

Meeting Summary
Air Management Advisory Group Meeting
Thursday, March 6, 2025

Summer Acker, UW Madison
Renee Bashel, interested party
Kate Beardmore, WI DHS
David Beattie, Superior Refinery
Rob Bermke, Georgia-Pacific
John Binder, SORA
Ron Binzley, DNR
Phillip Bower, DNR
David Bittrich, TRC Environmental
Noelle Brigham, A.O. Smith Corp*
Rebecca Clarke, SORA
Megan Corrado, DNR
Craig Czarnecki, DNR
Brianna Denk, DNR
Sara Drescher, Forest Co. Potawatomi
Eric Eckert, Bemis Mfg. Co
Bryant Esch, WI Cast Metals Assoc.*
Ciaran Gallagher, Clean Wisconsin*
Don Gallo, Gallo Law, LLC
Joe Geiger, Essity
Gail Good, DNR
Jeremy Gruse, Custom Fiberglass Molding
Ashley Grey, DNR
Lindsay Haas, DNR
Eva Hammond
Art Harrington, Godfrey and Kahn*
Erin Howard, DNR
Kristin Hart, DNR
Alison Hawkins, Michael Best & Friedrich LLP
Maria Hill, DNR
Rob Harmon, AFNA
Joe Hoch, WUA*
Tracey Holloway, UW Madison*
Adam Jordahl, WMC*

Nathan Kilger, Bad River Band of Lake Superior
Chippewa
Ashley Korner, WEC
Mike Kolb, WEC Energy Group*
Sarah Kroening, Children's Health Alliance
Lizzy Kysela, UW Madison
Charlie Lippert, Mille Lacs Band of Ojibwe
Chris Lutzen, AECOM
Matt Matrise, DNR
Jason Martin, Foth Infrastructure and
Environment
James Mevedren, Mevedren Environmental,
Inc.
Michael Moran, DNR
Jim Mertes, WTBA*
Bill Nelson, Godfrey & Kahn*
Cecilia Orth, UW Madison
Bridget Pankonin, Charter Steel
Barbara Pavliscak, DNR
Jessica Parrott, WI DHS
Randy Poelma, Ho-Chunk Nation*
Todd Palmer, Michael Best & Friedrich LLP*
Maria Redmond, WI OSCE
Brenda Sargent, MGE
Tom Schreiber, Michael Best Strategies
Andrea Simon, Interested party
Brad Sims, Exxon Mobil
Patti Stickney, SHE
Troy Stucke, Charter Mfg.
Steve Stretchberry, WEC Energy Group
John Tadelski, SCS Engineers
Steve Tasch, Trinity Consultants
Mike Thompson, DNR
Rick Wietersen, Rock Co. Public Health
Jeremia Yee, WI DH

*AMAG member

Meeting Summary

Opening remarks and agenda repair

Air Management Program Director Gail Good opened the meeting. Craig Czarnecki ran through meeting procedures.

Administrative Update (notetaker: Brianna)

The DNR's new Secretary is Karen Hyun.

The new Environmental Management Division Administrator is Bart Sponseller. The Acting Deputy Division Administrator is Kyle Burton. The EM division is currently recruiting for a DDA for the Water programs.

Budget

The governor's proposed budget recommends providing one-time financing of approximately \$530,000 in FY26 to help improve the air permitting process.

Member Question: Will this be included in the legislature's budget? No information on that at this time.

Member Question: Have you spoken to other states on if they have similar streamlining efforts? Several discussions with other states about streamlining and fee work more broadly.

Title V fee statutory language in governor's budget:

AIR QUALITY

Fee for stationary source operation permits

Under current state and federal law, certain stationary sources that emit air contaminants are required to receive an operation permit from DNR. Current law requires DNR to promulgate rules for the payment and collection of fees by the owner or operator of a stationary source for which an operation permit is required under the federal Clean Air Act. The bill increases the fee from \$35.71 per ton of emissions to \$63.69 per ton of emissions.

Summarized Title V billing projections and program costs for fully funded program.

Propose to restart Title V funding subgroup with interested AMAG members. The meetings are scheduled for the following dates and will be held virtually. Meeting information will be posted on the AMAG webpage, under the "Upcoming Meetings" tab.

