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| <h1 style="margin: 0;">Regulatory Analysis Form</h1> <p style="margin: 0;">(Completed by Promulgating Agency)</p> <p style="margin: 0;"><b>INDEPENDENT REGULATORY REVIEW COMMISSION</b></p>  |   |   |   |
| <p style="margin: 0;">(All Comments submitted on this regulation will appear on IRRC's website)</p>  |   |   |   |
| <p><b>(1) Agency:</b><br/>Environmental Protection</p>   |   |   |   |
| <p><b>(2) Agency Number:</b> 7<br/>Identification Number: 568</p>  |   |   |   |
| <p style="text-align: right;">IRRC Number:</p>   |   |   |   |
| <p><b>(3) PA Code Cite:</b> 25 Pa. Code Chapters 121 and 129</p>   |   |   |   |
| <p><b>(4) Short Title:</b> VOC RACT Requirements for Shipbuilding and Ship Repair Surface Coatings, Synthetic Organic Chemical Manufacturing Industry Processes and Large Petroleum Dry Cleaners for the 2015 Ozone NAAQS; and General Provisions</p>  |   |   |   |
| <p><b>(5) Agency Contacts (List Telephone Number and Email Address):</b></p> <p>Primary Contact: Laura Griffin, 717.783.8727, <a href="mailto:laurgriffi@pa.gov">laurgriffi@pa.gov</a><br/>         Secondary Contact: Jessica Shirley, 717.783.8727, <a href="mailto:jessshirley@pa.gov">jessshirley@pa.gov</a></p>   |   |   |   |
| <p><b>(6) Type of Rulemaking (check applicable box):</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"> <input checked="" type="checkbox"/> Proposed Regulation<br/> <input type="checkbox"/> Final Regulation<br/> <input type="checkbox"/> Final Omitted Regulation                 </td> <td style="width: 50%; border: none;"> <input type="checkbox"/> Emergency Certification Regulation<br/> <input type="checkbox"/> Certification by the Governor<br/> <input type="checkbox"/> Certification by the Attorney General                 </td> </tr> </table>  |   | <input checked="" type="checkbox"/> Proposed Regulation<br><input type="checkbox"/> Final Regulation<br><input type="checkbox"/> Final Omitted Regulation | <input type="checkbox"/> Emergency Certification Regulation<br><input type="checkbox"/> Certification by the Governor<br><input type="checkbox"/> Certification by the Attorney General |
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| <p><b>(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)</b></p> <p>This proposed rulemaking would amend Chapters 121 and 129 (relating to general provisions; standards for sources) to establish presumptive volatile organic compound (VOC) reasonably available control technology (RACT) requirements and RACT emission limitations for shipbuilding and ship repair facility surface coating operations, synthetic organic chemical manufacturing industry (SOCMI) processes and large petroleum dry cleaning facilities, and add definitions to § 121.1 (relating to definitions) to support the proposed amendments to Chapter 129. These proposed amendments are designed to implement requirements of the Clean Air Act (CAA) (42 U.S.C.A. §§ 7401—7671q) and to address the 2015 ozone National Ambient Air Quality Standards (NAAQS) in this Commonwealth.</p> |   |   |   |
| <p><b>(8) State the statutory authority for the regulation. Include <u>specific</u> statutory citation.</b></p> <p>This proposed rulemaking is authorized under section 5(a)(1) of the Air Pollution Control Act (APCA) (35 P.S. § 4005(a)(1)), which grants the Environmental Quality Board (Board) the authority to adopt rules and regulations for the prevention, control, reduction and abatement of air pollution in this Commonwealth; and section 5(a)(8) of the APCA (35 P.S. § 4005(a)(8)), which grants the Board the authority to adopt rules and regulations designed to implement the provisions of the CAA.</p>   |   |   |   |

**(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as any deadlines for action.**

Federal mandates

Yes. State RACT regulations to control VOC emissions from existing shipbuilding and ship repair surface coating operations, large petroleum dry cleaning facilities and SOCOMI processes are required under Federal law. The State RACT regulations will be reviewed and approved by the Administrator of the United States Environmental Protection Agency (EPA) as revisions to Pennsylvania's State Implementation Plan (SIP) if the provisions satisfy the RACT requirements of the CAA and its implementing regulations. See *State Implementation Plans; General Preamble for Proposed Rulemaking on Approval of Plan Revisions for Nonattainment Areas—Supplement (on Control Techniques Guidelines)*, 44 FR 53761 (September 17, 1979). The EPA defines RACT as "the lowest emission limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility." Ibid, 53762.

In accordance with sections 110(a), 172(c)(1), 182(b)(2)(A) and 184(b)(1)(B) of the CAA (42 U.S.C.A. §§ 7410(a), 7502(c)(1), 7511a(b)(2)(A) and 7511c(b)(1)(B)), this proposed rulemaking establishes VOC RACT standards, emission limitations and other requirements consistent with the EPA's recommendations in these Control Techniques Guidelines (CTGs): "Alternative Control Techniques Document: Surface Coating Operations at Shipbuilding and Ship Repair Facilities," EPA-453/R-94-032, April 1994 (1994 SB ACT), and the "CTG for the Control of VOC emissions from Shipbuilding and Ship Repair Facilities," 61 FR 44050 (August 27, 1996)(1996 SB CTG); "Control of Volatile Organic Compound Emissions from Large Petroleum Dry Cleaners," EPA-450/3-82-009, September 1982 (1982 LPDC CTG); "Control of Volatile Organic Compound Emissions from Air Oxidation Processes in Synthetic Organic Chemical Manufacturing Industry," EPA-450/3-84-015, December 1984 (1984 SOCOMI CTG); and "Control of Volatile Organic Compound Emissions from Reactor Processes and Distillation Operations Processes in the Synthetic Organic Chemical Manufacturing Industry," EPA-450/4-91-031, August 1993 (1993 SOCOMI CTG).

This proposed rulemaking will be submitted to the EPA for approval as a revision to the Commonwealth's SIP following publication of the final-form rulemaking in the *Pennsylvania Bulletin*.

Obligations under the CAA:

Section 109(b) of the CAA (42 U.S.C.A. § 7409(b)) provides that the Administrator of the EPA must establish permissible ambient air limits, or NAAQS, for certain "criteria" air pollutants at levels that protect public health and welfare and the environment. The criteria air pollutants are commonly found throughout the United States and currently include six air pollutants: ground-level ozone, particle pollution (often referred to as particulate matter), carbon monoxide, sulfur dioxide, oxides of nitrogen (NO<sub>x</sub>) (with nitrogen dioxide (NO<sub>2</sub>) as the indicator) and lead. These air pollutants, when present in sufficient concentration in the ambient air, can cause harm to public health and welfare as well as animal and plant health and welfare and to the environment.

