

Meeting Summary

Air Management Study Group Meeting

Thursday, May 24, 2018

9:00 am

Room G09, State Natural Resources Building (GEF2)
101 S. Webster St., Madison, WI

Attendees

Gilberto Alvarez, EPA+	Radhica Kanniganti, EPA+
David Bittrich, TRC Environmental	Jennifer Krzak, Trinity Consultants
David Bizot, DNR	Jeremy Luebke, Short Elliott Hendrickson
Steve Dunn, Alliant Energy	Katie Nekola, Clean Wisconsin*
Taylor Fritsch, Michael Best*	Rita Neff, Manitowoc Public Utilities
Gail Good, DNR	Katie Praedel, DNR
Art Harrington, Godfrey & Kahn*	Diane Sackmann, Silgan Containers
Kristen Hart, DNR	David Seitz, TRC Environmental
Maria Hill, DNR	Andrea Simon, interested party
Joseph Hoch, Alliant Energy*	Jasmine Sodemann, Gannett Fleming
Eric Hoven, Dairyland Power Cooperative	Sheri Stach, DNR
Tracey Holloway, UW-Madison*	Andy Stewart, DNR
Emily Houtler, DNR	Patti Stickney, Short Elliott Hendrickson
Amanda Jutrzonka, DNR	Lucas Vebber, WMC*

* Air Management Study Group (AMSG) members

+ Skype attendee

Action Items

- **Next AMSG Meeting.** The next study group meeting will be held on **Thursday, August 16, 2018** at 9 a.m. at the State Natural Resources Building (GEF 2), Room G09, 101 S. Webster St., Madison.

Meeting Summary

Opening remarks & agenda review

Gail Good, Air Program Director

Good opened the meeting with introductions and reviewed the agenda. Hoch added that he is interested in discussing the state's obligations under the data requirements rule for SO₂, and any plans to address interstate transport.

Program updates

Hiring update

Gail Good

Good noted that several positions are in various stages of recruitment in the Air Program. This includes four coordinator positions in permits and compliance, as well as the Emissions Inventory position. The program is also hiring a meteorologist and an LTE web publisher. The program recently filled several business services positions, including the Budget and Grants Coordinator and the Office Manager. In addition, Angela Dickens, who is a policy analyst in the planning section, was moved from a LADCO position to a state position, and this shift has allowed the program to hire two additional policy analysts through the LADCO contract, both of whom will be starting in June.

Stewart noted that Randy Matty was recently promoted to be the Northeast Region Supervisor, which was a position formerly held by Imelda Hofmeister. Randy has served as a compliance engineer in Green Bay for over 20 years. The regional supervisor map (<https://dnr.wi.gov/topic/AirQuality/documents/Supervisors.pdf>) has recently been updated. The supervisor and main staff contact for a facility can also be found using the permit search tool in WARP. Randy is contacting each of the sources he was responsible for to let them know who their new contact person is in the Air Program.

Harrington asked if there is an org chart for the Air Program. There is an org chart that is currently only available internally, but the program plans to provide an org chart on an external webpage in the future.

Holloway asked if the Air Program is getting enough qualified candidates for job postings. Good responded that the program does see very high quality candidates. Even if candidates do not have a specific background in air quality, those with a science or engineering background have similar skillsets. Also, the program often sees applicants with a broader regulatory background, which is transferable.

Proposed guidance and rules

Kristin Hart, Permits and Stationary Source Modeling Section Chief

David Bizot, Air Quality Planning and Standards Section Chief

Hart mentioned that the Air Program finalized several guidance documents recently, including the NO₂ policy in the form of an implementation memo for permit writers. The technical support piece that was originally part of the NO₂ guidance memo was moved into the program's Wisconsin Air Dispersion Modeling Guidelines, which is similar to how the technical support information for the PM_{2.5} strategy was finalized. The program also updated the Wisconsin Air Dispersion Modeling Guidelines to include Appendix W changes. Both of these guidance documents were finalized in March. In April, the program finalized a memo on the Collaborative Permit Process, which is guidance for facilities to submit a redline strikeout version of an existing permit with the permit application. The final guidance documents can be found by following the links below.

