

NOTICE OF INTENT

Department of Environmental Quality
Office of Environmental Assessment
Environmental Planning Division

Fugitive Emission Control
(LAC 33:III.2121 and 2122) (AQ237)

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.2121 and 2122 (Log #AQ237).

This proposed rule updates the state fugitive emission control regulations to clarify requirements for instrumentation systems, designate "no detectable emissions" (NDE) valves, and allow for alternate monitoring for flanges. The changes make the state regulations more consistent with federal fugitive control regulations, particularly the Maximum Achievable Control Technology (MACT) standards of 40 CFR 63. This rule adopts the definition of instrumentation system included in the Synthetic Organic Chemical Manufacturing Industry Hazardous Organic NESHAP (SOCMI HON) MACT (40 CFR 63, Subpart H). The proposed changes are not required by a federal regulation and do not alter the position of these fugitive emission control regulations in the Stringency Table of the Louisiana Fugitive Emission Program Consolidation Guidelines. The regulated community asked for an update to the state fugitive air emission control regulations, particularly to make fugitive component definitions and applicability more consistent with the federal regulations for Leak Detection and Repair (LDAR) programs, such as the MACT standards of 40 CFR 63. This rule is also being proposed as a revision to the Louisiana State Implementation Plan (SIP) for air quality. The basis and rationale for this proposed rule are to improve the permitting of fugitive air emissions regulated under LAC 33:III.2121 and 2122.

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 March 26, 2004, at 1:30 p.m. in the Galvez Building, Oliver Pollock Conference Room C111, 602 N. Fifth Street, Baton Rouge, LA 70802. The hearing will also be for the revision to the 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 Judith Schuerman 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 AQ237. Such comments must be received no later than April 2, 2004, at 4:30 p.m., and should be sent to Judith Schuerman, Office of Environmental Assessment, Environmental Planning Division, Regulation Development Section, Box 4314, Baton Rouge, LA 70821-4314 or to FAX (225) 219-3582 or by e-mail to judith.schuerman@la.gov. 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 AQ237.

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.louisiana.gov/planning/regs/index.htm>.

James H. Brent, Ph.D.
Assistant Secretary

Title 33
ENVIRONMENTAL QUALITY

Part III. Air

Chapter 21. Control of Emission of Organic Compounds

Subchapter A. General

§2121. Fugitive Emission Control

A. Applicability. This regulation is applicable to equipment in petroleum refineries, natural gas processing plants, the synthetic organic chemical manufacturing industry (SOCMI), the methyl tertiary butyl ether (MTBE) manufacturing industry, and the polymer manufacturing industry that contains any of the following components that are intended to operate in VOC service 300 hours or more during the calendar year:

- a. pumps;
- b. compressors;
- c. pressure relief devices;
- d. open-ended valves or lines;
- e. process drains;
- f. valves;
- g. agitators;
- h. instrumentation systems; and
- i. connectors.

B. – C.3.b. ...

c. Any valve that is designated for no detectable emissions, as indicated by an instrument reading of less than 500 ppm above background, is exempt from the requirements of Clauses C.1.b.ii and iv and C.2.b.ii of this Section if the valve:

- i. has no external actuating mechanism in contact with the process fluid (e.g., diaphragm valves, sealed bellows valves);
- ii. is operated with emissions less than 500 ppm above background as measured in accordance with this Section; and
- iii. is tested for compliance with Clause C.3.c.ii of this Section initially upon designation and annually thereafter.

C.4. – F.4 ...

G. Definitions. Terms used in this Section are defined in LAC 33:III.111 ~~of these regulations~~ with the exception of those terms specifically defined ~~below~~ as follows:

* * *

Instrumentation System—a group of equipment components used to condition and convey a sample of the process fluid to analyzers and instruments for the purpose of determining process operating conditions (e.g., composition, pressure, flow). Valves and connectors are the predominant types of equipment used in instrumentation

systems; however, other types of equipment may also be included in these systems. Only valves nominally 0.5 inch and smaller and connectors nominally 0.75 inch and smaller in diameter are considered instrumentation systems for the purposes of these regulations. Valves greater than nominally 0.5 inch and connectors greater than nominally 0.75 inch associated with instrumentation systems are not considered part of instrumentation systems and must be monitored individually.