The EPA regulates these criteria air pollutants by developing human health-based or environmentally based criteria (science-based guidelines) for setting permissible ambient air levels. The standards designed to protect human health are called primary standards. Standards intended to protect the public welfare and the environment are called secondary standards. High concentrations of ground-level ozone and particle

pollution provide the most widespread health and welfare threats of the six criteria pollutants. The EPA set the ground-level ozone NAAQS in July 1997 at 0.08 part per million (ppm) averaged over 8 hours. The EPA lowered the ground-level ozone NAAQS in March 2008 to 0.075 ppm and then again in October 2015 to 0.070 ppm. See 62 FR 38855 (July 18, 1997); 73 FR 16436 (March 27, 2008); and 80 FR 65292 (October 26, 2015).

Section 110(a) of the CAA provides that each State shall adopt and submit to the EPA a plan (a SIP) to implement measures to enforce the NAAQS or revision to the NAAQS promulgated under section 109(b) of the CAA. A SIP includes the regulatory programs, actions and commitments a State will carry out to implement its responsibilities under the CAA. Once approved by the EPA, a SIP is legally enforceable under both Federal and State law.

Section 172(c)(1) of the CAA provides that SIPs for nonattainment areas must include “reasonably available control measures,” including “reasonably available control technology” or “RACT,” for sources of emissions of NO<sub>x</sub> and VOC.

Section 184(b)(1)(B) of the CAA provides that States in the Ozone Transport Region (OTR), including this Commonwealth, submit a SIP revision requiring the implementation of RACT for all sources of VOC emissions in the Commonwealth covered by a specific CTG. See 40 CFR 51.1316.

Section 182(b)(2) of the CAA provides that for moderate ozone nonattainment areas, States must revise their SIPs to include RACT for sources of VOC emissions covered by a CTG document issued by the EPA prior to the area’s date of attainment; sources of VOC emissions covered by a CTG issued prior to November 15, 1990; and all other major stationary sources of NO<sub>x</sub> and VOC emissions located in the area.

A State must reevaluate its SIP-approved RACT requirements each time the EPA establishes a revised ozone NAAQS to determine if additional control measures are needed for the State to attain and maintain the revised ozone NAAQS. CTG documents provide information about a source category and recommendations of what the EPA considers to be RACT for the source category.

Section 183(e) of the CAA (42 U.S.C.A. § 7511b(e)) directs the EPA to list for regulation those categories of products that account for at least 80% of the VOC emissions from consumer and commercial products in ozone nonattainment areas.

Section 183(e)(3)(C) of the CAA (42 U.S.C.A. § 7511b(e)(3)(C)) further provides that the EPA may issue a CTG document in place of a National regulation for a product category where the EPA determines that the CTG will be “substantially as effective as regulations” in controlling emissions of VOC in ozone nonattainment areas.

CTGs provide States with the EPA’s recommendations of what constitutes RACT for the covered source categories. States can use the Federal recommendations provided in the CTGs to inform their own determination as to what constitutes RACT for VOC emissions from the covered source categories or State air pollution control agencies may implement other technically-sound approaches that are consistent with the CAA requirements and the EPA’s implementing regulations or guidelines.

#### Implementation Plans and Reasonable Progress Goals:

The EPA’s past implementation of regulations for revised NAAQS ozone standards have required OTR States to submit RACT SIP revisions based on the timeframe provided in section 184 of the CAA as

measured from the effective date of designations made for those revised NAAQS, rather than from November 15, 1990. This requirement was first codified in 40 CFR 51.916 (relating to the requirements for an Ozone Transport Region under the 8-hour NAAQS) for the 1997 ozone NAAQS, later codified for the 2008 ozone NAAQS in 40 CFR 51.1116 (relating to requirements for an Ozone Transport Region) and most recently codified for the 2015 8-hour ozone NAAQS in 40 CFR 51.1316 (relating to requirements for an Ozone Transport Region). Under these provisions, States in the OTR are required to submit SIP revisions addressing the RACT requirements of section 184 of the CAA not later than 2 years after the effective date of designations for nonattainment areas for the revised 2015 ozone NAAQS, or by August 3, 2020.

The Commonwealth is therefore required to develop regulations that adopt EPA RACT recommendations found in CTGs for specific VOC source categories and implement RACT requirements statewide for major stationary sources of NO<sub>x</sub> and VOCs as part of a Federally approved SIP for attaining the 2015 ozone NAAQS and maintaining the 1997 and 2008 8-hour ozone NAAQS. These sources include combustion units, municipal solid waste landfills and municipal waste combustors, as well as other sources that are not regulated elsewhere in Chapter 129 through implementation of CTG (control technique guideline) recommendations for a source category. If the EPA finds that a State has failed to submit an acceptable SIP or has failed to implement the requirements of an approved SIP within the timeframe specified under the CAA and implementing rules, the State may be subject to sanctions under section 179 of the CAA (42 U.S.C.A. § 7509). Sanctions cannot be imposed until 18 months after the EPA makes the determination, and sanctions cannot be imposed if a deficiency has been corrected within the 18-month period.

**(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.**

The purpose of this proposed rulemaking is to satisfy the Commonwealth's CAA RACT obligations for the 2015 ozone NAAQS by adopting CTG-based RACT measures for the control of VOC emissions statewide from shipbuilding and ship repair surface coating operations; large petroleum dry cleaning facilities; and SOCOMI air oxidation, distillation and reactor processes. VOCs are precursors for ground-level ozone formation. Ground-level ozone, a public health and welfare hazard, is not emitted directly by these processes but is formed by a photochemical reaction between VOCs and NO<sub>x</sub> in the presence of sunlight.

