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<h1 style="text-align: center;">Regulatory Analysis Form</h1>		This space for use by IRRC 2000 JAN 19 PM 3:14 ILLINOIS REGULATORY REVIEW COMMISSION
		McGinley IRRC Number: 2008
(1) Agency Department of Environmental Protection		
(2) I.D. Number (Governor's Office Use) #7-343		
(3) Short Title Corrections to Nitrogen Oxides Allowance Requirements		
(4) PA Code Cite 25 Pa. Code Chapters 121, Definitions, and 123, Standards for Contaminants	(5) Agency Contacts & Telephone Numbers Primary Contact: Sharon Freeman, 717-783-1303 Secondary Contact: Barbara A. Sexton, 717-783-1303	
(6) Type of Rulemaking (Check One) <input type="checkbox"/> Proposed Rulemaking <input checked="" type="checkbox"/> Final Order Adopting Regulation <input type="checkbox"/> Final Order, Proposed Rulemaking Omitted	(7) Is a 120-Day Emergency Certification Attached? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes: By the Attorney General <input type="checkbox"/> Yes: By the Governor	
(8) Briefly explain the regulation in clear and nontechnical language. <p>A. Pursuant to Section 123.117(b) several facility operators identified sources to the Department. Additions to the Appendix A list of affected sources are made to account for these sources. The source operators met the requirements of Section 123.117(b) and the Ozone Transport Commission (OTC) has approved the changes to the NOx MOU Baseline inventory. The inventory change provides the Commonwealth with an increased budget on which to draw the additional allowances for these sources.</p> <p>B. As the Department began to implement the existing regulation, there was some confusion about the definition of a "NOx affected source." The definition is intended to require only those individual fossil-fired operating units which generate greater than 15 MW of electricity to be included in the definition. Because there is some ambiguity in the existing definition, this proposal clarifies the language to meet the original intent. The proposal also deletes several sources from Appendix E which were erroneously included based on the ambiguity in the "NOx affected source" definition.</p> <p>C. An accounting error for the Appendix E allocations must be corrected. The total allocation of the state budget was exceeded by about one quarter of a percent. Each source's allocation should be adjusted proportionately to effect the correction.</p> <p>D. The special allocation set aside for the Washington Power project is being eliminated since the plan approval upon which it was based expired and the project would no longer qualify to construct without NSR offsets. The elimination of the special allocation has been used to reduce the magnitude of the accounting error described in C.</p> <p>E. The listing of "baseline MMBtu" in Appendix E is being deleted. The listing of "baseline NOx lb/MMBtu" is being modified. The changes to the columns clarifies their use.</p> <p>F. Changes are being made to the allocation to Duquesne Light company's Cheswick facility and the P.H. Glatfelter facility. The Penntech Paper facility (now Willamette Industries) is being removed from the program. These changes are being made in response to the settlement of litigation with these companies.</p>		

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

Section 5 of the Air Pollution Control Act (35 P.S. § 4005).

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Yes, these changes are required by the Federal Clean Air Act. These changes should be made immediately. The rule makes some minor adjustments to the allowances. Since the allowances can be traded and sold, it is in the best interest of the affected parties to receive full and accurate allocations prior to the "control period" beginning on May 1, 2000.

(11) Explain the compelling public interest that justifies the regulation. What is the problem that it addresses?

The interest and problem is described in (8) and (10) above.

(12) State the public health, safety, environmental or general welfare risks associated with non-regulation.

Because of the accounting error in the existing regulation, without this regulatory change, affected sources will be able to emit more pollutants than appropriate resulting in less protection of public health.

(13) Describe who will benefit from the regulation. (Quantify the benefits completely as possible and approximate the number of people who will benefit.)

This change will primarily benefit the operators of the newly identified sources since they will receive the allowances which were approved for inclusion in the state budget.

(14) Describe who will be adversely affected by the regulation. Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

Due to the accounting error in the Appendix E allocations, the Department is proposing to reduce sources' allowances by approximately 0.25 %. This will cost sources an incremental additional amount to comply with the reduced allocations.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

The currently existing affected facilities impacted by this regulation are listed in Appendix E to the regulation. In addition, any new fossil fuel fired facility that is rated at greater than or equal to 250 million BTU per hour and any fossil fired electric generating unit rated at greater than or

equal to 15 megawatts would be subject to the regulation along with any facilities that opt into the program.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

The operators of the newly identified sources contacted the Department and provided the necessary information to effect the changes related to those facilities. The Department's statutorily established technical advisory committee for air quality issues (AQTAC) provided a public forum for discussion and technical advice.

Three public hearings were held during the public comment period for the proposed rulemaking. Comments were received from eight individuals and organizations. A summary of the comments and the Department's response to each comment has been prepared.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

Operators of newly identified sources will experience a cost savings since they will receive an allocation which they otherwise would be required to purchase. The overall costs/savings associated with these amendments are negligible.

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting, or consulting procedures which may be required.

There is no local government involvement associated with these changes.

(19) Provide a specific estimate of the costs and/or savings to state government associated with compliance, including any legal, accounting, or consulting procedures which may be required.

There are no anticipated impacts.

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

Current FY through FY+5

SAVINGS:

**Regulated Community
Local Government**

**Negligible
None**

State Government	None
General Public	None
Total Savings	Negligible

COSTS: There may be a slight increase in costs to implement this regulatory change.

REVENUE LOSSES:

Regulated Community	Slight
Local Government	None
State Government	None
Total Revenue Losses	None

(20a) Explain how the cost estimates listed above were derived.

The sources may experience a slight increase in costs due to the reduction in the number of allowances available.

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program expenditures will not be affected by the proposed regulation amendment.

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

Correcting the allocations for all sources to match the state budget is not a cost-benefit issue, it simply implements the regulation in the manner that it was originally intended. The addition of sources provides a complete and accurate listing of affected sources which are included in the baseline budget.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

Revision of the allowances must be done through rulemaking.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide reasons for their dismissal.

There are no alternatives that allow the existing rule to be corrected.

(24) Are there any provisions that are more stringent than the federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

There are no applicable federal regulations. These regulations are necessary for Pennsylvania and other Northeastern states to achieve the National Ambient Air Quality Standard for ozone.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

The regulation is consistent with rules being developed by all states in the Northeast Ozone Transport Region. There is a competitiveness issue because similar sources in Midwestern and Southern states are not presently required to make similar reductions. Pennsylvania and EPA are presently seeking to have similar reductions made in these states through Section 126 and Section 110 of the Clean Air Act.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

A 66-day comment period was provided. Hearings were held on the following dates at the locations indicated:

April 6, 1999	April 7, 1999	April 8, 1999
DEP Southwest Regional Office 400 Waterfront Drive Pittsburgh, PA	DEP Southcentral Regional Office Susquehanna River Conference Room 909 Elmerton Ave Harrisburg, PA	DEP Southeast Regional Office Suite 6010 Lee Park 555 North Lane Conshohocken, PA

All hearings began at 1 pm.

