Last Updated 10/10/17

Rulemaking Index
Wyoming Air Quality Standards and Regulations
Chapter 14

EQC Docket 17-2101

Index of Materials

The following is an index of materials that the Department of Environmental Quality, Air Quality Division, relied upon to develop the proposed rule, in accordance with Department of Environmental Quality, Rules of Practice and Procedure, Chapter 3, Section 5(b):

1. Basin Electric Power Cooperative's Petition for Rulemaking Wyoming Air Quality Standards and Regulations, Chapter 14, Section 3, May 3, 2017, 1 p.
2. Basin Electric Power Cooperative, the State of Wyoming, and the United States Environmental Protection Agency, Final Settlement Agreement with Signatures, December 22, 2016, 19 p.
3. Proposed Statement of Principal Reasons for Regulatory Change, May 3, 2017, 3 p.
4. Wyoming State Implementation Plan – Regional Haze amendments, May 3, 2017, 3 p.
5. Presentation to the Wyoming Air Quality Advisory Board, March 28, 2017, 11 p.
6. Air Quality Advisory Board Public Notice, August 23, 2017, 1 p.
7. Air Quality Advisory Board Sign In Sheet, July 17, 2017, 1 p.
8. Air Quality Advisory Board Meeting Transcript, July 17, 2017, 31 p.
9. Attorney General Statutory Authority Review, Kvien, July 28, 2017, 2 p.
10. Governor Permission to Proceed, August 9, 2017, 2 p.
11. Takings Checklist and Federal Citations, July 18, 2017, 2 p.
12. Statement of Principal Reasons, August 2, 2017, 2 p.
13. Wyoming Air Quality Standards and Regulations, Chapter 14 (clean), May 15, 2017, 50 p.
14. Wyoming Air Quality Standards and Regulations, Chapter 14 (Strike and Underline), May 15, 2017, 50 p.

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May 3, 2017

VIA E-MAIL AND USPS
Todd Parfitt
Administrator
Wyoming Department of Environmental Quality
200 West 17th Street
Cheyenne, WY 82002

Re: Basin Electric Power Cooperative's Petition for Rulemaking
Wyoming Air Quality Standards and Regulations Chapter 14, Section 3

Dear Mr. Parfitt:

Pursuant to Chapter Three of the Environmental Quality Council's Rules of Practice and Procedure, Basin Electric Power Cooperative hereby submits a petition for rulemaking to amend Wyoming Air Quality Standards and Regulations (WAQSR) Chapter 14, Section 3. The rationale and need for the rulemaking is set forth in the attached Proposed Statement of Principal Reasons.

This petition for rulemaking includes the following documents:

1. Underscored copy of WAQSR Chapter 14, Section 3
2. Clean copy of WAQSR Chapter 14, Section 3
3. Proposed Statement of Principal Reasons
4. Underscored copy of WYRHSIP Section C, Part D
5. Clean copy of WYRHSIP Section C, Part D
6. Basin Electric Power Cooperative-specific Reporting Form

Please contact me if you have any comments or questions.

Sincerely,

Patrick R. Day, P.C.
a Partner of Holland & Hart LLP

Enclosures

cc: Dr. David Bagley, Chair, Wyoming Environmental Quality Council
Nancy Vehr, Administrator, Air Quality Division
Elizabeth Morrisseau, Assistant Attorney General
Anine Lambert, Basin Electric Power Cooperative

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SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by Basin Electric Power Cooperative ("Basin Electric"), the State of Wyoming ("Wyoming"), and the United States Environmental Protection Agency ("EPA") (collectively, the "Parties");

WHEREAS, Basin Electric is the operator and part-owner of Laramie River Station ("Laramie River") electric generating units 1, 2 and 3; and

WHEREAS, on January 12, 2011, pursuant to Sections 169A and 169B of the Clean Air Act, 42 U.S.C. §§ 7491 and 7492, Wyoming submitted the Wyoming regional haze state implementation plan ("SIP") to EPA for review and approval; and

WHEREAS, the Wyoming regional haze SIP established, among other things, Best Available Retrofit Technology ("BART") emission limits for nitrogen oxides ("NO_x") at Laramie River Units 1-3 of 0.21 pounds per one million British thermal units ("lb/MMBtu") on a 30-day rolling average; and

WHEREAS, on January 30, 2014, EPA issued a final rule under sections 110 and 169A of the Clean Air Act, 42 U.S.C. §§ 7410 and 7491, entitled "Approval, Disapproval and Promulgation of Implementation Plans; State of Wyoming; Regional Haze State Implementation Plan; Federal Implementation Plan for Regional Haze," 79 Fed. Reg. 5032 (Jan. 30, 2014) ("Final Rule"), disapproving in part the Wyoming regional haze SIP, including the NO_x BART requirements as to Laramie River Units 1-3, and promulgating a federal implementation plan ("FIP") that imposed a NO_X BART emission limit of 0.07 lb/MMBtu (30-day rolling average) at Laramie River Units 1-3; and

WHEREAS, Petitioners Basin Electric and Wyoming each filed a petition for review in the Tenth Circuit Court of Appeals challenging the Final Rule as it pertained to the NO_x BART emission limits for Laramie River Units 1-3; and

WHEREAS, these petitions for review, *Basin Electric Cooperative v. EPA*, No. 14-9533 ("Basin Electric Case"), and *Wyoming v. EPA*, No. 14-9529 ("Wyoming Case"), were consolidated by the Court for the purpose of briefing and argument with *Powder River Basin Resource Council v. EPA*, No. 14-9530, and *PacifiCorp v. EPA*, No. 14-9534 (collectively referred to as the "Consolidated Cases"); and

WHEREAS, Petitioners Basin Electric and Wyoming ("Petitioners") have raised various challenges to the Final Rule in the Basin Electric Case and the Wyoming Case; and

WHEREAS, the Parties wish to implement this Settlement Agreement resolving all of Basin Electric's challenges to the Final Rule in the Basin Electric Case and Wyoming's challenge in the Wyoming Case to the portion of the Rule establishing NO_x BART emission limits for Laramie River Units 1-3, and thereby avoid protracted and costly litigation and to preserve judicial resources, without any admission or adjudication of fact or law.

NOW, THEREFORE, the Parties hereby agree as follows:

1. The Parties agree and acknowledge that before this Settlement Agreement is final, EPA must provide notice in the Federal Register and an opportunity for public comment pursuant to section 113(g) of the Clean Air Act, 42 U.S.C. § 7413(g). Within 10 business days after the last party signs this Settlement Agreement, EPA shall transmit the

required notice allowing for a 30-day public comment period to the Office of the Federal Register for publication in the Federal Register. After this Settlement Agreement has undergone this opportunity for notice and comment, the EPA Administrator and/or the Attorney General, as appropriate, shall within 30 days after the close of the public comment period consider any such written comments and determine whether to withdraw or withhold consent to the Settlement Agreement, in accordance with section 113(g) of the Clean Air Act. In the event EPA determines to proceed with this Settlement Agreement, this Settlement Agreement shall become final on the date that EPA provides written notice of such finality to Petitioners.

2. No later than five days after this Settlement Agreement is final pursuant to Paragraph 1 of this Settlement Agreement, the Parties shall file a joint motion notifying the Court of this Settlement Agreement and requesting that the Basin Electric Case and all claims by Wyoming specific to the determination of BART for the Laramie River Units in the Wyoming Case be stayed pending completion of the process in Paragraphs 3-8 of this Settlement Agreement. While the Parties are only agreeing to file a joint motion to stay the portions of the Consolidated Cases identified above, nothing in this Settlement Agreement shall preclude Basin Electric or Wyoming from filing motions or other pleadings requesting that the remaining claims in the Consolidated Cases, or portions thereof, be stayed pending completion of the process in Paragraphs 3-8 of this Settlement Agreement.

3. To address the limited portion of sulfur dioxide ("SO_2") emissions in the regional haze program that would be covered under the BART Alternative and the

Western Regional SO_2 Milestone and Backstop Trading Program established under 40 C.F.R. § 51.309 ("309 Program"), Basin Electric commits to submit to Wyoming a request for a source-specific SIP revision rulemaking that will ensure that Basin Electric cannot take credit for the SO_2 emission reductions achieved through the emission requirements under Paragraph 5(b)(ii) below for the purposes of both the BART Alternative for Laramie River Units 2 and 3 and the 309 Program. Basin Electric agrees to submit this request to Wyoming no later than 30 days after this Settlement Agreement becomes final pursuant to Paragraph 1 above.

Basin Electric's request for a source-specific SIP revision proceedings will include:

a. A request for Wyoming to revise its SIP to provide that for all purposes under the 309 Program, including the reporting of annual emissions to Wyoming, Basin Electric must use the average SO_2 lb/MMBtu emission rates for Laramie River Units 1 and 2 achieved during the 2001-2003 BART baseline period to calculate its SO_2 emissions. Specifically, the SIP revision will provide that Basin Electric must use the SO_2 emission rates of 0.159 lb/MMBtu for Laramie River Unit 1 and 0.162 lb/MMBtu for Laramie River Unit 2, and multiply those rates by the actual heat input during the year for each unit to calculate and report emissions under the 309 Program; and

b. An analysis of conforming amendments needed to the 309 Program (and any other SIP provisions).

4. Wyoming will expeditiously review Basin Electric's submission and promptly take action to deny the request or initiate a proceeding consistent with the applicable state laws and regulations and to submit the SIP revision, if adopted, to EPA for review pursuant to 42 U.S.C. § 7410.

5. No later than six months after EPA's receipt of a state-adopted SIP revision from Wyoming that contains conforming amendments consistent with Paragraph 3 above, EPA will sign a notice of proposed rulemaking to revise the FIP ("Revised FIP") that includes:

a. NO_x emission limits voluntarily requested by Basin Electric as part of this Agreement for Laramie River Unit 1 of:

i. 0.06 lb/MMBtu on a 30-day rolling average commencing July 1, 2019; and

ii. 0.18 lb/MMBtu on a 30-day rolling average for the interim commencing the date that EPA's final Revised FIP becomes effective and ending June 30, 2019.

These limits are in addition to the NO_x emission limit for Laramie River Unit 1 of 0.07 lb/MMBtu on a 30-day rolling average in EPA's FIP.

b. An alternative to the NO_X BART requirements in EPA's FIP that apply to Laramie River Units 2 and 3 which consists of:

i. NO_x emission limits for Laramie River Units 2 and 3 of:

(1) 0.18 lb/MMBtu on a 30-day rolling average commencing the date that EPA's final Revised FIP becomes effective and ending on December 30, 2018; and

(2) 0.15 lb/MMBtu on a 30-day rolling average commencing December 31, 2018; and

ii. SO_2 emission limits for Laramie River Units 1 and 2 of 0.12 lb/MMBtu averaged annually across the two units commencing the date that EPA's final Revised FIP becomes effective.

c. A requirement that Basin Electric install and operate Selective Catalytic Reduction on Unit 1 by July 1, 2019; and an amendment of the existing FIP compliance date to July 1, 2019; and a requirement that Basin Electric install and operate Selective Non-Catalytic Reduction for each of Units 2 and 3 by December 31, 2018.

d. The SIP revisions identified in Paragraph 4.

6. Aspects of the Final Rule affecting Basin Electric that are not directly implicated by the terms of this Settlement Agreement (including, without limitation, other emissions limits, recordkeeping, and other requirements) shall not be altered in EPA's proposed rulemaking. Once signed, the notice of proposed rulemaking shall be transmitted to the Office of the Federal Register as expeditiously as practicable for publication.

7. Petitioners Basin Electric and Wyoming shall not file comments objecting to the proposed rule discussed in Paragraph 5 above if the emission limits and control technology requirements, including averaging times and compliance dates, correspond to

the terms in that Paragraph, and the other aspects of the Final Rule remain unchanged as provided for in Paragraph 6 above. However, nothing in this Settlement Agreement shall be construed to limit or modify the rights of Petitioners to submit non-adverse technical comments on the proposed rule, if any, or to object to the application of the same emissions limits, including averaging times and compliance dates, and the other aspects of the Final Rule in any other rulemaking regarding any facility other than the Laramie River Station units.

8. If EPA signs a new final rule ("New Final Rule") within six months after publication of proposed rulemaking described in Paragraph 5 that corresponds to the emission limits, including averaging times and compliance dates, set forth in Paragraph 5 of this Settlement Agreement, and does not alter the other aspects of the Final Rule as provided for in Paragraph 6 of this Settlement Agreement, then Basin Electric and EPA shall, after that New Final Rule has been published in the Federal Register, promptly file an appropriate pleading for the dismissal of the Basin Electric Case with prejudice in accordance with Rule 42(b) of the Federal Rules of Appellate Procedure, with each party to bear its own costs and attorneys' fees. Furthermore, Wyoming and EPA shall promptly file an appropriate pleading dismissing with prejudice all claims by Wyoming specific to the determination of BART for the Laramie River Units in the Wyoming Case, with each party to bear its own costs and attorneys' fees.

9. This Agreement shall terminate if: (a) Wyoming does not submit to EPA a SIP revision as described in Paragraph 4 above within twelve months after this

Agreement becomes effective; or (b) EPA takes final action to disapprove such a SIP revision at any time before the New Final Rule is signed.

10. If this Agreement terminates pursuant to Paragraph 9 above, or if EPA does not sign a New Final Rule in accordance with the provisions of Paragraph 8, then the Petitioners' sole and exclusive remedy under this Settlement Agreement shall be the right to ask the Court to lift any stay of the Basin Electric Case and portions of the Wyoming Case, along with any stay of the remaining claims or portions thereof in the Consolidated Cases, and proceed in those cases on a schedule proposed by the parties and approved by the Court. Notwithstanding the foregoing sentence, if EPA does not sign a New Final Rule in accordance with the provisions of Paragraph 8, Basin Electric or Wyoming may also pursue remedies that they may have independent of this Settlement Agreement, including their pending Petitions for Reconsideration of the Final Rule and any judicial relief related thereto.

11. Petitioners waive any right to challenge in any court or administrative proceeding any portion of that New Final Rule that corresponds to the emission limits, including averaging times, compliance dates, and control technology requirements, set forth in Paragraph 5 of this Settlement Agreement. However, nothing in this Settlement Agreement shall be construed to limit or modify the rights of Petitioners to seek reconsideration or judicial review of any New Final Rule that establishes emission limits for Laramie River Units 1-3 that differ in any respect from the emission limits, including averaging times and compliance deadlines set forth in Paragraph 5, or that materially alters the other provisions of the Final Rule as discussed in Paragraph 6.

12. Wyoming does not waive sovereign immunity by entering into this Settlement Agreement and retains immunity and all defenses available to it under state and federal law as a sovereign.

13. Nothing in the terms of this Settlement Agreement shall be construed to limit or modify the discretion accorded EPA by the Clean Air Act or by general principles of administrative law. No provision of this Settlement Agreement shall be interpreted as or constitute a commitment or requirement that EPA obligate funds in contravention of the Anti-Deficiency Act, 31 U.S.C. § 1341. Furthermore, nothing in the terms of this Settlement Agreement shall be construed to limit EPA's authority to alter, amend or revise any final rule EPA may issue pursuant to Paragraph 8 or to promulgate superseding regulations or guidance. Nor shall anything in this Settlement Agreement be construed to limit Basin Electric's or Wyoming's rights to challenge such altered, amended, or revised final rule or superseding regulations or guidance provided the basis for such challenges exist independently from this Settlement Agreement.

14. Nothing in the terms of this Settlement Agreement shall be construed to limit or modify the obligations of Basin Electric to obtain permits pursuant to state and federal law to implement the provisions of this Settlement Agreement.

15. The Parties may extend the dates set forth in this Settlement Agreement or otherwise modify this Settlement Agreement by a written agreement executed by counsel for the Parties. If a lapse in EPA's appropriations occurs within 120 days prior to the deadlines in Paragraphs 1, 2, 3, 5, 8, and 9 of this Settlement Agreement, that deadline shall be extended automatically one calendar day for each calendar day of delay caused

by the lapse in appropriations. Any notices required or provided for by this Agreement shall be in writing and shall be deemed effective (1) upon receipt if sent by U.S. Postal Service, or (2) upon the date sent if sent by overnight delivery, facsimile, or email.

16. Each party shall bear its own costs, including attorneys' fees, in this litigation, including attorneys' fees and costs associated with monitoring, overseeing, or implementing this Settlement Agreement, and including participation in any administrative proceedings contemplated by this Settlement Agreement.

17. This Settlement Agreement constitutes the complete and entire agreement among the Parties. All prior conversations, meetings, discussions, drafts and writings of any kind are specifically superseded by this Settlement Agreement and may not be used by the Parties to vary or contest the terms of this Settlement Agreement or as evidence of the Parties' intent in entering into this Settlement Agreement.

18. The undersigned representatives of each party certify that they are fully authorized by the party that they represent to bind that respective party to the terms of this Agreement.

SO AGREED:

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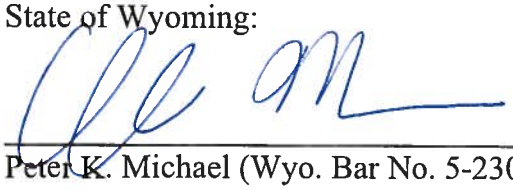

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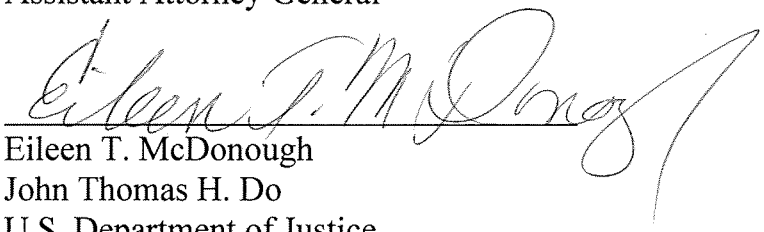

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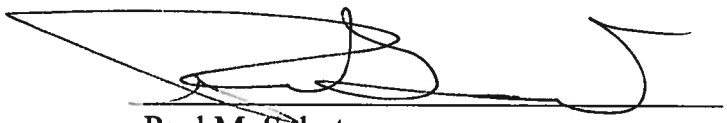
Missouri Basin Power Project



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Chief Executive Officer and General Manager
Basin Electric Power Cooperative

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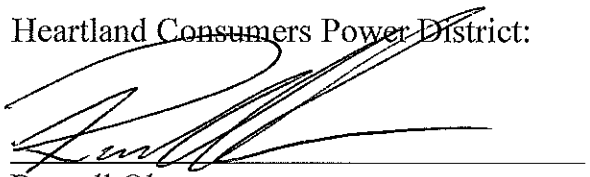

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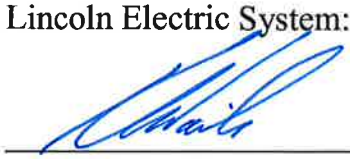
Chief Executive Officer

Lincoln Electric System:



Kevin G. Wailes
Chief Executive Officer

Tri-State Generation and Transmission Association, Inc.

Barry Ingold
Senior Vice President of Generation

Western Minnesota Municipal Power Agency:

Thomas J. Heller
Assistant Secretary/Treasurer

Wyoming Municipal Power Agency:

Larry E. LaMaack
Executive Director

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PROPOSED STATEMENT OF PRINCIPAL REASONS FOR REGULATORY CHANGE

Basin Electric Power Cooperative (Basin Electric), operating agent of Laramie River Station, respectfully Petitions the Director of the Department of Environmental Quality to amend Chapter 14 of the Rules and Regulations of the Air Quality Division, Emissions Trading Program, by adding new source-specific subsections (d) and (e) to Section 3 of that Chapter, providing as follows:

> (d) Notwithstanding any other provision of this Chapter 14, Basin Electric Power Cooperative's Laramie River Station shall report its annual sulfur dioxide emissions as follows: for Laramie River Station Unit 1, Basin Electric Power Cooperative shall report its sulfur dioxide emissions based on an annual average emission rate of 0.159 lb/MMBtu multiplied by the actual annual heat input; for Laramie River Station Unit 2, Basin Electric Power Cooperative shall report its annual sulfur dioxide emissions based on an annual emission rate 0.162 lb/MMBtu multiplied by the actual annual heat input. Heat rate shall be calculated as required in Chapter 14 and 40 CFR Part 75. Annual sulfur dioxide emissions for Laramie River Station Unit 3 shall be reported as otherwise provided in this Chapter.
>
> > (i) Basin Electric Power Cooperative shall report sulfur dioxide emissions as calculated per Section 3(d) as of the year that Basin Electric Power Cooperative commences operation of Selective Catalytic Reduction at Laramie River Station Unit 1 consistent with the notification provisions found at WAQSR Chapter 6 § 2(i)(ii).
>
> (e) The Division of Air Quality shall use the annual sulfur dioxide emissions reported by Basin Electric Power Cooperative in Section 3(d) for all purposes under this Chapter.

STATEMENT OF REASONS FOR PETITION

Basin Electric submits this Petition for Rulemaking for the purpose of complying with its obligations under a Settlement Agreement executed by Basin Electric, the State of Wyoming, and the Environmental Protection Agency (EPA) on December 22, 2016, to resolve certain claims asserted by Basin Electric and the State of Wyoming against the EPA arising out of EPA's disapproval of the State of Wyoming's Implementation Plan for best available retrofit control technologies (BART) for nitrogen oxides (NO_x) applicable to the Laramie River Station, published as a Federal Implementation Plan at 79 Fed. Reg. 5032 (January 30, 2014). EPA notified the parties that EPA decided to proceed with the Settlement Agreement on April 24, 2017.

I. Background

In January 2011 the State of Wyoming, Air Quality Division, submitted its final revised State Implementation Plan "Addressing Regional Haze Visibility Protection For The Mandatory Federal Class I Areas Under 40 CFR 51.309." This Plan included NO_x BART determinations for

Units 1, 2, and 3 of the Laramie River Station near Wheatland, Wyoming. The Plan required, among other things, the installation and operation of new low NO_x burners and over-fired air controls for all three Units. Basin Electric installed those controls as required by the State's Plan.

However, on January 30, 2014, the EPA partially disapproved Wyoming's State Implementation Plan as it pertained to Wyoming's BART determination for all three Units at the Laramie River Station. 79 Fed. Reg. 5032 (Jan. 30, 2014). EPA's final action required the additional installation of Selective Catalytic Reduction (SCR) controls on all three Units, at a cost estimated by Basin Electric to exceed $750,000,000.

Basin Electric and the State of Wyoming filed Petitions for Review of EPA's disapproval with the United States Court of Appeals for the Tenth Circuit. *Basin Electric Cooperative v. EPA*, No. 14-9533, and *Wyoming v. EPA*, No. 14-9529. Basin Electric and Wyoming challenged EPA's disapproval of the State's Implementation Plan as it related to the Laramie River Station on a number of different grounds.

II. Settlement Agreement

Settlement negotiations between Basin Electric and EPA then began, leading to an agreement in principle, which the State of Wyoming subsequently joined. A copy of the Settlement Agreement is attached. Among other things, the Settlement Agreement requires Basin Electric to accept lower sulfur dioxide emission limitations for the Laramie River Station at Units 1 and 2. These reduced sulfur dioxide emission limitations, coupled with the agreed upon additional NO_x controls for all three Units at the Laramie River Station, result in photochemical grid modeling demonstrating greater visibility benefits than those modeled to be achieved by the challenged Federal Implementation Plan, leading EPA to agree propose revisions to the Federal Implementation Plan that the Settlement Agreement by its terms result in environmental benefits better than those projected to be obtained by its 2014 Federal Implementation Plan.

Basin Electric calculates that the installation of SCR controls on Unit 1, and selective non-catalytic reduction controls on Units 2 and 3, as required by the Settlement Agreement, will cost approximately $650 million less than the cost of installing three SCR controls, as required by EPA in its disapproval of Wyoming's BART determination. This substantial cost saving can be achieved while providing better visibility benefits than EPA's decision would have required. The result is more environmental benefit for substantially less cost, thus justifying the Settlement Agreement.

III. Reason for Rule Change

However, because the modeled visibility benefits of the Settlement Agreement include reduced sulfur dioxide emissions at Units 1 and 2, Basin Electric committed to submit to Wyoming a request for a source-specific SIP revision rulemaking that ensures that Basin Electric cannot take credit for the SO_2 emission reductions achieved through the emission requirements for the purposes of both the BART Alternative for Laramie River Units 2 and 3 and the BART Alternative Western Regional SO_2 Milestone and Backstop Trading Program established under 40 C.F.R. § 51.309 ("309 Program"). The 309 Program separately governs visibility impacts from sulfur dioxide emissions, and therefore should no longer include any

sulfur dioxide emission reductions obtained under a Settlement Agreement otherwise governing NO_x emissions.

To accomplish that objective and the terms of the Settlement Agreement, this Petition for Rulemaking requests that the Director amend the regulations to require Basin Electric to report its sulfur dioxide emissions for Units 1 and 2 under the 309 Program 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 that Settlement 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.

However, Chapter 14 of the Air Quality Divisions regulations, which implements Wyoming Section 309 Program, requires all sulfur dioxide emission sources subject to the provisions of 40 CFR part 75 to report their actual sulfur dioxide emissions for purposes of the 309 Program. Because Units 1 and 2 of the Laramie River Station will now be required to report calculated, rather than actual, emissions under the Settlement Agreement, authority to report calculated rather than actual emissions from Units 1 and 2 is needed under Chapter 14 of the Air Quality Division's regulations implementing the 309 Program. For this reason, Basin Electric requests this source-specific change to Chapter 14 of the regulations to allow Basin Electric's reporting obligations under the Section 309 Program to comport with the Settlement Agreement.

The requirement for calculated emissions will be triggered the year Basin Electric Power Cooperative commences operation of SCR at Laramie River Station Unit 1, consistent with the notification of startup provisions found at WAQSR Chapter 6 § 2(i)(ii). For example, if Basin Electric Power Cooperative notifies the Air Quality Division of startup of the SCR in 2019, Basin Electric will report calculated annual emissions for 2019 and subsequent years consistent with the methodology in Section 3(d). The heat rate used to calculate the emissions will continue to be calculated per the requirements of Chapter 14 and 40 CFR Part 75. Specifically, Basin Electric will continue to use 40 CFR Part 75, Formula F-15 to calculate heat rate. The requirement of providing an entire year of calculated emissions for the year SCR is installed at Unit 1—rather than providing the actual emissions prior to installation and calculated emissions after installation for that year—avoids any confusion in reporting and allows for a clear separation in recordkeeping and reporting from Basin Electric's continued but separate 40 CFR Part 75 reporting requirement. In the years prior to installation of the SCR on Unit 1 and the triggering of Section 3(d) for calculated emissions, Basin Electric Laramie River Station will continue to report actual emissions as mandated in Chapter 14. These provisions will ensure that Basin Electric's Settlement Agreement governing NO_x controls will have no actual impact on the sulfur dioxide emissions objectives of Wyoming's Section 309 Program.

WYOMING STATE IMPLEMENTATION PLAN

Regional Haze

Addressing Regional Haze Visibility Protection For The Mandatory Federal Class I Areas Required Under 40 CFR 51.309

STATE IMPLEMENTATION PLAN REQUIREMENTS

[…]

Section C. Stationary Sources

1. Long-Term Strategy for Stationary Sources

[…]

Part D— Miscellaneous Provisions for Stationary Sources

D1 Requirements of 2013 SIP Revision

In addition to the requirements of 40 CFR 51.309(d)(10), the 2013 SIP shall contain:

> 1. Source-specific allocations for all WEB sources under the jurisdiction of the Department for the year 2018; and
>
> 2. Either the provisions of a program designed to achieve reasonable progress for stationary sources of SO_2 beyond 2018 or a commitment to submit a SIP revision containing the provisions of such a program no later than December 31, 2016. The program will ensure that the requirements of 40 CFR 51.309 for the first planning period are achieved, including requirements that cannot be measured until after 2018, such as the determination of compliance with the 2018 milestone.

Adjustments in Allocation Calculations

This 2013 SIP revision will provide certainty to sources regarding their potential liability under the special penalty provisions for the year 2018 outlined in Part A5 of this section. The calculation of these allocations is delayed until 2013 to provide certainty about the number of sources that would qualify as WEB sources at that time; the allocations needed for new sources in the region; and early reductions that would need to be included in the allocation process. It is difficult to estimate the impact of these factors in 2003 because many things may change during the next 10 years.

If the 2018 milestone is not met, the starting point for the next planning period shall be the 2018 milestones, not actual emissions in 2018.

D2 Achievement of 13 Percent SO_2 Emission Reduction

Pursuant to 40 CFR 51.309(d)(4)(ii), the State of Wyoming has determined that a 13 percent reduction in actual stationary source SO_2 emissions has occurred between the years 1990 and 2000. Table 3 below provides a state-by-state comparison of these emissions, and shows that there has been a 25 percent reduction from 1990 to 2000 for all states (from 828,775 tons to 621,838 tons). The current emissions and modeling data and results for stationary sources in the WRAP region are now available through the WRAP TSS (http://vista.cira.colostate.edu/tss). The methodology and data for the revised SO_2 Milestone Program are available at: http://www.wrapair.org/forums/309/docs.html. Tracking pre-trigger stationary source SO_2 emissions is found in Section 4.3 of Chapter 4 of the WRAP TSD.

Table 3. State-by-State Comparison of SO_2 Emission Reductions, 1990-2000 (in tons per year)

States	1990	2000
Arizona	185,398	99,133
California	52,832	38,501
Colorado	95,534	99,161
Idaho	24,652	27,763
Nevada	52,775	53,943
New Mexico	177,994	117,344
Oregon	17,705	23,362
Utah	85,567	38,521
Wyoming	136,318	124,110
Totals	**828,775**	**621,838**

D3 Provisions for Stationary Source NO_x and PM

Assessment of need for NO_x and PM milestones. Pursuant to 40 CFR 51.309(d)(4)(v), the State of Wyoming has evaluated the need for NO_x and PM emission control strategies, the degree of visibility improvement expected, and whether such milestones are needed to avoid any net increase in these pollutants. This evaluation was made by the WRAP Market Trading Forum for all WRAP states, including the transport region states.

Several conclusions were reached based on current analyses. These include:

(a) That for the vast majority of Mandatory Federal Class I areas throughout the WRAP region stationary source NO_x and PM emissions are not a major contributor to visibility impairment;

(b) That RAVI remedies are available in cases where particular stationary sources may impact particular Class I areas;

(c) Analysis for NO_x and PM impacts in the 2007 309(g) SIP submittal has reaffirmed the position that the absolute need for milestones to support potential market-based programs is not yet established.

The initial assessment of the need for NO_x and PM long-term strategies is provided in the Wyoming TSD. The State of Wyoming will continue to work with the WRAP to improve the emission inventories and regional modeling to support future policy decisions regarding stationary source NO_x and PM emissions. The State of Wyoming has made an additional preliminary assessment on the need for long-term strategies for stationary sources of PM and NO_x in the 309(g) SIP submittal due in 2007. NO_x and PM long-term strategies are discussed in the 309(g) SIP submittal, with commitments to reassess in SIP updates for 2013 and 2018.

D4 Laramie River Station Units 1 and 2

Notwithstanding any other provisions of this WYRHSIP, Basin Electric Power Cooperative shall report its annual sulfur dioxide emissions for Laramie River Station Unit 1 based on an annual average emission rate of 0.159 lb/MMBtu and for Laramie River Station Unit 2 based on an annual average emission rate of 0.162 lb/MMBtu multiplied by the actual annual heat input for each unit. Heat rate shall be calculated as required in WAQSR Chapter 14 and 40 CFR Part 75. Annual sulfur dioxide emissions for Laramie River Station Unit 3 shall be monitored and reported as otherwise provided in this Section C.

Basin Electric Power Cooperative shall first report sulfur dioxide emissions as set forth in the previous paragraph as of the year that Basin Electric Power Cooperative commences operation of selective catalytic reduction (SCR) at Laramie River Station Unit 1 consistent with the notification provisions found at WAQSR Chapter 6 § 2(i)(ii). For example, if SCR is installed in 2019, Basin Electric Power Cooperative shall report its 2019 sulfur dioxide emissions consistent with the previous paragraph.

This monitoring and reporting requirement applies for all purposes in this Section C and the calculated emissions for Laramie River Station Units 1 and 2 shall be substituted for the actual sulfur dioxide emissions for Laramie River Station Units 1 and 2 where required by this Section C and this WYRHSIP.

[…]

Presentation to the Wyoming Air Quality Advisory Board

March 28, 2017

Basin Electric Power Cooperative, Inc.

