



Missouri Department of Natural Resources  
**Regulatory Impact Report**  
In Preparation For Proposing  
Amendment of 10 CSR 10-6.060 and 6.065

Applicability: Pursuant to Section 640.015 RSMo, “all rulemakings that prescribe environmental conditions or standards promulgated by the Department of Natural Resources...shall... be based on the regulatory impact report...” This requirement shall not apply to emergency rulemakings pursuant to section 536.025 or to rules of other applicable federal agencies adopted by the Department “without variance.”

Determination: The Missouri Department of Natural Resources has determined this rulemaking prescribes environmental conditions or standards and verifies that this rulemaking is not a simple unvarying adoption of rules from other federal agencies. Accordingly, the Department has produced this regulatory impact report which will be made publicly available for comment for a period of at least 60 days. Upon completion of the comment period, official responses will be developed and made available on the agency web page prior to filing the proposed rulemaking with the Secretary of State. Contact information is at the end of this regulatory impact report.

1. Describe the environmental conditions or standards being prescribed.

The rulemaking will defer for a period of three (3) years the application of the Prevention of Significant Deterioration (PSD) and Title V permitting requirements to carbon dioxide (CO<sub>2</sub>) emissions from bioenergy and other biogenic stationary sources.

The rulemaking will also finalize rule language on New Source Review provisions related to fine particulate matter (PM<sub>2.5</sub>) that represent the final elements to implement a PM<sub>2.5</sub> PSD program (Federal Register, May 16, 2008). This action will establish maximum allowable increases in ambient pollutant concentrations or increments, and two screening tools known as the Significant Impacts Levels (SILs) and a Significant Monitoring Concentration (SMC) for PM<sub>2.5</sub> (Federal Register, October 20, 2010). And finally, this action will reference new test methods for the measurement of filterable PM<sub>10</sub> and PM<sub>2.5</sub> and the measurement of condensable PM emissions from stationary sources (Federal Register, December 21, 2010).

2. A report on the peer-reviewed scientific data used to commence the rulemaking process.

The EPA has used peer-reviewed scientific data in preparing the PM related actions. The Department of Natural Resources has relied upon EPA's review and has not performed any additional review of scientific data in preparing these rulemakings.

3. A description of the persons who will most likely be affected by the proposed rule, including persons that will bear the costs of the proposed rule and persons that will benefit from the proposed rule.

Sources that combust or use biogenic fuels will be positively affected by the action related to the deferral of biogenic CO<sub>2</sub> emissions from PSD and Title V permitting since it will simplify permitting activities. Examples of affected entities include: biomass combustion, municipal solid waste combustion, sources of biogas, and fermentation processes. For the actions related to PM, all sources that emit PM<sub>2.5</sub> could be affected. Examples of affected entities include: electric services, industrial chemicals, miscellaneous chemical products, automobile manufacturing, and pharmaceuticals.

4. A description of the environmental and economic costs and benefits of the proposed rule.

The rulemaking will defer for a period of three (3) years the application of the Prevention of Significant Deterioration (PSD) and Title V permitting requirements to carbon dioxide emissions from bioenergy and other biogenic stationary sources. Affected sources will benefit by not having to address CO<sub>2</sub> emissions in their permits, which streamlines the permit process for them.

The rulemaking will also finalize rule language on New Source Review provisions related to PM<sub>2.5</sub> that represent the final elements to implement a PM<sub>2.5</sub> PSD program (Federal Register, May 16, 2008). This action will establish maximum allowable increases in ambient pollutant concentrations or increments, and two screening tools known as the Significant Impacts Levels (SILs) and a Significant Monitoring Concentration (SMC) for PM<sub>2.5</sub> (Federal Register, October 20, 2010). And finally, this action will reference new test methods for the measurement of filterable PM<sub>10</sub> and PM<sub>2.5</sub> and the measurement of condensable PM emissions from stationary sources (Federal Register, December 21, 2010). Although the Air Program is already implementing applicable federal PM<sub>2.5</sub> permitting requirements, the benefit of this action is that the states air permitting rules will be up-to-date with all necessary elements of a PM<sub>2.5</sub> program.

