



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING

DEQ
STEVEN E. CHESTER
DIRECTOR

October 26, 2007

Ms. Mary Gade, Regional Administrator
U.S. Environmental Protection Agency
Region 5
77 West Jackson Boulevard (R-19J)
Chicago, Illinois 60604-3507

Dear Administrator Gade:

We are submitting the enclosed revision to Michigan's State Implementation Plan (SIP) and request your approval of the revised SIP. The submittal consists of revisions of two rules in Part 6, Emission Limitations and Prohibitions – Existing Sources of Volatile Organic Compound Emissions, of Michigan's Air Pollution Control Rules.

Rules 336.1660 and 336.1661 have been revised to reduce volatile organic compound (VOC) emissions from a variety of consumer products sold in the state of Michigan. Rule 336.1660 adopts by reference, with some modifications, the amended Ozone Transport Commission Model Rule published on September 13, 2006. The amendments to the rules include the addition of 23 product categories to the existing 83 categories in the table of standards in R 336.1660; the addition of sell-through of products; and the addition of requirements for contact adhesives, electronic cleaners, footwear, or leather care products, and general purpose degreasers. The definition of VOC in R 336.1661 has been amended by adopting the definition of Title 40 of the Code of Federal Regulations, Part 51, Requirements for Preparation, Adoption, and Submittal of Implementation Plans.

We appreciate your attention to this matter. If you have any questions regarding this submittal, please contact Mr. Robert Irvine, Air Quality Division, Michigan Department of Environmental Quality (MDEQ), at 517-373-7042.

Sincerely,

Steven E. Chester
Director
517-373-7917

Enclosure

cc: Mr. Stephen Rothblatt, EPA, Region 5
Mr. John Mooney, EPA, Region 5
Mr. Jim Sygo, Deputy Director, MDEQ
Mr. G. Vinson Hellwig, MDEQ
Mr. Robert Irvine, MDEQ



STEVEN E. CHESTER
DIRECTOR

REVISION TO
STATE OF MICHIGAN
STATE IMPLEMENTATION PLAN
for
Consumer Products

Part 6.
Emission Limitations and Prohibitions—Existing Sources
of Volatile Organic Compound Emissions

R 336.1660 and R 336.1661

October 16, 2007

Prepared by:

*Michigan Department of Environmental Quality
Air Quality Division
P.O. Box 30260
Lansing, MI 48909
INTERNET: <http://www.michigan.gov/deqair>*



JENNIFER M. GRANHOLM
GOVERNOR

TABLE OF CONTENTS

<u>Item</u>	<u>Page</u>
-------------	-------------

COMPLETENESS REVIEW

COMPLETENESS REVIEW CHECKLIST.....	1
------------------------------------	---

ATTACHMENTS

ATTACHMENT A	Final form of adopted rule(s), Part 6, effective October 3, 2007.
ATTACHMENT B	Certificate of Adoption from the Director of the Michigan Department of Environmental Quality (MDEQ), Steven E. Chester, dated September 21, 2007. Letter from MDEQ Director Steven E. Chester to State Office of Administrative Hearings and Rules (SOAHR) forwarding Certificate of Adoption, dated September 21, 2006.
ATTACHMENT C	Delegation of authority from Governor Jennifer M. Granholm, letter dated February 22, 2003.
ATTACHMENT D	Certificate of approval from Legislative Service Bureau, dated September 5, 2007. Letter of certification of legality and authority from SOAHR to MDEQ, dated September 7, 2007.
ATTACHMENT E	Secretary of State's notice of filing Administrative Rules, dated October 3, 2007.
ATTACHMENT F	Agency Report, dated July 31, 2007.
ATTACHMENT G	Opening statement for July 19, 2007, public hearing.
ATTACHMENT H	Newspaper affidavits dated June 11, 2007, and <u>Michigan Register</u> notice dated June 15, 2007.

COMPLETENESS REVIEW

Administrative Materials

1. **A formal letter of submittal from the governor or designee requesting EPA approval of the revision.**

Cover letter from Steven E. Chester, Director of the Michigan Department of Environmental Quality (MDEQ) to Ms. Mary A. Gade, Regional Administrator, EPA Region 5, requesting approval of SIP revision.

2. **Evidence that the state has adopted the revision in the state code or body of regulations; or issued the permit, order, or consent agreement (hereafter document) in final form. That evidence should include the date of adoption or final issuance as well as the effective date of the revision if different from the adoption/issuance date.**

The final form of the adopted rule in Part 6, which went into effect on October 3, 2007, is included in Attachment A.

The Certificate of Adoption dated September 21, 2007, signed by MDEQ Director Steven E. Chester, is included in Attachment B.

A letter dated September 7, 2007, from MDEQ Director Steven E. Chester to the State Office of Administrative Hearings and Rules (SOAHR) is included in Attachment B.

3. **Evidence that the state has the necessary legal authority under state law to adopt and implement the revision.**

A letter dated February 22, 2003, from Governor Jennifer M. Granholm to EPA Region 5 delegates authority to the Director of MDEQ to make any submittal, request, or application under the Clean Air Act (Attachment C).

The letter dated September 10, 2007, from SOAHR to the MDEQ certifies that the rules are within the scope of the authority of the MDEQ (Attachment D).

4. **A copy of the actual regulation or document submitted for approval and incorporation by reference into the SIP, including indication of the changes made to the existing approved SIP, where applicable. The submittal should be a copy of the official state regulation/document signed, stamped, and dated by the appropriate state official indicating that it is fully enforceable by the state. The effective date of the regulation/document should, whenever possible, be indicated in the document itself.**

The Secretary of State's Notice of Filing Administrative Rules for Part 6, dated October 3, 2007, is included in Attachment E.