Laramie River Station

Basin Electric is Proposing a Source-Specific Change to Wyoming's Section 309 Regional Haze State Implementation Plan and Chapter 14 of the AQD's Rules and Regulations

1. The change is needed to prevent "double-counting" of the sulfur dioxide emission reductions that will occur under Basin Electric's NOx BART settlement with EPA

2. This will require a source-specific amendment to Wyoming's Regional Haze SIP and Chapter 14 regulations

3. This will allow Basin Electric to report baseline SO_2 emissions rather than actual emissions for the Laramie River Station

The BART Litigation

2011 – WY Regional Haze SIP for NOx at the Laramie River Station

OFA and Low NOx Burners were required for Laramie River Station Units 1, 2, and 3 (Have Been Installed)

2014 – EPA Disapproves Wyoming's SIP

Orders all three Units to install Selective Catalytic Reduction Controls (estimated additional cost: $1 Billion)

The BART Litigation

- Basin Electric Filed Petition for Review in the Tenth Circuit Court of Appeals, alleging EPA's decision unlawfully interfered with Wyoming's SIP

  Basin Electric Cooperative v. EPA, No. 14-9533

- Wyoming also filed a Petition for Review in the Tenth Circuit

  Wyoming v. EPA, No. 14-9529

The BART Settlement

Basin Electric approached EPA to discuss a settlement through the Tenth Circuit's Mediation Office

Basin Electric proposed 1 SCR on Unit 1, and SNCR controls on Units 2 and 3 (Estimated cost $400 Million)

EPA then requested additional reductions in SO_2 as part of a "Better than BART" resolution under the regulations

Basin Electric ran modeling of the proposed settlement

Model results showed better visibility results than EPA's challenged FIP, at a fraction of the cost

The BART Settlement

EPA and Basin Electric requested that Wyoming approve the settlement. After careful consideration, the AQD and Governor Mead agree to support the settlement.

Basin Electric, Wyoming and EPA signed the Settlement on December 21, 2016. EPA is expected to confirm the settlement shortly, after consideration of public comment.

The BART Settlement

Basin Electric agreed to accept lower SO_2 emissions for Units 1 and 2 than are currently required under its Air Permit with DEQ:

From: 0.159 lb/MMBtu for Laramie River Unit 1 and 0.162 lb/MMBtu for Laramie River Unit 2

To: 0.12 lb/MMBtu averaged annually across the two units

But EPA wanted federally enforceable assurances that these SO_2 reductions would not also be counted as reductions under Wyoming's separate Section 309 Backstop Trading Program for SO_2 reductions – no "double counting"

The BART Settlement

To avoid “double counting,” Basin Electric will need to report its SO_2 emissions to the AQD for the Section 309 Program using its historical emission rates, not the new, and lower, emissions rates required by the Settlement

However, Chapter 14 of the AQD’s Rules and Regulations, as well as Wyoming’s Section 309 Regional Haze SIP, require sources to report their actual emissions.

So Basin Electric needs legal authority to report its historical emissions rather than actual emissions

Proposed Change to Section 14 of AQD's Regulations

New subsections (d) and (e) to Section 3 (Sulfur dioxide milestone inventory) of Chapter 14 (Emission Trading Program Regulations):

(d) Notwithstanding any other provision of this Chapter 14, Basin Electric Power Cooperative's Laramie River Station shall report its annual sulfur dioxide emissions as follows: for Laramie River Station Unit 1, Basin Electric Power Cooperative shall report its sulfur dioxide emissions based on an emission rate of 0.159 lb/MMBtu multiplied by the actual heat input during the year; for Laramie River Station Unit 2, Basin Electric Power Cooperative shall report its annual sulfur dioxide emissions based on an emission rate of 0.162 lb/MMBtu multiplied by the actual heat input during the year. Annual sulfur dioxide emissions for Laramie River Station Unit 3 shall be reported as otherwise provided in this Chapter.

(i) Basin Electric Power Cooperative shall report sulfur dioxide emissions as calculated per Section 3(d) as of the year that Basin Electric Power Cooperative commences operation of Selective Catalytic Reduction at Laramie River Station Unit 1.

(e) The Division of Air Quality shall use the annual sulfur dioxide emissions reported by Basin Electric Power Cooperative in Section 3(d) for all purposes under this Chapter.

Proposed Addition to Section 309 SIP

New Subsection D4 to Section C:

D4 Laramie River Station Units 1 and 2

Notwithstanding any other provisions of this WYRHSIP, Basin Electric Power Cooperative shall report its annual sulfur dioxide emissions for Laramie River Station Unit 1 based on an emission rate of 0.159 lb/MMBtu and for Laramie River Station Unit 2 based on an emission rate of 0.162 lb/MMBtu multiplied by the actual heat input during the year for each unit. Annual sulfur dioxide emissions for Laramie River Station Unit 3 shall be monitored and reported as otherwise provided in this Section C.

Basin Electric Power Cooperative shall first report sulfur dioxide emissions as set forth in the previous paragraph as of the year that Basin Electric Power Cooperative commences operation of selective catalytic reduction (SCR) at Laramie River Station Unit 1. For example, if SCR is installed in 2019, Basin Electric Power Cooperative shall report its 2019 sulfur dioxide emissions consistent with the previous paragraph.

This monitoring and reporting requirement applies for all purposes in this Section C and the calculated emissions for Laramie River Station Units 1 and 2 shall be substituted for the actual sulfur dioxide emissions for Laramie River Station Units 1 and 2 where required by this Section C and this WYRHSIP.

The Wyoming Department of Environment Quality
Air Quality Division (WDEQ-AQD)
Wyoming Air Quality Advisory Board Meeting

The Wyoming Air Quality Advisory Board (Board) will meet on July 17, 2017 at 1:00 PM, at the Platte County Public Library, Large Meeting Room, 904 9th Street, Wheatland, WY 82201. The Air Quality Division (Division) is requesting the Board's consideration on proposed changes to the Wyoming Air Quality Standards and Regulations (WAQSR): Chapter 14, Section 3. Proposed revisions to Chapter 14, Emission Trading Program Regulations, Section 3, Sulfur dioxide milestone inventory, involves changes to the emission measurement techniques for Basin Electric Power Cooperative's Laramie River Station. Chapter 14, Section 3, involve revisions to the State Implementation Plan (SIP). The Division will submit these SIP revisions to the Environmental Protection Agency. All oral comments made during the meeting, and signed comments hand-delivered to Nancy Vehr at the meeting, will become part of the administrative record. Written comments will also become part of the administrative record if they are signed by the commenter and submitted to Nancy Vehr, Administrator, DEQ/AQD, 200 West 17th Street, Cheyenne, Wyoming, 82002, or faxed to 307-635-1784, by the close of the meeting on July 17, 2017. Emailed comments may only be submitted by filling out the public comment form provided at: http://aq.wyomingdeq.commentinput.com/. Copies of the agenda, public notice, and the proposed regulations are available for public inspection at the Department of Environmental Quality, Air Quality Division, 200 West 17th Street, Cheyenne, Wyoming, 82002. Electronic copies will be available after June 12, 2017, at http://deq.wyoming.gov/aqd/rule-development/resources/proposed-rules-and-regulations/. If you have questions regarding the proposed rule changes, or to request a hard copy of any of the materials, please contact Amber Potts at 307-777-2489.

For additional information please contact Nancy Vehr, Administrator, Air Quality Division, at 307-777-7391.

In accordance with the Americans with Disabilities Act, special assistance or alternative formats will be made available upon request for individuals with disabilities.

AIR QUALITY ADVISORY BOARD MEETING
Large Meeting Room
904 9th Street
Wheatland, Wyoming
July 17, 2017 – 1:00 PM

PLEASE PRINT LEGIBLY

YOUR NAME	NAME OF COMPANY OR BUSINESS	ADDRESS	PLANNING TO COMMENT ON PROPOSED REGULATION: YES/NO
Dave Cummings	Laramie River Station	Wheatland, WY	No
Bill Stafford	MBPP	Chugwater	No
Kelsey Arcocha	Laramie River Station	Wheatland, WY	No
Brian Fehrn	Wyoming DEQ - Air Quality	Cheyenne, WY	No
Shams Hasan	EQS Natural Resources		No
Anine Lambert	Basin Electric	Bismarck, ND	NO
Amber Potts	DEQ - AQD		No
Daron Donnelly	DEQ - AQD		No

WYOMING AIR QUALITY ADVISORY BOARD

TRANSCRIPT OF MEETING PROCEEDINGS

Pursuant to notice duly given to all parties in interest, this matter came on for meeting on the 17th day of July, 2017, at the hour of 1:00 p.m., at the Platte County Public Library, Large Conference Room, 904 9th Street, Wheatland, Wyoming before the Wyoming Air Quality Advisory Board, Timothy Brown, Chairman, presiding, with Diana Hulme, John Heyneman and Douglas Vickrey in attendance.

Ms. Nancy Vehr, Air Quality Administrator, Ms. Amber Potts, Mr. Mike Morris, Mr. Rob Leteff, Mr. Darion Donnelly, Mr. Brian Ferhn, Mr. Dan Sharon, Elizabeth Morrisseau, and Allison Kvien of the Air Quality Division in attendance. Also, Patrick Day, Anine Lambert from Basin Electric Power Cooperative were in attendance.

P R O C E E D I N G S

(Meeting proceedings commenced

1:02 p.m., July 17, 2017.)

CHAIRMAN BROWN: We'll call this meeting to order, July 17th, Air Quality Advisory Board. First, we'll start off introductions like we always do. Then, we will go to the next order of bus-, item on the agenda, approval of minutes, but Nancy, if you want to…

MS. VEHR: Yup, Nancy Vehr, Air Quality, I was going to say Advisory Board but, Air Quality Division Administrator.

BOARD MEMBER HULME: I'm Diana Hulme, a member of the Air Quality Advisory Board from Laramie, Wyoming.

CHAIRMAN BROWN: Tim Brown, member of the Air Quality Advisory Board from Green River, Wyoming.

BOARD MEMBER VICKREY: Doug Vickrey, member of the Air Quality Advisory Board from Daniel, Wyoming.

BOARD MEMBER HEYNEMAN: John Heyneman, A Air Quality Advisory Board from Sheridan.

CHAIRMAN BROWN: Okay, first order of business, approval of meeting minutes from March 28, 2017.

BOARD MEMBER HULME: I'll make a motion of approve the minutes from March 28, 2017.

BOARD MEMBER VICKREY: I'll second.

CHAIRMAN BROWN: It's been moved and seconded to approve the minutes from March 28, 2017, all those in favor?

BOARD MEMBER HULME: Aye.

BOARD MEMBER VICKREY: Aye.

BOARD MEMBER HEYNEMAN: Aye.

CHAIRMAN BROWN: All those opposed? Meeting minutes from March 28, 2017 have been approved. Onto new business, general update from the Division.

MS. VEHR: Yes, and I have a PowerPoint here and I've printed out four slides on the front and four slides on the back. I didn't bring enough for all of the audience, but I do have a couple here.

The first slide addresses the-, what I wanted to cover for general updates was first to give you the updates on each of the air quality programs and then I also have an update on ozone. So, for New Source Review Permitting Program, that program, we have in the past had about 1,500 applications per year and these are from sources that are new or being modified, construction permitting. Most of them are minor sources and, in years past, we've done again about 1,500 permit applications. This year, we're down a little bit, around 1,300 permit applications. Last year, we were about at 1,400 permit applications, so we're staying pretty high up there in the numbers. You might recall last year, about this time, there's been a frozen position that we then ended up giving back from the New Source Review Program. We have two vacancies right now. If anyone knows a PE, we have one vacancy, with air quality experience. We have a vacancy that we're now having to advertise nationally for, to try and get a PE with air quality experience. We have an entry level engineer position that we've just finished

doing interviews, so those two vacancies - one will be filled shortly and the other is taking a lot more effort to fill.

On Title V Permitting, last board meeting, you heard a presentation about the change to the Title V permitting program to move basis date, so that we can start working on our Title V permitting backlog, and that effort has been communicated out to industry, and we're starting on that. I can tell you that's an effort that'll probably take about a full-, another 15-months or so before see the significant decrease in that renewal backlog. But we are seeing some decrease in the backlog, so I think it's going to be very successful.

And with that, I'm just going to pause for a second because I wanted to introduce Air Quality staff and I forgot to do that, but we have Brian Ferhn from the Title V program, and he can add some words on that basis date, if he's seen any difference.

MR. FERHN: Well, we've gotten some of those done and we still have applications coming in. I think I've gotten about every application Basin has, under Title V, I've seen some of the natural gas plants late last week, so-

MS. VEHR: So, that's Brian from the Title V Program, and then we have other Air Quality staff here, Amber Potts, from Team Rules that does an amazing job getting everybody herded out together so we can have meetings and fruitful agendas. We had, and we'll cover this when we get into the rulemaking, but we had a really good presentation at the Laramie River Station on the background there and the project that's underway. And also on Team Rules, we've got Darion, and Rob, and Mike that you've met before, and I think that one or more of you might be doing an update. And right behind them is Allison Kvien, who is our new Air Quality Division Assistant Attorney General. I don't know if you want to give any background or an introduction, Allison.

MS. KVIEN: Sure, well my official title right now is Law Clerk until my Wyoming Bar comes through, and then, Elizabeth, I'm sure you all know.

MS. MORRISEAU: Allison's not going to toot her own horn so let me take a minute to do that for her. Allison was most recently working with Earth Justice in Manhattan, New York, New York City. She's had lots of experience. She's worked slash interned at EPA, with Department of Justice and she's got a great head on her shoulders and she's going to be awesome.

MS. VEHR: And, that was a good introduction and Allison is getting used to Wyoming outdoors. But we're very fortunate and look forward to working with Allison. Also, with heavy hearts, and also, deep pride, Elizabeth Morrisseau is leaving the Attorney General's Office in Wyoming and headed to Michigan. So, she'll bring some common sense out that way with the understanding of some western issues. This'll be Elizabeth's last meeting, but we've really enjoyed her representation over the years, and we look forward to seeing her again in her different capacity.

CHAIRMAN BROWN: Thank you.

MS. VEHR: Sorry for that divergence but I thought it was important to introduce that. On compliance enforcement, we are still-, I think I've given a report about the types of activities that we're doing under compliance and enforcement. Those essentially are unchanged. We have seen a continued interest in the environmental audit provisions and we think some of that is attributed to, and it's primarily in the oil and gas sector, we think some of that's attributed to the sales and consolidations and numerous energy-related bankruptcies that we've seen. So, we're working through those processes, as well. On the Air Quality Resource Management, this is the planning sections that does IMPACT, the Emissions

Inventory and then the NEPA work. So, on the planning side with IMPACT, we have about a little less than a year left of development of our electronic permitting, monitoring, recordkeeping, tracking tool. We hope to be able to present some information at a future meeting on some of the cost savings that can be realized from industry side and efficiencies from industry side on use of these electronic tools. We remain engaged at the national level with staff working on streamlining some of the data reporting pieces that go along with EPA and all the records. On the Emission Inventory side, we have just finished sending out most of the Emissions Inventory fee statements. The change in that process is because of the state budget situation, we sent those out earlier than we had in previous years, and they know we'll need to make some adjustments over time with those. The NEPA side, a couple weeks ago, was published that the normal pressurized lance project - which is a Jonah Energy project - was released for public comment and I think that comment extends until around August, so that's underway right now on that side. And we are now fully staffed in the Air Quality Resource Management side. We've had a couple vacancies that last couple of meetings. Oh, Dan! That's because he's hiding, Dan's from our Monitoring Section of the Air Quality Resource Management team. Sorry, Dan, I forgot and I rode up next to him in the vehicle. But Monitoring has been very busy on that side with monitors and the portable monitor relocations across the state. We've just submitted our Annual Monitoring Network Plan down to EPA that had been out for public comment until mid-June. On the ozone standards, wanted to give you an update, as a backdrop. In October 2015, the standards were set at 70. Almost a year ago, we submitted our designation recommendation, and generally EPA has a year to issue final recommendations. Excuse me, make final designations. EPA announced that they were reviewing the standard and that they were extending the designation timeframe by a year. And, so, that does not change the underlying statutory deadlines that

remain, like, infrastructure state plans - those are driven by statue, so we still have those deadlines as a state. It just means EPA is going to take an additional year to look at new data and information before they do designations. When Wyoming submitted our recommendations, we submitted recommendations for some areas as attainment because we had some monitors that showed we were under the 70, and then we had some that were attainment/unclassifiable, and we had no areas that we recommended designation as nonattainment. Some of the issues that EPA is looking at related to background - that's the levels that's already present there - and it's been found through literature studies that background is higher in the Mountain West than in other parts of the country, so that's one of the things that EPA is looking at is background. International transport is another area that they are making findings that there's not just transport issues from the northern border, Canada, or the southern border, Mexico, but from Asia coming over. So, they're doing some additional studies and then exceptional events, which are events that beyond anyone's control to prohibit, they've just updated the rule on that and we're - they're taking a look at some of those stratospheric ozone intrusions and wildfire contributions to some of those ozone readings. So, right now, we anticipate 2018, in the Fall, designations. We'll still have to be plowing forward with our infrastructure state planning effort and then wanted to let you know about a federal bill out that's there – 806. It has made it through the House Committee side and will be considered by Congress on the House, the full House, I believe, some time in the next week or so. And that's the one that looks at not just ozone, but other pollutants on a frequency of the standards set. One of the things right now, the standards are set, the EPA is not keeping up with those standards setting and then they get sued to establish deadline to reset the new standards and it's still taking about 10-years in between the standard-setting process. That's one of the things that bill does is allow the EPA to take longer - studies show that it needs to be

reevaluated sooner and it doesn't prohibit that, but it does lengthen the time to take away some of the lawsuits. For the 2017 winter ozone season in the Upper Green, I think when we came before you before, the data had not been finalized; we were still waiting to validate some of that data. It did not change from what you saw before it was validated, as reported; we had seven days where the value exceeded the 70 standard. That's what our target is, is 70, so we know if he hit that target we will be in attainment with the 2015 ozone standard in the Upper Green. We did not hit that target seven days this winter. As we mentioned before, this was a record snow season and also, the winter started earlier, and the ozone season started earlier and lasted about the usual length of time. That's where the rest of my presentation is going to focus on, some of the things that we're doing in the Upper Green. So, we had our-, we'd gone up to Pinedale in March, shortly after that one day when you saw five stations hit, and had a really well attended presentation, good information and questions. And then we went back and did our post ozone season open house, in May, and had stations set up; industry, citizens, the CURED folks, and DEQ set up stations talking about the meteorology, the conditions that we had observed. We had our compliance folks that went through some of we do at a site inspection, and some of the equipment industry had there, might leak or fail to cause them some emissions. The next steps that are underway, again, are to try and hit this 70 parts per billion target. We are finishing up our studies. We have an Emission Inventory study and a pond study. I know we went out this Spring and did some additional sampling work, we had pulled some canisters off of our-, I think it was our Boulder Station, and I can't remember the other station when we had some of our high ozone days. And they speciate the Volatile Organic Compounds, and so we're waiting on some of that data to come back and finish analyzing it. We are also working on putting together a summary report. A number of years ago, we had the citizen's task force and they made recommendations,

and we're trying to compile everything into one report so that people can access that. It's also easy to reference what progress we've made and what commitments-, what we've achieved. That's something we hope to have before the fall so people can-. We have additional stakeholder input that we're reviewing; one of our poster sessions at the open house was to get some additional input, and, my apologies, I didn't check with Darla to find out what the status of the review of the input is, but that's one of the items we are reviewing. The ozone contingency plan, I have a slide on the next-, on communication, that I'll touch base in just a second. Pinedale area project office, the JIO PAPO board, they had a meeting in the spring and we had brought forth a proposal to have a county snow plow truck upgraded to a lower emissions standard. And the board that considers these projects went ahead and awarded $250,000 to a project, but they did not want to select that particular project; they wanted to get public input and get other project ideas. The challenges getting emission reduction project that fits the mitigation plans that were approved in the NEPA project and is not a regulatory requirement from industry. So they've received the public input and had great deal of public input and they're going to be considering those-, I believe at their next meeting, I don't know the date for that. DERA is the Diesel Emission Reduction Act, and that's where Congress has provided funding to allow older diesel vehicles to come off the roads and be replaced with newer lower emitting diesel emitting vehicles. Even though the budget hasn't made it through Congress yet, that particular item is on the budget and it's a joint sponsored - Republican, Democrat - sponsored proposal. So, that should help reduce emissions further. And the VW settlement is still in the works and that also is geared towards NOx reductions. On the ozone contingency plan, participants on our website - and this is one of the slides there - we had about, 35-40 participants and these are companies that signed up to do voluntary measures to reduce ozone on action days that DEQ would forecast that

would lead to the formation of ozone. Some companies did shut-ins, some did telework, some did carpooling; there were a variety of measures. One of the things that we have never formally done was announce who the companies were; at the public meetings, folks were wanting to know who all the different companies were. So, now on our website, we've got a list of the companies and we publicly thank them for participation. We would like to encourage and welcome additional participants for this upcoming season, so that's one of my projects, is to make phone calls to everybody. And I'm about 1/8 of the way through my phone calling, so if you hear someone getting a phone call from me, it really is true, I really am reaching out individually to these companies. We think that's been a success to reduce emissions in the Upper Green and we want to get everyone involved. And then, on our primary point of contact, one of the comments that we've received in terms of public input was that it's challenging to get information, and we recognize that we've got folks that are busy during the ozone season trying to do the forecasting and handling the items that are going on. So, we've established Brain Hall, he used to be in the Air Quality Division, and now he's our Outreach Program Manager, he's up on the 4th floor of the DEQ offices now, so he's our primary point of contact and he'll be able to get information more timely out to folks and we'll have one source for all things ozone. That's all I had in terms of the ozone update, unless you guys had any questions?

CHAIRMAN BROWN: Any questions from the Board?

MS VEHR: We appreciate seeing Doug there, at the meetings. We get to see Daryl.

BOARD MEMBER VICKREY: I guess I will have a question there, Nancy. I tend to go to those meeting in Pinedale, obviously, and I've heard a couple of the individuals there that I know quite well and say, "You guys aren't doing a very good job of

forecasting because I run, and you told me I shouldn't run today, but everybody else said it was okay to run." So, I guess from my standpoint, you can only do what you do and people have to make some choices on their own. That would be one of them.

MS. VEHR: Yeah, we try to get information out there but forecasting is an art. We have someone who's got a famous relative in the audience, and then we have Brian who's a former meteorologist, but it's a challenge on the forecasting. We try to get information out there so that people can make the decisions that are best for themselves. And that's all I had in terms of ozone. I think we had a Wyoming State Penitentiary complaint update.

MS. POTTS: The Air Quality Division received this complaint addressed to the Air Quality Advisory Board on April 6, 2017. To address the complaint in a timely manner, I thought rather than sending it out the Board as a whole and you recommending us to do our job in compliance, that we would do our job in compliance. So, District 2 of our compliance staff, this complaint was transferred to them, they investigated and reported out and responded. I just wanted to get the Board's opinion of, was this an okay practice? Because you don't get many complaints addressed to you directly, and because it is the Division's job to follow up on any complaints. I wanted to make sure it was appropriate that we did our job and let the Board know this was addressed to you, and if there's anything else that I can do differently if more complaints come in, that I'd be happy to oblige.

CHAIRMAN BROWN: No, I have-, no, other than an email, so we know it's out there. Because we know we can't do anything; we're not in a compliance arena. Maybe just an email that this is out there and I'll send you a copy, or we're working on this.

MS. POTTS: Okay, I'll certainly do that.

CHAIRMAN BROWN: But as far as the way you handled it, I think that's fine.

MS. POTTS: Okay.

BOARD MEMBER HULME: I agree. You have to address these things quickly, and we meet once a quarter, so..

CHAIRMAN BROWN: Yeah, if we were to address it, it'd slow it down. In theory, we'd see these complaints from our home regions, or our home districts. I'm representing agriculture; I might have some local ag folks saying, "Hey, this is an issue that DEQ ought to know about, an air quality issue. Then I can give it to you and you can do your job.

MS. POTTS: Absolutely.

CHAIRMAN BROWN: It's a good process.

MS. POTTS: Okay.

BOARD MEMBER HULME: This has been resolved, though, at this point?

MS. POTTS: Yes. Compliance, they inspected and, they responded. So, this response went to the Department of Corrections. Hopefully the inmate eventually got this response or some form of it. And they did find some issues out there.

CHAIRMAN BROWN: I'm glad he wrote the letter and I'm glad it was resolved.

MS. POTTS: Yeah.

BOARD MEMBER HULME: The mitigation was just elevating the stack height?

MS. POTTS: That was the mitigation but we figured out they needed to permit some of their generators.

BOARD MEMBER VICKREY: The last sentence, I guess from standpoint as a citizen, concerns me. It says, "The Wyoming State Penitentiary still needs a permit for the emergency electrical generator engines." Have they got those yet? If not, why not?

MS. VEHR: I can address that. Lars was following up with someone at the State Penitentiary to find out about the permitting, so I don't know if they have submitted an application yet, but it's not unusual when there's different engines out there. That's a compliance area that we see on a fairly regular basis, not at the state penitentiary, but through a lot of facilities. Engines are one of those things seem to slip through the cracks on permitting. So he's following up on this one.

CHAIRMAN BROWN: So, who's Jeff Hancock, engineer?

MS. VEHR: He's in District 2, so out of Casper, he works with Chris Hanify. If you've seen Jeff once, you've seen him because he's got some pretty awesome hair. (laughter)

CHAIRMAN BROWN: No, I've never met him

MS. VEHR: He's been a long time Air Quality employee.

CHAIRMAN BROWN: Okay.

BOARD MEMBER HULME: I guess-, how long has that generator been out there? Do any of you guys know?

MS. VEHR: I know it was on a previous inspection.

BOARD MEMBER HULME: This isn't on a regular inspection schedule, this gets once every three or five years or something.

MS. VEHR: I can't remember on the inspection when it was last inspected but it had been on a previous inspection.

BOARD MEMBER HULME: I'm just wondering why it wasn't caught sooner.

MS. VEHR: 2014, it looks like.

MS. POTTS: Yeah, it looks like October, 2014.

CHAIRMAN BROWN: So, it's got to be a minor source, don't they?

MS. POTTS: Yeah.

BOARD MEMBER HULME: Might be waived.

CHAIRMAN BROWN: Yeah, that's what I was wondering, if it was small enough maybe that's that one that it falls through the cracks.

MS. VEHR: They get-, I think sometimes, it's like what we found is when you have one of the things, I say anecdotally we found - I don't mean as a scientific finding - but when companies and facilities are large enough that they have pretty robust environmental programs, they have a lot of tracking mechanisms. When they're smaller, they don't have those mechanisms in place, or they have their operations folks not talking to their environmental folks, and things slip through the cracks. Because you order and you get something new and you didn't tell your environmental folks and that gets changed out. I don't know if this is the exact same engine or not, but I do know Lars, who's in charge of compliance, is following up.

CHAIRMAN BROWN: I would doubt the penitentiary has an environmental staff.

MS. VEHR: They have someone there.

CHAIRMAN BROWN: Oh, they do?

MS. VEHR: Yeah, but I don't know the background. We recognize that in air quality and we're starting to work with other state agencies that have equipment and facilities that would also be compliant.

CHAIRMAN BROWN: Thank you. Okay, do we have any comments or anything else on this letter?

MS. VEHR: No, I have nothing else. I just want to make sure this is the process you want to have followed.

CHAIRMAN BROWN: Next on the agenda is rulemaking.

MS. POTTS: Yup.

CHAIRMAN BROWN: And that would be Amber, I suspect?

MS. POTTS: This morning we were able to take a tour of the Basin Electric Laramie River Station just north of here, and it was really good to see it on the ground. This big, huge project that really is taking a lot of time, money and effort, to comply with the regulations and to keep their facility in top-notch order. So, I appreciate that. Today, we're bringing changes to the Wyoming Air Quality Standards and Regulations Chapter 14, I believe. The proposed rulemaking changes are the result from the multiyear litigation and negotiated settlement between Basin Electric Power Cooperative, EPA, and the State Of Wyoming. Basin Electric's Laramie River Station has the three different coal fired units. The litigation was with respect to the oxides of nitrogen controls, or the NO_x controls, that were going to be required as at that facility as part of the regional haze plan. The region haze program is aimed at reducing particulate matter, NO_x, and sulfur dioxide, or SO_2 emissions, in Wyoming.

Last meeting, Basin Electric provided some background on that issue, and I'll do a quick recap for you to freshen your memory there. In 2011, DEQ issued its regional haze state implementation plan, or the SIP, for the NO_x controls. Under the state plan, Basin was required to install over fire air and low NO_x burners on all three units. Basin installed the control equipment that was laid out in the Wyoming SIP. However, in 2014, EPA disapproved that state plan; they issued their own Federal Implementation Plan, or a FIP. EPA's FIP detailed a new, more costly plan for that new Laramie River Station. Basin Electric challenged the EPA in the 10^{th} Circuit Court of Appeals, and the State Of Wyoming through the Attorney General's Office also appealed that EPA FIP. While the litigation was pending, Basin Electric and EPA entered mediation as Basin Electric proposed a more cost effective settlement to install one Selective Catalytic Reduction Control, or SCR, on Unit 1, and two Selective Non Catalytic Reduction Control, or SNCR's, on Units 2 and 3. During the mediation, the EPA also wanted additional visibility benefits and asked for lower emissions for SO_2 at that station. All in all, the multi-year long mediation and settlement process produced a more cost effective control technology for the company and a model reduction in visibility impairment for the state's regional haze program. This settlement also created a need to update the Wyoming Air Quality Standards and Regulations Chapter 14 to allow Basin Electric to report its baseline historic SO_2 emission levels, rather than its new lower levels under the new April 20, 2017 settlement agreement. The change to Chapter 14 today that we bring before you is needed so those SO_2 reductions aren't counted as both part of the NO_x controls and also part of the SO_2 program.

CHAIRMAN BROWN: And we've discussed this and had the presentation at the last meeting in Laramie?

MS. POTTS: Yes.

CHAIRMAN BROWN: I remember that.

MS. POTTS: So, we want to make sure there's no double counting here. That these reductions are not being counted for NO_x and also being used for SO_2. So, Chapter 14, where we're making these updates, that is the regulation detailing, called the Western Backstop Sulfur Dioxide Trading Program, and beginning on Chapter 14, page 40, you'll see the necessary updates towards the bottom of the page to make the Basin Electric Laramie River Station's commitment federally enforceable in Chapter 14, Section 3, subsection (d) and (e). I'll walk through these changes; they're very minimal. In subsection (d), we're including language specific to Laramie River Unit 1, reporting its sulfur dioxide emission based on an annual average emission rate of 0.159 lb/MMBtu multiplied by the actual heat input. For Unit 2, they shall report its annual sulfur dioxide emissions based on annual emission rate of 0.162 lb/MMBtu multiplied by that actual annual heat input. Annual sulfur dioxide emissions for Unit 3 shall be reported like everything else in Chapter 14, so nothing changes on that one. Basin Electric will start reporting these emissions beginning the year the SCR commences operation. And then subsection (e), states the Division will use the annual sulfur dioxide emissions reported by Basin Electric for all purposes under Chapter 14, so that's all other purpose for the backstop trading program. There was one other update, in Section 5, incorporation by reference, we're updating the code of federal regulations date to reflect the most recent July 1, 2017 publication. I caught a typo this morning in the clean version, we still had 2010 in there, but we've updated that we want 2017. We want the most recent, and we've put that updated version on the website today and we'll be taking that, 2017, up through the process. Really, it's pretty short and sweet; that concludes all the Chapter 14 updates. Again, this will not impact any other facility in Wyoming, except Basin Electric. Once we do get this through the system, the state rulemaking

system, this would be a SIP update to that Section 309 State Implementation Plan, so that's important to know, we're on a fairly quick timeframe. So, we'd appreciate the Board's consideration on that. And that's all that I think I have. We do have representatives from Basin Electric if the Board has any questions to dive further into that.

CHAIRMAN BROWN: I have a question. It doesn't affect this, but why do you have different control technologies like for SCR on the Unit 1 and SNCR on 2 and 3?

MR. DAY: Why did we select the units or why the different technologies?

CHAIRMAN BROWN: Why the different technologies?

MR. DAY: The SCR is being installed on Unit 1, it costs about $350 million per unit.

CHAIRMAN BROWN: Okay.

MR. DAY: SNCR, Selective Non Catalytic Reduction technologies, those are less expensive. What we did to obtain the settlement was we changed the proposal from EPA FIP which was three SCR, which would've cost a billion dollars. And by combining the two different technologies, SCR and SNCR, and agreeing to lower emission limits for SO_2, the net benefit of all of those things yielded a better visibility outcome than EPA's billion dollar price tag.

CHAIRMAN BROWN: Oh, okay.

BOARD MEMBER HULME: And, so, the two technologies constitute the two different emission rate that you have there, is that right?

MR. DAY: Correct. Well, the rule that you're looking at refers to the historic baseline average rates for Units 1 and 2, and it's only Units 1 and 2 that are affected by the newer lower SO_2 limits.

CHAIRMAN BROWN: Thank you, that answered my question, too.

CHAIRMAN BROWN: Any questions?

BOARD MEMBER HEYNEMAN: I missed Laramie, so I appreciate you filling the backstory.

CHAIRMAN BROWN: Yeah. Doug, you've got a question?

