

### State of Misconsin 2003 – 2004 LEGISLATURE

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### **2003 BILL**

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AN ACT to repeal 285.60 (2m) and 299.05 (2) (d); to renumber 285.17 (2), 285.62 (8) and 285.66 (2); to renumber and amend 285.21 (1) (b), 285.27 (2) (b) and 285.61 (2); to amend 285.11 (9), 285.21 (4), 285.23 (1), 285.23 (2), 285.27 (1) (a), 285.27 (2) (a), 285.27 (4), 285.60 (1) (a) 1., 285.60 (1) (b) 1., 285.60 (2) (a), 285.60 (6), 285.61 (3) (intro.), 285.61 (7) (a), 285.62 (1), 285.62 (2), 285.62 (5) (a), 285.62 (6) (c) 1., 285.63 (1) (d), 285.66 (3) (a) and 285.81 (1) (intro.); to repeal and recreate 285.60 (3) and 285.62 (9) (b); and to create 285.14, 285.17 (2) (b) and (c), 285.21 (1) (b) 1. to 4., 285.23 (6), 285.27 (2) (b) 1. to 4., 285.27 (2) (d), 285.60 (2g), 285.60 (5m), 285.60 (6m), 285.60 (6r), 285.60 (8), 285.60 (9), 285.60 (10),

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285.61 (2) (b), 285.61 (10), 285.61 (11), 285.62 (8) (b), 285.62 (12), 285.66 (2) (b) and 285.81 (1m) of the statutes; **relating to:** air pollution control.

#### Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

## The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 285.11 (9) of the statutes is amended to read:

285.11 (9) Prepare and adopt minimum standards for the emission of mercury compounds or metallic mercury into the air, consistent with s. 285.27 (2) (b).

**Section 2.** 285.14 of the statutes is created to read:

285.14 State implementation plans. (1) Content. The department may not submit a control measure or strategy to the federal environmental protection agency for inclusion in a state implementation plan under 42 USC 7410 unless the department has promulgated the control measure or strategy as a rule.

(2) Review by Standing committees. At least 60 days before the department is required to submit a state implementation plan to the federal environmental protection agency, the department shall prepare, and provide to the standing committees of the legislature with jurisdiction over environmental matters, under s. 13.172 (3) a report that describes the proposed plan and contains all of the supporting documents that the department intends to submit with the plan. The department shall also submit to the revisor of statutes for publication in the administrative register a notice of availability of the report. If, within 30 days after the department provides the report, the chairperson of a standing committee to which the report was provided submits written comments on the report to the

department, the secretary shall respond to the chairperson in writing within 15 days of receipt of the comments. This subsection does not apply to a modification to a state implementation plan relating to an individual source.

**SECTION 3.** 285.17 (2) of the statutes is renumbered 285.17 (2) (a).

**SECTION 4.** 285.17 (2) (b) and (c) of the statutes are created to read:

285.17 (2) (b) 1. The department may not include a monitoring requirement relating to the emissions from an air contaminant source in an operation permit for the source if the applicant demonstrates that the cost of compliance with the monitoring requirement would exceed the cost of compliance with monitoring requirements imposed on similar air contaminant sources by a state adjacent to this state, unless the monitoring is required under the federal clean air act.

- 2. Before issuing an operation permit that contains a monitoring requirement relating to the emissions from an air contaminant source, the department shall notify the applicant of the proposed monitoring requirement and give the applicant the opportunity to demonstrate to the administrator of the division of the department that administers this chapter that subd. 1. prohibits the department from imposing the monitoring requirement. If the administrator determines that subd. 1. does not prohibit the department from imposing the monitoring requirement, the applicant may obtain a review of that determination by the secretary. The secretary may not delegate this function to another person.
- (c) The department, in consultation with representatives of industry and others, shall identify best practices for emissions monitoring required under this subsection to minimize inconsistencies in monitoring requirements within this state and with monitoring requirements imposed by other states and the federal environmental protection agency.

Section 5. 285.21 (1) (b) of the statutes is renumbered 285.21 (1) (b) (intro.) and amended to read:

285.21 (1) (b) Standard to protect health or welfare. (intro.) If an ambient air quality standard for any air contaminant is not promulgated under section 109 of the federal clean air act, the department may promulgate an ambient air quality standard if the department finds that the standard is needed to provide adequate protection for public health or welfare. The department may not make this finding for an air contaminant unless the finding is supported with written documentation that includes all of the following:

**SECTION 6.** 285.21 (1) (b) 1. to 4. of the statutes are created to read:

- 285.21 (1) (b) 1. A public health risk assessment that characterizes the types of stationary sources in this state that are known to emit the air contaminant and the population groups that are potentially at risk from the emissions.
- 2. An analysis showing that members of population groups are subjected to levels of the air contaminant that are above recognized environmental health standards.
- 3. An evaluation of options for managing the risks caused by the air contaminant considering risks, costs, economic impacts, feasibility, energy, safety, and other relevant factors, and a finding that the proposed ambient air quality standard reduces risks in the most cost–effective manner practicable.
- 4. A comparison of the costs to businesses in this state of complying with the proposed ambient air quality standard to the costs of complying with ambient air quality standards to similar businesses in Illinois, Indiana, Michigan, Minnesota, and Ohio.

**SECTION 7.** 285.21 (4) of the statutes is amended to read:

285.21 (4) IMPACT OF CHANGE IN FEDERAL STANDARDS. If the ambient air increment or the ambient air quality standards in effect on April 30, 1980, under the federal clean air act are relaxed, the department shall alter the corresponding state standards unless it finds that the relaxed standards would not provide adequate protection for public health and welfare. The department may not make this finding for an ambient air quality standard unless the finding is supported with the written documentation required under sub. (1) (b) 1. to 4.

**Section 8.** 285.23 (1) of the statutes is amended to read:

285.23 (1) PROCEDURES AND CRITERIA. The department shall promulgate by rule procedures and criteria to identify a nonattainment area and to reclassify a nonattainment area as an attainment area. After the effective date of this subsection .... [revisor inserts date], the department may not identify a county as part of a nonattainment area or recommend that a county be designated as part of a nonattainment area under the federal clean air act if the concentration of an air contaminant in the atmosphere does not exceed an ambient air quality standard, unless under the federal clean air act the county is required to be designated as part of a nonattainment area.

**Section 9.** 285.23 (2) of the statutes is amended to read:

285.23 (2) DOCUMENTS. The department shall issue documents from time to time which define or list specific nonattainment areas or recommend that areas be designated as nonattainment areas under the federal clean air act based upon the procedures and criteria promulgated under sub. (1). Notwithstanding ss. 227.01 (13) and 227.10 (1), documents issued under this subsection are not rules.

**Section 10.** 285.23 (6) of the statutes is created to read:

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285.23 (6) Report to Standing committees. Before the department issues documents under sub. (2) and at least 60 days before the governor is required to make a submission on a nonattainment designation under 42 USC 7407 (d) (1) (A), the department shall prepare, and provide to the standing committees of the legislature with jurisdiction over environmental matters under s. 13.172 (3), a report that contains a description of any area proposed to be identified as a nonattainment area and supporting documentation. The department shall also submit to the revisor of statutes for publication in the administrative register a notice of availability of the report. If, within 30 days after the department submits the report, the chairperson of a standing committee to which the report was provided submits written comments on the report to the department, the secretary shall respond to the chairperson in writing within 15 days or receipt of the comments.

**SECTION 11.** 285.27 (1) (a) of the statutes is amended to read:

285.27 (1) (a) Similar to federal standard. If a standard of performance for new stationary sources is promulgated under section 111 of the federal clean air act, the department shall promulgate by rule a similar emission standard, including administrative requirements that are consistent with the federal administrative requirements, but this standard may not be more restrictive in terms of emission limitations than the federal standard except as provided under sub. (4).

SECTION 12. 285.27 (2) (a) of the statutes is amended to read:

285.27 (2) (a) Similar to federal standard. If an emission standard for a hazardous air contaminant is promulgated under section 112 of the federal clean air act, the department shall promulgate by rule a similar standard, including administrative requirements that are consistent with the federal administrative

1	requirements, but this standard may not be more restrictive in terms of emission
2	limitations than the federal standard except as provided under sub. (4).

**SECTION 13.** 285.27 (2) (b) of the statutes is renumbered 285.27 (2) (b) (intro.) and amended to read:

285.27 (2) (b) Standard to protect public health or welfare. (intro.) If an emission standard for a hazardous air contaminant is not promulgated under section 112 of the federal clean air act, the department may promulgate an emission standard for the hazardous air contaminant if the department finds the standard is needed to provide adequate protection for public health or welfare. The department may not make this finding for a hazardous air contaminant unless the finding is supported with written documentation that includes all of the following:

**SECTION 14.** 285.27 (2) (b) 1. to 4. of the statutes are created to read:

285.27 (2) (b) 1. A public health risk assessment that characterizes the types of stationary sources in this state that are known to emit the hazardous air contaminant and the population groups that are potentially at risk from the emissions.

