



Air Quality- Topics on the Horizon

MO Air Compliance Seminar

Presented

by

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USEPA Region 7

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ROLES & RESPONSIBILITIES

State Plan Review and Approval
Non-attainment Designations
Emissions Inventories
Air Dispersion Modeling
Mobile Source Modeling
Air Quality Technical Analysis
Radiation Emergency Response

ROLES & RESPONSIBILITIES

CAA Grant Awards and Management
Community Air Projects
Clean Diesel Initiatives
Energy Star
Climate Change
Indoor Air Programs
Ozone and PM Advance



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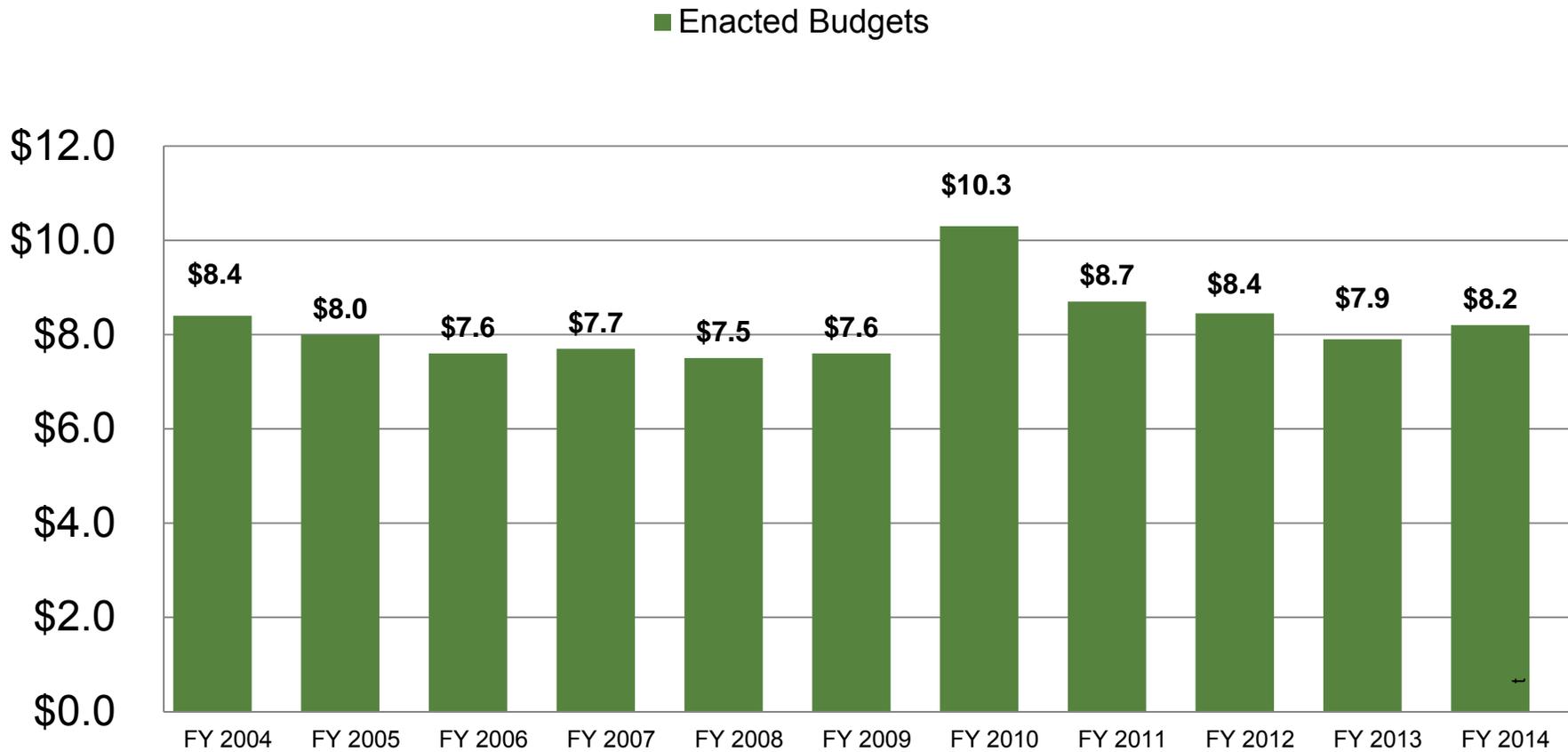
ROLES & RESPONSIBILITIES

