January 2019



Environment Committee Newsletter

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Year in Review & What's Next

As ABI begins another year, we thought it helpful to do a review of last year and provide you an update on some of the activities and proposals pending in 2019. Thank you for your continued support and membership in ABI. We look forward to continuing to represent you and your companies in 2019!

2018 Highlight: Multiple Water Quality Bills Become Law in 2018

Governor Reynolds and the Legislature took a major step forward last year to address lowa's water quality standards by the passage and signing of <u>SF 512</u> and <u>HF 2440</u>. SF 512 will allocate several million dollars over the next twelve years towards water quality projects. HF 2440 amends SF 512 and allows industries mentioned in the nutrient reduction strategy to become eligible entities for the purposes of taking advantage of the revolving loan fund for water quality projects created in SF 512. HF 2440 was a major victory for ABI during the 2018 session as we seek to ensure that industry has a seat at the table as water quality discussions continue to move forward.

2018 Highlight: ABI presents to Legislative Interim Committee

In December, Jessica Hyland from ABI and Tyler Marshall from Stanley Consultants presented to a legislative interim committee looking at small cities and clean water standards. Jessica and Tyler's remarks were centered on regulatory proposals that affect the ability of industry to grow in smaller communities and how industry and cities can work together to address some of the challenges. To view the presentations given during the day-long committee meeting, click here.

2019 Preview: Sales Tax Increase Being Considered

The debate surrounding a potential sales tax increase to fund the Natural Resources and Outdoor Recreation Trust Fund and other priorities of lawmakers is picking up momentum as we head into the 2019 legislative session. Legislative leaders have indicated in recent weeks that raising the sales tax to fund the trust, mental health and other priorities is not off the table. The trust fund was created when lowa voters amended the constitution in 2010. It required that the next 3/8 cents of any sales tax increase go towards a trust fund that is designed to enhance and protect lowa's natural resources. ABI has policy opposing any increase in the sales tax, but you can be sure that we will be in the thick of the discussions as the debate on this issue ensues over the course of the next several months. This issue is relevant to ABI's Environment Committee based on the funding formula and if ABI members and the impact it could have on regulated entities. Stay tuned for updates in the Voice of Iowa Business weekly newsletter as the legislative session unfolds.

DNR Considers Protected Water Source Rule in Lee and Des Moines Counties

The Iowa DNR is proposing a rule to add protected water sources in Lee and Des Moines counties. According to DNR, Protected Water Sources are described in rule within 567 Iowa Administrative Code Chapter 53. They are proposed and created to ensure the long-term availability of water sources and to preserve public health and welfare. This action is being proposed because of an area of contamination defined as Royal Demolition Explosive or RDX.

Under the proposal, new well construction or major well reconstruction planned within the Protected Water Source area will be subject to more stringent review and permitting processes by Iowa DNR. These processes will take place before a well construction permit may be issued and before any well construction activities are initiated. It is important to note that there will be areas where wells cannot be installed because of the contamination. For more information about this proposal, the rule-making process, or to provide comments about this proposed action, please contact Russell Tell at 515-725-0462, or by email at Russell.tell@dnr.iowa.gov.

Public Hearing on Air Quality Rules

The public has the opportunity to make verbal or submit written comments at a public hearing the DNR is hosting on proposed air quality rule changes on January 22nd. The hearing will be held at 1 p.m. in the DNR's fourth floor conference room, 502 E. 9th St. in Des Moines. Known as Regulatory Certainty Part 3, the state rule changes will incorporate revisions to the U.S. Environmental Protection Agency's air toxic standards. Another change requires Title V facilities to use electronic emissions reporting starting with reports due March 31, 2019. According to the DNR, this change should simplify industries' reporting requirements. You can read the proposed rule changes here and here. Send written comments on the proposed changes to Christine Paulson, Iowa DNR, 502 E. 9th St., Des Moines, IA, 50319 or by email to Christine.Paulson@dnr.iowa.gov. DNR must receive comments by 4:30 p.m. on January, 22nd. Find more information on DNR's Public Input webpage.

DNR Holding Fee Advisory Meeting

Stakeholders are invited to participate in a fee advisory meeting to review and provide comments on the air quality budget for fiscal year 2020. The DNR is hosting the meeting at the Wallace Building, 502 E. 9th St. in Des Moines, on the second floor north conference room on January 29th. Here is the schedule for the day:

- Major Source Construction Permit Application Fee Group and Title V Fees Advisory Group at 9:30 a.m.
- Minor Source Construction Permit Application Fee Advisory Group at 1 p.m.
- Asbestos Notification Fee Advisory Group at 3 p.m.

You can RSVP to <u>Wendy Walker</u> of the DNR by January 22nd if you would like to participate. According to the DNR, the agenda and meeting materials will be posted on the <u>Public Participation website</u> under Meetings – Fee Advisory Groups one week prior to the meetings. The Public Participation website can be accessed by going to <u>www.iowacleanair.gov</u>, clicking on the Public Participation title on the left menu, and scrolling to Meetings - Fee Advisory Groups.