- 2. An analysis showing that members of population groups are subjected to levels of the hazardous air contaminant that are above recognized environmental health standards.
- 3. An evaluation of options for managing the risks caused by the hazardous air contaminant considering risks, costs, economic impacts, feasibility, energy, safety, and other relevant factors, and a finding that the chosen compliance alternative reduces risks in the most cost–effective manner practicable.
- 4. A comparison of the costs to businesses in this state of complying with requirements related to emission standards for hazardous air contaminants,

including costs associated with the proposed emission standard, to the costs of complying with requirements related to emission standards for hazardous air contaminants to similar businesses in Illinois, Indiana, Michigan, Minnesota, and Ohio.

**Section 15.** 285.27 (2) (d) of the statutes is created to read:

285.27 (2) (d) Emissions regulated under federal law. Emissions limitations promulgated under par. (b) and related control requirements do not apply to hazardous air contaminants emitted by emissions units, operations, or activities that are regulated by an emission standard promulgated under the federal clean air act, including a hazardous air contaminant that is regulated under the federal clean air act by virtue of regulation of another substance as a surrogate for the hazardous air contaminant or by virtue of regulation of a species or category of hazardous air contaminants that includes the hazardous air contaminant.

**Section 16.** 285.27 (4) of the statutes is amended to read:

285.27 (4) IMPACT OF CHANGE IN FEDERAL STANDARDS. If the standards of performance for new stationary sources or the emission standards for hazardous air contaminants under the federal clean air act are relaxed, the department shall alter the corresponding state standards unless it finds that the relaxed standards would not provide adequate protection for public health and welfare. The department may not make this finding for an emission standard for a hazardous air contaminant unless the finding is supported with the written documentation required under sub. (2) (b) 1. to 4. This subsection applies to state standards of performance for new stationary sources and emission standards for hazardous air contaminants in effect on April 30, 1980, if the relaxation in the corresponding federal standards occurs after April 30, 1980.

1	SECTION 17. 285.60 (1) (a) 1. of the statutes is amended to read:
(2)	285.60 (1) (a) 1. Except as provided in sub. (28) (5m), (6), (6m), or (6r), no
3	person may commence construction, reconstruction, replacement or modification of
4	a stationary source unless the person has a construction permit from the
5	department.
6	SECTION 18. 285.60 (1) (b) 1. of the statutes is amended to read:
7	285.60 (1) (b) 1. Except as provided in subd. 2., par. (a) 2., sub. (b) or
8	(6m), or s. 285.62 (8), no person may operate a new source or a modified source unless
9	the person has an operation permit under s. 285.62 from the department.
10	SECTION 19. 285.60 (2) (a) of the statutes is amended to read:
11	285.60 (2) (a) Operation permit requirement. Except as provided in sub. (6) or
12	(6m) or s. 285.62 (8), no person may operate an existing source after the operation
13	permit requirement date specified under s. 285.62 (11) (a) unless the person has an
14	operation permit under s. 285.62 from the department.
15	SECTION 20. 285.60 (2g) of the statutes is created to read:
16	285.60 (2g) REGISTRATION PERMITS. (a) Rules. Subject to sub. (8), the
17	department shall promulgate rules specifying a simplified process under which the
18	department is nessa registration permit authorizing construction and operation for
19	a stationary source with low actual emissions if the owner or operator provides to the
20	department, on a form prescribed by the department, sufficient information to show
21	that the source qualifies for a registration permit. In the rules, the department shall
22	include criteria for identifying categories of sources the owners or operators of which
23	may elect to obtain registration permits and general requirements applicable to
24	sources that qualify for registration permits.

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to the applicant:

(b) Procedure. The procedural requirements of ss. 285.61 (2) to (8) and 285.62
(2) to (7) do not apply to a registration permit under this subsection. Within 15 days
after receipt of the form prescribed by the department, the department shall provide
one of the following to an applicant for a registration permit:
1. Written notice of the department's determination that the source qualifies
for a registration permit and that the applicant may operate the source consistent
with the terms and conditions of the registration permit.
2. A written description of any information that is missing from the application
for a registration permit.
3. Written notice of the department's determination that the source does not
qualify for a registration permit, specifically describing the reasons for that
determination.
SECTION 21. 285.60 (2m) of the statutes is repealed.
SECTION 22. 285.60 (3) of the statutes is repealed and recreated to read:
285.60 (3) GENERAL PERMITS. (a) $Rules$ . The department shall promulgate rules
for the issuance of general permits authorizing construction and or or both
similar stationary sources. In the rules, the department shall specify criteria for
identifying categories of sources for which the department may issue general permits
and general requirements applicable to sources that qualify for general permits.
(b) Procedure. The procedural requirements of ss. 285.61 (2) to (8) and 285.62
(2) to (5) do not apply to the determination of whether a source is covered by a general
permit under this subsection. Within 15 days after receipt of an application for
coverage under a general permit, the department shall provide one of the following

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the environment.

1	1. Written notice of the department's determination that the source qualifies
2	for coverage under the general permit and that the applicant may operate the source
(3)	consistent with the terms and conditions of the general permit.
4	2. A written description of any information that is missing from the application
5	for coverage under the general permit.
6	3. Written notice of the department's determination that the source does not
7	qualify for coverage under the general permit, specifically describing the reasons for
8	that determination.
9	SECTION 23. 285.60 (5m) of the statutes is created to read:
10	285.60 (5m) Waiver of construction permit requirements. Subject to sub. (8),
11	the department shall promulgate rules under which it may grant a waiver from the
12	requirement to obtain a construction permit prior to construction, reconstruction,
13	replacement, or modification of a stationary source on a case-by-case basis or on
14	bases specified in the rule such as situations in which obtaining the permit would
15	cause undue hardship. The department shall act on a waiver request within 15 days
16	after it receives the request.
17	SECTION 24. 285.60 (6) of the statutes is amended to read:
18	285.60 (6) EXEMPTION BY RULE. Notwithstanding the other provisions of this
19	section Subject to sub. (8), the department may shall, by rule, exempt types of
20	stationary minor sources from any the requirement of this section to obtain a
21	construction permit and an operation permit if the potential emissions from the
22	sources do not present a significant hazard to public health, safety or welfare or to

Section 25. 285.60 (6m) of the statutes is created to read:

285.60 (6m) Specific exemption. A person is not required to obtain a construction permit or an operation permit for a source that is an agricultural facility, as defined in s. 281.16 (1) (a), a livestock operation, as defined in s. 281.16 (1) (c), or an agricultural practice, as defined in s. 281.16 (1) (b), unless a permit is required by the federal clean air act.

Section 26. 285.60 (6r) of the statutes is created to read:

285.60 (6r) EXEMPTION FROM CONSTRUCTION PERMIT REQUIREMENT. A person is not required to obtain a construction permit for a source that is a component of a process, of equipment, or of an activity that is otherwise covered by a preexisting operation permit or a source that is a component of a process, of equipment, or of an activity that is included in a completed application for an operation permit, unless a construction permit is required under the federal clean air act.

**Section 27.** 285.60 (8) of the statutes is created to read:

285.60 (8) COMPLIANCE WITH FEDERAL LAW. The department may not promulgate a rule or take any other action under this section that conflicts with the federal clean air act.

**Section 28.** 285.60 (9) of the statutes is created to read:

285.60 (9) Petitions for registration permits, General permits, and exemptions. A person may petition the department to make a determination that a type of stationary source meets the criteria for a registration permit under sub. (2g), a general permit under sub. (3), or an exemption under sub. (6). The department shall provide a written response to a petition within 30 days after receiving the petition indicating whether the type of stationary source meets the applicable criteria for a registration permit, a general permit, or an exemption. If the type of source meets the applicable criteria, the department shall, within 365 days after

receiving the petition, issue the registration permit or general permit or, for an exemption, shall submit to the legislative council staff under s. 227.15 (1) in proposed form any necessary rules or take any other action that is necessary provide the exemption.

**Section 29.** 285.60 (10) of the statutes is created to read:

285.60 (10) Permit Streamling. The department shall continually assess permit obligations imposed under this section and ss. 285.61 to 285.65 and implement measures that are consistent with this chapter and the federal clean air act to allow for timely installation and operation of equipment and processes and the pursuit of related economic activity by lessening those obligations, including consolidating the permits for sources at a facility into one permit, expanding exemptions under sub. (6), and expanding the availability of registration permits under sub. (2g), general permits under sub. (3), and construction permit waivers under sub. (5m).

SECTION 30. 285.61 (2) of the statutes is renumbered 285.61 (2) (a) and amended to read:

285.61 (2) (a) Request for additional information. Within 20 days after receipt of the application the department shall indicate provide written notice to the applicant describing specifically all of the plans, specifications and any other information necessary to determine if the proposed construction, reconstruction, replacement or modification will meet the requirements of this chapter and s. 299.15 and rules promulgated under this chapter and s. 299.15. If the department requests additional information under this paragraph, the department shall notify the applicant, within 15 days after receiving additional information from the applicant, whether that additional information satisfies the department's request.

