order to meet mandatory RACT requirements; however, many of the facilities affected by this expansion may already meet the requirements and not incur additional costs.

It should be noted that CTG based rules similar to Ohio's rules can also be found in Ohio's neighbor states and in any state containing a moderate ozone non-attainment area. Facilities wishing to locate in these types of areas will need to meet these requirements in all states.

3. **Is this rule the result of a federal government requirement?** Yes
  - A. **If yes, does this rule do more than the federal government requires?** No
  - B. **If yes, what are the costs, in dollars, to the local government for the regulation that exceeds the federal government requirement?**

*Not Applicable*
4. **Please provide an estimated cost of compliance for the proposed rule if it has an impact on the following:**
  - A. **Personnel Costs**

See above.
  - B. **New Equipment or Other Capital Costs**

See above.
  - C. **Operating Costs**

See above.
  - D. **Any Indirect Central Service Costs**

See above.
  - E. **Other Costs**

See above.
5. **Please explain how the local government(s) will be able to pay for the increased costs associated with the rule.**

Ohio EPA acknowledges that there will be an increase in costs associated with the expansion of the requirements in the Cincinnati ozone nonattainment area in order to meet mandatory RACT requirements; however, many of the facilities affected by this expansion may already meet the requirements and not incur additional costs. Facilities that are affected will need to adjust their operational and maintenance budgets accordingly. These budgets are typically financed through a general fund.

**6. What will be the impact on economic development, if any, as the result of this rule?**

These rules are being promulgated to implement federal requirements for the application of reasonably available control technology to source categories of VOC in moderate ozone non-attainment areas. Rules governing VOC for these source types are in effect in many places around the country, and are not unique to the area covered by this rule. Therefore, any potential economic impact in the affected area would be minimal.

Reducing emissions benefits the affected area by providing a cost savings and economic benefit to stakeholders through reduced pollution. Not only does reducing pollution provide for better enjoyment of the states resources through cleaner air but also reduces property damage caused by pollution, reduces illnesses and reduces healthcare costs. The cost benefits, although difficult to quantify, are significant and may exceed the cost incurred by regulated entities required to comply with VOC RACT rules.

## Rule Summary and Fiscal Analysis

### Part C - Environmental Rule Questions

Pursuant to Am. Sub. H.B. 106 of the 121st General Assembly, prior to adopting a rule or an amendment to a rule dealing with environmental protection, or containing a component dealing with environmental protection, a state agency shall:

- (1) Consult with organizations that represent political subdivisions, environmental interests, business interests, and other persons affected by the proposed rule or amendment.
- (2) Consider documentation relevant to the need for, the environmental benefits or consequences of, other benefits of, and the technological feasibility of the proposed rule or rule amendment.
- (3) Specifically identify whether the proposed rule or rule amendment is being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal environmental law or to participate in a federal environmental program, whether the proposed rule or rule amendment is more stringent than its federal counterpart, and, if the proposed rule or rule amendment is more stringent, the rationale for not incorporating its federal counterpart.
- (4) Include with the proposed rule or rule amendment and rule summary and fiscal analysis required to be filed with the Joint Committee on Agency Rule Review information relevant to the previously listed requirements.

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**(A) Were organizations that represent political subdivisions, environmental interests, business interests, and other persons affected by the proposed rule or amendment consulted? Yes**

**Please list each contact.**

A draft of these rules was released for a 30-day public comment and review period ending June 18, 2021. The rules were released to Ohio EPA's electronic interested parties list, posted on Ohio EPA's regulations website and shared with interested industry parties. Several comments were received on Ohio EPA's rulemaking effort. Ohio EPA's response to comments document can be provided upon request. A copy of Ohio EPA's interested parties distribution list can be made available upon request.

**(B) Was documentation that is relevant to the need for, the environmental benefits or consequences of, other benefits of, and the technological feasibility of the proposed rule or amendment considered? Yes**

**Please list the information provided and attach a copy of each piece of documentation to this form. (A SUMMARY OR INDEX MAY BE ATTACHED IN LIEU OF THE ACTUAL DOCUMENTATION.)**

Clean Air Act, USEPA Control Technique Guidance Documents, LSC Style and Formatting Manual, and comments from interested parties.

- (C) Is the proposed rule or rule amendment being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal environmental law or to participate in a federal environmental program? Yes

Is the proposed rule or rule amendment more stringent than its federal counterpart?  
No *Not Applicable*

- (D) If this is a rule amendment that is being adopted under a state statute that establishes standards with which the amendment is to comply, is the proposed rule amendment more stringent than the rule that it is proposing to amend? No