- 1-hr NO₂ NAAQS Implementation: [Guidance item 2503](#)

* indicates a topic requested by a member

- Updates to Air Dispersion Modeling Guidelines: [AM528.pdf](#)
- Collaborative Permit Process: [CollaborativePermitProcess.pdf](#)

Hart continued by noting that the Air Program currently does not have any guidance out for comment. The program plans to update the Wisconsin Air Dispersion Modeling Guidelines in the fall to address MERPs, AERMOD updates, and SIL guidance.

Praedel noted that the Air Program submitted comments for the EPA guidance on toxics monitoring called “Toxic Monitoring TO-11A Organic Methods.” This guidance discusses the methods for the collection and analysis of monitoring carbonyl compounds.

Hart continued by mentioning several other federal guidance documents that were or are available for comment. This includes guidance on NESHAPS for wet-formed fiberglass mat production residual risk and technology review, and guidance on NESHAPS and NSPS for the petroleum refinery sector. The Air Program did not or is not planning to provide comments for either. There is also federal guidance on strengthening transparency in regulatory science. The program is not planning to submit comments, but will provide input on the comments that NACAA is putting together. The due date is May 30, but there is a proposal to extend the deadline to August.

Hart noted that EPA finalized the rule about Significant Impact Levels (SILs) for ozone and PM2.5 for use in the PSD permitting program. This has not been updated in DNR guidance, but the program is following the federal rule in PSD reviews now.

Thimke asked what the program is doing to ensure that old guidance is in compliance with Act 21, which limits the regulatory authority of agencies to only what is explicitly required by rules and statutes. This is a change in how all administrative agencies work, and many actions have been taken previously based on implied authority. Good responded that the program has not undertaken a broad look at the impact of Act 21, relative to guidance documents, and is aware that the program may need to pursue work planning in order to do so. Anyone with specific questions is encouraged to contact Gail Good or Andy Stewart directly. Harrington said he is interested in seeing guidance that captures new technology, like new modeling techniques, but has questions about what constraints would exist under Act 21. This suggestion was noted as a possible topic for future discussion. Thimke suggested identifying guidance that has had Act 21 review.

Summary of the Act 70 kickoff meeting

Kristin Hart

Hart explained that Act 70 requires that the Air, Brownfields, and Green Tier programs develop a pilot project to attract manufacturing to brownfields by offering a 10-year moratorium on the requirement to install controls, except as required by federal law. There are three requirements for participation in the pilot program, which include voluntary party liability exemption (VPLE) certification from the Brownfields program, participation in Tier 1 or 2 of the Green Tier program, and qualification for Registration Permit coverage from the Air Program. A group was formed to work on the pilot, and the kickoff meeting was held earlier this month. The team drafted a charter and discussed metrics to

determine in the future if the pilot is successful. The team also created a subgroup that is meeting separately to talk about Registration Permits and is considering development of a Registration Permit covering Tier 2 Green Tier participants.

Hart mentioned that the group is creating a webpage that will be similar to the Air and Brownfields study group webpages where notes will be posted for all meetings. The Air Program will make AMSG members aware of the webpage when it is available. In addition, the intent is to schedule the Act 70 meetings in the weeks before the AMSG meetings, so there will be a report out at future AMSG meetings.

Harrington noted that this is a unique and positive opportunity to bring together three separate areas of DNR, which tend to look at issues in isolation. Thimke noted that this pilot program is the result of a periodic review of rules by the Brownfields group, which resulted in the proposal that turned into Act 70. The pilot program is intended to be the first effort to understanding what can be crafted and identifying the impediments. Overall, the effort is breaking down silos and the group is seeing great cooperation.

Hoch asked about the how the 10-year moratorium works with the rule that says the state cannot be more stringent than the federal government. Harrington noted that this does not apply to major sources and that there is operational flexibility built into Registration Permits. Holloway asked about the annual interested parties meeting. Hart responded that the Green Tier program has to have an interested parties group, which covers this requirement.

Clean Air Month - PSA Video, ALA Report

Amanda Jutrzonka, Public Information Specialist

Gail Good

Good noted that May is Clean Air Month. The program utilizes this opportunity to celebrate air quality successes and to continue to bring awareness to air quality issues. The Air Program's outreach specialists have focused on some new outreach opportunities this year to try to reach new audiences. For example, the program had posts on social media, including Throwback Thursday posts with vintage pictures from the Air Program. The purpose of using social media is to educate a new audience on efforts made by the program, both in the past and now, and highlight air quality successes.