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**SECTION 31.** 285.61 (2) (b) of the statutes is created to read:

285.61 (2) (b) When application is considered to be complete. For the purposes of the time limits in sub. (3), an application is considered to be complete when the applicant provides the information specified in the written notice under par. (a), or, if the department does not provide written notice to an applicant within the time limit in par. (a), 20 days after receipt of the application. This paragraph does not prevent the department from requesting additional information from an applicant after the time limit in par. (a).

SECTION 32. 285.61 (3) (intro.) of the statutes is amended to read:

285.61 (3) Analysis. (intro.) The department shall prepare an analysis regarding the effect of the proposed construction, reconstruction, replacement or modification on ambient air quality and a preliminary determination on the approvability of the construction permit application, within the following time periods after the receipt of the plans, specifications and other information application is considered to be complete under sub. (2) (b):

SECTION 33. 285.61 (7) (a) of the statutes is amended to read:

285.61 (7) (a) Hearing permitted. The department may hold a public hearing on the construction permit application if requested by a person who may be directly aggrieved by the issuance of the permit, any affected state or the U.S. environmental protection agency within 30 days after the department gives notice under sub. (5) (c). A request for a public hearing shall indicate the interest of the party filing the request and the reasons why a hearing is warranted. The department shall hold the public hearing within 60 days after the deadline for requesting a hearing if it deems that there is a significant public interest in holding a hearing.

**SECTION 34.** 285.61 (10) of the statutes is created to read:

285.61 (10) EXTENSIONS. Upon agreement between the department and an applicant, the department shall extend any time limit applicable to the department under this section.

**Section 35.** 285.61 (11) of the statutes is created to read:

285.61 (11) Delay in issuing permits. (a) Subject to sub. (10), if the department fails to act on an application for a construction permit within the time limit in sub. (8) (b), the department shall include in a report the reasons for the delay in acting on the application, including the names of the department's employees responsible for review of the application, and recommendations for how to avoid similar delays in the future. The department shall make reports under this paragraph available to the public, place a prominent notice of the reports on the department's Internet site, and submit the reports to the joint committee for the review of administrative rules on a quarterly basis.

(b) If the department fails to act on an application for a construction permit within the time limit in sub. (8) (b) and the applicant has not agreed to an extension under sub. (10), the department shall refund the fee under s. 285.69 (1) (a) that was paid by the applicant.

**Section 36.** 285.62 (1) of the statutes is amended to read:

285.62 (1) Applicant notice Application Required. A person who is required to obtain an operation permit for a stationary source shall apply to the department for the permit on or before the operation permit application date specified under sub. (11) (b). The department shall specify by rule the content of applications under this subsection. If required by the federal clean air act, the department shall provide a copy of the complete application to the federal environmental protection agency. The

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department may not accept an application submitted to the department before November 15, 1992, as an application under this subsection.

**SECTION 37.** 285.62 (2) of the statutes is amended to read:

285.62 (2) (a) Plans, specifications and other information. Within 20 days after receipt of the application the department shall indicate provide written notice to the applicant describing specifically any additional information required under sub. (1) necessary to determine if the source, upon issuance of the permit, will meet the requirements of this chapter and s. 299.15 and rules promulgated under this chapter and s. 299.15. If the department requests additional information under this subsection, the department shall notify the applicant, within 15 days after receiving additional information from the applicant, whether that additional information satisfies the department's request.

SECTION 38. 285.62 (5) (a) of the statutes is amended to read:

285.62 (5) (a) Hearing permitted. The department may hold a public hearing on an application for an operation permit for a stationary source if requested by any state that received notice under sub. (3) (b) or any other person, if the person may be directly aggrieved by the issuance of the permit, within 30 days after the department gives notice under sub. (3) (c). A request for a public hearing shall indicate the interest of the party filing the request and the reasons why a hearing is warranted. The department shall hold the public hearing within 60 days after the deadline for requesting a hearing if it determines that there is a significant public interest in holding the hearing.

Section 39. 285.62 (6) (c) 1. of the statutes is amended to read:

285.62 (6) (c) 1. If the department receives an objection from the federal environmental protection agency under this subsection, the department may not

1	issue the operation permit unless the department revises the proposed operation
2	permit as necessary to satisfy the objection.

**SECTION 40.** 285.62 (8) of the statutes is renumbered 285.62 (8) (a).

**SECTION 41.** 285.62 (8) (b) of the statutes is created to read:

285.62 (8) (b) If a person submits an application for renewal of an operation permit before the date that the operation permit expires, the stationary source may not be required to discontinue operation and the person may not be prosecuted for lack of an operation permit until the department acts under sub. (7), except that this paragraph does not apply in a situation in which its application would contravene the federal clean air act.

SECTION 42. 285.62 (9) (b) of the statutes is repealed and recreated to read:

285.62 (9) (b) Subject to sub. (12), if the department fails to act on an application for an operation permit within the time limit under sub. (7) (b), the department shall include in a report the reasons for the delay in acting on the application, including the names of the department's employees responsible for review of the application, and recommendations for how to avoid delays in the future in similar situations. The department shall make reports under this subsection available to the public, place a prominent notice of the reports on the department's Internet site, and submit the reports to the joint committee for the review of administrative rules on a quarterly basis.

SECTION 43. 285.62 (12) of the statutes is created to read:

285.62 (12) EXTENSIONS. Upon agreement between the department and an applicant, the department shall extend any time limit applicable to the department under this section.

SECTION 44. 285.63 (1) (d) of the statutes is amended to read:

285.63 (1) (d) Source will not preclude construction or operation of other source.
The stationary source will not degrade the air quality in an area sufficiently to
prevent the construction, reconstruction, replacement, modification or operation of
another stationary source if the department received plans, specifications and other
information under s. 285.61 (2) (a) for the other stationary source prior to
commencing its analysis under s. 285.61 (3) for the former stationary source. This
paragraph does not apply to an existing source required to have an operation permit.
<b>SECTION 45.</b> 285.66 (2) of the statutes is renumbered 285.66 (2) (a).
SECTION 46. 285.66 (2) (b) of the statutes is created to read:
285.66 (2) (b) Notwithstanding par. (a), the department may not specify that
coverage under a general permit under s. 285.60 (3) expires except as follows:
1. The department may specify an expiration date for coverage under a general
permit at the request of an owner or operator.
2. The department may specify a term of 5 years or longer for coverage under
a general permit if the department finds that expiring coverage would significantly
improve the likelihood of continuing compliance with applicable requirements
compared to coverage that does not expire.
3. The department may specify a term of 5 years or less for coverage under a
general permit if required by the federal clean air act.
SECTION 47. 285.66 (3) (a) of the statutes is amended to read:
285.66 (3) (a) A permittee shall apply for renewal of an operation permit at
least $12\ 6$ months before the operation permit expires. The permittee shall include
any new or revised information needed to process the application for renewal

Section 48. 285.81 (1) (intro.) of the statutes is amended to read:

285.81 (1) PERMIT HOLDER; PERMIT APPLICANT; ORDER RECIPIENT. (intro.) Any
permit, part of a permit, order, decision or determination by the department under
ss. 285.39, 285.60 to 285.69 or 285.75 shall become effective unless the permit holder
or applicant or the order recipient seeks a hearing on challenging the action in the
following manner:

**Section 49.** 285.81 (1m) of the statutes is created to read:

285.81 (1m) EFFECT OF A CHALLENGE. If a permit holder or applicant seeks a hearing challenging part of a permit under sub. (1), the remainder of the permit shall become effective and the permit holder or applicant may begin the activity for which the permit was issued.

SECTION 50. 299.05 (2) (d) of the statutes is repealed.

#### SECTION 51. Nonstatutory provisions.

- (1) REPORT ON AIR PERMIT STREAMLINING EFFORTS.
- (a) The department of natural resources, in consultation with owners and operators of stationary sources of air pollution, shall develop a report that contains all of the following:
- 1. A list of all existing exemptions under section 285.60 (6) of the statutes, as affected by this act, and all general permits under section 285.60 (3) of the statutes, as affected by this act.
- 2. Recommendations, and related proposed rule revisions, for expanding exemptions under section 285.60 (6) of the statutes, as affected by this act, establishing registration permits under section 285.60 (2g) of the statutes, as created by this act, expanding the use of general permits under section 285.60 (3) of the statutes, as affected by this act, issuing construction permit waivers under section 285.60 (5m) of the statutes, as created by this act, and taking other actions under

section 285.60 (10) of the statutes, as created by this act, including consolidating the permits for sources at one facility into one permit.