The final form of the adopted rules, Part 6, with the effective date of October 3, 2007, is included in Attachment A.

- 5. Evidence that the state followed all of the requirements of its administrative procedures act (or equivalent) in conducting and completing the adoption/issuance of the revision.**

The SOAHR memo to the MDEQ, dated September 10, 2007, certifies that the rules are in conformity with the requirements of the Administrative Procedures Act, MCL 24.201 et seq. (Attachment D).

- 6. Evidence that public notice was given of the proposed change consistent with procedures approved by EPA, including date of publication of such notice.**

The affidavits of publication from four newspapers that published the notice of public hearing on June 11, 2007, and the notice that was published in the Michigan Register on June 15, 2007 are included in Attachment H.

- 7. Certification that public hearings were held in accordance with the information provided in the public notice and the state's administrative procedures act (or equivalent), if applicable.**

The September 10, 2007, memo from the SOAHR to the MDEQ certifies that the rules have been promulgated in conformity with the requirements of the Administrative Procedures Act (Attachment D).

The Opening Statement for the July 19, 2007, public hearing includes information on the notice of public hearing and instructions on how the hearing was to be conducted (Attachment G).

- 8. Compilation of public comments and state's response thereto.**

There were no suggestions or comments received during the public comment period to modify the proposed rules.

Technical support

- 1. Justification of rules revisions.**

The "Purpose for the Proposed Rules and Background," Section 2, and "Summary of Proposed Rules," Section 3, of the Agency Report provides the purpose and justification of the proposed rules (Appendix F).

ATTACHMENT A

DEPARTMENT OF ENVIRONMENTAL QUALITY

AIR QUALITY DIVISION

AIR POLLUTION CONTROL

Filed with the Secretary of State on October 3, 2007

These rules become effective immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

(By authority conferred on the director of the department of environmental quality by sections 5503 and 5512 of 1994 PA 451, MCL 324.5503 and 324.5512, and Executive Reorganization Order No. 1995-18, MCL 324.99903)

R 336.1660 and R 336.1661 of the Michigan Administrative Code are amended as follows:

PART 6. EMISSION LIMITATIONS AND PROHIBITIONS--
EXISTING SOURCES OF VOLATILE ORGANIC COMPOUND EMISSIONS

R 336.1660 Standards for volatile organic compounds emissions from consumer products.

Rule 660. (1) The provisions in the ozone transport commission's (OTC), "Model Rule for Consumer Products," dated September 13, 2006, are adopted by reference in this rule, with the following exceptions:

- (a) Section (8), variances.
- (b) Section (10), severability.
- (c) Section (11)(f), violations.

(d) Where the date "January 1, 2005" appears in the following sections, the department shall instead recognize January 29, 2007:

- (i) Section (1), applicability.
- (ii) Section (3)(a), table, (f)(1)(i), and (g)(3) standards.
- (iii) Section (6)(d)(1), administrative requirements.

(e) Where the date "2005" appears in section 7(d)(2) and (3), the department shall instead recognize 2007. Where the date "March 1, 2006" appears in section 7(d)(2) and (3), the department shall instead recognize March 1, 2008.

(2) Copies of the ozone transport commission's, "Model Rule for Consumer Products," dated September 13, 2006, may be obtained without charge from the Department of Environmental Quality, Air Quality Division, 525 West Allegan Street, P. O. Box 30260, Lansing, Michigan 48909-7760. A copy may also be obtained without charge from the Ozone Transport Commission, Hall of the States, 444 North Capitol Street, Suite 638, Washington, DC 20001, or on the ozone transport commission internet web site at www.otcair.org.

R 336.1661 Definitions for consumer products.

Rule 661. As used in R 336.1660:

(a) The "OTC state" means state of Michigan.

(b) "Volatile organic compound" or "VOC" means a compound as defined in 40 C.F.R. §51.100 (2006). For the purpose of clarifying the definition, the provisions of 40 C.F.R. §51.100 (2006) are adopted by reference in these rules. Copies of 40 C.F.R. §51.100 are available for inspection and purchase at the Department of Environmental Quality, Air Quality Division, 525 West Allegan Street, P.O. Box 30260, Lansing, Michigan 48909-7760, at a cost at the time of adoption of these rules of \$55.00. Copies may be obtained from the Superintendent of Documents, Government Printing Office, P.O. Box 371954, Pittsburgh, Pennsylvania 15250-7954, at a cost at the time of adoption of these rules of \$45.00, or on the United States government printing office internet web site at www.gpoaccess.gov.

ATTACHMENT B



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



STEVEN E. CHESTER
DIRECTOR

CERTIFICATE OF ADOPTION

I, Steven E. Chester, Director of the Department of Environmental Quality, do formally adopt the attached administrative rules amending R 336.1660 and R 336.1661 of the Michigan Administrative Code.

These rules are adopted pursuant to Sections 5503 and 5512 of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, and Executive Order 1995-18.

