

Small Business Regulatory Fairness Board

Small Business Impact Statement

Date: 3/19/15

Rule Number: 10 CSR 10-6.261 Control of Sulfur Dioxide Emissions

Name of Agency Preparing Statement:

Missouri Department of Natural Resources - Air Conservation Commission

Name of Person Preparing Statement:

Paul Myers

Phone Number: 6-1549

Email: paul.myers@dnr.mo.gov

Name of Person Approving Statement:

Sara Parker Pauley, Director, Missouri Department of Natural Resources

This new rule will set enforceable environmental conditions and emission limits necessary to address the U.S. Environmental Protection Agency's (EPA's) 1-hour sulfur dioxide (SO₂) National Ambient Air Quality Standard (NAAQS) of 75 parts per billion (ppb) [75 Federal Register (FR) 35520, June 22, 2010] and will be part of the Missouri State Implementation Plan (SIP) required for the Jackson and Jefferson County SO₂ nonattainment areas. In addition, this proposed new rule incorporates all necessary existing provisions from 10 CSR 10-6.260 Restriction of Emission of Sulfur Compounds in order to consolidate SO₂ requirements and reduce confusion for Missouri's SO₂ emission sources. Where possible we have reworked existing provisions to make them easier to understand in the new rule. For example, we have converted fuel sulfur concentration limits of 500 and 2,000 parts per million by volume into the more common parts per million by weight in order to ease compliance for small business. Parts per million by weight is commonly used on bills of lading that can be used by small business to demonstrate compliance. By incorporating the existing SO₂ requirements from 6.260 into the new rule, the impact to small businesses remains the same.

A Small Business Impact Statement is being provided to the Missouri Small Business Regulatory Fairness Board to promote awareness to affected small businesses. After the proposed rule amendment is filed with the Secretary of State's Office, a public notice for this rulemaking will be published in the Missouri Register, posted on the department's website, announced via email at least thirty (30) days prior to being presented at public hearing, and comments will be accepted for seven (7) days after the public hearing. Any comments received prior to the close of the public comment period will be considered prior to filing the final order of rulemaking.

The department will incur no additional costs as a result of this new rule. The implementation and enforcement tasks would be performed by existing program staff as part of their routine duties. Other public agencies, such as municipalities and state institutions such as universities, may incur costs if their facilities emit large amounts of sulfur. The public entity fiscal note for

the rulemaking contains additional information and cost assumptions. The rulemaking is anticipated to have little to no effect on state revenue.

Fuel combustion and industrial processes are sources of SO₂ emissions. Though most of the new 1-hour SO₂ NAAQS requirements affect only the state's largest SO₂ emitters, some small businesses located in Jackson and Jefferson Counties could be impacted by the rule's provision to use ultra-low sulfur distillate fuel oil in the future. However, based on phone contact with businesses in those counties, we are not aware of any affected sources using anything except ultra-low sulfur fuels. Other rule requirements are simply being carried forward from existing rule 6.260. Therefore, it is assumed that there is no additional impact to small business as a result of this rulemaking. Rule 6.261 provides additional methods for demonstrating compliance with the rule than 6.260, such as the use of fuel delivery records to demonstrate compliance which should benefit small business compared to the more costly source tests. However, the use of fuel delivery records as a compliance method is not assumed to be a new requirement, as most sources would maintain those fuel records regardless. Therefore the new rule is not expected to result in new or additional requirements for small business beyond what is already in place.

The proposed rule text imposes no direct or indirect costs to affected small businesses.

Only major sources of SO₂ emissions will be directly affected by this rulemaking. The SO₂ emission limits in Table I for the sources contributing to the Jackson County nonattainment area (Independence Power and Light's Blue Valley power plant, Kansas City Power and Light's Hawthorn and Sibley power plants, and Veolia Energy) are set at the level needed to demonstrate attainment of the 1-hour SO₂ standard. The SO₂ emission limits in Table I for the sources contributing to the Jefferson County nonattainment area (Ameren's Labadie, Meramec, and Rush Island power plants) will strengthen Missouri's SIP because they are more stringent than the existing SO₂ emission limits for these plants found in 10 CSR 10-6.260. Other SO₂ sources in the state will comply with the existing SO₂ limits and requirements carried forward from rule 10 CSR 10-6.260.

Does the proposed rulemaking(s) include provisions that are more stringent than those mandated by comparable or federal, state or county standards?

Yes No

If yes, explain the reason for imposing a more stringent standard.