(28) Will the regulation change existing reporting, recordkeeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available?

No.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small business, and farmers.

None.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses, or other approvals must be obtained?

The rule becomes effective upon promulgation. Permits are required to be issued to affected facilities in order to implement the regulation.

(31) Provide the schedule for continual review of the regulation.

This regulation will be reviewed in accordance with the sunset review scheduled published by the Department to determine whether the regulation effectively fulfills the goals for which it was intended.

FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU
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REVIEW COMMISSION

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(DEPUTY ATTORNEY GENERAL)

DATE OF APPROVAL

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Noted.

Copy below is hereby certified to be a true and correct copy
of a document issued, prescribed or promulgated by:

DEPARTMENT OF ENVIRONMENTAL PROTECTION
ENVIRONMENTAL QUALITY BOARD

(AGENCY)

DOCUMENT/FISCAL NOTE NO. 7-343

DATE OF ADOPTION: _____

BY: _____

TITLE: JAMES M. SEIF, CHAIRMAN

(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

Copy below is hereby approved as to
form and legality. Executive or Independent
Agencies.

BY: *R. E. Grimaldi*

12/30/99

DATE OF APPROVAL

(Deputy General Counsel)
(Chief Counsel, Independent Agency)
(Strike inapplicable title)

☐ Check if applicable. No Attorney General
approval or objection within 30
days after submission.

ORDER ADOPTING REGULATIONS

DEPARTMENT OF ENVIRONMENTAL PROTECTION
ENVIRONMENTAL QUALITY BOARD

Nitrogen Oxides (NOx) Allowance Requirements

25 Pa. Code Chapters 121 and 123

**Department of Environmental Protection
Environmental Quality Board**

**25 Pa. Code Chapters 121 and 123
Nitrogen Oxides Allowance Requirements**

Order

The Environmental Quality Board (Board) by this Order amends Chapters 121 and 123 (relating to general provisions and standards for contaminants) as set forth in Annex A.

The final form regulations amend the definition of "NOx affected source" in Chapter 121 to clarify that the definition is applicable to 15 megawatt (MW) sources rather than facilities. The final regulations make a number of minor technical amendments to Appendix E. The first amendment provides allowance allocations for newly discovered sources as provided under Section 123.117(b) (relating to new NOx affected source provisions). In addition, the amendments to the allocations in Appendix E correct an accounting error contained in the original allocation. The final regulations delete the listing of "baseline MMBtu" in Appendix E, and modify the listing of "baseline NOx lbs. per MMBtu." A number of sources mistakenly included in Appendix E are being deleted. The final regulations delete the contingent allocation for Washington Power Company from Section 123.115(b) (relating to initial NOx allowance NOx allocations). The final regulations change the allocations for Duquesne Light Company's Cheswick facility and the P.H. Glatfelter facility, and they eliminate the Penntech Papers allocation.

This Order was adopted by the Board at its meeting of Dec. 21, 1999.

A. Effective Date

These amendments will go into effect upon publication in the *Pennsylvania Bulletin* as final rulemaking.

B. Contact Persons

For further information, contact J. Wick Havens, Chief, Division of Air Resource Management, Bureau of Air Quality Control, 12th Floor Rachel Carson State Office Building, P.O. Box 8468, Harrisburg, PA 17105-8468, (717) 787-4310; or M. Dukes Pepper, Jr., Assistant Counsel, Bureau of Regulatory Counsel, Office of Chief Counsel, 9th Floor Rachel Carson State Office Building, P.O. Box 8464, Harrisburg, PA 17105-8464, (717) 787-7060. Persons with a disability may use the AT&T relay service by calling (800) 654-5984 (TDD users) or (800) 654-5988 (voice users). These regulations are

available electronically through the Department of Environmental Protection's (Department) web site (<http://www.dep.state.pa.us>).

C. Statutory Authority

This action is being taken under the authority of Section 5(a)(1) of the Air Pollution Control Act (35 P.S. §4005(a)(1)), which grants to the Board the authority to adopt regulations for the prevention, control, reduction and abatement of air pollution.

D. Background and Summary

On November 1, 1997, the Board published final regulations establishing the Nitrogen Oxides (NOx) Allowance Requirements. As the Department began to implement the regulation, there was some confusion about the definition of a "NOx affected source". This definition intended to require that only those individual fossil-fired operating units that generate greater than 15 megawatts of electricity be included in the definition. Because some ambiguity exists, the final-form regulation clarifies the definition to meet the original intention.

Subsequent to publication of the regulations, a number of NOx affected sources not listed in the regulation were identified under the process established in Section 123.117 (relating to new NOx affected sources). In addition, the Washington Power Company, listed in Section 123.115(b) of the regulation, no longer has a plan approval authorizing its construction. Furthermore, as the Department began the process of establishing NOx allowance tracking system accounts for the NOx affected sources listed in the regulations, the Department recognized that an accounting error had occurred in the original allocation of allowances listed in Appendix E. Appendix E had allocated approximately 500 more NOx allowances than were available in the OTC budget that Pennsylvania agreed to meet. Appendix E of the existing regulation contains two columns ("baseline NOx lbs./MMBtu" and "baseline MMBtu") that are somewhat confusing. A number of minor editorial and name changes to the regulation are also necessary. This final-form regulation modifies the existing requirements to include newly discovered sources, removes the Washington Power Company, corrects the accounting error, modifies the columns contained in Appendix E, and makes the editorial changes described above. Finally, the final regulations modify the allocations for Duquesne Light's Cheswick facility and P.H. Glatfelter's facility and eliminate the allocation for Penntech Papers (now Willamette) in response to litigation concerning implementation of the existing regulations.

As described during the initial rulemaking action, the Department worked with the Ozone Transport Commission (OTC) to determine the 1990 NOx baseline which was used to calculate the emission reductions, NOx affected source allocations, and emission caps established by the program.

The OTC published the "Procedures for Development of the OTC NO_x Baseline Emission Inventory." Following those procedures, a "1999 OTC NO_x Baseline Emission Inventory" was developed by EPA's Office of Air Quality Planning and Standards (EPA-454/R/95-013). Pennsylvania used that inventory as the basis for development of the emission reduction requirements contained in the Nitrogen Oxides Allowance Requirements regulations. A discussion in the March 6, 1999 preamble of the proposed rulemaking to this final-form regulation details the process that was used in Pennsylvania to establish the 1999 baseline, emission reductions, NO_x affected source allocations, and emission caps.

This final-form regulation was reviewed by the Air Quality Technical Advisory Committee (AQ_{TAC}) at its August 23, 1999 meeting. The AQ_{TAC} recommended that the Department proceed with the final-form regulation.

