HOUSE BILL 3236

State of Washington 59th Legislature 2006 Regular Session

By Representatives Dickerson, Darneille and Campbell

Read first time 01/27/2006. Referred to Committee on Natural Resources, Ecology & Parks.

- 1 AN ACT Relating to mercury emissions; amending RCW 70.94.030,
- 2 70.94.161, and 70.94.422; and adding a new section to chapter 70.94
- 3 RCW.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 70.94.030 and 2005 c 197 s 2 are each amended to read 6 as follows:
- 7 The definitions in this section apply throughout this chapter 8 unless the context clearly requires otherwise.
- 9 (1) "Air contaminant" means dust, fumes, mist, smoke, other 10 particulate matter, vapor, gas, odorous substance, or any combination 11 thereof.
- (2) "Air pollution" is presence in the outdoor atmosphere of one or more air contaminants in sufficient quantities and of such characteristics and duration as is, or is likely to be, injurious to human health, plant or animal life, or property, or which unreasonably interfere with enjoyment of life and property. For the purpose of this chapter, air pollution shall not include air contaminants emitted in

compliance with chapter 17.21 RCW.

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- (3) "Air quality standard" means an established concentration, exposure time, and frequency of occurrence of an air contaminant or multiple contaminants in the ambient air which shall not be exceeded.
 - (4) "Ambient air" means the surrounding outside air.

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- (5) "Authority" means any air pollution control agency whose jurisdictional boundaries are coextensive with the boundaries of one or more counties.
- (6) "Best available control technology" (BACT) means an emission limitation based on the maximum degree of reduction for each air pollutant subject to regulation under this chapter emitted from or that results from any new or modified stationary source, that the permitting authority, on a case-by-case basis, taking into account energy, environmental, and economic impacts and other costs, determines is achievable for such a source or modification through application of production processes and available methods, systems, and techniques, including fuel cleaning, clean fuels, or treatment or innovative fuel combustion techniques for control of each such a pollutant. event shall application of "best available control technology" result in emissions of any pollutants that will exceed the emissions allowed by any applicable standard under 40 C.F.R. Part 60 and Part 61, as they exist on July 25, 1993, or their later enactments as adopted by reference by the director by rule. Emissions from any source utilizing clean fuels, or any other means, to comply with this subsection shall not be allowed to increase above levels that would have been required under the definition of BACT as it existed prior to enactment of the federal clean air act amendments of 1990.
- (7) "Best available retrofit technology" (BART) means an emission limitation based on the degree of reduction achievable through the application of the best system of continuous emission reduction for each pollutant that is emitted by an existing stationary facility. The emission limitation must be established, on a case-by-case basis, taking into consideration the technology available, the costs of compliance, the energy and nonair quality environmental impacts of compliance, any pollution control equipment in use or in existence at the source, the remaining useful life of the source, and the degree of improvement in visibility that might reasonably be anticipated to result from the use of the technology.
 - (8) "Board" means the board of directors of an authority.

1 (9) "Control officer" means the air pollution control officer of any authority.

- (10) "Department" or "ecology" means the department of ecology.
- (11) "Emission" means a release of air contaminants into the ambient air.
 - (12) "Emission standard" and "emission limitation" mean a requirement established under the federal clean air act or this chapter that limits the quantity, rate, or concentration of emissions of air contaminants on a continuous basis, including any requirement relating to the operation or maintenance of a source to assure continuous emission reduction, and any design, equipment, work practice, or operational standard adopted under the federal clean air act or this chapter.
- 14 (13) "Fine particulate" means particulates with a diameter of two 15 and one-half microns and smaller.
- 16 (14) "Lowest achievable emission rate" (LAER) means for any source 17 that rate of emissions that reflects:
 - (a) The most stringent emission limitation that is contained in the implementation plan of any state for such class or category of source, unless the owner or operator of the proposed source demonstrates that such limitations are not achievable; or
 - (b) The most stringent emission limitation that is achieved in practice by such class or category of source, whichever is more stringent.

In no event shall the application of this term permit a proposed new or modified source to emit any pollutant in excess of the amount allowable under applicable new source performance standards.

- (15) "Mercury-emitting facility" means any facility that combusts coal or another fossil fuel, as that term is defined in RCW 80.70.010, in order to produce electricity that is offered for sale or used outside of the facility.
- (16) "Modification" means any physical change in, or change in the method of operation of, a stationary source that increases the amount of any air contaminant emitted by such source or that results in the emission of any air contaminant not previously emitted. The term modification shall be construed consistent with the definition of modification in Section 7411, Title 42, United States Code, and with rules implementing that section.

