



WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS

2011-12

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on Natural Resources...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Assembly

Record of Committee Proceedings

Committee on Natural Resources

Clearinghouse Rule 10-144

Relating to major source permitting thresholds for sources of greenhouse gas emissions and affecting small business.

Submitted by Department of Natural Resources.

May 06, 2011 Referred to Committee on Natural Resources.

June 22, 2011 **PUBLIC HEARING HELD**

Present: (14) Representatives Mursau, Rivard, Williams,
 Nerison, Steineke, Tiffany, Stroebel, Litjens,
 Mason, Molepske Jr, Danou, Clark, Milroy and
 Hulsey.

Absent: (2) Representatives Kleefisch and Severson.

Excused: (0) None.

Appearances For

- Andrew Stewart, Madison — Wisconsin Department of Natural Resources

Appearances Against

- None.

Appearances for Information Only

- None.

Registrations For

- None.

Registrations Against

- None.

Registrations for Information Only

- None.

June 22, 2011 **EXECUTIVE SESSION HELD**

Present: (14) Representatives Mursau, Rivard, Williams,
 Nerison, Steineke, Tiffany, Stroebel, Litjens,

Mason, Molepske Jr, Danou, Clark, Milroy and
Hulsey.

Absent: (2) Representatives Kleefisch and Severson.

Excused: (0) None.

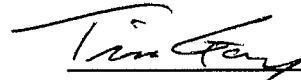
Moved by Representative Mursau, seconded by Representative
Williams that **Clearinghouse Rule 10-144** be recommended for
review period waived.

Ayes: (14) Representatives Mursau, Rivard, Williams,
Nerison, Steineke, Tiffany, Stroebel, Litjens,
Mason, Molepske Jr, Danou, Clark, Milroy
and Hulsey.

Noes: (0) None.

Absent: (2) Representatives Kleefisch and Severson.

REVIEW PERIOD WAIVED RECOMMENDED, Ayes 14, Noes
0



Tim Gary
Committee Clerk

Vote Record Committee on Natural Resources

Date: 6-22-2011

Moved by: MURSAU

Seconded by: WILLIAMS

AB _____

SB _____

Clearinghouse Rule 10-144

AJR _____

SJR _____

Appointment _____

AR _____

SR _____

Other _____

A/S Amdt _____

A/S Amdt _____ to A/S Amdt _____

A/S Sub Amdt _____

A/S Amdt _____ to A/S Sub Amdt _____

A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

Be recommended for:

Passage Adoption Confirmation

Concurrence

Indefinite Postponement

Introduction Rejection

Tabling

Nonconcurrency

Waiver of jurisdiction

Committee Member

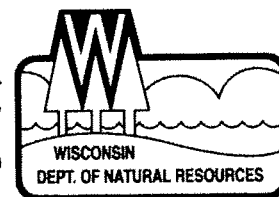
	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Representative Jeffrey Mursau, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Roger Rivard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mary Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Joel Kleefisch	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Representative Lee Nerison	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Erik Severson	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Representative Jim Steineke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Thomas Tiffany	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Duey Stroebel	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Michelle Litjens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Cory Mason	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Louis Molepske Jr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Chris Danou	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Fred Clark	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Nick Milroy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Brett Hulsey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: 14 0 2 _____

Motion Carried

Motion Failed





**Testimony of Andrew Stewart, DNR Permits and Stationary Source Modeling Section Chief,
Air Management Program,
Before the Assembly Natural Resources Committee
Regarding Clearinghouse Rule 10-144
(Major Source Permitting Thresholds for Sources of Greenhouse Gases)**

June 22, 2011

Good Morning, I am Andrew Stewart, Chief of the Permits and Stationary Source Modeling Section in the Bureau of Air Management at the Department of Natural Resources. I am here today to testify for information only. The rule before you today sets thresholds for air permits for source of greenhouse gas emissions. It is based on a promulgated federal rule, generally known as the "Tailoring Rule", which is designed to mitigate the unintended effect of having new federal greenhouse gas regulations apply to small sources of emissions. The need for this rule is driven by the fact that on January 2nd of this year new and modified air pollution sources became subject for the first time to new source review and operating permit requirements solely due to greenhouse gas emissions.

In March of 2010 U.S. EPA promulgated the first national standard for regulating motor vehicle emissions which include greenhouse gases that contribute to climate change. Even though this standard only affected motor vehicles, the Clean Air Act is structured such that, once greenhouse gas emissions became subject to regulation for motor vehicles, they also became subject to regulation for stationary sources under existing new source review and Title V air permitting programs. At issue is the greenhouse gas emission levels at which a stationary source must apply for a permit under these programs. The levels currently in place for these programs were set to protect the public from the adverse health effects of air pollutants such as fine particulates and sulfur dioxide. The science used to set these levels isn't appropriate for greenhouse gases, and if used will result in smaller sources of greenhouse gas emission becoming subject to these permit programs. This unintended effect necessitated the need for the federal tailoring rule in order to establish appropriate emission levels that would trigger the need for a source of greenhouse gases to get a permit under these permitting programs.

The need for the federal tailoring rule, and subsequently, the state rule before you today is clear. Without it, tens, if not hundreds of thousands of sources in Wisconsin will be subject to complex air regulations imposing a significant and costly burden on both business and the Department. The reason that Wisconsin cannot rely on the federal rule is that we operate our air permitting program under approval from U.S. EPA through a state implementation plan. Under this plan, Wisconsin must promulgate comparable rules in its administrative code before they can be applied to affected sources.

The rule defines the greenhouse gases subject to regulation as well as how to calculate emissions needed to determine permit applicability. It also establishes permit thresholds for the new source review and Title V operation permit programs; and an inclusion level for determining which emission sources at a business need to be included in permit applications.

The Department promulgated an identical emergency rule in December 2010 in order to limit the applicability of the permit programs for sources of greenhouse gas emissions while the permanent rule moves through the rule making process. The Joint Committee for Review of Administrative Rules approved a 60-day extension of the emergency rule, which extends to July 13, 2011. The Department has requested an additional 60-day extension, which if approved will extend the emergency rule to September 11, 2011. I would respectfully emphasize that is

important that this rule move through the process in a timely manner to ensure there is no gap between the emergency rule and this permanent rule.

Thank you for the opportunity to provide the committee with information on this rule and I would be happy to answer questions you may have at this time.