

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 3745-21-15

Rule Type: Amendment

Rule Title/Tagline: Control of volatile organic compound emissions from wood furniture manufacturing operations.

Agency Name: Ohio Environmental Protection Agency

Division:

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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).

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

This rule establishes emission control requirements for wood manufacturing operations. This rule is being amended to correct formatting to meet agency standards.

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.

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.**

Not Applicable

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?

This rule establishes emission control requirements for wood manufacturing operations.

There is a cost associated with the introduction of a control technology under this rule depending on the control technology chosen. This estimated capital cost, which includes high volume low pressure (HVL) spray guns, cost for extra drying capacity, paint circulation system, and coating material storage which are estimated to be from \$15,000 to \$900,000 depending on the control option chosen. The estimated personnel cost, annually, will range from \$210,000 to \$375,000 depending on the control option chosen. The estimated annual cost for operating cost, the control equipment ranges from \$105,000 to \$280,000 again, depending on the control option chosen. The estimated annual indirect/other cost, which includes the costs of maintaining facilities, equipment, administrative salaries, supplies, and savings; due to less coating used ranges from (\$180,000) to (\$265,000). These cost estimates are based on a study conducted by the USEPA Guideline Series Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations in April, 1996. Numbers in parentheses indicate a net savings. The dollar amounts have been calculated to reflect 2021 buying power.

This rule has been in effect for at least 15 years. These costs are well established in the industry as existing facilities have already upgraded their equipment to comply with this rule and several years. The amendments being made to this rule do not add any additional requirements to affected facilities. As such, there is no additional cost of compliance associated with the amendments being made to this rule.

13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No

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? Yes**

An affected facility is required to submit a notification to the Ohio EPA district office or local air agency in writing that states that the facility is subject to this rule. A new permit is required if the facility does not already possess a complying permit.

- 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? No

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

Not Applicable

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

Not Applicable

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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.

(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