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 $((\frac{16}{16}))$ "Multicounty authority" means an authority which 2 consists of two or more counties.

(((17))) (18) "New source" means (a) the construction or modification of a stationary source that increases the amount of any air contaminant emitted by such source or that results in the emission of any air contaminant not previously emitted, and (b) any other project that constitutes a new source under the federal clean air act.

- $((\frac{18}{18}))$ <u>(19)</u> "Permit program source" means a source required to apply for or to maintain an operating permit under RCW 70.94.161.
- (((19))) (20) "Person" means an individual, firm, public or private corporation, association, partnership, political subdivision of the state, municipality, or governmental agency.
- ((\(\frac{20}{}\))) (21) "Reasonably available control technology" (RACT) means the lowest emission limit that a particular source or source category is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility. RACT is determined on a case-by-case basis for an individual source or source category taking into account the impact of the source upon air quality, the availability of additional controls, the emission reduction to be achieved by additional controls, the impact of additional controls on air quality, and the capital and operating costs of the additional controls. RACT requirements for a source or source category shall be adopted only after notice and opportunity for comment are afforded.
- $((\frac{21}{21}))$ (22) "Silvicultural burning" means burning of wood fiber on forest land consistent with the provisions of RCW 70.94.660.
- $((\frac{22}{2}))$ (23) "Source" means all of the emissions units including quantifiable fugitive emissions, that are located on one or more contiguous or adjacent properties, and are under the control of the same person, or persons under common control, whose activities are ancillary to the production of a single product or functionally related group of products.
- $((\frac{(23)}{)})$ (24) "Stationary source" means any building, structure, facility, or installation that emits or may emit any air contaminant.
- $((\frac{24}{1}))$ (25) "Trigger level" means the ambient level of fine particulates, measured in micrograms per cubic meter, that must be detected prior to initiating a first or second stage of impaired air quality under RCW 70.94.473.

NEW SECTION. **Sec. 2.** A new section is added to chapter 70.94 RCW to read as follows:

- (1) By July 1, 2010, the owner or operator of a mercury-emitting facility shall either:
- (a) Satisfy an emission standard of equal to or less than 0.6 pounds per trillion British thermal units produced; or
- (b) Satisfy an emission standard equal to or greater than a ninety percent reduction of mercury emissions.
- (2) The owner or operator of a mercury-emitting facility that is operational before the effective date of this act may choose which emission standard established in subsection (1) of this section will be satisfied. Mercury-emitting facilities that become operational after the effective date of this act may only be deemed in compliance with this section if the facilities satisfy the requirements of subsection (1)(a) of this section.
- 16 (3) The department shall determine a process for obtaining 17 representative fuel samples and analysis in order to confirm compliance 18 with this section.
- **Sec. 3.** RCW 70.94.161 and 1993 c 252 s 5 are each amended to read 20 as follows:

The department of ecology, or board of an authority, shall require renewable permits for the operation of air contaminant sources subject to the following conditions and limitations:

- (1) Permits shall be issued for a term of five years. A permit may be modified or amended during its term at the request of the permittee, or for any reason allowed by the federal clean air act. The rules adopted pursuant to subsection (2) of this section shall include rules for permit amendments and modifications. The terms and conditions of a permit shall remain in effect after the permit itself expires if the permittee submits a timely and complete application for permit renewal.
- (2)(a) Rules establishing the elements for a statewide operating permit program and the process for permit application and renewal consistent with federal requirements shall be established by the department ((by January 1, 1993)). The rules shall provide that every proposed permit must be reviewed prior to issuance by a professional engineer or staff under the direct supervision of a professional engineer in the employ of the permitting authority. The permit program

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established by these rules shall be administered by the department and delegated local air authorities. Rules developed under this subsection shall not preclude a delegated local air authority from including in a permit its own more stringent emission standards and operating restrictions.