* * *

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

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Nuclear Energy, Air Quality Division, LR 13:741 (December 1987), amended by the Office of Air Quality and Radiation Protection, Air Quality Division, LR 16:959 (November 1990), LR 17:654 (July 1991), LR 21:1330 (December 1995), LR 22:1128 (November 1996), LR 22:1212 (December 1996), LR 24:22 (January 1998), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 26:1433 (July 2000), LR 26:1433 (July 2000), LR 26:2452 (November 2000), LR 30:

§2122. Fugitive Emission Control for Ozone Nonattainment Areas and Specified Parishes

A. Applicability

1. This regulation is applicable to each process unit at petroleum refineries, natural gas processing plants, the synthetic organic chemical manufacturing industry (SOCMI), the methyl tertiary butyl ether (MTBE) manufacturing industry, and the polymer manufacturing industry that contains any of the following components that are intended to operate in VOC service 300 hours or more during the calendar year:

- a. pumps;₂
- b. compressors;₂
- c. pressure relief devices;₂
- d. open-ended valves or lines;₂
- e. process drains;₂
- f. valves;₂
- g. agitators;₂
- h. instrumentation systems; and
- i. connectors.

2. – 6.d. ...

B. Definitions. Terms used in this Section are ~~used as~~ defined in LAC 33:III.111 with the exception of those terms specifically defined ~~below~~ as follows:₂

* * *

Instrumentation System—a group of equipment components used to condition and convey a sample of the process fluid to analyzers and instruments for the

purpose of determining process operating conditions (e.g., composition, pressure, flow). Valves and connectors are the predominant types of equipment used in instrumentation systems; however, other types of equipment may also be included in these systems. Only valves nominally 0.5 inch and smaller and connectors nominally 0.75 inch and smaller in diameter are considered instrumentation systems for the purposes of these regulations. Valves greater than nominally 0.5 inch and connectors greater than nominally 0.75 inch associated with instrumentation systems are not considered part of instrumentation systems and must be monitored individually.

* * *

C. Fugitive Emission Control Requirements

1. Leak Limitations

a. No component in petroleum refineries, SOCMI, MTBE, and polymer manufacturing industry shall be allowed to leak volatile organic compounds exceeding an instrument reading of 1,000 ppmv or greater for valves, connectors, instrumentation systems, pressure relief devices, and process drains; 5,000 ppmv for pumps and compressors; or 10,000 ppmv for agitators, as outlined in Subsection D of this Section, when tested by Method 21 (40 CFR Part 60, Appendix A, as incorporated by reference at LAC 33:III.3003).

b. No component in natural gas processing plants shall be allowed to leak volatile organic compounds exceeding an instrument reading off of 2,500 ppmv for valves, connectors, instrumentation systems, pressure relief devices, process drains, and open-ended valves and lines; 5,000 ppmv for pumps and compressors; or 10,000 ppmv for agitators, as outlined in Subsection D of this Section, when tested by Method 21 (40 CFR Part 60, Appendix A, as incorporated by reference at LAC 33:III.3003).

C.1.c – C.3. ...

4. Percent of leaking components at a process unit shall be determined for a test period as follows:

$$\% C_{lvp} = [C_{lv}] / [C_{tv}] * 100\%$$

Eq. 1

where:

~~% C_{lvp} = percent of a leaking components, where the component is the classification of valves, flanges, or pumps.~~

C_{lv} = number of valves, flanges, or pumps found leaking during the monitoring period.

C_{tv} = total number of valves, flanges, or pumps monitored during the period.

5. Total percent of leaking and unrepairable components shall be determined as follows:

$$\% C_{tlvp} = [C_{tlv}] / [C_{ttv} + C_{tuvp}] * 100\%$$

Eq. 2

where:

$\% C_{tlvp}$ = total percent of leaking and unrepairable valves, flanges, or pumps.

C_{tlv} = number of valves, flanges, or pumps found leaking or defined as unrepairable.

C_{ttv} = total number of valves, flanges, or pumps tested during the period.

C_{tuvp} = total number of valves, flanges, or pumps which were defined as unrepairable.