BOARD MEMBER VICKREY: No, I'm not smart enough to ask something-. (Laughter)

MS. VEHR: If I could just make an observation – when we were out at the facility, one of the challenges was that this is not a new plant being built from the ground-up, so they're having to work around existing operations right now and existing structures and power production. So, it's pretty impressive out there and they were describing the manpower that is needed to do this, and the amount of raw materials – the steel. It's pretty impressive to go out there and see the size of this project.

BOARD MEMBER VICKREY: So, to use your term – 'retrofit.' I guess that's what you're doing. That would be considerably more expensive than if you were doing it from the ground up. Is that correct?

MR. DAY: It is more expensive to do retrofit installation. SCR standalone at a new facility is still very expensive. But we do have substantial amounts of engineering that has to be done to meld the two pieces together, which was what we were looking at this morning. The reason we put SCR on Unit 1 rather than Unit 2 was that Unit 2 is in-between the other two and there was no way to get in there, cost effectively, to install SCR on Unit 2. So, the whole design of what we're doing is driven by the fact that it's a retrofit project.

BOARD MEMBER HULME: What's the expected completion date?

MR. DAY: We've committed in the settlement agreement to be operational on the SCR installation by June 2019 and the SNCR on Units 2 and 3 by December 31, 2018.

BOARD MEMBER HEYNEMAN: Are other states seeing the same negotiations?

MR. DAY: Yes. Well, there are two things. All over the country, EPA – over the last six years – has been disapproving state regional haze determinations very impressively and trying to force either the installation of SCR or the closure of coal-fired units. So, there's litigation in numerous different circuit courts, in addition to ours, in the 10th Circuit. There are, I think, about eight utilities that have negotiated resolutions, as we have done, with the EPA over the last six years or so. And there are still pending cases being litigated around the country as states push back against what the EPA has been trying to do with the Regional Haze program.

MS. MORRISSEAU: And that includes even the litigation here in Wyoming. There are a lot of parties involved. Basin is involved, but so is PacifiCorp and some

of PacifiCorp's plants. Also, EPA tried to say through their FIP that PacifiCorp had to do additional control technologies above and beyond what Wyoming said through its Regional Haze SIP. So, PacifiCorp is still litigating but that case is similar to Wyoming's case – it's just kind of being stayed while everything gets finalized with the controls that Basin is installing through the settlement agreement. And the other side of it is also environmental groups that have brought their own lawsuit against EPA and then have also joined in the different lawsuits by industry and by states against the EPA. So, it's very complex litigation and some of the parties are in settlement and some aren't. And it's – as Pat has explained – it's sort of being mirrored in other cases nationally, as well.

MS. VEHR: One point I would like to add on, if I may, from what Elizabeth was saying, just to let you know. Even though these items are tied up in litigation, on Regional Haze, there are still emission reductions going on. They don't stop just when the cases are in litigation. The emissions of all these pollutants are still decreasing over time and we just had our Regional Haze Progress Report that we put out for public comment back in the 2013-14...

MR. LETEFF: December 2013, Public Hearing was in January 2014.

MS. VEHR: Yeah. So, we had done a progress report and gotten some feedback on the progress report about the same time these cases were – that the litigation was going on. And EPA suggested that we put out the progress report again for additional round of public comment. A couple of years have gone by, so there have been some further reductions. But the progress report shows that visibility continues to improve in Wyoming. And so we're

still making progress on visibility even though there are these litigations that are going on, as well. So, that's the good news side of that – that visibility continues to improve.

MR. LETEFF: And I'd like to add, too, Nancy, that as part of that update to the progress report, the EPA Regional Office asked us to update the emission reductions that were showing over the years up through 2014. So even though the report is up through, officially, 2009, we've included information up through 2014 to show continued reductions, as well.

MS. MORRISSEAU: And one more additional quirk about the Regional Haze program is that primarily the Clean Air Act is about healthy air, and it's about making sure that people aren't exposed to pollution because pollution hurts people. But Regional Haze is different. Regional Haze is not a health-based standard. Regional Haze is what I like to call a tourist-based standard because it really is only about having good visibility in specific parts of the country called Class I areas. So, the kind of places that you might go on a vacation. Regional Haze is meant to make sure you have good pictures – that's kind of what it's there for. So, a lot of times, we talk about litigation and we talk about all these things, but I wanted to also say it's not a health-based standard. It's visibility. So it's different from other parts of the Clean Air Act where we talk about health and human impact in that way.

BOARD MEMBER HEYNEMAN: These negotiations are only in Class I airspace?

MS. MORRISSEAU: Regional Haze is about visibility improvements for Class I areas. So, Wind Caves in South Dakota, and I'm sure Rob can rattle off all of the Class I areas…

MR. LETEFF: We have seven in Wyoming. Yellowstone, Tetons, Absaroka – I just learned how to pronounce that. I don't have them all off the top of my head.

BOARD MEMBER HEYNEMAN: What is – this negotiation is impacting what specifically.

MR. LETEFF: The negotiation doesn't impact a particular space, as I understand. It impacts particular companies that are…

BOARD MEMBER HEYNEMAN: Which space is it?

MS. MORRISSEAU: It's not a specific space.

BOARD MEMBER HEYNEMAN: Which one is it – what Class I airspace is being impacted here?

MS. MORRISSEAU: That's not how it – so, the point of the Regional Haze program is that every state has to come up with a plan to look at sources that emit over a certain amount, which are usually coal-fired power plants but they could also be other very large sources. And then it has to sort of determine, based on the Class I areas that we have in our state, do we tell these sources to ratchet down on NO_x or PM or SO_2. And if so, how do we do it? But the plan isn't about a specific – it's not about, 'Basin, turn down this power plant so that Yellowstone looks better.' It's more about that the Class I areas are really the driver for Regional Haze. But each state has to come up with a plan that isn't space specific.

BOARD MEMBER HEYNEMAN: The Navajo plant closed because it was impacting the Grand Canyon. So, there are examples where things are much closer and I was just curious.

MS. VEHR: Yeah, there is – I'll back-step a little bit on the Regional Haze. There is a technology called Best Available Retrofit Technology, or BART, and

that's part of Regional Haze. And there is something where people talk about reasonable progress goals, which is to get to basically background conditions by 2064. So, there are two goals that are going on in the Regional Haze rule. The SCR is the Best Available Retrofit Technology determination that was made. So, the Regional Haze requirements came about back in, I think it was, 1977 – the Clean Air Act amendments. They didn't have the technology in place to look at this BART technology. And they established the Reasonably Attributable Visibility Impairment. I know – attorneys have careers all over this. So, this Reasonably Attributable Visibility Impairment was designed so that if you could see what I would call emissions from a – let's say it was a power plant or another kind of facility was right near one of these Class I areas impacted. The Federal Land Manager for the National Park or whatever, who managed that particular land, could say, 'Hey, State. I think this facility is causing problems right here. I can see it coming.' And so, that was what – for a long time – was the extent of Regional Haze. And then, in the late 1990s, the EPA came up with the Regional Haze rule. And that was when they said, 'This is how you do an analysis to determine the technology, that BART technology, that goes into place. There is a component of it that looks at modeling of visibility impacts to certain facilities. And then there is a component that looks at all of the Class I areas. So it's a combination of both.

BOARD MEMBER HEYNEMAN: Thank you.

BOARD MEMBER VICKERY: Okay, so…wow. (laughter) So, if you folks spend $400 million, let's say, and you get everything compliant two years down the road. And then, 10 years down the road, all this new technology shows back up again. What do you do? I mean, there's a threshold out there that you can only do so much. I don't care who you are. You can bring levels down and then there has to be a stop. You just can't do it anymore.

And then what? You're still going to have someone out there filing these – excuse me – damn bogus lawsuits. And so, how do you address that? Do you look forward and say, 'Well, 10 or 15 years from now, we're going to have to look at this situation all over again and we're going to have to spend another $500 or $600 million dollars to do what we've just done?

MR. DAY: The Regional Haze Program continues to 2064, so no one will know when it all ends until then. Nancy can speak better to it than I can to the management of the issue. The BART retrofit program is a one-time thing that we do in the BART program. And once we install these BART controls, we will still be regulated for purposes of visibility going forward, but this is our big, up-front commitment that is being made in the program. And it wouldn't be our expectation that there would be a new regulatory control requirement for decades, but that remains to be seen. We just don't know because the law will be administered differently over time by different administrations and different regulators. The good news is, I guess, from the environmental standpoint, the controls we're installing now – the visibility impact is already going to be not visible. So, we're making improvements that are so small that you can't even see them anyway. So, NO_x sources – big, major NO_x sources like power plants have been regulated down to virtually no visibility impacts. The bigger challenges are things like wildfires and minor point sources and increasing car traffic. That sort of stuff that Nancy is wrestling with and will be for a long time. But we're hopeful that this gets us over the hump with respect to the Regional Haze program.

CHAIRMAN BROWN: Okay, is there any comment from the public? Is there anyone from the public who would like to make a statement? Okay, time to vote. Any discussion from the board?

BOARD MEMBER VICKREY: No. I just feel sorry for people trying to keep up with all this stuff you can't keep up with.

CHAIRMAN BROWN: I do, too.

MS. VEHR: So, if there is no further discussion, we would ask that the Board would make a move to approve the recommended changes that we have recommended for adoption.

BOARD MEMBER HEYNEMAN: I'll make a motion.

BOARD MEMBER VICKREY: And I'll second.

CHAIRMAN BROWN: Okay, it's been moved and seconded to adopt the rules as presented in this document. All those in favor?

Board (all): Aye.

CHAIRMAN BROWN: All those opposed? So, it's been moved and seconded to adopt the rules as written in the presentation by the DEQ.

MS. VEHR: Thank you.

CHAIRMAN BROWN: Any other discussion on this, quick and simple?

MS. VEHR: I think we've talked about the Regional Haze Progress Report. We're analyzing comments and then we'll be getting that sent down to EPA. And then the next stage for this is to go in front of the Environmental Quality Council. And then, as Amber mentioned, there is a time frame in terms of the settlement agreement in getting everything all packaged up and sent down to the EPA for their final review. But we're on track, right now, to get all that accomplished. So, I don't think there are any other matters that the Air Quality Division has for the Board's consideration.

CHAIRMAN BROWN: I guess we just have to ballpark the next meeting.

MS POTTS: We're thinking sometime at the end of September, and that's going to be John's favorite time – IBR Christmas (laughter).

MS. VEHR: Oh, and we'll probably have one other item right around then. I don't know if it'll be IBR Christmas, it may be a little bit after that. But we are working on our Presumptive Best Available Control Technology Guidance for oil and gas sources, and that's another Christmas present. (laughter) But that was something that we started last May of 2016. We finished the adoption and implementation of the previous round and then we started on getting the next round. And this is control technology that we evaluate. There is a cost and a pollution reduction that goes with it. And so it's always being evaluated because right now, emissions keep getting lowered and they've been cost effective. And so, this is something we do – as soon as we finish one, we start going on the next one. So, last year, we started – and then something called OOOOa came out, which the Board had adopted about a year ago in September of 2016. And we had to put on pause, our review, because we wanted to make sure that our Best Available Control Technology lines up with New Source Performance Standards so that we don't have different requirements. And then we had, in the fall, the BLM's venting and flaring rule. Again, we had to put it on pause to make sure we don't have conflicting requirements line up. Then, we had ozone season. We don't have enough staff to be working on everything, and then we had a vacancy in the New Source Review program manager position. We got that filled with Andrew this spring. And we've re-engaged with environmental groups and PAW, and we've got some individual comments from oil and gas. What we would like to then is to get all this information, finish analyzing it, and then bring forward a revised proposal

of this guidance. So, it might fall about the same time if we don't have any more hiccups in the road.

BOARD MEMBER HEYNEMAN: Or, if we don't have any new technology. (laughter)

MS. VEHR: So, with that, that would be the only other item for consideration on the Board's fall meeting.

Vickery: So, that will be from Christmas through New Year's? (laughter) Kind of?

MS. VEHR: Well, no, I'm thinking the Christmas for Incorporation by Reference in September. But we can have another one for you.

BOARD MEMBER VICKREY: Yeah, right. I'll look forward to that one.

BOARD MEMBER HEYNEMAN: Well, while we've got time, what's new with venting and flaring? That's a volatile topic.

MS. MORRISSEAU: So, the venting and flaring case – we argued to ask for a preliminary injunction of the rule, and lost that argument. So, that rule is technically in effect. But, the compliance dates don't start until like January 17, 2018. The BLM recently put out what's called at 705 stay, where they have stayed compliance dates that are associated with the rule. They have been challenged in two separate lawsuits – both in the Northern District of California. One, by California and New Mexico. And then, one by a group of environmental organizations. The first lawsuit triggered additional action, which triggered additional lawsuits and then BLM had indicated – there's an executive order talking about energy independence that directed agencies to look at certain rules. This was one of these rules. So, as part of BLM's

analyzing the venting and flaring rule, they've said that they're going to extend the compliance dates. Which they've done partially. And then, they're going to look at the rule and make changes through notice and comment. So, the litigation is waiting because the BLM basically went to the Court and said, 'Our agency is working to change the rule. Please don't make us go through briefing and arguing this case that might go away. And so the Court said, 'Okay, fine, I'll put everything on hold.' So, we're really waiting to kind of see what the BLM is going to do in their next action.

BOARD MEMBER HEYNEMAN: What were the differences between the federal and the state rule? Because Wyoming had some regs – I mean, Wyoming and North Dakota were ahead of the game, ahead of the curve.

MS. MORRISSEAU: And Nevada and Colorado and California. There are a lot of states that are ahead of the curve.

BOARD MEMBER HEYNEMAN: Producing states. The producing ones.

MS. MORRISSEAU: The BLM's regulations are only applicable to federal wells. That's not that easy because in the West, you have a mix of federal land, state land, and then Indian land. And then, underneath, you have a mix of federal minerals, state minerals, and Indian minerals. And the top doesn't always match the bottom. It's tricky to figure out what applies where. State rules apply everywhere except for on the reservation. BLM rules only apply to wells that are mingled, in some form or fashion, with federal minerals. If you look at, historically, what the BLM has done in response to application for permission to drill, they've put in a phone number for the Air Quality Division and say, 'You need to get a permit, oil and gas company. These are the people who do it; we're just telling you how to get this out of the

ground and give us royalties back. Because BLM is not an environmental agency. They're a land management agency. So the way that they regulate oil and gas is really about making sure that taxpayers get their due mineral royalties. But when it comes to controlling the associated air emissions, which include methane…

BOARD MEMBER HEYNEMAN: Which is a royalty.

MS. MORRISSEAU: But also other things. Right, methane, absolutely, you can get royalties from methane because it is a federal mineral. But you've got all kinds of volatile organic compounds which aren't salable and the reason that these guys regulate them is because of air quality. Not because of royalties. So, these guys continue to regulate oil and gas, consistently, the way that they have for decades. And the federal government is going back and forth.

MR. DAY: And the lawyers are busy.

MS. MORRISSEAU: It's always good for the lawyers. (laughter)

CHAIRMAN BROWN: Any other comments?

MR MORRIS: I think I do have an update, actually. I would be remised if we didn't touch base on this since we last convened. So, regarding that City of Sheridan PM_{10} nonattainment area that we had a specific meeting for in December of last year and we touched base in March on it, as well. I'm pleased to announce that we finally did actually formally send that off. The Governor of Wyoming signed a request for redesignation to the EPA in early June. So, that is, to my knowledge, the first time that the State of Wyoming has ever made a request for redesignation for an air pollution area, and so, in this case, it was a really good learning experience for us. Hopefully, it will kind of provide the guiding lantern through the darkness if we have any other future request for redesignations that we pursue. But, at this

time, it's now in EPA's court and we anticipate hopefully hearing something back from them in the fall or later in 2017. But that situation is now kind of closed at this point.

MS. VEHR: And this was something that the City of Sheridan was really interested in because of the economic impacts. They did have someone that wanted to relocate there and wasn't able to do that in part because of this.

CHAIRMAN BROWN: Okay. Thank you.

BOARD MEMBER HEYNEMAN: It's interesting in Sheridan to look at what the sources of those – in the designated nonattainment area – because of sources of heat.

CHAIRMAN BROWN: Okay, any other comments? Thank you for that. I guess time to adjourn. Any more comments?

MS. VEHR: That was a good gavel hit.

CHAIRMAN BROWN: You've got to take advantage of those. You don't get to do that very often.

MEMORANDUM

TO: Elizabeth Morrisseau, Wyoming Assistant Attorney General

FROM: Nancy E. Vehr, Administrator, Air Quality Division

DATE: **July 24, 2017**

PRIORITY: **HIGH** – Deadline for response is **July 28, 2017**

SUBJECT: **Request for Review of Proposed Rules for Statutory Authority (R-28)**

The Department of Environmental Quality, Air Quality Division (Division) – on behalf of the Department – is proposing to revise Chapter 14, Emission Trading Program Regulations of the Wyoming Air Quality Standards and Regulations (WAQSR). Chapter 14, Section 3, Sulfur dioxide milestone inventory is being 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 SO_2 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.

This rulemaking was reviewed by the Air Quality Advisory Board (Board) on July 17, 2017, and the Board recommended that the rules proceed to formal rulemaking before the Environmental Quality Council (EQC). The Division has incorporated the suggested revisions into the rulemaking package as enclosed.

The Division did not receive written comments during the public process.

The Division has reviewed the requirements of section 35-11-202(a) and (b) of the Wyoming Environmental Quality Act and determined this rulemaking to be in procedural compliance with the statute. Finally, the Division has reviewed and responded to the Takings Guidelines and Checklist provided by the Attorney General's Office. The Division is now seeking a review of the proposed rules for statutory authority prior to submitting the rules to the Governor's Office for permission to proceed to formal rulemaking.

Attached, you will find a copy of the draft Notice of Agency Rulemaking, draft Statement of Principal Reasons for Adoption, copies of Chapter 14 in strike and underline format, and responses

to the Attorney General's Takings Checklist. If you have any questions, or need additional information regarding the proposed rules, please do not hesitate to contact me at 307-777-7391 or Amber Potts at 307-777-2489.

Attorney General's Response Options:

X Proposed rules are within the Division's statutory authority, may seek permission to proceed from the Governor's Office.

_____ Proposed rules exceed statutory authority, delay proceeding with rulemaking

7/28/17

Signature: Wyoming Assistant Attorney General

Department of Environmental Quality

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

DEQ

Matthew H. Mead, Governor

Todd Parfitt, Director

To: Honorable Matthew H. Mead, Governor
From: Todd Parfitt, Director, Department of Environmental Quality
Subject: Proposed Rules for Wyoming Air Quality Standards and Regulations Chapter 14, Section 3 (R-28)
Department of Environmental Quality, Air Quality Division
Date: August 3, 2017
Priority: **HIGH** – Deadline for response is **August 17, 18, 2017**
Summary: Notice of Agency Rulemaking

RECEIVED
AUG 04 2017
BY: Governors Office

The Air Quality Division (Division) is proposing revisions to the Wyoming Air Quality Standards and Regulations (WAQSR) listed above. The following is a brief summary of the proposed rule changes:

- An update to Chapter 14, Section 3, Sulfur dioxide milestone inventory, involves changes to the emission measurement techniques for Basin Electric Power Cooperative's Laramie River Station.
- Annual updates to Incorporation by Reference (IBR) section to be adopted by reference from the 2017 Code of Federal Regulations (CFR). If the State does not adopt the most recent versions of these sections by reference, the rule still applies at the federal level. Adopting these national standards into the State rules allows for State implementation of the rules.

The proposed revisions can be seen in the attached draft rules. Specific information on the changes can be found in the Statement of Principal Reasons (SOPR). Chapter 14, Sections 3 and 5, involve changes to the State Implementation Plan (SIP).

The Wyoming Air Quality Advisory Board met in Wheatland, Wyoming on July 17, 2017, and recommended that these rules proceed to formal rulemaking before the Environmental Quality Council (EQC). The Division has incorporated the suggested revision into the rulemaking package as enclosed.

Agency Contact Name: Amber Potts
Agency Contact Phone: 307-777-2489
Agency Contact Email: amber.potts@wyo.gov

Received
AUG 9 2017
Air Quality Division

Governor's Response Options (to be completed by Governor's Office):

✓ Agency may proceed.

_____ Delay Public Comment and Set Up Meeting with

_____

8-8-17

Signature: Governor's Counsel

If no response has been received by the 10th working day, the agency will proceed with these rules.

TAKINGS CHECKLIST

Air Quality Division Rulemaking: Chapter 14, Sections 3 and 5 (R-28)

Date Checklist Completed: July 18, 2017

	CRITERIA	YES	NO
1.	Does the action affect private property? (If no, no further inquiry is necessary.)	X	
2.	Is the action mandated by State or federal law? (If yes, go to question 3. If no, go to question 4.)	X	
3.	Does the proposed action advance a statutory purpose?	X	
4.	Does the proposed action result in permanent occupation of private property?		X
5.	Does the action require the property owner to dedicate property or grant an easement?		X
6.	Does the regulatory action interfere with the owner's investment-backed expectations?		X
7.	Does the character of the government action balance the public interest and private burdens?	X	
8.	Does the action deprive the owner of all economically viable uses of the property?		X
9.	Does the action have a significant impact on the landowner's economic interest?		X
10.	Does the action deny the owner of a fundamental attribute of ownership?		X
11.	Does the action serve the same purpose that would be served by directly prohibiting use of the land?		X
12.	Could the problem which has necessitated the action be addressed in a less restrictive manner?		X

Federal Regulation Citations for Regulation Changes
to Wyoming Air Quality Standards and Regulations

Chapter 14, Emission Trading Program Requirements, Section 3, Sulfur dioxide milestone inventory, is amended in part, to comply with portions of 40 CFR part 51 and 75, and appendices to 40 CFR part 60, July 1, 2017.

Chapter 14, Emission Trading Program Requirements, Section 5, Incorporation by reference, adopts by reference portions of 40 CFR parts 50, 72 and 75, and appendices to parts 60 and 75, July 1, 2017.

BEFORE THE
ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

IN THE MATTER OF REVISIONS TO SECTIONS THREE AND FIVE OF CHAPTER FOURTEEN OF THE WYOMING AIR QUALITY STANDARDS AND REGULATIONS	))))	STATEMENT OF PRINCIPAL REASONS FOR ADOPTION

1. The Environmental Quality Council, pursuant to the authority vested in it by the Wyoming Statutes 35-11-112 (a)(i), has revised, removed, or added the following chapters and sections to the Wyoming Air Quality Standards and Regulations: Chapter 14, Emission Trading Program Regulations, Section 3, Sulfur dioxide milestone inventory, and Section 5, Incorporation by reference.

2. Section 35-11-202 (a) of the Environmental Quality Act states that the Administrator, after consultation with the Advisory Board, shall recommend to the Director such ambient air standards and regulations that may be necessary to prevent, abate, or control pollution.

   Section 35-11-202 (b) of the Act states that in recommending such standards the Administrator shall consider all facts and circumstances bearing upon the reasonableness of the emissions involved including:

   (A) The character and degree of injury to, or interference with the health and physical well being of the people, animals, wildlife and plant life;

   (B) The social and economic value of the source of pollution;

   (C) The priority of location in the area involved;

   (D) The technical practicability and economic reasonableness of reducing or eliminating the pollution; and

   (E) The social welfare and aesthetic value.

3. Chapter 14, Emission Trading Program Regulations, Section 3, Sulfur dioxide milestone inventory, was updated to include Basin Electric Power Cooperative's new sulfur dioxide emissions reporting. 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. Section 5, Incorporation by Reference, has been updated as an annual effort to adopt by reference from the Code of Federal Regulations (CFR) as of July 1, 2017. The revisions to Section 3, Sulfur dioxide milestone inventory, and Section 5, Incorporation by reference, involves changes to the State Implementation Plan (SIP).

The Council finds that these regulations are reasonable and necessary to accomplish the policy and purpose of the Act, as stated in W.S. 35-11-102, and that they have been promulgated in accordance with rulemaking provisions of the Wyoming Administrative Procedures Act.

Dated this _____ day of _____, 2017.

_____	_____
Hearing Examiner - ***Printed Name***	Hearing Examiner - ***Signed Name***
Wyoming Environmental Quality Council	Wyoming Environmental Quality Council

WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
STANDARDS AND REGULATIONS

Emission Trading Program Regulations

CHAPTER 14

TABLE OF CONTENTS

Section 1. Introduction to emission trading programs 14-1
Section 2. Western backstop sulfur dioxide trading program 14-1
Section 3. Sulfur dioxide milestone inventory 14-39
Section 4. [Reserved] 14-41
Section 5. Incorporation by reference 14-41
Appendix A. Web Chapter 14, Section 2 Monitoring Protocols 14-43

WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
STANDARDS AND REGULATIONS

Emission Trading Program Regulations

CHAPTER 14

Section 1. **Introduction to emission trading programs.**

(a) Chapter 14 establishes requirements for trading programs authorized under Wyoming Statute 35-11-214. Section 2 implements the Western Backstop (WEB) Sulfur Dioxide Trading Program provisions in accordance with the federal Regional Haze Rule, 40 CFR § 51.309. Section 3 establishes consistent recordkeeping and reporting requirements for stationary sources in Wyoming to determine whether sulfur dioxide emissions remain below the sulfur dioxide milestones established in the state implementation plan for regional haze. Section 4 is reserved. Section 5 incorporates by reference all Code of Federal Regulations (CFRs), including their Appendices, cited in this Chapter, unless portions of said CFRs are specifically excluded.

Section 2. **Western backstop sulfur dioxide trading program.**

(a) Definitions.

The following additional definitions apply to Chapter 14, Section 2.

"Account Representative" means the individual who is authorized through a Certificate to represent owners and operators of the WEB source with regard to matters under the WEB Trading Program or, for a general account, who is authorized through a Certificate to represent the persons having an ownership interest in allowances in the general account with regard to matters concerning the general account.

"Act" means the federal Clean Air Act, as amended 42 U.S.C. 7401, *et seq*.

"Actual Emissions" means total annual sulfur dioxide emissions determined in accordance with Section 2(h) of this Chapter or determined in accordance with Section 3 of this Chapter for sources that are not subject to Section 2(h) of this Chapter.

"Allocate" means to assign allowances to a WEB source in accordance with Part C1 of Section C of the Wyoming Regional Haze SIP (WYRHSIP).

"Allowance" means the limited authorization under the WEB Trading Program to emit one ton of sulfur dioxide during a specified control period or any control period thereafter subject to the terms and conditions for use of unused allowances as established by Section 2 of this Chapter.

"Allowance limitation" means the tonnage of sulfur dioxide emissions authorized by the allowances available for compliance deduction for a WEB source under Section 2(k) of this Chapter on the allowance transfer deadline for each control period.

"Allowance Tracking System" means the system where allowances under the WEB Trading Program are recorded, held, transferred and deducted.

"Allowance Tracking System account" means an account in the Allowance Tracking System established for purposes of recording, holding, transferring, and deducting allowances.

"Allowance transfer deadline" means the deadline established in Section 2(i)(ii) of this Chapter when allowances must be submitted for recording in a WEB source's compliance account in order to demonstrate compliance for that control period.

"Best Available Retrofit Technology (BART)" means that emission reduction control device, facility, method, or system, used to achieve the best continuous emission reduction for each pollutant emitted by an existing stationary facility. The emission limitation shall be established on a case-by-case basis taking into consideration the technology available, the costs of compliance, the energy and non-air quality environmental impacts of compliance, any pollution control equipment in use or in existence at the source, the remaining useful life of the source, and the degree of improvement in visibility which may reasonably be anticipated to result from the use of such technology.

"Certificate" means the completed and signed submission required to designate an account representative for a WEB source or an account representative for a general account.

"Compliance account" means an account established in the Allowance Tracking System under Section 2(g)(i) of this Chapter for the purpose of recording allowances that a WEB source might hold to demonstrate compliance with its allowance limitation.

"Compliance certification" means a submission to the Department by the account representative as required under Section 2(k)(ii) of this Chapter to report a WEB source's compliance or noncompliance with Chapter 14, Section 2.

"Control period" means the period beginning January 1 of each year and ending on December 31 of the same year, inclusive.

"Emissions tracking database" means the central database where sulfur dioxide emissions for WEB sources as recorded and reported in accordance with Section 2 of this Chapter are tracked to determine compliance with allowance limitations.

"Emission unit" means any part of a stationary source that emits or would have the potential to emit any pollutant subject to regulations under the Clean Air Act.

"Existing source" means a stationary source that commenced operation before the program trigger date.

"General account" means an account established in the Allowance Tracking System under Section 2(g) of this Chapter for the purpose of recording allowances held by a person that are not to be used to show compliance with an allowance limitation.

"Milestone" means the maximum level of stationary source regional sulfur dioxide emissions for each year from 2003 to 2018, established according to the procedures in Part A1 of Section C of the WYRHSIP.

"New WEB Source" means a WEB source that commenced operation on or after the program trigger date.

"New Source Set-aside" means a pool of allowances that are available for allocation to new sources in accordance with the provisions of Part C1.3 of Section C of the WYRHSIP.

"Owner or Operator" means any person who is an owner or who operates, controls or supervises a WEB source, and includes but is not limited to any holding company, utility system or plant manager.

"Potential to emit" means the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored or processed, shall be treated as part of its design if the limitation is enforceable by the EPA Administrator.

"Program trigger date" means the date that the Department determines that the WEB Trading Program has been triggered in accordance with the provisions of Part A3 of Section C of the WYRHSIP.

"Program trigger years" means the years shown in Part A1 of Section C of the WYRHSIP, Table 1, column 3 for the applicable milestone if the WEB Trading Program is triggered as described in Part A3 of Section C of the WYRHSIP.

"Renewable Energy Resource" means a resource that generates electricity by non-nuclear and non-fossil technologies that results in low or no air emissions. The term includes electricity generated by wind energy technologies; solar photovoltaic and solar thermal technologies; geothermal technologies; technologies based on landfill gas and biomass sources, and new low-impact hydropower that meets the Low-Impact Hydropower Institute criteria. Biomass includes agricultural, food and wood wastes. The term does not include pumped storage or biomass from municipal solid waste, black liquor, or treated wood.

"Retired source" means a WEB source that has received a retired source exemption as provided in Section 2(c)(iv) of this Chapter. Any retired source resuming operations under Section 2(c)(iv) of this Chapter, must submit its exemption as part of its registration materials.

"Serial number" means, when referring to allowances, the unique identification number assigned to each allowance by the TSA, in accordance with Section 2(f)(ii) of this Chapter.

"Special Reserve Compliance Account" means an account established in the allowance tracking system under Section 2(g)(i) for the purpose of recording allowances that a WEB source might hold to demonstrate compliance with its allowance limitation for emission units that are monitored for SO_2 in accordance with Section 2(h)(i)(B).

"Stationary source" means any building, structure, facility or installation that emits or may emit any air pollutant subject to regulation under the Clean Air Act.

"Submit" means sent to the appropriate authority under the signature of the account representative. For purposes of determining when something is submitted, an official U.S. Postal Service postmark, or equivalent electronic time stamp, shall establish the date of submittal.

"Sulfur dioxide emitting unit" means any equipment that is located at a WEB source and that emits sulfur dioxide.

"Ton" means 2000 pounds and any fraction of a ton equaling 1000 pounds or more shall be treated as one ton and any fraction of a ton equaling less than 1000 pounds shall be treated as zero tons.

"Tracking System Administrator (TSA)" means the person designated by the Department as the administrator of the Allowance Tracking System and the emission tracking database.

"WEB source" means a stationary Western Backstop (WEB) source that meets the applicability requirements of Section 2(c) of this Chapter.

"WEB Trading Program" means Section 2 of this Chapter, triggered as a backstop in accordance with the provisions in Part A3 of Section C of the WYRHSIP, if necessary, to ensure that regional sulfur dioxide emissions are reduced.

"WYRHSIP" means the Wyoming Regional Haze State Implementation Plan.

(b) WEB Trading Program Trigger.

(i) Except as provided in (ii), the provisions of Section 2 of this Chapter

shall apply on the program trigger date that is established in accordance with the procedures in Part A3 of Section C of the WYRHSIP.

(ii) Special Penalty Provisions for 2018 Milestone, Section 2(l) of this Chapter, shall apply on January 1, 2018 and shall remain effective until the provisions of Section 2(l) of this Chapter have been fully implemented.

(c) WEB Trading Program Applicability.

(i) General Applicability. Section 2 of this Chapter applies to any stationary source or group of stationary sources that are located on one or more contiguous or adjacent properties and which are under the control of the same person or persons under common control, belonging to the same industrial grouping, and that are described in paragraphs (A) and (B) of this subsection. A stationary source or group of stationary sources shall be considered part of a single industrial grouping if all of the pollutant emitting activities at such source or group of sources on contiguous or adjacent properties belong to the same Major Group (i.e., all have the same two-digit code) as described in the Standard Industrial Classification Manual, 1987.

