

Air Pollution Control Program Updates

Stephen Hall

Air & Waste Management Association

May 7, 2024



Overview

- Staffing Update
- Planning update
- Inflation Reduction Act & American Rescue Plan Grants
- Agricultural Anhydrous Ammonia Risk Management Plan Regulations
- Exceptional Events
- Ozone Season Update
- Fee Stakeholder Update



Staffing Updates

- Director's Office & Section Management
 - ≥10 vacancies program wide
 - (7-Permits, 2-Planning, 1-Fiscal & Budget)

Working to fill vacancies

- Fiscal & Budget Section
 - ➤ Senior Program Specialist (interviews complete)
- Planning section
 - ➤ Assistant Engineer Position (interviews complete)
- Permits Section
 - ➤ Posted Assistant/Associate engineer positions
 - ➤ Posted Permit Section Program Specialist



Planning Update

Notable Pending Actions

- 2015 Ozone Good Neighbor SIP supplement submitted to EPA 11/1/2022
 - ➤ National litigation persists on SIP & FIP actions
- 2015 Ozone Moderate Plan Submitted to EPA on 9/6/23
 - >EPA determined the plan is administratively complete on 9/13/23
- Regional Haze Second Planning Period
 - ➤ Plan submitted to EPA on 8/26/2023

Notable Future Actions

- 2024 PM2.5 NAAQS-
 - ➤ Boundary Recommendations due 2/7/2025
- 2015 St. Louis Ozone-
 - >Attainment deadline for Moderate areas- August 3, 2024
 - >Bump-up to Serious Non-attainment classification if area is not attaining



Planning Update

Notable Recent Actions

- April 25, 2024- EPA Announces Standards Impacting Fossil Fuel-Fired Power Plants
 - The four actions under the Clean Air Act, Clean Water Act, and Resource Conservation and Recovery Act
 - right stronger carbon pollution standards for new gas and existing coal power plants;
 - >more stringent mercury and air toxics standards;
 - >tighter limits on water pollution from power plants; and
 - requirements under the Resource Conservation and Recovery Act.



Inflation Reduction Act Grants

- Climate Pollution Reduction Grant (CPRG)-Environmental Improvement Grants
 - ➤ Planning Grant (\$3M, Develop a Priority Plan & Comprehensive Plan)
 - ➤ Competitive Grant (Applied for \$428M in 'shovel ready' emission reduction projects)
 - https://dnr.mo.gov/document-search/missouri-plan-environmental-improvement-grants
- Clean Ports- Working on application ~ \$5-\$6M
- Air Monitoring
 - ➤ Particulate matter equipment replacement (American Rescue Plan)
 - ➤ Sensor Study (IRA)
 - ➤ Pending temporary air toxics project in Kansas City (Troost site) & equipment replacement (IRA)



Agricultural Anhydrous Ammonia Risk Management Plan Regulations

- House Bill 3 went into effect on January 2, 2023. This bill charged the Missouri Air Conservation Commission with implementing regulations necessary to review and enforce risk management plans required by 40 CFR 68
- 266.355 RSMo, the statute that gave the Department of Agriculture oversight over standards relating to anhydrous ammonia was repealed in this bill
- The Department of Natural Resources has been working on developing this program, and is now able to move forward with the finalization of the federal amendment to 40 CFR 68 (March 11, 2024)



Agricultural Anhydrous Ammonia Risk Management Plan Regulations

- Develop Proposed Rulemaking
 - Rule Package Development/Filings March 2024 June 2024
 - Public Comment Period Opens July 15, 2024
 - Public Hearing August 29, 2024
 - Close of Public Comments September 5, 2024
- Order of Rulemaking
 - Propose for Adoption October 24, 2024
 - Adoption Filings November December 2024
- EPA Delegation
 - Request Delegation Fall 2024
 - State Rule Effective March 1, 2025
 - EPA Approval of Delegation Spring 2025



Agricultural Anhydrous Ammonia Risk Management Plan Regulations (Fee Worksheet)

- Retail Facilities
 - \triangleright Tonnage used/sold x \$1.25 = Usage Fee Due
 - Annual Registration \$200
- Terminal/Distributor Facilities
 - Annual Registration \$5,000
 - No tonnage fee



Ozone Season Update

- 2024
 - ➤1 exceedance through 4/30/24 (Kansas City area)
- 2023
 - ➤ 0 Exceedances through 4/30/23 (177 Exceedances through 10/31/23)
- For weekly updates:
 - https://dnr.mo.gov/air/hows-air/pollutants-sources/ozone
- For current air quality:
 - https://dnr.mo.gov/air/hows-air/current-air-quality



Exceptional Events

- Conducted Feasibility Study for 2023 Ozone exceedances
 - ➤ Many days impacted
 - ➤ Several days in May present challenges
 - ➤ Shared feasibility analysis with Illinois
 - ➤ MDNR & IEPA- <u>Not</u> pursuing Exceptional Events demonstration for 2023 Ozone
- Will begin feasibility analysis for 2023 Particulate Matter episodes contributing to the $PM_{2.5}$ standards
 - ➤ Many of the same days impacted as ozone
 - If results of study indicate regulatory significance, Air Program may consider future exceptional events demonstration



Fee Stakeholder Updates

- Fee Stakeholder meetings held in 2023 and early 2024
- Asbestos Fees
 - ➤ January 25, 2024- Missouri Air Conservation Commission authorized the Air Pollution Control Program to file a fee rulemaking for the Asbestos fee structure
 - Addresses projected fee fund shortfall of approximately \$83K per year
- Emission and Permit Fees
 - ➤ April 25, 2024- Missouri Air Conservation Commission authorized the Air Pollution Control Program to file a fee rulemaking for the Permit & Emission fee structure
 - >Addresses approximately \$1.6M of a \$2.8M projected shortfall per year
 - ➤ Parallel processing rule with asbestos rule



Fee Stakeholder Updates

- Public hearing for the fee rules tentatively planned for the July 25, 2024
 Missouri Air Conservation Commission meeting
- File final rule with the Joint Committee on Administrative Rules November 2024
- Missouri Legislature has opportunity to review and act on the fee rules in 2025
- Rules effective January 1, 2026
- New Permit and Asbestos fees effective January 1, 2026
- New Emission fees due June 1, 2026



Fee Stakeholder Updates

Legislative Proposal (Separate from Fee Rule Stakeholder Process)

- Senate Bill 1483
 - ➤ Redirects a portion of the sales and use tax on the electric power distribution sector to the air permit fee subaccount in the Natural Resources Protection Fund
 - > Does not increase the tax rate
 - ➤ Would raise approximately \$3M
- Senate Committee Hearing on 4/23/24 (Commerce, Consumer Protection, Energy and the Environment)
 - >Five witnesses testified in favor of the proposal
 - ➤ None testified against the proposal



Questions?

Stephen M. Hall
Director, Air Pollution Control Program
Missouri Department of Natural Resources
1659A E. Elm St., Jefferson City, MO 65101
573-526-1985 direct line
Call toll-free 800-361-4827
stephen.hall@dnr.mo.gov
Find us on the web at https://dnr.mo.gov/air