- 3. A schedule for providing additional reports containing recommendations, and related rule revisions, for expanding exemptions under section 285.60 (6) of the statutes, as affected by this act, expanding the use of registration permits under section 285.60 (2g) of the statutes, as created by this act, expanding the use of general permits under section 285.60 (3) of the statutes, as affected by this act, expanding the issuance of construction permit waivers under section 285.60 (5m) of the statutes, as created by this act, and taking other actions under section 285.60 (10) of the statutes, as created by this act, including consolidating the permits for sources at one facility into one permit.
- 4. A description of requirements in the federal clean air act that limit the department's ability to expand exemptions under section 285.60 (6) of the statutes, as affected by this act, expand the use of registration permits under section 285.60 (2g) of the statutes, as created by this act, expand the use of general permits under section 285.60 (3) of the statutes, as affected by this act, expand the issuance of construction permit waivers under section 285.60 (5m) of the statutes, as created by this act, and take other actions under section 285.60 (10) of the statutes, as created by this act, and recommendations on how these limitations might be overcome.
- (b) The department of natural resources shall submit the report under paragraph (a) to the legislature in the manner provided under s. 13.172 (2) no later than the first day of the 7th month beginning after the effective date of this paragraph.
- (2) REPORT ON CLEAN AIR ACT STATE IMPLEMENTATION PLANS. No later than the first day of the 13th month beginning after the effective date of this subsection, the

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department of natural resources shall submit to the standing committees of the
legislature with jurisdiction over environmental matters a report that contains all
of the following:
(a) A description of all of this state's existing and pending state implementation
plans under 42 USC 7410 with an analysis of any rules or requirements included in
the plans that may not have been necessary to obtain federal environmental
protection agency approval but that are federally enforceable as a result of being
included in the plan.
(b) Recommendations for priorities for revisions of state implementation plans
to remove rules and other requirements that may not have been necessary to obtain
federal environmental protection agency approval.
SECTION 52. Initial applicability.
(1) PROCESSING OF AIR PERMITS. The treatment of sections 285.61 (3) (intro.), (7)
(a), and (11), 285.62 (2), (5) (a), and (9) (b), and 285.66 (3) (a) of the statutes, the
renumbering and amendment of section 285.61 (2) of the statutes, the creation of
section 285.61 (2) (b) of the statutes first apply to applications submitted on the
effective date of this subsection.
(2) REVIEW OF AIR POLLUTION CONTROL DECISIONS. The treatment of section 285.81
(1) (intro.) and (1m) of the statutes first applies to person who file petitions on the
effective date of this subsection.

(END)

#### 2003–2004 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3879/P1ins RCT:...:...

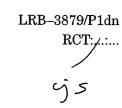
**Insert 14–15** 

**SECTION 1.** 285.61 (3) (a) of the statutes is amended to read:

285.61 (3) (a) Major source construction permits. For construction permits for major sources, within 120 90 days.

History: 1979 c. 34, 221; 1985 a. 182 s. 57; 1991 a. 302.; 1995 a. 227 s. 486; Stats. 1995 s. 285.61.

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU



This is a second version of the air pollution control proposal for the substitute amendment to AB 655. Because of an error on my part, it was necessary to use a new LRB number for this version. The original LRB number of this proposal was LRB—3858. I am sorry for any confusion that this might cause.

The differences between LRB-3858 and this draft are as follows:

- 1. Changes in the provisions relating to registration permits and general permits so that those permits could authorize construction or operation or both. Please let me know if that is not consistent with you intent.
- 2. The amendment of s. 285.61 (3) (a) 🗸

The rest of this note repeats items from the drafter's note to LRB-3858, to which I have not had a response:

I have included the language proposed to be added to s. 285.11 (6) (intro.) in s. 285.14 (1) because it seemed to me to fit there better.

Regarding the proposed changes to s. 285.17 (2), if the intent is to allow an applicant to obtain internal DNR review of proposed monitoring requirements on bases other than the cost of compliance, the draft will need to specify what those bases are.

The instructions impose the same documentation requirements for DNR to promulgate an ambient air quality standard for an air contaminant for which EPA has not established an ambient air quality standard as are specified for emission standards for hazardous air contaminants. The third requirement includes "a finding that the chosen compliance alternative reduces risks in the most cost–effective manner practicable." Unlike emission standards for hazardous substances, ambient air quality standards are expressed as safe levels of substances in the air and it seems to me that the reference to "compliance alternative" may not fit properly for ambient air quality standards. In this draft, I have modified the language for the third requirement a little, see proposed s. 285.21 (1) (b) 3.

The fourth documentation requirement for DNR to promulgate an ambient air quality standard included in the instructions is a comparison of costs imposed on Wisconsin businesses to costs imposed on businesses in certain other states, but it was not clear to me which costs imposed on businesses in other states were supposed to be looked at.

Please review proposed s. 285.21 (1) (b) 4. and let me know if changes are needed to accomplish the intent behind this proposal.

The instruction for changes to s. 285.21 (4) indicated that the four documentation requirements for ambient air quality standards apply should when DNR proposes to find that an EPA change in an ambient air increment would not provide adequate protection for public health and safety. Because, as I understand it, ambient air increments are only applicable in attainment areas, I do not see how those documentation requirements would work in relation to an ambient air increment. Therefore, the added requirement for documentation in s. 285.21 (4) in this draft only applies to ambient air quality standards.

Please contact me with any questions or redraft instructions.

Rebecca C. Tradewell Managing Attorney Phone: (608) 266–7290

E-mail: becky.tradewell@legis.state.wi.us

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3879/P1dn RCT:cjs:pg

December 17, 2003

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The differences between LRB-3858 and this draft are as follows:

- 1. Changes in the provisions relating to registration permits and general permits so that those permits could authorize construction or operation or both. Please let me know if that is not consistent with your intent.
- 2. The amendment of s. 285.61 (3) (a).

The rest of this note repeats items from the drafter's note to LRB–3858, to which I have not had a response:

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Please contact me with any questions or redraft instructions.

Rebecca C. Tradewell Managing Attorney Phone: (608) 266–7290

E-mail: becky.tradewell@legis.state.wi.us

State Capitol, Room 211W P.O. Box 8953 Madison, Wi 53708 Phone: 608-266-3387 Fax: 608-266-5123

Wisconsin Legislature Speaker John Gard

## **Fax**

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### **Chapter 285 Drafting Instructions**

(Reference to sections in LRB-3879/P1dn)

Dec. 18, 2003

General Comments. Unless noted below, drafters treatment of issues note in prefatory note correctly addressed the issues.

SECTION 4 (Monitoring Requirements). Delete 285.17 (b) 1. and modify 2. to read:

Before issuing an operation permit that contains a monitoring requirement relating to the emissions from an air contaminant source, the department shall notify the applicant of the proposed monitoring requirement and give the applicant the opportunity to demonstrate to the administrator of the division of the department that administers this chapter that the proposed monitoring requirement is unreasonable considering among other factors monitoring requirements imposed on similar air contaminant sources by other states. If the administrator determines that the monitoring requirement is reasonable, the applicant may obtain a review of that determination by the secretary. The secretary may not delegate this function to another person.

Change (2) to non-statutory provision that includes report to legislature within one year.

SECTION 6 (Ambient Air Stds). Modify 285.21 (1) (b) 4. to read:

An estimate of costs to businesses in this state of complying with regulatory programs reasonably expected to meet the proposed ambient air standard and assessment whether businesses in Illinois, Indiana, Michigan, Minnesota or Ohio would incur similar costs.

SECTION 7 ("Relaxed" Fed Stds). Modify 285.21 (4) to read:

285.21 (4) IMPACT OF CHANGE IN FEDERAL STANDARDS. If the ambient air increment or the ambient air quality standards in effect on April 30, 1980, under the federal clean air act are relaxed modified, the department shall alter the corresponding state standards unless it finds that the relaxed modified standards would not provide adequate protection for public health and welfare. The department may not make this finding an ambient air quality standard unless the finding is supported with the written documentation required under sub. (1) (b) 1, to 4.

SECTION 23 (Construction Permit Waivers). Modify 285.60 (5m) to read:

285.60 (5m) WAIVER OF CONSTRUCTION PERMIT REQUIREMENTS. Notwithstanding sub. (1) and subject to sub. (8), the department shall allow a stationary source to commence construction, reconstruction, replacement, or modification prior to stationary source that commencing construction, reconstruction, replacement, or modification prior to permit issuance is necessary to avoid undue hardship.

Notwithstanding sub. (1) and subject to sub. (8), the department may allow a stationary source to commence construction, reconstruction, replacement, or modification prior to issuance of a construction permit of a stationary source on a case-by-case basis or on bases specified rules.

The department shall act on a waiver request within 15 days after it receives the request.

[Note: The first paragraph requires the waiver if hardship, and reflect the hardship is linked to delaying construction and not the obtaining of a permit, which ultimately may be required (i.e., it could be a temporary waiver of the permit). The second paragraph is intended to provide DNR with broad authority to grant a waiver at its discretion so long as allowed by the CAA.]

SECTION 24 (Exemptions by Rule). Modify to reflect the existing provision allowing for permissive exemptions for major sources is still allowed, but keep mandatory exemptions for minor sources.

SECTION 35 & 44(Extension of Deadlines). Add: "The department may not require an applicant to agree to a different period as a condition of approving an application."