Exposure to high levels of ground-level ozone air pollution correlates to increased respiratory disease and higher mortality rates. Ozone can inflame and damage the lining of the lungs. Within a few days, the damaged cells are shed and replaced. Over a long time period, lung tissue may become permanently scarred, resulting in permanent loss of lung function and a lower quality of life. When ambient ozone levels are high, more people with asthma have attacks that require a doctor's attention or use of medication. Ozone also makes people more sensitive to allergens including pet dander, pollen and dust mites, all of which can trigger asthma attacks. The EPA has concluded that there is an association between high levels of ambient ozone and increased hospital admissions for respiratory ailments including asthma. While children, the elderly and those with respiratory problems are most at risk, even healthy individuals may experience increased respiratory ailments and other symptoms when they are exposed to high levels of ambient ozone while engaged in activities that involve physical exertion. High levels of ground-level ozone also affect animals including pets, livestock, and wildlife, in ways similar to humans.

In addition to causing adverse human and animal health effects, the EPA has concluded that ground-level ozone affects vegetation and ecosystems, leading to reductions in agricultural crop and commercial forest yields by destroying chlorophyll; reduced growth and survivability of tree seedlings; and increased plant susceptibility to disease, pests, and other environmental stresses, including harsh weather. In long-lived species, these effects may become evident only after several years or even decades and have the potential for long-term adverse impacts on forest ecosystems. Ozone damage to the foliage of trees and other plants can decrease the aesthetic value of ornamental species used in residential landscaping, as well as the natural beauty of parks and recreation areas. These effects can have adverse impacts including loss of species diversity and changes to habitat quality and water and nutrient cycles. High levels of ground-level ozone can also cause damage to buildings and synthetic fibers, including nylon, and reduced visibility on roadways and in natural areas.

Improved ambient concentrations of ground-level ozone would also lead to better social well-being through improved growth and yields of agricultural crop and commercial forest products, as well as increased survival of ornamental trees and shrubs used in residential and business-park landscaping.

The EPA regulates ground-level ozone as a criteria air pollutant because of its widespread adverse health and environmental effects. Exposure to high concentrations of ground-level ozone is a serious human and animal health and welfare threat, causing respiratory illnesses and decreased lung function, agricultural crop loss, visible foliar injury to sensitive plant species, and damage to forests, ecosystems and infrastructure. Implementation of the proposed VOC control measures benefit the health and welfare of Pennsylvania's 12.80 million residents, animals, crops, vegetation and natural areas by controlling VOC emissions and the formation of ground-level ozone air pollution in the Commonwealth. Ground-level ozone can be transported downwind via regional air currents and meteorological events. Improvement of ground-level ozone in this Commonwealth also benefits the residents of downwind States and downwind environments.

This proposed rulemaking would be part of the Commonwealth's SIP demonstration to fulfill the CAA RACT requirements for the 2015 8-hour ozone NAAQS. The NO<sub>x</sub> and VOC emission control measures under consideration in the proposed rulemaking are reasonably necessary to attain and maintain the health-based and welfare-based 2015 8-hour ozone NAAQS in this Commonwealth.

In addition to the VOC emission control benefits, the owners and operators of both existing and new sources of VOC for the subject source categories would benefit by not needing to have individual operating permit conditions incorporated into the Commonwealth's SIP as federally enforceable control measures to meet Federal CAA CTG RACT obligations. This would make addressing operating permit changes and source modifications easier and more efficient for the owners and operators of the affected sources, whether existing or new.

**(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.**

The Federal CTGs represent VOC RACT for these three source categories that would be subject to the proposed rulemaking. This proposed rulemaking is no more stringent than the recommendations of the EPA in the applicable CTG for each source category.

The owners and operators of all known affected facilities in this Commonwealth are currently subject to other regulatory or operating permit conditions including Best Available Technology (BAT), New Source Performance Standards (NSPS) or general operating permit requirements. Compliance with their existing

operating permit conditions would ensure that the affected owners and operators comply with the CTG-based VOC RACT standards, emission limitations and other requirements in this proposed rulemaking.

This proposed rulemaking is designed to adopt the standards and recommendations in the applicable CTGs to meet the requirements of sections 172(c)(1), 182(b)(2) and 184(b)(1)(B) of the CAA and the implementation rule for the 2015 ozone NAAQS. See 83 FR 63036 (December 6, 2018). This proposed rulemaking would apply the standards and recommendations of the CTGs across this Commonwealth, as required under section 184(b)(1)(B) of the CAA. The VOC content and emission rate limitations and other requirements of this proposed rulemaking would not be more stringent than the recommendations of the EPA in the applicable CTGs. The ground-level ozone air pollution control measures in this proposed rulemaking are reasonably necessary to attain and maintain the health-based and welfare-based ozone NAAQS in this Commonwealth and to satisfy related CAA requirements.

The EPA issued a CTG with RACT recommendations for the control of VOC emissions from surface coating operations at shipbuilding and ship repair facilities in 1996 that relied on recommendations provided in the 1994 SB ACT. See 61 FR 44050. The proposed surface coating VOC content standards for the shipbuilding and ship repair surface coating operations are taken directly from the EPA's CTG. The proposed requirements would not be more stringent than the CTG recommendations. The City of Philadelphia has a SIP-approved RACT regulation for shipbuilding and ship repair facilities. Outside of Philadelphia, there are currently only two facilities in this Commonwealth to which this proposed rulemaking would apply. The owners and operators of both facilities currently meet the CTG RACT recommendations due to BAT requirements in their existing operating permits. The Commonwealth has historically addressed the RACT status of these two existing shipbuilding and ship repair facilities in this Commonwealth by submitting the facility operating permits to the EPA as revisions to the SIP. This creates a burden on the owners and operators of these facilities because each time the owner or operator wants to modify the facility, the change in the operating permit must be submitted to the EPA as a revision to the SIP for that operating permit. The owner or operator of the facility bears the administrative burden and costs of advertising the change and conducting the SIP public hearing and public comment period required before submitting the changes to the EPA as a revision to the SIP. The Department would not need to continue submitting their individual operating permits and changes to their operating permits to the EPA as SIP revisions for the 2015 ozone standard, if the EPA approves this proposed rulemaking as a revision to the Commonwealth's SIP.

The proposed requirements for the owners and operators of petroleum dry cleaning facilities are consistent with and not more stringent than the example regulation in Appendix E of the 1982 CTG for large petroleum dry cleaners. There are no known large petroleum dry cleaning facilities in this Commonwealth. The Commonwealth has historically addressed the RACT status of the small petroleum dry cleaning facilities in this Commonwealth by submitting the facility operating permits to the EPA as revisions to the SIP. This creates an administrative and financial burden on the owners and operators of these facilities because each time the owner or operator wants to modify the facility, the change in the operating permit must be submitted to the EPA as a revision to the SIP for that operating permit. The owner or operator of the facility bears the administrative burden and costs of advertising the change and conducting the SIP public hearing and public comment period required before submitting the changes to the EPA as a revision to the SIP. This proposed rulemaking, if approved as a revision to the Commonwealth's SIP revision, would establish the Federally approved limits for large petroleum dry cleaning facilities. The owners and operators of small petroleum dry cleaning facilities that do not meet the applicability threshold to comply with the RACT requirements for the large petroleum dry cleaning facilities would thus be exempted from having to meet RACT and would no longer have to submit changes to their operating permits to the EPA as revisions to the SIP.

