



## MEMORANDUM OF RESPONSE

To: Christopher Smyke, Lt. Governor's Office

From: Michelle Mountjoy, Division Rules Coordinator

Date: July 21, 2017

Memorandum of Response to CSI Review – Acid Rain Operating Permits for Electrical Generating Units (OAC 3745-103-01 to 3745-103-09, 3745-103-11 to 3745-103-29, 3745-103-31 to 3745-103-39, 3745-103-41 to 3745-103-45, 3745-103-47, 3745-103-48, 3745-103-50 to 3745-103-53, 3745-103-55 to

Subject: 3745-103-63, 3745-103-65, and 3745-103-66)

### Recommendations

On July 21, 2017, Ohio EPA received the Recommendations for the Division of Air Pollution Control Acid Rain Rules.

The CSI memorandum stated that:

“OEPA conducted a 30-day early stakeholder outreach period in November 2015. The Division of Air Pollution Control (DAPC) sent a request for comments electronically to its over 1,300 member interested party distribution list for rulemaking. The DAPC also posted a notice of the rule changes on its website and in the Director's Weekly Review publication. No comments were received during either the early stakeholder outreach period or the CSI public comment period.

The federal and state acid rain regulations require utility generating units operating in Ohio to reduce SO<sub>2</sub> and NO<sub>x</sub> emissions to below 1980 levels. In addition to the BIA, OEPA furnished a fiscal analysis document that was developed in 2006 and updated with more current information regarding the price of SO<sub>2</sub> and NO<sub>x</sub> allowances. The fiscal analysis provides a table that details the aggregate annual cost of information collection under Ohio rules in terms of time (112,304 man-hours) and money (approximately \$14.9 million). OEPA's analysis also estimates the aggregate cost for Ohio for curtailing emissions at approximately \$750 million for 125 affected units in Ohio. However, since the proposed amendments to the rules are non-substantive changes to form and reference, the impact of the amendments is negligible.

The BIA justifies the impact of the existing rules by the need to comply with federal law in the Clean Air Act. In addition, the rules assist in the attainment and maintenance of the National Ambient Air Quality Standards. After reviewing the proposed rules, the BIA and stakeholder outreach the CSI Office has determined that the rules satisfactorily meet the standards espoused by the CSI Office, and the purpose of the rule package is justified.

For the reasons explained above, this office does not have any recommendations regarding 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 Michelle Mountjoy at 614-728-5372.