- (b) The board of any local air pollution control authority may apply to the department of ecology for a delegation order authorizing the local authority to administer the operating permit program for sources under that authority's jurisdiction. The department shall, by order, approve such delegation, if the department finds that the local authority has the technical and financial resources, to discharge the responsibilities of a permitting authority under the federal clean air act. A delegation request shall include adequate information about the local authority's resources to enable the department to make the findings required by this subsection((; provided,)). Any delegation order issued under this subsection shall take effect ninety days after the environmental protection agency authorizes the local authority to issue operating permits under the federal clean air act.
- (c) Except for the authority granted the energy facility site evaluation council to issue permits for the new construction, reconstruction, or enlargement or operation of new energy facilities under chapter 80.50 RCW, the department may exercise the authority, as delegated by the environmental protection agency, to administer Title IV of the federal clean air act as amended and to delegate such administration to local authorities as applicable pursuant to (b) of this subsection.
- (3) In establishing technical standards, defined in RCW 70.94.030, the permitting authority shall consider and, if found to be appropriate, give credit for waste reduction within the process.
- (4) Operating permits shall apply to all sources (a) where required by the federal clean air act, and (b) for any source that may cause or contribute to air pollution in such quantity as to create a threat to the public health or welfare. Subsection (b) of this subsection is not intended to apply to small businesses except when both of the following limitations are satisfied: (i) The source is in an area exceeding or threatening to exceed federal or state air quality standards; and (ii) the department provides a reasonable justification that requiring a source to have a permit is necessary to meet a federal or state air

quality standard, or to prevent exceeding a standard in an area threatening to exceed the standard. For purposes of this subsection "areas threatening to exceed air quality standards" shall mean areas projected by the department to exceed such standards within five years. Prior to identifying threatened areas the department shall hold a public hearing or hearings within the proposed areas.

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- (5) Sources operated by government agencies are not exempt under this section.
- (6) Within one hundred eighty days after the United States environmental protection agency approves the state operating permit program, a person required to have a permit shall submit to the permitting authority a compliance plan and permit application, signed by a responsible official, certifying the accuracy of the information submitted. Until permits are issued, existing sources shall be allowed to operate under presently applicable standards and conditions provided that such sources submit complete and timely permit applications.
- (7) All draft permits shall be subject to public notice and comment. The rules adopted pursuant to subsection (2) of this section shall specify procedures for public notice and comment. Such procedures shall provide the permitting agency with an opportunity to respond to comments received from interested parties prior to the time that the proposed permit is submitted to the environmental protection agency for review pursuant to section 505(a) of the federal clean air act. In the event that the environmental protection agency objects to a proposed permit pursuant to section 505(b) of the federal clean air act, the permitting authority shall not issue the permit, unless the permittee consents to the changes required by the environmental protection agency.
- (8) The procedures contained in chapter 43.21B RCW shall apply to permit appeals. The pollution control hearings board may stay the effectiveness of any permit issued under this section during the pendency of an appeal filed by the permittee, if the permittee demonstrates that compliance with the permit during the pendency of the appeal would require significant expenditures that would not be necessary in the event that the permittee prevailed on the merits of the appeal.
- (9) After the effective date of any permit program ((promulgated)) adopted under this section, it shall be unlawful for any person to:

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- 1 (a) Operate a permitted source in violation of any requirement of a 2 permit issued under this section; or (b) fail to submit a permit 3 application at the time required by rules adopted under subsection (2) 4 of this section.
 - (10) Each air operating permit shall state the origin of and specific legal authority for each requirement included therein. Every requirement in an operating permit shall be based upon the most stringent of the following requirements:
 - (a) The federal clean air act and rules implementing that act, including provision of the approved state implementation plan;
 - (b) This chapter and rules adopted thereunder;

- (c) In permits issued by a local air pollution control authority, the requirements of any order or regulation adopted by that authority;
 - (d) Chapter 70.98 RCW and rules adopted thereunder; and
 - (e) Chapter 80.50 RCW and rules adopted thereunder.
 - (11) Consistent with the provisions of the federal clean air act, the permitting authority may issue general permits covering categories of permitted sources, and temporary permits authorizing emissions from similar operations at multiple temporary locations.
 - (12) Permit program sources within the territorial jurisdiction of an authority delegated the operating permit program shall file their permit applications with that authority, except that permit applications for sources regulated on a statewide basis pursuant to RCW 70.94.395 shall be filed with the department. Permit program sources outside the territorial jurisdiction of a delegated authority shall file their applications with the department. Permit program sources subject to chapter 80.50 RCW shall, irrespective of their location, file their applications with the energy facility site evaluation council.
 - (13) When issuing operating permits to coal fired electric generating plants, the permitting authority shall establish requirements consistent with Title IV of the federal clean air act.
- (14)(((a) The department and the local air authorities are authorized to assess and to collect, and each source emitting one hundred tons or more per year of a regulated pollutant shall pay an interim assessment to fund the development of the operating permit program during fiscal year 1994.

