Overview
This rulemaking concerns the treatment of nitrogen oxide (NOx) emissions for the ozone season from certain large affected units formerly regulated under the NOx Trading Budget Program and the Clean Air Interstate Rule (CAIR). This rulemaking also repeals the current NOx Budget Trading Program rule at 326 IAC 10-4 and portions of the CAIR rule at 326 IAC 24-3.

Suggested Changes since Preliminary Adoption
This rulemaking was preliminarily adopted on January 10, 2018, by the Environmental Rules Board (ERB). Since that time, the Indiana Department of Environmental Management (IDEM) has identified some clarifications to the proposed rule. There are no substantive changes to the requirements as the result of these clarifications to the proposed rule. IDEM specifically identified 40 CFR 75.73(f) at 326 IAC 10-2-8(b)(4) for clarity, although 40 CFR 75.73 was already incorporated by reference in this rule at 326 IAC 10-2-8(a).

In 326 IAC 10-3-3, subsection (d) has been modified and subsection (e) added to clarify when the owner or operator of an affected boiler is required to submit a compliance plan. In addition, revisions have been made to 326 IAC 10-3-3(f) to clarify which requirements are specifically applicable to cement kilns and a reference to 40 CFR 75 has been deleted since it does not apply to cement kilns.

Affected Persons
This rulemaking affects owners and operators of large affected units that were formerly regulated under the NOx Budget Trading Program and CAIR. In general, large affected units are fossil-fuel fired boilers with a maximum design heat input capacity of greater than 250 million British thermal units per hour or cogeneration units serving a generator that does not sell electricity to the grid.

Reasons for the Rule
Federal law requires Indiana to adopt this rule for large affected units and submit it to the United States Environmental Protection Agency for approval into the Indiana State Implementation Plan (SIP). These large affected units were regulated under the NOx Budget Trading Program rule at 326 IAC 10-4 and then subsequently, the trading rules under CAIR, both of which are no longer in place. While some were replaced by the Cross State Air Pollution Rule (CSAPR), the large affected units affected by this rule were not included in the recently adopted CSAPR; therefore, Indiana must adopt a rule so that these units can continue to comply with the federal NOx SIP Call rules under 40 CFR 51.121.
Economic Impact of the Rule
The economic impact of this rulemaking is low. This rulemaking does not establish any requirements to which the regulated sources are not already subject through federal requirements. There is no additional fiscal impact beyond the impact from existing federal requirements.

Scheduled Board Action and Hearings
First Public Hearing: January 10, 2018, Indiana Government Center South, 10 N. Senate Avenue, Indianapolis, IN 46204.
Second Public Hearing: April 11, 2018, Indiana Government Center South, 10 N. Senate Avenue, Indianapolis, IN 46204.

IDEM Contact
Additional information regarding this rulemaking action can be obtained from Jack Harmon, Rules Development Branch, Office of Legal Counsel, (317) 234-9535, (800) 451-6027 (in Indiana), or jaharmon@idem.in.gov.