Jutrzonka noted that, in addition to social media, the program completed a 60-second video, highlighting some of the success stories and reiterating how DNR is committed to clean air in Wisconsin. The video is searchable on YouTube and has been posted on several Air Program webpages. It is also available by following this link: https://youtu.be/atp0_vr5ylc.

Jutrzonka continued by noting that the American Lung Association (ALA) released its 2018 State of the Air report in April, which includes a report card with letter grades "A" through "F" by county. ALA uses official monitoring data, but grades are not based on compliance with the national ambient air quality standards (NAAQS), rather the grades are based on the aggregate number of days in a 3-year period (2014-2016) that were above the federal air quality standards. Some Wisconsin counties that are in attainment of the NAAQS – and thereby meeting all federal air quality standards – are consistently given low or failing grades. ALA's grading system does not reflect improvements in air quality that have

occurred in recent years. In the report, ALA mentioned that Sheboygan is one of the 25 most ozone-polluted cities in the U.S. (ranked 24). The report also noted that Sheboygan is a city that experienced high ozone days due to upwind sources of air pollution.

The 2018 report gave five Wisconsin counties that are attaining both the 2008 and 2015 ozone standards poor grades for ozone, including Walworth and Rock counties receiving “F” grades, and Jefferson, Kewaunee, and Dodge counties receiving “D” grades. The 2018 report gave all Wisconsin counties a passing grade for annual particle pollution. Most Wisconsin counties received an “A” for daily (24-hour) particle pollution.

Holloway commented that the grading system is not intended to show improvements in air quality and that it is a reflection of the most recent data, so it should not be said that the report does not reflect improvements in air quality. She noted that, if the data did not show improvement, then grades will not show improvement. Vebber responded that the ALA report does not take into account other factors like poverty, unemployment, access to health care, etc. Holloway said that there is another report produced by the University of Wisconsin that does include county health rankings. Bizot responded that the ALA report reflects moving goal posts over time, and grades were based off the 2015 standard, which is more stringent, and which was not in effect at the time of the report. He noted that the general public could perceive the results of the grading system as an indication that air quality is getting worse, when in reality, it is continuing to improve.

Harrington noted that he likes the video and the fact that it shows improvements. He mentioned that a lot of other improvements are driven by clean air. He is interested in looking at how states in the region compare, and how economic growth and other things have improved. Good noted that EPA has a trends report that is data driven and shows regional data, and that DNR is kicking off the planning process for its annual trends report.

Nekola asked if the program has data on what is driving air quality improvements. Good responded that there are many factors that have contributed to improving air quality, and there is no one dataset that can be viewed as the reason for improvement. There are trends available for emissions that can be associated with better air quality. Good noted that emissions information will be presented for the first time in DNR’s trends report this year to help draw those conclusions. This was a request by one of the study group members after the release of last year’s trends report.

Member updates

Lucas Vebber, Wisconsin Manufacturers & Commerce – Vebber noted that WMC is currently accepting nominations for its awards program, which includes nine awards for small, medium, and large businesses. The winners will be announced in August.

Tracey Holloway, UW-Madison – Holloway mentioned that the next NASA HAQAST (Health and Air Quality Applied Sciences Team) meeting will take place in Madison on July 16-17. Registration is free and there is still time to sign up. About 150 attendees are expected, and the focus will be on how NASA data can be integrated into regulatory efforts. For more information, visit the HAQAST website:

<https://haqast.org/>. Holloway noted that consulting companies in Wisconsin have an opportunity to be on the leading edge of using satellite data. Very few companies are using the data available, and there is a growing demand. Good noted that there was a presentation at a recent NACAA meeting from a private company that is looking at using satellite data to drive decisions.

Joe Hoch, Alliant Energy – Hoch noted that there are a lot of different guidance memos from EPA that Alliant Energy is following. He commented that anything that can be said about how the state is going to implement the guidance would be helpful. Hart noted that she will be discussing the EPA memos during a later part of this meeting. Hoch continued by saying that Alliant is excited about transitioning coal plants, adding new controls, expanding its gas fleet, and adding to its renewable fleet with over 1000 MW of wind and solar in Wisconsin and Iowa.