This proposed rulemaking would adopt NSPS requirements at 40 CFR Part 60, Subparts III, NNN and RRR by reference and apply them to all the chemicals in the CTG RACT. These existing NSPS requirements will apply for the SOCOMI source categories in this proposed rulemaking to satisfy RACT for the recommendations provided in the EPA’s SOCOMI CTGs. Chemical processes regulated under the NSPS overlap with the chemical processes addressed by the CTG recommendations, but there are some differences in the chemical processes covered under each set of requirements. The Department addressed these differences by adding a table of chemicals to the proposed rulemaking combining all the chemicals from the CTGs as well as from the federal NSPS rules. The Department would adopt the NSPS requirements by reference for all existing sources and chemical processes covered by the SOCOMI CTGs. The owners and operators of the known existing facilities in this Commonwealth that would be subject to the proposed SOCOMI CTG RACT requirements are currently subject to the Federal NSPS requirements, which are incorporated into their operating permits. Compliance with their existing operating permit conditions would ensure compliance with the proposed VOC RACT requirements. Thus, this proposed rulemaking does not appear to impact the owners or operators of existing SOCOMI facilities in this Commonwealth beyond requirements they currently meet. Since BAT applies to owners and operators that construct and operate future facilities, the Department does not anticipate adverse impact from this proposed rulemaking on the owners and operators of future SOCOMI facilities. BAT, over time, tends to be more stringent than NSPS requirements or CTG-based RACT recommendations, but cannot be less stringent.

The VOC RACT standards, emission limitations and other requirements established by this proposed rulemaking would not require the owner or operator of a subject facility to submit an application for amendments to an existing operating permit. These requirements would be incorporated when the operating permit is renewed if less than 3 years remain in the operating permit term, as specified under 25 Pa. Code § 127.463(c) (relating to operating permit revisions to incorporate applicable standards). If 3 years or more remain in the operating permit term, the requirements would be incorporated as applicable requirements in the operating permit within 18 months of the promulgation of the final-form rulemaking, as required under § 127.463(b).

**(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania’s ability to compete with other states?**

Under the CAA, CTG-based RACT rulemakings are required of all states in the OTR and in all similar ozone nonattainment areas in the United States. This proposed rulemaking would have no effect on this Commonwealth’s ability to compete with other states, since other states would apply the same or similar requirements to the owners and operators of subject facilities within their jurisdiction.

**(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.**

No other regulations promulgated by this agency or other State agencies would be affected.

**(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. (“Small business” is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)**

The Department consulted with the Air Quality Technical Advisory Committee (AQTAC) and the Small Business Compliance Advisory Committee (SBCAC) on this proposed rulemaking on October 15, 2020,

and October 28, 2020, respectively. Other than two abstentions in the AQTAC vote, both committees voted unanimously to concur with the Department's recommendation to move this proposed rulemaking forward to the Board for consideration. In addition, this proposed rulemaking was discussed with the Citizens Advisory Council (CAC) Policy and Regulatory Oversight (PRO) Committee on November 9, 2020. On the recommendation of the PRO Committee, on November 17, 2020, the CAC concurred with the Department's recommendation to move this proposed rulemaking forward to the Board. The AQTAC, SBCAC and CAC meetings are advertised and open to the public.

**(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?**

The owner and operator of a shipbuilding and ship repair facility that builds, repairs, repaints, converts or alters a ship would be subject to the proposed VOC RACT requirements for shipbuilding and ship repair surface coating operations. For purposes of these applicable requirements, a ship is a commercial or military marine or fresh-water vessel that is 20 meters or more in length. There are two known facilities in this Commonwealth. DEP looked at the size standard based on the Small Business Administration's North American Industry Classification System (NAICS) codes and for NAICS code 336611 the size requirement is 1250 employees. Donjon Shipbuilding and Repair, LLC has 70 employees. Heartland Fabrication has 200 employees. Both facilities are small businesses under 13 CFR Ch. 1 Part 121 (relating to Small Business Size Regulations) or its successor regulation (Def. added June 29, 2012, P.L.657, No.76), hereafter referred to as small business regulation. The owners and operators of both facilities are already subject to and comply with existing operating permit conditions that would ensure compliance with the proposed rulemaking.

The owner and operator of a petroleum dry cleaning facility that uses 123,000 liters (32,493 gallons) or more of petroleum solvent annually would be subject to the proposed VOC RACT requirements for petroleum dry cleaning facilities. There currently are no known large petroleum dry cleaning facilities in this Commonwealth. However, there are small petroleum dry cleaners that fall into this source category. DEP looked at the size standard based on the Small Business Administration's NAICS codes and for the NAICS code 812320 the size requirement is 6 million dollars of revenue. None of the petroleum dry cleaning facilities had revenues exceeding 6 million dollars. All the petroleum dry cleaning facilities meet the definition of small businesses in the small business regulation. This proposed rulemaking would benefit the owners and operators of small petroleum dry cleaning facilities, of which there are fewer than 20 known to be operating in this Commonwealth. The Commonwealth has historically addressed the RACT status of the small petroleum dry cleaning facilities in this Commonwealth by stating the facility permits limited the petroleum usage to quantities below the CTG recommended usage threshold. In the future, permit requirements may need to be submitted to the EPA as SIP revisions to meet the control measures required under CTG RACT. This creates a burden on the owners and operators of these facilities because each time the owner or operator wants to modify the facility, the change in the operating permit must be submitted to the EPA as a revision to the SIP for that operating permit. The owner or operator of the facility bears the administrative burden and costs of advertising the change and conducting the SIP public hearing and public comment period required before submitting the changes to the EPA as a revision to the SIP. This proposed rulemaking, if approved as a revision to the Commonwealth's SIP revision, would establish the Federally approved limits for large petroleum dry cleaning facilities for the 2015 ozone NAAQS. The owners and operators of small petroleum dry cleaning facilities that do not meet the applicability threshold under the proposed rule to comply with the RACT recommendation in the large petroleum dry cleaning CTG would thus be exempted from having to meet RACT for the 2015 ozone



NAAQS. Small petroleum dry cleaning facilities would no longer need to submit changes to their operating permits to the EPA as revisions to the SIP.