D. - D.1.c. ...

d. ~~Inspect weekly by visual, audible, and olfactory means, all flanges~~ Monitor all flanges in accordance with either Clause D.1.d.i or ii of this Section.

i. Inspect all flanges weekly by visual, audible, and olfactory means.

ii. Monitor all flanges four times per year (quarterly) using a leak detection device as follows.

(a). Either two hundred or 10 percent, whichever is less, of the flanges shall be monitored each period in accordance with a written sampling plan.

(b). The sampling plan shall ensure that at least 66 percent of the flanges monitored each period shall not have been previously monitored, until all flanges within the process have been monitored.

e. Inspect weekly, by visual, audible, and olfactory means, all instrumentation systems.

ef. Records of the visual, audible, and olfactory inspections of connectors and instrumentation systems are not required unless a leak is detected.

2. - 3.d. ...

e. Any valve that is designated for no detectable emissions, as indicated by an instrument reading of less than 500 ppm above background, is exempt from the requirements of Clauses D.1.b.iii and v and D.2.b.ii of this Section if the valve:

i. has no external actuating mechanism in contact with the process fluid (e.g., diaphragm valves, sealed bellows valves);

ii. is operated with emissions less than 500 ppm above background as measured in accordance with this Section; and

iii. is tested for compliance with Clause D.3.e.ii of this Section initially upon designation and annually thereafter.

4. - 5. ...

E. Alternate Control Techniques. The monitoring schedule in Subsection D of this Section may be modified as follows:

1. – 1.f. ...

g. Existing equipment that has been monitored under LAC 33:III.2121 for fugitives at the leak definition of 10,000 ppmv can initially elect to use this alternate standard if the unit has data documented with the department by either January 1, 1996, or for the 12 months prior to becoming subject to this Section, with the department that indicates the percent of leaking valves (Eq. 1) is less than or equal to a 2.0 percent leak rate at 10,000 ppmv for the required time period.

2. ...

3. Alternate Standards for Flanges Subject to Clause D.1.d of this Section—Skip Period Leak Detection and Repair

a. An owner or operator may elect to comply with one of the alternative work practices specified in Clause E.3.b or Paragraph E.4 of this Section. However, the administrative authority* must be notified in writing before implementing one of the alternative work practices.

b. After four consecutive quarterly leak detection periods with the percent of leaking flanges (Eq. 1) equal to or less than 1.0, an owner or operator may begin to skip three of the quarterly leak detection periods for the flanges in gas/vapor and light liquid service.

c. If the percent of leaking flanges (Eq. 1) is greater than 1.0, or the total percent of leaking and unrepairable flanges (Eq. 2) is greater than 2.0, the owner or operator shall comply with the requirements as described in Subsection D of this Section but subsequently can again elect to use this Subsection when the requirements are met.

d. The percent of leaking flanges (Eq. 1) shall be determined by dividing the sum of components found leaking during the current monitoring period by the total number of flanges that were tested and multiplying the results by 100 percent.

e. An owner or operator must keep a record of the percent of flanges found leaking during each leak detection period and the total percentage of leaking and unrepairable flanges.

4. Alternative Standards for Flanges—Increased Monitoring Frequency. If the percent of leaking flanges (Eq. 1) in a test period is greater than 1.0, or the total percent of leaking and unrepairable flanges (Eq. 2) is greater than 2.0, then an increase in the frequency of monitoring may be required by the administrative authority*.

35. Alternate Standard for Batch Processes. As an alternate to complying with the requirements in Subsection D of this Section an owner or operator of a batch process in VOC service may elect to comply with one of the following alternative work practices. The batch product-process equipment shall be tested with a gas using the procedures specified in Subparagraph E.35.a of this Section or with a liquid as specified in Subparagraph E.35.b of this Section.

a. The following procedures shall be used to pressure test batch product-process equipment using a gas (e.g., air or nitrogen) to demonstrate compliance.

i. The batch product-process equipment train shall be pressurized with a gas to the operating pressure of the equipment. The equipment shall not be tested at a pressure greater than the pressure setting of the lowest relief valve setting.

ii. Once the test pressure is obtained, the gas source shall be shut off.

iii. The test shall continue for not less than 15 minutes, unless it can be determined in a shorter period of time that the allowable rate of pressure drop was exceeded. The pressure in the batch product-process equipment shall be measured after the gas source is shut off and at the end of the test period. The rate of change in pressure in the batch product-process equipment shall be calculated using the following equation:

$$\frac{P}{t} = \frac{(P_f - P_i)}{(t_f - t_i)}$$

where:

Eq. 3

P/t = change in pressure, psia/hr.