E. Summary of Comments and Responses on the Proposed Rulemaking

The Department received eight (8) sets of comments on the regulatory proposal. The following discussion summarizes the major issues and the Department's responses.

In general, the commentators supported the revisions to the Nitrogen Oxides Allowance Requirements. One commentator opposed the allocation revision, asserting that the original allocation contained in the final regulations was inaccurate. That commentator also indicated that the Department did not describe the reason for the revision. The commentator received a final operating permit containing the allocation under the existing regulations. The commentator did not appeal that final permit. The preamble to the proposed rule describes in detail the Department's methodology for calculating allocations, including a description of the accounting error contained in the existing rule. The Department has not made any changes to the final form-rule in response to this comment. Another commentator asserted that two boilers contained at its facility were incorrectly included in Appendix E of the original rule. Again, this commentator received a final operating permit implementing that rule and did not appeal that operating permit. The Department did not make any change as a result of the comment.

Finally, the Department received several comments requesting changes to names contained in the rule or making editorial comments concerning the nomenclature describing boilers at facilities covered by the rule. The Department made the changes in Appendix E to address these editorial concerns.

F. Benefits, Costs, and Compliance

Benefits

Executive Order 1996-1 requires a cost/benefit analysis of the amendments. Overall, the citizens in this Commonwealth will benefit from the amendments because they will provide appropriate protection of air quality both in this Commonwealth and the entire Northeastern United States. In addition to reducing ozone pollution, this program will assist the Commonwealth in meeting its requirements for regional further progress and attainment under the Clean Air Act.

Compliance Costs

These regulations may slightly increase compliance costs by reducing the total NOx allowances available in Pennsylvania.

Compliance Assistance

The Department plans to educate and assist the regulated community and the public with understanding the Nitrogen Oxides Allowance Requirements.

Paperwork Requirements

These regulatory changes will impose no additional paperwork on the Commonwealth and the regulated entities.

G. Pollution Prevention

Although this final-form regulation does not directly include pollution prevention provisions, it may encourage some affected parties to switch to less polluting fossil fuel sources.

H. Sunset Review

This final-form regulation will be reviewed in accordance with the sunset review schedule published by the Department to determine whether the regulation effectively fulfills the goals for which it was intended.

I. Regulatory Review

Under Section 5(a) of the Regulatory Review Act (71 P.S. §745.5(a)), on _____, the Department submitted a copy of the amendments to IRRC and the Chairpersons of the Senate and House Environmental Resources and Energy Committees. In compliance with Section

5(c) of the Regulatory Review Act, the Department also provided IRRC and the Committees with copies of the comments received during the public comment period, as well as other documents when requested.

In preparing these final form regulations, the Department has considered the comments received from IRRC, the Committees and the public. These comments are addressed in Section E of this preamble. Under Section 5.1(d) of the Regulatory Review Act (71 P.S. § 745.5a(d)), on _____ these final-form regulations were deemed approved by the House and Senate Committees. Under Section 5.1(e) of the Regulatory Review Act, IRRC met on _____ and approved the final-form regulations.

J. Findings of the Board

The Board finds that:

(1) Public notice of proposed rulemaking was given under Sections 201 and 202 of the Act of July 31, 1968 (P.L. 769, No. 240) (45 P.S. §§1201 and 1202) and regulations promulgated thereunder in 1 *Pa. Code* §§7.1 and 7.2.

(2) A public comment period was provided as required by law and all comments were considered.

(3) These final-form regulations do not enlarge the purpose of the proposal at 29 *Pa. Bull.* 1214 (March 6, 1999).

(4) These final-form regulations are necessary and appropriate for administration and enforcement of the authorizing acts identified in Section C of this preamble and are reasonably necessary to achieve and maintain the NAAQS for ozone.

K. Order of the Board

The Board, acting under the authorizing statutes, orders that:

(a) The regulations of the Department, 25 *Pa. Code* Chapters 121 and 123 are amended to read as set forth in Annex A, with ellipses referring to the existing text of the regulations.

(b) The Chairperson of the Board shall submit this Order and Annex A to the Office of General Counsel and the Office of Attorney General for review and approval as to legality and form, as required by law.

(c) The Chairperson of the Board shall submit this Order and Annex A to the IRRC and the Senate and House Environmental Resources and Energy Committees as required by the Regulatory Review Act.

(d) The Chairperson of the Board shall certify this Order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(e) This Order shall take effect immediately.

By:

James M. Seif
Chairperson

Annex A

TITLE 25. ENVIRONMENTAL PROTECTION

PART I. DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subpart C. PROTECTION OF NATURAL RESOURCES

ARTICLE III. AIR RESOURCES

CHAPTER 121. GENERAL PROVISIONS

§ 121.1. Definitions.

The definitions in section 3 of the act (35 P. S. § 4003) apply to this article. In addition, the following words and terms, when used in this article, have the following meanings, unless the context clearly indicates otherwise:

* * * * *

NO_x affected source—A fossil fuel fired indirect heat exchange combustion unit with a maximum rated heat input capacity of 250 MMBtu/hour or more and all fossil fuel fired electric generating [facilities] SOURCES rated at 15 megawatts or greater or any other source that voluntarily opts to become a NO_x affected source.

* * * * *

CHAPTER 123. STANDARDS FOR CONTAMINANTS

NO_x ALLOWANCE REQUIREMENTS

§ 123.115. Initial NO_x allowance NO_x allocations.

* * * * *

[(b) The Washington Power Company and Colver Power Project sources identified in Appendix A shall receive the allocation identified in Appendix E upon operation of the source.]