NEW SECTIONS. Add back Section 261 of bill to trigger the deadline in a revised s. 285.62(7)(b) to reflect an overall 180-day deadline from the time of a complete application. Amend s. 285.62(7)(b) to read:

(b) The department shall approve or deny the operation permit application for a new source or modified source. The department shall issue the operation permit for a new source or modified source if the criteria established under ss. 285.63 and 285.64 are met. The department shall issue an operation permit for a new source or modified source or deny the application within 180 days after the application is deemed complete or after the permit applicant submits to the department the results of all equipment testing and emission monitoring required under the construction permit, whichever is later.

### √Section 49 (Permit Challenge). Amend s.285.81 (1) to read:

(1) Permit holder; permit applicant, order recipient. Any permit, part of a permit, condition or specific requirement in a permit, order, decision or determination by the department under ss.285.39, 285.60 to 285.69 or 285.75 shall become effective unless the permit holder or applicant or the order recipient seeks a hearing on challenging the action in the following manner:

### √Section 50 (Permit Challenge). Create s.285.81 (1m) to read:

(1m) Effect of a challenge. If a permit holder or applicant seeks a hearing challenging part of a permit or a condition or specific requirement in a permit under sub. (1), the remainder of the permit shall become effective and the permit holder or applicant may, at its sole discretion, commence construction and operation of the activity for which the application was submitted or for which the permit was issued.



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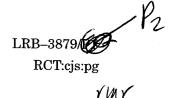
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### State of Misconsin 2003 – 2004 LEGISLATURE

Today, if possible



### PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

regenerate

AN ACT to repeal 285.60 (2m) and 299.05 (2) (d); to renumber 285.17 (2), 285.62 (8) and 285.66 (2); to renumber and amend 285.21 (1) (b), 285.27 (2) (b) and 285.61 (2); to amend 285.11 (9), 285.21 (4), 285.23 (1), 285.23 (2), 285.27 (1) (a), 285.27 (2) (a), 285.27 (4), 285.60 (1) (a) 1., 285.60 (1) (b) 1., 285.60 (2) (a), 285.60 (6), 285.61 (3) (intro.), 285.61 (3) (a), 285.61 (7) (a), 285.62 (1), 285.62 (2), 285.62 (5) (a), 285.62 (6) (c) 1., 285.63 (1) (d), 285.66 (3) (a) and 285.81 (1) (intro.); to repeal and recreate 285.60 (3) and 285.62 (9) (b); and to create 285.14, 285.17 (2) (b) and (c), 285.21 (1) (b) 1. to 4., 285.23 (6), 285.27 (2) (b) 1. to 4., 285.27 (2) (d), 285.60 (2g), 285.60 (5m), 285.60 (6m), 285.60 (6r), 285.60 (8), 285.60 (9), 285.60 (10), 285.61 (2) (b), 285.61 (10), 285.61 (11), 285.62 (8) (b), 285.62 (12), 285.66 (2) (b) and 285.81 (1m) of the statutes; relating to: air pollution control.

This is a preliminary draft. An analysis will be provided in a later version.

This is a preliminary draft. An analysis will be provided in a later version.

## The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 285.11 (9) of the statutes is amended to read:

285.11 (9) Prepare and adopt minimum standards for the emission of mercury compounds or metallic mercury into the air, consistent with s. 285.27 (2) (b).

**Section 2.** 285.14 of the statutes is created to read:

285.14 State implementation plans. (1) Content. The department may not submit a control measure or strategy to the federal environmental protection agency for inclusion in a state implementation plan under 42 USC 7410 unless the department has promulgated the control measure or strategy as a rule.

(2) Review by Standing Committees. At least 60 days before the department is required to submit a state implementation plan to the federal environmental protection agency, the department shall prepare, and provide to the standing committees of the legislature with jurisdiction over environmental matters, under s. 13.172 (3) a report that describes the proposed plan and contains all of the supporting documents that the department intends to submit with the plan. The department shall also submit to the revisor of statutes for publication in the administrative register a notice of availability of the report. If, within 30 days after the department provides the report, the chairperson of a standing committee to which the report was provided submits written comments on the report to the department, the secretary shall respond to the chairperson in writing within 15 days of receipt of the comments. This subsection does not apply to a modification to a state implementation plan relating to an individual source.

1	285.21 (1) (b) Standard to protect health or welfare. (intro.) If an ambient air
2	quality standard for any air contaminant is not promulgated under section 109 of the
3	federal clean air act, the department may promulgate an ambient air quality
4	standard if the department finds that the standard is needed to provide adequate
5	protection for public health or welfare. The department may not make this finding
6	for an air contaminant unless the finding is supported with written documentation
7	that includes all of the following:
8	Section 6. 285.21 (1) (b) 1. to 4. of the statutes are created to read:
9	285.21 (1) (b) 1. A public health risk assessment that characterizes the types
10	of stationary sources in this state that are known to emit the air contaminant and
11	the population groups that are potentially at risk from the emissions.
12	2. An analysis showing that members of population groups are subjected to
13	levels of the air contaminant that are above recognized environmental health
14	standards.
15	3. An evaluation of options for managing the risks caused by the air
16	contaminant considering risks, costs, economic impacts, feasibility, energy, safety,
17	and other relevant factors, and a finding that the proposed ambient air quality
18	standard reduces risks in the most cost-effective manner practicable.  4. Semparisary of the costs to businesses in this state of complying with the
20	proposed ambient air quality standard to the costs of complying with ambient air meet
21 $22$	quality standards to similar businesses in Illinois, Indiana, Michigan, Minnesota,
23	SECTION 7. 285.21 (4) of the statutes is amended to read:
24	285.21 (4) IMPACT OF CHANGE IN FEDERAL STANDARDS. If the ambient air

increment or the ambient air quality standards in effect on April 30, 1980, under the

	1 modified
	federal clean air act are relaxed, the department shall alter the corresponding state
(2)	standards unless it finds that the relaxed standards would not provide adequate
3	protection for public health and welfare. The department may not make this finding
4	for an ambient air quality standard unless the finding is supported with the written
5	documentation required under sub. (1) (b) 1. to 4.
6	SECTION 8. 285.23 (1) of the statutes is amended to read:
7	285.23 (1) PROCEDURES AND CRITERIA. The department shall promulgate by rule
8	procedures and criteria to identify a nonattainment area and to reclassify a
9	nonattainment area as an attainment area. After the effective date of this subsection
10	[revisor inserts date], the department may not identify a county as part of a
11	nonattainment area or recommend that a county be designated as part of a
12	nonattainment area under the federal clean air act if the concentration of an air
13	contaminant in the atmosphere does not exceed an ambient air quality standard,
14	unless under the federal clean air act the county is required to be designated as part
15	of a nonattainment area.
16	SECTION 9. 285.23 (2) of the statutes is amended to read:
17	285.23 (2) DOCUMENTS. The department shall issue documents from time to
18	time which define or list specific nonattainment areas or recommend that areas be
19	designated as nonattainment areas under the federal clean air act based upon the
20	procedures and criteria promulgated under sub. (1). Notwithstanding ss. 227.01 (13)
21	and 227.10 (1), documents issued under this subsection are not rules.
22	SECTION 10. 285.23 (6) of the statutes is created to read:
23	285.23 (6) Report to standing committees. Before the department issues
24	documents under sub. (2) and at least 60 days before the governor is required to make

a submission on a nonattainment designation under 42 USC 7407 (d) (1) (A), the

department shall prepare, and provide to the standing committees of the legislature with jurisdiction over environmental matters under s. 13.172 (3), a report that contains a description of any area proposed to be identified as a nonattainment area and supporting documentation. The department shall also submit to the revisor of statutes for publication in the administrative register a notice of availability of the report. If, within 30 days after the department submits the report, the chairperson of a standing committee to which the report was provided submits written comments on the report to the department, the secretary shall respond to the chairperson in writing within 15 days or receipt of the comments.

SECTION 11. 285.27 (1) (a) of the statutes is amended to read:

285.27 (1) (a) Similar to federal standard. If a standard of performance for new stationary sources is promulgated under section 111 of the federal clean air act, the department shall promulgate by rule a similar emission standard, including administrative requirements that are consistent with the federal administrative requirements, but this standard may not be more restrictive in terms of emission limitations than the federal standard except as provided under sub. (4).

Section 12. 285.27 (2) (a) of the statutes is amended to read:

285.27 (2) (a) Similar to federal standard. If an emission standard for a hazardous air contaminant is promulgated under section 112 of the federal clean air act, the department shall promulgate by rule a similar standard, including administrative requirements that are consistent with the federal administrative requirements, but this standard may not be more restrictive in terms of emission limitations than the federal standard except as provided under sub. (4).