Iowa Environmental Council/ELPC Petitions for Numeric Criteria

In early November, the Iowa Environmental Council and the Environmental Law and Policy Center petitioned the Iowa Department of Natural Resources to establish numeric nutrient criteria for recreational lakes. This is similar to a petition the IEC/ELPC proposed prior to the establishment of the Nutrient Reduction Strategy and the passage of water quality legislation. ABI has attended EPC meetings and had discussions with legislators about the impact this petition could have on growth in the state if it moved forwarded. For more information about this petition, please contact Nicole Crain.

DNR Pre-Files Legislation

Every year before the start of the legislative session, some legislators and departments pre-file legislation that they hope to see advance during the session. This year is no different as over 40 bills have already been pre-filed. The DNR has put forward a bill which you can view here. If you would like to provide feedback or comments on the legislation, please contact Nicole Crain or Brad Hartkopf.

Public Hearing on WOTUS Rule

The EPA and the Army Corps will be hosting a public hearing on the newly revised and proposed Waters of the United States (WOTUS) rule on January 23rd. The hearing will be held at The Reardon Convention Center in Kansas City, KS and will convene at 1 p.m. and conclude at 8 p.m. Parties interested in commenting on the rule may click here for registration information. Click here for more on the WOTUS rule. For full information about the event, click here to you have further questions, please contact Ms. Damaris Christensen at 202-566-2428 or WOTUS-outreach@epa.gov.

EPA Proposes Changes to 111(b)

ABI received information from Iowa DNR regarding EPA's proposed changes on 111(b), which many of you may already be aware. The comment period ends February 16, 2019. For more information on the rulemaking go here: https://www.epa.gov/stationary-sources-air-pollution/proposal-nsps-ghg-emissions-new-modified-and-reconstructed-egus.

Title V Emissions Inventories Due March 31

Just a reminder that all Title V emissions inventories from 2018 are due March 31, 2019. The DNR requires you to submit your inventories via SLEIS this year. For additional information please check the informational letter that was sent to Title V facilities by clicking here or by going to www.iowadnr.gov/AirOperatingPermits and clicking on Title V Forms & Instructions, Emission Inventory, and on the 2018 Title V Emissions Inventory reminder letter at the top of the page.

ABI Forms Air Construction Permitting Group

ABI formed an air construction permitting group earlier this fall. The group is looking at innovative approaches to air permitting in surrounding states. Several members from large and small companies are looking at opportunities for lowa to streamline permitting. For more information about the group, or to be added, contact Nicole Crain.

ABI Legislative Briefing Calls & Iowa Business Day on the Hill Coming up

There are numerous opportunities for ABI members to participate in the public policy process throughout the year. Some examples of that include monthly legislative update calls throughout the session and our annual Business Day on the Hill that takes place in March. The member exclusive calls are led by the public policy team. Participation allows you to hear a comprehensive breakdown of what is happening at the Capitol that is affecting the business community and also ask questions. The first call is on January 25th at 8 a.m. RSVP to Michelle Vollstedt. The lowa Business Day on the Hill will be March 13 and more information will soon be available here.

April Environmental Conference in Kansas City

Be sure to register for the Midwest Environmental Compliance Conference (MECC) in Kansas City, which will be held on April 23-24. The conference will provide a regional perspective on the Resource Conservation and Recovery Act (RCRA), air and wastewater compliance issues, including enforcement and policy/regulation changes. The full agenda hasn't been released yet, but you can expect the conference to include breakout sessions, panels and plenty of opportunities to network with your peers. Click here for continued updates. The 6th annual conference will be held at the Kansas City Convention Center in Kansas City, MO as it was last year. Click here to register.

Federal Update: EPA to Host NutrientSmart Webinars

The Environmental Protection Agency Office of Water and the NSmart Steering Committee is providing two opportunities to participate in webinars to learn more about their NutrientSmart (NSmart) program. NSmart is a proposed voluntary recognition program to recognize water resources recovery facilities (WRRFs), and their watershed partners, progress towards reducing nutrients in waterbodies. The interest and information webinars will be held on January 14th and 16th. The EPA is recommending any wastewater utilities, POTWs, WRRFs and other stakeholders interested in nutrient reductions to surface waters take part in the webinar. Contact Mary Reiley at Reiley.Mary@epa.gov to RSVP or for further questions.

Hyland to Depart ABI

ABI's Director, Public Policy Jessica Hyland will depart ABI on January 4. She has taken on the position of Executive Director of the Iowa Biotechnology Association. Jessica has played an integral role in the organization and is seen as an expert among her peers on water policy. We wish Jessica the best in her new role!

Upcoming Events

- January 14 NutrientSmart Webinar
- January 16 NutrientSmart Webinar
- January 16 ABI Legislative Briefing and Reception Des Moines
- January 22 Public Hearing on Air Quality Rules (Regulatory Certainty Part 3) Des Moines
- January 23 Joint Meeting of Natural Resources Commission & Environmental Protection Commission Des Moines
- January 25 ABI Legislative Update Call
- January 29 Fee Advisory Meetings Des Moines
- February 15 Legislative Update Call
- February 19 Environmental Protection Commission Meeting Des Moines
- March 13 Iowa Business Day on the Hill
- March 15 ABI Legislative Update Call
- March 19 Environmental Protection Commission Meeting Des Moines
- April 5 ABI Legislative Update Call
- April 23-24 Midwest Environmental Compliance Conference Kansas City