9-21-07

Date

Steven E. Chester, Director

SOAHR 2007-006EQ



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



September 21, 2007

Ms. Norene Lind, Administrative Rules Manager
State Office of Administrative Hearings and Rules
Department of Labor and Economic Growth
Ottawa Building - Fourth Floor
611 West Ottawa
Lansing, Michigan 48933-1070

Dear Ms. Lind:

SUBJECT: Certificate of Adoption for Administrative Rules Promulgated Pursuant to Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as Amended (Act 451), SOAHR 2007-006EQ

The Certificate of Adoption for the administrative rules promulgated pursuant to Part 55 of Act 451 is being forwarded to you, along with a reference copy of the administrative rules, in accordance with the provisions of Executive Order 2005-1 and the January 5, 1996, memorandum from the former Office of Regulatory Reform. These rules will reduce the volatile organic compound content from additional consumer and commercial products manufactured, sold, or used in the state of Michigan. The proposed rules will adopt by reference the amended Ozone Transport Commission model rule published September 13, 2006.

The rules were certified by the Legislative Service Bureau on September 5, 2007, and were formally approved by your office on September 7, 2007. The rules were delivered to the Joint Committee on Administrative Rules on September 10, 2007.

If you have questions or comments regarding the rule changes, please contact Ms. Susan Maul, Acting Regulatory Reform Officer, at 517-241-1552, or you may contact me.

Sincerely,

Steven E. Chester
Director
517-373-7917

Enclosures

cc: Mr. Jim Sygo, Deputy Director, DEQ
Ms. Susan Maul, Regulatory Reform Officer, DEQ
Mr. G. Vinson Hellwig, DEQ
Ms. Mary Ann Halbeisen, DEQ
Mr. Asad Khan, DEQ
cc/enc: AQD, SOAHR 2007-006EQ File

ATTACHMENT C



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR

February 22, 2003

JENNIFER M. GRANHOLM
~~JOHN BOGGER~~
GOVERNOR

Mr. Thomas V. Skinner, Regional Administrator
U.S. Environmental Protection Agency
Region 5
77 West Jackson Boulevard (R-19J)
Chicago, Illinois 60604-3507

Dear Mr. Skinner:

The federal Clean Air Act (CAA) requires Michigan to submit revisions to the State Implementation Plan. It also provides an opportunity for the state to request delegations and make grant applications to fund air quality programs.

I hereby delegate my authority to make any submittal, request, or application under the CAA to Director Steven E. Chester of the Michigan Department of Environmental Quality (MDEQ). This delegation was effective on January 1, 2003.

Sincerely,



Jennifer M. Granholm
Governor

cc: Mr. Steven E. Chester, Director, MDEQ
Mr. Stanley F. Pruss, Deputy Director, MDEQ

ATTACHMENT D

THIS COPY TO BE FILED
WITH
SECRETARY OF STATE



LEGISLATIVE
SERVICE
BUREAU

Since 1941

Legal Division

John C. Bollman, Director

CERTIFICATE OF APPROVAL

I hereby certify that the Legislative Service Bureau has examined the attached proposed rules of the Department of Environmental Quality, dated April 12, 2007, amending R 336.1660 and R 336.1661 of the Department's rules entitled "Air Pollution Control," and further certify that, pursuant to section 45 of 1969 PA 306, MCL 24.245, the Legislative Service Bureau approves the rules as to form, classification, and arrangement.

Dated: September 5, 2007

LEGISLATIVE SERVICE BUREAU

By Elliott Smith / M. Martin
Elliott Smith, Director



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

PETER L. PLUMMER
EXECUTIVE DIRECTOR

LEGAL CERTIFICATION OF RULES

I certify that I have examined the attached administrative rules, dated April 12, 2007, in which the Department of Environmental Quality proposes to modify a portion of the Michigan Administrative Code entitled, "Part 6. Emission Limitations and Prohibitions – Existing Sources of Volatile Organic Compound Emissions," by:

- ◆ Amending R 336.1660 and 336.1661.

The Legislative Service Bureau has approved the proposed rules as to form, classification, and arrangement.

I approve the rules as to legality pursuant to the Administrative Procedures Act, MCL 24.201 *et seq.* and Executive Order No. 2005-1. In certifying the rules as to legality, I have determined that they are within the scope of the authority of the agency, do not violate constitutional rights, and are in conformity with the requirements of the Administrative Procedures Act.

Dated: 9/7/07

State Office of Administrative Hearings and Rules

By: 
Peter L. Plummer, Executive Director

2007-006 EQ

ATTACHMENT E



STATE OF MICHIGAN
TERRI LYNN LAND, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

October 3, 2007

NOTICE OF FILING
ADMINISTRATIVE RULES

RECEIVED
OCT 08 2007
AIR QUALITY DIV.

To: Secretary of the Senate
Clerk of the House of Representatives
Joint Committee on Administrative Rules
State Office of Administrative Hearings and Rules (Rule #2007-006 EQ)
Legislative Service Bureau (07-10-02)
✓ Department of Environmental Quality

In accordance with the provisions of Section 46(1) of Act 306, Public Acts of 1969, as amended, and Executive Order 1995-6 this is to advise you that the Michigan Department of Labor & Economic Growth, State Office of Administrative Hearings and Rules filed at 2:46 P.M. this date, administrative rule (07-10-02) for the Department of Environmental Quality, Entitled "*Part 6. Emission Limitations and Prohibitions – Existing Sources of Volatile Organic Compounds Emissions*". These rules become effective immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

Sincerely,

Terri Lynn Land
Secretary of State

Robin Houston, Office Supervisor
Office of the Great Seal

Enclosure

ATTACHMENT F

Agency Report to the
JOINT COMMITTEE ON ADMINISTRATIVE RULES

This form must be completed by the department/agency that has the statutory authority for promulgating the rules. Please send an electronic copy of this form to the State Office of Administrative Hearings and Rules (SOAHR) at soahr_rules@michigan.gov. The SOAHR will review the document, the newspaper advertisements, and the corresponding rules prior to completing the legal certification of the rules. Please be sure to send to the SOAHR proofs of publication for the three newspaper advertisements required by MCL 24.242(1). You may mail them or send them as a scanned attachment.