**SECTION 13.** 285.27 (2) (b) of the statutes is renumbered 285.27 (2) (b) (intro.) and amended to read:

285.27 (2) (b) Standard to protect public health or welfare. (intro.) If an emission standard for a hazardous air contaminant is not promulgated under section 112 of the federal clean air act, the department may promulgate an emission standard for the hazardous air contaminant if the department finds the standard is needed to provide adequate protection for public health or welfare. The department may not make this finding for a hazardous air contaminant unless the finding is supported with written documentation that includes all of the following:

**SECTION 14.** 285.27 (2) (b) 1. to 4. of the statutes are created to read:

285.27 (2) (b) 1. A public health risk assessment that characterizes the types of stationary sources in this state that are known to emit the hazardous air contaminant and the population groups that are potentially at risk from the emissions.

- 2. An analysis showing that members of population groups are subjected to levels of the hazardous air contaminant that are above recognized environmental health standards.
- 3. An evaluation of options for managing the risks caused by the hazardous air contaminant considering risks, costs, economic impacts, feasibility, energy, safety, and other relevant factors, and a finding that the chosen compliance alternative reduces risks in the most cost–effective manner practicable.
- 4. A comparison of the costs to businesses in this state of complying with requirements related to emission standards for hazardous air contaminants, including costs associated with the proposed emission standard, to the costs of complying with requirements related to emission standards for hazardous air contaminants to similar businesses in Illinois, Indiana, Michigan, Minnesota, and Ohio.

**SECTION 15.** 285.27 (2) (d) of the statutes is created to read:

285.27 (2) (d) Emissions regulated under federal law. Emissions limitations promulgated under par. (b) and related control requirements do not apply to hazardous air contaminants emitted by emissions units, operations, or activities that are regulated by an emission standard promulgated under the federal clean air act, including a hazardous air contaminant that is regulated under the federal clean air act by virtue of regulation of another substance as a surrogate for the hazardous air contaminant or by virtue of regulation of a species or category of hazardous air contaminants that includes the hazardous air contaminant.

## **Section 16.** 285.27 (4) of the statutes is amended to read:

285.27 (4) IMPACT OF CHANGE IN FEDERAL STANDARDS. If the standards of performance for new stationary sources or the emission standards for hazardous air contaminants under the federal clean air act are relaxed, the department shall alter the corresponding state standards unless it finds that the relaxed standards would not provide adequate protection for public health and welfare. The department may not make this finding for an emission standard for a hazardous air contaminant unless the finding is supported with the written documentation required under sub.

(2) (b) 1. to 4. This subsection applies to state standards of performance for new stationary sources and emission standards for hazardous air contaminants in effect on April 30, 1980, if the relaxation in the corresponding federal standards occurs after April 30, 1980.

## SECTION 17. 285.60 (1) (a) 1. of the statutes is amended to read:

285.60 (1) (a) 1. Except as provided in sub. (5m), (6), (6m), or (6r), no person may commence construction, reconstruction, replacement or modification of a stationary source unless the person has a construction permit from the department.

1	Section 18.	285.60 (1) (b) 1	. of the statutes is	amended to read:
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285.60 (1) (b) 1. Except as provided in subd. 2., par. (a) 2., sub. (6) or (6m), or s. 285.62 (8), no person may operate a new source or a modified source unless the person has an operation permit under s. 285.62 from the department.

**SECTION 19.** 285.60 (2) (a) of the statutes is amended to read:

285.60 (2) (a) Operation permit requirement. Except as provided in sub. (6) or (6m) or s. 285.62 (8), no person may operate an existing source after the operation permit requirement date specified under s. 285.62 (11) (a) unless the person has an operation permit under s. 285.62 from the department.

Section 20. 285.60 (2g) of the statutes is created to read:

285.60 (2g) REGISTRATION PERMITS. (a) Rules. Subject to sub. (8), the department shall promulgate rules specifying a simplified process under which the department may issue a registration permit authorizing construction or operation or both for a stationary source with low actual emissions if the owner or operator provides to the department, on a form prescribed by the department, sufficient information to show that the source qualifies for a registration permit. In the rules, the department shall include criteria for identifying categories of sources the owners or operators of which may elect to obtain registration permits and general requirements applicable to sources that qualify for registration permits.

- (b) *Procedure.* The procedural requirements of ss. 285.61 (2) to (8) and 285.62 (2) to (7) do not apply to a registration permit under this subsection. Within 15 days after receipt of the form prescribed by the department, the department shall provide one of the following to an applicant for a registration permit:
- 1. Written notice of the department's determination that the source qualifies for a registration permit.

1	2. A written description of any information that is missing from the application
2	for a registration permit.
3	3. Written notice of the department's determination that the source does not
4	qualify for a registration permit, specifically describing the reasons for that
5	determination.
6	SECTION 21. 285.60 (2m) of the statutes is repealed.
7	SECTION 22. 285.60 (3) of the statutes is repealed and recreated to read:
8	285.60 (3) GENERAL PERMITS. (a) $Rules$ . The department shall promulgate rules
9	for the issuance of general permits authorizing construction or operation or both for
10	similar stationary sources. In the rules, the department shall specify criteria for
11	identifying categories of sources for which the department may issue general permits
12	and general requirements applicable to sources that qualify for general permits.
13	(b) Procedure. The procedural requirements of ss. 285.61 (2) to (8) and 285.62
14	(2) to (5) do not apply to the determination of whether a source is covered by a general
15	permit under this subsection. Within 15 days after receipt of an application for
16	coverage under a general permit, the department shall provide one of the following
17	to the applicant:
18	1. Written notice of the department's determination that the source qualifies
19	for coverage under the general permit.
20	2. A written description of any information that is missing from the application
21	for coverage under the general permit.
22	3. Written notice of the department's determination that the source does not
23	qualify for coverage under the general permit, specifically describing the reasons for
24	that determination.
25	SECTION 23. 285.60 (5m) of the statutes is created to read:

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Section 23

1 285.60 (5m) WAIVER OF CONSTRUCTION PERMIT REQUIREMENTS (Subject to sub. (8), may, allow a person to commence (2)the department spatkform agent reles under which it may grank at waiter from the respondent to a tank a tenstruction, reconstruction, prior to rescuence of replacement, or modification of a stationary source on a case-by-case basis or on bases specified in the rule sattles structions in which obtaining the per 6 cause under hardship. The department shall act on a waiver request within 15 days after it receives the request.

RN; 285.60(6); 285.60(6)(A) SECTION 24. 285.60 (6) of the statutes is amended to read:

ABTURNOVER RELIEVANCE OF THE COURSE OF THE C Subject to sub. (8), the department shall, by rule, exempt minor sources from the requirement of the section to construction permit and an operation permit if the emissions from the sources do not present a significant hazard to public health, safety or welfare or to the environment.

SECTION 25. 285.60 (6m) of the statutes is created to read:

285.60 (6m) Specific exemption. A person is not required to obtain a construction permit or an operation permit for a source that is an agricultural facility, as defined in s. 281.16(1)(a), a livestock operation, as defined in s. 281.16(1) (c), or an agricultural practice, as defined in s. 281.16 (1) (b), unless a permit is required by the federal clean air act.

**Section 26.** 285.60 (6r) of the statutes is created to read:

285.60 (6r) Exemption from Construction Permit requirement. A person is not required to obtain a construction permit for a source that is a component of a process, of equipment, or of an activity that is otherwise covered by a preexisting operation permit or a source that is a component of a process, of equipment, or of an activity

that is included in a completed application for an operation permit, unless a construction permit is required under the federal clean air act.

SECTION 27. 285.60 (8) of the statutes is created to read:

285.60 (8) COMPLIANCE WITH FEDERAL LAW. The department may not promulgate a rule or take any other action under this section that conflicts with the federal clean air act.

SECTION 28. 285.60 (9) of the statutes is created to read:

EXEMPTIONS. A person may petition the department to make a determination that a type of stationary source meets the criteria for a registration permit under sub. (2g), a general permit under sub. (3), or an exemption under sub. (6). The department shall provide a written response to a petition within 30 days after receiving the petition indicating whether the type of stationary source meets the applicable criteria for a registration permit, a general permit, or an exemption. If the type of source meets the applicable criteria, the department shall, within 365 days after receiving the petition, issue the registration permit or general permit or, for an exemption, shall submit to the legislative council staff under s. 227.15 (1) in proposed form any necessary rules or take any other action that is necessary provide the exemption.

SECTION 29. 285.60 (10) of the statutes is created to read:

285.60 (10) PERMIT STREAMLINING. The department shall continually assess permit obligations imposed under this section and ss. 285.61 to 285.65 and implement measures that are consistent with this chapter and the federal clean air act to allow for timely installation and operation of equipment and processes and the pursuit of related economic activity by lessening those obligations, including

consolidating the permits for sources at a facility into one permit, expanding exemptions under sub. (6), and expanding the availability of registration permits under sub. (2g), general permits under sub. (3), and construction permit waivers under sub. (5m).

SECTION 30. 285.61 (2) of the statutes is renumbered 285.61 (2) (a) and amended to read:

285.61 (2) (a) Request for additional information. Within 20 days after receipt of the application the department shall indicate provide written notice to the applicant describing specifically all of the plans, specifications and any other information necessary to determine if the proposed construction, reconstruction, replacement or modification will meet the requirements of this chapter and s. 299.15 and rules promulgated under this chapter and s. 299.15. If the department requests additional information under this paragraph, the department shall notify the applicant, within 15 days after receiving additional information from the applicant, whether that additional information satisfies the department's request.

