ILLINOIS ENVIRONMENTAL REGULATORY GROUP

2022-2023 Accomplishments report

IERG

IERG'S MISSION

Advocate on behalf of Members before governmental agencies, primarily the Illinois EPA and Illinois Pollution Control Board, as they promulgate, administer, and implement environmental laws, regulations and policies;

Serve as the voice of business in seeking economically reasonable solutions to Illinois' environmental challenges; and

Provide accurate and technically sound input early in the legislative and regulatory development processes to promote favorable outcomes for the Illinois business community.



Greetings from the Chairman

Greetings! I'm Troy Lively with Olin, IERG's newest Chairman. I'd first like to thank Brian Martin (Ameren), IERG's immediate past Chairman for his dedication to serving in this role for two separate terms. His tenacity and dedication to moving the organization forward is unmatched. I look forward to continuing his efforts over my tenure as Chairman.

IERG is unrivaled in its efforts to help businesses navigate environmental regulations and permitting in Illinois. IERG provides Members timely and up-to-date information on pending environmental legislation, regulations and changes to state-level policy that impacts their business operations. IERG continues to advocate and proactively represent the regulated community by providing its expertise to update long-overdue environmental regulations that

are crucial to maintaining a level playing field for Illinois businesses. IERG embarked on two major special projects in 2022-2023, the New Source Review (NSR) special project and the Startup, Shut-down, Malfunction (SSM) special project,

In 2022, IERG said farewell to its long-time employee and Executive Director, Alec Davis. IERG is thankful for Mr. Davis' dedication to the organization. IERG also named a new Executive Director in October 2022, Kelly Thompson. Ms. Thompson began working at IERG in 2017 as the Project Manager.

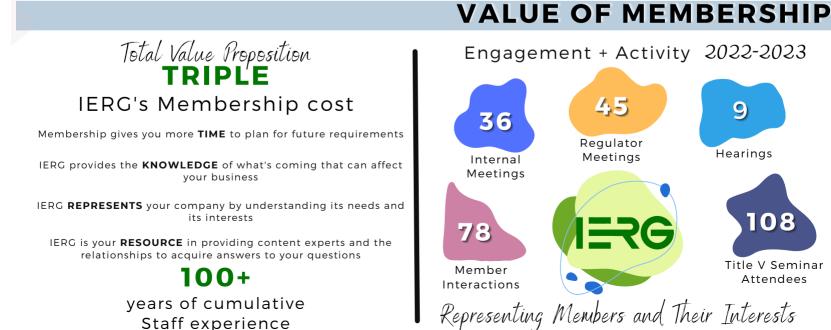
Welcome Kelly, to her new role as Executive Director! We look forward to your leadership and your vision for the organization as you continue to advocate for sound environmental laws and regulations for businesses in Illinois.

In 2023, IERG lost a long-time advocate and friend, Illinois Chamber President & CEO, Todd Maisch (1965-2023). IERG appreciated his dedication and leadership over the years which led to IERG becoming the organization it is today. His presence and advocacy will be greatly missed.

- Farewell but not Good-Bye

Remarks from IERG's Former Executive Director, Alec Davis

My resignation as IERG's Executive Director comes with mixed emotions. After 7+ years in the role, I will dearly miss interacting daily with the outstanding staff and members. I will always look back fondly on my time at IERG - the hard-fought battles (some of which were successful), relationships built, and lessons learned. I both thank and apologize to Brian Martin for having faith in me by bringing me back as Executive Director in 2015 and for graciously accepting my resignation during his second stint as Chairman. The decision was made easier knowing that IERG was in good hands with a staff and leadership team in place to ensure its continued success. I am glad to be able to remain involved in IERG and look forward to more accomplishments in the years to come!



IERG serving industry for over 30 years



OZONE

In mid-June 2022, IERG submitted comments to U.S. EPA on its *Determinations of*

Attainment...Reclassification of Areas Classified as Serious for the 2008 Ozone NAAQS, in support of not finalizing the "bump-up" of the Chicago area from 'serious' to 'severe' nonattainment as areas were recently redesignated to attainment. IERG also requested that U.S. EPA reconsider its non-concurrence decision for the wildfire-smokebased exceptional event which takes into account Illinois EPA (IEPA) supplemental materials from May 2021.

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ROJECTS WITH IERG PARTICIPATION + ADVOCACY

Regional Haze

Ozone Transport

2008 Ozone NAAOS

2015 Ozone NAAQS

NSR Permitting

IERG initiated an effort to update Illinois' permitting regulations after much discussion and meetings with the IEPA. IERG filed its proposal with the Illinois Pollution Control Board (IPCB) in late 2021 to update **Non-**

attainment New Source Review (NA NSR) regulations. The NA NSR regulations were last updated in March 1998.