Art Harrington, Godfrey & Kahn – Harrington mentioned that there was a symposium on May 3 on autonomous vehicles, and that this technology is much closer than anyone thinks. This topic is important for air quality stakeholders because there may be changes in the number of vehicle miles travelled, which may impact planning for ozone nonattainment. This presentation was part of the AV forum, and many of the meetings are in Madison. Harrington also noted that Foxconn applied for a grant with U.S. DOT to build the infrastructure for autonomous vehicles.

E-signature update

Maria Hill, Compliance, Enforcement and Emission Inventory Section Chief

Hill noted that the Air Program began accepting electronic signatures for monitoring reports and compliance certifications on April 9, 2018. Over 1900 facilities now have the option to submit via either paper copy with ink signature or electronically with e-signature. This is being done in accordance with EPA's Cross-Media Electronic Reporting Rule (CROMERR), which provides the legal framework for electronic reporting. The Air Program is the first program at DNR to use the new service and is the first federally authorized program to accept electronic signatures for official reports. There is an e-signature webpage, which has been updated based on repeat questions from externals. The Air Program plans to offer additional e-signature opportunities in the future.

Hill encouraged AMMSG members to share their thoughts on priority areas for e-signature, or to send feedback directly to her or Emily Houtler in the future. The next steps will be to do additional outreach through the program's compliance inspectors to encourage facilities to use e-signature and check if they have questions.

Sackmann asked if the responsible officials are going to have to sign all DNR reports, such as for the Water and Waste programs? Emily Houtler noted that this requirement is program dependent, so it is based on what each program has written in code. The Air code requires the Responsible Corporate Official to sign, but other codes may or may not have this requirement.

Thimke mentioned that companies are concerned about hackability of the state database system and want information on how secure the system is before doing electronic reporting. Maria noted that the program can provide some information upon request.

EPA memos – Once In Always In, NSR reforms*

Kristin Hart

Hart provided an overview on new guidance memos from EPA that impact the Air Program.

- *Enforceability and Use of Actual to Projected Actual Applicability Test in Determining Major Modification Applicability.* This guidance memo was finalized in early December 2017 and is about enforceability of the actual to projected emissions analyses, which are done to determine if a project must undergo major new source review (NSR). Hart commented that this memo has not changed the program's permit review process because there is generally good up front communication in Wisconsin between sources and the program regarding projections.
- *Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act (Once In Always In).* This guidance was released in January 2018 and allows a source previously subject to a MACT standard to make reductions in emissions and ask for the removal of MACT requirements from a permit. If a facility wants to proceed with removing MACT requirements, a permit action will be needed. For example, if removal of MACT requirements allows an increase in emissions, a construction permit is needed. If emissions are not affected, a permit revision is needed. In addition, the state Hazardous Air Pollutant rule, ch. NR 445, may apply. Hart noted that this guidance has the potential to be very impactful for facilities and could have a workload component for DNR. So far, the program has not had a lot of facilities ask about this yet. Hart also noted that the risk is fairly minimal for facilities; if the guidance would be overturned, it would be possible to put the previous requirements back in the permit. The DNR prepared a fact sheet on EPA's Once in Always In policy, which can be found here: <https://dnr.wi.gov/files/PDF/pubs/am/AM562.pdf>. TRC asked if a source leaves a control device in place for other reasons, would the source need a construction permit? Hart responded that this would be considered on a case-by-case basis, and that anyone with specific questions can contact her directly to discuss. Harrington asked if there is an antibacksliding provision in the Clean Air Act, and notes that there is antibacksliding language in the Clean Water Act. Hart responded that there is antibacksliding language in the portions of the Clean Air Act covering SIPs and RACT for planning in nonattainment areas. The antibacksliding provisions of Section 112 of the Clean Air Act covering Hazardous Air Pollutants have always been managed through guidance. Hart noted that the state has the same definitions as EPA and has followed federal guidance, and will continue to do so now that there is new federal guidance. This guidance has generated some pending lawsuits at the federal level, but the program is not aware of any state lawsuits. Good also noted that there is pending regulatory text that has not been made available yet.
- *Projected Emissions Accounting (PEAs).* This guidance was released in March 2018. Hart noted that this memo lays out a new interpretation for determining if a construction project is a major modification requiring major new source review. The new guidance allows a source to consider emissions decreases along with proposed increases at step 1 of the PSD review procedures, a process known as project netting, which was specifically not allowed under previously issued guidance on PSD reviews. Before this new guidance, netting was only allowed in step 2 of the review procedures. Hart said the program's advice is to see if a project can be permitted as a minor modification without using the techniques laid out in the new guidance, as there is some

* indicates a topic requested by a member

risk to the source if this guidance was to be overturned. That being said, the state does not have rules in place that would contradict the new memo. The program will implement this policy at a source's request, but is advising caution because of the risk involved if the policy was overturned. Harrington asked about the possibility of using the permit shield to provide protection to the source. Hart said she will review the shield language.