- March 21 – 9:30 a.m. - 11:00 a.m.
- April 3rd – 10:30 a.m. - Noon
- April 22nd – 9:30 a.m. - 11:00 a.m.

Member Question: Would this funding include work on non-Title V? No.

Member Question: How does this fee relate to other states in the region? Each state approach varies widely. Other states rely more on base fees and other category fees.

Member Question: Will the subgroup meetings be open to public? Yes. Please contact Craig Czarnecki or Gail Good to be added to the list/invitation.

Member Comment: Iowa's emission fees are \$70/ton. Iowa also charges other fees in addition to the emissions fee to fund its Title V program.

Proposed Guidance, rules and legislative update (notetaker: Matt)

Proposed/Final DNR Rules

AM-05-22 Compliance Demonstration Rule – Signed by Governor 8/22/2024. Updates to NR 439 testing, monitoring, recordkeeping, reporting requirements for compliance [Rulemaking to Revise Chapter NR 439 | | Wisconsin DNR](#). Germane modifications were approved by NRB 02/26/2025. The rule was sent back to the Legislature for review on 2/27/2025. Following Senate and Assembly review, Joint Committee for Review of Administrative Rules (JCRAR) will have a 60-day review period. This schedule will result in a rule effective date of around September 1, 2025.

AM-10-23 NSR Fee Rule - Public comment period closed 9/04/2024. Updates to construction permit fees to assure compliance with Clean Air Act requirements and to meet business needs of permitted sources. [NR410 Rulemaking | | Wisconsin DNR](#). The department is considering stakeholder comments on the rule, particularly those related to the desire to see more explicit rule language on permit streamlining. We will be updating the rulemaking document and hope to present to the NRB for adoption sometime in summer or early fall.

Member Question: How long does it take to get a construction permit? From receipt of application it's about 7-8 months, depending on complexity.

Member Question: How long does it take to get a PSD permit? Roughly a year.

Member Question: How long after a complete application is received is a final permit then completed? Our program goal is 58 days from complete application to permit decision, but we're tracking above 70 days currently.

EPA Rules and Guidance

The following proposed EPA rules may be of interest. The DNR is not planning to prepare comments on either of these rules

Stationary Gas and Combustion Turbines NSPS – [Federal Register Notice](#)

[NESHAP: Chemical Manufacturing Area sources Technology Review - Federal Register Notice](#)

PM2.5 NAAQS Update (Notetaker: Maria)

On February 7, 2024, the EPA finalized a revision to the PM2.5 NAAQS initiating a two-year area designations process. On November 22, 2024, the DNR submitted an exceptional events demonstration for two monitors in Milwaukee and Waukesha counties. Pending EPA approval of the DNR's exceptional events demonstration, all monitors in the state are below the standard based on 2021-2023 data

On February 6, 2025, Wisconsin submitted a designation recommendation letter to the EPA. The governor recommended full state attainment and acknowledged the outstanding exceptional event demonstration.

Next steps in PM2.5 area designations process:

- EPA proposes attainment and nonattainment designations nationwide
- Public comment period associated with proposed designations

If the EPA proceeds on current statutory timelines:

- Proposed designations are expected in Fall 2025
- Final designations are required by February 7, 2026

Members Update (Notetaker: Ron)

Tracey Holloway: The NASA team that she has been leading was authorized to move into a 4th iteration, but that authorization is under review. This team helps get satellite data that is useful to air agencies. Assessments on PM_{2.5} and NO₂ has come out recently from this group. Tracey will be presenting on satellite data to the Air and Waste Management Association. They have developed a tool on Google Earth Engine to help illustrate/analyze exceptional events.

Todd Palmer: Raised San Francisco vs. EPA case regarding EPA authority under the Clean Water Act. Todd says that this case calls into question certain kinds of outcome-based permit conditions termed “end-result.” He says the affected conditions are identical to the general provisions in the Wisconsin Administrative Code affecting air, e.g., s. NR 415.03, s. NR 428.03, etc. These general provisions are in Wisconsin’s air pollution control permits. He asked that the DNR review the case and implications for air permitting.

Art Harrington: Offered to share a presentation on utility rate models prepared by WEC that was given at a course at Marquette University. 2025-2029 WEC plan includes combustion turbine generators (CTs) at Oak Creek, RICE generation, etc. Art says much of the projected growth on the grid is directly in response to data centers.