Department

Environmental Quality

Division/agency/bureau:

Air Quality Division

Rule set number (as assigned by SOAHR)

2007-006EQ

Title of rules:

Part 6. Emission Limitations and Prohibitions--Existing Sources of Volatile Organic Compound Emissions

1. Name, address, FAX and phone numbers of agency contact person:

Mary Ann Halbeisen, Constitution Hall; Phone 517-373-7045; Fax 517-241-7499

2. Purpose for the proposed rules and background:

The Michigan Department of Environmental Quality (DEQ) intends to amend the existing Air Pollution Control Rules, R 336.1660 and R 336.1661 (Rules 660 and 661). These two existing rules adopt by reference the Ozone Transport Commission (OTC) model rule for consumer products dated March 6, 2001. These rules are a primary component of the DEQ strategy for attaining the ozone standard in southeast Michigan. The rules were adopted to control the concentration of volatile organic compounds (VOCs) in various products used in households and institutions. The rules apply to consumer products whose use may result in the release of VOCs to the atmosphere. These VOCs cause air pollution due to ground level ozone formation in Michigan outdoor air. The ground level ozone causes health problems and also causes damage to some crops.

On September 13, 2006, the OTC published an amendment to the existing model rule, dated March 6, 2001. The amended OTC model rule includes 23 additional categories of consumer products for which the VOC content will be reduced. The amended rule will also facilitate the inclusion as well as clarification of some definitions and will modify or change some

requirements that will help the industry to comply with the rule. The inclusion of additional product categories in the amended OTC model rule will result in a further decrease in VOC emissions in Michigan.

The amended Rule 660 will limit VOC content in an additional 23 categories of consumer products along with the 87 categories already listed in the existing rule. Those categories include personal care products, household products, automotive aftermarket products, adhesives and sealants, insecticides, coatings and related products (except architectural and maintenance coatings). The rule stipulates that no person shall sell, supply, offer for sale, or manufacture for sale, in the state of Michigan, any of the affected consumer products (mostly aerosols and sprays), unless the VOC content limits specified in the Table of Standards of the rule are adhered to. These limits, along with the additional limits for the 23 categories added in the amendment, will further reduce the VOC content at the point of manufacture of a greater number of these products, subsequently resulting in the reduction of VOC emissions when the products are used by the consumers.

The rule stipulates VOC emission reductions by limiting the VOC content through product reformulation -- modifying the current formulation to obtain a lower VOC content. The product reformulation options vary with each product category and can involve one or more of the following approaches:

- Replacing VOC solvents with a water-based formulation;
- Replacing VOC solvents with acetone or another exempt solvent;
- Increasing the solids content of the product;
- Formulating a non-VOC propellant; and
- Changing the valve, container, or delivery system to reduce VOC content.

The existing Rule 661 contains the VOC definition specific to Rule 660. The amended Rule 661 will adopt by reference the federal VOC definition as per 40 C.F.R. §51.100 (2006). The adoption of the federal definition will bring uniformity to this rule's definition with the rest of the Midwest states that have adopted or plan to adopt a similar definition for VOC. The uniformity of VOC definition in the Midwest states will help industry reduce the cost of reformulation in compliance with the rule by not having to customize their methods of reformulation and production to meet different VOC definitions for the different states in the region.

The amended Rules 660 and 661 will be submitted to the United States Environmental Protection Agency upon final promulgation as part of the revised Michigan Ozone State Implementation Plan.

3. Summary of proposed rules:

R 336.1660 (Rule 660)

Rule 660 adopts the amended OTC published rule "Model Rule for Consumer Products" dated

September 13, 2006, by reference. Several provisions of the amended model rule are excluded. The model rule contains the following provisions:

- The rule limits VOCs in consumer products, including personal care products, household products, automotive aftermarket products, adhesives and sealants, insecticides, coatings and related products (except architectural and maintenance coatings), and other miscellaneous product categories added in the amended rule. The rule stipulates that no person shall sell, supply, offer for sale, or manufacture for sale, in the state of Michigan any of the affected consumer products (mostly aerosols and sprays) unless the VOC content limits as provided by the Table of Standards in the rule are adhered to in the formulation of those consumer products.
- The rule further prohibits sale or manufacture of antiperspirants and deodorants that contain certain toxic air contaminants as defined in the referenced and adopted OTC's amended Model Rule.
- There are special requirements for products that are diluted prior to use.
- There is a special date of compliance for consumer products that are registered under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA; 7 USC Section 136-136y).
- There are specific certification requirements for charcoal lighter materials as defined in the referenced and adopted OTC's Model Rule that limit the VOC release from starting a fire by use of lighter fluid.
- Aerosol adhesives have to meet the referenced and adopted OTC's Model Rule or Michigan laws and regulations, if any, for aerosol adhesives including consumer, industrial, and commercial uses.
- There are special requirements for floor wax strippers.
- The affected consumer products shall not contain 15 specific ozone depleting compounds. There are some exemptions to this restriction for existing product formulation, provided there is no increase in these specific ozone depleting compounds as a result of reformulation for VOC reduction in the product.
- The requirements of the rule are not applicable to ozone depleting compounds that may be present as impurities in a consumer product in an amount equal to or less than 0.01% by weight of the product.
- This rule is not applicable to consumer products manufactured in Michigan for shipment and use outside Michigan. There are some other exemptions as well.
- Industry can bypass the standards for VOC, as given in Rule 660, by adopting different methods of compliance by use of innovative characteristics of product formulation, design,

delivery system, etc., that result in less VOC emissions than a representative product that complies with the applicable VOC standard.