- *Presidential memo on implementation of NAAQS program.* A presidential memo was released in April 2018 on efficient implementation of the NAAQS. Hart noted that this was a clarification memo, and the memo generally reiterates EPA's existing statutory authority and procedures.
- *Significant Impact Levels (SILs) for Ozone and Fine Particles.* This guidance memo was released in April 2018. The program has already used the new SIL guidance in PSD reviews. Hart noted that the program does not do a lot of PSD reviews and, so far, has not had any issues with the new thresholds. Harrington asked if SILs are applied to Class 2 sources. Hart said the SILs are used in the air quality analysis for major PSD reviews. If the emission concentrations from a project are below the SIL, then modeling of the entire facility's emissions is not required. TRC asked if the department is using SILs for minor source permitting. Hart responded that the department has no need to use the new SILs in minor source permitting because of department policies for implementing NAAQS for NO₂ and PM_{2.5}, which use a weight of evidence approach to make a determination.
- *Single Source Determinations – Clarification of Common Control.* This guidance was released in April 2018 and clarifies common ownership or control, which is one of three factors (the others are contiguity/adjacency and SIC code) for determining if two facilities are a single source for applicability of major source permitting. The guidance is based on a response to an applicability determination request from the Pennsylvania DEP to EPA for a review of a single source determination for Meadowbrook Energy and Keystone Sanitary Landfill. EPA stated that its response in this case should be considered the new governing guidance. Hart said that the program has already utilized this policy in a few recent determinations, and the guidance has the potential to make single source determinations clearer. The memo describes in detail how common control should be determined. In contrast to previous guidance on common control, this new guidance directs authorities to focus more on actual control, and less on whether there is dependency. Hart explained that this new guidance does not discuss the other aspects of single source determinations. The guidance affirms that all single source determinations should be handled as case-by-case decisions. Hart noted that the state has a definition of single source in code that closely follows the federal definition. All past discussion on the exact meaning of the definition has been done through guidance and applicability determinations.

Hart noted that EPA has mentioned that some additional guidance can be expected in the future. This includes the following:

- Rulemaking to clarify project emissions accounting/project netting memo (Fall 2018)
- Planning to take final action on the 2009 project aggregation rulemaking (the proposed 2009 rule was previously subject to reconsideration and stayed)
- Guidance on defining ambient air

Good noted that these future memos were all confirmed at a recent NACAA meeting. The focus is on clarification and how that can be utilized in the NSR program. Good said the program is spending time communicating internally, and anticipating and reacting to these items in short order. If there is anything the program can provide more information about, contact Kristin Hart or Gail Good.

Air quality sensors, Dylos study

Katie Praedel, Monitoring Section Chief

Praedel explained that there has been an increased use of low-cost sensors for air monitoring by citizen groups and Neighbor Group Organizations (NGOs). The low-cost sensors being used do not meet any federal requirements. The EPA is making an effort to understand and support low-cost sensors, particularly by focusing on creating standards and a citizen science toolbox. NACAA is also assembling a team that will track sensor projects in the U.S. and vet the validity of the technology.

The DNR's air monitoring group conducted a small-scale study to gain familiarity with one of the low-cost sensors and to see if comparability could be improved by having an experienced monitoring technician operating the equipment. The study was conducted for about two months and compared the Dylos low-cost sensor to EPA-approved equipment (FRM, BAM, and T640X). The FRM and BAM monitors use a filter methodology, while the T640X and Dylos use similar operation, which is light scatter from particles in a sample chamber. There is a large cost difference between the T640X and the Dylos, which is based on how the equipment is manufactured and the capabilities of the equipment. The T640X costs \$40,000, while the Dylos costs \$250. The T640X bins particles into 250 size categories and uses an algorithm to convert data to usable information. It provides data every 5 seconds. The Dylos uses two bins for size categories and did not include a conversion factor, which had to be obtained from the manufacturer, and it measures every 1 minute. In addition, the Dylos has a disclaimer that it is designed for indoor use, but many people use the equipment for outdoor measurements.

