

**LOUISVILLE METRO AIR POLLUTION CONTROL DISTRICT  
PRELIMINARY REGULATORY IMPACT ASSESSMENT**

---

**REGULATION 1.02, VERSION 14**  
*Definitions*

**REGULATION 1.15 VERSION 17**  
*Version of Federal Regulations Adopted and Incorporated by  
Reference*

**REGULATION 2.05 VERSION 11**  
*Prevention of Significant Deterioration of Air Quality*

**REGULATION 3.01 VERSION 6**  
*Ambient Air Quality Standards*

---

**AUGUST 17, 2016**

**Purpose of the Draft Proposed Action:**

This update to the regulations brings them into conformance with latest version of the Federal Regulations. The update to Regulation 1.02, *Definitions*, Regulation 1.15, *Version of Federal Regulations Adopted and Incorporated by Reference* will also bring up to date Regulation 5.02, *Adoption and Incorporation by Reference of National Emission Standards for Hazardous Air Pollutants*, and Regulation 7.02, *Adoption and Incorporation by Reference of Federal New Source Performance Standards*, which both incorporate the respective version of the *Code of Federal Regulations* (CFR) referenced in Regulation 1.15.

**Scope of the Draft Proposed Amendments:**

Several important updates to the Federal Regulations are incorporated by this update. The update to Regulation 1.02 includes new exclusions to the definition of Volatile Organic Compounds (“VOCs”) for compounds determined by the EPA to be minimally reactive. The update to Regulation 1.15 updates the version of Federal Regulations Incorporated by reference elsewhere in District Regulations (at Regulations 5.02 & 7.02).

Regulation 2.05 Version 11 incorporates important updates to the Federal Prevention of Significant Deterioration (PSD) program, including adoption of “increments” for the fine particulate matter (PM<sub>2.5</sub>) National Ambient Air Quality (NAAQS). Under section 165(a)(3) of the US Clean Air Act (“the Act”), a PSD permit applicant must demonstrate that emissions from the proposed construction and operation of a facility “will not cause, or contribute to, air pollution in excess of any (A) maximum allowable increase or maximum allowable concentration for any pollutant.” The “maximum allowable increase” of an air pollutant that is allowed to occur above the applicable baseline concentration for that pollutant is known as the PSD increment. By establishing the maximum allowable level of ambient pollutant concentration increase in a particular area, an increment defines “significant deterioration” of air quality in that area.

Other updates to the PSD regulations include rules implementing further steps of the Greenhouse Gas (GHG) PSD program, and removing vacated portions of the GHG PSD “Tailoring Rule.” Other changes to the regulations are primarily minor and/or clarifications.

The update to Regulation 3.01 incorporates an important change to the Ambient Air Quality Standards. On October 1, 2015 the EPA updated the NAAQS for Ozone (O<sub>3</sub>) to 70 parts per billion (ppb). This update brings 3.01 into conformance with the federal standard.

#### **Estimated Costs and Savings:**

As these updates merely bring the District’s standards into conformance with various federal standards applicable in their own right no additional costs or savings are anticipated.

#### **Feasibility of All Alternatives:**

This is a Federally-required update to a Regulation which is a part of the District’s SIP. While the regulation allows for “alternative measures that can be demonstrated to EPA’s satisfaction to provide an equivalent level of protection as the PM<sub>2.5</sub> increments,” considering the infrequency of PSD actions relating to PM<sub>2.5</sub> in the Louisville Metro area any alternative was deemed infeasible.

#### **Comparison with Any Minimum or Uniform Standards:**

This update incorporates the minimum federal standards.

#### **Report on Public Outreach Efforts:**

Drafts of proposed Regulations were proposed for formal review on August 17, 2016, and sent to: to all members of the Louisville Metro Air Pollution Control Board, all persons who have

requested to be notified of proposed changes to any District regulations; EPA Region 4; and the Kentucky Division for Air Quality.

The public will have an opportunity to comment at a meeting of the appropriate committee of the Air Pollution Control Board, during the formal public comment period, and at a public hearing prior to consideration by the full Board.