(A) All stationary sources that have actual sulfur dioxide emissions of 100 tons or more per year in the Program Trigger Years or any subsequent year. The fugitive emissions of a stationary source shall not be considered in determining whether it is subject to Section 2 of this Chapter unless the source belongs to one of the following categories of stationary source:

(I) Coal cleaning plants (with thermal dryers);

(II) Kraft pulp mills;

(III) Portland cement plants;

(IV) Primary zinc smelters;

(V) Iron and steel mills;

(VI) Primary aluminum ore reduction plants;

(VII) Primary copper smelters;

(VIII) Municipal incinerators capable of charging more than 250 tons of refuse per day;

(IX) Hydrofluoric, sulfuric, or nitric acid plants;

(X) Petroleum refineries;

(XI) Lime plants;

(XII) Phosphate rock processing plants;

(XIII) Coke oven batteries;

(XIV) Sulfur recovery plants;

(XV) Carbon black plants (furnace process);

(XVI) Primary lead smelters;

(XVII) Fuel conversion plants;

(XVIII) Sintering plants;

(XIX) Secondary metal production plants;

(XX) Chemical process plants;

(XXI) Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units per hour heat input;

(XXII) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;

(XXIII) Taconite ore processing plants;

(XXIV) Glass fiber processing plants;

(XXV) Charcoal production plants;

(XXVI) Fossil-fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input; or

(XXVII) Any other stationary source category, which as of August 7, 1980 is being regulated under Section 111 or 112 of the Clean Air Act.

(B) A new source that begins operation after the program trigger date and has the potential to emit 100 tons or more of sulfur dioxide per year.

(ii) The Department may determine on a case-by-case basis, with concurrence from the EPA Administrator, that a stationary source defined in 2(c)(i)(A) above that has not previously met the applicability requirements of (i) is not subject to Chapter 14, Section 2 if the stationary source had actual sulfur dioxide emissions of 100 tons or more in a single year and in each of the previous five years had actual sulfur

dioxide emissions of less than 100 tons per year, and:

(A) (I) The emissions increase was due to a temporary emission increase that was caused by a sudden, infrequent failure of air pollution control equipment, or process equipment, or a failure to operate in a normal or usual manner, and

(II) The stationary source has corrected the failure of air pollution equipment, process equipment, or process by the time of the Department's determination; or

(B) The stationary source had to switch fuels or feedstocks on a temporary basis and as a result of an emergency situation or unique and unusual circumstances besides the cost of such fuels or feedstocks.

(iii) Duration of Applicability. Except as provided for in Section 2(c)(iv) of this Chapter, once a stationary source is subject to Section 2 of this Chapter, it will remain subject to Chapter 14, Section 2 every year thereafter.

(iv) Retired Source Exemption.

(A) Application. Any WEB source that is permanently retired shall apply for a retired source exemption. The WEB source may only be considered permanently retired if all sulfur dioxide emitting units at the source are permanently retired. The application shall contain the following information:

(I) Identification of the WEB source, including plant name and an appropriate identification code in a format specified by the Department.

(II) Name of Account Representative.

(III) Description of the status of the WEB source, including the date that the WEB source was permanently retired.

(IV) Signed certification that the WEB source is permanently retired and will comply with the requirements of Section 2(c)(iv) of this Chapter.

(V) Verification that the WEB source has a general account where any unused allowances or future allocations will be recorded.

(B) Notice. The retired source exemption becomes effective when the Department notifies the WEB source that the retired source exemption has been granted.

(C) Responsibilities of Retired Sources.

(I) A retired source shall be exempt from Section 2(h) and

Section 2(k) of this Chapter, except as provided below.

(II) A retired source shall not emit any sulfur dioxide after the date the retired source exemption is issued.

(III) A WEB source shall submit sulfur dioxide emissions reports, as required by Section 2(h)(viii) of this Chapter for any time period the source was operating prior to the effective date of the retired source exemption. The retired source shall be subject to the compliance provisions of Section 2(k) of this Chapter, including the requirement to hold allowances in the source's compliance account to cover all sulfur dioxide emissions prior to the date the source was permanently retired.

(IV) A retired source that is still in existence but no longer emitting sulfur dioxide shall, for a period of five years from the date the records are created, retain records demonstrating the effective date of the retired source exemption for purposes of Chapter 14, Section 2.

(D) Resumption of Operations.

(I) Should a retired source desire to resume operation, the retired source must submit registration materials as follows:

(1.) If the source is required to obtain a construction permit under Chapter 6, Section 2 or an operating permit under Chapter 6, Section 3 prior to resuming operation, then registration information as described in Section 2(e)(i) of this Chapter and a copy of the retired source exemption must be submitted with the notice of intent under Chapter 6, Section 2 or the operating permit application required under Chapter 6, Section 3;

(2.) If the source does not meet the criteria of (1.), then registration information as described in Section 2(e)(i) of this Chapter and a copy of the retired source exemption must be submitted to the Department at least ninety (90) days prior to resumption of operation.

(II) The retired source exemption shall automatically expire on the day the retired source resumes operation.

(E) Loss of Future Allowances. A WEB source that is permanently retired and that does not apply to the Department for a retired source exemption within ninety (90) days of the date that the source is permanently retired shall forfeit any unused and future allowances. The abandoned allowances shall be retired directly by the TSA.

(d) Account Representative for WEB Sources.

(i) Each WEB source must identify one account representative and may

also identify an alternate account representative who may act on behalf of the account representative. Any representation, action, inaction or submission by the alternate account representative will be deemed to be a representation, action, inaction or submission by the account representative.

(ii) Identification and Certification of an Account Representative.

(A) The account representative and any alternate account representative shall be appointed by an agreement that makes the representations, actions, inactions or submissions of the account representative and any alternate binding on the owners and operators of the WEB source.

(B) The account representative shall submit to the Department and the TSA a signed and dated Certificate that contains the following elements:

(I) Identification of the WEB source by plant name, state and an appropriate identification code in a format specified by the Department;

(II) The name, address, e-mail (if available), telephone and facsimile number of the account representative and any alternate;

(III) A list of owners and operators of the WEB source;

(IV) Information to be part of the emission tracking system database in accordance with Part A2.1 of Section C of the WYRHSIP. The specific data elements shall be as specified by the State of Wyoming to be consistent with the data system structure, and may include basic facility information that may appear in other reports and notices submitted by the WEB source, such as county location, industrial classification codes, and similar general facility information.

(V) The following certification statement: "I certify that I was selected as the account representative or alternate account representative, as applicable, by an agreement binding on the owners and operators of the WEB source. I certify that I have all the necessary authority to carry out my duties and responsibilities under the WEB Trading Program on behalf of the owners and operators of the WEB source and that each such owner and operator shall be fully bound by my representations, actions, inactions, or submissions and by any decision or order issued to me by the Department regarding the WEB Trading Program."

(C) Upon receipt by the Department of the complete Certificate, the account representative and any alternate account representative represents and, by his or her representations, actions, inactions, or submissions, legally binds each owner and operator of the WEB source in all matters pertaining to the WEB Trading Program. The owners and operators shall be bound by any decision or order issued by the Department regarding the WEB Trading Program.

(D) No WEB Allowance Tracking System account shall be established for the WEB source until the TSA has received a complete Certificate. Once the account is established, the account representative shall make all submissions concerning the account, including the deduction or transfer of allowances.

(iii) Responsibilities.

(A) The responsibilities of the account representative include, but are not limited to, the transferring of allowances and the submission of monitoring plans, registrations, certification applications, sulfur dioxide emissions data and compliance reports as required by Section 2 of this Chapter, and representing the source in all matters pertaining to the WEB Trading Program.

(B) Each submission under this program shall be signed and certified by the account representative for the WEB source. Each submission shall include the following truth and accuracy certification statement by the account representative:

(I) "I am authorized to make this submission on behalf of the owners and operators of the WEB source for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

(iv) Changing the Account Representative or Owners and Operators.

(A) Changes to the Account Representative or the alternate Account Representative.

The account representative or alternate account representative may be changed at any time by sending a complete superseding Certificate to the Department and the TSA under Section 2(d)(ii) of this Chapter, with the change taking effect upon receipt of such Certificate by the TSA. Notwithstanding any such change, all representations, actions, inactions, and submissions by the previous account representative or alternate prior to the time and date when the TSA receives the superseding Certificate shall be binding on the new account representative and the owners and operators of the WEB source.

(B) Changes in Owners and Operators.

(I) Within thirty (30) days of any change in the owners and operators of the WEB source, including the addition of a new owner or operator, the

account representative shall submit a revised Certificate amending the list of owners and operators to include such change.

(II) In the event a new owner or operator of a WEB source is not included in the list of owners and operators submitted in the Certificate, such new owner or operator shall be deemed to be subject to and bound by the Certificate, the representations, actions, inactions, and submissions of the account representative of the WEB source, and the decisions, orders, actions, and inactions of the Department as if the new owner or operator were included in such list.

(e) Registration.

(i) Deadlines.

(A) Each source that is a WEB source on or before the program trigger date shall register by submitting the initial Certificate required in Section 2(d)(ii) of this Chapter to the Department no later than 180 days after the program trigger date.

(B) Any existing source that becomes a WEB source after the program trigger date shall register by submitting the initial Certificate required in Section 2(d)(ii) of this Chapter to the Department by September 30 of the year following the inventory year in which the source exceeded the emission threshold.

(C) Any new WEB source shall register by submitting the initial Certificate required in Section 2(d)(ii) of this Chapter to the Department prior to the commencement of operation.

(ii) Integration Into Permits.

(A) Any allocation, transfer or deduction of allowance to or from the compliance account of a WEB source shall not require revision of the WEB source's operating permit under Chapter 6, Section 3.

(B) Any WEB source that is not required to have a permit under Chapter 6, Section 2 at any time after Chapter 14 becomes effective must at all times possess a permit that includes the requirements of Chapter 14. If it does not possess a Title V permit under Chapter 6, Section 3, it may do so by obtaining or modifying a permit under Chapter 6, Section 2 to incorporate the requirements of Chapter 14. The source must at all times possess a permit that includes these requirements.

(f) Allowance Allocations.

(i) The TSA will record the allowances for each WEB source in the compliance account for the WEB source once the allowances are allocated by the Department under Part C1 of Section C of the WYRHSIP. If applicable, the TSA will record a portion of the sulfur dioxide allowances for a WEB source in a special reserve

compliance account to account for any allowances to be held in accordance with Section 2(h)(i)(B) of this Chapter.

(ii) The TSA will assign a serial number to each allowance in accordance with Part C2 of Section C of the WYRHSIP.

(iii) All allowances shall be allocated, recorded, transferred, or used as whole allowances. To determine the number of whole allowances, the number of allowances shall be rounded down for decimals less than 0.50 and rounded up for decimals of 0.50 or greater.

(iv) An allowance is not a property right, and is a limited authorization to emit one ton of sulfur dioxide valid only for the purpose of meeting the requirements of Section 2 of this Chapter. No provision of the WEB Trading Program or other law should be construed to limit the authority of the Department to terminate or limit such authorization.

(v) Early Reduction Bonus Allocation. Any non-utility WEB source that installs new control technology and that reduces its permitted annual sulfur dioxide emissions to a level that is below the floor level allocation established for that source in Part C1 of Section C of the WYRHSIP or any utility that reduces its permitted annual sulfur dioxide emissions to a level that is below best available control technology may apply to the Department for an early reduction bonus allocation. The bonus allocation shall be available for reductions that occur between 2008 and the program trigger year. The application must be submitted no later than ninety (90) days after the program trigger date. Any WEB source that applies and receives early reduction bonus allocations must retain the records referenced below for a minimum of five (5) years after the early reduction bonus allowance is certified in accordance with Part C1.1(a)(3) of Section C of the WYRHSIP. The application for an early reduction bonus allocation must contain the following information:

(A) Copies of all construction permits, operating permits or other enforceable documents that include annual sulfur dioxide emissions limits for the WEB source during the period the WEB source qualifies for an early reduction credit. Such permits or enforceable documents must require monitoring for sulfur dioxide emissions that meet the requirements in Section 2(h) of this Chapter.

(B) Demonstration that the floor level established for the source in accordance with Part C1.1(a)(2) of Section C of the WYRHSIP for non-utilities or best available control technology for utilities was calculated using data that are consistent with monitoring methods specified in Section 2(h)(i)(A) of this Chapter. If needed, the demonstration shall include a new floor level calculation that is consistent with the monitoring methodology in Section 2(h) of this Chapter.

(vi) Request for allowances for new WEB sources or modified WEB Sources.

(A) A new WEB source may apply to the Department for an allocation from the new source set-aside, as outlined in Part C1.3 of Section C of the WYRHSIP.

(I) A new WEB source is eligible for an annual floor allocation equal to the lower of the permitted annual sulfur dioxide emission limit for that source, or sulfur dioxide annual emissions calculated based on a level of control equivalent to best available control technology (BACT) and assuming 100 percent utilization of the WEB source, beginning with the first full calendar year of operation.

(B) An existing WEB source that has increased production capacity through a new construction permit issued under Chapter 6, Section 2 may apply to the Department for an allocation from the new source set-aside, as outlined in Part C1.3 of Section C of the WYRHSIP. An existing WEB source is eligible for an annual allocation equal to:

(I) The permitted annual sulfur dioxide emission limit for a new unit; or

(II) The permitted annual sulfur dioxide emission increase for the WEB source due to the replacement of an existing unit with a new unit or the modification of an existing unit that increased production capacity of the WEB source.

(C) A source that has received a retired source exemption under Chapter 14, Section 2(c)(iv) is not eligible for an allocation from the new source set-aside.

(D) The application for an allocation from the new source set-aside must contain the following:

(I) For existing WEB sources under Section 2(f)(vi)(B)(II) of this Chapter, documentation of the production capacity of the source before and after the new permit;

(II) For new WEB sources or a new unit under Section 2(f)(vi)(B)(I), documentation of the actual date of the commencement of operation and a copy of the permit issued under Chapter 6, Section 2.

(g) Establishment of Accounts.

(i) Allowance Tracking System Accounts. All WEB sources are required to open a compliance account. In addition, if a WEB source conducts monitoring under Section 2(h)(i)(B) of this Chapter, the WEB source shall open a special reserve compliance account for allowances associated with units monitored under those provisions. The WEB source and account representative shall have no rights to transfer

allowances in or out of such special reserve compliance account. The State of Wyoming shall allocate allowances to the account in accordance with Section 2(h)(i)(B)(V) of this Chapter and all such allowances for each control period shall be retired each year for compliance in accordance with Section 2(k) of this Chapter. Any person may open a general account for holding and transferring allowances. To open either type of account, an application that contains the following information shall be submitted:

(A) The name, mailing address, e-mail address, telephone number and facsimile number of the account representative. For a compliance account, include a copy of the Certificate for the account representative and any alternate as required in Section 2(d)(ii)(B) of this Chapter. For a general account, include the Certificate for the account representative and any alternate as required in (iii)(B).

(B) The WEB source or organization name;

(C) The type of account to be opened; and

(D) A signed certification of truth and accuracy by the account representative according to Section 2(d)(iii)(B) of this Chapter for compliance accounts and for general accounts, certification of truth and accuracy by the account representative according to (iv).

(ii) Account Representative for General Accounts. For a general account, one account representative must be identified and an alternate account representative may be identified and may act on behalf of the account representative. Any representation, action, inaction or submission by the alternate account representative will be deemed to be a representation, action, inaction or submission by the account representative.

(iii) Identification and Certification of an Account Representative for General Accounts.

(A) The account representative shall be appointed by an agreement that makes the representations, actions, inactions or submissions of the account representative binding on all persons who have an ownership interest with respect to allowances held in the general account.

(B) The account representative shall submit to the Department and the TSA a signed and dated Certificate that contains the following elements:

(I) The name, address, e-mail (if available), telephone and facsimile number of the account representative and any alternate;

(II) The organization name;

(III) The following certification statement:

"I certify that I was selected as the account representative or alternate account representative, as applicable, by an agreement binding on all persons who have an ownership interest in allowances in the general account with regard to matters concerning the general account. I certify that I have all the necessary authority to carry out my duties and responsibilities under the WEB Trading Program on behalf of said persons and that each such person shall be fully bound by my representations, actions, inactions, or submissions."

(C) Upon receipt by the Department of the complete Certificate, the account representative represents and, by his or her representations, actions, inactions, or submissions, legally binds each person who has an ownership interest in allowances held in the general account with regard in all matters concerning the general account. Such persons shall be bound by any decision or order issued by the Department.

(D) No WEB Allowance Tracking System general account shall be established until the TSA has received a complete Certificate. Once the account is established, the account representative shall make all submissions concerning the account, including the deduction or transfer of allowances.

(iv) Requirements and Responsibilities. Each submission for the general account shall be signed and certified by the account representative for the general account. Each submission shall include the following truth and accuracy certification statement by the account representative:

(A) "I am authorized to make this submission on behalf of all persons who have an ownership interest in allowances held in the general account. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

(v) Changing the Account Representative. The account representative or alternate account representative may be changed at any time by sending a complete superseding Certificate to the Department and the TSA under (iii)(B), with the change taking effect upon receipt of such Certificate by the Department. Notwithstanding any such change, all representations, actions, inactions, and submissions by the previous account representative or alternate prior to the time and date when the Department receives the superseding Certificate shall be binding on the new account representative and all persons having ownership interest with respect to allowances held in the general account.

(vi) Changes to the Account. Any change to the information required in the application for an existing account under (i) shall require a revision of the application.

(h) Monitoring, Recordkeeping and Reporting.

(i) General Requirements on Monitoring Methods.

(A) For each sulfur dioxide emitting unit at a WEB source the WEB source shall comply with the following, as applicable, to monitor and record sulfur dioxide mass emissions:

(I) If a unit is subject to 40 CFR part 75 under a requirement separate from the WEB Trading Program, the unit shall meet the requirements contained in part 75 with respect to monitoring, recording and reporting sulfur dioxide mass emissions.

(II) If a unit is not subject to 40 CFR part 75 under a requirement separate from the WEB Trading Program, a unit shall use one of the following monitoring methods, as applicable:

(1.) A continuous emission monitoring system (CEMS) for sulfur dioxide and flow that complies with all applicable monitoring provisions in 40 CFR part 75;

(2.) If the unit is a gas- or oil-fired combustion device, the excepted monitoring methodology in Appendix D to 40 CFR part 75, or, if applicable, the low mass emissions (LME) provisions (with respect to sulfur dioxide mass emissions only) of section 75.19 of 40 CFR part 75;

(3.) One of the optional WEB protocols, if applicable, in Appendix A to Chapter 14; or

(4.) A petition for site-specific monitoring that the source submits for approval by the State of Wyoming and approval by the U.S. Environmental Protection Agency in accordance with Section 2(h)(ix) of this Chapter (relating to petitions).

(III) A permanently retired unit shall not be required to monitor under this Section if such unit was permanently retired and had no emissions for the entire period and the account representative certifies in accordance with Section 2(k)(ii) of this Chapter that these conditions were met. In the event that a permanently retired unit recommences operation, the WEB source shall meet the requirements of this Section 2(h) in the same manner as if the unit was a new unit.

(B) Notwithstanding paragraph (A) of this Section, the WEB source with a unit that meets one of the conditions of paragraph (B)(I) may submit a request to the Department to have the provisions of this paragraph (B) apply to that unit.

(I) Any of the following units may implement this paragraph (B):

(1.) Any smelting operation where all of the emissions from the operation are not ducted to a stack;

(2.) Any flare, except to the extent such flares are used as a fuel gas combustion device at a petroleum refinery; or

(3.) Any other type of unit without add-on sulfur dioxide control equipment if the unit belongs to one of the following source categories: cement kilns, pulp and paper recovery furnaces, lime kilns, or glass manufacturing.

(II) For each unit covered by this paragraph (B), the account representative shall submit a notice to request that this paragraph (B) apply to one or more sulfur dioxide emitting units at a WEB source. The notice shall be submitted in accordance with the compliance dates specified in Section 2(h)(vi)(A) of this Chapter, and shall include the following information in a format specified by the State of Wyoming with such additional, related information as may be requested:

(1.) A list of all units at the WEB source that identifies which of the units are to be covered by this paragraph (B); and

(2.) An identification of any such units that are permanently retired.

(III) For each new unit at an existing WEB source for which the WEB source seeks to comply with this paragraph (B) and for which the account representative applies for an allocation under the new source set-aside provisions of Section 2(f)(vi) of this Chapter, the account representative shall submit a modified notice under paragraph (B)(II) that includes such new sulfur dioxide emitting unit(s). The modified request shall be submitted in accordance with the compliance dates in Section 2(h)(vi)(A) of this Chapter, but no later than the date on which a request is submitted under Section 2(f)(vi) of this Chapter for allocations from the set-aside.

(IV) The account representative for a WEB source shall submit an annual emissions statement for each unit under this paragraph (B) in accordance with Section 2(h)(viii) of this Chapter. The WEB source shall maintain operating records sufficient to estimate annual emissions in a manner consistent with emission inventory submitted by the source for calendar year 1998. In addition, if the estimated emissions from all such units at the WEB source are greater than the allowances for the current control year held in the special reserve compliance account for the WEB source, the account representative shall report the excess amount as part of the annual report for the WEB source under Section 2(k) of this Chapter and be required to use other allowances in the standard compliance account for the WEB source to account for such emissions, in accordance with Section 2(k) of this Chapter.

(V) Section 2(h) shall not apply to units covered by this paragraph except where otherwise noted.

(VI) A WEB source may opt to modify the monitoring for a sulfur dioxide emitting unit to use monitoring under Section 2(h)(i)(A) of this Chapter, but any such monitoring change must take effect on January 1 of the next compliance year. In addition, the account representative must submit an initial monitoring plan at least 180 days prior to the date on which the new monitoring will take effect and a detailed monitoring plan in accordance with Section 2(h)(ii) of this Chapter. The account representative shall also submit a revised notice under paragraph (B)(II) at the same time that the initial monitoring plan is submitted.

(C) For any monitoring that the WEB source uses under this Section (including paragraph (B)), the WEB source (and, as applicable, the account representative) shall implement, certify, and use such monitoring in accordance with this Section, and record and report the data from such monitoring as required in this Section. In addition, the WEB source (and, as applicable, the account representative) may not:

(I) Except for an alternative approved by the U.S. EPA Administrator for a WEB source that implements monitoring under Section 2(h)(i)(A)(I), use an alternative monitoring system, alternative reference method or another alternative for the required monitoring method without having obtained prior written approval in accordance with Section 2(h)(ix) of this Chapter (relating to petitions);

(II) Operate a sulfur dioxide emitting unit so as to discharge, or allow to be discharged, sulfur dioxide emissions to the atmosphere without accounting for these emissions in accordance with the applicable provisions of this Section;

(III) Disrupt the approved monitoring method or any portion thereof, and thereby avoid monitoring and recording sulfur dioxide mass emissions discharged into the atmosphere, except for periods of recertification or periods when calibration, quality assurance testing or maintenance is performed in accordance with the applicable provisions of this Section; or

(IV) Retire or permanently discontinue use of an approved monitoring method, except under one of the following circumstances:

(1.) During a period when the unit is exempt from the requirements of this Section, including retirement of a unit as addressed in Section 2(h)(i)(A)(III);

(2.) The WEB source is monitoring emissions from the unit with another certified monitoring method approved under this Section for use at the unit that provides data for the same parameter as the retired or discontinued

monitoring method; or

(3.) The account representative submits notification of the date of certification testing of a replacement monitoring system in accordance with this Section, and the WEB source recertifies thereafter a replacement monitoring system in accordance with the applicable provisions of this Section.

(ii) Monitoring Plan.

(A) General Provisions. A WEB source with a sulfur dioxide emitting unit that uses a monitoring method under Section 2(h)(i)(A)(II) of this Chapter shall meet the following requirements:

(I) Prepare and submit to the State of Wyoming an initial monitoring plan for each monitoring method that the WEB source uses to comply with this Section. In accordance with paragraph 2(h)(ii)(C) of this Chapter, the plan shall contain sufficient information on the units involved, the applicable method, and the use of data derived from that method to demonstrate that all unit sulfur dioxide emissions are monitored and reported. The plan shall be submitted in accordance with the compliance deadlines specified in Section 2(h)(vi) of this Chapter.

(II) Prepare, maintain and submit to the State of Wyoming a detailed monitoring plan prior to the first day of certification testing in accordance with the compliance deadline specified in Section 2(h)(vi) of this Chapter. The plan will contain the applicable information required by Section 2(h)(ii)(D) of this Chapter. The State of Wyoming may require that the monitoring plan (or portions thereof) be submitted electronically. The State of Wyoming also may require that the plan be submitted on an ongoing basis in electronic format as part of the quarterly report submitted under Section 2(h)(viii)(A) of this Chapter or resubmitted separately after any change is made to the plan in accordance with the following paragraph (A)(III).

(III) Whenever the WEB source makes a replacement, modification, or change in one of the systems or methodologies provided for in Section 2(h)(i)(A)(II) of this Chapter, including a change in the automated data acquisition and handling system or in the flue gas handling system, that affects information reported in the monitoring plan (e.g., a change to serial number for a component of a monitoring system), then the WEB source shall update the monitoring plan in accordance with the compliance deadline specified in Section 2(h)(vi) of this Chapter.

(B) A WEB source with a sulfur dioxide emitting unit that uses a method under Section 2(h)(i)(A)(I) of this Chapter (a unit subject to 40 CFR part 75 under a program other than this WEB Trading Program) shall meet the requirements of Section 2(h)(ii)(A)-(F) by preparing, maintaining and submitting a monitoring plan in accordance with the requirements of 40 CFR part 75. If requested, the WEB source also shall submit the entire monitoring plan to the State of Wyoming.

(C) Initial Monitoring Plan. The account representative shall submit an initial monitoring plan for each sulfur dioxide emitting unit (or group of units sharing a common methodology) that, except as otherwise specified in an applicable provision in Appendix A, contains the following information:

(I) For all sulfur dioxide emitting units:

(1.) Plant name and location;

(2.) Plant and unit identification numbers assigned by the State of Wyoming;

(3.) Type of unit (or units for a group of units using a common monitoring methodology);

(4.) Identification of all stacks or pipes associated with the monitoring plan;

(5.) Types of fuel(s) fired (or sulfur containing process materials used in the sulfur dioxide emitting unit), and the fuel classification of the unit if combusting more than one type of fuel and using a 40 CFR part 75 methodology;

(6.) Type(s) of emissions controls for sulfur dioxide installed or to be installed, including specifications of whether such controls are pre-combustion, post-combustion, or integral to the combustion process;

(7.) Maximum hourly heat input capacity, or process throughput capacity, if applicable;

(8.) Identification of all units using a common stack; and

(9.) Indicator of whether any stack identified in the plan is a bypass stack.

(II) For each unit and parameter required to be monitored, identification of monitoring methodology information, consisting of monitoring methodology, monitor locations, substitute data approach for the methodology, and general identification of quality assurance procedures. If the proposed methodology is a site-specific methodology submitted pursuant to Section 2(h)(i)(A)(II)(4.) of this Chapter, the description under this paragraph shall describe fully all aspects of the monitoring equipment, installation locations, operating characteristics, certification testing, ongoing quality assurance and maintenance procedures, and substitute data procedures.

(III) If the WEB source intends to petition for a change to

any specific monitoring requirement otherwise required under this Section, such petition may be submitted as part of the initial monitoring plan.

(IV) The State of Wyoming may issue a notice of approval or disapproval of the initial monitoring plan based on the compliance of the proposed methodology with the requirements for monitoring in this Section.

(D) Detailed Monitoring Plan. The account representative shall submit a detailed monitoring plan that, except as otherwise specified in an applicable provision in Appendix A, shall contain the following information:

(I) Identification and description of each monitoring component (including each monitor and its identifiable components, such as analyzer or probe) in a CEMS (e.g., sulfur dioxide pollutant concentration monitor, flow monitor, moisture monitor), a 40 CFR part 75, Appendix D monitoring system (e.g., fuel flowmeter, data acquisition and handling system), or a protocol in Appendix A, including:

(1.) Manufacturer, model number and serial number;

(2.) Component or system identification code assigned by the facility to each identifiable monitoring component, such as the analyzer or probe;

(3.) Designation of the component type and method of sample acquisition or operation (e.g., in situ pollutant concentration monitor or thermal flow monitor);

(4.) Designation of the system as a primary or backup system;

(5.) First and last dates the system reported data;

(6.) Status of the monitoring component; and

(7.) Parameter monitored.

(II) Identification and description of all major hardware and software components of the automated data acquisition and handling system, including:

(1.) Hardware components that perform emission calculations or store data for quarterly reporting purposes (provide the manufacturer and model number); and

(2.) Software components (provide the identification of the provider and model or version number).

(III) Explicit formulas for each measured emissions parameter, using component or system identification codes for the monitoring system used to measure the parameter that links the system observations with the reported concentrations and mass emissions. The formulas must contain all constants and factors required to derive mass emissions from component or system code observations and an indication of whether the formula is being added, corrected, deleted, or is unchanged. The WEB source with a low mass emissions unit for which the WEB source is using the optional low mass emissions excepted methodology in section 75.19(c) of 40 CFR part 75 is not required to report such formulas.

(IV) Inside cross-sectional area (ft^2) at flow monitoring location (for units with flow monitors only).

(V) If using CEMS for sulfur dioxide and flow, for each parameter monitored: scale, maximum potential concentration (and method of calculation), maximum expected concentration (if applicable) (and method of calculation), maximum potential flow rate (and method of calculations), span value, full-scale range, daily calibration units of measure, span effective date and hour, span inactivation date and hour, indication of whether dual spans are required, default high range value, flow rate span, and flow rate span value and full scale value (in standard cubic feet per hour) for each unit or stack using sulfur dioxide or flow component monitors.

(VI) If the monitoring system or excepted methodology provides for use of a constant, assumed, or default value for a parameter under specific circumstances, then include the following information for each value of such parameter:

(1.) Identification of the parameter;

(2.) Default, maximum, minimum, or constant value, and units of measure for the value;

(3.) Purpose of the value;

(4.) Indicator of use during controlled or uncontrolled hours;

(5.) Types of fuel;

(6.) Source of the value;

(7.) Value effective date and hour;

(8.) Date and hour value is no longer effective (if applicable); and

(9.) For units using the excepted methodology under section 75.19 of 40 CFR part 75, the applicable sulfur dioxide emission factor.

(VII) Unless otherwise specified in section 6.5.2.1 of Appendix A to 40 CFR part 75, for each unit or common stack on which hardware CEMS are installed:

(1.) The upper and lower boundaries of the range of operation (as defined in section 6.5.2.1 of Appendix A to 40 CFR part 75), or thousand of pounds per hour (lb/hr) of steam, or feet per second (ft/sec) (as applicable);

(2.) The load or operating level(s) designated as normal in section 6.5.2.1 of Appendix A to 40 CFR part 75, or thousands of lb/hr of steam, or ft/sec (as applicable);

(3.) The two load or operating levels (i.e., low, mid, or high) identified in section 6.5.2.1 of Appendix A to 40 CFR part 75 as the most frequently used;

(4.) The date of the data analysis used to determine the normal load (or operating) level(s) and the two most frequently-used load (or operating) levels; and

(5.) Activation and deactivation dates when the normal load or operating level(s) change and are updated.

(VIII) For each unit that is complying with 40 CFR part 75 for which the optional fuel flow-to-load test in section 2.1.7 of Appendix D to 40 CFR part 75 is used:

(1.) The upper and lower boundaries of the range of operation (as defined in section 6.5.2.1 of Appendix A to 40 CFR part 75), expressed in thousands of lb/hr of steam;

(2.) The load level designated as normal, pursuant to section 6.5.2.1 of Appendix A to 40 CFR part 75, expressed in thousands of lb/hr of steam; and

(3.) The date of the load analysis used to determine the normal load level.

(IX) Information related to quality assurance testing, including (as applicable): identification of the test strategy; protocol for the relative

accuracy test audit; other relevant test information; calibration gas levels (percent of span) for the calibration error test and linearity check; calculations for determining maximum potential concentration, maximum expected concentration (if applicable), maximum potential flow rate, and span;

(X) If applicable, apportionment strategies under sections 75.10 through 75.18 of 40 CFR part 75.

(XI) Description of site locations for each monitoring component in a monitoring system, including schematic diagrams and engineering drawings and any other documentation that demonstrates each monitor location meets the appropriate siting criteria. For units monitored by a continuous emission monitoring system, diagrams shall include:

(1.) A schematic diagram identifying entire gas handling system from unit to stack for all units, using identification numbers for units, monitor components, and stacks corresponding to the identification numbers provided in the initial monitoring plan and paragraphs (D)(I) and (III). The schematic diagram must depict the height of any monitor locations. Comprehensive or separate schematic diagrams shall be used to describe groups of units using a common stack.

(2.) Stack and duct engineering diagrams showing the dimensions and locations of fans, turning vanes, air preheaters, monitor components, probes, reference method sampling ports, and other equipment that affects the monitoring system location, performance, or quality control checks.

(XII) A data flow diagram denoting the complete information handling path from output signals of CEMS components to final reports.