[(c)] (b) * * * * *

* * * * *

APPENDIX E

County	Facility	Combustion Source Name	Point ID	Allowance	BONUS ALLOWANCE	
					Baseline NOx lb/MMBtu	[Baseline MMBtu]
Adams	Met Edison Hamilton		031	4	0.59	[18,716]
Adams	Met Edison Ortanna		031	3	0.59	[13,130]
Adams	Metropolitan Edison Company	G. E. N Frame Turbine #1	031	17	0.45	[89,908]
Adams	Metropolitan Edison Company	G. E. N Frame Turbine #2	032	6	0.45	[29,243]
Adams	Metropolitan Edison Company	G. E. N Frame Turbine #3	033	14	0.45	[74,249]
Allegheny	Duquesne Light Company, Boiler Cheswick		001	[2,114] <u>2,110</u> 2,500	[0.61] <u>0.73</u>	[15,025,580]
Armstrong	Penelec-Keystone	Boiler No. 1	031	[4,342] <u>4,334</u>	0.80	[25,149,236]
Armstrong	Penelec-Keystone	Boiler No. 2	032	[3,446] <u>3,439</u>	0.79	[22,657,898]
Armstrong	West Penn Power Co.	Foster Wheeler	031	[1,140] <u>1,137</u>	0.95	[5,355,101]
Armstrong	West Penn Power Co.	Foster Wheeler	032	[1,066] <u>1,063</u>	1.02	[5,007,467]
Beaver	AES Beaver Valley Partners, Inc.	Babcock and Wilcox	032	[302] <u>301</u>	0.83	[1,747,462]
Beaver	AES Beaver Valley Partners, Inc.	Babcock and Wilcox	033	247	0.83	[1,431,342]
Beaver	AES Beaver Valley Partners, Inc.	Babcock and Wilcox	034	286	0.83	[1,655,847]
Beaver	AES Beaver Valley Partners, Inc.	Babcock and Wilcox	035	154	0.81	[683,951]
Beaver	Penn Power Co.-Bruce Mansfield	Boiler Unit 1	031	[2,993] <u>2,987</u>	0.90	[16,618,929]
Beaver	Penn Power Co.-Bruce Mansfield	Foster Wheeler Unit No. 2	032	[3,866] <u>3,857</u>	0.90	[21,464,786]
Beaver	Penn Power Co.-Bruce Mansfield	Foster Wheeler Unit 3	033	[3,504] <u>3,497</u>	0.70	[19,455,843]
Beaver	Zinc Corporation Of America	Coal Boiler 1	034	[241] <u>240</u>	0.80	[1,380,627]
Beaver	Zinc Corporation Of America	Coal Boiler 2	035	[204] <u>203</u>	0.80	[1,168,776]
Berks	Metropolitan Edison Co.-Titus	Unit 1	031	202	0.65	[1,836,587]
Berks	Metropolitan Edison Co.-Titus	Unit 2	032	186	0.68	[1,632,072]
Berks	Metropolitan Edison Co.-Titus	Unit 3	033	201	0.66	[1,805,003]
Berks	Metropolitan Edison Co.-Titus	No. 4 Combustion Turbine	034	2	0.44	[20,010]
Berks	Metropolitan Edison Co.-Titus	No. 5 Combustion Turbine	035	2	0.44	[15,484]
Blair	Penelec-Williamsburg	No. 11 Boiler-Rily	031	38	0.87	[200,874]
Bucks	PECO Energy-Falls	Unit 1		7	0.67	
Bucks	PECO Energy-Falls	Unit 2		7	0.67	
Bucks	PECO Energy-Falls	Unit 3		6	0.67	
Bucks	PECO Energy-Croyden	Croyden-Turbine #11	031	11	0.70	[42,451]
Bucks	PECO Energy-Croyden	Croyden-Turbine #12	032	7	0.70	[26,382]
Bucks	PECO Energy-Croyden	Croyden-Turbine #21	033	44	0.70	[175,640]
Bucks	PECO Energy-Croyden	Croyden-Turbine #22	034	20	0.70	[81,649]
Bucks	PECO Energy-Croyden	Croyden-Turbine #31	035	11	0.70	[42,534]
Bucks	PECO Energy-Croyden	Croyden-Turbine #32	036	14	0.70	[54,905]

Bucks	PECO Energy-Croyden	Croyden-Turbine #41	037	8	0.70	[30,191]
Bucks	PECO Energy-Croyden	Croyden-Turbine #42	038	38	0.70	[152,094]
Bucks	[United States Steel Corp., Power House Boiler No. 3		043	63	0.26	[655,625]
	The] PECO ENERGY - FAIRLESS HILLS					
Bucks	[United States Steel Corp., Power House Boiler No. 4		044	14	0.27	[147,330]
	The] PECO ENERGY - FAIRLESS HILLS					
Bucks	[United States Steel Corp., Power House Boiler No. 5		045	73	0.26	[756,980]
	The] PECO ENERGY - FAIRLESS HILLS					
Bucks	[United States Steel Corp., Power House Boiler No. 6		046	84	0.26	[871,810]
	The] PECO ENERGY - FAIRLESS HILLS					
Cambria	Cambria CoGen Company A Boiler		031	[200] 199	0.24	[2,003,177]
Cambria	Cambria CoGen Company B Boiler		032	[212] 210	0.23	[2,116,233]
Cambria	Colver Power Project			[411] 409	0.20	[4,112,640]
Cambria	Ebensburg Power Company	CFB Boiler		[206] 205	0.08	[2,058,858]
Carbon	Panther Creek Energy Facility	Boiler 1		119	0.12	[1,592,491]
Carbon	Panther Creek Energy Facility	Boiler 2		[117] 116	0.12	[1,555,673]
[Chester	PECO Energy-Mosier	Unit 1		7	0.67]	
[Chester	PECO Energy-Mosier	Unit 2		7	0.67]	
[Chester	PECO Energy-Mosier	Unit 3		6	0.67]	
Chester	PECO Energy-Cromby	Boiler No 1	031	[247] 246	0.82	[1,660,770]
Chester	PECO Energy-Cromby	Boiler No 2	032	[187] 186	0.28	[1,257,120]
Clarion	Piney Creek Project	CFB Boiler		[122] 121	0.18	[1,217,989]
Clearfield	Penelec-Shawville	Babcock Wilcox Boiler	031	[981] 979	1.22	[3,737,976]
Clearfield	Penelec-Shawville	Babcock Wilcox Boiler	032	[947] 945	1.21	[3,624,416]
Clearfield	Penelec-Shawville	Combustion Engineering	033	[852] 850	0.86	[4,558,942]
Clearfield	Penelec-Shawville	Combustion Engineering	034	[693] 692	0.87	[3,697,889]
Clinton	International Paper Co.	1 Riley Stoker Vo-Sp	033	145	0.55	[1,220,703]
Clinton	International Paper Co.	2 Riley Stoker Vo-Sp	034	145	0.55	[1,218,878]
Clinton	PP&L-Lock Haven	CT 1		3	0.49	[14,818]
Columbia	Penelec-Benton		002	1	2.33	[2,661]
Columbia	Penelec-Benton		003	1	2.93	[2,330]
Cumberland	Metropolitan Edison Company	G.E. N Frame Turbine	031	9	0.45	[46,665]
Cumberland	Metropolitan Edison Company	G.E. N Frame Turbine	032	11	0.45	[55,480]
Cumberland	PP&L-West Shore	CT 1		3	0.49	[12,402]
Cumberland	PP&L-West Shore	CT 2		3	0.49	[13,231]
Dauphin	PP&L-Harrisburg	CT 1		[4] 3	0.49	[16,282]
Dauphin	PP&L-Harrisburg	CT 2		4	0.49	[15,884]
Dauphin	PP&L-Harrisburg	CT 3		4	0.49	[15,446]
Dauphin	PP&L-Harrisburg	CT 4		4	0.49	[15,386]
Delaware	[BP Oil, Inc.] TOSCO REFINERY	7 Boiler	032	[35] 33	0.37	[331,917]
Delaware	[BP Oil, Inc.] TOSCO REFINERY	8 Boiler	033	[56] 54	0.48	[535,337]
Delaware	[BP Oil, Inc.] TOSCO REFINERY	PLATFORMER HEATER	038	[187] 180	0.55	[1,789,455]
Delaware	Tosco Refinery	543 Crude Heater	044	101	0.55	
Delaware	Tosco Refinery	544 Crude Heater	045	115	0.55	
Delaware	PECO Energy-Eddystone	No. 1 Boiler	031	[663] 660	0.54	[5,571,014]
Delaware	PECO Energy-Eddystone	No. 2 Boiler	032	[432] 430	0.55	[3,629,294]
Delaware	PECO Energy-Eddystone	No. 3 Boiler	033	[257] 255	0.28	[2,153,713]
[Delaware	PECO Energy-Eddystone	No. 10 Gas Turbine	037	1	0.49	9,464]