The results of the study show that the daily averages for the EPA-approved equipment are fairly consistent with each other, while the readings from the Dylos are significantly higher. Overall, the data from the Dylos had a bias of 122% above the FRM. Praedel noted that the Dylos is not designed to handle humidity, and the assumption is that the Dylos is reading moisture as particles, which would be the main reason for the large discrepancy.

The study led to the conclusion that there are two obvious flaws with the Dylos. First, the Dylos does not account for humidity. Second, the data conversion formula is undocumented. Overall, the high peaks from all the instruments correlated, so there could be a qualitative use for this data. Beyond that, data from the Dylos and other low-cost sensors should not be compared to federal data, and should be interpreted with caution.

Praedel noted that the Purple Air sensor is gaining the most momentum. EPA has suggested that groups use conversion factors for data, and that collocation studies would have to be done before these types of sensors could be officially used.

Hoch asked if the data from DNR's study has been shared with Dyllos. Praedel responded that the results of the study have not been shared with the manufacturer. Harrington noted that, if this study is going to be made public, the manufacturer should be made aware, in case there are considerations that should be taken into account before releasing to the public. Good responded that there is a technical analysis document and DNR does intend to make it available.

TRC commented that they have seen regulatory agencies using similar instruments for area-wide evaluations and taking enforcement actions based on that data. He asked if DNR has any plans to do something similar. Hill responded that the compliance team has discussed this concept, but it is not a scientific or appropriate way to proceed. While the data from low-cost sensors may be useful for identifying an issue, the agency would not take enforcement based on that data alone.

Holloway commented the technology has been improving so quickly, so what is really bad today might be really good in five years, and this study is a great way to understand the capabilities of the technology now. She is interested in knowing how the relative values compared over absolute. There may be uses for the data collected that are not regulatory. For example, a PM2.5 dust track monitor is used in health studies, but is not appropriate for determining compliance with the federal standards.

Good noted that a lot of groups have been doing similar studies that go more in depth or are tracked over a longer duration. This includes EPA and South Coast AQMD. The DNR is trying to stay connected with these groups that have the resources to look at the technology in more detail. Praedel mentioned that there is a conference in June hosted by EPA and NACAA, which focuses on assessing the different types of sensors, as well as suggestions for standards for use and appropriate comparisons.

Act 159 and Annual Network Plan

Katie Praedel

David Bizot

Praedel explained that the 2019 Annual Network Plan is in progress. The plan examines Wisconsin's ambient air monitoring network in operation during 2018-2019. It looks back on changes proposed and completed in previous plans and recommends changes based on monitor history, population distribution, and modifications to federal monitoring requirements under the Clean Air Act and 40 CFR Part 58.

Act 159 became effective on March 30, 2018 and created a new section, 285(3), in the air monitoring section of chapter 285, Wisconsin Statutes. Under Act 159, the department's Annual Network Plan may not include the air monitoring site located in Kohler-Andrae State Park in Sheboygan County. The network plan excludes most Kohler-Andrae references. If EPA does not approve the plan that is submitted, the department may submit a revised plan that includes the air monitoring site at Kohler-Andrae. The DNR must also request a waiver from EPA of all SIP requirements that may be implicated by discontinuing the use of the Kohler-Andrae monitor. Praedel noted that the Kohler-Andrae monitor is currently operating and will be operated for this year's ozone season.

Praedel continued by mentioning that the Annual Network Plan was posted for public comment and is available for comments through June 1. There was a public meeting on May 16. After the comment

period ends, DNR plans to respond to the comments and submit the plan to EPA along with a request to waive any SIP requirements contingent on the operation of the monitor.

Vebber asked if any comments have been received for the network plan. Praedel responded that there were some verbal comments received during the public meeting, and several written comments have been received.

Hoch asked if DNR will continue to operate the Kohler-Andrae monitor if EPA approves the network plan without the monitor, and how the monitor would be funded in that scenario. Good said the program has not evaluated this scenario yet.