P_f = final pressure, psia.

P_i = initial pressure, psia.

t_f - t_i = elapsed time, hours.

iv. The pressure shall be measured using a pressure measurement device (gauge, manometer, or equivalent) ~~which~~ that has a precision of ±2.5 millimeters (±0.05 psig) of mercury in the range of test pressure and is capable of measuring pressures up to the relief set pressure of the pressure relief device.

v. A leak is detected if the rate of change in pressure is greater than 6.9 kPa (1 psig) in one hour or if there is visible, audible, or olfactory evidence of fluid loss.

b. The following procedures shall be used to pressure test batch product-process equipment using a liquid to demonstrate compliance.

i. The batch product-process equipment train, or section of the train, shall be filled with the test liquid (e.g., water, alcohol). Once the equipment is filled, the liquid source shall be shut off.

ii. The test shall be conducted for a period of at least 60 minutes, unless it can be determined in a shorter period of time that the test is a failure.

iii. Each seal in the equipment being tested shall be inspected for indications of liquid dripping or other indications of fluid loss. If there are any indications of liquids dripping or of fluid loss, a leak is detected.

iv. If a leak is detected, it shall be repaired and the batch product-process equipment shall be retested before VOCs are fed to the equipment.

v. If the batch product-process equipment fails the retest or the second of two consecutive pressure tests, it shall be repaired as soon as practicable, but not later than 30 calendar days after the equipment is placed in VOC service.

F. –G.6. ...

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 20:1102 (October 1994), repromulgated LR 20:1279 (November 1994), amended LR 22:1129 (November 1996), LR 22:1212 (December 1996), repromulgated LR 23:197 (February 1997), amended LR 23:1678 (December 1997), LR 24:22 (January 1998), LR 24:1285 (July 1998), amended by the Office of Environmental Assessment, Environmental Planning Division, LR 26:2453 (November 2000), LR 28:1764 (August 2002), LR 30:

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

Person

Preparing

Statement: John H. DyerDept.: Department of Environmental QualityPhone: (225) 219-3120Office: Office of Environmental Services

Return

Rule

Address: P.O. Box 4313Title: Fugitive Emission ControlBaton Rouge, LA 70821-4313(LAC 33.III.2121 and 2122

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 will be no costs or savings to state or local governmental units to implement this rule.

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

There will be no 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)

Economic benefits, if any, will be minor. Fugitive emissions at industrial facilities that are monitored under a Leak Detection and Repair (LDAR) program for compliance with these rules are often administered by outside contractors. Monitoring of fugitive leaks quarterly under the new definition and applicability of instrumentation systems may save, for example, approximately \$1,200 per year for a typical large chemical plant spending approximately \$50,000 annually for contracted leak detection monitoring. Other changes in the rule, e.g., the option of monitoring flanges using a leak detector, instead of visually, would increase the cost of a monitoring contract; however, this would be a voluntary cost.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There will be no effect on competition since all facilities must follow the same rules. There is no effect on employment.

Signature of Agency Head or Designee

LEGISLATIVE FISCAL OFFICER OR
DESIGNEE

James H. Brent, Ph.D., Assistant Secretary
Typed Name and Title of Agency Head or Designee

Date of Signature

Date of Signature

LFO 7/1/94

**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).

Changes are proposed for Fugitive Emission Control air regulations for attainment and nonattainment areas, LAC 33:III.2121 and LAC 33:III.2122, respectively, to clarify requirements for instrumentation systems, designate “no detectable emissions (NDE)” valves, and allow for an alternative monitoring option for flanges.