**SECTION 31.** 285.61 (2) (b) of the statutes is created to read:

285.61 (2) (b) When application is considered to be complete. For the purposes of the time limits in sub. (3), an application is considered to be complete when the applicant provides the information specified in the written notice under par. (a), or, if the department does not provide written notice to an applicant within the time limit in par. (a), 20 days after receipt of the application. This paragraph does not prevent the department from requesting additional information from an applicant after the time limit in par. (a).

SECTION 32. 285.61 (3) (intro.) of the statutes is amended to read:

285.61 (3) ANALYSIS. (intro.) The department shall prepare an analysis
regarding the effect of the proposed construction, reconstruction, replacement or
modification on ambient air quality and a preliminary determination on the
approvability of the construction permit application, within the following time
periods after the receipt of the plans, specifications and other information
application is considered to be complete under sub. (2) (b):
SECTION 33. 285.61 (3) (a) of the statutes is amended to read:
285.61 (3) (a) Major source construction permits. For construction permits for
major sources, within 120 90 days.
SECTION 34. 285.61 (7) (a) of the statutes is amended to read:
285.61 (7) (a) Hearing permitted. The department may hold a public hearing
on the construction permit application if requested by a person who may be directly
aggrieved by the issuance of the permit, any affected state or the U.S. environmental
protection agency within 30 days after the department gives notice under sub. (5) (c).
A request for a public hearing shall indicate the interest of the party filing the
request and the reasons why a hearing is warranted. The department shall hold the
public hearing within 60 days after the deadline for requesting a hearing if it deems
that there is a significant public interest in holding a hearing.
SECTION 35. 285.61 (10) of the statutes is created to read:
285.61 (10) Extensions. Upon agreement between the department and an
applicant, the department shall extend any time limit applicable to the department
under this section. Tuse 114-22
SECTION 36. 285.61 (11) of the statutes is created to read:
285.61 (11) DELAY IN ISSUING PERMITS. (a) Subject to sub. (10), if the department
fails to act on an application for a construction permit within the time limit in sub-

(8) (b), the department shall include in a report the reasons for the delay in acting
on the application, including the names of the department's employees responsible
for review of the application, and recommendations for how to avoid similar delays
in the future. The department shall make reports under this paragraph available
to the public, place a prominent notice of the reports on the department's Internet
site, and submit the reports to the joint committee for the review of administrative
rules on a quarterly basis.

(b) If the department fails to act on an application for a construction permit within the time limit in sub. (8) (b) and the applicant has not agreed to an extension under sub. (10), the department shall refund the fee under s. 285.69 (1) (a) that was paid by the applicant.

**SECTION 37.** 285.62 (1) of the statutes is amended to read:

285.62 (1) APPLICANT NOTICE APPLICATION REQUIRED. A person who is required to obtain an operation permit for a stationary source shall apply to the department for the permit on or before the operation permit application date specified under sub. (11) (b). The department shall specify by rule the content of applications under this subsection. If required by the federal clean air act, the department shall provide a copy of the complete application to the federal environmental protection agency. The department may not accept an application submitted to the department before November 15, 1992, as an application under this subsection.

SECTION 38. 285.62 (2) of the statutes is amended to read:

(285.62 (2) (a) the statutes is a mended to read:

(285.62 (2) (a) the statutes in Fermation.

285.62 (2) (a) PLANS SPECIFICATIONS AND OTHER INFORMATION. Within 20 days after receipt of the application the department shall indicate provide written notice to the applicant describing specifically any additional information required under sub. (1) necessary to determine if the source, upon issuance of the permit, will meet

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the requirements of this chapter and s. 299.15 and rules promulgated under this
chapter and s. 299.15. If the department requests additional information under this
subsection, the department shall notify the applicant, within 15 days after receiving
additional information from the applicant, whether that additional information
satisfies the department's request.

SECTION 39. 285.62 (5) (a) of the statutes is amended to read:

285.62 (5) (a) Hearing permitted. The department may hold a public hearing on an application for an operation permit for a stationary source if requested by any state that received notice under sub. (3) (b) or any other person, if the person may be directly aggrieved by the issuance of the permit, within 30 days after the department gives notice under sub. (3) (c). A request for a public hearing shall indicate the interest of the party filing the request and the reasons why a hearing is warranted. The department shall hold the public hearing within 60 days after the deadline for requesting a hearing if it determines that there is a significant public interest in holding the hearing.

SECTION 40. 285.62 (6) (c) 1. of the statutes is amended to read:

285.62 (6) (c) 1. If the department receives an objection from the federal environmental protection agency under this subsection, the department may not issue the operation permit unless the department revises the proposed operation permit as necessary to satisfy the objection.

**SECTION 41.** 285.62 (8) of the statutes is renumbered 285.62 (8) (a).

**SECTION 42.** 285.62 (8) (b) of the statutes is created to read:

285.62 (8) (b) If a person submits an application for renewal of an operation permit before the date that the operation permit expires, the stationary source may not be required to discontinue operation and the person may not be prosecuted for

lack of an operation permit until the department acts under sub. (7), except that this
paragraph does not apply in a situation in which its application would contravene
the federal clean air act.

SECTION 43. 285.62 (9) (b) of the statutes is repealed and recreated to read:

285.62 (9) (b) Subject to sub. (12), if the department fails to act on an application for an operation permit within the time limit under sub. (7) (b), the department shall include in a report the reasons for the delay in acting on the application, including the names of the department's employees responsible for review of the application, and recommendations for how to avoid delays in the future in similar situations. The department shall make reports under this subsection available to the public, place a prominent notice of the reports on the department's Internet site, and submit the reports to the joint committee for the review of administrative rules on a quarterly basis.

SECTION 44. 285.62 (12) of the statutes is created to read:

285.62 (12) EXTENSIONS. Upon agreement between the department and an applicant, the department shall extend any time limit applicable to the department under this section. In Sect. 17-17

**SECTION 45.** 285.63 (1) (d) of the statutes is amended to read:

285.63 (1) (d) Source will not preclude construction or operation of other source. The stationary source will not degrade the air quality in an area sufficiently to prevent the construction, reconstruction, replacement, modification or operation of another stationary source if the department received plans, specifications and other information under s. 285.61 (2) (a) for the other stationary source prior to commencing its analysis under s. 285.61 (3) for the former stationary source. This paragraph does not apply to an existing source required to have an operation permit.

1	<b>SECTION 46.</b> 285.66 (2) of the statutes is renumbered 285.66 (2) (a).
2	SECTION 47. 285.66 (2) (b) of the statutes is created to read:
3	285.66 (2) (b) Notwithstanding par. (a), the department may not specify that
4	coverage under a general permit under s. 285.60 (3) expires except as follows:
5	1. The department may specify an expiration date for coverage under a general
6	permit at the request of an owner or operator.
7	2. The department may specify a term of 5 years or longer for coverage under
8	a general permit if the department finds that expiring coverage would significantly
9	improve the likelihood of continuing compliance with applicable requirements
10	compared to coverage that does not expire.
11	3. The department may specify a term of 5 years or less for coverage under a
12	general permit if required by the federal clean air act.
13	SECTION 48. 285.66 (3) (a) of the statutes is amended to read:
14	285.66 (3) (a) A permittee shall apply for renewal of an operation permit at
15	least $126$ months before the operation permit expires. The permittee shall include
16	any new or revised information needed to process the application for renewal.
17	SECTION 49. 285.81 (1) (intro.) of the statutes is amended to read:
18	285.81 (1) PERMIT HOLDER; PERMIT APPLICANT, ORDER RECIPIENT. (intro.) Any condition or requirement in a permits
(19)	permit, part of a permit, order, decision or determination by the department under
20	ss. 285.39, 285.60 to 285.69 or 285.75 shall become effective unless the permit holder
21	or applicant or the order recipient seeks a hearing on challenging the action in the
22	following manner:
23	<b>SECTION 50.</b> 285.81 (1m) of the statutes is created to read:
24	285.81 (1m) EFFECT OF A CHALLENGE. If a permit holder or applicant seeks a Ora Condition or requirement in a permit hearing challenging part of a permit under sub. (1), the remainder of the permit shall
(25)	hearing challenging part of a permit under sub. (1), the remainder of the permit shall