- Industry may use a bubble/emission averaging plan that also includes emissions trading aspects for single product manufacturing industries to buy emissions, as “surplus trading,” from other industries that manufacture similar products.
- The exceptions to the OTC Model Rule are provided in Rule 660 and apply to the following sections in the model Rule: Section (8) Variances; Section (10) Severability; Section 11(f) Violations.
- The effective date of the OTC Model Rule is changed from "January 1, 2005", to January 29, 2007, in Rule 660. This applies to the following sections of the Model Rule: Section (1), Applicability; Section (3)(a), Table, (f)(1)(i), and (g)(3), Standards; Section (6)(d)(1), Administrative Requirements. Where the date “2005” appears in Section 7(d)(2) and (3) of the OTC Model Rule, this is changed to 2007 in Rule 660. Where the date “March 1, 2006” appears in Section 7(d)(2) and (3), Rule 660 instead recognizes March 1, 2008.

4. Name of newspapers and date of publication in newspapers (minimum 3 newspapers of general circulation, representing different parts of the state, one of which must be located in the Upper Peninsula):

The notice was published in the following newspapers on June 11, 2007:
Lansing State Journal
Oakland Press
Marquette Mining Journal

5. Time, date, location and duration of public hearing:

July 19, 2007, 10:00-10:50 a.m., Constitution Hall, 525 West Allegan Street, Lansing, Michigan

6. Date of publication of rules and public hearing notice in *Michigan Register*:

June 15, 2007

7. Agency representative(s) attending hearing (include agency name and title of representative[s]):

Mary Ann Dolehanty, Supervisor, Thermal Process Unit, AQD
Mary Ann Halbeisen, Administrative Rules Coordinator, AQD
Asadullah Khan, Environmental Engineer, AQD
Steve Kish, Environmental Engineer Specialist, AQD
Susan Maul, DEQ Regulatory Reform Officer
Mary Maupin, Environmental Quality Specialist, AQD

Jeffrey Rathbun, Environmental Engineer, AQD
Barbara Rosenbaum, Supervisor, Air Quality Evaluation Section, AQD
Teresa Walker, Environmental Quality Analyst, AQD

8. Names, organizations and (complete) addresses of persons attending the hearing:

None

9. Persons submitting letters, comments and testimony of support:

Janessa Stroud, Program Coordinator, Public Policy & Government Affairs, Grand Rapids Area Chamber of Commerce, 111 Pearl Street NW, Grand Rapids, MI 49503

10. Persons submitting letters, comments and testimony of opposition:

None

11. Summary of suggestions to modify proposed rules:

There were no suggestions or comments received during the public comment period to modify the proposed rules.

Name of person completing this report:

Mary Ann Halbeisen

Date report completed:

August 10, 2007

ATTACHMENT G

Department of Environmental Quality

Opening Statement

By: Barbara Rosenbaum, Hearings Officer

July 19, 2007

Introduction

Good morning ladies and gentlemen. My name is Barbara Rosenbaum, and I am the Supervisor of the Air Quality Evaluation Section in the Air Quality Division of the Michigan Department of Environmental Quality. I will be serving as the Hearing Officer for this public hearing on the revision of Parts 4 and 6, the rescission of Part 12, and the addition of Part 19 of the Air Pollution Control Rules.

With me today are other DEQ staff who will be assisting with this hearing. Seated with me are Teresa Walker, Steve Kish, Asad Khan, and Jeffrey Rathbun, who prepared the rule revisions, and Vince Hellwig, Chief of the Air Quality Division, who is representing the Director of the Department of Environmental Quality, the decision-maker on administrative rules.

Hearing Agenda

To describe how this is going to work today, I will begin with some background information about why we are here today. I will then describe the purpose of the hearing and how your comments will be used. Following that, I will outline the procedures under which we will take your comments and then describe what will happen after today's hearing. It will then be your time to provide comments, and we will spend the majority of time today listening to those comments. At the end of the hearing, I will provide a short summary and closing.

Background Information

By way of background information, the Air Quality Division is responsible for protecting Michigan's air resources. The law governing those responsibilities is Sections 5503 and 5512 of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.. We are here today for a public hearing four rule packages on amendments to the administrative rules for Air Pollution Control:

- 2005-036EQ, Part 4, Emission Limitations and Prohibitions—Sulfur-bearing Compounds.
- 2007-005EQ, Part 12, Emission Averaging and Emission Reduction Credit Trading.
- 2007-006EQ, Part 6, Consumer Product Rules.
- 2004-054EQ, Part 19, New Source Review for Major Sources Impacting Nonattainment Areas.

Teresa Walker will summarize the proposed revisions to Part 4 (2005-036EQ) and Part 12 (2007-005EQ).

Asad Khan will summarize the proposed revisions to Part 6 (2007-006EQ).

Jeff Rathbun will summarize the proposed new rules for Part 19 (2004-054EQ).

Purpose of Public Hearing

In order for rule promulgation to occur, the DEQ must follow the procedures set forth in the Administration Procedures Act of 1969 and the State Office of Administrative Hearings and Rule's procedures.

