TO: Charles Moulton, Hearing Officer
Arkansas Pollution Control and Ecology Commissioners

FROM: Mike Bates, Chief, Air Division

DATE: January 14, 2011

SUBJECT: Proposed Revisions to Regulation Number 18, Arkansas Air Pollution Control Code

The Arkansas Department of Environmental Quality (ADEQ) proposes revisions to Regulation Number 18, Arkansas Air Pollution Control Code. Regulation Number 18 is applicable to any source which emits or has the potential to emit any air contaminant as defined in Chapter 2 of Regulation Number 18.

The changes to Regulation Number 18 are being proposed in response to the United States Environmental Protection Agency’s ("EPA") June 3, 2010, Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule ("Tailoring Rule"). The Tailoring Rule requires that greenhouse gases be subject to regulation under the Clean Air Act. Carbon dioxide is one of the gases listed in the Tailoring Rule as a greenhouse gas. The Arkansas Pollution Control and Ecology Commission’s ("Commission") Regulation Number 18 currently excludes carbon dioxide from being an air contaminant. For state regulations to be consistent with EPA’s Tailoring Rule, the exclusion of carbon dioxide from air contaminant needs to be removed. Because making this change will automatically cause carbon dioxide to become subject to permitting, changes are also being proposed to Chapter 3 of Regulation Number 18 to prevent greenhouse gases from triggering the need for a permit unless that permit would be required under Regulation Number 19 or Regulation Number 26. Additionally, the term “air pollutant” has been included in the definition of “air contaminant,” and greenhouse gas emissions at levels under 75,000 tons per year are being proposed to be added as “De Minimis,” so that any increase of greenhouse gases under this level will not require a major permit modification. Changes made to Appendix A of Regulation Number 18 seek to clarify that activities emitting less than 75,000 tons per year of carbon dioxide emissions are included in the Group A Insignificant Activities List for Appendix A, Regulation Number 18. Making these changes will maintain consistency between Federal air pollution control programs and the Commission’s regulations governing air pollution in Arkansas, as well as maintain consistency across air pollution regulations.