<u>SSB 5343</u> - H AMD TO ENVI COMM AMD (H-2362.1/11) 565 By Representative Morris

NOT CONSIDERED 04/22/2011

On page 1, beginning on line 3 of the amendment, strike all 1 2 material through "2012." on line 26 and insert the following: "Sec. 1. RCW 70.94.152 and 1996 c 67 s 1 and 1996 c 29 s 1 are 3 each reenacted and amended to read as follows: 4 5 (1)(a) The department ((of ecology)) or board of any authority may 6 require notice of the establishment of any proposed new sources, 7 except: 8 (i) Single-family and duplex dwellings ((or)); 9 (ii) De minimis new sources as defined in rules adopted under subsection (11) of this section; and 10 11 (iii) New and existing sources that are exempt under subsection 12 (13) of this section. (b) The department ((of ecology)) or board may require such notice 13 14 to be accompanied by a fee, and determine the amount of ((such)) the fee((: PROVIDED, That the amount of)). The fee may not exceed the 15 16 cost of reviewing the plans, specifications, and other information and administering ((such)) the notice((: PROVIDED FURTHER, That)). Any 17

18 such notice given or notice of construction application submitted to 19 either the board or to the department ((of ecology)) shall preclude 20 ((a)) further submittal of a duplicate application to any board or to 21 the department ((of ecology)).

(2) The department shall, after opportunity for public review and 22 23 comment, adopt rules that establish a workload-driven process for determination and review of the fee covering the direct and indirect 24 costs of processing a notice of construction application and a 25 26 methodology for tracking revenues and expenditures. All new source 27 fees collected by ((the delegated local air)) authorities from sources shall be deposited in the dedicated accounts of their respective 28 29 treasuries. All new source fees collected by the department from sources shall be deposited in the air pollution control account. 30

(3) Within thirty days of receipt of a notice of construction 1 application, the department ((of ecology)) or board may require, as a 2 condition precedent to the establishment of the new source or sources 3 covered thereby, the submission of plans, specifications, and such 4 other information as it deems necessary to determine whether the 5 proposed new source will be in accord with applicable rules and 6 regulations in force under this chapter. If, on the basis of plans, 7 8 specifications, or other information required under this section, the department ((of ecology)) or board determines that the proposed new 9 source will not be in accord with this chapter or the applicable 10 ordinances, resolutions, rules, and regulations adopted under this 11 12 chapter, it shall issue an order denying permission to establish the 13 new source. If, on the basis of plans, specifications, or other information required under this section, the department ((of ecology)) 14 or board determines that the proposed new source will be in accord with 15 this chapter, and the applicable rules and regulations adopted under 16 17 this chapter, it shall issue an order of approval for the establishment of the new source or sources, which order may provide such conditions 18 as are reasonably necessary to assure the maintenance of compliance 19 with this chapter and the applicable rules and regulations adopted 20 21 under this chapter. Every order of approval under this chapter must be 22 reviewed prior to issuance by a professional engineer or staff under 23 the supervision of a professional engineer in the employ of the 24 department ((of ecology)) or board.

(4) The determination required under subsection (3) of this section shall include a determination of whether the operation of the new air contaminant source at the location proposed will cause any ambient air quality standard to be exceeded.

(5) New source review of a modification shall be limited to the
 emission unit or units proposed to be modified and the air contaminants
 whose emissions would increase as a result of the modification.

32 (6) Nothing in this section shall be construed to authorize the 33 department ((of ecology)) or board to require the use of emission 34 control equipment or other equipment, machinery, or devices of any 35 particular type, from any particular supplier, or produced by any 36 particular manufacturer.

37 (7) Any features, machines, and devices constituting parts of or

1 called for by plans, specifications, or other information submitted 2 pursuant to subsection (1) or (3) of this section shall be maintained 3 and operate in good working order.

(8) The absence of an ordinance, resolution, rule, or regulation,
or the failure to issue an order pursuant to this section shall not
relieve any person from his or her obligation to comply with applicable
emission control requirements or with any other provision of law.