(E) In addition to supplying the information in paragraphs (C) and (D) above, the WEB source with a sulfur dioxide emitting unit using either of the methodologies in paragraph (h)(i)(A)(II)(2.) of this Section shall include the following information in its monitoring plan for the specific situations described:

(I) For each gas-fired or oil-fired sulfur dioxide emitting unit for which the WEB source uses the optional protocol in Appendix D to 40 CFR part 75 for sulfur dioxide mass emissions, the WEB source shall include the following information in the monitoring plan:

(1.) Parameter monitored;

(2.) Type of fuel measured, maximum fuel flow rate, units of measure, and basis of maximum fuel flow rate (i.e., upper range value or unit maximum) for each fuel flowmeter;

(3.) Test method used to check the accuracy of

each fuel flowmeter;

(4.) Submission status of the data;

(5.) Monitoring system identification code;

(6.) The method used to demonstrate that the unit qualifies for monthly gross calorific value (GCV) sampling or for daily or annual fuel sampling for sulfur content, as applicable;

(7.) A schematic diagram identifying the relationship between the unit, all fuel supply lines, the fuel flowmeter(s), and the stack(s). The schematic diagram must depict the installation location of each fuel flowmeter and the fuel sampling location(s). Comprehensive or separate schematic diagrams shall be used to describe groups of units using a common pipe;

(8.) For units using the optional default sulfur dioxide emission rate for "pipeline natural gas" or "natural gas" in Appendix D to 40 CFR part 75, the information on the sulfur content of the gaseous fuel used to demonstrate compliance with either section 2.3.1.4 or 2.3.2.4 of appendix D to 40 CFR part 75;

(9.) For units using the 720 hour test under section 2.3.6 of Appendix D to 40 CFR part 75 to determine the required sulfur sampling requirements, report the procedures and results of the test; and

(10.) For units using the 720 hour test under section 2.3.5 of Appendix D to 40 CFR part 75 to determine the appropriate fuel GCV sampling frequency, report the procedures used and the results of the test.

(II) For each sulfur dioxide emitting unit for which the WEB source uses the low mass emission excepted methodology of section 75.19 to 40 CFR part 75, the WEB source shall include the following information in the monitoring plan that accompanies the initial certification application:

(1.) The results of the analysis performed to qualify as a low mass emissions unit under section 75.19(c) to 40 CFR part 75. This report will include either the previous three years actual or projected emissions. The following items should be included:

a. Current calendar year of application;

b. Type of qualification;

c. Years one, two, and three;

d. Annual measured, estimated or projected sulfur dioxide mass emissions for years one, two, and three; and

e. Annual operating hours for years one, two, and three.

(2.) A schematic diagram identifying the relationship between the unit, all fuel supply lines and tanks, any fuel flowmeter(s), and the stack(s). Comprehensive or separate schematic diagrams shall be used to describe groups of units using a common pipe;

(3.) For units which use the long-term fuel flow methodology under section 75.19(c)(3) to 40 CFR part 75, a diagram of the fuel flow to each unit or group of units and a detailed description of the procedures used to determine the long-term fuel flow for a unit or group of units for each fuel combusted by the unit or group of units;

(4.) A statement that the unit burns only gaseous fuel(s) or fuel oil and a list of the fuels that are burned or a statement that the unit is projected to burn only gaseous fuel(s) or fuel oil and a list of the fuels that are projected to be burned;

(5.) A statement that the unit meets the applicability requirements in sections 75.19(a) and (b) to 40 CFR part 75 with respect to sulfur dioxide emissions; and

(6.) Any unit historical actual, estimated and projected sulfur dioxide emissions data and calculated sulfur dioxide emissions data demonstrating that the unit qualifies as a low mass emissions unit under sections 75.19(a) and (b) to 40 CFR part 75.

(III) For each gas-fired unit the WEB source shall include the following in the monitoring plan: current calendar year, fuel usage data as specified in the definition of gas-fired in section 72.2 of 40 CFR part 72, and an indication of whether the data are actual or projected data.

(F) The specific elements of a monitoring plan under this Section 2(h)(ii) shall not be part of an operating permit for a WEB source issued in accordance with Title V of the Clean Air Act, and modifications to the elements of the plan shall not require a permit modification.

(iii) Certification and Recertification.

(A) All monitoring systems are subject to initial certification and recertification testing as specified in 40 CFR part 75 or Appendix A to Chapter 14, as applicable. Certification or recertification of a monitoring system by the U.S.

Environmental Protection Agency for a WEB source that is subject to 40 CFR part 75 under a requirement separate from this Rule shall constitute certification under the WEB Trading Program.

(B) The WEB source with a sulfur dioxide emitting unit not otherwise subject to 40 CFR part 75 that monitors sulfur dioxide mass emissions in accordance with 40 CFR part 75 to satisfy the requirements of this Section shall perform all of the tests required by that regulation and shall submit the following:

(I) A test notice, not later than 21 days before the certification testing of the monitoring system, provided that the State of Wyoming may establish additional requirements for adjusting test dates after this notice as part of the approval of the initial monitoring plan under Section 2(h)(ii)(C) of this Chapter; and

(II) An initial certification application within 45 days after testing is complete.

(C) A monitoring system will be considered provisionally certified while the application is pending, and the system shall be deemed certified if the State of Wyoming does not approve or disapprove the system within six months after the date on which the application is submitted.

(D) Whenever an audit of any monitoring certified under this Rule, and a review of the initial certification or recertification application, reveal that any system or component should not have been certified or recertified because it did not meet a particular performance specification or other requirement of Chapter 14, both at the time of the initial certification or recertification application submission and at the time of the audit, the State of Wyoming will issue a notice of disapproval of the certification status of such system or component. For the purposes of this paragraph, an audit shall be either a field audit of the facility or an audit of any information submitted to the State of Wyoming regarding the facility. By issuing the notice of disapproval, the certification status is revoked prospectively, and the data measured and recorded shall not be considered valid quality-assured data from the date of issuance of the notification of the revoked certification status until the date and time that the WEB source completes subsequently approved initial certification or recertification tests in accordance with the procedures in this Section 2(h)(iii). The WEB source shall apply the substitute data procedures in Section 2(h)(v)(B) of this Chapter to replace, prospectively, all of the invalid, non-quality-assured data for each disapproved system or component.

(iv) Ongoing Quality Assurance and Quality Control.

The WEB source shall satisfy the applicable quality assurance and quality control requirements of part 75 or, if the WEB source is subject to a WEB protocol in Appendix A, the applicable quality assurance and quality control requirements in Appendix A on and after the date that certification testing commences.

(v) Substitute Data Procedures.

(A) For any period after certification testing is complete in which quality assured, valid data are not being recorded by a monitoring system certified and operating in accordance with Chapter 14, missing or invalid data shall be replaced with substitute data in accordance with 40 CFR part 75 or, if the WEB source is subject to a WEB protocol in Appendix A, with substitute data in accordance with Appendix A.

(B) For a sulfur dioxide emitting unit that does not have a certified (or provisionally certified) monitoring system in place as of the beginning of the first control period for which the unit is subject to the WEB Trading Program, the WEB source shall:

(I) If the WEB source will use a CEMS to comply with this Section, substitute the maximum potential concentration of sulfur dioxide for the unit and the maximum potential flow rate, as determined in accordance with 40 CFR part 75. The procedures for conditional data validation under section 75.20(b)(3) may be used for any monitoring system under Chapter 14 that uses these 40 CFR part 75 procedures, as applicable;

(II) If the WEB source will use the 40 CFR part 75 Appendix D methodology, substitute the maximum potential sulfur content, density or gross calorific value for the fuel and the maximum potential fuel flow rate, in accordance with section 2.4 of Appendix D to 40 CFR part 75;

(III) If the WEB source will use the 40 CFR part 75 methodology for low mass emissions units, substitute the sulfur dioxide emission factor required for the unit as specified in 40 CFR 75.19 and the maximum rated hourly heat input, as defined in 40 CFR 72.2; or

(IV) If using a protocol in Appendix A to Chapter 14, follow the procedures in the applicable protocol.

(vi) Compliance Deadlines.

(A) The initial monitoring plan shall be submitted by the following dates:

(I) For each source that is a WEB source on or before the program trigger date, the monitoring plan shall be submitted 180 days after such program trigger date.

(II) For any existing source that becomes a WEB source after the program trigger date, the monitoring plan shall be submitted by September 30 of the year following the inventory year in which the source exceeded the emissions threshold.

(III) For any new WEB source, the monitoring plan shall be included with the permit application for a Chapter 6, Section 2 permit.

(B) A detailed monitoring plan under Section 2(h)(ii)(B) shall be submitted no later than 45 days prior to commencing certification testing in accordance with the following paragraph (C). Modifications to monitoring plans shall be submitted within 90 days of implementing revised monitoring plans.

(C) Emission monitoring systems shall be installed, operational and shall have met all of the certification testing requirements of this Section 2(h) (including any referenced in Appendix A) by the following dates:

(I) For each source that is a WEB source on or before the program trigger date, two years prior to the start of the first control period as described in Section 2(k) of this Chapter.

(II) For any existing source that becomes a WEB source after the program trigger date, one year after the due date for the monitoring plan under Section 2(h)(vi)(A)(II) of this Chapter.

(III) For any new WEB source (or any new unit at a WEB source under paragraphs (C)(I) or (C)(2)), the earlier of 90 unit operating days or 180 calendar days after the date the new source commences operation.

(D) The WEB source shall submit test notices and certification applications in accordance with the deadlines set forth in Section 2(h)(iv)(B).

(E) For each applicable control period, the WEB source shall submit each quarterly report under Section 2(h)(viii) by no later than 30 days after the end of each calendar quarter and shall submit the annual report under Section 2(h)(viii) no later than 60 days after the end of each calendar year.

(vii) Recordkeeping.

(A) The WEB source shall keep copies of all reports, registration materials, compliance certifications, sulfur dioxide emissions data, quality assurance data, and other submissions under Chapter 14 for a period of five years. In addition, the WEB source shall keep a copy of all Certificates for the duration of this program. Unless otherwise requested by the WEB source and approved by the State of Wyoming, the copies shall be kept on site.

(B) The WEB source shall keep records of all operating hours, quality assurance activities, fuel sampling measurements, hourly averages for sulfur dioxide, stack flow, fuel flow, or other continuous measurements, as applicable, and any other applicable data elements specified in this Section or in Appendix A to Chapter 14.

The WEB source shall maintain the applicable records specified in 40 CFR part 75 for any sulfur dioxide emitting unit that uses a part 75 monitoring method to meet the requirements of this Section.

(viii) Reporting.

(A) Quarterly Reports. For each sulfur dioxide emitting unit, the account representative shall submit a quarterly report within thirty (30) days after the end of each calendar quarter. The report shall be in a format specified by the State of Wyoming to include hourly and quality assurance activity information and shall be submitted in a manner compatible with the emissions tracking database designed for the WEB Trading Program. If the WEB source submits a quarterly report under 40 CFR part 75 to the U.S. EPA Administrator, no additional report under this paragraph (A) shall be required. The State of Wyoming will require that a copy of that report (or a separate statement of quarterly and cumulative annual sulfur dioxide mass emissions) be submitted separately to the State of Wyoming.

(B) Annual Report. Based on the quarterly reports, each WEB source shall submit an annual statement of total annual sulfur dioxide emissions for all sulfur dioxide emitting units at the source. The annual report shall identify total emissions for all units monitored in accordance with Section 2(h)(i)(A) of this Chapter and the total emissions for all units with emissions estimated in accordance with Section 2(h)(i)(B) of this Chapter. The annual report shall be submitted within 60 days after the end of a control period.

(C) If the State of Wyoming so directs, any monitoring plan, report, certification, recertification, or emissions data required to be submitted under this Section shall be submitted to the TSA.

(D) The State of Wyoming may review and reject any report submitted under this Section 2(h)(viii) that contains errors or fails to satisfy the requirements of this Section, and the account representative shall resubmit the report to correct any deficiencies.

(ix) Petitions.

(A) A WEB source may petition for an alternative to any requirement specified in Section 2(h)(i)(A)(II). The petition shall require approval of the State of Wyoming and the U.S. EPA Administrator. Any petition submitted under this paragraph shall include sufficient information for the evaluation of the petition, including, at a minimum, the following information:

(I) Identification of the WEB source and applicable sulfur dioxide emitting unit(s);

(II) A detailed explanation of why the proposed alternative

is being suggested in lieu of the requirement;

(III) A description and diagram of any equipment and procedures used in the proposed alternative, if applicable;

(IV) A demonstration that the proposed alternative is consistent with the purposes of the requirement for which the alternative is proposed, is consistent with the purposes of Chapter 14 and that any adverse effect of approving such alternative will be *de minimis*; and

(V) Any other relevant information that the State of Wyoming may require.

(x) Consistency of Identifying Information.

For any monitoring plans, reports, or other information submitted under Section 2(h) of this Chapter, the WEB source shall ensure that, where applicable, identifying information is consistent with the identifying information provided in the most recent Certificate for the WEB source submitted under Section 2(d) of this Chapter.

(i) Allowance Transfers.

(i) Procedure. To transfer allowances, the account representative shall submit the following information to the TSA:

(A) The transfer account number(s) identifying the transferor account;

(B) The transfer account number(s) identifying the transferee account;

(C) The serial number of each allowance to be transferred; and

(D) The transferor's account representative's name and signature and date of submission.

(ii) Allowance Transfer Deadline. The allowance transfer deadline is midnight Pacific Standard Time on March 1 of each year (or if this date is not a business day, midnight of the first business day thereafter) following the end of the control period. By this time, the transfer of the allowances into the WEB source's compliance account must be correctly submitted to the TSA in order to demonstrate compliance under Section 2(k) of this Chapter for that control period.

(iii) Retirement of Allowances. To permanently retire allowances, the account representative shall submit the following information to the TSA:

(A) The transfer account number(s) identifying the transferor account;

(B) The serial number of each allowance to be retired; and

(C) The transferor's account representative's name and signature and date of submission accompanied by a signed statement acknowledging that each retired allowance is no longer available for future transfers from or to any account.

(j) Use of Allowances from a Previous Year.

(i) Any allowance that is held in a compliance account or general account will remain in such an account unless and until the allowance is deducted in conjunction with the compliance process, or transferred to another account.

(ii) In order to demonstrate compliance under Section 2(k)(i) of this Chapter for a control period, WEB sources shall only use allowances allocated for that current control period or any previous year. Because all allowances held in a special reserve compliance account for a WEB source that monitors certain units in accordance with Section 2(h)(i)(B) of this Chapter will be deducted for compliance for each control period, no banking of such allowances for use in a subsequent year is permitted by Chapter 14.

(iii) If flow control procedures for the current control period have been triggered as outlined in Part C4.2 of Section C of the WYRHSIP, then the use of allowances that were allocated for any previous year will be limited as follows:

(A) The number of allowances that are held in each compliance account and general account as of the allowance transfer deadline for the immediately previous year and that were allocated for any previous year will be determined.

(B) The number determined in (A) will be multiplied by the flow control ratio established in accordance with Part C4.2(b)(1) of Section C of the WYRHSIP to determine the number of allowances that were allocated for a previous year that can be used without restriction for the current control period.

(C) Allowances that were allocated for a previous year in excess of the number determined in (B) may also be used for the current control period. If such allowances are used to make a deduction, two allowances must be deducted for each deduction of one allowance required under Section 2(k) of this Chapter.

(iv) Special provisions for the year 2018. After compliance with the 2017 allowance limitation has been determined in accordance with Section 2(k)(i) of this Chapter, allowances allocated for any year prior to 2018 shall not be used for determining compliance with the 2018 allowance limitation or any future allowance limitation.

(k) Compliance.

(i) Compliance with Allowance Limitations.

(A) The WEB source must hold allowances, in accordance with Section 2(k)(i)(B) and (C) below and Section 2(j) of this Chapter, as of the allowance transfer deadline in the WEB source's compliance account (together with any current control year allowances held in the WEB source's special reserve compliance account under Section 2(h)(i)(B) of this Chapter) in an amount not less than the total sulfur dioxide emissions for the control period from the WEB source, as determined under the monitoring and reporting requirements of Section 2(h) of this Chapter.

(I) For each source that is a WEB source on or before the program trigger date, the first control period is the calendar year that is six (6) years following the calendar year for which sulfur dioxide emissions exceeded the milestone in accordance with procedures in Part A3 of Section C of the WYRHSIP.

(II) For any existing source that becomes a WEB source after the program trigger date, the first control period is the calendar year that is four (4) years following the inventory year in which the source exceeded the sulfur dioxide emissions threshold.

(III) For any new WEB source after the program trigger date the first control period is the first full calendar year that the source is in operation.

(IV) If the WEB Trading Program is triggered in accordance with the 2013 review procedures in Part A4 of Section C of the WYRHSIP, the first control period for each source that is a WEB source on or before the program trigger date is the year 2018.

(B) Allowance transfer deadline. An allowance may only be deducted from the WEB source's compliance account if:

(I) The allowance was allocated for the current control period or meets the requirements in Section 2(j) of this Chapter for use of allowances from a previous control period, and

(II) The allowance was held in the WEB source's compliance account as of the allowance transfer deadline for the current control period, or was transferred into the compliance account by an allowance transfer correctly submitted for recording by the allowance transfer deadline for the current control period.

(C) Compliance with allowance limitations shall be determined as follows:

(I) The total annual sulfur dioxide emissions for all sulfur

dioxide emitting units at the source that are monitored under Section 2(h)(i)(B) of this Chapter, as reported by the source in Section 2(h)(viii)(B) or (D) of this Chapter, and recorded in the emissions tracking database shall be compared to the allowances held in the source's special reserve compliance account as of the allowance transfer deadline for the current control period, adjusted in accordance with Section 2(j) of this Chapter. If the emissions are equal to or less than the allowances in such account, all such allowances shall be retired to satisfy the obligation to hold allowances for such emissions. If the total emissions from such units exceed the allowances in such special reserve account, the WEB source shall account for such excess emissions in the following paragraph (II).

(II) The total annual sulfur dioxide emissions for all sulfur dioxide emitting units at the source that are monitored under Section 2(h)(i)(A) of this Chapter, as reported by the source in Section 2(h)(viii)(B) or (D) of this Chapter, and recorded in the emissions tracking database, together with any excess emissions as calculated in the preceding paragraph (I), shall be compared to the allowances held in the source's compliance account as of the allowance transfer deadline for the current control period, adjusted in accordance with Section 2(j) of this Chapter.

(III) If the comparison in Section 2(k)(i)(C)(II) results in emissions that exceed the allowances held in the source's compliance account, the source has exceeded its allowance limitation and the excess emissions are subject to the allowance deduction penalty in Section 2(k)(iii).

(D) Other than allowances in a special reserve compliance account for units monitored under Section 2(h)(i)(B) of this Chapter, to the extent consistent with Section 2(j) of this Chapter, allowances shall be deducted for a WEB source for compliance with the allowance limitation as directed by the WEB source's account representative. Deduction of any other allowances as necessary for compliance with the allowance limitation shall be on a first-in, first-out accounting basis in the order of the date and time of their recording in the WEB source's compliance account, beginning with the allowances allocated to the WEB source and continuing with the allowances transferred to the WEB source's compliance account from another compliance account or general account. The allowances held in a special reserve compliance account pursuant to Section 2(h)(i)(B) of this Chapter shall be deducted as specified in paragraph (C)(I) of this Section 2(k).

(ii) Certification of Compliance.

(A) For each control period in which a WEB source is subject to the allowance limitation, the account representative of the source shall submit to the Department a compliance certification report for the source.

(B) The compliance certification report shall be submitted no later than the allowance transfer deadline of each control period, and shall contain the following:

(I) Identification of each WEB source;

(II) At the account representative's option, the serial numbers of the allowances that are to be deducted from a source's compliance account for compliance with the allowance limitation; and

(III) The compliance certification report according to subpart (C) of this section.

(C) In the compliance certification report, the account representative shall certify, based on reasonable inquiry of those persons with primary responsibility for operating the WEB source in compliance with the WEB Trading Program, whether the WEB source for which the compliance certification is submitted was operated during the control period covered by the report in compliance with the requirements of the WEB Trading Program applicable to the source including:

(I) Whether the WEB source operated in compliance with the sulfur dioxide allowance limitation;

(II) Whether sulfur dioxide emissions data has been submitted to the Department in accordance with Section 2(h)(viii) of this Chapter and other applicable guidance, for review, revision as necessary, and finalization for forwarding to the sulfur dioxide Allowance Tracking System for recording;

(III) Whether the monitoring plan that governs the WEB source has been maintained to reflect the actual operation and monitoring of the source, and contains all information necessary to attribute sulfur dioxide emissions to the source, in accordance with Section 2(h)(i) of this Chapter;

(IV) Whether all the sulfur dioxide emissions from the WEB source if applicable, were monitored or accounted for either through the applicable monitoring or through application of the appropriate missing data procedures;

(V) If applicable, whether any sulfur dioxide emitting unit for which the WEB source is not required to monitor in accordance with Section 2(h)(i)(A)(III) of this Chapter remained permanently retired and had no emissions for the entire applicable period; and

(VI) Whether there were any changes in the method of operating or monitoring the WEB source that required monitor recertification. If there were any such changes, the report must specify the nature, reason, and date of the change, the method to determine compliance status subsequent to the change, and specifically, the method to determine sulfur dioxide emissions.

(iii) Penalties for any WEB source exceeding its allowance limitations.

(A) Allowance deduction penalty.

(I) If emissions from a WEB source exceed the allowance limitation for a control period, as determined in accordance with Section 2(k)(i) of this Chapter, the source's allowances held in its compliance account will be reduced by an amount equal to three times the source's tons of excess emissions. If the compliance account does not have sufficient allowances allocated for that control period, the required number of allowances will be deducted from the WEB source's compliance account regardless of the control period for which they were allocated, once allowances are recorded in the account.

(II) Any allowance deduction required under Section 2(k)(i)(C) of this Chapter shall not affect the liability of the owners and operators of the WEB source for any fine, penalty or assessment or their obligation to comply with any other remedy, for the same violation, as ordered under the Clean Air Act, implementing regulations or Wyoming Statute 35-11-901. Accordingly, a violation can be assessed each day of the control period for each ton of sulfur dioxide emissions in excess of its allowance limitation, or for each other violation of Section 2 of this Chapter.

(iv) Liability.

(A) WEB Source liability for non-compliance. Separate and regardless of any allowance deduction penalty, a WEB source that violates any requirement of Chapter 14 is subject to civil and criminal penalties under Wyoming Statute 35-11-901. Each day of the control period is a separate violation, and each ton of sulfur dioxide emissions in excess of a source's allowance limitation is a separate violation.

(B) General liability.

(I) Any provision of the WEB Trading Program that applies to a source or an account representative shall apply also to the owners and operators of such source.

(II) Any person who violates any requirement or prohibition of the WEB Trading Program will be subject to enforcement pursuant to Wyoming Statute 35-11-901.

(III) Any person who knowingly makes a false material statement in any record, submission, or report under this WEB Trading Program shall be subject to criminal enforcement pursuant to Wyoming Statute 35-11-901.

(l) Special Penalty Provisions for the 2018 Milestone.

(i) If the WEB Trading Program is triggered as outlined in Part A3 of Section C of the WYRHSIP, and the first control period will not occur until after the year 2018, the following provisions shall apply for the 2018 emissions year.

(A) All WEB sources shall register, and open a compliance account within 180 days after the program trigger date, in accordance with Section 2(e)(i) and Section 2(g) of this Chapter.

(B) The TSA will record the allowances for the 2018 control period for each WEB source in the source's compliance account once the Department allocates the 2018 allowances under Part A4.4 of Section C of the WYRHSIP.

(C) The allowance transfer deadline is midnight Pacific Standard Time on May 31, 2021 (or if this date is not a business day, midnight of the first business day thereafter). WEB sources may transfer allowances as provided in Section 2(i)(i) of this Chapter until the allowance transfer deadline.

(D) A WEB source must hold allowances allocated for 2018, including those transferred into the compliance account by an allowance transfer correctly submitted by the allowance transfer deadline, in an amount not less than the WEB source's total sulfur dioxide emissions for 2018. Emissions are determined using the pre-trigger monitoring provisions in Part A2.1 of Section C of the WYRHSIP, and Chapter 14, Section 3.

(E) In accordance with Section 2(j)(iv) and 2(l)(i)(D), Wyoming shall seek at least the minimum financial penalty of $5,000 per ton of SO_2 emissions in excess of the WEB source's allowance limitation.

(I) Any source may resolve its excess emissions violation by agreeing to a streamline settlement approach where the source pays a penalty of $5,000 per ton or partial ton of excess emissions, and payment is received within 90 calendar days after the issuance of a notice of violation.

(II) Any source that does not resolve its excess emissions violation in accordance with the streamlined settlement approach in Section 2(l)(i)(E)(I) will be subject to civil enforcement action, in which the Department shall seek a financial penalty for the excess emissions based on the State's statutory maximum civil penalties.

(F) Each ton of SO_2 emissions in excess of a source's allowance limitation is a separate violation and each day of a control period is a separate violation.

(ii) The provisions in Section 2(l) of Chapter 14 shall continue to apply for each year after the 2018 emission year until:

(A) The first control period under the WEB trading program under Section 2(k)(i)(A)(I); or

(B) The Department determines, in accordance with Part A3 of Section C of the WYRHSIP, that the 2018 sulfur dioxide milestone has been met.

(iii) Special penalty provisions for the 2018 milestone for 2019 control period and each control period thereafter as provided under Section 2(l)(ii) include the following:

(A) For the 2019 control period, the allowance transfer deadline is midnight Pacific Standard Time on May 31, 2021 (or if this date is not a business day, midnight of the first business day thereafter). WEB sources may transfer allowances as provided in Section 2(i)(i) of this Rule until the allowance transfer deadline.

(B) A WEB source must hold allowances allocated for the 2019 control period, including those transferred into the compliance account by an allowance transfer correctly submitted by the allowance transfer deadline, in an amount not less than the WEB source's total SO_2 emissions for the 2019 control period. Emissions are determined using the pre-trigger monitoring provisions in Part A2.1 of Section C of the WYRHSIP, and Chapter 14, Section 3.

(C) In accordance with Section 2(j)(iv) and 2(i)(i)(D), Wyoming shall seek at least the minimum financial penalty of $5,000 per ton of SO_2 emissions in excess of the WEB source's allowance limitation.

(I) Any source may resolve its excess emissions violation by agreeing to a streamline settlement approach where the source pays a penalty of $5,000 per ton or partial ton of excess emissions, and payment is received within 90 calendar days after the issuance of a notice of violation.

(II) Any source that does not resolve its excess emissions violation in accordance with the streamlined settlement approach in Section 2(l)(i)(E)(I) will be subject to civil enforcement action, in which the Department shall seek a financial penalty for the excess emissions based on the State's statutory maximum civil penalties.

(D) Each ton of SO_2 emissions in excess of a source's allowance limitation is a separate violation and each day of a control period is a separate violation.

(E) For each control period after 2019 that the special penalty is assessed, the dates and deadlines in 2(l)(iii)(A)-(D) above will be adjusted forward by one year.

(m) Integration Into Permits.

Any WEB source that is not subject to Chapter 6, Section 3 at any time after Chapter 14 becomes effective must obtain a permit under Chapter 6, Section 2 or modify an existing permit issued under Chapter 6, Section 2 that incorporates the requirements of

Section 2 of this Chapter.

Section 3. **Sulfur dioxide milestone inventory.**

(a) Applicability.

(i) Section 3 of this Chapter applies to all stationary sources with actual emissions of 100 tons per year or more of sulfur dioxide in calendar year 2000 or any subsequent year.

(ii) Except as provided in (iii) and (iv), any source that meets the criteria of (i) that emits less than 100 tons per year in any subsequent year shall remain subject to the requirements of Section 3 of this Chapter until 2018 or until the first control period under the Western Backstop Sulfur Dioxide Trading Program as established in Section 2 of this Chapter, whichever is earlier.

(iii) A stationary source that meets the requirements of (i) that has permanently ceased operation is exempt from the requirements of Chapter 14.

(b) Annual Sulfur Dioxide Emission Report.

(i) Except as provided in (ii), each source subject to Chapter 14 shall report sulfur dioxide emissions by April 15th of each calendar year, in accordance with the schedule cited in Section 3(b)(iii), below.

(ii) Each source subject to Chapter 14 that is also subject to 40 CFR part 75 reporting requirements, shall submit a summary report of annual sulfur dioxide emissions that were reported to the Environmental Protection Agency under 40 CFR part 75.

(iii) Each source subject to Chapter 14 shall report emissions for the year 2003 by April 15, 2004, and annually thereafter. The inventory shall be submitted in the format specified by the Division of Air Quality.

(iv) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall document the emissions monitoring/estimation methodology used to calculate their sulfur dioxide emissions, and demonstrate that the selected methodology is acceptable under the inventory program.

(v) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall include emissions from startup, shut down, and upset conditions in the annual total inventory.

(vi) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall use 40 CFR part 75 methodology for reporting emissions for all sources subject to the federal acid rain program.

(vii) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall maintain all records used in the calculation of the emissions, including but not limited to the following:

(A) amount of fuel consumed;

(B) percent sulfur content of fuel and how the content was determined;

(C) quantity of product produced;

(D) emissions monitoring data;

(E) operating data; and

(F) how the emissions are calculated

(viii) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall maintain records of any physical changes to facility operations or equipment, or any other changes (e.g., raw material or feed) that may affect the emissions projections.

(ix) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall retain records for a minimum of ten years from the date of establishment, or if the record was the basis for an adjustment to the milestone, 5 years after the date of an implementation plan revision, whichever is longer.

(c) Changes in Emission Measurement Techniques.

(i) Each source subject to this Rule that uses a different emission monitoring or calculation method than was used to report their sulfur dioxide emissions in 2006 under Chapter 14, Section 3 shall adjust their reported emissions to be comparable to the emission monitoring or calculation method that was used in 2006. The calculations that are used to make this adjustment shall be included with the annual emission report under Section 3(b) of this Chapter.

(d) Notwithstanding any other provision of Chapter 14, Basin Electric Power Cooperative's Laramie River Station shall report its annual sulfur dioxide emissions as follows: for Laramie River Station Unit 1, Basin Electric Power Cooperative shall report its sulfur dioxide emissions based on an annual average emission rate of 0.159 lb/MMBtu multiplied by the actual annual heat input; for Laramie River Station Unit 2, Basin Electric Power Cooperative shall report its annual sulfur dioxide emissions based on an annual emission rate 0.162 lb/MMBtu multiplied by the actual annual heat input. Heat rate shall be calculated as required in Chapter 14 and 40 CFR Part 75. Annual sulfur dioxide emissions for Laramie River Station Unit 3 shall be reported as otherwise

provided in Chapter 14, Section 3(b).

(i) Basin Electric Power Cooperative shall report sulfur dioxide emissions as calculated per Section 3(d) as of the year that Basin Electric Power Cooperative commences operation of Selective Catalytic Reduction at Laramie River Station Unit 1 consistent with the notification provision found at WAQSR Chapter 6 Section 2(i)(ii).

(e) The Division of Air Quality shall use the annual sulfur dioxide emissions reported by Basin Electric Power Cooperative in Section 3(d) for all purposes under this Chapter.

Section 4. **[Reserved].**

Section 5. **Incorporation by reference.**

(a) Code of Federal Regulations (CFR). All Code of Federal Regulations (CFRs), including their Appendices, cited in this Chapter, revised and published as of July 1, 2017, not including any later amendments, unless portions of said CFRs are specifically excluded in citation, are incorporated by reference. Copies of the Code of Federal Regulations are available for public inspection and copies can be obtained at cost from the Department of Environmental Quality, Division of Air Quality, 122 W. 25th Street, Cheyenne, Wyoming 82002. Copies of the CFRs can also be obtained at cost from Government Institutes, 15200 NBN Way, Building B, Blue Ridge Summit, PA 17214.

APPENDIX A: WEB CHAPTER 14, SECTION 2 MONITORING PROTOCOLS

Protocol WEB-1: SO_2 Monitoring of Fuel Gas Combustion Devices

1. Applicability

(a) The provisions of this protocol are applicable to fuel gas combustion devices at petroleum refineries.

(b) Fuel gas combustion devices include boilers, process heaters, and flares used to burn fuel gas generated at a petroleum refinery.

(c) Fuel gas means any gas which is generated and combusted at a petroleum refinery. Fuel gas does not include: (1) natural gas, unless combined with other gases generated at a petroleum refinery, (2) gases generated by a catalytic cracking unit catalyst regenerator, (3) gases generated by fluid coking burners, (4) gases combusted to produce sulfur or sulfuric acid, or (5) process upset gases generated due to startup, shutdown, or malfunctions.

2. Monitoring Requirements

(a) Except as provided in paragraphs (b) and (c) of this Section 2, fuel gas combustion devices shall use a continuous fuel gas monitoring system (CFGMS) to determine the total sulfur content (reported as H_2S) of the fuel gas mixture prior to combustion, and continuous fuel flow meters to determine the amount of fuel gas burned.

