State of Utah

Department of Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF AIR QUALITY
Cheryl Heying
Director

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

DAQ-046-07

MEMORANDUM

TO: Air Quality Board

THROUGH: Cheryl Heying, Acting Executive Secretary

FROM: Mat Carlile, Environmental Planning Consultant

DATE: June 21, 2007

SUBJECT: FINAL ADOPTION: Repeal R307-122. General Requirements: Eligibility of Expenditures for Purchase and Installation Costs of Fireplaces and Wood Stoves that Use Cleaner Burning Fuels.

On April 4, 2007, the repeal of R307-122 was proposed for public comment. The Board proposed to repeal R307-122 because it is no longer authorized under Utah Code Sections 59-10-128 and 59-7-606. No written comments were received.

Staff Recommendations: Staff recommends that R307-122 be repealed as proposed.

(d) name, address, and phone number of the person that converted the vehicle;
(6) proof of certification required in 59-10-1009(1)(b) or 59-7-605(1)(b); and
(7) a copy of the vehicle registration.

R307-121-5. Procedures for Special Mobile Equipment Converted to Clean Fuels.
To demonstrate that a conversion of special mobile equipment to be fueled by clean fuel is eligible, proof of purchase shall be made by submitting the following documentation to the executive secretary:
(1) description, including serial number, of the special mobile equipment for which credit is to be claimed;
(2) fuel type before conversion;
(3) fuel type after conversion;
(4) the conversion system manufacturer and model number;
(5) the date of the conversion;
(6) the name, address and phone number of the person that converted the special mobile equipment; and
(7) proof of certification required in 59-10-1009(1)(b) or 59-7-605(1)(b).

KEY: air pollution, alternative fuels, [~~tax exemptions~~]tax credits, motor vehicles
Date of Enactment or Last Substantive Amendment: [~~January 9, 2003~~]2007
Notice of Continuation: March 26, 2002
Authorizing, and Implemented or Interpreted Law: 19-2-104; 19-1-402; 59-7-605; [~~59-10-127~~]59-10-1009

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Environmental Quality, Air Quality
R307-122
General Requirements: Eligibility of Expenditures for Purchase and Installation Costs of Fireplaces and Wood Stoves that Use Cleaner Burning Fuels

NOTICE OF PROPOSED RULE
(Repeal)
DAR FILE NO.: 29798
FILED: 04/05/2007, 08:53

RULE ANALYSIS

PURPOSE OF THE RULE OR REASON FOR THE CHANGE: The Air Quality Board is proposing to repeal Rule R307-122 because it is no longer authorized under Sections 59-10-128 and 59-7-606. Section 59-10-128 was repealed in 2006 and Section 59-7-606 was limited to tax years 1992 through 2002; therefore, Rule R307-122 is no longer authorized under Utah Statute.

SUMMARY OF THE RULE OR CHANGE: The Air Quality Board is proposing to repeal Rule R307-122 because it is no longer authorized under Sections 59-10-128 and 59-7-606.

STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS RULE: Sections 19-2-104, 59-10-128, and 59-7-606

ANTICIPATED COST OR SAVINGS TO:
❖ THE STATE BUDGET: No change is expected to the state budget, because there was no tax credit authorized.
❖ LOCAL GOVERNMENTS: This rule did not apply to local governments.
❖ OTHER PERSONS: There is no change in costs for other persons, because there was no tax credit authorized.

COMPLIANCE COSTS FOR AFFECTED PERSONS: There is no change in costs for affected persons, because there was no tax credit authorized.

COMMENTS BY THE DEPARTMENT HEAD ON THE FISCAL IMPACT THE RULE MAY HAVE ON BUSINESSES: No fiscal impact is expected for businesses, because there was no tax credit authorized. Dianne R. Nielson, Executive Director

THE FULL TEXT OF THIS RULE MAY BE INSPECTED, DURING REGULAR BUSINESS HOURS, AT:
ENVIRONMENTAL QUALITY
AIR QUALITY
150 N 1950 W
SALT LAKE CITY UT 84116-3085, or
at the Division of Administrative Rules.

DIRECT QUESTIONS REGARDING THIS RULE TO:
Mat E. Carlile at the above address, by phone at 801-536-4136, by FAX at 801-536-0085, or by Internet E-mail at MCARLILE@utah.gov

INTERESTED PERSONS MAY PRESENT THEIR VIEWS ON THIS RULE BY SUBMITTING WRITTEN COMMENTS TO THE ADDRESS ABOVE NO LATER THAN 5:00 PM on 05/31/2007.