[Delaware	PECO Energy-Eddystone	No. 20 Gas Turbine	038	1	0.48	7,560]
Delaware	PECO Energy-Eddystone	No. 30 Gas Turbine	039	2	0.48	[19,502]
Delaware	PECO Energy-Eddystone	No. 40 Gas Turbine	040	1	0.49	[9,450]
Delaware	PECO Energy-Eddystone	No. 4 Boiler	041	[249] <u>248</u>	0.28	[2,089,539]
Delaware	Kimberly-Clark	Boiler No. 9	034	12	0.52	[264,600]
Delaware	Kimberly-Clark	10 Culm Cogen. Fbc Plant	035	[85] <u>84</u>	0.08	[1,602,169]
Delaware	Sun Refining & Marketing		089	86	0.09	[1,211,002]
Delaware	[Sun Refining & Marketing] FPL		090	145	0.08	[4,927,837]
ENERGY						
[Elk	Penntech Papers, Inc.	B&W Model Pm106 Boiler #6	038	0	0.00	0]
[Elk	Penntech Papers, Inc.	B & W #81 Boiler	040	103	0.83	570,989]
[Elk	Penntech Papers, Inc.	B&W #82 Boiler	041	109	0.83	603,471]
Erie	General Electric Co.	B & W Boiler No. 2	032	26	1.01	[587,180]
Erie	International Paper Company	Coal Fired Boiler No. 21	037	68	0.58	[321,958]
Erie	Norcon Power Partners	Turbine 1	001	50	0.07	[1,483,488]
Erie	Norcon Power Partners	Turbine 2	002	50	0.07	[1,483,488]
Erie	Penelec-Front Street	Erie City Iron Works No. 7	031	5	0.92	[38,964]
Erie	Penelec-Front Street	Erie City Iron Works No. 8	032	5	0.90	[39,881]
Erie	Penelec-Front Street	Comb. Eng. Boiler No. 9	033	[134] <u>133</u>	0.57	[1,033,388]
Erie	Penelec-Front Street	Comb. Eng. Boiler No. 10	034	[134] <u>133</u>	0.57	[1,033,528]
Greene	West Penn Power- Hatfield's Ferry	Babcock & Wilcox	031	[3,978] <u>3,969</u>	1.04	[15,502,912]
Greene	West Penn Power- Hatfield's Ferry	Babcock & Wilcox	032	[3,703] <u>3,694</u>	1.04	[14,429,251]
Greene	West Penn Power- Hatfield's Ferry	Babcock & Wilcox	033	[2,160] <u>2,154</u>	1.04	[8,416,290]
Indiana	Penelec-Conemaugh	Boiler No. 1	031	[3,295] <u>3,288</u>	0.76	[20,130,686]
Indiana	Penelec-Conemaugh	Boiler No. 2	032	[4,197] <u>4,187</u>	0.76	[25,543,024]
Indiana	Penelec-Homer City	Boiler No. 1-Foster Wheelr	031	[3,167] <u>3,160</u>	1.20	[11,325,278]
Indiana	Penelec-Homer City	Boiler No. 2-Foster Wheelr	032	[3,987] <u>3,978</u>	1.20	[15,382,211]
Indiana	Penelec-Homer City	Boiler No. 3-B. & W.	033	[2,931] <u>2,924</u>	0.62	[21,951,003]
Indiana	Penelec-Seward	Boiler No. 12 (B&W)	032	[145] <u>144</u>	0.84	[849,307]
Indiana	Penelec-Seward	Boiler No. 14 (B&W)	033	146	0.83	[809,011]
Indiana	Penelec-Seward	Boiler No. 15 (Comb.Eng.)	931	[673] <u>672</u>	0.75	[4,155,275]
Lackawanna	Archbald Power Corporation	Cogen		[82] <u>81</u>	0.05	[818,013]
Lancaster	PP&L-Holtwood	Unit 17 Foster Wheeler	934	[807] <u>806</u>	1.20	[3,116,786]
Lawrence	Penn Power Co.-New Castle	Foster Wheeler	031	108	0.91	[553,994]
Lawrence	Penn Power Co.-New Castle	B.W. Boiler	032	97	0.91	[498,559]
Lawrence	Penn Power Co.-New Castle	Babcock And Wilcox	033	185	0.91	[947,292]
Lawrence	Penn Power Co.-New Castle	Babcock And Wilcox	034	339	0.91	[1,737,996]
Lawrence	Penn Power Co.-New Castle	Babcock And Wilcox	035	[622] <u>620</u>	0.91	[3,183,091]
Lehigh	PP&L-Allentown	CT 1		2	0.49	[10,329]
Lehigh	PP&L-Allentown	CT 2		3	0.49	[13,752]
Lehigh	PP&L-Allentown	CT 3		3	0.49	[14,215]
Lehigh	PP&L-Allentown	CT 4		3	0.49	[12,745]
Lycoming	PP&L-Williamsport	CT 1		3	0.49	[14,633]
Lycoming	PP&L-Williamsport	CT 2		3	0.49	[14,083]
Luzerne	Continental Energy	Turbine		[269] <u>267</u>	0.13	[2,687,577]