(1) Fuel gas combustion devices having a common source of fuel gas may be monitored for sulfur content at one location, if monitoring at that location is representative of the sulfur content of the fuel gas being burned in any fuel gas combustion device.

(2) The CFGMS shall meet the performance requirements in Performance Specification 2 in Appendix B to 40 CFR part 60, and the following:

(i) Continuously monitor and record the concentration by volume of total sulfur compounds in the gaseous fuel reported as ppmv H_2S.

(ii) Have the span value set so that the majority of readings fall between 10 and 95% of the range.

(iii) Record negative values of zero drift.

(iv) Calibration drift shall be 5.0% of the span.

(v) Methods 15A, 16, or approved alternatives for total sulfur, are

the reference methods for the relative accuracy test. The relative accuracy test shall include a bias test in accordance with paragraph 4(c) of this section.

(3) All continuous fuel flow meters shall comply with the applicable provisions of Appendix D to 40 CFR part 75.

(4) The hourly mass SO_2 emissions shall be calculated using the following equation:

$$E = (C_S)(Q_f)(K)$$

where: E = SO_2 emissions in lbs/hr
C_S = Sulfur content of the fuel gas as H_2S(ppmv)
Q_f = Fuel gas flow rate (scfh)
K = 1.660 x 10^{-7} (lb/scf)/ppmv

(b) In place of a CFGMS in paragraph (a) of this Section 2, fuel gas combustion devices having a common source of fuel gas may be monitored with an SO_2 CEMS and flow CEMS at only one location, if the CEMS monitoring at that location is representative of the SO_2 emission rate (lb SO_2/scf fuel gas burned) of all applicable fuel gas combustion devices. Continuous fuel flow meters shall be used in accordance with paragraph (b), and the fuel gas combustion device monitored by a CEMS shall have separate fuel metering.

(1) Each CEMS for SO_2 and flow shall comply with the operating requirements, performance specifications, and quality assurance requirements of 40 CFR part 75.

(2) All continuous fuel flow meters shall comply with the applicable provisions of Appendix D to 40 CFR part 75.

(3) The SO_2 mass emissions for all the fuel gas combustion devices monitored by this approach shall be determined by the ratio of the amount of fuel gas burned by the CEMS-monitored fuel gas combustion device to the total fuel gas burned by all applicable fuel gas combustion devices using the following equation:

$$E_t = (E_m)(Q_t)/(Q_m)$$

where: E_t = Total SO_2 emissions in lbs/hr from applicable fuel gas combustion devices.
E_m = SO_2 emissions in lbs/hr from the CEMS-monitored fuel gas combustion device.
Q_t = Fuel gas flow rate (scfh) from applicable fuel gas combustion devices.
Q_m = Fuel gas flow rate (scfh) from the CEMS-monitored fuel gas combustion device.

(c) In place of a CFGMS in paragraph (a) of this section, fuel gas combustion

devices having a common source of fuel gas may be monitored with an SO_2 - diluent CEMS at only one location, if the CEMS monitoring at that location is representative of the SO_2 emission rate (lb SO_2/mmBtu) of all applicable fuel gas combustion devices. If this option is selected, the owner or operator shall conduct fuel gas sampling and analysis for gross calorific value (GCV), and shall use continuous fuel flow metering in accordance with paragraph (a) of this Section 2, with separate fuel metering for the CEMS-monitored fuel gas combustion device.

(1) Each SO_2-diluent CEMS shall comply with the applicable provisions for SO_2 monitors and diluent monitors in 40 CFR part 75, and shall use the procedures in section 3 of Appendix F to part 75 for determining SO_2 emission rate (lb/mmBtu) by substituting the term SO_2 for NO_x in that section.

(2) All continuous fuel flow meters and fuel gas sampling and analysis for GCV to determine the heat input rate from the fuel gas shall comply with the applicable provisions of Appendix D to 40 CFR part 75.

(3) The SO_2 mass emissions for all the fuel gas combustion devices monitored by this approach shall be determined by the ratio of the fuel gas heat input to the CEMS-monitored fuel gas combustion device to the total fuel gas heat input to all applicable fuel gas combustion devices using the following equation:

$$E_t = (E_m)(H_t)/(H_m)$$

where: E_t = Total SO_2 emissions in lbs/hr from applicable fuel gas combustion devices.
E_m = SO_2 emissions in lb/mmBtu from the CEMS - monitored fuel gas combustion device.
H_t = Fuel gas heat input (mmBtu/hr) from applicable fuel gas combustion devices.
H_m = Fuel gas heat input (mmBtu/hr) from the CEMS - monitored fuel gas combustion device.

3. Certification/Recertification Requirements

All monitoring systems are subject to initial certification and recertification testing as follows:

(a) The owner or operator shall comply with the initial testing and calibration requirements in Performance Specification 2 in Appendix B of 40 CFR part 60 and paragraph 2 (a)(2) of this section for each CFGMS.

(b) Each CEMS for SO_2 and flow or each SO_2-diluent CEMS shall comply with the testing and calibration requirements specified in 40 CFR part 75, section 75.20 and Appendices A and B, except that each SO_2-diluent CEMS shall meet the relative accuracy requirements for a NO_x-diluent CEMS (lb/mmBtu).

(c) A continuous fuel flow meter shall comply with the testing and calibration

requirements in 40 CFR part 75, Appendix D.

4. Quality Assurance/Quality Control Requirements

(a) A quality assurance/quality control (QA/QC) plan shall be developed and implemented for each CEMS for SO_2 and flow or the SO_2-diluent CEMS in compliance with Appendix B of 40 CFR part 75.

(b) A QA/QC plan shall be developed and implemented for each continuous fuel flow meter and fuel sampling and analysis in compliance with Appendix B of 40 CFR part 75.

(c) A QA/QC plan shall be developed and implemented for each CFGMS in compliance with sections 1 and 1.1 of Appendix B of 40 CFR part 75, and the following:

(1) Perform a daily calibration error test of each CFGMS at two gas concentrations, one low level and one high level. Calculate the calibration error as described in Appendix A to 40 CFR part 75. An out of control period occurs whenever the error is greater than 5.0% of the span value.

(2) In addition to the daily calibration error test, an additional calibration error test shall be performed whenever a daily calibration error test is failed, whenever a monitoring system is returned to service following repairs or corrective actions that may affect the monitor measurements, or after making manual calibration adjustments.

(3) Perform a linearity test once every operating quarter. Calculate the linearity as described in Appendix A to 40 CFR part 75. An out of control period occurs whenever the linearity error is greater than 5.0 percent of a reference value, and the absolute value of the difference between average monitor response values and a reference value is greater than 5.0 ppm.

(4) Perform a relative accuracy test audit once every four operating quarters. Calculate the relative accuracy as described in Appendix A to 40 CFR part 75. An out of control period occurs whenever the relative accuracy is greater than 20.0% of the mean value of the reference method measurements.

(5) Using the results of the relative accuracy test audit, conduct a bias test in accordance with Appendix A to 40 CFR part 75, and calculate and apply a bias adjustment factor if required.

5. Missing Data Procedures

(a) For any period in which valid data are not being recorded by an SO_2 CEMS or flow CEMS specified in this section, missing or invalid data shall be replaced with substitute data in accordance with the requirements in Subpart D of 40 CFR part 75.

(b) For any period in which valid data are not being recorded by an SO_2-diluent CEMS specified in this section, missing or invalid data shall be replaced with substitute data on a rate basis (lb/mmBtu) in accordance with the requirements for SO_2 monitors in Subpart D of 40 CFR part 75.

(c) For any period in which valid data are not being recorded by a continuous fuel flow meter or for fuel gas GCV sampling and analysis specified in this section, missing or invalid data shall be replaced with substitute data in accordance with missing data requirements in Appendix D to 40 CFR part 75.

(d) For any period in which valid data are not being recorded by the CFGMS specified in this section, hourly missing or invalid data shall be replaced with substitute data in accordance with the missing data requirements for units performing hourly gaseous fuel sulfur sampling in section 2.4 of Appendix D to 40 CFR part 75.

6. Monitoring Plan and Reporting Requirements

In addition to the general monitoring plan and reporting requirements of Section 2(h) of Chapter 14, the owner or operator shall meet the following additional requirements:

(a) The monitoring plan shall identify each group of units that are monitored by a single monitoring system under this Protocol WEB-1, and the plan shall designate an identifier for the group of units for emissions reporting purposes. For purpose of submitting emissions reports, no apportionment of emissions to the individual units within the group is required.

(b) If the provisions of paragraphs 2(b) or (c) are used, provide documentation and an explanation to demonstrate that the SO_2 emission rate from the monitored unit is representative of the rate from non-monitored units.

Protocol WEB-2: Predictive Flow Monitoring Systems for Kilns with Positive Pressure Fabric Filter

1. Applicability

The provisions of this protocol are applicable to cement kilns or lime kilns that (1) are controlled by a positive pressure fabric filter, and (2) have operating conditions upstream of the fabric filter that the WEB source documents would reasonably prevent reliable flow monitor measurements.

2. Monitoring Requirements

(a) A cement or lime kiln with a positive pressure fabric filter shall use a predictive flow monitoring system (PFMS) to determine the hourly kiln exhaust gas flow.

(b) A PFMS is the total equipment necessary for the determination of exhaust gas

flow using process or control device operating parameter measurements and a conversion equation, a graph, or computer program to produce results in cubic feet per hour.

(c) The PFMS shall meet the following performance specifications:

(1) The PFMS must allow for the automatic or manual determination of failed monitors. At a minimum a daily determination must be performed.

(2) The PFMS shall have provisions to check the calibration error of each parameter that is individually measured. The owner or operator shall propose appropriate performance specifications in the initial monitoring plan for all parameters used in the PFMS comparable to the degree of accuracy required for other monitoring systems used to comply with this Rule. The parameters shall be tested at two levels, low: 0 to 20% of full scale, and high: 50 to 100% of full scale. The reference value need not be certified.

(3) The relative accuracy of the PFMS must be $\leq$ 10.0% of the reference method average value, and include a bias test in accordance with paragraph 4(c) of this section.

3. Certification Requirements

The PFMS is subject to initial certification testing as follows:

(a) Demonstrate the ability of the PFMS to identify automatically or manually a failed monitor.

(b) Provide evidence of calibration testing of all monitoring equipment. Any tests conducted within the previous 12 months of operation that are consistent with the QA/QC plan for the PFMS are acceptable for initial certification purposes.

(c) Perform an initial relative accuracy test over the normal range of operating conditions of the kiln. Using the results of the relative accuracy test audit, conduct a bias test in accordance with Appendix A to 40 CFR part 75, and calculate and apply a bias adjustment factor if required.

4. Quality Assurance/Quality Control Requirements

A QA/QC plan shall be developed and implemented for each PFMS in compliance with sections 1 and 1.1 of Appendix B of 40 CFR part 75, and the following:

(a) Perform a daily monitor failure check.

(b) Perform calibration tests of all monitors for each parameter included in the PFMS. At a minimum, calibrations shall be conducted prior to each relative accuracy test audit.

(c) Perform a relative accuracy test audit and accompanying bias test once every four operating quarters. Calculate the relative accuracy (and bias adjustment factor) as described in Appendix A to 40 CFR part 75. An out of control period occurs whenever the flow relative accuracy is greater than 10.0% of the mean value of the reference method.

5. Missing Data

For any period in which valid data are not being recorded by the PFMS specified in this section, hourly missing or invalid data shall be replaced with substitute data in accordance with the flow monitor missing data requirements for non-load based units in Subpart D of 40 CFR part 75.

6. Monitoring Plan Requirements

In addition to the general monitoring plan requirements of Section 2(h) of Chapter 14, the owner or operator shall meet the following additional requirements:

(a) The monitoring plan shall document the reasons why stack flow measurements upstream of the fabric filter are unlikely to provide reliable flow measurements over time.

(b) The initial monitoring plan shall explain the relationship of the proposed parameters and stack flow, and discuss other parameters considered and the reasons for not using those parameters in the PFMS. The State of Wyoming may require that the subsequent monitoring plan include additional explanation and documentation for the reasonableness of the proposed PFMS.

WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
STANDARDS AND REGULATIONS

Emission Trading Program Regulations

CHAPTER 14

TABLE OF CONTENTS

Section 1. Introduction to emission trading programs 14-1
Section 2. Western backstop sulfur dioxide trading program 14-1
Section 3. Sulfur dioxide milestone inventory 14-3940
Section 4. [Reserved] 14-41
Section 5. Incorporation by reference 14-41
Appendix A. Web Chapter 14, Section 2 Monitoring Protocols 14-43

WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
STANDARDS AND REGULATIONS

Emission Trading Program Regulations

CHAPTER 14

Section 1. **Introduction to emission trading programs.**

(a) Chapter 14 establishes requirements for trading programs authorized under Wyoming Statute 35-11-214. Section 2 implements the Western Backstop (WEB) Sulfur Dioxide Trading Program provisions in accordance with the federal Regional Haze Rule, 40 CFR § 51.309. Section 3 establishes consistent recordkeeping and reporting requirements for stationary sources in Wyoming to determine whether sulfur dioxide emissions remain below the sulfur dioxide milestones established in the state implementation plan for regional haze. Section 4 is reserved. Section 5 incorporates by reference all Code of Federal Regulations (CFRs), including their Appendices, cited in this Chapter, unless portions of said CFRs are specifically excluded.

Section 2. **Western backstop sulfur dioxide trading program.**

(a) Definitions.

The following additional definitions apply to Chapter 14, Section 2.

"Account Representative" means the individual who is authorized through a Certificate to represent owners and operators of the WEB source with regard to matters under the WEB Trading Program or, for a general account, who is authorized through a Certificate to represent the persons having an ownership interest in allowances in the general account with regard to matters concerning the general account.

"Act" means the federal Clean Air Act, as amended 42 U.S.C. 7401, *et seq*.

"Actual Emissions" means total annual sulfur dioxide emissions determined in accordance with Section 2(h) of this Chapter or determined in accordance with Section 3 of this Chapter for sources that are not subject to Section 2(h) of this Chapter.

"Allocate" means to assign allowances to a WEB source in accordance with Part C1 of Section C of the Wyoming Regional Haze SIP (WYRHSIP).

"Allowance" means the limited authorization under the WEB Trading Program to emit one ton of sulfur dioxide during a specified control period or any control period thereafter subject to the terms and conditions for use of unused allowances as established by Section 2 of this Chapter.

"Allowance limitation" means the tonnage of sulfur dioxide emissions authorized by the allowances available for compliance deduction for a WEB source under Section 2(k) of this Chapter on the allowance transfer deadline for each control period.

"Allowance Tracking System" means the system where allowances under the WEB Trading Program are recorded, held, transferred and deducted.

"Allowance Tracking System account" means an account in the Allowance Tracking System established for purposes of recording, holding, transferring, and deducting allowances.

"Allowance transfer deadline" means the deadline established in Section 2(i)(ii) of this Chapter when allowances must be submitted for recording in a WEB source's compliance account in order to demonstrate compliance for that control period.

"Best Available Retrofit Technology (BART)" means that emission reduction control device, facility, method, or system, used to achieve the best continuous emission reduction for each pollutant emitted by an existing stationary facility. The emission limitation shall be established on a case-by-case basis taking into consideration the technology available, the costs of compliance, the energy and non-air quality environmental impacts of compliance, any pollution control equipment in use or in existence at the source, the remaining useful life of the source, and the degree of improvement in visibility which may reasonably be anticipated to result from the use of such technology.

"Certificate" means the completed and signed submission required to designate an account representative for a WEB source or an account representative for a general account.

"Compliance account" means an account established in the Allowance Tracking System under Section 2(g)(i) of this Chapter for the purpose of recording allowances that a WEB source might hold to demonstrate compliance with its allowance limitation.

"Compliance certification" means a submission to the Department by the account representative as required under Section 2(k)(ii) of this Chapter to report a WEB source's compliance or noncompliance with Chapter 14, Section 2.

"Control period" means the period beginning January 1 of each year and ending on December 31 of the same year, inclusive.

"Emissions tracking database" means the central database where sulfur dioxide emissions for WEB sources as recorded and reported in accordance with Section 2 of this Chapter are tracked to determine compliance with allowance limitations.

"Emission unit" means any part of a stationary source that emits or would have the potential to emit any pollutant subject to regulations under the Clean Air Act.

"Existing source" means a stationary source that commenced operation before the program trigger date.

"General account" means an account established in the Allowance Tracking System under Section 2(g) of this Chapter for the purpose of recording allowances held by a person that are not to be used to show compliance with an allowance limitation.

"Milestone" means the maximum level of stationary source regional sulfur dioxide emissions for each year from 2003 to 2018, established according to the procedures in Part A1 of Section C of the WYRHSIP.

"New WEB Source" means a WEB source that commenced operation on or after the program trigger date.

"New Source Set-aside" means a pool of allowances that are available for allocation to new sources in accordance with the provisions of Part C1.3 of Section C of the WYRHSIP.

"Owner or Operator" means any person who is an owner or who operates, controls or supervises a WEB source, and includes but is not limited to any holding company, utility system or plant manager.

"Potential to emit" means the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored or processed, shall be treated as part of its design if the limitation is enforceable by the EPA Administrator.

"Program trigger date" means the date that the Department determines that the WEB Trading Program has been triggered in accordance with the provisions of Part A3 of Section C of the WYRHSIP.

"Program trigger years" means the years shown in Part A1 of Section C of the WYRHSIP, Table 1, column 3 for the applicable milestone if the WEB Trading Program is triggered as described in Part A3 of Section C of the WYRHSIP.

"Renewable Energy Resource" means a resource that generates electricity by non-nuclear and non-fossil technologies that results in low or no air emissions. The term includes electricity generated by wind energy technologies; solar photovoltaic and solar thermal technologies; geothermal technologies; technologies based on landfill gas and biomass sources, and new low-impact hydropower that meets the Low-Impact Hydropower Institute criteria. Biomass includes agricultural, food and wood wastes. The term does not include pumped storage or biomass from municipal solid waste, black liquor, or treated wood.

"Retired source" means a WEB source that has received a retired source exemption as provided in Section 2(c)(iv) of this Chapter. Any retired source resuming operations under Section 2(c)(iv) of this Chapter, must submit its exemption as part of its registration materials.

"Serial number" means, when referring to allowances, the unique identification number assigned to each allowance by the TSA, in accordance with Section 2(f)(ii) of this Chapter.

"Special Reserve Compliance Account" means an account established in the allowance tracking system under Section 2(g)(i) for the purpose of recording allowances that a WEB source might hold to demonstrate compliance with its allowance limitation for emission units that are monitored for SO_2 in accordance with Section 2(h)(i)(B).

"Stationary source" means any building, structure, facility or installation that emits or may emit any air pollutant subject to regulation under the Clean Air Act.

"Submit" means sent to the appropriate authority under the signature of the account representative. For purposes of determining when something is submitted, an official U.S. Postal Service postmark, or equivalent electronic time stamp, shall establish the date of submittal.

"Sulfur dioxide emitting unit" means any equipment that is located at a WEB source and that emits sulfur dioxide.

"Ton" means 2000 pounds and any fraction of a ton equaling 1000 pounds or more shall be treated as one ton and any fraction of a ton equaling less than 1000 pounds shall be treated as zero tons.

"Tracking System Administrator (TSA)" means the person designated by the Department as the administrator of the Allowance Tracking System and the emission tracking database.

"WEB source" means a stationary Western Backstop (WEB) source that meets the applicability requirements of Section 2(c) of this Chapter.

"WEB Trading Program" means Section 2 of this Chapter, triggered as a backstop in accordance with the provisions in Part A3 of Section C of the WYRHSIP, if necessary, to ensure that regional sulfur dioxide emissions are reduced.

"WYRHSIP" means the Wyoming Regional Haze State Implementation Plan.

(b) WEB Trading Program Trigger.

(i) Except as provided in (ii), the provisions of Section 2 of this Chapter

shall apply on the program trigger date that is established in accordance with the procedures in Part A3 of Section C of the WYRHSIP.

(ii) Special Penalty Provisions for 2018 Milestone, Section 2(l) of this Chapter, shall apply on January 1, 2018 and shall remain effective until the provisions of Section 2(l) of this Chapter have been fully implemented.

(c) WEB Trading Program Applicability.

(i) General Applicability. Section 2 of this Chapter applies to any stationary source or group of stationary sources that are located on one or more contiguous or adjacent properties and which are under the control of the same person or persons under common control, belonging to the same industrial grouping, and that are described in paragraphs (A) and (B) of this subsection. A stationary source or group of stationary sources shall be considered part of a single industrial grouping if all of the pollutant emitting activities at such source or group of sources on contiguous or adjacent properties belong to the same Major Group (i.e., all have the same two-digit code) as described in the Standard Industrial Classification Manual, 1987.

(A) All stationary sources that have actual sulfur dioxide emissions of 100 tons or more per year in the Program Trigger Years or any subsequent year. The fugitive emissions of a stationary source shall not be considered in determining whether it is subject to Section 2 of this Chapter unless the source belongs to one of the following categories of stationary source:

(I) Coal cleaning plants (with thermal dryers);

(II) Kraft pulp mills;

(III) Portland cement plants;

(IV) Primary zinc smelters;

(V) Iron and steel mills;

(VI) Primary aluminum ore reduction plants;

(VII) Primary copper smelters;

(VIII) Municipal incinerators capable of charging more than 250 tons of refuse per day;

(IX) Hydrofluoric, sulfuric, or nitric acid plants;

(X) Petroleum refineries;

(XI) Lime plants;

(XII) Phosphate rock processing plants;

(XIII) Coke oven batteries;

(XIV) Sulfur recovery plants;

(XV) Carbon black plants (furnace process);

(XVI) Primary lead smelters;

(XVII) Fuel conversion plants;

(XVIII) Sintering plants;

(XIX) Secondary metal production plants;

(XX) Chemical process plants;

(XXI) Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units per hour heat input;

(XXII) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;

(XXIII) Taconite ore processing plants;

(XXIV) Glass fiber processing plants;

(XXV) Charcoal production plants;

(XXVI) Fossil-fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input; or

(XXVII) Any other stationary source category, which as of August 7, 1980 is being regulated under Section 111 or 112 of the Clean Air Act.

(B) A new source that begins operation after the program trigger date and has the potential to emit 100 tons or more of sulfur dioxide per year.

(ii) The Department may determine on a case-by-case basis, with concurrence from the EPA Administrator, that a stationary source defined in 2(c)(i)(A) above that has not previously met the applicability requirements of (i) is not subject to Chapter 14, Section 2 if the stationary source had actual sulfur dioxide emissions of 100 tons or more in a single year and in each of the previous five years had actual sulfur

dioxide emissions of less than 100 tons per year, and:

(A) (I) The emissions increase was due to a temporary emission increase that was caused by a sudden, infrequent failure of air pollution control equipment, or process equipment, or a failure to operate in a normal or usual manner, and

(II) The stationary source has corrected the failure of air pollution equipment, process equipment, or process by the time of the Department's determination; or

(B) The stationary source had to switch fuels or feedstocks on a temporary basis and as a result of an emergency situation or unique and unusual circumstances besides the cost of such fuels or feedstocks.

(iii) Duration of Applicability. Except as provided for in Section 2(c)(iv) of this Chapter, once a stationary source is subject to Section 2 of this Chapter, it will remain subject to Chapter 14, Section 2 every year thereafter.

(iv) Retired Source Exemption.

(A) Application. Any WEB source that is permanently retired shall apply for a retired source exemption. The WEB source may only be considered permanently retired if all sulfur dioxide emitting units at the source are permanently retired. The application shall contain the following information:

(I) Identification of the WEB source, including plant name and an appropriate identification code in a format specified by the Department.

(II) Name of Account Representative.

(III) Description of the status of the WEB source, including the date that the WEB source was permanently retired.

(IV) Signed certification that the WEB source is permanently retired and will comply with the requirements of Section 2(c)(iv) of this Chapter.

(V) Verification that the WEB source has a general account where any unused allowances or future allocations will be recorded.

(B) Notice. The retired source exemption becomes effective when the Department notifies the WEB source that the retired source exemption has been granted.

(C) Responsibilities of Retired Sources.

(I) A retired source shall be exempt from Section 2(h) and

Section 2(k) of this Chapter, except as provided below.

(II) A retired source shall not emit any sulfur dioxide after the date the retired source exemption is issued.

(III) A WEB source shall submit sulfur dioxide emissions reports, as required by Section 2(h)(viii) of this Chapter for any time period the source was operating prior to the effective date of the retired source exemption. The retired source shall be subject to the compliance provisions of Section 2(k) of this Chapter, including the requirement to hold allowances in the source's compliance account to cover all sulfur dioxide emissions prior to the date the source was permanently retired.

(IV) A retired source that is still in existence but no longer emitting sulfur dioxide shall, for a period of five years from the date the records are created, retain records demonstrating the effective date of the retired source exemption for purposes of Chapter 14, Section 2.

(D) Resumption of Operations.

(I) Should a retired source desire to resume operation, the retired source must submit registration materials as follows:

(1.) If the source is required to obtain a construction permit under Chapter 6, Section 2 or an operating permit under Chapter 6, Section 3 prior to resuming operation, then registration information as described in Section 2(e)(i) of this Chapter and a copy of the retired source exemption must be submitted with the notice of intent under Chapter 6, Section 2 or the operating permit application required under Chapter 6, Section 3;

(2.) If the source does not meet the criteria of (1.), then registration information as described in Section 2(e)(i) of this Chapter and a copy of the retired source exemption must be submitted to the Department at least ninety (90) days prior to resumption of operation.

(II) The retired source exemption shall automatically expire on the day the retired source resumes operation.

(E) Loss of Future Allowances. A WEB source that is permanently retired and that does not apply to the Department for a retired source exemption within ninety (90) days of the date that the source is permanently retired shall forfeit any unused and future allowances. The abandoned allowances shall be retired directly by the TSA.

(d) Account Representative for WEB Sources.

(i) Each WEB source must identify one account representative and may

also identify an alternate account representative who may act on behalf of the account representative. Any representation, action, inaction or submission by the alternate account representative will be deemed to be a representation, action, inaction or submission by the account representative.

(ii) Identification and Certification of an Account Representative.

(A) The account representative and any alternate account representative shall be appointed by an agreement that makes the representations, actions, inactions or submissions of the account representative and any alternate binding on the owners and operators of the WEB source.

(B) The account representative shall submit to the Department and the TSA a signed and dated Certificate that contains the following elements:

(I) Identification of the WEB source by plant name, state and an appropriate identification code in a format specified by the Department;

(II) The name, address, e-mail (if available), telephone and facsimile number of the account representative and any alternate;

(III) A list of owners and operators of the WEB source;

(IV) Information to be part of the emission tracking system database in accordance with Part A2.1 of Section C of the WYRHSIP. The specific data elements shall be as specified by the State of Wyoming to be consistent with the data system structure, and may include basic facility information that may appear in other reports and notices submitted by the WEB source, such as county location, industrial classification codes, and similar general facility information.

(V) The following certification statement: "I certify that I was selected as the account representative or alternate account representative, as applicable, by an agreement binding on the owners and operators of the WEB source. I certify that I have all the necessary authority to carry out my duties and responsibilities under the WEB Trading Program on behalf of the owners and operators of the WEB source and that each such owner and operator shall be fully bound by my representations, actions, inactions, or submissions and by any decision or order issued to me by the Department regarding the WEB Trading Program."

(C) Upon receipt by the Department of the complete Certificate, the account representative and any alternate account representative represents and, by his or her representations, actions, inactions, or submissions, legally binds each owner and operator of the WEB source in all matters pertaining to the WEB Trading Program. The owners and operators shall be bound by any decision or order issued by the Department regarding the WEB Trading Program.

(D) No WEB Allowance Tracking System account shall be established for the WEB source until the TSA has received a complete Certificate. Once the account is established, the account representative shall make all submissions concerning the account, including the deduction or transfer of allowances.

(iii) Responsibilities.

(A) The responsibilities of the account representative include, but are not limited to, the transferring of allowances and the submission of monitoring plans, registrations, certification applications, sulfur dioxide emissions data and compliance reports as required by Section 2 of this Chapter, and representing the source in all matters pertaining to the WEB Trading Program.

(B) Each submission under this program shall be signed and certified by the account representative for the WEB source. Each submission shall include the following truth and accuracy certification statement by the account representative:

(I) "I am authorized to make this submission on behalf of the owners and operators of the WEB source for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

(iv) Changing the Account Representative or Owners and Operators.

(A) Changes to the Account Representative or the alternate Account Representative.

The account representative or alternate account representative may be changed at any time by sending a complete superseding Certificate to the Department and the TSA under Section 2(d)(ii) of this Chapter, with the change taking effect upon receipt of such Certificate by the TSA. Notwithstanding any such change, all representations, actions, inactions, and submissions by the previous account representative or alternate prior to the time and date when the TSA receives the superseding Certificate shall be binding on the new account representative and the owners and operators of the WEB source.

(B) Changes in Owners and Operators.

(I) Within thirty (30) days of any change in the owners and operators of the WEB source, including the addition of a new owner or operator, the

account representative shall submit a revised Certificate amending the list of owners and operators to include such change.

(II) In the event a new owner or operator of a WEB source is not included in the list of owners and operators submitted in the Certificate, such new owner or operator shall be deemed to be subject to and bound by the Certificate, the representations, actions, inactions, and submissions of the account representative of the WEB source, and the decisions, orders, actions, and inactions of the Department as if the new owner or operator were included in such list.

(e) Registration.

(i) Deadlines.

(A) Each source that is a WEB source on or before the program trigger date shall register by submitting the initial Certificate required in Section 2(d)(ii) of this Chapter to the Department no later than 180 days after the program trigger date.

(B) Any existing source that becomes a WEB source after the program trigger date shall register by submitting the initial Certificate required in Section 2(d)(ii) of this Chapter to the Department by September 30 of the year following the inventory year in which the source exceeded the emission threshold.

(C) Any new WEB source shall register by submitting the initial Certificate required in Section 2(d)(ii) of this Chapter to the Department prior to the commencement of operation.

(ii) Integration Into Permits.

(A) Any allocation, transfer or deduction of allowance to or from the compliance account of a WEB source shall not require revision of the WEB source's operating permit under Chapter 6, Section 3.

(B) Any WEB source that is not required to have a permit under Chapter 6, Section 2 at any time after Chapter 14 becomes effective must at all times possess a permit that includes the requirements of Chapter 14. If it does not possess a Title V permit under Chapter 6, Section 3, it may do so by obtaining or modifying a permit under Chapter 6, Section 2 to incorporate the requirements of Chapter 14. The source must at all times possess a permit that includes these requirements.

(f) Allowance Allocations.

(i) The TSA will record the allowances for each WEB source in the compliance account for the WEB source once the allowances are allocated by the Department under Part C1 of Section C of the WYRHSIP. If applicable, the TSA will record a portion of the sulfur dioxide allowances for a WEB source in a special reserve

compliance account to account for any allowances to be held in accordance with Section 2(h)(i)(B) of this Chapter.

(ii) The TSA will assign a serial number to each allowance in accordance with Part C2 of Section C of the WYRHSIP.

(iii) All allowances shall be allocated, recorded, transferred, or used as whole allowances. To determine the number of whole allowances, the number of allowances shall be rounded down for decimals less than 0.50 and rounded up for decimals of 0.50 or greater.

(iv) An allowance is not a property right, and is a limited authorization to emit one ton of sulfur dioxide valid only for the purpose of meeting the requirements of Section 2 of this Chapter. No provision of the WEB Trading Program or other law should be construed to limit the authority of the Department to terminate or limit such authorization.

(v) Early Reduction Bonus Allocation. Any non-utility WEB source that installs new control technology and that reduces its permitted annual sulfur dioxide emissions to a level that is below the floor level allocation established for that source in Part C1 of Section C of the WYRHSIP or any utility that reduces its permitted annual sulfur dioxide emissions to a level that is below best available control technology may apply to the Department for an early reduction bonus allocation. The bonus allocation shall be available for reductions that occur between 2008 and the program trigger year. The application must be submitted no later than ninety (90) days after the program trigger date. Any WEB source that applies and receives early reduction bonus allocations must retain the records referenced below for a minimum of five (5) years after the early reduction bonus allowance is certified in accordance with Part C1.1(a)(3) of Section C of the WYRHSIP. The application for an early reduction bonus allocation must contain the following information:

(A) Copies of all construction permits, operating permits or other enforceable documents that include annual sulfur dioxide emissions limits for the WEB source during the period the WEB source qualifies for an early reduction credit. Such permits or enforceable documents must require monitoring for sulfur dioxide emissions that meet the requirements in Section 2(h) of this Chapter.

(B) Demonstration that the floor level established for the source in accordance with Part C1.1(a)(2) of Section C of the WYRHSIP for non-utilities or best available control technology for utilities was calculated using data that are consistent with monitoring methods specified in Section 2(h)(i)(A) of this Chapter. If needed, the demonstration shall include a new floor level calculation that is consistent with the monitoring methodology in Section 2(h) of this Chapter.