The owner and operator of a SOCOMI facility with an air oxidation, distillation or reactor process would be subject to the proposed SOCOMI VOC RACT requirements. The Department has identified five potentially affected facilities operating in this Commonwealth. DEP looked at the size standard based on the Small Business Administration's NAICS codes and for the NAICS codes 325199, 424690, 325995 and 325120. The size requirement for NAICS code 325199 is 1250 employees. The size requirements for NAICS 424690 is 150 employees. The size requirements for NAICS 325995 is 500 employees. The NAICS code 325120 was not found on the small business regulation list. Interstate Chemical (NAICS code 325995) has 335 employees and is a small business. Lake Erie Biofuels LLC (NAICS code 325199) has 91 employees and is a small business. Matheson Tri Gas (NAICS code 325120) has 9000 employees and is not a small business. Shell Chemical Appalachia (NAICS code 424690) has 49 employees and is a small business. Geospecialty Chemicals (NAICS code 325199) has 390 employees and is small business. The owners and operators of these five known SOCOMI facilities already meet RACT recommendations found in the CTG through operating permits that incorporate the NSPS requirements, CTG standards and BAT requirements that provide equivalent control measures. Compliance with their existing operating permit conditions would ensure that the affected owners and operators comply with the applicable CTG-based VOC RACT standards, emission limitations and other requirements in this proposed rulemaking.

VOC RACT emission limitations established by this proposed rulemaking, if published as a final-form rulemaking in the *Pennsylvania Bulletin*, would not require the submission of applications for amendments to existing operating permits. These requirements would be incorporated as applicable requirements at the time of operating permit renewal, if less than 3 years remain in the operating permit term, as specified under § 127.463(c) (relating to operating permit revisions to incorporate applicable standards). If 3 years or more remain in the operating permit term, the requirements would be incorporated as applicable requirements in the operating permit within 18 months of the promulgation of the final-form rulemaking, as required under § 127.463(b). Consequently, the owner and operator of an affected facility may realize a savings equal to the fee for submitting an application for an amendment to an existing operating permit, if an amendment to the operating permit is not required.

**(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.**

The Department has identified two shipbuilding facilities, five SOCOMI facilities and fewer than 20 small petroleum dry cleaning facilities that would potentially be subject to the proposed VOC RACT requirements.

The owners and operators of the two shipbuilding facilities are permitted and currently meet the VOC content limit recommendations in the CTG for shipbuilding and ship repair surface coating operations and would comply with the proposed presumptive RACT requirements based on their compliance with the current obligations in their operating permits. One other facility in the City of Philadelphia is operating under a Philadelphia Air Management Services regulation, which has been approved as a revision to the Commonwealth's SIP.

The proposed requirements for the owners and operators of large petroleum dry cleaning facilities is consistent with the example regulation provided in the CTG for large petroleum dry cleaners. This proposed rulemaking would apply to the owner or operator of a large petroleum dry cleaning facility that uses 123,000 liters (32,493 gallons) or more of petroleum solvent annually. This Commonwealth does not

currently have petroleum dry cleaning facility owners and operators that use this much petroleum solvent annually; therefore, the owners and operators of the existing petroleum dry cleaning facilities are not expected to be impacted by this proposed rulemaking. If this proposed rulemaking is published as final-form rulemaking in the *Pennsylvania Bulletin* and then approved by the EPA as a revision to the Commonwealth's SIP, the owners and operators of these small petroleum dry cleaning facilities would be below the applicable threshold of the proposed RACT requirements. These owners and operators would no longer need to review and potentially amend their operating permits to address facility modifications and then submit their amended operating permits as revisions to the SIP for the 2015 ozone NAAQS.

The Department based the SOCMCI requirements of this proposed rulemaking on the City of Philadelphia's existing SIP-approved SOCMCI RACT regulation. See Philadelphia Air Management Services (AMS) Regulation V (Control of Emissions from Stationary Sources), XVI. Like the AMS regulation, this proposed rulemaking would adopt by reference the existing NSPS subparts III, NNN, RRR for the SOCMCI source category as RACT to meet the SOCMCI CTG recommendations. The owners and operators of the potentially affected SOCMCI facilities have operating permits that currently meet the NSPS requirements and would comply with the proposed requirements without implementing additional measures. The owner and operator of one existing air oxidation facility already meets the proposed RACT requirements with EPA SIP approved operating permit obligations and would continue to do so under this proposed rulemaking.

This proposed rulemaking would not reduce employment or eliminate jobs at the affected shipbuilding and ship repair surface coating operations, petroleum dry cleaning facilities or SOCMCI processes. The owners and operators of these facilities have prior experience with regulatory programs and are technically capable of implementing the proposed requirements.

Please also see the response to Question 15.

**(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.**

This proposed rulemaking would have very low to no adverse financial, economic or social impact on individuals, small businesses, businesses, labor communities and other public and private organizations. Rather, the proposed control measures would establish a regulatory basis for RACT for these source categories and, if approved as a revision to Pennsylvania's SIP, would remove the administrative burden and costs on affected owners and operators to submit changes in their operating permits to the EPA as revisions to the SIP. The Department would benefit from reduced administrative costs associated with processing changes to operating permits that would now incorporate the Federally enforceable presumptive RACT regulatory provisions.

High concentrations of ground-level ozone can cause and exacerbate respiratory ailments and allergies. Implementation of the proposed control measures would maintain the ambient concentrations for ground-level ozone and sustain the improvements that have been achieved in social well-being and public health in this Commonwealth through decreased incidences of respiratory ailments and allergies. While children, the elderly and those with respiratory problems are most at risk, even healthy individuals may experience increased respiratory ailments and other symptoms when they are exposed to high levels of ambient ground-level ozone while engaged in activities that involve physical exertion.

Maintaining the ambient concentrations of ground-level ozone would also lead to better social well-being through sustaining the improved growth and yields of agricultural crop and commercial forest products, as well as increased survival of ornamental trees and shrubs used in residential and business-park landscaping.