Luzerne	Associates Continental Energy Associates	HRSG		[129] 128	0.20	[1,288,248]
Luzerne	UGI Corp.-Hunlock Power	Foster Wheeler	031	[375] 374	0.95	[1,821,127]
Luzerne	PP&L-Jenkins	CT 1		3	0.49	[12,942]
Luzerne	PP&L-Jenkins	CT 2		2	0.49	[6,885]
Luzerne	PP&L-Harwood	CT 1		3	0.49	[14,194]
Luzerne	PP&L-Harwood	CT 2		3	0.49	[14,049]
Monroe	Met Edison Shawnee		031	3	0.59	[15,285]
Montgomery	Merck Sharp & Dohme	Cogen II Gas Turbine	039	79	0.16	[1,028,875]
MONTGOMERY	PECO ENERGY-MOSER	UNIT 1		7	0.67	
MONTGOMERY	PECO ENERGY-MOSER	UNIT 2		7	0.67	
MONTGOMERY	PECO ENERGY-MOSER	UNIT 3		6	0.67	
Montour	PP&L-Montour	Montour No. 1	031	[3,576] 3,568	0.85	[17,029,683]
Montour	PP&L-Montour	Montour No. 2	032	[4,706] 4,696	1.07	[22,409,322]
Montour	PP&L-Montour	Aux.Start-Up Boiler No. 1	033	9	0.17	[44,436]
Montour	PP&L-Montour	Aux.Start-Up Boiler No. 2	034	7	0.17	[34,076]
Northampton	Bethlehem Steel Corp.	Boiler 1 Boiler House 2	041	[90] 91	0.23	[Confidential]
Northampton	Bethlehem Steel Corp.	Boiler 2 Boiler House 2	042	[90] 91	0.23	[Confidential]
Northampton	Bethlehem Steel Corp.	Boiler 3 Boiler House 2	067	[91] 92	0.23	[Confidential]
Northampton	Met Edison Co.-Portland	Unit No. 1	031	[463] 462	0.59	[3,593,611]
Northampton	Met Edison Co.-Portland	Unit No. 2	032	[658] 657	0.66	[4,578,297]
Northampton	Met Edison Co.-Portland	Combustion Turbine No. 3	033	1	0.53	[9,795]
Northampton	Met Edison Co.-Portland	Combustion Turbine No. 4	034	6	0.53	[40,931]
Northampton	Northampton Generating Company	Boiler	001	[210] 209	0.10	[4,208,112]
Northampton	PP&L-Martins Creek	Foster-Wheeler Unit No. 1	031	[493] 492	1.01	[3,329,831]
Northampton	PP&L-Martins Creek	Foster-Wheeler Unit No. 2	032	[461] 459	0.91	[3,112,136]
Northampton	PP&L-Martins Creek	C-E Unit No. 3	033	[837] 835	0.51	[5,652,924]
Northampton	PP&L-Martins Creek	C-E Unit No. 4	034	[741] 739	0.51	[5,003,663]
Northampton	PP&L-Martins Creek	No. 4b Auxiliary Boiler	036	0	0.17	[2,394]
Northampton	PP&L-Martins Creek	Combustion Turbine No. 1	037	3	0.02	[206,640]
Northampton	PP&L-Martins Creek	Combustion Turbine No. 2	038	3	0.02	[206,640]
Northampton	PP&L-Martins Creek	Combustion Turbine No. 3	039	3	0.02	[206,640]
Northampton	PP&L-Martins Creek	Combustion Turbine No. 4	040	3	0.02	[206,640]
Northumberland	Foster Wheeler Mt. Carmel Cogen	Cogen	031	[196] 195	0.10	[1,814,911]
Philadelphia	Allied Signal		052	54	0.46	
Philadelphia	PECO Energy -	UNIT 91	037	28	0.60	[117,455]
Philadelphia	RICHMOND					
Philadelphia	PECO Energy -	UNIT 92	038	37	0.60	[156,375]
Philadelphia	RICHMOND					
Philadelphia	PECO Energy-Delaware	NO. 71 BOILER	013	[111] 112	0.45	[918,037]
Philadelphia	PECO Energy-Delaware	NO. 81 BOILER	014	[129] 130	0.45	[1,066,091]
[Philadelphia]	PECO Energy-Delaware		015	1	0.67	7,089]
[Philadelphia]	PECO Energy-Delaware		016	1	0.67	9,452]
[Philadelphia]	PECO Energy-Delaware		017	1	0.67	11,259]
Philadelphia	PECO Energy-Delaware	NO. 9 GAS TURBINE	018	2	0.67	[15,012]
Philadelphia	PECO Energy-Schuylkill	NO. 1 BOILER	003	[174] 175	0.28	[1,459,923]
[Philadelphia]	PECO Energy-Schuylkill		007	1	0.67	9,285]
Philadelphia	PECO Energy-Schuylkill	NO. 11 GAS TURBINE	008	0	0.67	[1,946]
Philadelphia	Trigen Energy Co-Sansom		001	31	0.45	[318,459]
Philadelphia	Trigen Energy Co-Sansom		002	27	0.45	[280,748]
Philadelphia	Trigen Energy Co-Sansom		003	12	0.45	[126,824]

Philadelphia	Trigen Energy Co-Sansom		004	15	0.45	[155,123]
Philadelphia	Trigen Energy Co-Schuylkill		001	0	0.28	[511,191]
Philadelphia	Trigen Energy Co-Schuylkill		002	0	0.28	[228,162]
Philadelphia	Trigen Energy Co-Schuylkill		005	0	0.45	[248,138]
Philadelphia	U. S. Naval Base		098	1	0.14	[14,294]
Philadelphia	U. S. Naval Base		099	1	0.14	[1,960]
Philadelphia	Sun Oil-Girard Point	GP Boiler 37	02-2,3	87	0.33	
Philadelphia	Sun Oil-Girard Point	GP Boiler 38	02-4,5	87	0.33	
Philadelphia	Sun Oil-Girard Point	GP Boiler 39	02-6,7	87	0.33	
Philadelphia	Sun Oil-Girard Point	GP Boiler 40	02-8,9	116	0.33	
Philadelphia	Sun Oil-Girard Point	GP F-1	002-2,3,4	91	0.27	
Philadelphia	Sun Oil-Point Breeze	PB 3H-1	19/20	43	0.15	
Philadelphia	Grays Ferry Project	Combustion Turbine		[126] 125		
Philadelphia	Grays Ferry Project	Heat Recovery Steam Gen		21		
Philadelphia	Grays Ferry Project	Boiler 25		80		
Schuylkill	Gilberton Power Company	Boiler		[335] 333	0.17	[3,352,372]
Schuylkill	Northeastern Power Company	CFB Boiler		[202] 201	0.06	[2,022,148]
[Schuylkill	Northeastern Power Company	Aux Boiler		0	0.27	1,396]
Schuylkill	Schuylkill Energy Resources	Boiler	031	[350] 348	0.20	[4,349,117]
Schuylkill	Westwood Energy Properties	Boiler		[135] 134	0.17	[1,351,408]
Schuylkill	Wheelabrator Frackville Energy Co	Boiler		[205] 203	0.14	[2,046,694]
Schuylkill	PP&L-Fishback	CT 1		2	0.49	[8,272]
Schuylkill	PP&L-Fishback	CT2		2	0.49	[7,217]
Snyder	PP&L-Sunbury	Sunbury SES Unit 1a	031	[295] 294	0.98	[1,455,641]
Snyder	PP&L-Sunbury	Sunbury SES Unit 1b	032	[295] 294	0.98	[1,455,641]
Snyder	PP&L-Sunbury	Sunbury SES Unit 2a	033	[295] 294	0.83	[1,455,641]
Snyder	PP&L-Sunbury	Sunbury SES Boiler 2b	034	[295] 294	0.83	[1,455,641]
Snyder	PP&L-Sunbury	Sunbury SES Unit No. 3	035	[681] 679	0.93	[3,363,299]
Snyder	PP&L-Sunbury	Sunbury SES Unit No. 4	036	[824] 821	0.99	[4,070,181]
[Snyder	PP&L-Sunbury	Diesel Generator 1	037	0	3.39	709]
[Snyder	PP&L-Sunbury	Diesel Generator 2	038	0	3.23	806]
Snyder	PP&L-Sunbury	Combustion Turbine 1	039	3	0.49	[14,581]
Snyder	PP&L-Sunbury	Combustion Turbine 2	040	3	0.49	[14,581]
Tioga	Penelec-Tioga		031	3	0.48	[30,267]
Venango	Scrubgrass Power Plant	Unit 1	031	[182] 181	0.14	[1,816,817]
Venango	Scrubgrass Power Plant	Unit 2	032	[179] 178	0.15	[1,790,997]
Warren	Penelec-Warren	Boiler No. 1	031	76	0.62	[569,825]
Warren	Penelec-Warren	Boiler No. 2	032	73	0.64	[546,534]
Warren	Penelec-Warren	Boiler No. 3	033	77	0.61	[572,007]
Warren	Penelec-Warren	Boiler No. 4	034	80	0.61	[596,377]
Warren	Penelec-Warren		001	10	0.69	[77,943]
Washington	Duquesne Light Co.-Elrama	No. 1 Boiler	031	[334] 333	0.87	[1,116,538]
Washington	Duquesne Light Co.-Elrama	No. 2 Boiler	032	[333] 332	0.90	[1,114,175]
Washington	Duquesne Light Co.-Elrama	No. 3 Boiler	033	[446] 445	0.87	[1,490,615]
Washington	Duquesne Light Co.-Elrama	No. 4 Boiler	034	[1,016] 1,013	0.89	[3,398,150]
[Washington	McGraw-Edison Co.	Foster-Wheeler	032	0	0.00]	[0]
[Washington	Washington Power Co.	Boiler 1		155	0.15	2,068,438]
[Washington	Washington Power Co.	Boiler 2		155	0.15	2,068,438]