(9) Within thirty days of receipt of a notice of construction 8 application the department ((of ecology)) or board shall either notify 9 the applicant in writing that the application is complete or notify the 10 11 applicant in writing of all additional information necessary to 12 complete the application. Within sixty days of receipt of a complete 13 application the department or board shall either (a) issue a final decision on the application, or (b) for those projects subject to 14 public notice, initiate notice and comment on a proposed decision, 15 followed as promptly as possible by a final decision. A person seeking 16 approval to construct or modify a source that requires an operating 17 permit may elect to integrate review of the operating permit 18 19 application or amendment required by RCW 70.94.161 and the notice of construction application required by this section. A notice of 20 21 construction application designated for integrated review shall be 22 processed in accordance with operating permit program procedures and 23 deadlines.

(10) A notice of construction approval required under subsection (3) of this section shall include a determination that the new source will achieve best available control technology. If more stringent controls are required under federal law, the notice of construction shall include a determination that the new source will achieve the more stringent federal requirements. Nothing in this subsection is intended to diminish other state authorities under this chapter.

(11) No person is required to submit a notice of construction or receive approval for a new source that is deemed by the department ((of ecology)) or board to have de minimis impact on air quality. The department ((of ecology)) shall adopt and periodically update rules identifying categories of de minimis new sources. The department ((of ecology)) may identify de minimis new sources by category, size, or emission thresholds. (12) For purposes of this section, "de minimis new sources" means
 new sources with trivial levels of emissions that do not pose a threat
 to human health or the environment.

4 (13)(a) One or more generators operating at an electric generating
5 project are exempt from the requirements of this section if:

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(i) The generators are fueled solely by biogas that:

(A) Is produced by an anaerobic digester that qualifies for the
 solid waste permitting exemption specified in RCW 70.95.330; and

9 <u>(B) Contains less than 0.1 percent sulfur after a startup period</u> 10 <u>not exceeding one hundred eighty days;</u>

11 (ii) The aggregate heat input from the generators does not exceed 12 ten million British thermal units per hour; and

13 (iii) The exemption is permissible under federal law.

14 (b) A modified generator may retain an exemption under this 15 subsection if the generator continues to meet the requirements 16 specified in (a) of this subsection.

17 (c) For the purposes of this subsection: (i) "Anaerobic digester" 18 means a vessel that processes organic material into biogas and 19 digestate using microorganisms in a decomposition process within a 20 closed, oxygen-free container; and (ii) "generator" means an internal 21 combustion engine that converts biogas into electricity, and includes 22 any backup combustion device to burn biogas when an engine is idled for 23 maintenance.

(d) For generators exempted under this subsection or permitted under this section, the department shall measure emission outputs using SCREEN3 air modeling software approved by the United States environmental protection agency or another air modeling software that is no more stringent than SCREEN3 that is approved by the United States environmental protection agency.

(e) This subsection is void and has no force or effect when the 30 department adopts rules consistent with the final rules promulgated by 31 the United States environmental protection agency concerning: (i) New 32 thresholds for greenhouse gas emissions that define when permits under 33 the new source review and Title V operating permits program under the 34 federal clean air act would be required for new or existing industrial 35 36 facilities; and (ii) any changes to national ambient air quality standards after the United States environmental protection agency 37 reviews biomass technologies. 38

1 (f) The exemption created in this subsection applies retroactively

2 to January 1, 2004, with respect to generators that were subject to

- 3 requirements imposed under this section prior to the effective date of
- 4 <u>this section.</u>"

EFFECT: Removes the rule-making requirements in the underlying bill. Exempts certain qualifying generators from the notice of construction permitting requirements under the state clean air act and makes this exemption retroactive to January 1, 2004. Requires the department of ecology (DOE) to measure emission outputs of exempt and permitted generators using air modeling software that is no more stringent than SCREEN3 software. Provides that the exemption is void and has no force or effect when the DOE adopts rules consistent with the United States environmental protection agency's (EPA) final rules concerning: (1) new thresholds for greenhouse gas emissions under the federal clean air act; and (2) any changes to national ambient air quality standards after the EPA reviews biomass technologies.

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