1	HOUSE BILL NO. 54		
2	INTRODUCED BY BOHLINGER		
3			
4	A BILL FOR AN ACT ENTITLED: "AN ACT SETTING UNIFORM STATE AMBIENT SULFUR DIOXIDE		
5	STANDARDS; REQUIRING THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO DEVELOP EMISSION		
6	CONTROL PLANS; AND REPEALING SECTION 1, CHAPTER 504, LAWS OF 1987."		
7			
8	STATEMENT OF INTENT		
9	A statement of intent is included to clarify that the intent of the legislature is to provide for ambient		
10	sulfur dioxide standards that are uniform and enforceable throughout the state of Montana. The legislature		
11	recognizes that enforcement of ambient sulfur dioxide standards in areas that have a concentration of		
12	industrial sources, as characterizes Yellowstone County, poses a difficult and unique enforcement challenge		
13	to the state of Montana. Therefore, it is the intent of the legislature to direct the department of		
14	environmental quality to develop pollution control plans for each industrial source of sulfur dioxide located		
15	in those areas. These plans must consist of emission limits for each industrial source to ensure attainment		
16	with the state ambient air quality standards, an emission and ambient monitoring program to demonstrate		
17	compliance, and a control strategy that outlines how each source intends to operate in compliance with		
18	the provisions of the emission control plan.		
19			
20	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:		
21			
22	NEW SECTION. Section 1. Sulfur dioxide emission control plans. In areas where multiple industrial		
23	sources of sulfur dioxide are located in close proximity, the department shall develop sulfur dioxide emission		
24	control plans for each source in a manner consistent with federal emission control plans for sulfur dioxide.		
25			
26	NEW SECTION. Section 2. Repealer. Section 1, Chapter 504, Laws of 1987, is repealed.		
27			
28	NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an		
29	integral part of Title 75, chapter 2, part 2, and the provisions of Title 75, chapter 2, part 2, apply to		
30	[section 1].		

### STATE OF MONTANA - FISCAL NOTE

## Fiscal Note for HB0054, as introduced

#### DESCRIPTION OF PROPOSED LEGISLATION:

An act setting uniform state ambient sulfur dioxide standards; requiring the Department of Environmental Quality to develop emission control plans.

#### ASSUMPTIONS

- 1. The Board of Environmental Review (BER) will reinstate the Montana ambient air quality standards (MAAQS) for sulfur dioxide in Yellowstone County.
- 2. The Billings/Laurel, East Helena, Great Falls, and Colstrip areas have multiple industrial sources of sulfur dioxide and will require the development of emission control plans.
- 3. The emission control plans for Billings/Laurel, Great Falls, and East Helena will require substantial reductions in allowable emissions and moderate reductions in actual emissions.
- 4. The control plan for Colstrip will not require any reductions in allowable or actual emissions.
- 5. The DEQ and industry will continue to operate the following number of sulfur dioxide air monitoring sites: Billings/Laurel area--Billings/Laurel industrial consortium (3 sites), Exxon (2 sites), Yellowstone Energy Limited Partners (2 sites), and DEQ/Yellowstone County (2 sites); East Helena area--ASARCO (4 sites); Great Falls area--Montana Refining (1 site); and Colstrip area--Montana Power Company (3 sites) and Colstrip Energy Limited Partners (1 sites).
- 6. The Billings/Laurel area is expected to comply with the reinstated standards, but with a relatively small margin of safety.
- 7. The completion of the Billings/Laurel State Implementation Plan (stack height and plume rise changes) will shift sulfur dioxide impacts to different geographical areas.
- 8. Due to assumptions 6 and 7, the Billings/Laurel air monitoring network will need to be modified and enlarged. It is assumed that at least one DEQ site and several industry sites will require relocation and that one additional air monitoring site will be required. The air monitoring networks in Great Falls, East Helena, and Colstrip are adequate.
- 9. Equipment costs per air monitoring site include: monitoring shelter (\$10,500), sulfur dioxide monitor (\$10,000), gas dilution calibrator (\$10,000), chart recorder (\$1,500), data acquisition system (\$4,000), gas regulator (\$500), and flow calibrator (\$2,000).
- 10. Site relocation costs (\$2,800) include: site preparation, power poles, utility hookup, and land leases.
- 11. The Yellowstone County Air Pollution Control Agency will operate the new air monitoring site under contract to the DEQ (\$10,200 per year including: salary, benefits, supplies, utilities, and minor repairs).
- 12. The development of emission control plans for Billings/Laurel, East Helena, and Great Falls will require 2 additional FTEs over a two year period.
- 13. Personal services costs for a grade 14 air quality specialist are \$31,835 per year, operating costs are \$20,149 per year (indirect-\$5,249, contracted services-\$5,000, supplies and equipment-\$1,600, communication-\$2,000, travel-\$4,000, rent-\$1,800, and repairs and maintenance-\$500), and equipment costs (personal computer) are \$3,140 for the first year.

14. Costs identified would be covered by authority in 75-2-220(4), MCA.

DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

JOHN BOHLINGER, PRIMARY SPONSOR

DATE

Fiscal Note for HB0054, as introduced

Fiscal Note Request, <u>HB0054</u>, <u>as introduced</u> Page 2 (continued)

### FISCAL IMPACT:

Expenditures:	FY98	FY99	
	Difference	Difference	
FTE	2.00	2.00	
Personal Services	63,670	63,670	
Operating Costs	53,298	50,498	
Equipment	<u>44,780</u>	0	
Total	161,748	114,168	
Net Impact:			
Air Quality Fees (02)	161,748	114,168	

# EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The DEQ would contract with Yellowstone County Air Pollution Control Agency (\$10,200) for the operation of the additional monitoring site.

### LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The emission control plans would be completed by the end of the second year and the additional personal services costs would be eliminated. If the control plans reduce emission well below the ambient standards, the Billings/Laurel air monitoring network could be reduced within 3-5 years. The savings would be \$10,200-\$30,600 per year.

### TECHNICAL NOTES:

There is a technical defect in the title of the bill. Repeal of Section 1, Chapter 504, Laws of 1987, will not set uniform state ambient sulfur dioxide standards. Section 1, Chapter 504, Laws of 1987, directed the BER's predecessor, the former Board of Health and Environmental Sciences, to amend its rule regarding the ambient air quality standard for sulfur dioxide to provide a specific higher standard for Yellowstone County. Repeal of this section will provide BER with discretion to set the ambient sulfur dioxide standard in Yellowstone County at the state standard, to set the standard in Yellowstone County at some other level, or to take no action.