In addition to the emissions control benefits from cleaner new facilities, the owners and operators of both existing and new sources of VOC for the affected source categories would not need to have operating permit conditions incorporated into Pennsylvania's SIP to meet Federal CAA RACT obligations. This would make addressing operating permit changes and source modifications easier and more efficient. Implementation of this proposed rulemaking would also provide benefits towards the attainment and maintenance of the 2015 ozone NAAQS across Pennsylvania by establishing presumptive RACT control measures for the owners and operators of all existing and new facilities covered by these CTG-based RACT requirements.

**(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.**

This proposed rulemaking is expected to have very low to no cost or adverse effects. Rather, the proposed control measures would establish a regulatory basis for RACT for these source categories and, if approved as a revision to Pennsylvania's SIP, would remove the administrative burden and costs on affected owners and operators to submit changes in their operating permits to the EPA as revisions to the SIP. The Department would also benefit from reduced administrative burdens in processing changes to operating permits that would now be covered by regulatory presumptive RACT requirements.

Please also see the response to Question 17.

**(19) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.**

There are no anticipated costs to the regulated community associated with this proposed rulemaking. This proposed rulemaking is designed to address administrative issues associated with not having presumptive RACT regulations approved as part of the Commonwealth's SIP. The Department anticipates cost savings for the Department as well as the affected facility owners and operators as there would be no need to submit changes in individual operating permits to the EPA as revisions to the SIP. The cost savings in terms of time and resources to owners and operators for eliminating the need to submit SIP revisions of new or amended operating permits to the EPA for approval into the Commonwealth's SIP would vary by facility and type of operating permit change.

Compliance costs for the owners and operators of affected shipbuilding and ship repair surface coating operations, large petroleum dry cleaning facilities and SOCM processes are projected to be negligible. The owners and operators of potentially affected facilities are expected to already comply with the proposed RACT requirements for each specific source category. The owners and operators of the known affected facilities are already subject to and comply with BAT and NSPS requirements or other operating permit conditions that are as stringent as the proposed VOC RACT standards, emission limitations and other requirements.

New legal, accounting or consulting procedures would not be required.

**(20) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.**

No local government currently owns or operates a shipbuilding and ship repair surface coating facility, a large petroleum dry cleaning facility or a SOCMCI processes facility. If a local government did, however, own or operate any of these subject facilities in the future, the additional costs or savings are anticipated to be commensurate with those for the private sector.

**(21) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.**

No State government agency currently owns or operates a shipbuilding and ship repair surface coating facility, a large petroleum dry cleaning facility or a SOCMCI processes facility. If a State government agency did, however, own or operate any of these subject facilities in the future, the additional costs or savings are anticipated to be commensurate with those for the private sector.

As noted in the response to Question 19, the Department anticipates cost savings for the Department as there would be no need to submit changes in individual operating permits to the EPA as revisions to the SIP. However, the Department is unable to estimate the cost savings in terms of time and resources because permitting review varies by facility and type.

**(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.**

No additional legal, accounting, or consulting procedures are expected for the groups identified in items (19)-(21) above.

**(22a) Are forms required for implementation of the regulation?**

No forms are required for implementation of these proposed presumptive RACT requirements.

**(22b) If forms are required for implementation of the regulation, attach copies of the forms here. If your agency uses electronic forms, provide links to each form or a detailed description of the information required to be reported. Failure to attach forms, provide links, or provide a detailed description of the information to be reported will constitute a faulty delivery of the regulation.**

No forms are required.

**(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.**

No measurable costs or savings are anticipated from the implementation of this proposed rulemaking; hence the table contains zeros.

|                             | <b>Current<br/>FY<br/>Year</b> | <b>FY+1<br/>Year<br/>21/22</b> | <b>FY+2<br/>Year<br/>22/23</b> | <b>FY+3<br/>Year<br/>23/24</b> | <b>FY+4<br/>Year<br/>24/25</b> | <b>FY+5<br/>Year<br/>25/26</b> |
|-----------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>SAVINGS:</b>             | \$                             | \$                             | \$                             | \$                             | \$                             | \$                             |
| <b>Regulated Community</b>  | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>Local Government</b>     | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>State Government</b>     | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>Total Savings</b>        | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>COSTS:</b>               | \$                             | \$                             | \$                             | \$                             | \$                             | \$                             |
| <b>Regulated Community</b>  | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>Local Government</b>     | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>State Government</b>     | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>Total Costs</b>          | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>REVENUE LOSSES:</b>      | \$                             | \$                             | \$                             | \$                             | \$                             | \$                             |
| <b>Regulated Community</b>  | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>Local Government</b>     | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>State Government</b>     | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |
| <b>Total Revenue Losses</b> | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           | 0.00                           |

**(23a) Provide the past three-year expenditure history for programs affected by the regulation.**

| <b>Program</b>  | <b>FY-3 (18/19)</b> | <b>FY-2 (19/20)</b> | <b>FY-1 (20/21)</b> | <b>Current FY (21/22)</b> |
|---|---------------------|---------------------|---------------------|---------------------------|
| Environmental Program Management (161-10382)          | \$30,932,000        | \$27,920,000        | \$32,041,000        | \$34,160,000              |
| Clean Air Fund Major Emission Facilities (215-20077)  | \$17,878,000        | \$18,759,000        | \$20,801,000        | \$20,083,000              |
| Clean Air Fund Mobile and Area Facilities (233-20084) | \$9,369,000         | \$9,900,000         | \$11,290,000        | \$10,153,000              |

**(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:**

**(a) An identification and estimate of the number of small businesses subject to the regulation.**

This proposed rulemaking would apply to the owner and operator of a shipbuilding and ship repair surface coating operation, a large petroleum dry cleaning facility, or a SOCOMI air oxidation, distillation or reactor process. The Department reviewed its databases and list of issued operating permits and identified 2

shipbuilding and ship repair surface coating operations, 1 SOCOMI air oxidation process operation, and several SOCOMI distillation and reactor process facilities that would potentially be affected by this proposed rulemaking. The Department also identified less than 20 small petroleum dry cleaning facilities that fit the petroleum dry cleaning source category for RACT purposes but do not meet the applicability threshold for a large petroleum dry cleaning facility.

Based on the Department's review of its databases, all of the affected facilities have been identified since they are required to report emissions to the Department's emission inventory system, apply for plan approvals or have been issued permits meeting the CTG RACT requirements and limitations addressed in this proposed rulemaking.