(vi) Request for allowances for new WEB sources or modified WEB Sources.

(A) A new WEB source may apply to the Department for an allocation from the new source set-aside, as outlined in Part C1.3 of Section C of the WYRHSIP.

(I) A new WEB source is eligible for an annual floor allocation equal to the lower of the permitted annual sulfur dioxide emission limit for that source, or sulfur dioxide annual emissions calculated based on a level of control equivalent to best available control technology (BACT) and assuming 100 percent utilization of the WEB source, beginning with the first full calendar year of operation.

(B) An existing WEB source that has increased production capacity through a new construction permit issued under Chapter 6, Section 2 may apply to the Department for an allocation from the new source set-aside, as outlined in Part C1.3 of Section C of the WYRHSIP. An existing WEB source is eligible for an annual allocation equal to:

(I) The permitted annual sulfur dioxide emission limit for a new unit; or

(II) The permitted annual sulfur dioxide emission increase for the WEB source due to the replacement of an existing unit with a new unit or the modification of an existing unit that increased production capacity of the WEB source.

(C) A source that has received a retired source exemption under Chapter 14, Section 2(c)(iv) is not eligible for an allocation from the new source set-aside.

(D) The application for an allocation from the new source set-aside must contain the following:

(I) For existing WEB sources under Section 2(f)(vi)(B)(II) of this Chapter, documentation of the production capacity of the source before and after the new permit;

(II) For new WEB sources or a new unit under Section 2(f)(vi)(B)(I), documentation of the actual date of the commencement of operation and a copy of the permit issued under Chapter 6, Section 2.

(g) Establishment of Accounts.

(i) Allowance Tracking System Accounts. All WEB sources are required to open a compliance account. In addition, if a WEB source conducts monitoring under Section 2(h)(i)(B) of this Chapter, the WEB source shall open a special reserve compliance account for allowances associated with units monitored under those provisions. The WEB source and account representative shall have no rights to transfer

allowances in or out of such special reserve compliance account. The State of Wyoming shall allocate allowances to the account in accordance with Section 2(h)(i)(B)(V) of this Chapter and all such allowances for each control period shall be retired each year for compliance in accordance with Section 2(k) of this Chapter. Any person may open a general account for holding and transferring allowances. To open either type of account, an application that contains the following information shall be submitted:

(A) The name, mailing address, e-mail address, telephone number and facsimile number of the account representative. For a compliance account, include a copy of the Certificate for the account representative and any alternate as required in Section 2(d)(ii)(B) of this Chapter. For a general account, include the Certificate for the account representative and any alternate as required in (iii)(B).

(B) The WEB source or organization name;

(C) The type of account to be opened; and

(D) A signed certification of truth and accuracy by the account representative according to Section 2(d)(iii)(B) of this Chapter for compliance accounts and for general accounts, certification of truth and accuracy by the account representative according to (iv).

(ii) Account Representative for General Accounts. For a general account, one account representative must be identified and an alternate account representative may be identified and may act on behalf of the account representative. Any representation, action, inaction or submission by the alternate account representative will be deemed to be a representation, action, inaction or submission by the account representative.

(iii) Identification and Certification of an Account Representative for General Accounts.

(A) The account representative shall be appointed by an agreement that makes the representations, actions, inactions or submissions of the account representative binding on all persons who have an ownership interest with respect to allowances held in the general account.

(B) The account representative shall submit to the Department and the TSA a signed and dated Certificate that contains the following elements:

(I) The name, address, e-mail (if available), telephone and facsimile number of the account representative and any alternate;

(II) The organization name;

(III) The following certification statement:

"I certify that I was selected as the account representative or alternate account representative, as applicable, by an agreement binding on all persons who have an ownership interest in allowances in the general account with regard to matters concerning the general account. I certify that I have all the necessary authority to carry out my duties and responsibilities under the WEB Trading Program on behalf of said persons and that each such person shall be fully bound by my representations, actions, inactions, or submissions."

(C) Upon receipt by the Department of the complete Certificate, the account representative represents and, by his or her representations, actions, inactions, or submissions, legally binds each person who has an ownership interest in allowances held in the general account with regard in all matters concerning the general account. Such persons shall be bound by any decision or order issued by the Department.

(D) No WEB Allowance Tracking System general account shall be established until the TSA has received a complete Certificate. Once the account is established, the account representative shall make all submissions concerning the account, including the deduction or transfer of allowances.

(iv) Requirements and Responsibilities. Each submission for the general account shall be signed and certified by the account representative for the general account. Each submission shall include the following truth and accuracy certification statement by the account representative:

(A) "I am authorized to make this submission on behalf of all persons who have an ownership interest in allowances held in the general account. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

(v) Changing the Account Representative. The account representative or alternate account representative may be changed at any time by sending a complete superseding Certificate to the Department and the TSA under (iii)(B), with the change taking effect upon receipt of such Certificate by the Department. Notwithstanding any such change, all representations, actions, inactions, and submissions by the previous account representative or alternate prior to the time and date when the Department receives the superseding Certificate shall be binding on the new account representative and all persons having ownership interest with respect to allowances held in the general account.

(vi) Changes to the Account. Any change to the information required in the application for an existing account under (i) shall require a revision of the application.

(h) Monitoring, Recordkeeping and Reporting.

(i) General Requirements on Monitoring Methods.

(A) For each sulfur dioxide emitting unit at a WEB source the WEB source shall comply with the following, as applicable, to monitor and record sulfur dioxide mass emissions:

(I) If a unit is subject to 40 CFR part 75 under a requirement separate from the WEB Trading Program, the unit shall meet the requirements contained in part 75 with respect to monitoring, recording and reporting sulfur dioxide mass emissions.

(II) If a unit is not subject to 40 CFR part 75 under a requirement separate from the WEB Trading Program, a unit shall use one of the following monitoring methods, as applicable:

(1.) A continuous emission monitoring system (CEMS) for sulfur dioxide and flow that complies with all applicable monitoring provisions in 40 CFR part 75;

(2.) If the unit is a gas- or oil-fired combustion device, the excepted monitoring methodology in Appendix D to 40 CFR part 75, or, if applicable, the low mass emissions (LME) provisions (with respect to sulfur dioxide mass emissions only) of section 75.19 of 40 CFR part 75;

(3.) One of the optional WEB protocols, if applicable, in Appendix A to Chapter 14; or

(4.) A petition for site-specific monitoring that the source submits for approval by the State of Wyoming and approval by the U.S. Environmental Protection Agency in accordance with Section 2(h)(ix) of this Chapter (relating to petitions).

(III) A permanently retired unit shall not be required to monitor under this Section if such unit was permanently retired and had no emissions for the entire period and the account representative certifies in accordance with Section 2(k)(ii) of this Chapter that these conditions were met. In the event that a permanently retired unit recommences operation, the WEB source shall meet the requirements of this Section 2(h) in the same manner as if the unit was a new unit.

(B) Notwithstanding paragraph (A) of this Section, the WEB source with a unit that meets one of the conditions of paragraph (B)(I) may submit a request to the Department to have the provisions of this paragraph (B) apply to that unit.

(I) Any of the following units may implement this paragraph (B):

(1.) Any smelting operation where all of the emissions from the operation are not ducted to a stack;

(2.) Any flare, except to the extent such flares are used as a fuel gas combustion device at a petroleum refinery; or

(3.) Any other type of unit without add-on sulfur dioxide control equipment if the unit belongs to one of the following source categories: cement kilns, pulp and paper recovery furnaces, lime kilns, or glass manufacturing.

(II) For each unit covered by this paragraph (B), the account representative shall submit a notice to request that this paragraph (B) apply to one or more sulfur dioxide emitting units at a WEB source. The notice shall be submitted in accordance with the compliance dates specified in Section 2(h)(vi)(A) of this Chapter, and shall include the following information in a format specified by the State of Wyoming with such additional, related information as may be requested:

(1.) A list of all units at the WEB source that identifies which of the units are to be covered by this paragraph (B); and

(2.) An identification of any such units that are permanently retired.

(III) For each new unit at an existing WEB source for which the WEB source seeks to comply with this paragraph (B) and for which the account representative applies for an allocation under the new source set-aside provisions of Section 2(f)(vi) of this Chapter, the account representative shall submit a modified notice under paragraph (B)(II) that includes such new sulfur dioxide emitting unit(s). The modified request shall be submitted in accordance with the compliance dates in Section 2(h)(vi)(A) of this Chapter, but no later than the date on which a request is submitted under Section 2(f)(vi) of this Chapter for allocations from the set-aside.

(IV) The account representative for a WEB source shall submit an annual emissions statement for each unit under this paragraph (B) in accordance with Section 2(h)(viii) of this Chapter. The WEB source shall maintain operating records sufficient to estimate annual emissions in a manner consistent with emission inventory submitted by the source for calendar year 1998. In addition, if the estimated emissions from all such units at the WEB source are greater than the allowances for the current control year held in the special reserve compliance account for the WEB source, the account representative shall report the excess amount as part of the annual report for the WEB source under Section 2(k) of this Chapter and be required to use other allowances in the standard compliance account for the WEB source to account for such emissions, in accordance with Section 2(k) of this Chapter.

(V) Section 2(h) shall not apply to units covered by this paragraph except where otherwise noted.

(VI) A WEB source may opt to modify the monitoring for a sulfur dioxide emitting unit to use monitoring under Section 2(h)(i)(A) of this Chapter, but any such monitoring change must take effect on January 1 of the next compliance year. In addition, the account representative must submit an initial monitoring plan at least 180 days prior to the date on which the new monitoring will take effect and a detailed monitoring plan in accordance with Section 2(h)(ii) of this Chapter. The account representative shall also submit a revised notice under paragraph (B)(II) at the same time that the initial monitoring plan is submitted.

(C) For any monitoring that the WEB source uses under this Section (including paragraph (B)), the WEB source (and, as applicable, the account representative) shall implement, certify, and use such monitoring in accordance with this Section, and record and report the data from such monitoring as required in this Section. In addition, the WEB source (and, as applicable, the account representative) may not:

(I) Except for an alternative approved by the U.S. EPA Administrator for a WEB source that implements monitoring under Section 2(h)(i)(A)(I), use an alternative monitoring system, alternative reference method or another alternative for the required monitoring method without having obtained prior written approval in accordance with Section 2(h)(ix) of this Chapter (relating to petitions);

(II) Operate a sulfur dioxide emitting unit so as to discharge, or allow to be discharged, sulfur dioxide emissions to the atmosphere without accounting for these emissions in accordance with the applicable provisions of this Section;

(III) Disrupt the approved monitoring method or any portion thereof, and thereby avoid monitoring and recording sulfur dioxide mass emissions discharged into the atmosphere, except for periods of recertification or periods when calibration, quality assurance testing or maintenance is performed in accordance with the applicable provisions of this Section; or

(IV) Retire or permanently discontinue use of an approved monitoring method, except under one of the following circumstances:

(1.) During a period when the unit is exempt from the requirements of this Section, including retirement of a unit as addressed in Section 2(h)(i)(A)(III);

(2.) The WEB source is monitoring emissions from the unit with another certified monitoring method approved under this Section for use at the unit that provides data for the same parameter as the retired or discontinued

monitoring method; or

(3.) The account representative submits notification of the date of certification testing of a replacement monitoring system in accordance with this Section, and the WEB source recertifies thereafter a replacement monitoring system in accordance with the applicable provisions of this Section.

(ii) Monitoring Plan.

(A) General Provisions. A WEB source with a sulfur dioxide emitting unit that uses a monitoring method under Section 2(h)(i)(A)(II) of this Chapter shall meet the following requirements:

(I) Prepare and submit to the State of Wyoming an initial monitoring plan for each monitoring method that the WEB source uses to comply with this Section. In accordance with paragraph 2(h)(ii)(C) of this Chapter, the plan shall contain sufficient information on the units involved, the applicable method, and the use of data derived from that method to demonstrate that all unit sulfur dioxide emissions are monitored and reported. The plan shall be submitted in accordance with the compliance deadlines specified in Section 2(h)(vi) of this Chapter.

(II) Prepare, maintain and submit to the State of Wyoming a detailed monitoring plan prior to the first day of certification testing in accordance with the compliance deadline specified in Section 2(h)(vi) of this Chapter. The plan will contain the applicable information required by Section 2(h)(ii)(D) of this Chapter. The State of Wyoming may require that the monitoring plan (or portions thereof) be submitted electronically. The State of Wyoming also may require that the plan be submitted on an ongoing basis in electronic format as part of the quarterly report submitted under Section 2(h)(viii)(A) of this Chapter or resubmitted separately after any change is made to the plan in accordance with the following paragraph (A)(III).

(III) Whenever the WEB source makes a replacement, modification, or change in one of the systems or methodologies provided for in Section 2(h)(i)(A)(II) of this Chapter, including a change in the automated data acquisition and handling system or in the flue gas handling system, that affects information reported in the monitoring plan (e.g., a change to serial number for a component of a monitoring system), then the WEB source shall update the monitoring plan in accordance with the compliance deadline specified in Section 2(h)(vi) of this Chapter.

(B) A WEB source with a sulfur dioxide emitting unit that uses a method under Section 2(h)(i)(A)(I) of this Chapter (a unit subject to 40 CFR part 75 under a program other than this WEB Trading Program) shall meet the requirements of Section 2(h)(ii)(A)-(F) by preparing, maintaining and submitting a monitoring plan in accordance with the requirements of 40 CFR part 75. If requested, the WEB source also shall submit the entire monitoring plan to the State of Wyoming.

(C) Initial Monitoring Plan. The account representative shall submit an initial monitoring plan for each sulfur dioxide emitting unit (or group of units sharing a common methodology) that, except as otherwise specified in an applicable provision in Appendix A, contains the following information:

(I) For all sulfur dioxide emitting units:

(1.) Plant name and location;

(2.) Plant and unit identification numbers assigned by the State of Wyoming;

(3.) Type of unit (or units for a group of units using a common monitoring methodology);

(4.) Identification of all stacks or pipes associated with the monitoring plan;

(5.) Types of fuel(s) fired (or sulfur containing process materials used in the sulfur dioxide emitting unit), and the fuel classification of the unit if combusting more than one type of fuel and using a 40 CFR part 75 methodology;

(6.) Type(s) of emissions controls for sulfur dioxide installed or to be installed, including specifications of whether such controls are pre-combustion, post-combustion, or integral to the combustion process;

(7.) Maximum hourly heat input capacity, or process throughput capacity, if applicable;

(8.) Identification of all units using a common stack; and

(9.) Indicator of whether any stack identified in the plan is a bypass stack.

(II) For each unit and parameter required to be monitored, identification of monitoring methodology information, consisting of monitoring methodology, monitor locations, substitute data approach for the methodology, and general identification of quality assurance procedures. If the proposed methodology is a site-specific methodology submitted pursuant to Section 2(h)(i)(A)(II)(4.) of this Chapter, the description under this paragraph shall describe fully all aspects of the monitoring equipment, installation locations, operating characteristics, certification testing, ongoing quality assurance and maintenance procedures, and substitute data procedures.

(III) If the WEB source intends to petition for a change to

any specific monitoring requirement otherwise required under this Section, such petition may be submitted as part of the initial monitoring plan.

(IV) The State of Wyoming may issue a notice of approval or disapproval of the initial monitoring plan based on the compliance of the proposed methodology with the requirements for monitoring in this Section.

(D) Detailed Monitoring Plan. The account representative shall submit a detailed monitoring plan that, except as otherwise specified in an applicable provision in Appendix A, shall contain the following information:

(I) Identification and description of each monitoring component (including each monitor and its identifiable components, such as analyzer or probe) in a CEMS (e.g., sulfur dioxide pollutant concentration monitor, flow monitor, moisture monitor), a 40 CFR part 75, Appendix D monitoring system (e.g., fuel flowmeter, data acquisition and handling system), or a protocol in Appendix A, including:

(1.) Manufacturer, model number and serial number;

(2.) Component or system identification code assigned by the facility to each identifiable monitoring component, such as the analyzer or probe;

(3.) Designation of the component type and method of sample acquisition or operation (e.g., in situ pollutant concentration monitor or thermal flow monitor);

(4.) Designation of the system as a primary or backup system;

(5.) First and last dates the system reported data;

(6.) Status of the monitoring component; and

(7.) Parameter monitored.

(II) Identification and description of all major hardware and software components of the automated data acquisition and handling system, including:

(1.) Hardware components that perform emission calculations or store data for quarterly reporting purposes (provide the manufacturer and model number); and

(2.) Software components (provide the identification of the provider and model or version number).

(III) Explicit formulas for each measured emissions parameter, using component or system identification codes for the monitoring system used to measure the parameter that links the system observations with the reported concentrations and mass emissions. The formulas must contain all constants and factors required to derive mass emissions from component or system code observations and an indication of whether the formula is being added, corrected, deleted, or is unchanged. The WEB source with a low mass emissions unit for which the WEB source is using the optional low mass emissions excepted methodology in section 75.19(c) of 40 CFR part 75 is not required to report such formulas.

(IV) Inside cross-sectional area (ft^2) at flow monitoring location (for units with flow monitors only).

(V) If using CEMS for sulfur dioxide and flow, for each parameter monitored: scale, maximum potential concentration (and method of calculation), maximum expected concentration (if applicable) (and method of calculation), maximum potential flow rate (and method of calculations), span value, full-scale range, daily calibration units of measure, span effective date and hour, span inactivation date and hour, indication of whether dual spans are required, default high range value, flow rate span, and flow rate span value and full scale value (in standard cubic feet per hour) for each unit or stack using sulfur dioxide or flow component monitors.

(VI) If the monitoring system or excepted methodology provides for use of a constant, assumed, or default value for a parameter under specific circumstances, then include the following information for each value of such parameter:

(1.) Identification of the parameter;

(2.) Default, maximum, minimum, or constant value, and units of measure for the value;

(3.) Purpose of the value;

(4.) Indicator of use during controlled or uncontrolled hours;

(5.) Types of fuel;

(6.) Source of the value;

(7.) Value effective date and hour;

(8.) Date and hour value is no longer effective (if applicable); and

(9.) For units using the excepted methodology under section 75.19 of 40 CFR part 75, the applicable sulfur dioxide emission factor.

(VII) Unless otherwise specified in section 6.5.2.1 of Appendix A to 40 CFR part 75, for each unit or common stack on which hardware CEMS are installed:

(1.) The upper and lower boundaries of the range of operation (as defined in section 6.5.2.1 of Appendix A to 40 CFR part 75), or thousand of pounds per hour (lb/hr) of steam, or feet per second (ft/sec) (as applicable);

(2.) The load or operating level(s) designated as normal in section 6.5.2.1 of Appendix A to 40 CFR part 75, or thousands of lb/hr of steam, or ft/sec (as applicable);

(3.) The two load or operating levels (i.e., low, mid, or high) identified in section 6.5.2.1 of Appendix A to 40 CFR part 75 as the most frequently used;

(4.) The date of the data analysis used to determine the normal load (or operating) level(s) and the two most frequently-used load (or operating) levels; and

(5.) Activation and deactivation dates when the normal load or operating level(s) change and are updated.

(VIII) For each unit that is complying with 40 CFR part 75 for which the optional fuel flow-to-load test in section 2.1.7 of Appendix D to 40 CFR part 75 is used:

(1.) The upper and lower boundaries of the range of operation (as defined in section 6.5.2.1 of Appendix A to 40 CFR part 75), expressed in thousands of lb/hr of steam;

(2.) The load level designated as normal, pursuant to section 6.5.2.1 of Appendix A to 40 CFR part 75, expressed in thousands of lb/hr of steam; and

(3.) The date of the load analysis used to determine the normal load level.

(IX) Information related to quality assurance testing, including (as applicable): identification of the test strategy; protocol for the relative

accuracy test audit; other relevant test information; calibration gas levels (percent of span) for the calibration error test and linearity check; calculations for determining maximum potential concentration, maximum expected concentration (if applicable), maximum potential flow rate, and span;

(X) If applicable, apportionment strategies under sections 75.10 through 75.18 of 40 CFR part 75.

(XI) Description of site locations for each monitoring component in a monitoring system, including schematic diagrams and engineering drawings and any other documentation that demonstrates each monitor location meets the appropriate siting criteria. For units monitored by a continuous emission monitoring system, diagrams shall include:

(1.) A schematic diagram identifying entire gas handling system from unit to stack for all units, using identification numbers for units, monitor components, and stacks corresponding to the identification numbers provided in the initial monitoring plan and paragraphs (D)(I) and (III). The schematic diagram must depict the height of any monitor locations. Comprehensive or separate schematic diagrams shall be used to describe groups of units using a common stack.

(2.) Stack and duct engineering diagrams showing the dimensions and locations of fans, turning vanes, air preheaters, monitor components, probes, reference method sampling ports, and other equipment that affects the monitoring system location, performance, or quality control checks.

(XII) A data flow diagram denoting the complete information handling path from output signals of CEMS components to final reports.

(E) In addition to supplying the information in paragraphs (C) and (D) above, the WEB source with a sulfur dioxide emitting unit using either of the methodologies in paragraph (h)(i)(A)(II)(2.) of this Section shall include the following information in its monitoring plan for the specific situations described:

(I) For each gas-fired or oil-fired sulfur dioxide emitting unit for which the WEB source uses the optional protocol in Appendix D to 40 CFR part 75 for sulfur dioxide mass emissions, the WEB source shall include the following information in the monitoring plan:

(1.) Parameter monitored;

(2.) Type of fuel measured, maximum fuel flow rate, units of measure, and basis of maximum fuel flow rate (i.e., upper range value or unit maximum) for each fuel flowmeter;

(3.) Test method used to check the accuracy of

each fuel flowmeter;

(4.) Submission status of the data;

(5.) Monitoring system identification code;

(6.) The method used to demonstrate that the unit qualifies for monthly gross calorific value (GCV) sampling or for daily or annual fuel sampling for sulfur content, as applicable;

(7.) A schematic diagram identifying the relationship between the unit, all fuel supply lines, the fuel flowmeter(s), and the stack(s). The schematic diagram must depict the installation location of each fuel flowmeter and the fuel sampling location(s). Comprehensive or separate schematic diagrams shall be used to describe groups of units using a common pipe;

(8.) For units using the optional default sulfur dioxide emission rate for "pipeline natural gas" or "natural gas" in Appendix D to 40 CFR part 75, the information on the sulfur content of the gaseous fuel used to demonstrate compliance with either section 2.3.1.4 or 2.3.2.4 of appendix D to 40 CFR part 75;

(9.) For units using the 720 hour test under section 2.3.6 of Appendix D to 40 CFR part 75 to determine the required sulfur sampling requirements, report the procedures and results of the test; and

(10.) For units using the 720 hour test under section 2.3.5 of Appendix D to 40 CFR part 75 to determine the appropriate fuel GCV sampling frequency, report the procedures used and the results of the test.

(II) For each sulfur dioxide emitting unit for which the WEB source uses the low mass emission excepted methodology of section 75.19 to 40 CFR part 75, the WEB source shall include the following information in the monitoring plan that accompanies the initial certification application:

(1.) The results of the analysis performed to qualify as a low mass emissions unit under section 75.19(c) to 40 CFR part 75. This report will include either the previous three years actual or projected emissions. The following items should be included:

a. Current calendar year of application;

b. Type of qualification;

c. Years one, two, and three;

d. Annual measured, estimated or projected sulfur dioxide mass emissions for years one, two, and three; and

e. Annual operating hours for years one, two, and three.

(2.) A schematic diagram identifying the relationship between the unit, all fuel supply lines and tanks, any fuel flowmeter(s), and the stack(s). Comprehensive or separate schematic diagrams shall be used to describe groups of units using a common pipe;

(3.) For units which use the long-term fuel flow methodology under section 75.19(c)(3) to 40 CFR part 75, a diagram of the fuel flow to each unit or group of units and a detailed description of the procedures used to determine the long-term fuel flow for a unit or group of units for each fuel combusted by the unit or group of units;

(4.) A statement that the unit burns only gaseous fuel(s) or fuel oil and a list of the fuels that are burned or a statement that the unit is projected to burn only gaseous fuel(s) or fuel oil and a list of the fuels that are projected to be burned;

(5.) A statement that the unit meets the applicability requirements in sections 75.19(a) and (b) to 40 CFR part 75 with respect to sulfur dioxide emissions; and

(6.) Any unit historical actual, estimated and projected sulfur dioxide emissions data and calculated sulfur dioxide emissions data demonstrating that the unit qualifies as a low mass emissions unit under sections 75.19(a) and (b) to 40 CFR part 75.

(III) For each gas-fired unit the WEB source shall include the following in the monitoring plan: current calendar year, fuel usage data as specified in the definition of gas-fired in section 72.2 of 40 CFR part 72, and an indication of whether the data are actual or projected data.

(F) The specific elements of a monitoring plan under this Section 2(h)(ii) shall not be part of an operating permit for a WEB source issued in accordance with Title V of the Clean Air Act, and modifications to the elements of the plan shall not require a permit modification.

(iii) Certification and Recertification.

(A) All monitoring systems are subject to initial certification and recertification testing as specified in 40 CFR part 75 or Appendix A to Chapter 14, as applicable. Certification or recertification of a monitoring system by the U.S.

Environmental Protection Agency for a WEB source that is subject to 40 CFR part 75 under a requirement separate from this Rule shall constitute certification under the WEB Trading Program.

(B) The WEB source with a sulfur dioxide emitting unit not otherwise subject to 40 CFR part 75 that monitors sulfur dioxide mass emissions in accordance with 40 CFR part 75 to satisfy the requirements of this Section shall perform all of the tests required by that regulation and shall submit the following:

(I) A test notice, not later than 21 days before the certification testing of the monitoring system, provided that the State of Wyoming may establish additional requirements for adjusting test dates after this notice as part of the approval of the initial monitoring plan under Section 2(h)(ii)(C) of this Chapter; and

(II) An initial certification application within 45 days after testing is complete.

(C) A monitoring system will be considered provisionally certified while the application is pending, and the system shall be deemed certified if the State of Wyoming does not approve or disapprove the system within six months after the date on which the application is submitted.

(D) Whenever an audit of any monitoring certified under this Rule, and a review of the initial certification or recertification application, reveal that any system or component should not have been certified or recertified because it did not meet a particular performance specification or other requirement of Chapter 14, both at the time of the initial certification or recertification application submission and at the time of the audit, the State of Wyoming will issue a notice of disapproval of the certification status of such system or component. For the purposes of this paragraph, an audit shall be either a field audit of the facility or an audit of any information submitted to the State of Wyoming regarding the facility. By issuing the notice of disapproval, the certification status is revoked prospectively, and the data measured and recorded shall not be considered valid quality-assured data from the date of issuance of the notification of the revoked certification status until the date and time that the WEB source completes subsequently approved initial certification or recertification tests in accordance with the procedures in this Section 2(h)(iii). The WEB source shall apply the substitute data procedures in Section 2(h)(v)(B) of this Chapter to replace, prospectively, all of the invalid, non-quality-assured data for each disapproved system or component.

(iv) Ongoing Quality Assurance and Quality Control.

The WEB source shall satisfy the applicable quality assurance and quality control requirements of part 75 or, if the WEB source is subject to a WEB protocol in Appendix A, the applicable quality assurance and quality control requirements in Appendix A on and after the date that certification testing commences.

(v) Substitute Data Procedures.

(A) For any period after certification testing is complete in which quality assured, valid data are not being recorded by a monitoring system certified and operating in accordance with Chapter 14, missing or invalid data shall be replaced with substitute data in accordance with 40 CFR part 75 or, if the WEB source is subject to a WEB protocol in Appendix A, with substitute data in accordance with Appendix A.

(B) For a sulfur dioxide emitting unit that does not have a certified (or provisionally certified) monitoring system in place as of the beginning of the first control period for which the unit is subject to the WEB Trading Program, the WEB source shall:

(I) If the WEB source will use a CEMS to comply with this Section, substitute the maximum potential concentration of sulfur dioxide for the unit and the maximum potential flow rate, as determined in accordance with 40 CFR part 75. The procedures for conditional data validation under section 75.20(b)(3) may be used for any monitoring system under Chapter 14 that uses these 40 CFR part 75 procedures, as applicable;

(II) If the WEB source will use the 40 CFR part 75 Appendix D methodology, substitute the maximum potential sulfur content, density or gross calorific value for the fuel and the maximum potential fuel flow rate, in accordance with section 2.4 of Appendix D to 40 CFR part 75;

(III) If the WEB source will use the 40 CFR part 75 methodology for low mass emissions units, substitute the sulfur dioxide emission factor required for the unit as specified in 40 CFR 75.19 and the maximum rated hourly heat input, as defined in 40 CFR 72.2; or

(IV) If using a protocol in Appendix A to Chapter 14, follow the procedures in the applicable protocol.

(vi) Compliance Deadlines.

(A) The initial monitoring plan shall be submitted by the following dates:

(I) For each source that is a WEB source on or before the program trigger date, the monitoring plan shall be submitted 180 days after such program trigger date.

(II) For any existing source that becomes a WEB source after the program trigger date, the monitoring plan shall be submitted by September 30 of the year following the inventory year in which the source exceeded the emissions threshold.

(III) For any new WEB source, the monitoring plan shall be included with the permit application for a Chapter 6, Section 2 permit.

(B) A detailed monitoring plan under Section 2(h)(ii)(B) shall be submitted no later than 45 days prior to commencing certification testing in accordance with the following paragraph (C). Modifications to monitoring plans shall be submitted within 90 days of implementing revised monitoring plans.

(C) Emission monitoring systems shall be installed, operational and shall have met all of the certification testing requirements of this Section 2(h) (including any referenced in Appendix A) by the following dates:

(I) For each source that is a WEB source on or before the program trigger date, two years prior to the start of the first control period as described in Section 2(k) of this Chapter.

(II) For any existing source that becomes a WEB source after the program trigger date, one year after the due date for the monitoring plan under Section 2(h)(vi)(A)(II) of this Chapter.

(III) For any new WEB source (or any new unit at a WEB source under paragraphs (C)(I) or (C)(2)), the earlier of 90 unit operating days or 180 calendar days after the date the new source commences operation.

(D) The WEB source shall submit test notices and certification applications in accordance with the deadlines set forth in Section 2(h)(iv)(B).

(E) For each applicable control period, the WEB source shall submit each quarterly report under Section 2(h)(viii) by no later than 30 days after the end of each calendar quarter and shall submit the annual report under Section 2(h)(viii) no later than 60 days after the end of each calendar year.

(vii) Recordkeeping.

(A) The WEB source shall keep copies of all reports, registration materials, compliance certifications, sulfur dioxide emissions data, quality assurance data, and other submissions under Chapter 14 for a period of five years. In addition, the WEB source shall keep a copy of all Certificates for the duration of this program. Unless otherwise requested by the WEB source and approved by the State of Wyoming, the copies shall be kept on site.

(B) The WEB source shall keep records of all operating hours, quality assurance activities, fuel sampling measurements, hourly averages for sulfur dioxide, stack flow, fuel flow, or other continuous measurements, as applicable, and any other applicable data elements specified in this Section or in Appendix A to Chapter 14.

The WEB source shall maintain the applicable records specified in 40 CFR part 75 for any sulfur dioxide emitting unit that uses a part 75 monitoring method to meet the requirements of this Section.

(viii) Reporting.

(A) Quarterly Reports. For each sulfur dioxide emitting unit, the account representative shall submit a quarterly report within thirty (30) days after the end of each calendar quarter. The report shall be in a format specified by the State of Wyoming to include hourly and quality assurance activity information and shall be submitted in a manner compatible with the emissions tracking database designed for the WEB Trading Program. If the WEB source submits a quarterly report under 40 CFR part 75 to the U.S. EPA Administrator, no additional report under this paragraph (A) shall be required. The State of Wyoming will require that a copy of that report (or a separate statement of quarterly and cumulative annual sulfur dioxide mass emissions) be submitted separately to the State of Wyoming.

(B) Annual Report. Based on the quarterly reports, each WEB source shall submit an annual statement of total annual sulfur dioxide emissions for all sulfur dioxide emitting units at the source. The annual report shall identify total emissions for all units monitored in accordance with Section 2(h)(i)(A) of this Chapter and the total emissions for all units with emissions estimated in accordance with Section 2(h)(i)(B) of this Chapter. The annual report shall be submitted within 60 days after the end of a control period.

(C) If the State of Wyoming so directs, any monitoring plan, report, certification, recertification, or emissions data required to be submitted under this Section shall be submitted to the TSA.

(D) The State of Wyoming may review and reject any report submitted under this Section 2(h)(viii) that contains errors or fails to satisfy the requirements of this Section, and the account representative shall resubmit the report to correct any deficiencies.

(ix) Petitions.