The purpose of today's hearing is to give anyone interested in the proposed rules an opportunity to provide information that the DEQ can use in making the decision. Please recognize that the DEQ can only use the information you provide if it relates to the criteria that the DEQ must use in making a decision. Some of you may want to simply express your support or opposition to the proposed action. We will be happy to make note of your position, but please understand that the DEQ is, by law, not allowed to base our decision on whether or not there is widespread support or opposition to the proposed action.

Procedures

In just a minute, I will outline the procedures we will use in taking your comments today. Before I do so, however, I need to mention that the notice of this hearing was published in the Oakland Press, Lansing State Journal, and Marquette Mining Journal on June 11, 2007. The notice and proposed rules were also published in the Michigan Register on June 15, 2007. Copies of the hearing notice, Regulatory Impact Statement, proposed rules, and summary of the proposed rules were made available to those interested and are available here today.

As you came today, you were given an opportunity to fill out a public comment card. We request that everybody fill out a card and indicate if you wish to make comments. We will use these cards to maintain a record of people interested in the proposed rules and to call upon those who want to make a statement today. To ensure that the hearing is conducted in a fair manner, we will follow these steps:

1. I will call on those who have indicated on the cards that they would like to speak in the general order in which the cards were turned in. When all the cards have been completed, I will ask if anyone else would like to make a statement.
2. When your name is called, please come to the microphone, face me, and make your statement. If you have written comments or materials you would like to

present, please hand them to me as you come to the microphone. As you begin your comments, please state your name and any group or association you may represent.

3. Each person will be given five minutes to make their comments. I will indicate to you when you have one minute left. Please begin wrapping up your comments and end within the allotted time. If need be, I will indicate when your time has ended.

I ask that we all be courteous and respectful to one another today. Only one person should be speaking at a time. Please do not interrupt a speaker and please also recognize that the DEQ staff are here today to provide a fair opportunity for you to express your comments on the proposed rules and to listen to those comments.

How the Information Will be Used

This hearing is being recorded and your comments will be a part of the information the DEQ will consider in making its decision on the proposed rules. The public comment period for the proposed rules ends today at 5:00 p.m.

Following the public hearing, the DEQ staff will review all comments and prepare an Agency Report, which includes the response to comments. The Agency Report will be available on the DEQ website or by contacting the Air Quality Division office. The proposed rules and the Agency Report will be submitted to the State Office of Administrative Hearings and Rules and the Joint Committee on Administrative Rules. Following JCAR, the rules will be filed with the Secretary of State and become effective immediately. It is estimated this process will take approximately four to five months.

Thank you for your attention. I will now begin calling the names of those who have indicated they would like to make a statement.

Closing Statement

Thank you for your comments and cooperation today. We appreciate your interest in these proposed rules and that you took the time to be here today.

As indicated at the beginning of the hearing, the closing date of the public comment period is today at 5:00 p.m. and an Agency Report will be prepared.

The hearing is now closed. Thank you again.

ATTACHMENT H

Legals

4 times
6-4, 11, 18, 25-07

**NOTICE OF PUBLIC HEARING
DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION**

The Michigan Department of Environmental Quality (DEQ), Air Quality Division, will conduct public hearings on proposed administrative rules promulgated pursuant to Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). The DEQ is proposing amendments in the following three rule packages:

2005-036EQ: Amend R 336.1401 to R 336.1407 addressing sulfur dioxide (SO₂) emitted in Wayne County. In addition, add Rule R 336.1420 to reduce transported emissions of SO₂ from electric generating units as part of the Clean Air Interstate Rule federal requirements.

2007-005EQ: Rescind Part 12, Emission Averaging and Emission Reduction Credit Trading, R 336.2201 to R 336.2218, due to the lack of participation by the regulated community and lack of sufficient resources to maintain the voluntary trading program.

2007-006EQ: Amend R 336.1660 and R 336.1661 to reduce volatile organic compound content from additional consumer and commercial products manufactured, sold, or used in the state of Michigan. The proposed rules will adopt by reference the amended Ozone Transport Commission model rule published September 13, 2006.

2004-054EQ: Add Part 19, New Source Review for Major Sources Impacting Nonattainment Areas, R 336.2901, R 336.2901a, R 336.2902, R 336.2903, R 336.2907, R 336.2908, and R 336.2910. This is the second public hearing to address the revisions to the definitions of "replacement unit" and "net emissions increase." This rulemaking will add the rules necessary to implement a complete, modern New Source Review program that meets federal requirements for permitting major sources in nonattainment areas.

The public hearings will be held on July 19, 2007, at 10:00 a.m. in the Brake Conference Room, Constitution Hall, Atrium South, 525 West Allegan Street, Lansing, Michigan.

Copies of the proposed rules can be downloaded from the Internet at: <http://www.michigan.gov/deq/air>. These rules can also be downloaded from the Internet through the State Office of Administrative Hearings and Rules at <http://www.michigan.gov/orr>. Copies of the rules may also be obtained by contacting the Lansing office at:

Air Quality Division
Michigan Department of Environmental Quality
P.O. Box 30260
Lansing, Michigan
48909-7760
Phone: 517-373-7045
Fax: 517-241-7499
E-mail: habelsm@michigan.gov

All interested persons are invited to attend and present their views. It is requested that all statements be submitted in writing for the hearing record. Anyone unable to attend may submit comments in writing to the address above. Written comments must be received by 5:00 p.m. on July 19, 2007.

Persons needing accommodations for effective participation in the meeting should contact the Air Quality Division at 517-373-7045 one week in advance to request mobility, visual, hearing, or other assistance.