Vebber commented that the requirements of the Clean Air Act to use data from the Kohler-Andrae monitor were affecting people in the western part of Sheboygan County where there is no impact. Holloway replied that there are people that live along the lakeshore who are impacted. Vebber noted that the bill was amended to keep the monitor in operation, but to stipulate that the data would not be used for federal attainment purposes. Holloway asked if there are any other examples of this situation in the country. Good responded that this is the only case that the program is aware of at this time.

Good noted that there were several draft bills in the last legislative session, and this is the only bill that moved forward. Holloway requested that information on draft legislation be shared with the study group in the future. Good noted that an update could be added to the federal and state rules update portion of the meeting.

Nekola asked if EPA has had an opinion or reaction on the removal of the Kohler-Andrae monitor from the network plan. Good responded that the program has been clear with EPA that this is a law, and that the program is open to working with EPA on their review of the network plan and how to move forward based on their response.

Hoch asked if the program has started compiling requirements regarding the SIP waiver. Bizot responded that the program has been working on understanding the law's requirements and is not prepared to share any information at this time.

Ozone designations and offset credits*

David Bizot

Bizot explained that EPA finalized ozone nonattainment designations on May 1. The final designations were significantly different from what was proposed. The EPA took into consideration the information DNR provided to EPA and prepared technical support materials in support of their decision. There are two places where EPA's technical information on final designations can be found – there is a section that includes information for most of Wisconsin, and another section for the three-state Chicago area, which includes information about Kenosha County. EPA's designations information (including final rule, responses to comments, and state-specific technical support documents) can be found here: <https://www.epa.gov/ozone-designations/additional-designations-2015-ozone-standards>.

* indicates a topic requested by a member

In summary, EPA finalized six partial nonattainment areas in Door, Manitowoc, Sheboygan, Ozaukee, Milwaukee, and Kenosha counties. There were three counties that were proposed as nonattainment in EPA's intended designations that were finalized as attainment/unclassifiable, including Waukesha, Washington, and Racine counties. The final nonattainment designations were all for smaller areas than what EPA originally proposed. The boundaries for nonattainment areas were drawn using roadways that generally follow the lakeshore contour that DNR submitted to EPA as a potential starting point for consideration of nonattainment areas in the state. Bizot noted that the areas of that state that are violating the standard are a very small part of the state.

The DNR updated a Wisconsin-specific fact sheet and maps of final designated areas in Wisconsin, which can be found on the Ozone webpage under the 2015 designations tab:

<https://dnr.wi.gov/topic/AirQuality/Ozone.html>

Bizot showed a series of maps that illustrate EPA's final boundary for nonattainment designations compared to DNR's suggested contour. Refer to slides 41 to 46 of the PowerPoint presentation. The green area shows the boundary that was finalized, and the hashed area shows the 70 ppb contour that DNR submitted to EPA. Each slide shows an individual nonattainment area. Milwaukee and Ozaukee counties were combined into one nonattainment area called the Northern Milwaukee/Ozaukee Shoreline Area. Bizot also noted that Door County was also designated as a rural transport area, which prevents any future bump-up to a higher classification, if the area fails to attain the standard.

Holloway asked about the basis for how the line was drawn. Bizot explained that the contour line is basically a linear interpolation of the data from the inland and shoreline monitors along the lakeshore. Bizot noted that the shoreline contour approach originated with the ozone workgroup. The information provided to EPA was based on design values for 2014-2016.

Holloway commented that there are a lot of partial designations and asked if this is unique to Wisconsin. Bizot responded that partial county designations were seen across the country. In the Midwest, Michigan, Indiana, and Illinois all had partial county designations. Bizot noted that the 2008 standard included partial county designations in Wisconsin and Illinois. In the past, EPA has designated some areas in the west on an air basin basis or based on altitude, so EPA has historically taken different types of approaches in different areas.

Hoch asked for DNR's comments on whether it will be possible to achieve reductions and offset emissions in smaller nonattainment areas. Bizot noted that the ozone workgroup talked about this topic, and the consensus was that the state would be able to make things work in smaller areas, though it does make it more difficult on the sources in those areas to find offsets.

Hoch asked if the nonattainment areas encompass all areas contributing to nonattainment. Bizot responded that EPA will address this through interstate transport. The state has a deadline of October 1 to submit its infrastructure and transport SIP to EPA. This document will be available for public comment, most likely in the summer.