- (b) The department shall conduct a workload analysis and prepare an operating permit program development budget for fiscal year 1994. The department shall allocate among all sources emitting one hundred tons or more per year of a regulated pollutant during calendar year 1992 the costs identified in its program development budget according to a three-tiered model, with each of the three tiers being equally weighted, based upon:
 - (i) The number of sources;

- 9 (ii) The complexity of sources; and
 - (iii) The size of sources, as measured by the quantity of each regulated pollutant emitted by the source.
 - (c) Each local authority and the department shall collect from sources under their respective jurisdictions the interim fee determined by the department and shall remit the fee to the department.
 - (d) Each local authority may, in addition, allocate its fiscal year 1994 operating permit program development costs among the sources under its jurisdiction emitting one hundred tons or more per year of a regulated pollutant during calendar year 1992 and may collect an interim fee from these sources. A fee assessed pursuant to this subsection (14)(d) shall be collected at the same time as the fee assessed pursuant to (c) of this subsection.
 - (e) The fees assessed to a source under this subsection shall be limited to the first seven thousand five hundred tons for each regulated pollutant per year.
 - (15) The department shall determine the persons liable for the fee imposed by subsection (14) of this section, compute the fee, and provide by November 1 of 1993 the identity of the fee payer with the computation of the fee to each local authority and to the department of revenue for collection. The department of revenue shall collect the fee computed by the department from the fee payers under the jurisdiction of the department. The administrative, collection, and penalty provisions of chapter 82.32 RCW shall apply to the collection of the fee by the department of revenue. The department shall provide technical assistance to the department of revenue for decisions made by the department of revenue pursuant to RCW 82.32.160 and 82.32.170. All interim fees collected by the department of revenue on behalf of the department and all interim fees collected by local authorities on behalf of the department shall be deposited in the air operating permit

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account. The interim fees collected by the local air authorities to cover their permit program development costs under subsection (14)(d) of this section shall be deposited in the dedicated accounts of their respective treasuries.

All fees identified in this section shall be due and payable on March 1 of 1994, except that the local air pollution control authorities may adopt by rule an earlier date on which fees are to be due and payable. The section 5, chapter 252, Laws of 1993 amendments to RCW 70.94.161 do not have the effect of terminating, or in any way modifying, any liability, civil or criminal, incurred pursuant to the provisions of RCW 70.94.161 (15) and (17) as they existed prior to July 25, 1993.

(16))) For sources or source categories not required to obtain permits under subsection (4) of this section, the department or local authority may establish by rule control technology requirements. If control technology rule revisions are made by the department or local authority under this subsection, the department or local authority shall consider the remaining useful life of control equipment previously installed on existing sources before requiring technology changes. The department or any local air authority may issue a general permit, as authorized under the federal clean air act, for such sources.

- $((\frac{17}{17}))$ (15) RCW 70.94.151 shall not apply to any permit program source after the effective date of United States environmental protection agency approval of the state operating permit program.
- 26 (16) Permits approved under this section for mercury-emitting 27 facilities may not be renewed after June 1, 2010, if the mercury-28 emitting facility is not in compliance with section 2 of this act.
- **Sec. 4.** RCW 70.94.422 and 1993 c 252 s 7 are each amended to read 30 as follows:
- 31 (1) The department of health shall have all the enforcement powers 32 as provided in RCW 70.94.332, 70.94.425, 70.94.430, 70.94.431 (1) 33 through (7), and 70.94.435 with respect to emissions of radionuclides. 34 This section does not preclude the department of ecology from 35 exercising its authority under this chapter.
- 36 (2) Permits for energy facilities subject to chapter 80.50 RCW 37 shall be issued by the energy facility site evaluation council.

However, the permits become effective only if the governor approves an 1 2 application for certification and executes a certification agreement under chapter 80.50 RCW. The council shall have all powers necessary 3 to administer an operating permits program pertaining to such 4 facilities, consistent with applicable air quality standards 5 established by the department or local air pollution control 6 authorities, or both, and to obtain the approval of the United States 7 environmental protection agency. The council's powers include, but are 8 not limited to, all of the enforcement powers provided in RCW 9 10 70.94.332, 70.94.425, 70.94.430, 70.94.431 (1) through (7), and 70.94.435 with respect to permit program sources required to obtain 11 12 certification from the council under chapter 80.50 RCW. To the extent 13 not covered under RCW 80.50.071, the council may collect fees as 14 granted to delegated local air authorities under RCW 70.94.152, ((70.94.161 (14) and (15),)) 70.94.162, and 70.94.154(7) with respect 15 to permit program sources required to obtain certification from the 16 17 council under chapter 80.50 RCW. The council and the department shall 18 each establish procedures that provide maximum coordination and avoid 19 duplication between the two agencies in carrying out the requirements of this chapter. 20

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