



APPROVED BY

DATE

11-7-05

START ACTION NOTICE**SAN # 2005-09**

1. Type of Action: New multi-pollutant regulation applicable to Electric Utility Generating Units (EGUs).

2. Purpose of Action: DNREC is proposing to develop a regulation to reduce emissions of Nitrogen oxides (NO_x), Sulfur Oxides (SO_x), and Mercury (Hg) from coal and residual oil fired EGUs with nameplate capacities equal to or greater than 25 megawatts. Specifically, this action will:

- Aid in Delaware's attainment of the State and the National Ambient Air Quality Standard (NAAQS) for ground-level ozone by 2010.
- Aid Delaware in making a demonstration of reasonable progress towards attainment of the State and the NAAQS for ground-level ozone NAAQS in 2007.
- Aid in Delaware's attainment of the State and NAAQS for fine particulate matter by 2010.
- Address local-scale fine particulate and mercury problems attributable to coal and residual oil fired EGUs.
- Satisfy Delaware's obligation under the federal Clean Air Interstate Rule (CAIR), and the federal Nitrogen Oxides Transport State Implementation Plan (SIP) Call.
- Satisfy Delaware's obligation under the federal Clean Air Mercury Rule (CAMR).
- Satisfy EPA's finding that Delaware failed to submit a Clean Air Act Section 110 SIP addressing upwind interstate transport for the ozone and fine particulate matter NAAQs.
- Improve visibility and help satisfy Delaware's EGU-related regional haze obligations.

Also, this notice serves to indicate that Delaware (through DNREC and the Public Service Commission) is participating in the Regional Greenhouse Gas Initiative (RGGI) to examine greenhouse gas (GHG) emissions, which could result in GHG controls or offsets being required to reduce or offset carbon dioxide (CO₂) emissions from EGU's in Delaware. Should GHG regulations be proposed in Delaware they will be added to this multi-pollutant regulation through a separate regulatory adoption process.

Delaware's EGU's, relative to air emissions, range from very clean units to very dirty units. Emission controls are technologically and economically available to clean up Delaware's dirty coal and residual oil fired EGU's. In addition, consistent with reason and common logic, modeling studies have shown that the most benefit from air emission reductions from large EGU's is gained geographically close to the unit making the reductions. Reducing emissions from Delaware's

EGU's will satisfy the above mentioned requirements, and doing so outside of, or in parallel with the federal CAIR or other regional trading programs will provide the most benefit to Delaware.

3. Statutory Basis: 7 Del. C., Chapter 60, Environmental Control.

4. Likely Affected Public: Owners or operators of coal and residual oil fired EGU's with a nameplate capacity of 25 megawatts or greater in Delaware will be directly impacted by this action. Emission reductions will improve ambient air quality in Delaware and in downwind states, which will benefit public health, safety, and welfare.

5. Proposed Schedule of Activities:

- | | |
|--|-----------------------|
| • Development of regulatory language: | 8/2005 through 3/2006 |
| • Proposal to be published in Delaware Register: | 4/2006 |
| • Public Hearing to be held: | 5/2006 |
| • Submittal to U.S. EPA: | 8/2006 |

6. Review Committee: The Air Quality Management Section will invite Department, environmental, utility, Public Service Commission, and others to participate in a review committee to aid the Department in formulating the regulation.

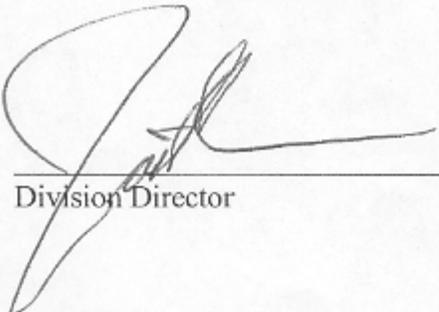
7. Responsible Staff Member:

Ron Amirikian, Planning Supervisor
Air Quality Management Section, DAWM, DNREC.
Phone: (302) 739-9402. Fax: (302) 739-3106. E-mail: ronald.amirikian@state.de.us

8. Approval:



Responsible Staff Member 8/4/2005
Date



Division Director 8/8/05
Date