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

The regulated community asked for an update to the state fugitive emission control regulations, particularly to make fugitive component definitions and applicability more consistent with the federal regulations for Leak Detection and Repair (LDAR) programs, such as the Maximum Achievable Control Technology (MACT) standards of 40 CFR 63. The action is not required by a federal regulation. Following is a review of the three most significant changes to the rule:

Instrumentation systems are a group of equipment used to convey a sample of process fluid to instruments and analyzers for the purpose of determining process operating conditions. Valves and connectors are the predominant type of equipment used in instrumentation systems. More recent LDAR programs, such as the MACT standards of 40 CFR 63, generally classify instrumentation systems as a type of component separate from its individual parts (i.e., valves, flanges). This rule adopted the definition of instrumentation system included in the Synthetic Organic Chemical Manufacturing Industry Hazardous Organic NESHAP MACT (SOCMI HON) (40 CFR 63, Subpart H). The SOCMI HON is identified as the overall most stringent LDAR program in the Stringency Table of the Louisiana Fugitive Emission Program Consolidation Guidelines. This rule would add instrumentation systems to the list of equipment already subject to the rule, but valves 0.5 inch and smaller and connectors 0.75 inch and smaller, as part of an instrumentation system, would not be monitored individually. This would be identical to the way instrumentation systems are treated under the SOCMI HON. The rule changes do not alter the position of §2121 and §2122 in the Stringency Table.

No Detectable Emissions (NDE) valves have no external actuating mechanism that contacts the process fluid so they are much less prone to leaks than standard valves. The Control Level I Equipment Leak MACT (40 CFR 63, Subpart TT) exempts NDE valves from normal monitoring schedules as long as they are tested for leaks initially upon designation and at least annually thereafter. This rule adopts the MACT definition of NDE valves, and exempts such valves in gas service from normal quarterly monitoring, provided they are tested annually. The proposed rule will be more consistent with MACT requirements, and will encourage use of NDE valves.

Currently, §2122 requires flanges to be monitored weekly by visual inspections. The proposed rule change allows an alternative monitoring option for flanges, under which the facility would test a subset of the entire flange population quarterly, using the EPA instrumental leak detection method. This method is used quarterly for the other fugitives components, such as valves, pumps and compressors. The changes were adopted from the Louisiana MACT Determination for Non-HON

Sources, which is identified as being more stringent than §2122 in the Stringency Table of the Louisiana Fugitive Emission Program Consolidation Guidelines.

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 costs or savings to state or local governmental units to implement this proposed action.

COSTS	FY 03-04	FY 04-05	FY 05-06
PERSONAL SERVICES	0	0	0
OPERATING EXPENSES	0	0	0
PROFESSIONAL SERVICES	0	0	0
OTHER CHARGES	0	0	0
EQUIPMENT	0	0	0
TOTAL	0	0	0
MAJOR REPAIR & CONSTR.	0	0	0
POSITIONS (#)	0	0	0

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.

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	0	0	0
AGENCY SELF-GENERATED	0	0	0
DEDICATED	0	0	0
FEDERAL FUNDS	0	0	0
OTHER (Specify)	0	0	0
TOTAL	0	0	0

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 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 anticipated impact of the proposed action 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 are no costs or savings to local governmental units and no funding is needed.

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 effect on revenue collections of state and local governmental units.

<u>REVENUE INCREASE/DECREASE</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>
STATE GENERAL FUND	0	0	0
AGENCY SELF-GENERATED	0	0	0
RESTRICTED FUNDS*	0	0	0
FEDERAL FUNDS	0	0	0
LOCAL FUNDS	0	0	0
TOTAL	0	0	0

*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 effect on revenue collections 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.

Economic benefits, if any, will be minor. Fugitive emissions at industrial facilities that are monitored under a Leak Detection and Repair (LDAR) program for compliance with these rules are often administered by outside contractors. Monitoring of fugitive leaks quarterly under the new definition and applicability of instrumentation systems may save, for example, approximately \$1,200 per year for a typical large chemical plant spending approximately \$50,000 annually for contracted leak detection monitoring. Other changes in the rule, e.g., the option of monitoring flanges using a leak detector instead of visually, would increase the cost of the monitoring contract; however, this would be a voluntary cost.

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 estimated impacts 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 effect on competition since all facilities must follow the same rules. There is no estimated effect on employment in the public and private sectors.