This notice of public hearing is given in accordance with Sections 41 and 42 of Michigan's Administrative Procedures Act, 1969 PA 306, as amended, being Sections 24.241 and 24.242 of the Michigan Compiled Laws. Administration of the rules is by authority conferred on the Director.

Legals

of the DEQ by Sections 5503 and 5512 of Act 451, being Sections 324.5503 and 324.5512 of the Michigan Compiled Laws, and Executive Order 1995-18. These rules will become effective immediately after filing with the Secretary of State.

County of Oakland
STATE OF MICHIGAN, } ss.

Mary Taylor being duly sworn,
deposes and says that I am the Legal Rep. of
THE OAKLAND PRESS, a newspaper printed and circulated
daily in Oakland County, Michigan and that I held such
position during the publication of the notice hereto annexed;
that a notice of

Public Notice of
which the annexed notice is a true copy, was published in the
said THE OAKLAND PRESS

once immediately preceding the
12 of June that the annexed printed copy of said notice
was taken from the said newspaper. That the dates of
publication of said notice were June 11, 2007

and further deponent sayeth not

Subscribed and sworn to before me this 12 day of
June A.D. 2007

Tina M. Grover
NOTARY PUBLIC, OAKLAND COUNTY, MICHIGAN

TINA M. GROVER
NOTARY PUBLIC LAFAYETTE CO., MI
MY COMMISSION EXPIRES Mar 20, 2008

acting in Oakland City

NOTICE OF PUBLIC HEARING
DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION

The Michigan Department of Environmental Quality (DEQ), Air Quality Division, will conduct public hearings on proposed administrative rules promulgated pursuant to Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). The DEQ is proposing amendments in the following three rule packages:

- 2005-036EQ: Amend R 336.1401 to R 336.1407 addressing sulfur dioxide (SO₂) emitted in Wayne County. In addition, add Rule R 336.1420 to reduce transported emissions of SO₂ from electric generating units as part of the Clean Air Interstate Rule federal requirements.
- 2007-005EQ: Rescind Part 12, Emission Averaging and Emission Reduction Credit Trading, R 336.2201 to R 336.2218, due to the lack of participation by the regulated community and lack of sufficient resources to maintain the voluntary trading program.
- 2007-006EQ: Amend R 336.1660 and R 336.1661 to reduce volatile organic compound content from additional consumer and commercial products manufactured, sold, or used in the state of Michigan. The proposed rules will adopt by reference the amended Ozone Transport Commission model rule published September 13, 2006.
- 2004-054EQ: Add Part 19, New Source Review for Major Sources Impacting Nonattainment Areas, R 336.2901, R 336.2901 a, R 336.2902, R 336.2903, R 336.2907, R 336.2908, and R 336.2910. This is the second public hearing to address the revisions to the definitions of "replacement unit" and "net emissions increase." This rulemaking will add the rules necessary to implement a complete, modern New Source Review program that meets federal requirements for permitting major sources in nonattainment areas.

The public hearings will be held on July 19, 2007, at 10:00 a.m., in the Brake Conference Room, Constitution Hall, Atrium South, 525 West Allegan Street, Lansing, Michigan.

Copies of the proposed rules can be downloaded from the Internet at: <http://www.michigan.gov/deqair>. These rules can also be downloaded from the Internet through the State Office of Administrative Hearings and Rules at <http://www.michigan.gov/orr>. Copies of the rules may also be obtained by contacting the Lansing office at:

Air Quality Division
Michigan Department of Environmental Quality
P.O. Box 30260
Lansing, Michigan 48909-7760
Phone: 517-373-7045
Fax: 517-241-7499
E-Mail: halbeism@Michigan.gov

All interested persons are invited to attend and present their views. It is requested that all statements be submitted in writing for the hearing record. Anyone unable to attend may submit comments in writing to the address above. Written comments must be received by 5:00 p.m. on July 19, 2007.

Persons needing accommodations for effective participation in the meeting should contact the Air Quality Division at 517-373-7045 one week in advance to request mobility, visual, hearing, or other assistance.

This notice of public hearing is given in accordance with Sections 41 and 42 of Michigan's Administrative Procedures Act, 1969 PA 306, as amended, being Sections 24.241 and 24.242 of the Michigan Compiled Laws. Administration of the rules is by authority conferred on the Director of the DEQ by Sections 5503 and 5512 of Act 451, being Sections 324.5503 and 324.5512 of the Michigan Compiled Laws, and Executive Order 1995-18. These rules will become effective immediately after filing with the Secretary of State.

G. Vinson Hellwig, Chief
Air Quality Division

Publish June 11, 2007

AFFIDAVIT OF PUBLICATION
COMMUNITY NEWSPAPERS, INC.
120 E. Lenawee.
Lansing, MI 48919
State of Michigan, County of Ingham

IN THE MATTER OF: NOTICE

MICHIGAN DEPT OF ENVIR. QUALITY

ANN LYON

Being duly sworn, says that he/she is authorized by the publisher of Lansing State Journal., to swear that a certain notice, a copy of which is annexed here to, was published in the following publication:

1. Published in the English language for the dissemination of general and/or legal news, and
2. Has a bonfide list of paying customers or has been published at least once a week in the same community without interruption for at least 2 years, and
3. Has been established, published and circulated at least once a week without interruption for at least one (1) year in the community where the publication is to occur.

