

MEMORANDUM OF RESPONSE

| To: | Tess Eckstein, Regulatory Policy Advocate | | |
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| From: | Mandi Payton, Rules Coordinator | | |
| Date: | November 7, 2016 | | |
| | Memorandum of Response to CSI Review – Chapter 3745-18: Sulfur Dioxide Regulations | | |
| Subject: | (OAC 3745-18-01, and 3745-18-03 to 3745-18-94) | | |

Recommendations

On November 7, 2016, Ohio EPA received the Recommendations for the Division of Air Pollution Control's Chapter 3745-18: Sulfur Dioxide (OAC 3745-18-01, and 3745-18-03 to 3745-18-94) Rules.

The CSI memorandum stated that:

"The proposed rules impact all coal-fired, steam-generating units in Ohio. Potential adverse impacts from the rules include attaining and maintaining specific SO2 emission limits, performing monitoring and testing, maintaining records, and developing reporting documents. Chapter 3745-18 has been enforced since 1979, so facilities subject to the rules have long since installed controls and continue to operate under the terms of their air pollution control permits. In addition, the primary focus of these amendments is to remove facility-specific rule language from the rules for facilities and emission units that are no longer operating; there is no cost to these facilities. Overall, the cost of compliance could range from a few hundred dollars for a control technology, such as a raw material change, to a few million dollars for the installation and operation of a mechanical control device. All entities have already incurred these costs, except for continued monitoring, testing, reporting, and recordkeeping. While infrequent, fines could also be imposed for rule violations. The BIA states that the rules are justified because the CAA requires that Ohio bring SO2 nonattainment areas into attainment. They also protect public health and welfare.

Ohio EPA engaged over 1,300 stakeholders with an interest in DAPC rulemaking between February and March 2015. DAPC also posted a notice on the Ohio EPA website and in the Director's Weekly Review. Three comments were submitted recommending that Ohio EPA make facility-specific changes to the regulations, including removing additional shut down facilities. Ohio EPA made the required changes based on these suggestions. During the CSI public comment period, six comments were submitted. In these comments, stakeholders notified Ohio EPA of errors it had made in its revisions, advised it to remove more shut down facilities, and suggested minor language revisions. Ohio EPA made most requested changes, except those made by the U.S. EPA, since Ohio EPA had not received feedback from the U.S. EPA regarding suggested changes to nonattainment plan elements until this five-year review. Prior to the review, the U.S. EPA had informed Ohio EPA that additional controls and more stringent emission limitations were not warranted. The suggested changes will require Ohio EPA to work with the U.S. EPA going forward but cannot be addressed in the short-term. No additional comments were submitted. Therefore, the CSI Office has determined the purpose of the rules to be justified.

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For the reasons discussed above, the CSI Office does not have any recommendations for this rule package.

Based on the above comments, the CSI Office concludes that the Ohio Environmental Protection Agency should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review."

Next Steps

At this time, it is Ohio EPA's plan to move forward with the original filing of this rule with the Joint Committee on Agency Rule Review.

If you have any questions, please contact Mandi Payton at 614-644-2782.