Joe Hoch: Mentioned that the scale of energy demand from the data centers is different than traditional projects. These projects can result in gigawatts of new demand and not just megawatts.

Todd Palmer: Added that these data centers are not waiting for the utility planning timeframes to play out. They are finding other solutions.

Zoom chat question: Has there been much going on at the EPA that will affect the DNR efforts to protect and improve air quality. Gail explained that the EPA and DNR maintain routine communications and are working through the transition in administrations.

No update on Region 5 Administrator appointment.

Ozone Topics (Notetakers: Kristin)

2025 Ozone Season Kick Off

Ozone season started on March 1 for Kenosha sites. For other monitoring sites in Wisconsin ozone season starts on April 1.

Preliminary 2024 Ozone design values and 2025 critical values were shown.

Design values are calculated by averaging the annual 4th high daily maximum 8-hour ozone concentration measured at a site over the most recent three consecutive years. Critical values are the

2025 4th high values that would cause a site to have a 2023-2025 design value exceeding the standard of 70 ppb.

Question: Are critical values in the table shown with exceptional events removed? No, an exceptional event demonstration for ozone was not done.

2015 Ozone Standard: Reclassification from Moderate to Serious

None of Wisconsin's nonattainment areas (Milwaukee, Sheboygan, Kenosha) attained the NAAQS by their Aug. 3, 2024 Moderate area attainment date. The EPA finalized the reclassification to Serious nonattainment on December 16, 2024, and it was effective in the state on January 16, 2025. This reclassification has permitting and planning implications. The next attainment date is Aug. 3, 2027.

Impacts on Permitting

Nonattainment permitting requirements become more stringent for ozone precursors: nitrogen oxides (NO_x) and volatile organic compounds (VOCs).

For both operation and construction permits, the major source threshold for NO_x and VOCs decreases from 100 to 50 tons per year. Additional requirements for new major sources or major modifications also take effect including an increase in the emission offset ratio, from 1.15:1 to 1.2:1.

Sources located in the nonattainment areas must assess how the new major source thresholds may affect their permitting requirements.

For operation permits, new permits or revisions to existing permits may be needed.

For construction permits, additional attention must be given to the applicability of major construction permitting.

Question: Is the program doing individual outreach? Yes, the Air Management Program sent emails to all sources in the nonattainment area. Due to constraints on funding, the program must rely on facilities to be diligent in determining if they need a new or revised permit.

Question: Can DNR set synthetic minor conditions in a Title V permit? The program is doing this.

Question: Where does the 12-month grace period come from? This is a time frame that the EPA provides to sources they administer under Part 71.

Operation Permits for Existing Sources

All sources in the nonattainment areas need to assess whether changes in their operation permitting are needed.

Existing Title V permits are largely unaffected by reclassification. Facilities should review whether reclassification will change construction permit requirements (e.g., become major NSR sources for NO_x or VOC).

Existing Synthetic Minor Sources or Natural Minor Sources with potential emissions (PTE) of NO_x or VOC above 50 tons per year may need to either apply for a Title V operation permit, apply for an operation

permit revision to lower facility-wide PTE of NOx and VOC below major source thresholds or apply for a different type of permit.

Facilities needing a new or revised operation permit should submit a revision application as soon as possible and no later than 12 months after the effective date of reclassification. (January 2026)

Construction Permits – Major NSR Applicability

For new sources or existing minor sources, Nonattainment New Source Review (NNSR) applicability is based on potential to emit (PTE) of a project. NNSR applies to any project with a NOx or VOC PTE that exceeds 50 TPY.

For existing major sources of NOx or VOC, NNSR applicability is based on a netting analysis that includes the project. A net increase equals the increase from the project aggregated with all creditable increases and decreases in emission from the stationary source over any period of five consecutive years. NNSR applies to any project that results in a net emissions increase from the stationary source of NOx or VOC that exceeds 25 TPY.

Emissions Reduction Credits (ERCs)

ERCs can be used to satisfy offset requirements for new major sources or major modifications. ERCs can be generated by a source that makes emissions reductions that are surplus, quantifiable, permanent, and federally enforceable. The DNR has maintained a publicly available [ERC registry](#) since November 2021. The registry lists both available and potential ERCs. A [Fact Sheet](#) on the registry website has details about ERC generation and use.