The IPCB held hearings in February and April 2022. IERG participated by providing witnesses and testimony. The Illinois Attorney General's Office's filed a motion to Stay the rulemaking and renewed its motion in April 2023. The rulemaking awaits a response from the IPCB.

Groundwater / PFAS

IERG was a participant in the Illinois EPA's Groundwater Quality Standards rulemaking. In 2022, IERG held numerous strategy meetings for its members to better understand the impacts of the rulemaking on regulated sources. The IPCB held hearings throughout 2022.

In March 2023, IERG filed post-hearing comments urging the IPCB to not adopt Illinois EPA's proposed groundwater standards for the six PFAS constituents, while suggesting the IEPA continue to research, evaluate, and advance its understanding of PFAS contamination in Illinois before establishing regulatory standards.



NOTABLE WATER PROJECTS WITH IERG PARTICIPATION + ADVOCACY

- Illinois Nutrient Loss Reduction Strategy Workgroup PFAS Groundwater & Drinking Water
- Illinois River Watershed Study Group
- Water-related regulatory clean-up rulemaking
- Comments on NPDES Permits
- Waters of the United States (WOTUS)
- Illinois EPA's Triennial Review

GCDD

Illinois EPA provided stakeholder outreach on its proposal of rules to regulate general construction and demolition debris (GCDD) recovery facilities prior to filing it with the IPCB in late 2022. IERG filed an appearance in the rulemaking to seek clarification regarding the definition of 'GCDD Recovery Facility' and to understand the Agency's intent of the proposed rules.



NOTABLE LAND PROJECTS WITH IERG PARTICIPATION + ADVOCACY

- Carbon Capture, Utilization & Storage
- Coal Combustion Residuals (CCR)
- RCRA Hazardous Waste Delisting

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Federal Updates

ENVIRONMENTAL JUSTICE IERG continuously monitored the National Environmental Justice Advisory Council (NEJAC) and White House Environmental Justice Advisory Council (WHEJAC) meetings throughout 2022 and 2023. Discussions and updates included the Justice40 Initiative, Climate and Economic Justice Screening tool, and the announcement of a new national Office of Environmental Justice and External Civil Rights.

In July 2023, U.S. EPA announced it will open stand-alone **EJ Offices in each of the 10 Regions** throughout the nation.

Illinois Updates-

IERG participated in the **Illinois Commission on Environmental Justice** meetings throughout 2022 and 2023. The Commission consists of 24 voting members of which 14 members are to be appointed by the Governor.

The Illinois EPA updated its **Illinois EJ Start** mapping tool in early August 2023. The data is updated each year and includes data from the most recent American Community Survey from the U.S. Census Bureau and the U.S. EPA's EJ mapping and screening tool, EJSCREEN. This tool is used by IEPA to identify "areas of EJ concern", conduct and guide outreach strategies, and provide input throughout Agency decision-making processes.

Environmental Justice

IERG and other business associations formed a coalition in 2021 to develop the framework guiding environmental justice in Illinois. The coalition set forth six principles for an environmental justice program and six principles that should not be included.

In 2022, the General Assembly introduced several environmental justice legislative proposals that were repackaged from the previous years. The legislation introduced in 2022 did not pass due to failing to receive the required number of votes.

In 2023, recycled environmental justice legislation made its way through the General Assembly, yet still not receiving the required amount of votes to pass. In May 2023, the **Business Coalition** filed its version of an <u>environmental justice law</u>. **Senate Bill 852**. The bill was introduced as a starting point to begin discussions with legislative leaders, the IEPA, and stakeholders. IERG is committed to working with the IEPA and stakeholders to develop a law that meets its *2021 Guiding Principles*.

at meets its 2021 Guiding Principles.

In 2022, IERG held various meetings with regulators, Members and with the Environmental Affairs Committee. In 2022, IERG partnered with an Environmental Affairs Committee Member to host a meeting on **Carbon Capture, Utilization & Storage** in partnership with the Illinois Chamber of Commerce.

IERG held its annual **Air Permit Seminar** in July 2022 with over 100 attendees. Presenters were from Illinois EPA, U.S. EPA and Members. The Air Seminar is held each year for environmental professionals looking to build upon their knowledge of Illinois environmental regulations. IERG partners with regulators, consultants and attorneys to provide the most current information on environmental regulations.



IL Chamber EAC Meeting Springfield, IL Kelly Thompson, IERG & Todd Maisch (IL Chamber)

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IERG Air Seminar Springfield, IL





STARTUP, SHUTDOWN & MALFUNCTION (SSM)

IERG has been involved in the matter of Startup, Shutdown and Malfunction (SSM) for over a decade. In 2009 U.S. EPA first issued its letter Re: Vacatur of Startup, Shutdown, and Malfunction (SSM) Exemption (40 C.F.R. §§ 63.6(f)(1) and 63.6(h)(1)) in reference to the decision made in Sierra Club v. EPA, 551 F.3d 1019 (D.C. Cir. 2008) which vacated two provisions in U.S. EPA's Section 112 regulations governing the emissions of hazardous air pollutants during periods of startup, shutdown, and malfunction (SSM). The timeline shows IERG's involvement on this matter over the years.