THIS RULE MAY BECOME EFFECTIVE ON: 07/09/2007

AUTHORIZED BY: M. Cheryl Heying, Planning Branch Manager

R307. Environmental Quality, Air Quality.
[~~R307-122. General Requirements: Eligibility of Expenditures for Purchase and Installation Costs of Fireplaces and Wood Stoves that Use Cleaner Burning Fuels.~~
~~R307-122-1. Definitions.~~
~~Definitions. The following additional definitions apply to R307-122:~~
~~"Fireplaces and wood stoves" using clean burning fuels are:~~
~~(1) continual-feed wood pellet stoves~~
~~(2) high-mass wood stoves~~
~~(3) natural gas or propane free-standing fireplaces or inserts, but not including fireplace log systems, or~~
~~(4) any wood burning stove, fireplace, or fireplace insert that is certified by the Environmental Protection Agency in accordance with test procedures prescribed in 40 CFR Section 60.534.~~

~~**R307-122-2. Amount of Credit.**~~

~~As specified in Subsection 59-7-606 and Section 59-10-128, there is a credit against tax otherwise due under this chapter in an amount equal to 10%, up to a maximum of $50, of the total of:~~

~~(1) the purchase price or~~

~~(2) both the purchase price and installation cost of each approved fireplace or wood stove.~~

~~**R307-122-3. Proof of Purchase.**~~

~~Proof of purchase of an item for which a credit specified in R307-122-2 is allowed shall be made by submitting to the executive secretary, or representative appointed by the executive secretary:~~

~~(1) a copy of the sales receipt clearly stating the make, model, and price paid for the equipment and installation, and~~

~~(2) a completed copy of the "Clean Fuel Alternative Tax Credit Stoves/Fireplaces" form identifying the:~~

~~(a) owner's name and address;~~

~~(b) owner's social security number or taxpayer identification number;~~

~~(c) dealer's name and address;~~

~~(d) fireplace make and model;~~

~~(e) fireplace serial number;~~

~~(f) purchase price;~~

~~(g) installer's name and company name; and~~

~~(h) installation cost.~~

~~**R307-122-4. Duty to Acknowledge Proof of Purchase.**~~

~~An authorized representative of the executive secretary will acknowledge receipt of proofs specified in R307-122-3 by signing the relevant written statement provided on the State Tax Commission "Clean Fuel Alternative Tax Credit Stoves/Fireplaces" form.~~

~~**KEY: air pollution, tax exemptions, stove*, fireplace***~~
~~**Date of Enactment or Last Substantive Amendment: September 15, 1998**~~
~~**Notice of Continuation: March 26, 2002**~~
~~**Authorizing, and Implemented or Interpreted Law: 19-2-104; 59-10-128; 59-7-606**~~]

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Environmental Quality, Air Quality
R307-405
Permits: Major Sources in Attainment or Unclassified Areas (PSD)

NOTICE OF PROPOSED RULE
(Amendment)
DAR FILE NO.: 29796
FILED: 04/05/2007, 08:50

RULE ANALYSIS

PURPOSE OF THE RULE OR REASON FOR THE CHANGE: The federal Prevention of Significant Deterioration (PSD) permitting program in 40 CFR 52.21 is incorporated by reference into Rule R307-405. The purpose of the change is to update the incorporation by reference to the most recent version of the CFR, dated 07/01/2006. In addition, there are a number of other changes to the rule text that are required because of the change in the incorporation date.

SUMMARY OF THE RULE OR CHANGE: The federal Prevention of Significant Deterioration (PSD) permitting program in 40 CFR 52.21 is incorporated by reference into Rule R307-405. The attached rule change updates the incorporation by reference to the most recent version of the CFR, dated 07/01/2006. The following updates to 40 CFR 52.21 will be included: 1) on 11/29/2005, the Environmental Protection Agency (EPA) finalized rules to implement the 8-hour ozone National Ambient Air Quality Standard. As part of this rulemaking, EPA made minor changes to the federal PSD rules to add NOx as a precursor to ozone; 2) a minor correction to 52.21 was published in the Federal Register on 06/22/2005 to remove paragraphs (b)(2)(iii)(h)(1) and (2). These paragraphs were not previously incorporated into Rule R307-405 so this change has no practical effect in Utah. There are a number of other changes to the rule text that are required because of the change in the incorporation date. These changes are nonsubstantive; 3) on 10/27/2003, EPA promulgated the Equipment Replacement Provision of the Routine Maintenance, Repair and Replacement Exclusion. On 03/17/2006 the DC Circuit Court of Appeals vacated these new provisions. The incorporated text in Rule R307-405 has been modified to remove the provisions that were vacated by the DC Court of Appeals. This is nonsubstantive change because Utah's PSD rule was based on an earlier version of the federal rule and therefore, did not contain the Equipment Replacement Provisions; 4) the incorporation by reference of the definitions of "emissions unit" and "replacement unit", effective 01/06/2004 is no longer required as a separate incorporation because these definitions are included in the 07/01/2006 version of the federal rule. In addition, paragraph 40 CFR 52.21(aa)(6)(ii) that was added in the 01/06/2004 version of the CFR does not need to be incorporated separately from the rest of section (aa); and 5) a numbering error in Section R307-405-3 was corrected by moving the definition of "air quality related values" to become paragraph (3) instead of paragraph (2).

STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS RULE: Section 19-2-104

THIS RULE OR CHANGE INCORPORATES BY REFERENCE THE FOLLOWING MATERIAL: 40 CFR 52.21, July 1, 2006, and 40 CFR 51.166, March 17, 2006

ANTICIPATED COST OR SAVINGS TO:

❖ THE STATE BUDGET: No costs or savings are expected because the cost of Air Quality's activities in issuing approval orders under Rule R307-405 is covered by fees paid by the sources.

❖ LOCAL GOVERNMENTS: Because the amendment does not create new requirements for sources owned or operated by local government, no change in costs is expected for other persons.

❖ OTHER PERSONS: There is no change in costs for other persons, because NO2 is already a PSD pollutant and NO2 is typically measured as NOx. Further, it is not anticipated that