(A) A WEB source may petition for an alternative to any requirement specified in Section 2(h)(i)(A)(II). The petition shall require approval of the State of Wyoming and the U.S. EPA Administrator. Any petition submitted under this paragraph shall include sufficient information for the evaluation of the petition, including, at a minimum, the following information:

(I) Identification of the WEB source and applicable sulfur dioxide emitting unit(s);

(II) A detailed explanation of why the proposed alternative

is being suggested in lieu of the requirement;

(III) A description and diagram of any equipment and procedures used in the proposed alternative, if applicable;

(IV) A demonstration that the proposed alternative is consistent with the purposes of the requirement for which the alternative is proposed, is consistent with the purposes of Chapter 14 and that any adverse effect of approving such alternative will be *de minimis*; and

(V) Any other relevant information that the State of Wyoming may require.

(x) Consistency of Identifying Information.

For any monitoring plans, reports, or other information submitted under Section 2(h) of this Chapter, the WEB source shall ensure that, where applicable, identifying information is consistent with the identifying information provided in the most recent Certificate for the WEB source submitted under Section 2(d) of this Chapter.

(i) Allowance Transfers.

(i) Procedure. To transfer allowances, the account representative shall submit the following information to the TSA:

(A) The transfer account number(s) identifying the transferor account;

(B) The transfer account number(s) identifying the transferee account;

(C) The serial number of each allowance to be transferred; and

(D) The transferor's account representative's name and signature and date of submission.

(ii) Allowance Transfer Deadline. The allowance transfer deadline is midnight Pacific Standard Time on March 1 of each year (or if this date is not a business day, midnight of the first business day thereafter) following the end of the control period. By this time, the transfer of the allowances into the WEB source's compliance account must be correctly submitted to the TSA in order to demonstrate compliance under Section 2(k) of this Chapter for that control period.

(iii) Retirement of Allowances. To permanently retire allowances, the account representative shall submit the following information to the TSA:

(A) The transfer account number(s) identifying the transferor account;

(B) The serial number of each allowance to be retired; and

(C) The transferor's account representative's name and signature and date of submission accompanied by a signed statement acknowledging that each retired allowance is no longer available for future transfers from or to any account.

(j) Use of Allowances from a Previous Year.

(i) Any allowance that is held in a compliance account or general account will remain in such an account unless and until the allowance is deducted in conjunction with the compliance process, or transferred to another account.

(ii) In order to demonstrate compliance under Section 2(k)(i) of this Chapter for a control period, WEB sources shall only use allowances allocated for that current control period or any previous year. Because all allowances held in a special reserve compliance account for a WEB source that monitors certain units in accordance with Section 2(h)(i)(B) of this Chapter will be deducted for compliance for each control period, no banking of such allowances for use in a subsequent year is permitted by Chapter 14.

(iii) If flow control procedures for the current control period have been triggered as outlined in Part C4.2 of Section C of the WYRHSIP, then the use of allowances that were allocated for any previous year will be limited as follows:

(A) The number of allowances that are held in each compliance account and general account as of the allowance transfer deadline for the immediately previous year and that were allocated for any previous year will be determined.

(B) The number determined in (A) will be multiplied by the flow control ratio established in accordance with Part C4.2(b)(1) of Section C of the WYRHSIP to determine the number of allowances that were allocated for a previous year that can be used without restriction for the current control period.

(C) Allowances that were allocated for a previous year in excess of the number determined in (B) may also be used for the current control period. If such allowances are used to make a deduction, two allowances must be deducted for each deduction of one allowance required under Section 2(k) of this Chapter.

(iv) Special provisions for the year 2018. After compliance with the 2017 allowance limitation has been determined in accordance with Section 2(k)(i) of this Chapter, allowances allocated for any year prior to 2018 shall not be used for determining compliance with the 2018 allowance limitation or any future allowance limitation.

(k) Compliance.

(i) Compliance with Allowance Limitations.

(A) The WEB source must hold allowances, in accordance with Section 2(k)(i)(B) and (C) below and Section 2(j) of this Chapter, as of the allowance transfer deadline in the WEB source's compliance account (together with any current control year allowances held in the WEB source's special reserve compliance account under Section 2(h)(i)(B) of this Chapter) in an amount not less than the total sulfur dioxide emissions for the control period from the WEB source, as determined under the monitoring and reporting requirements of Section 2(h) of this Chapter.

(I) For each source that is a WEB source on or before the program trigger date, the first control period is the calendar year that is six (6) years following the calendar year for which sulfur dioxide emissions exceeded the milestone in accordance with procedures in Part A3 of Section C of the WYRHSIP.

(II) For any existing source that becomes a WEB source after the program trigger date, the first control period is the calendar year that is four (4) years following the inventory year in which the source exceeded the sulfur dioxide emissions threshold.

(III) For any new WEB source after the program trigger date the first control period is the first full calendar year that the source is in operation.

(IV) If the WEB Trading Program is triggered in accordance with the 2013 review procedures in Part A4 of Section C of the WYRHSIP, the first control period for each source that is a WEB source on or before the program trigger date is the year 2018.

(B) Allowance transfer deadline. An allowance may only be deducted from the WEB source's compliance account if:

(I) The allowance was allocated for the current control period or meets the requirements in Section 2(j) of this Chapter for use of allowances from a previous control period, and

(II) The allowance was held in the WEB source's compliance account as of the allowance transfer deadline for the current control period, or was transferred into the compliance account by an allowance transfer correctly submitted for recording by the allowance transfer deadline for the current control period.

(C) Compliance with allowance limitations shall be determined as follows:

(I) The total annual sulfur dioxide emissions for all sulfur

dioxide emitting units at the source that are monitored under Section 2(h)(i)(B) of this Chapter, as reported by the source in Section 2(h)(viii)(B) or (D) of this Chapter, and recorded in the emissions tracking database shall be compared to the allowances held in the source's special reserve compliance account as of the allowance transfer deadline for the current control period, adjusted in accordance with Section 2(j) of this Chapter. If the emissions are equal to or less than the allowances in such account, all such allowances shall be retired to satisfy the obligation to hold allowances for such emissions. If the total emissions from such units exceed the allowances in such special reserve account, the WEB source shall account for such excess emissions in the following paragraph (II).

(II) The total annual sulfur dioxide emissions for all sulfur dioxide emitting units at the source that are monitored under Section 2(h)(i)(A) of this Chapter, as reported by the source in Section 2(h)(viii)(B) or (D) of this Chapter, and recorded in the emissions tracking database, together with any excess emissions as calculated in the preceding paragraph (I), shall be compared to the allowances held in the source's compliance account as of the allowance transfer deadline for the current control period, adjusted in accordance with Section 2(j) of this Chapter.

(III) If the comparison in Section 2(k)(i)(C)(II) results in emissions that exceed the allowances held in the source's compliance account, the source has exceeded its allowance limitation and the excess emissions are subject to the allowance deduction penalty in Section 2(k)(iii).

(D) Other than allowances in a special reserve compliance account for units monitored under Section 2(h)(i)(B) of this Chapter, to the extent consistent with Section 2(j) of this Chapter, allowances shall be deducted for a WEB source for compliance with the allowance limitation as directed by the WEB source's account representative. Deduction of any other allowances as necessary for compliance with the allowance limitation shall be on a first-in, first-out accounting basis in the order of the date and time of their recording in the WEB source's compliance account, beginning with the allowances allocated to the WEB source and continuing with the allowances transferred to the WEB source's compliance account from another compliance account or general account. The allowances held in a special reserve compliance account pursuant to Section 2(h)(i)(B) of this Chapter shall be deducted as specified in paragraph (C)(I) of this Section 2(k).

(ii) Certification of Compliance.

(A) For each control period in which a WEB source is subject to the allowance limitation, the account representative of the source shall submit to the Department a compliance certification report for the source.

(B) The compliance certification report shall be submitted no later than the allowance transfer deadline of each control period, and shall contain the following:

(I) Identification of each WEB source;

(II) At the account representative's option, the serial numbers of the allowances that are to be deducted from a source's compliance account for compliance with the allowance limitation; and

(III) The compliance certification report according to subpart (C) of this section.

(C) In the compliance certification report, the account representative shall certify, based on reasonable inquiry of those persons with primary responsibility for operating the WEB source in compliance with the WEB Trading Program, whether the WEB source for which the compliance certification is submitted was operated during the control period covered by the report in compliance with the requirements of the WEB Trading Program applicable to the source including:

(I) Whether the WEB source operated in compliance with the sulfur dioxide allowance limitation;

(II) Whether sulfur dioxide emissions data has been submitted to the Department in accordance with Section 2(h)(viii) of this Chapter and other applicable guidance, for review, revision as necessary, and finalization for forwarding to the sulfur dioxide Allowance Tracking System for recording;

(III) Whether the monitoring plan that governs the WEB source has been maintained to reflect the actual operation and monitoring of the source, and contains all information necessary to attribute sulfur dioxide emissions to the source, in accordance with Section 2(h)(i) of this Chapter;

(IV) Whether all the sulfur dioxide emissions from the WEB source if applicable, were monitored or accounted for either through the applicable monitoring or through application of the appropriate missing data procedures;

(V) If applicable, whether any sulfur dioxide emitting unit for which the WEB source is not required to monitor in accordance with Section 2(h)(i)(A)(III) of this Chapter remained permanently retired and had no emissions for the entire applicable period; and

(VI) Whether there were any changes in the method of operating or monitoring the WEB source that required monitor recertification. If there were any such changes, the report must specify the nature, reason, and date of the change, the method to determine compliance status subsequent to the change, and specifically, the method to determine sulfur dioxide emissions.

(iii) Penalties for any WEB source exceeding its allowance limitations.

(A) Allowance deduction penalty.

(I) If emissions from a WEB source exceed the allowance limitation for a control period, as determined in accordance with Section 2(k)(i) of this Chapter, the source's allowances held in its compliance account will be reduced by an amount equal to three times the source's tons of excess emissions. If the compliance account does not have sufficient allowances allocated for that control period, the required number of allowances will be deducted from the WEB source's compliance account regardless of the control period for which they were allocated, once allowances are recorded in the account.

(II) Any allowance deduction required under Section 2(k)(i)(C) of this Chapter shall not affect the liability of the owners and operators of the WEB source for any fine, penalty or assessment or their obligation to comply with any other remedy, for the same violation, as ordered under the Clean Air Act, implementing regulations or Wyoming Statute 35-11-901. Accordingly, a violation can be assessed each day of the control period for each ton of sulfur dioxide emissions in excess of its allowance limitation, or for each other violation of Section 2 of this Chapter.

(iv) Liability.

(A) WEB Source liability for non-compliance. Separate and regardless of any allowance deduction penalty, a WEB source that violates any requirement of Chapter 14 is subject to civil and criminal penalties under Wyoming Statute 35-11-901. Each day of the control period is a separate violation, and each ton of sulfur dioxide emissions in excess of a source's allowance limitation is a separate violation.

(B) General liability.

(I) Any provision of the WEB Trading Program that applies to a source or an account representative shall apply also to the owners and operators of such source.

(II) Any person who violates any requirement or prohibition of the WEB Trading Program will be subject to enforcement pursuant to Wyoming Statute 35-11-901.

(III) Any person who knowingly makes a false material statement in any record, submission, or report under this WEB Trading Program shall be subject to criminal enforcement pursuant to Wyoming Statute 35-11-901.

(l) Special Penalty Provisions for the 2018 Milestone.

(i) If the WEB Trading Program is triggered as outlined in Part A3 of Section C of the WYRHSIP, and the first control period will not occur until after the year 2018, the following provisions shall apply for the 2018 emissions year.

(A) All WEB sources shall register, and open a compliance account within 180 days after the program trigger date, in accordance with Section 2(e)(i) and Section 2(g) of this Chapter.

(B) The TSA will record the allowances for the 2018 control period for each WEB source in the source's compliance account once the Department allocates the 2018 allowances under Part A4.4 of Section C of the WYRHSIP.

(C) The allowance transfer deadline is midnight Pacific Standard Time on May 31, 2021 (or if this date is not a business day, midnight of the first business day thereafter). WEB sources may transfer allowances as provided in Section 2(i)(i) of this Chapter until the allowance transfer deadline.

(D) A WEB source must hold allowances allocated for 2018, including those transferred into the compliance account by an allowance transfer correctly submitted by the allowance transfer deadline, in an amount not less than the WEB source's total sulfur dioxide emissions for 2018. Emissions are determined using the pre-trigger monitoring provisions in Part A2.1 of Section C of the WYRHSIP, and Chapter 14, Section 3.

(E) In accordance with Section 2(j)(iv) and 2(l)(i)(D), Wyoming shall seek at least the minimum financial penalty of $5,000 per ton of SO_2 emissions in excess of the WEB source's allowance limitation.

(I) Any source may resolve its excess emissions violation by agreeing to a streamline settlement approach where the source pays a penalty of $5,000 per ton or partial ton of excess emissions, and payment is received within 90 calendar days after the issuance of a notice of violation.

(II) Any source that does not resolve its excess emissions violation in accordance with the streamlined settlement approach in Section 2(l)(i)(E)(I) will be subject to civil enforcement action, in which the Department shall seek a financial penalty for the excess emissions based on the State's statutory maximum civil penalties.

(F) Each ton of SO_2 emissions in excess of a source's allowance limitation is a separate violation and each day of a control period is a separate violation.

(ii) The provisions in Section 2(l) of Chapter 14 shall continue to apply for each year after the 2018 emission year until:

(A) The first control period under the WEB trading program under Section 2(k)(i)(A)(I); or

(B) The Department determines, in accordance with Part A3 of Section C of the WYRHSIP, that the 2018 sulfur dioxide milestone has been met.

(iii) Special penalty provisions for the 2018 milestone for 2019 control period and each control period thereafter as provided under Section 2(l)(ii) include the following:

(A) For the 2019 control period, the allowance transfer deadline is midnight Pacific Standard Time on May 31, 2021 (or if this date is not a business day, midnight of the first business day thereafter). WEB sources may transfer allowances as provided in Section 2(i)(i) of this Rule until the allowance transfer deadline.

(B) A WEB source must hold allowances allocated for the 2019 control period, including those transferred into the compliance account by an allowance transfer correctly submitted by the allowance transfer deadline, in an amount not less than the WEB source's total SO_2 emissions for the 2019 control period. Emissions are determined using the pre-trigger monitoring provisions in Part A2.1 of Section C of the WYRHSIP, and Chapter 14, Section 3.

(C) In accordance with Section 2(j)(iv) and 2(i)(i)(D), Wyoming shall seek at least the minimum financial penalty of $5,000 per ton of SO_2 emissions in excess of the WEB source's allowance limitation.

(I) Any source may resolve its excess emissions violation by agreeing to a streamline settlement approach where the source pays a penalty of $5,000 per ton or partial ton of excess emissions, and payment is received within 90 calendar days after the issuance of a notice of violation.

(II) Any source that does not resolve its excess emissions violation in accordance with the streamlined settlement approach in Section 2(l)(i)(E)(I) will be subject to civil enforcement action, in which the Department shall seek a financial penalty for the excess emissions based on the State's statutory maximum civil penalties.

(D) Each ton of SO_2 emissions in excess of a source's allowance limitation is a separate violation and each day of a control period is a separate violation.

(E) For each control period after 2019 that the special penalty is assessed, the dates and deadlines in 2(l)(iii)(A)-(D) above will be adjusted forward by one year.

(m) Integration Into Permits.

Any WEB source that is not subject to Chapter 6, Section 3 at any time after Chapter 14 becomes effective must obtain a permit under Chapter 6, Section 2 or modify an existing permit issued under Chapter 6, Section 2 that incorporates the requirements of

Section 2 of this Chapter.

Section 3. **Sulfur dioxide milestone inventory.**

(a) Applicability.

(i) Section 3 of this Chapter applies to all stationary sources with actual emissions of 100 tons per year or more of sulfur dioxide in calendar year 2000 or any subsequent year.

(ii) Except as provided in (iii) and (iv), any source that meets the criteria of (i) that emits less than 100 tons per year in any subsequent year shall remain subject to the requirements of Section 3 of this Chapter until 2018 or until the first control period under the Western Backstop Sulfur Dioxide Trading Program as established in Section 2 of this Chapter, whichever is earlier.

(iii) A stationary source that meets the requirements of (i) that has permanently ceased operation is exempt from the requirements of Chapter 14.

(b) Annual Sulfur Dioxide Emission Report.

(i) Except as provided in (ii), each source subject to Chapter 14 shall report sulfur dioxide emissions by April 15th of each calendar year, in accordance with the schedule cited in Section 3(b)(iii), below.

(ii) Each source subject to Chapter 14 that is also subject to 40 CFR part 75 reporting requirements, shall submit a summary report of annual sulfur dioxide emissions that were reported to the Environmental Protection Agency under 40 CFR part 75.

(iii) Each source subject to Chapter 14 shall report emissions for the year 2003 by April 15, 2004, and annually thereafter. The inventory shall be submitted in the format specified by the Division of Air Quality.

(iv) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall document the emissions monitoring/estimation methodology used to calculate their sulfur dioxide emissions, and demonstrate that the selected methodology is acceptable under the inventory program.

(v) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall include emissions from startup, shut down, and upset conditions in the annual total inventory.

(vi) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall use 40 CFR part 75 methodology for reporting emissions for all sources subject to the federal acid rain program.

(vii) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall maintain all records used in the calculation of the emissions, including but not limited to the following:

(A) amount of fuel consumed;

(B) percent sulfur content of fuel and how the content was determined;

(C) quantity of product produced;

(D) emissions monitoring data;

(E) operating data; and

(F) how the emissions are calculated

(viii) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall maintain records of any physical changes to facility operations or equipment, or any other changes (e.g., raw material or feed) that may affect the emissions projections.

(ix) For the reports cited in (i) and (ii) of this section, each source subject to Chapter 14 shall retain records for a minimum of ten years from the date of establishment, or if the record was the basis for an adjustment to the milestone, 5 years after the date of an implementation plan revision, whichever is longer.

(c) Changes in Emission Measurement Techniques.

(i) Each source subject to this Rule that uses a different emission monitoring or calculation method than was used to report their sulfur dioxide emissions in 2006 under Chapter 14, Section 3 shall adjust their reported emissions to be comparable to the emission monitoring or calculation method that was used in 2006. The calculations that are used to make this adjustment shall be included with the annual emission report under Section 3(b) of this Chapter.

(d) Notwithstanding any other provision of Chapter 14, Basin Electric Power Cooperative's Laramie River Station shall report its annual sulfur dioxide emissions as follows: for Laramie River Station Unit 1, Basin Electric Power Cooperative shall report its sulfur dioxide emissions based on an annual average emission rate of 0.159 lb/MMBtu multiplied by the actual annual heat input; for Laramie River Station Unit 2, Basin Electric Power Cooperative shall report its annual sulfur dioxide emissions based on an annual emission rate 0.162 lb/MMBtu multiplied by the actual annual heat input. Heat rate shall be calculated as required in Chapter 14 and 40 CFR Part 75. Annual sulfur dioxide emissions for Laramie River Station Unit 3 shall be reported as otherwise

provided in Chapter 14, Section 3(b).

(i) Basin Electric Power Cooperative shall report sulfur dioxide emissions as calculated per Section 3(d) as of the year that Basin Electric Power Cooperative commences operation of Selective Catalytic Reduction at Laramie River Station Unit 1 consistent with the notification provision found at WAQSR Chapter 6, Section 2(i)(ii).

(e) The Division of Air Quality shall use the annual sulfur dioxide emissions reported by Basin Electric Power Cooperative in Section 3(d) for all purposes under this Chapter.

Section 4. **[Reserved].**

Section 5. **Incorporation by reference.**

(a) Code of Federal Regulations (CFR). All Code of Federal Regulations (CFRs), including their Appendices, cited in this Chapter, revised and published as of July 1, 2017, not including any later amendments, unless portions of said CFRs are specifically excluded in citation, are incorporated by reference. Copies of the Code of Federal Regulations are available for public inspection and copies can be obtained at cost from the Department of Environmental Quality, Division of Air Quality, 122 W. 25th Street, Cheyenne, Wyoming 82002. Copies of the CFRs can also be obtained at cost from Government Institutes, 15200 NBN Way, Building B, Blue Ridge Summit, PA 17214.

APPENDIX A: WEB CHAPTER 14, SECTION 2 MONITORING PROTOCOLS

Protocol WEB-1: SO_2 Monitoring of Fuel Gas Combustion Devices

1. Applicability

(a) The provisions of this protocol are applicable to fuel gas combustion devices at petroleum refineries.

(b) Fuel gas combustion devices include boilers, process heaters, and flares used to burn fuel gas generated at a petroleum refinery.

(c) Fuel gas means any gas which is generated and combusted at a petroleum refinery. Fuel gas does not include: (1) natural gas, unless combined with other gases generated at a petroleum refinery, (2) gases generated by a catalytic cracking unit catalyst regenerator, (3) gases generated by fluid coking burners, (4) gases combusted to produce sulfur or sulfuric acid, or (5) process upset gases generated due to startup, shutdown, or malfunctions.

2. Monitoring Requirements

(a) Except as provided in paragraphs (b) and (c) of this Section 2, fuel gas combustion devices shall use a continuous fuel gas monitoring system (CFGMS) to determine the total sulfur content (reported as H_2S) of the fuel gas mixture prior to combustion, and continuous fuel flow meters to determine the amount of fuel gas burned.

(1) Fuel gas combustion devices having a common source of fuel gas may be monitored for sulfur content at one location, if monitoring at that location is representative of the sulfur content of the fuel gas being burned in any fuel gas combustion device.

(2) The CFGMS shall meet the performance requirements in Performance Specification 2 in Appendix B to 40 CFR part 60, and the following:

(i) Continuously monitor and record the concentration by volume of total sulfur compounds in the gaseous fuel reported as ppmv H_2S.

(ii) Have the span value set so that the majority of readings fall between 10 and 95% of the range.

(iii) Record negative values of zero drift.

(iv) Calibration drift shall be 5.0% of the span.

(v) Methods 15A, 16, or approved alternatives for total sulfur, are

the reference methods for the relative accuracy test. The relative accuracy test shall include a bias test in accordance with paragraph 4(c) of this section.

(3) All continuous fuel flow meters shall comply with the applicable provisions of Appendix D to 40 CFR part 75.

(4) The hourly mass SO_2 emissions shall be calculated using the following equation:

$$E = (C_S)(Q_f)(K)$$

where: E = SO_2 emissions in lbs/hr
C_S = Sulfur content of the fuel gas as H_2S(ppmv)
Q_f = Fuel gas flow rate (scfh)
K = 1.660 x 10^{-7} (lb/scf)/ppmv

(b) In place of a CFGMS in paragraph (a) of this Section 2, fuel gas combustion devices having a common source of fuel gas may be monitored with an SO_2 CEMS and flow CEMS at only one location, if the CEMS monitoring at that location is representative of the SO_2 emission rate (lb SO_2/scf fuel gas burned) of all applicable fuel gas combustion devices. Continuous fuel flow meters shall be used in accordance with paragraph (b), and the fuel gas combustion device monitored by a CEMS shall have separate fuel metering.

(1) Each CEMS for SO_2 and flow shall comply with the operating requirements, performance specifications, and quality assurance requirements of 40 CFR part 75.

(2) All continuous fuel flow meters shall comply with the applicable provisions of Appendix D to 40 CFR part 75.

(3) The SO_2 mass emissions for all the fuel gas combustion devices monitored by this approach shall be determined by the ratio of the amount of fuel gas burned by the CEMS-monitored fuel gas combustion device to the total fuel gas burned by all applicable fuel gas combustion devices using the following equation:

$$E_t = (E_m)(Q_t)/(Q_m)$$

where: E_t = Total SO_2 emissions in lbs/hr from applicable fuel gas combustion devices.
E_m = SO_2 emissions in lbs/hr from the CEMS-monitored fuel gas combustion device.
Q_t = Fuel gas flow rate (scfh) from applicable fuel gas combustion devices.
Q_m = Fuel gas flow rate (scfh) from the CEMS-monitored fuel gas combustion device.

(c) In place of a CFGMS in paragraph (a) of this section, fuel gas combustion

devices having a common source of fuel gas may be monitored with an SO_2 - diluent CEMS at only one location, if the CEMS monitoring at that location is representative of the SO_2 emission rate (lb SO_2/mmBtu) of all applicable fuel gas combustion devices. If this option is selected, the owner or operator shall conduct fuel gas sampling and analysis for gross calorific value (GCV), and shall use continuous fuel flow metering in accordance with paragraph (a) of this Section 2, with separate fuel metering for the CEMS-monitored fuel gas combustion device.

(1) Each SO_2-diluent CEMS shall comply with the applicable provisions for SO_2 monitors and diluent monitors in 40 CFR part 75, and shall use the procedures in section 3 of Appendix F to part 75 for determining SO_2 emission rate (lb/mmBtu) by substituting the term SO_2 for NO_x in that section.

(2) All continuous fuel flow meters and fuel gas sampling and analysis for GCV to determine the heat input rate from the fuel gas shall comply with the applicable provisions of Appendix D to 40 CFR part 75.

(3) The SO_2 mass emissions for all the fuel gas combustion devices monitored by this approach shall be determined by the ratio of the fuel gas heat input to the CEMS-monitored fuel gas combustion device to the total fuel gas heat input to all applicable fuel gas combustion devices using the following equation:

$$E_t = (E_m)(H_t)/(H_m)$$

where: E_t = Total SO_2 emissions in lbs/hr from applicable fuel gas combustion devices.
E_m = SO_2 emissions in lb/mmBtu from the CEMS - monitored fuel gas combustion device.
H_t = Fuel gas heat input (mmBtu/hr) from applicable fuel gas combustion devices.
H_m = Fuel gas heat input (mmBtu/hr) from the CEMS - monitored fuel gas combustion device.

3. Certification/Recertification Requirements

All monitoring systems are subject to initial certification and recertification testing as follows:

(a) The owner or operator shall comply with the initial testing and calibration requirements in Performance Specification 2 in Appendix B of 40 CFR part 60 and paragraph 2 (a)(2) of this section for each CFGMS.

(b) Each CEMS for SO_2 and flow or each SO_2-diluent CEMS shall comply with the testing and calibration requirements specified in 40 CFR part 75, section 75.20 and Appendices A and B, except that each SO_2-diluent CEMS shall meet the relative accuracy requirements for a NO_x-diluent CEMS (lb/mmBtu).

(c) A continuous fuel flow meter shall comply with the testing and calibration

requirements in 40 CFR part 75, Appendix D.

4. Quality Assurance/Quality Control Requirements

(a) A quality assurance/quality control (QA/QC) plan shall be developed and implemented for each CEMS for SO_2 and flow or the SO_2-diluent CEMS in compliance with Appendix B of 40 CFR part 75.

(b) A QA/QC plan shall be developed and implemented for each continuous fuel flow meter and fuel sampling and analysis in compliance with Appendix B of 40 CFR part 75.

(c) A QA/QC plan shall be developed and implemented for each CFGMS in compliance with sections 1 and 1.1 of Appendix B of 40 CFR part 75, and the following:

(1) Perform a daily calibration error test of each CFGMS at two gas concentrations, one low level and one high level. Calculate the calibration error as described in Appendix A to 40 CFR part 75. An out of control period occurs whenever the error is greater than 5.0% of the span value.

(2) In addition to the daily calibration error test, an additional calibration error test shall be performed whenever a daily calibration error test is failed, whenever a monitoring system is returned to service following repairs or corrective actions that may affect the monitor measurements, or after making manual calibration adjustments.

(3) Perform a linearity test once every operating quarter. Calculate the linearity as described in Appendix A to 40 CFR part 75. An out of control period occurs whenever the linearity error is greater than 5.0 percent of a reference value, and the absolute value of the difference between average monitor response values and a reference value is greater than 5.0 ppm.

(4) Perform a relative accuracy test audit once every four operating quarters. Calculate the relative accuracy as described in Appendix A to 40 CFR part 75. An out of control period occurs whenever the relative accuracy is greater than 20.0% of the mean value of the reference method measurements.

(5) Using the results of the relative accuracy test audit, conduct a bias test in accordance with Appendix A to 40 CFR part 75, and calculate and apply a bias adjustment factor if required.

5. Missing Data Procedures

(a) For any period in which valid data are not being recorded by an SO_2 CEMS or flow CEMS specified in this section, missing or invalid data shall be replaced with substitute data in accordance with the requirements in Subpart D of 40 CFR part 75.

(b) For any period in which valid data are not being recorded by an SO_2-diluent CEMS specified in this section, missing or invalid data shall be replaced with substitute data on a rate basis (lb/mmBtu) in accordance with the requirements for SO_2 monitors in Subpart D of 40 CFR part 75.

(c) For any period in which valid data are not being recorded by a continuous fuel flow meter or for fuel gas GCV sampling and analysis specified in this section, missing or invalid data shall be replaced with substitute data in accordance with missing data requirements in Appendix D to 40 CFR part 75.

(d) For any period in which valid data are not being recorded by the CFGMS specified in this section, hourly missing or invalid data shall be replaced with substitute data in accordance with the missing data requirements for units performing hourly gaseous fuel sulfur sampling in section 2.4 of Appendix D to 40 CFR part 75.

6. Monitoring Plan and Reporting Requirements

In addition to the general monitoring plan and reporting requirements of Section 2(h) of Chapter 14, the owner or operator shall meet the following additional requirements:

(a) The monitoring plan shall identify each group of units that are monitored by a single monitoring system under this Protocol WEB-1, and the plan shall designate an identifier for the group of units for emissions reporting purposes. For purpose of submitting emissions reports, no apportionment of emissions to the individual units within the group is required.

(b) If the provisions of paragraphs 2(b) or (c) are used, provide documentation and an explanation to demonstrate that the SO_2 emission rate from the monitored unit is representative of the rate from non-monitored units.

Protocol WEB-2: Predictive Flow Monitoring Systems for Kilns with Positive Pressure Fabric Filter

1. Applicability

The provisions of this protocol are applicable to cement kilns or lime kilns that (1) are controlled by a positive pressure fabric filter, and (2) have operating conditions upstream of the fabric filter that the WEB source documents would reasonably prevent reliable flow monitor measurements.

2. Monitoring Requirements

(a) A cement or lime kiln with a positive pressure fabric filter shall use a predictive flow monitoring system (PFMS) to determine the hourly kiln exhaust gas flow.

(b) A PFMS is the total equipment necessary for the determination of exhaust gas

flow using process or control device operating parameter measurements and a conversion equation, a graph, or computer program to produce results in cubic feet per hour.

(c) The PFMS shall meet the following performance specifications:

(1) The PFMS must allow for the automatic or manual determination of failed monitors. At a minimum a daily determination must be performed.

(2) The PFMS shall have provisions to check the calibration error of each parameter that is individually measured. The owner or operator shall propose appropriate performance specifications in the initial monitoring plan for all parameters used in the PFMS comparable to the degree of accuracy required for other monitoring systems used to comply with this Rule. The parameters shall be tested at two levels, low: 0 to 20% of full scale, and high: 50 to 100% of full scale. The reference value need not be certified.

(3) The relative accuracy of the PFMS must be $\leq$ 10.0% of the reference method average value, and include a bias test in accordance with paragraph 4(c) of this section.

3. Certification Requirements

The PFMS is subject to initial certification testing as follows:

(a) Demonstrate the ability of the PFMS to identify automatically or manually a failed monitor.

(b) Provide evidence of calibration testing of all monitoring equipment. Any tests conducted within the previous 12 months of operation that are consistent with the QA/QC plan for the PFMS are acceptable for initial certification purposes.

(c) Perform an initial relative accuracy test over the normal range of operating conditions of the kiln. Using the results of the relative accuracy test audit, conduct a bias test in accordance with Appendix A to 40 CFR part 75, and calculate and apply a bias adjustment factor if required.

4. Quality Assurance/Quality Control Requirements

A QA/QC plan shall be developed and implemented for each PFMS in compliance with sections 1 and 1.1 of Appendix B of 40 CFR part 75, and the following:

(a) Perform a daily monitor failure check.

(b) Perform calibration tests of all monitors for each parameter included in the PFMS. At a minimum, calibrations shall be conducted prior to each relative accuracy test audit.

(c) Perform a relative accuracy test audit and accompanying bias test once every four operating quarters. Calculate the relative accuracy (and bias adjustment factor) as described in Appendix A to 40 CFR part 75. An out of control period occurs whenever the flow relative accuracy is greater than 10.0% of the mean value of the reference method.

5. Missing Data

For any period in which valid data are not being recorded by the PFMS specified in this section, hourly missing or invalid data shall be replaced with substitute data in accordance with the flow monitor missing data requirements for non-load based units in Subpart D of 40 CFR part 75.

6. Monitoring Plan Requirements

In addition to the general monitoring plan requirements of Section 2(h) of Chapter 14, the owner or operator shall meet the following additional requirements:

(a) The monitoring plan shall document the reasons why stack flow measurements upstream of the fabric filter are unlikely to provide reliable flow measurements over time.

(b) The initial monitoring plan shall explain the relationship of the proposed parameters and stack flow, and discuss other parameters considered and the reasons for not using those parameters in the PFMS. The State of Wyoming may require that the subsequent monitoring plan include additional explanation and documentation for the reasonableness of the proposed PFMS.