Bizot continued by noting that designations are not yet effective. The effective date will be 60 days after publication in the Federal Register. Final designations have not published yet, but it should be very soon. All areas are classified as marginal, so the state will have three years to attain the standard, which will be 2021. The 2008 standard is still in effect, and is still being implemented as required. The new nonattainment areas are classified as marginal, while the existing 2008 ozone areas are classified as moderate, so the requirements for those areas not in attainment of the 2008 standard are more stringent. The EPA is working on the final rule for 2015 standard, which supposedly will address revocation of the old standard.

TRC asked for what is to be expected on revocation of the 2008 standard. Bizot explained that EPA has proposed two options. The first option is to revoke the 2008 standard one year after 2015 designations are effective, which has historically been EPA's approach. The second option is to revoke on case-by-case basis when areas attain, which is more congruent with how EPA finalized the standards for PM_{2.5} and SO₂. Bizot noted that DNR's fact sheet provides some information about this topic. The fact sheet can be found here: <https://dnr.wi.gov/files/PDF/pubs/am/AM559.pdf>.

Bizot continued by showing a slide with the status of the current ozone season. There were some warm spring days that triggered some critical values. The preliminary design values for 2016-2018 are exceeding the 2015 standard at four monitors, and a critical value has been reached at least once at a number of other sites. This information is posted on the Ozone webpage on the Design values tab and is usually updated weekly (<https://dnr.wi.gov/topic/airquality/ozone.html>).

Bizot continued by explaining that emission reduction credits are surplus NO_x or VOC emissions that are certified in a permit, and can be used to meet offset requirements under the Nonattainment New Source Review program. There are both state and federal requirements, which are that the ERCs must be surplus (cannot be used to satisfy another regulatory requirement), permanent, quantifiable, and federally enforceable. To remain valid, ERCs need to be reported to the emissions inventory annually and need to be included in baseline state SIP attainment inventories, when required.

Relative to the 2015 standard, ERCs can be used in one of the new 2015 nonattainment areas if they were generated by a source in those areas, or if they were generated under a previous standard by a source in a 2015 nonattainment area. According to federal rule, ERCs must be used in the same nonattainment area in which they were established; however, the state can allow an exemption if the source that generated the ERC is located in an area of equal or higher nonattainment classification, and if the source area contributes to a violation of the NAAQS. This means that, as long as the classifications match up and the areas are shown to contribute to each other, it is possible to use credits generated in different counties.

The Air Program has been researching which credits are available and their validity. Some credits generated under the 1997 or 2008 standards may still be viable. Contact David Bizot with any questions on ERC availability or Kristin Hart if a facility is interested in generating a credit.

Hart explained that there are three things that happen in this process: 1) generating a reduction, 2) establishing and maintaining a credit, and 3) using a credit as an offset. Each step has a different mechanism from a permit standpoint. The generation of a permanent emissions reduction is established in

a construction permit. The maintenance of a credit is handled through an operation permit. Use of a credit as an offset is, again, done through issuance of a construction permit. The program is looking into understanding the viability of individual credits generated under previous ozone standards and making it clear how a source is to report a credit to the emissions inventory.

Hoch commented that guidance on ERCs would be helpful. Bizot noted that the program is developing a fact sheet to help answer questions related to ERCs and will make this publicly available when complete.

Vebber asked for a definition of what it means to be in the same nonattainment zone. Bizot noted that the nonattainment areas shown previously on the slides are individual nonattainment areas, plus the three-state area that includes Kenosha County. Bizot said there is not a national program for ERCs, and states have the discretion to develop their own programs, interpret rules, and make decisions.

Dunn asked if ERCs are applicable to sources in attainment areas. Bizot replied that this is only for historical credits generated in the narrow band of nonattainment for the 2015 standard. A lot of previous credits were generated in the greater Milwaukee area, which is mostly in attainment, and therefore would not be able to be used to satisfy 2015 standard requirements.

TRC asked if the department would consider accepting credits from sources that are upwind of the nonattainment areas that can contribute to nonattainment, even though the areas the emissions are coming from are in attainment (i.e. Milwaukee County). Bizot responded that this is not something federal rules would allow the department to consider.

Hoch asked about the department's plans to review Round 3 source emissions for SO₂ data requirements rule purposes. Bizot commented that the review is for annual recertification of emissions from Round 3 sources that chose to model actual emissions. The DNR has checked with EPA several times and has been assured that the requirements are for 2018 emissions, so there are no state obligations for this year.