2009

This event began the discussion on start-up, shutdown and malfunction. The U.S. EPA issued its letter on July 22, 2009 stating the Court vacated 40 C.F.R. §§ 63.6(f)(1) and 63.6(h)(1) which exempts sources from the requirement to comply with Section 112(d) emission standard during periods of SSM. U.S. EPA stated it was evaluating which Section 112(d) source category standards should be revised and which should be revised on an expedited basis.

2022

In January 2022, U.S. EPA published in the Federal Register a final action finding 12 States, including Illinois, failed to submit SIP revisions required by the Clean Air Act in a timely manner to address U.S. EPA's 2015 finding of substantial inadequacy and "SIP Calls" for provisions applying to excess emissions during periods of SSM.

Throughout early 2022, IERG met with members to discuss next steps in light of the U.S. EPA final action.

In June 2022, IERG met virtually with the Agency to discuss the SSM SIP Call. The Agency indicated it had not yet settled on its conceptual approach and further indicated that additional projects were a priority for the Bureau of Air before taking on the matter of SSM.

On November 2022, IEPA shared its draft SSM rule revisions with stakeholders. The Agency indicated it would utilize the "fast track" rulemaking process due to the looming deadline and potential sanctions on the State. The **Agency provided 12 days for stakeholder outreach** including to review and submit comments on the proposal. The day following the public comment deadline, the Agency filed its proposal with the Illinois Pollution Control Board.

In December 2022, the Board accepted the Agency's proposal and scheduled hearings.

2013-2015

In 2013, IERG filed comments opposing U.S. EPA's proposed findings of "substantial inadequacy" and SIP Call regarding Illinois' SSM rules.

On May 22, 2015, U.S. EPA Administrator signed a final rule in response to the Sierra Club's petition objecting to certain SSM provisions. The final action required a State Implementation Plan (SIP) Call for Illinois due by November 22, 2016.

2016

IERC held numerous meetings with its Membership and the Illinois EPA to discuss the concerns of this impending change for sources. As requested by the IEPA, IERG prepared a summary of issues in advance to allow the Agency to provide appropriate personnel to address and discuss issues.

2023

January 2023, IERG held numerous Member calls to discuss the rulemaking R23-18 proposed by the Agency to amend 35 III. Adm. Code Parts 202, 203, and 212 (SSM).

IERC participated in two hearings in this matter by providing witnesses to testify on the <u>lack of stakeholder outreach and</u> <u>engagement</u>, and to the technical components including the <u>process for</u> <u>equipment to start-up and shutdown</u>.

On April 10, 2023, the Joint Committee on Administrative Rules (JCAR) received the Board's Second Notice filing for the SSM rulemaking R23-18. At the April 12, 2023 JCAR meeting they rejected the Second Notice filing stating the Board failed to include the required information.

On June 13, 2023, JCAR granted an extension of Second Notice for 45 days and moved PCB R23-18 to its July meeting.

The Board opened sub-docket R23-18(A) to consider alternative proposals. The Board set a deadline of August 7, 2023 to file proposals and moved to First Notice on August 17. IERG submitted its proposal to amend the carbon monoxide standard applicable to fuel combustion emission sources.

This matter is ongoing and will likely span into 2024

Helping Illinois industry navigate environmental regulations for over 30 years

2022-2023 MEMBERS

3M Abbott Laboratories AbbVie Inc. Alto Pekin, LLC Alton Steel, Inc. Ameren Archer Daniels Midland Company The Boeing Company Bunge North America, Inc. Cabot Corporation Carus, LLC Caterpillar Inc. CITGO Petroleum Corporation Commonwealth Edison Company Constellation Energy

Deere & Company **DOW Chemical Company Dynegy Operating Company** EPSilyte ExxonMobil Oil Corporation FCA US LLC GFL-PDC (2022) Holcim (US) Inc. (2022) INEOS Joliet, LLC Ingredion Incorporated Kinder Morgan, Inc. Knight Hawk Coal, LLC Liberty Steel & Wire Peoria LvondellBasell Marathon Petroleum Company, LP Marquis Energy, LLC Nicor Gas Company NRG Energy Nucor Steel Kankakee, Inc. Olin Corporation Phillips 66

Prairie Power, Inc. Prairie State Generating Company, LLC Rain CII Carbon, LLC Reserve Management Group S&C Electric Company Sims Metal Management Southern Illinois Power Cooperative Springfield City Water, Light & Power Stepan Chemical Sterling Steel Company, LLC U.S. Steel Wabash Valley Power Alliance Waste Connections WEC Energy Group Weiland

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