



Revisions to NOx SIP Rules
Environmental Management Commission – March 10, 2022
Department of Environmental Quality



Hearing Report on NO_x SIP Call Rules

Virtual Public Hearing:	December 1, 2021
Hearing Officer:	Robin Barrows
Comment Period:	October 14, 2021 – December 14, 2021
Commenters:	Duke Energy and EPA Region 4

Comment and Response Overview

- Two rules proposed for amendment (15A NCAC 02D .1401 and .1402).
- Two rules proposed for adoption (15A NCAC 02D .1424 and .1425).
- Two comment letters were received, one from Duke Energy and one from EPA Region 4.
- Changes were made to three of the proposed rules as a result of these comments.

Summary of Comment and Rule Revisions

Rule	Comment Received	DAQ Response
15A NCAC 02D .1401	The EPA commented that the definition for “Large non-EGU” excludes units permitted after October 31, 2000.	The DAQ removed the phrase “which was permitted before October 31, 2000” from the definition of “Large non-EGU”.
15A NCAC 02D .1402	No comments	
15A NCAC 02D .1424	The EPA commented that stack testing should be included every 5 years to verify the unit’s NOx emissions.	The DAQ believes that this requirement should be addressed in the Title V permitting process.
	The EPA requested formulas or detailed descriptions for calculating NOx mass emissions be included.	The DAQ has included formulas and descriptions in the rule.
	The EPA requested alternative monitoring methodologies include either measurements or estimates of actual stack gas flow rates or actual heat input.	The DAQ made revisions to the rule that are comparable to the rule language approved by the EPA in other EPA Region 4 states.
	The EPA commented the language in Paragraph (e) appears to allow NC the discretion to consider an alternative, unspecified monitoring methodology.	The source will need to comply with the more stringent requirements in the other rule and the permit will contain those more stringent monitoring and reporting conditions.

Summary of Comment and Rule Revisions

Rule	Comment Received	DAQ Response
15A NCAC 02D .1425	Duke Energy proposed removing the 120 days after the NOx SIP Call control period reporting requirement and replacing with a defined date of January 30th to submit the ozone season NOx report.	The DAQ incorporated the suggested language of "...January 30 of the calendar year..." into Paragraph (b)
	The EPA requested the DAQ establish a SIP provision to demonstrate the total NOx mass emissions and verify compliance with the NOx budget.	The DAQ will include this requirement in the Clean Air Act Section 110(l) demonstration for this rulemaking.

Regulatory Impact Analysis

- EGU and non-EGU facilities will incur labor costs to prepare the new annual NOx ozone season report. Year 1 costs total \$43,076 with recurring costs of \$20,610 annually thereafter.
- The DAQ will spend approximately \$7,500 in staff time in each of the first two years to complete permit modifications.
- The potential benefit for a unit using historical 40 CFR Part 75 data to determine NOx ozone season emissions is \$64,817 per year.
- The potential benefit for a unit using EPA Test Method data to determine NOx ozone season emissions is \$59,151 per year.

Schedule

- ✓ September 2020 – Rule Concept to AQC
- ✓ November 2020 – Response to AQC Questions
- ✓ May 2021 – Rule Text and Approved RIA to AQC
- ✓ July 2021 – Revised Rule Text and Approved RIA to AQC
- ✓ September 2021 – EMC Request to Proceed to Public Hearing
- March 2022 – Final EMC Action
- May 2022 - Rule Tentatively Effective

Hearing Officer's Recommendation

The Hearing Officer recommends that the proposed rule amendments, with the recommended changes, as presented in Chapter II, and the OSBM approved regulatory impact analysis in Chapter VI of the hearing report be adopted by the Environmental Management Commission.

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