Washington	West Penn Power Co.- Mitchell	Combustion Eng Coal Unit	034	[931] <u>929</u>	0.72	[5,968,482]
Wayne	Penelec-Wayne		031	11	0.84	[62,736]
Wyoming	Procter & Gamble Paper Products Co.	Westinghouse 251B10	035	[246] <u>245</u>	0.68	[1,654,800]
York	Glatfelter, P.H. Co.	Number 4 Power Boiler	034	127	0.80	[978,985]
York	Glatfelter, P.H. Co.	Number 1 Power Boiler	035	85	0.80	[653,626]
York	Glatfelter, P.H. Co.	Number 5 Power Boiler	036	[232] <u>[231] 237</u>	0.29	[1,780,350]
York	Met Edison Tolna		031	4	0.59	[20,492]
York	Met Edison Tolna		032	4	0.59	[19,306]
York	PP&L-Brunner Island	Brunner Island 2	032	[1,474] <u>1,470</u>	0.69	[9,319,539]
York	PP&L-Brunner Island	Brunner Island Unit 1	931	[1,294] <u>1,290</u>	0.67	[8,178,891]
York	PP&L-Brunner Island	Brunner Island Unit 3	933	[2,913] <u>2,906</u>	0.78	[18,411,970]
[York	Solar Turbines, Inc	Turbine 1	031	33	0.19	355,420]
[York	Solar Turbines, Inc	Turbine 2	032	33	0.19	355,248]
[York	Solar Turbines, Inc	Turbine 3	033	33	0.19	357,626]
[York	Solar Turbines, Inc	Turbine 4	034	33	0.19	360,280]
[York	Solar Turbines, Inc	Turbine 5	035	33	0.19	357,488]
[York	Solar Turbines, Inc	Turbine 6	036	32	0.19	351,077]

Nitrogen Oxides Allowance Requirements

Comment and Response Document

October 6, 1999

**Bureau of Air Quality
Department of Environmental Protection**

Nitrogen Oxides Allowance Requirements Comment and Response Document

The Environmental Quality Board published a notice of public hearing and comment period on March 6, 1999 in the *Pennsylvania Bulletin* (29 PaB 1214). The public comment period closed on May 10, 1999. Three public hearings were held to receive comments on the proposed rulemaking as follow:

April 6, 1999	April 7, 1999	April 8, 1999
DEP Southwest Regional Office 400 Waterfront Drive Pittsburgh, PA	DEP Southcentral Regional Office Susquehanna River Conference Room 909 Elmerton Ave Harrisburg, PA	DEP Southeast Regional Office Suite 6010 Lee Park 555 North Lane Conshohocken, PA

This document summarizes the comments received at the public hearings and the written comments received during the public comment period. A response to each comment is provided. Please note, the number in parenthesis after each comment refers to the number of the commentator.

List of Commentators

Number	Commentator
*1	Mark Shaw MacDonald, Illig, Jones & Britton LLP 100 State Street Suite 700 Erie, PA 16507-1498
*2	John Hanger Citizens for Pennsylvania's Future 212 Locust Street Suite 410 Locust Court Harrisburg, PA 17101
3	Ali Alavi Zinc Corporation of America 300 Frankfort Road Monoca, PA 15061-2295

*These commentators provided oral testimony and written comments.

Number	Commentator
4	Bart E. Cassidy Manko, Gold & Katcher, LLP Suite 500 401 City Avenue Bala Cynwyd, PA 19004
5	Bruce Alexander PECO Energy 2301 Market Street, S21-2 PO Box 8699 Philadelphia, PA 19101-8699
6	R. James Ansell Inter-Power/AhlCon Partners, L.P. 2591 Wexford-Bayne Road Suite 204 Sewickley, PA 15143
7	John J. Deemer Tosco Refining Company 4101 Post Road Trainer, PA 19061
8	Robert E. Nyce IRRC 333 Market Street 14 th Floor Harrisburg, PA 17101

Comments and Responses

1. The commentator supports the Department's proposed change of the definition of NO_x affected source from "all fossil fuel-fired electric generating facilities" to "all fossil fuel-fired electric generating sources." (1, 5)

Department Response: The Department thanks the commentators for their support.

2. The commentator recommends that the State Implementation Plan (SIP) be revised to set aside 10% of the allowances under the proposed Chapter 145 for energy efficiency improvements. An energy efficiency set aside would provide economic and environmental benefits. (2)

Department Response: The Department thanks the commentator for the recommendation. However, as the commentator stated at the public hearing, the comment is intended for the proposed Chapter 145 Interstate Ozone Transport Reduction Requirements

rulemaking (proposal #7-345). The comment will be addressed in the comment and response document for that regulation.