Question: Can a source use credits from the Chicago Area nonattainment? The DNR can work with Illinois and Indiana to use credits generated within the Chicago area. The program worked with the EPA to document that the Chicago nonattainment area impacts Milwaukee and Sheboygan nonattainment areas.

Comment: There has been a lot of modeling that shows where contributions of other nonattainment areas are impacting Wisconsin. We should consider using this data to broaden the area from which to find credits. The DNR responded that the department has considered this and would work with the EPA if a business or facility asked to use credits from areas other than the Chicago area.

Question: Can credits be used from areas that impact Wisconsin but are not in nonattainment? No, since credits can only be generated by sources located in a nonattainment area, by default credits can only come from other nonattainment areas.

Ozone Litigation

In 2023, the EPA finalized the Good Neighbor Plan (GNP) that resulted in little to no air quality improvement in Wisconsin. The Wisconsin Department of Justice (WI DOJ) litigation is to ensure the EPA fulfills its responsibility to fully resolve interstate transport for the 2015 ozone standard. WI DOJ is involved in litigation on this rule in two ways:

- Supporting EPA's authority to promulgate the rule;
- Challenging the rule as being insufficient, as it does not do enough to address emissions impacting WI.

The GNP is currently stayed by the U.S. Supreme Court and EPA pending the outcome of this litigation.

On February 14, 2025, WI DOJ filed a petition for review of the action reclassifying Wisconsin nonattainment areas to Serious to ensure Wisconsin businesses do not bear an undue burden for nonattainment while transported emissions remain unaddressed. While this action will not resolve the nonattainment issue on its own, it does recognize that Wisconsin sources have very little control over the issue yet are bearing a significant regulatory burden.

Question: Regarding February 14 petition, what's the legal basis of the challenge? The EPA views this as a path hard wired into the Clean Air Act. The Administrative record is due at the end of March. No other details were available at the time of this meeting.

Question: Utah filed a 179(b) petition arguing that international emissions are causing their nonattainment status. Utah says that there should have been a comment period. Has the state considered a 179(b)? DNR has not considered a 179(b) petition.

Question: Would international emission push us over? The program would not expect that, but this is something that the DNR can look at more closely.

Question: Is the Kenosha bump up part of the Chicago area bump up? Yes, Kenosha is part of the Chicago nonattainment area so was bumped up along with Chicago.

Question: Any news about the Missouri litigation? Not at this time

Comment: Brad Pierce has been using advanced modeling along with satellite data to look at chemicals flowing into the U.S. from international sources.

Question: Any information from the MAML or other monitors on where pollution is coming from? Yes, the DNR has presented on this before and can share that information out again. Mobile sources contribute between 40-45% of the emissions in Wisconsin. Other state's stationary sources also contribute.

AMAG Administrative Updates

AMAG Co-Chair

With the retirement of AMAG Co-Chair Pat Stevens, the Air Management Program invites candidates interested in the co-chair position to submit a letter of interest to Gail Good by March 31.

2025 Priority Topics

Last year the group provided the following list of priority topics.

Emerging federal regulation

- Emerging contaminants (PFAS)
- Federal permit actions
- PM2.5 NAAQS
- Long term planning at the federal level
- Greenhouse Gas Emissions
- EPA EJ Actions

Ongoing efforts

- 2015 ozone NAAQS implementation
- Ozone transport
- SIP submittals and redesignation requests
- Regional haze
- Rulemaking

Opportunities

- Funding
- Transparency in information
- Goals and vision of DNR
- Working with other states and organizations

Members suggested removing EPA EJ Actions and adding Permit Streamlining opportunities, data centers and utility planning and fence line monitoring. A member also suggested asking for a presentation from the groups doing projects with low-cost monitors in Dane and Milwaukee Counties and a discussion about the possibility of using sensor data to fill monitoring gaps. An attendee mentioned that another DNR Program has a “What do Consultants get Wrong” segment to its advisory group meetings to help improve permit applications and other communications with the regulated community.

2025 Meeting Dates

- Thursday, June 5*
- Thursday, Sept. 11
- Thursday, Dec. 4

***Next AMAG Meeting.** The next study group meeting is scheduled for **Thursday, June 5** at 9 a.m. There are some potential schedule conflicts and this may need to be rescheduled.