LANSING STATE JOURNAL

6/11/07



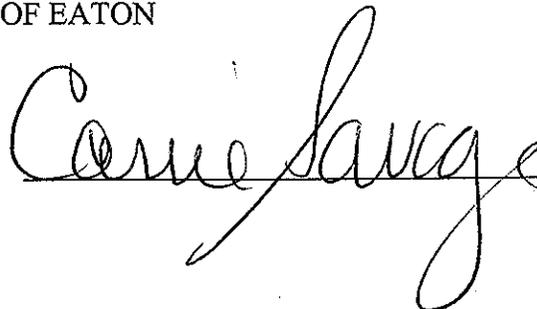
Ann Lyon

SUBSCRIBED AND SWORN TO BEFORE ME THIS 6TH

DAY OF JULY, 2007

CARRIE A. SAVAGE
NOTARY PUBLIC, STATE OF MICHIGAN, COUNTY OF EATON
MY COMMISSION EXPIRES: SEPTEMBER 4, 2007
ACTING IN THE COUNTY OF EATON

LSJ- 6-8



AFFIDAVIT OF PUBLICATION
COMMUNITY NEWSPAPERS, INC.
120 E. Lenawee.
Lansing, MI 48919
State of Michigan, County of Ingham

IN THE MATTER OF: NOTICE

MICHIGAN DEPT OF ENVIR. QUALITY

ANN LYON

Being duly sworn, says that he/she is authorized by the publisher of Lansing State Journal that a certain notice, a copy of which is annexed here to, was published in the following manner:

1. Published in the English language for the dissemination of general information to the community, and
2. Has a bonfide list of paying customers or has been published at least once a week for at least one (1) year in the community where the publication is published at least 2 years, and
3. Has been established, published and circulated at least once a week for at least one (1) year in the community where the publication is published at least 2 years, and

LANSING STATE JOURNAL

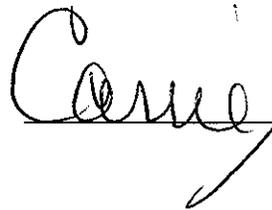

Ann Lyon

SUBSCRIBED AND SWORN TO BEFORE ME THIS 6TH

DAY OF JULY, 2007

CARRIE A. SAVAGE
NOTARY PUBLIC, STATE OF MICHIGAN, COUNTY OF EATON
MY COMMISSION EXPIRES: SEPTEMBER 4, 2007
ACTING IN THE COUNTY OF EATON

LSJ- 6-8



**NOTICE OF PUBLIC HEARING
DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION**

The Michigan Department of Environmental Quality (DEQ), Air Quality Division, will conduct public hearings on proposed administrative rules promulgated pursuant to Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). The DEQ is proposing amendments in the following three rule packages:

2005-036EQ: Amend R 336.1401 to R 336.1407 addressing sulfur dioxide (SO2) emitted in Wayne County. In addition, add Rule R 336.1420 to reduce transported emissions of SO2 from electric generating units as part of the Clean Air Interstate Rule federal requirements.

2007-005EQ: Rescind Part 32, Emission Averaging and Emission Reduction Credit Trading; R 336.2201 to R 336.2218, due to the lack of participation by the regulated community and lack of sufficient resources to maintain the voluntary trading program.

2007-006EQ: Amend R 336.1660 and R 336.1661 to reduce volatile organic compound content from additional consumer and commercial products manufactured, sold, or used in the state of Michigan. The proposed rules will adopt by reference the amended Ozone Transport Commission model rule published September 13, 2006.

2004-054EQ: Add Part 19, New Source Review for Major Sources Impacting Nonattainment Areas; R 336.2901, R 336.2901a, R 336.2902, R 336.2903, R 336.2907, R 336.2908, and R 336.2910. This is the second public hearing to address the revisions to the definitions of "replacement unit" and "net emissions increase." This rulemaking will add the rules necessary to implement a complete, modern New Source Review program that meets federal requirements for permitting major sources in nonattainment areas.

The public hearings will be held on July 19, 2007, at 10:00 a.m. in the Brake Conference Room, Constitution Hall, Atrium South, 525 West Allegan Street, Lansing, Michigan.

Copies of the proposed rules can be downloaded from the Internet at: <http://www.michigan.gov/deq>. These rules can also be downloaded from the Internet through the State Office of Administrative Hearings and Rules at: <http://www.michigan.gov/orr>.

Copies of the rules may also be obtained by contacting the Lansing office at: Air Quality Division, Michigan Department of Environmental Quality, P.O. Box 30260, Lansing, Michigan 48909-0760. Phone: 517-373-7045, Fax: 517-241-7499. E-Mail: halbeism@Michigan.gov.

All interested persons are invited to attend and present their views. It is requested that all statements be submitted in writing for the hearing record. Anyone unable to attend may submit comments in writing to the address above. Written comments must be received by 5:00 p.m. on July 19, 2007.

Persons needing accommodations for effective participation in the meeting should contact the Air Quality Division at 517-373-7045 one week in advance to request mobility, visual, hearing, or other assistance.

This notice of public hearing is given in accordance with Sections 41 and 42 of Michigan's Administrative Procedures Act, 1969 PA 306, as amended, being Sections 24.241 and 24.242 of the Michigan Compiled Laws. Administration of the rules is by authority conferred on the Director of the DEQ by Sections 5503 and 5512 of Act 451, being Sections 324.5503 and 324.5512 of the Michigan Compiled Laws, and Executive Order 1995-18. These rules will become effective immediately after filing with the Secretary of State.

G. Vinson Helliwig, Chief
Air Quality Division

LE-5-8
6/11/07

Legals