

NOTICE OF INTENT

Department of Environmental Quality
Office of Environmental Assessment
Environmental Planning Division

Nonattainment New Source Review Procedures
(LAC 33:III.504) (AQ235)

Under the authority of the Environmental Quality Act, R.S. 30:2001 et seq., and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the secretary gives notice that rulemaking procedures have been initiated to amend the Air regulations, LAC 33:III.504 (Log #AQ235).

The purpose of the rule change is to clarify the internal offset ratio that facilities must meet in serious and severe ozone nonattainment areas. The Baton Rouge Nonattainment Area is being reclassified from serious to severe as a result of failure to reach ozone attainment levels as mandated by the Clean Air Act. This action is being mandated by the US EPA. The basis and rationale for this rule are to comply with the provisions of the Clean Air Act Amendments.

This proposed rule meets an exception listed in R.S. 30:2019(D)(2) and R.S. 49:953(G)(3); therefore, no report regarding environmental/health benefits and social/economic costs is required. This proposed rule has no known impact on family formation, stability, and autonomy as described in R.S. 49:972.

A public hearing will be held on September 24, 2003, at 1:30 p.m. in the Galvez Building, Room C111, 602 N. Fifth Street, Baton Rouge, LA 70802. The hearing will also be for the revision to the State Implementation Plan (SIP) to incorporate this proposed rule. Interested persons are invited to attend and submit oral comments on the proposed amendments. Should individuals with a disability need an accommodation in order to participate, contact Lynn Wilbanks at the address given below or at (225) 219-3550. Free parking is available across the street in the Galvez parking garage when the parking ticket is validated by department personnel at the hearing.

All interested persons are invited to submit written comments on the proposed regulation. Persons commenting should reference this proposed regulation by AQ235. Such comments must be received no later than October 1, 2003, at 4:30 p.m., and should be sent to Lynn Wilbanks, Office of Environmental Assessment, Regulation Development Section, Box 4314, Baton Rouge, LA 70821-4314 or to FAX (225) 219-3582 or by e-mail to lynnw@ldeq.org. Copies of this proposed regulation can be purchased by contacting the DEQ Public Records Center at (225) 219-3168. Check or money order is required in advance for each copy of AQ235.

This proposed regulation is available for inspection at the following DEQ office locations from 8 a.m. until 4:30 p.m.: 602 N. Fifth Street, Baton Rouge, LA 70802; 1823 Highway 546, West Monroe, LA 71292; State Office Building, 1525 Fairfield Avenue, Shreveport, LA 71101; 1301 Gadwall Street, Lake Charles, LA 70615; 201 Evans Road, Building 4, Suite 420, New Orleans, LA 70123; 111 New Center Drive, Lafayette, LA 70508; 104 Lococo Drive, Raceland, LA 70394 or on the Internet at <http://www.deq.state.la.us/planning/regs/index.htm>.

James H. Brent, Ph.D.
Assistant Secretary

Title 33
ENVIRONMENTAL QUALITY
Part III. Air

Chapter 5. Permit Procedures**§504. Nonattainment New Source Review Procedures**

A. – A.5. ...

6. For applications deemed administratively complete in accordance with LAC 33:III.519.A on or after December 20, 2001 and prior to June 23, 2003, the provisions of this Section governing serious ozone nonattainment areas shall apply to VOC and NO_x increases. For applications deemed administratively complete in accordance with LAC 33:III.519.A on or after June 23, 2003, the provisions of this Section governing severe ozone nonattainment areas shall apply to VOC and NO_x increases.

B – D.2. ...

3. Notwithstanding Paragraph D.2 of this Section, in the case of any major stationary source ~~that emits or has the potential to emit 50 tons per year or more of VOC or NO_x and is~~ located in an area classified as serious or severe, if the owner or operator of the source elects to offset the emissions increase by a reduction in emissions of VOC or NO_x, as specified in Paragraph F.1 of this Section, from other operations, units, or activities within the source at an internal offset ratio of at least 1.40 to 1 (if reviewed under requirements for serious areas) or 1.50 to 1 (if reviewed under requirements for severe areas), ~~as appropriate~~, then the requirements for LAER shall not apply.

D.4. – Table 1. “PM₁₀”. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 19:176 (February 1993), repromulgated LR 19:486 (April 1993), amended LR 19:1420 (November 1993), LR 21:1332 (December 1995), LR 23:197 (February 1997), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 26:2445 (November 2000), LR 27:2225 (December 2001), LR 29:

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

Person

Preparing

Statement: Paul Heussner

Dept.: Department of Environmental Quality

Phone: (225) 219-3576

Office: Office of Environmental Assessment

Return

Rule Nonattainment New Source

Address: P. O. Box 4314
Baton Rouge, LA 70821

Title: Review Procedures
(LAC 33:III.504)

Date Rule

Takes Effect: Upon Promulgation

SUMMARY

(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There are no known implementation costs or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no known effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

There are no known estimated costs and/or economic benefits to directly affected persons or non-governmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no known effect on competition and employment.

Signature of Agency Head or Designee

LEGISLATIVE FISCAL OFFICER OR DESIGNEE

Thomas C. Bickham, III, Undersecretary
Typed Name and Title of Agency Head or Designee

Date of Signature
LFO 7/1/94

Date of Signature

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

The following information is requested in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The purpose of the rule change is to clarify the internal offset ratio that facilities must meet in serious and severe ozone nonattainment areas.

- B. Summarize the circumstances which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The Baton Rouge Nonattainment Area is being reclassified from Serious to Severe as a result of failure to reach ozone attainment levels as mandated by the Clean Air Act. This action is being mandated by the US EPA.

- C. Compliance with Act II of the 1986 First Extraordinary Session
 - (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

This proposed rule will not result in any increase in the expenditure of funds.

- 2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

- (a) Yes. If yes, attach documentation.
- (b) No. If no, provide justification as to why this rule change should be published at this time.

This proposed rule will not result in any increase in the expenditure of funds.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

There will be no additional costs or savings to state governmental units as a result of this rule.

COSTS	FY 03-04	FY 04-05	FY 05-06
PERSONAL SERVICES	_____	_____	_____
OPERATING EXPENSES	_____	_____	_____
PROFESSIONAL SERVICES	_____	_____	_____
OTHER CHARGES	_____	_____	_____
EQUIPMENT	_____	_____	_____
TOTAL	_____	_____	_____
MAJOR REPAIR & CONSTR.	_____	_____	_____
POSITIONS (#)	_____	_____	_____

2. Provide a narrative explanation of the costs or savings shown in "A.1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

There are no costs or savings associated with the proposed rule. Existing staff will absorb any workload adjustment.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 03-04	FY 04-05	FY 05-06
STATE GENERAL FUND	_____	_____	_____
AGENCY SELF-GENERATED	_____	_____	_____
DEDICATED	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____
OTHER (Specify)	_____	_____	_____
TOTAL	_____	_____	_____

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

No additional funds are required to implement the proposed action.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There is no known impact on local governmental units.

2. Indicate the sources of funding of the local governmental unit which will be affected by these costs or savings.

There is no known impact on local governmental units.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

There is no known change in revenues of state and local governmental units.

REVENUE INCREASE/DECREASE	FY 03-04	FY 04-05	FY 05-06
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS			
LOCAL FUNDS			
TOTAL			

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

There is no known change in revenues of state and local governmental units.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS

A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The purpose of the rule change is to clarify the internal offset ratio that facilities must meet in serious and severe ozone nonattainment areas.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

There are no known estimates on receipts or income.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

There is no known effect on competition and employment.