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, at its discretion,

- become effective and the permit holder or applicant may begin the activity for which the application was issued.
- 3 Section 51. 299.05 (2) (d) of the statutes is repealed.
- 4 Section 52. Nonstatutory provisions.
  - (1) REPORT ON AIR PERMIT STREAMLINING EFFORTS.
  - (a) The department of natural resources, in consultation with owners and operators of stationary sources of air pollution, shall develop a report that contains all of the following:
  - 1. A list of all existing exemptions under section 285.60 (6) of the statutes, as affected by this act, and all general permits under section 285.60 (3) of the statutes, as affected by this act.
  - 2. Recommendations, and related proposed rule revisions, for expanding exemptions under section 285.60 (6) of the statutes, as affected by this act, establishing registration permits under section 285.60 (2g) of the statutes, as created by this act, expanding the use of general permits under section 285.60 (3) of the statutes, as affected by this act, issuing construction permit waivers under section 285.60 (5m) of the statutes, as created by this act, and taking other actions under section 285.60 (10) of the statutes, as created by this act, including consolidating the permits for sources at one facility into one permit.
  - 3. A schedule for providing additional reports containing recommendations, and related rule revisions, for expanding exemptions under section 285.60 (6) of the statutes, as affected by this act, expanding the use of registration permits under section 285.60 (2g) of the statutes, as created by this act, expanding the use of general permits under section 285.60 (3) of the statutes, as affected by this act, expanding the issuance of construction permit waivers under section 285.60 (5m) of the

- statutes, as created by this act, and taking other actions under section 285.60 (10) of the statutes, as created by this act, including consolidating the permits for sources at one facility into one permit.
- 4. A description of requirements in the federal clean air act that limit the department's ability to expand exemptions under section 285.60 (6) of the statutes, as affected by this act, expand the use of registration permits under section 285.60 (2g) of the statutes, as created by this act, expand the use of general permits under section 285.60 (3) of the statutes, as affected by this act, expand the issuance of construction permit waivers under section 285.60 (5m) of the statutes, as created by this act, and take other actions under section 285.60 (10) of the statutes, as created by this act, and recommendations on how these limitations might be overcome.
- (b) The department of natural resources shall submit the report under paragraph (a) to the legislature in the manner provided under s. 13.172 (2) no later than the first day of the 7th month beginning after the effective date of this paragraph.
- (2) REPORT ON CLEAN AIR ACT STATE IMPLEMENTATION PLANS. No later than the first day of the 13th month beginning after the effective date of this subsection, the department of natural resources shall submit to the standing committees of the legislature with jurisdiction over environmental matters a report that contains all of the following:
- (a) A description of all of this state's existing and pending state implementation plans under 42 USC 7410 with an analysis of any rules or requirements included in the plans that may not have been necessary to obtain federal environmental protection agency approval but that are federally enforceable as a result of being included in the plan.

	1	(b) Recommendations for priorities for revisions of state implementation plans
	2	to remove rules and other requirements that may not have been necessary to obtain
[neat]	3	federal environmental protection agency approval.
6.3	4	SECTION 53. Initial applicability. $(7)^{(b)}$ ?
p. 3	5	(1) PROCESSING OF AIR PERMITS. The treatment of sections 285.61 (3) (intro.) and
	6	(a), (7) (a), and (11), 285.62 (2), (5) (a), and (9) (b), and 285.66 (3) (a) of the statutes,
	7	the renumbering and amendment of section 285.61 (2) of the statutes, the creation
	8	(a), (7) (a), and (11), 285.62 (2), (5) (a), and (9) (b), and 285.66 (3) (a) of the statutes, the renumbering and amendment of section 285.61 (2) of the statutes, the creation of section 285.61 (2) (b) of the statutes first apply to applications submitted on the
	9	effective date of this subsection.
	10	(2) REVIEW OF AIR POLLUTION CONTROL DECISIONS. The treatment of section 285.81
	11	(1) (intro.) and (1m) of the statutes first applies to person who file petitions on the
	12	effective date of this subsection.
	13	(END)

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3879/P2dn RCT1......

(2)

Haddition to the requested changes to s. 285.17/(b), in order to accomplish what I think is intended, it seemed necessary to explicitly state the effect of a determination that a proposed monitoring requirement is unreasonable. Is there a need to be concerned that as modified this provision could prevent DNR from imposing a monitoring requirement required under the Clean Air Act?

It is not necessary to "notwithstand" s. 285.60 (1) in proposed s. 285.60 (5m) because in the draft s. 285.60 (1) already says "[e]xcept as provided in sub. (5m)."

I modified the treatment of s. 285.81 (1). However, because a condition or requirement in a permit would seem to be part of a permit and because s. 285.81 (1) currently refers to part of a permit, it appears to be unnecessary to add language about a condition or requirement.

I did not add "construction and operation" in proposed s. 285.81 (1m) because the permit might not authorize construction **and** operation.

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## 2003–2004 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

### Insert 3-14

imposed on similar air contaminant sources by other states. If the administrator determines that the monitoring requirement is unreasonable, the department may not impose the monitoring requirement

#### Insert 3-17

the department may not impose the monitoring requirement.

#### Insert 11-1

(a) Subject to sub. (8), the department shall allow a person to commence construction, reconstruction, replacement, or modification of a stationary source prior to the issuance of a construction permit upon a showing that commencing construction, reconstruction, replacement, or modification prior to the issuance of the permit is necessary to avoid undue hardship.

### Inserts 14-22 and 17-17

The department may not require an applicant to agree to extend a time period as a condition of approving an application.

#### Insert 16-5

**SECTION 1.** 285.62 (2) (b) of the statutes is created to read:

285.62 (2) (b) When application is considered to be complete. For the purposes of the time limit in sub. (7) (b), an application is considered to be complete when the applicant provides the information specified in the written notice under par. (a), or, if the department does not provide written notice to an applicant within the period

under par. (a), 20 days after receipt of the application. This paragraph does not prevent the department from requesting additional information from an applicant after the period under par. (a).

### **Insert 16-20**

**SECTION 2.** 285.62 (7) (b) of the statutes is amended to read:

285.62 (7) (b) The department shall approve or deny the operation permit application for a new source or modified source. The department shall issue the operation permit for a new source or modified source if the criteria established under ss. 285.63 and 285.64 are met. The department shall issue an operation permit for a new source or modified source or deny the application within 180 days after the application is considered to be complete under sub. (2) (b) or after the permit applicant submits to the department the results of all equipment testing and emission monitoring required under the construction permit, whichever is later.

History: 1979 c. 221; 1985 a 182 s. 57; 1991 a. 302; 1995 a. 27; 1995 a. 227 ss. 471, 487; Stats. 1995 s. 285.62; 1997 a. 35.

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3879/P2dn RCT:cjs:rs

December 19, 2003

In addition to the requested changes to s. 285.17 (2) (b), in order to accomplish what I think is intended, it seemed necessary to explicitly state the effect of a determination that a proposed monitoring requirement is unreasonable. Is there a need to be concerned that as modified this provision could prevent DNR from imposing a monitoring requirement required under the Clean Air Act?

It is not necessary to "notwithstand" s. 285.60(1) in proposed s. 285.60(5m) because in the draft s. 285.60(1)(a) 1. already says "[e]xcept as provided in sub. (5m)."

I modified the treatment of s. 285.81 (1). However, because a condition or requirement in a permit would seem to be part of a permit and because s. 285.81 (1) currently refers to part of a permit, it appears to be unnecessary to add language about a condition or requirement.

I did not add "construction and operation" in proposed s. 285.81 (1m) because the permit might not authorize construction **and** operation.

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## Tradewell, Becky

From:

Sent:

Nowak, Ellen Monday, January 05, 2004 3:25 PM Tradewell, Becky a few changes to LRB 3879

To:

Subject:

Importance:

High

Becky:

Please see attached.



Drafting (LRB 3879...

# **Chapter 285 Drafting Instructions**

(Reference to sections in LRB-3879/P2)

Jan. 5, 2004

General Comments. Unless noted below, the drafter's treatment of issues noted in prefatory note was okay.

Section 4. (Monitoring). [Note: Drafter asked a question relating to monitoring required by CAA. If the proposed monitoring requirement is required by the CAA, the Division Administrator could (and surely would) find that such requirement is reasonable (the provision provides sufficient discretion on that determination), so there is no need for clarification on that point. That is, the provision is fine as drafted.]

Section 6 (Ambient Air Stds). Modify proposed 285.21 (1) (b) 4. to read:

A comparison of the regulatory programs reasonably expected to meet the proposed ambient air standard with regulatory programs in Illinois, Indiana, Michigan, Minnesota or Ohio.

Section 14 (HAPs Documentation). Modify proposed 285.27 (2) (b) 4. to read:

A comparison of the requirements related to emission standards for hazardous air contaminants to hazardous air contaminant regulatory programs in Illinois, Indiana, Michigan, Minnesota or Ohio.

Section 26 (Ag Exemption). Delete (and delete reference to that provision in §§17, 18 and 19).

Section 27 (Exemption for Components). Delete (and delete reference to that provision in §17).

**Section 55** (Nonstatutory provision relating to DNR Reports). Modify sub. (3) or add a parallel provision relating to establishment of policies on that information the department will required in permit applications that also focuses on consistency within the state and other states. Add the additional objectives of these assessments is to reduce overall permitting costs and approval times. Also, modify this (these) provision to include as part of the report proposed rules required to effectuate the objectives of these provisions.

Res Ellen do not require rule-making