5. The probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenue.

The department does not expect this agency or any other public agency will incur additional costs to implement and enforce these proposed rulemakings.

6. A comparison of the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction, which includes both economic and environmental costs and benefits.

These amendments will ensure that the state maintains full authority over its permitting programs, and will avoid the need for EPA to exercise its oversight authority to require

states to meet minimum federal standards. These proposed rulemakings provide relief, for a period of at least three (3) years, to biogenic greenhouse gas (GHG) sources that might otherwise not need a permit. Not taking this action would result in sources being required to obtain operating permits solely because of their biogenic GHG emissions.

7. A determination of whether there are less costly or less intrusive methods for achieving the proposed rule.

The Department of Natural Resources is not aware of a less costly or intrusive method for achieving these proposed rulemakings.

8. A description of any alternative method for achieving the purpose of the proposed rule that were seriously considered by the department and the reasons why they were rejected in favor of the proposed rule.

The department is not aware of any alternative method for achieving the purpose of the proposed rulemakings.

9. An analysis of both short-term and long-term consequences of the proposed rule.

The short-term consequences of the proposed rulemakings are the relief to sources of biogenic GHG emissions from the requirement to obtain a permit and comply with applicable regulations for a period of at least three (3) years. The long-term consequences of these rulemakings are unknown. For the PM related rulemakings, the short and long-term consequences are to prevent the significant deterioration of air quality due to emissions of PM<sub>2.5</sub>.

10. An explanation of the risks to human health, public welfare or the environment addressed by the proposed rule.

According to EPA, human activities are intensifying the naturally occurring greenhouse effects by increasing the amount of GHGs in the atmosphere which is changing the climate in a way that endangers human health, welfare, and the environment. Deferring biogenic GHG emissions from permitting does not appear to lessen this risk. Fine particulate matter has been identified in a broad range of health and welfare effects. Examples of these effects include: premature mortality, school absences, work loss days, restricted activity days, visibility impairment, and vegetation and ecosystem damage.

11. The identification of the sources of scientific information used in evaluating the risk and a summary of such information.

The department has relied upon EPA's finding regarding the risks of PM<sub>2.5</sub> emissions. A summary of EPA's finding can be found in its final rule published in the Federal Register, October 20, 2010, pp. 64864-64907.

12. A description and impact statement of any uncertainties and assumptions made in conducting the analysis on the resulting risk estimate.

The department is not aware of any uncertainties and assumptions that would affect the results other than the uncertainty mentioned in item 10.

13. A description of any significant countervailing risks that may be caused by the proposed rule.

The department is not aware of any assumptions or uncertainties inherent with the proposed rulemakings.

14. The identification of at least one, if any, alternative regulatory approaches that will produce comparable human health, public welfare or environmental outcomes.

The department is not aware of any alternative method for achieving the purpose of the proposed rulemakings.

15. Provide information on how to provide comments on the Regulatory Impact Report during the 60-day period before the proposed rule is filed with the Secretary of State.

Formal comments can be provided on either the Regulatory Impact Report or the draft rule text by sending them to the contact listed in item 16.

16. Provide information on how to request a copy of comments or the web information where the comments will be located.

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Missouri Department of Natural Resources  
P.O. Box 176  
Jefferson City, MO 65102-0176

or

Missouri Air Conservation Commission  
P.O. Box 176  
Jefferson City, MO 65102-0176

or call: (573) 751-4817

Copies of formal comments made on either the Regulatory Impact Report or the draft rule text may be obtained by request from the contact listed above or by accessing the Rules In Development section at web site [www.dnr.mo.gov/env/apcp/RulesDev.htm](http://www.dnr.mo.gov/env/apcp/RulesDev.htm) for this particular rulemaking