There are no large petroleum dry cleaning facilities in this Commonwealth that would be impacted by this proposed rulemaking; small petroleum dry cleaners below the proposed emission limit threshold would only be subject to recordkeeping requirements, which are existing obligations under federal new source performance standard (NSPS) requirements and permitting regulations. See, 40 CFR Part 60, Subpart JJJ. The owners and operators of the two known shipbuilding and ship repair surface coating operations that would be subject to this rulemaking already meet the proposed CTG RACT requirements through existing permit conditions. Another facility in the City of Philadelphia is already subject to a Philadelphia Air Management Services regulation that has been approved as a revision to the Commonwealth's SIP. All of the SOCOMI facilities meet the CTG RACT requirements and limitations through equivalent Federal requirements (40 CFR Part 60, Subparts III, NNN and RRR) or through existing permit conditions. Therefore, all existing facilities in this Commonwealth that would be subject to the proposed rulemaking already comply with the proposed CTG RACT requirements and emission limits.

The owners and operators of shipbuilding and ship repair surface coating operations identified, along with any large petroleum dry cleaning facility opened in the future could be small businesses. SOCOMI facilities, however, are typically larger facilities and are less likely to be small businesses.

Also, see the response to question 15.

**(b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.**

The recordkeeping and reporting requirements for owners and operators of the potentially affected facilities should be minimal because the records required by this proposed rulemaking are in line with what the regulated industry currently tracks for inventory purposes or in existing operating permits. The owner or operator of a facility subject to this proposed rulemaking would be required to maintain records sufficient to demonstrate compliance with the applicable requirements. The records would be maintained on site for 5 years, unless a longer period is required by an order, plan approval or operating permit issued under 25 Pa. Code Chapter 127. Records maintained for compliance demonstrations may include purchase, use, production and other records. There are no further legal, accounting or consulting procedures established in this proposed rulemaking.

**(c) A statement of probable effect on impacted small businesses.**

The owners and operators of the affected facilities already meet the RACT recommendations in the CTG through operating permits that incorporate the NSPS requirements, CTG standards and BAT requirements that provide equivalent control measures. (See response to question 15). Compliance with their existing

operating permit conditions would ensure that the affected owners and operators comply with the applicable CTG-based VOC RACT standards, emission limitations and other requirements in this proposed rulemaking.

The owners and operators of sources subject to this proposed rulemaking that were installed after the 1997 ozone NAAQS was issued would be required to meet a BAT operating permit requirement. Thus, the owners and operators of all potentially affected sources that comply with their existing operating permit conditions would be expected to comply with the VOC RACT standards, emission limitations and other requirements of this proposed rulemaking and would have no additional applicable RACT requirements.

**(d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.**

There are no less intrusive or less costly alternative regulatory provisions available. The Department included flexibilities within this proposed rulemaking, specifically with respect to compliance options for shipbuilding and ship repair facilities. The compliance options included in the proposed amendments to § 129.52 would allow them to meet the equivalency requirements in the equivalency provisions of 25 Pa. Code § 129.51. This proposed rulemaking is a Federal CAA requirement, applicable to the owners and operators of all subject sources that meet the applicable VOC emission thresholds regardless of business size. In accordance with sections 172(c)(1), 182(b)(2)(A) and 184(b)(1)(B) of the CAA, this proposed rulemaking establishes the VOC RACT emission limitations and other requirements consistent with the EPA's applicable CTG recommendations for these sources in this Commonwealth.

**(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.**

Minorities, the elderly, small businesses and farmers who are not owners or operators of a shipbuilding and ship repair surface coating operation, a large petroleum dry cleaning facility or a SOCFI process would not be affected by this proposed rulemaking. For those that might be owners or operators of a subject facility, no special provisions are necessary.

**(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.**

This proposed rulemaking is considered the least burdensome acceptable method of ensuring compliance with the Federal CTG-based RACT mandate. In accordance with sections 172(c)(1), 182(b)(2)(A) and 184(b)(1)(B) of the CAA, this proposed rulemaking establishes the VOC RACT standards, emission limitations and other requirements consistent with the EPA's applicable CTG recommendations for these sources in Pennsylvania.

**(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:**

**(a) The establishment of less stringent compliance or reporting requirements for small businesses.**

Minimal adverse impact is expected for the owners and operators of small business-sized shipbuilding and ship repair surface coating operations because compliant VOC content coating materials are readily available and the known potentially affected facility owners and operators already use those coatings. The owners and operators of these known potentially affected shipbuilding and ship repair surface coating operations also already have requirements incorporated into their existing operating permits that are consistent with the CTG RACT recommendations. Compliance with their existing operating permit conditions would ensure compliance with the proposed VOC RACT standards, emission limitations and other requirements.

There are no known large petroleum dry cleaning facilities in this Commonwealth that would potentially be subject to the proposed rulemaking requirements.

The owners and operators of the known potentially affected SOCFI facilities already have incorporated into their operating permits the NSPS subparts III, NNN and RRR requirements that are proposed to be adopted by reference as VOC RACT. Compliance with their existing operating permit conditions would ensure compliance with the proposed VOC RACT standards, emission limitations and other requirements.

Less stringent compliance requirements for the owners and operators of facilities that would be subject to the proposed requirements are not available, as this proposed rulemaking must implement Federally approvable RACT requirements to achieve and maintain the 2015 ozone NAAQS. The Department proposes minimal recordkeeping and reporting requirements consistent with current obligations incorporated into applicable operating permits, which should ensure compliance with the proposed VOC RACT recordkeeping and reporting requirements.

**(b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.**

Minimal adverse impact is expected for the owners and operators of small business-sized facilities to meet compliance deadlines or to implement the reporting and recordkeeping requirements. The owners and operators of affected shipbuilding and ship repair surface coating operations shall comply beginning on the date of promulgation of this proposed rulemaking. These facility owners and operators are already subject to and comply with existing operating permit conditions that would ensure compliance with the proposed recordkeeping and reporting requirements and VOC content standards and emission limitations, so no additional time is needed for these facility owners and operators to achieve compliance.

The requirements for the owners and operators of large petroleum dry cleaning facilities apply beginning on the date of promulgation of this proposed rulemaking. Currently there are no known large petroleum dry cleaning facility owners and operators in this Commonwealth that would be impacted by these proposed requirements. Any new large petroleum dry cleaner would be subject to BAT in addition to the proposed requirements. BAT is usually more stringent than RACT. The owners and operators of the known existing small petroleum dry cleaning facilities do not use enough petroleum solvent to meet the proposed applicability threshold and would not be subject to the proposed VOC RACT standards, emission limitations and other requirements.