3. The commentator opposes the proposed allocation revision. The commentator states that the original allocation published in the Pennsylvania Bulletin on November 1, 1997 was not correct and that the proposed amendment compounds the problem. The company states that it submitted comments on the NO_x Allowance Requirements regulation in 1997 concerning this problem. (3, 8)

Department Response: The commentator has a final unappealed operating permit that incorporates the initial allocation. This proposal simply corrects an accounting error in the initial allocation. As a result, the Department is not revising the proposed allocations.

4. The commentator states that no reason for the reallocation has been given other than an "accounting error." The commentator states that a lack of information concerning this error prevents meaningful public comment. (3)

Department Response: The Department disagrees with the comment. Section D of the proposed rule preamble provides an explanation of how the baseline inventory was developed and how the allocations were made.

5. The commentator supports the pro-rata reduction of allowances to correct the accounting error. The commentator states that this approach is consistent with the original allocation scheme used for the NO_x Allowance Requirements regulation. (6)

Department Response: The Department thanks the commentator for his support.

6. The commentator requests that Section 123.115(b) be deleted as no longer necessary. This subsection conditionally allocates allowances to two facilities that were not in operation during the time period that the regulation was being developed. The Department is currently proposing to delete one company from the program. The second facility is now operational and meets the requirements for allocations. (6, 8)

Department Response: The Department agrees with the comment and has deleted Section 123.115 (b) as no longer necessary.

7. The proposed revision to the allocations is supported. The proportional reduction of all sources' allocations is consistent with the original allocation methodology approved by the EQB. (4)

Department Response: The Department thanks the commentator for his support.

8. The proposed addition of Moser and Falls units are supported. (5)

Department Response: The Department thanks the commentator for his support.

9. Several typographical or editorial corrections to Appendix E are suggested. Change "Mosier" to "Moser." The Moser units are in Montgomery County. PECO Energy owns the United States Steel boilers 3, 4, 5, and 6. The units listed in Philadelphia County as PECO Energy, point IDs 037 and 038 should be changed to PECO Energy-Richmond, Units 91 and 92. The PECO Energy-Delaware units 013, 014, and 018 are No. 71 Boiler, No. 81 Boiler, and No. 9 Gas Turbine. The PECO Energy-Schuylkill units 003 and 008 are No. 1 Boiler and No. 11 Gas Turbine. (5, 8)

Department Response: The Department has made the suggested corrections.

10. The listings for BP Oil, Inc. and Tosco Refinery should be changed to Tosco Refining Company. In addition, source 038 is named Platformer Heater. (7, 8)

Department Response: The Department has made the suggested corrections.

11. Two sources at the Tosco Refinery, 7 Boiler and 8 Boiler, are incorrectly included in Appendix E. These sources have nameplate capacity ratings of 335 mmBtu/hour. However, these sources have always operated at less than 250 mmBtu/hour. Tosco has applied to the Department for a permit restriction to limit the heat input at these units to 249 mmBtu/hour. (7, 8)

Department Response: On August 11, 1999, the Tosco Refinery submitted a letter to the Department rescinding the permit application to restrict the boiler size to less than 250 mmBtu/hr. The boilers will remain in the program and no change is being made to the allocation table.



Pennsylvania Department of Environmental Protection

Rachel Carson State Office Building
P.O. Box 2063
Harrisburg, PA 17105-2063
January 19, 2000

The Secretary

717-787-2814

Mr. Robert E. Nyce
Executive Director
Independent Regulatory Review Commission
14th Floor, Harristown II
Harrisburg, PA 17101

RE: Final Rulemaking – Nitrogen Oxides Allowance Requirements (#7-343)

Dear Bob:

Pursuant to Section 5.1(a) of the Regulatory Review Act, enclosed is a copy of a final-form regulation for review by the Commission. This rulemaking was approved by the Environmental Quality Board (EQB) for final rulemaking on December 21, 1999.

This rulemaking clarifies and corrects the nitrogen oxides allowance requirements regulations that were finalized on November 1, 1997. The definition of "NOx-affected source" is amended to clarify its applicability to 15 megawatt sources as opposed to other facilities. Minor technical amendments to Appendix E provide allocations for newly-discovered sources, correct an accounting error in the original allocation, delete the listing of "baseline MMBtu," modify the listing of "baseline NOx lbs. per MMBtu," and delete a number of sources that were erroneously included. Further changes include deleting the contingent allocation for Washington Power Company because the project no longer has a plan approval authorizing construction; allocation changes for Duquesne Light's Cheswick facility and the P. H. Glatfelter facility; and elimination of the Penntech Papers allocation. These latter changes are being made in response to settled litigation with those companies.

The proposed rulemaking was published on March 6 with a 66-day public comment period and three public hearings. There were eight commentators to the proposal. The majority of comments were in support of the proposal.

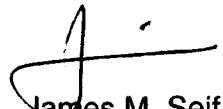
The Air Quality Technical Advisory Committee supported a draft of the final rulemaking at its August 23, 1999, meeting.



The Department will provide the Commission with any assistance required to facilitate a thorough review of this final-form regulation. Section 5.1(e) of the Act provides that the Commission shall, within ten days after the expiration of the committee review period, approve or disapprove the final-form regulation.

For additional information, please contact Sharon Freeman, Regulatory Coordinator, at 783-1303.

Sincerely,



James M. Seif
Secretary

Enclosure

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT

RECEIVED

I.D. NUMBER: 7-343

2000 JAN 19 PM 3:14

SUBJECT: Nitrogen Oxides (NOx) Allowance Requirements

INDEPENDENT REGULATORY
REVIEW COMMISSION

AGENCY: DEPARTMENT OF ENVIRONMENTAL PROTECTION

TYPE OF REGULATION

Proposed Regulation

x Final Regulation

Final Regulation with Notice of Proposed Rulemaking Omitted

120-day Emergency Certification of the Attorney General

120-day Emergency Certification of the Governor

Delivery of Tolled Regulation

a. With Revisions

b.


Without Revisions

FILING OF REGULATION

DATE

SIGNATURE

DESIGNATION

1/19 

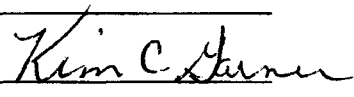
(DeStefano)

HOUSE COMMITTEE ON ENVIRONMENTAL
RESOURCES & ENERGY

1-14-00 

(DeStefano)

SENATE COMMITTEE ON ENVIRONMENTAL
RESOURCES & ENERGY

1/19/00 

INDEPENDENT REGULATORY REVIEW COMMISSION

ATTORNEY GENERAL

LEGISLATIVE REFERENCE BUREAU

December 30, 1999