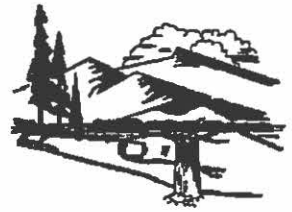




Department of Environmental Quality

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To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor



Todd Parfitt, Director

Memorandum

To: Meghan Lally, Chair, Environmental Quality Council

From: Todd Parfitt, Director, Department of Environmental Quality

Date: September 28, 2017

Subject: Proposed Rulemaking Package (R-28)

FILED
 SEP 28 2017

Jim Ruby, Executive Secretary
 Environmental Quality Council

The Air Quality Division (Division) of the Department of Environmental Quality is proposing revisions to Chapter 14, Emission Trading Program Regulations of the Wyoming Air Quality Standards and Regulations (WAQSR). The Division is requesting the Environmental Quality Council (EQC) to review the proposal and to consider adoption of these rules when you meet in Cheyenne, Wyoming on December 5, 2017.

In this proposal rulemaking, WAQSR chapters and sections being updated to adopt by reference from the Code of Federal Regulations (CFR) for July 1, 2017 include Chapter 14, Section 5. Chapter 14, Emission Trading Program Regulations, Section 3, Sulfur dioxide milestone inventory, will be updated to include new provisions for annual sulfur dioxide emissions reporting for Basin Electric Power Cooperative. Basin Electric requests to amend requirements to report its sulfur dioxide emissions for Units 1 and 2 under the 309 Program (40 CFR §51.309) using the emission rates applicable to those Units during the 2001-2003 BART baseline period. This change ensures that the sulfur dioxide emissions reductions obtained under the Settlement Agreement with Basin Electric Power Cooperative, Environmental Protection Agency (EPA), and the State of Wyoming, are no longer counted as reductions under the 309 Program. Specifically, Basin Electric must use the annual average SO₂ emission rates of 0.159 lb/MMBtu for Laramie River Unit 1 and 0.162 lb/MMBtu for Laramie River Unit 2, reflecting actual emissions in 2001 to 2003, and multiply those rates by the actual annual heat input for each unit to calculate and report emissions under the 309 Program. Chapter 14, Sections 3 and 5, involve revisions to the State Implementation Plan (SIP). The Division will submit these changes to the EPA once they are state effective.

The Division issued a notice for public comment on this set of revisions prior to the July 17, 2017 Air Quality Advisory Board (AQAB) meeting, with the public comment period running from June 12, 2017 to July 17, 2017. At the July 17, 2017 meetings, the AQAB recommended that the rules proceed to a formal rulemaking before the EQC.

We have prepared rule packages for the council, including the public notice and the transcript from the July 17, 2017 AQAB meeting, which summarize the nature of the changes.

This rule package contains the following attachments:

- 1) Public Notice for the July 17, 2017 AQAB Meeting (2 copies)
- 2) Statement of Principal Reasons (2 copies)
- 3) July 17, 2017 AQAB Meeting Minutes (2 copies)

- 4) Chapter 14, Emission Trading Program Regulations, Strike and Underline Version (draft May 16, 2017) (2 copies)
- 5) Chapter 14, Emission Trading Program Regulations, Clean Format (2 copies)
- 6) Permission to Proceed Memo Signed August 8, 2017 (2 copies)
- 7) Notice of Intent to Adopt Rules (2 copies)