The owners and operators of the potentially affected SOCMIs shall comply with the proposed requirements no later than 2 years after the date of promulgation of this proposed rulemaking. All known facilities affected by this proposed rulemaking already meet the requirements and would be subject to requirements on the effective date of the final-form rulemaking. If a facility is found that does not meet the requirements of the proposed rulemaking, two years is ample time for facility owners and operators at such a facility to comply with the requirements of this proposed rulemaking.

**(c) The consolidation or simplification of compliance or reporting requirements for small businesses.**

Minimal adverse impact is expected for the owners and operators of small business-sized facilities. The compliance options in this proposed rulemaking should allow the owners and operators of small business-sized facilities to find an acceptable method of compliance appropriate to their operations. The compliance options in this proposed rulemaking for shipbuilding facilities in 25 Pa. Code § 129.52 would allow them to meet the equivalency requirements in 25 Pa. Code § 129.51.

**(d) The establishment of performing standards for small businesses to replace design or operational standards required in the regulation.**

Minimal adverse impact is expected for the owners and operators of small business-sized facilities. This proposed rulemaking includes performance standards. If an owner or operator of an affected shipbuilding and ship repair surface coating operation, including a small business, chooses not to comply solely by using low-VOC content coating materials, the owner or operator may comply by using some low-VOC content coating materials or using a VOC emission capture system and add-on air pollution control device, or both, that meet a specified emission rate. In other words, this proposed rulemaking provides different ways to achieve the desired emission levels. Similar options for installation of a VOC emission capture system and add-on air pollution control device would exist for the owners and operators of large petroleum dry cleaning facilities. SOCMIs are less likely to be small businesses based upon the CTG applicability requirements. The owners and operators of the potentially affected known SOCMIs already use thermal devices to control VOC emissions from their vent streams to comply with their existing applicable operating permit conditions. Compliance with the existing applicable operating permit conditions would ensure compliance with the proposed VOC RACT standards, emission limitations and other requirements. (See response to question 15.)

**(e) The exemption of small businesses from all or any part of the requirements contained in the regulation.**

Promulgating CTG-based VOC RACT regulations for specific categories of sources is a Federal CAA requirement. These VOC RACT regulations apply to the owners and operators of the specific sources that meet the applicable VOC emission thresholds regardless of business size. The owner and operator of a subject facility may be classified as a small business under the Federal Small Business Size Regulations under 13 CFR Chapter 1, Part 121, while still emitting sufficient emissions of VOC to be subject to regulations designed to implement measures for the control of those VOC emissions.

The owners and operators of small businesses may not be exempted from the proposed RACT requirements by State regulation.

**(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.**

As explained above in the responses to Questions 9 and 10, the Commonwealth's SIP must include CTG-based RACT regulations to control VOC emissions from shipbuilding and ship repair surface coating operations, large petroleum dry cleaning facilities and SOCM processes. Section 183(e) of the CAA directed the EPA to conduct a study of VOC emissions from the use of consumer and commercial products to assess their potential to contribute to violations of the NAAQS for ozone and to list for regulation those categories of products that account for at least 80% of the VOC emissions, on a reactivity-adjusted basis, from consumer and commercial products in areas that violate the NAAQS for ozone (namely, ozone nonattainment areas). The EPA published the initial list at 60 FR 15264 (March 23, 1995).

The following list provides more complete citations for the data and information referenced in this Regulatory Analysis Form:

*State Implementation Plans; General Preamble for Proposed Rulemaking on Approval of Plan Revisions for Nonattainment Areas—Supplement (on Control Techniques Guidelines)*, 44 FR 53761 (September 17, 1979). <https://www.federalregister.gov/citation/44-FR-53761>

*Alternative Control Techniques Document: Surface Coating Operations at Shipbuilding and Ship Repair Facilities*, EPA-453/R-94-032. U.S. Environmental Protection Agency, Research Triangle Park, NC, April 1994. <https://www.epa.gov/ground-level-ozone-pollution/control-techniques-guidelines-and-alternative-control-techniques>

*Control Techniques Guidelines for Shipbuilding and Ship Repair Operations (Surface Coating)*, 61 FR-44050 (August 27, 1996). [https://www.epa.gov/sites/production/files/2020-09/documents/61\\_fr\\_1996-08-27\\_44050.pdf](https://www.epa.gov/sites/production/files/2020-09/documents/61_fr_1996-08-27_44050.pdf)

*Guideline Series, Control of Volatile Organic Compound Emissions from Reactor Processes and Distillation Operations Process in Synthetic Organic Chemical Manufacturing Industry*, EPA 450/4-91-031. U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards, EPA, August 1993. <https://www.epa.gov/ground-level-ozone-pollution/control-techniques-guidelines-and-alternative-control-techniques>

*Guideline Series, Control of Volatile Organic Compound Emissions from Air Oxidation Process in Synthetic Organic Chemical Manufacturing Industry*, EPA 450/3-84-015. U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards, EPA, December 1984. <https://www.epa.gov/ground-level-ozone-pollution/control-techniques-guidelines-and-alternative-control-techniques>

*Guideline Series, Control of Volatile Organic Compound Emissions from Large Petroleum Dry Cleaners*, EPA 450/3-82-009. U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards, EPA, September 1982. <https://www.epa.gov/ground-level-ozone-pollution/control-techniques-guidelines-and-alternative-control-techniques>

**(29) Include a schedule for review of the regulation including:**

- |   |  |
|---|--|
| A. The length of the public comment period:   | <u>60 days minimum</u>                               |
| B. The date or dates on which public meetings or hearings will be held:                       | <b>TBD</b>   |
| C. The expected date of delivery of the final-form regulation:                                | <u>3rd Quarter 2022</u>                              |
| D. The expected effective date of the final-form regulation:                                  | <u>4th Quarter 2022</u>                              |
| E. The expected date by which compliance with the final-form regulation will be required:     | <u>Upon publication of the final-form rulemaking</u> |
| F. The expected date by which required permits, licenses or other approvals must be obtained: | <u>N/A</u>   |

**(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.**

The Board is not establishing a sunset date for this proposed rulemaking since it is needed for the Department to carry out its statutory authority. The Department will closely monitor this proposed rulemaking after promulgation as a final-form rulemaking in the *Pennsylvania Bulletin* for its effectiveness and recommend updates to the Board as necessary.