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INTRODUCED BY Bishop Estrada John C. Steiner ^{SB} BILL NO. 146

A BILL FOR AN ACT ENTITLED: "AN ACT SETTING UNIFORM STATE AMBIENT SULFUR DIOXIDE STANDARDS; AND REPEALING SECTION 1, CHAPTER 504, LAWS OF 1987."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Repealer. Section 1, Chapter 504, Laws of 1987, is repealed.

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0146, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act setting uniform state ambient sulfur dioxide standards.

ASSUMPTIONS:

1. The Board of Environmental Review (BER) will reinstate the state ambient sulfur dioxide standard in Yellowstone County.
2. The Department of Environmental Quality (DEQ) and the Billings/Laurel industries will continue to operate the following number of sulfur dioxide air monitoring sites:
 - A. Billings/Laurel industrial consortium (BLAQTC)--3 sites
 - B. Exxon--2 sites
 - C. Yellowstone Energy Limited Partners--2 sites
 - D. DEQ/Yellowstone County--2 sites
3. The Billings and Laurel areas are expected to comply with the reinstated standards, but with a relatively small margin of safety.
4. The completion of the Billings/Laurel State Implementation Plan (stack height and plume rise changes) will shift sulfur dioxide impacts to different geographical areas.
5. Due to assumptions 3 and 4, the 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 needed.
6. Equipment costs for the first year 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).
7. Site relocation costs (\$2,800) include: site preparation, power pole, utility hookup, and land leases.
8. Operation of the new air monitoring site will be conducted under contract by the Yellowstone County Air Pollution Agency at \$10,200 per year (salary, benefits, supplies, utilities, and minor repairs).
9. Although no revenue has been identified for the site relocation, installation, and operation, for purposes of this fiscal note it is assumed funding is provided through 75-2-220(4), MCA.

FISCAL IMPACT:

	<u>FY98</u>	<u>FY99</u>
	<u>Difference</u>	<u>Difference</u>
<u>Expenditures:</u>		
Operating Costs	13,000	10,200
Equipment	<u>38,500</u>	<u>0</u>
Total	41,500	10,200
<u>Funding:</u>		
State Special Revenue (02)	41,500	10,200

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The department would contract (\$10,200 per year) with the Yellowstone County Air Pollution Control Agency to operate the new air monitoring site.

(Continued)

Dave Lewis 1-12-97
 DAVE LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

Al Bishop 1-13-97
 AL BISHOP, PRIMARY SPONSOR DATE

Fiscal Note for SB0146, as introduced

SB 146

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Air monitoring data will likely demonstrate compliance with the reinstated standards and, if the concentrations are well below the standards, the air monitoring network could be reduced within 3-5 years. The savings would be \$10,200-\$30,600 per year. However, if air monitoring data indicates violations, an emission control plan and additional air monitoring will be necessary. DEQ costs for developing an emission control plan and additional air monitoring could exceed \$150,000 over a two year period.

TECHNICAL NOTES:

1. This bill is an exact duplicate of HB 059.
2. 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 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.