CAA Compliance & Enforcement
State Compliance Program Oversight
Inspection Coordination
CAA Section 114 Information Requests
Air Toxics/ NSPS Compliance
Applicability Determinations
Alternative Compliance Methods
GHG Reporting Rule

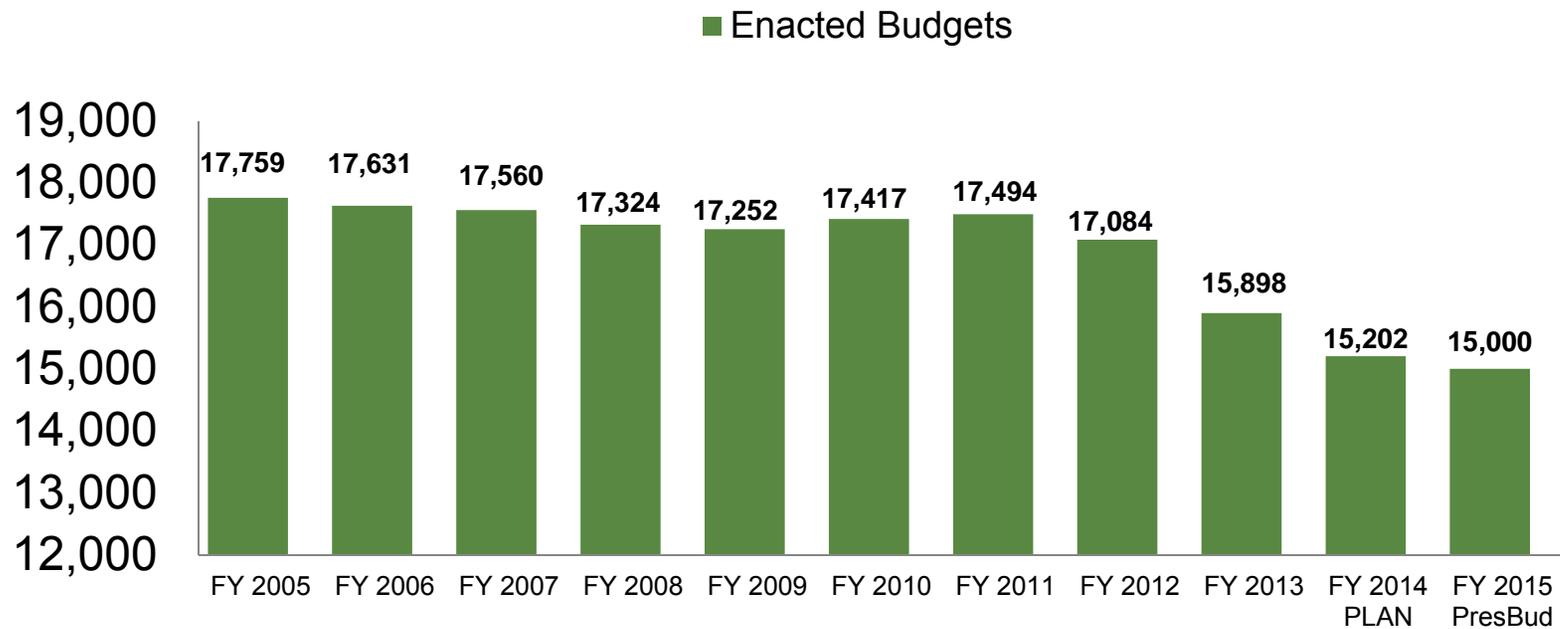
ROLES & RESPONSIBILITIES

CAA Air Permitting
State Air Permit Program Oversight
Tribal Air Permitting
NSR Policy & Guidance Database
Title V Permit Program Oversight

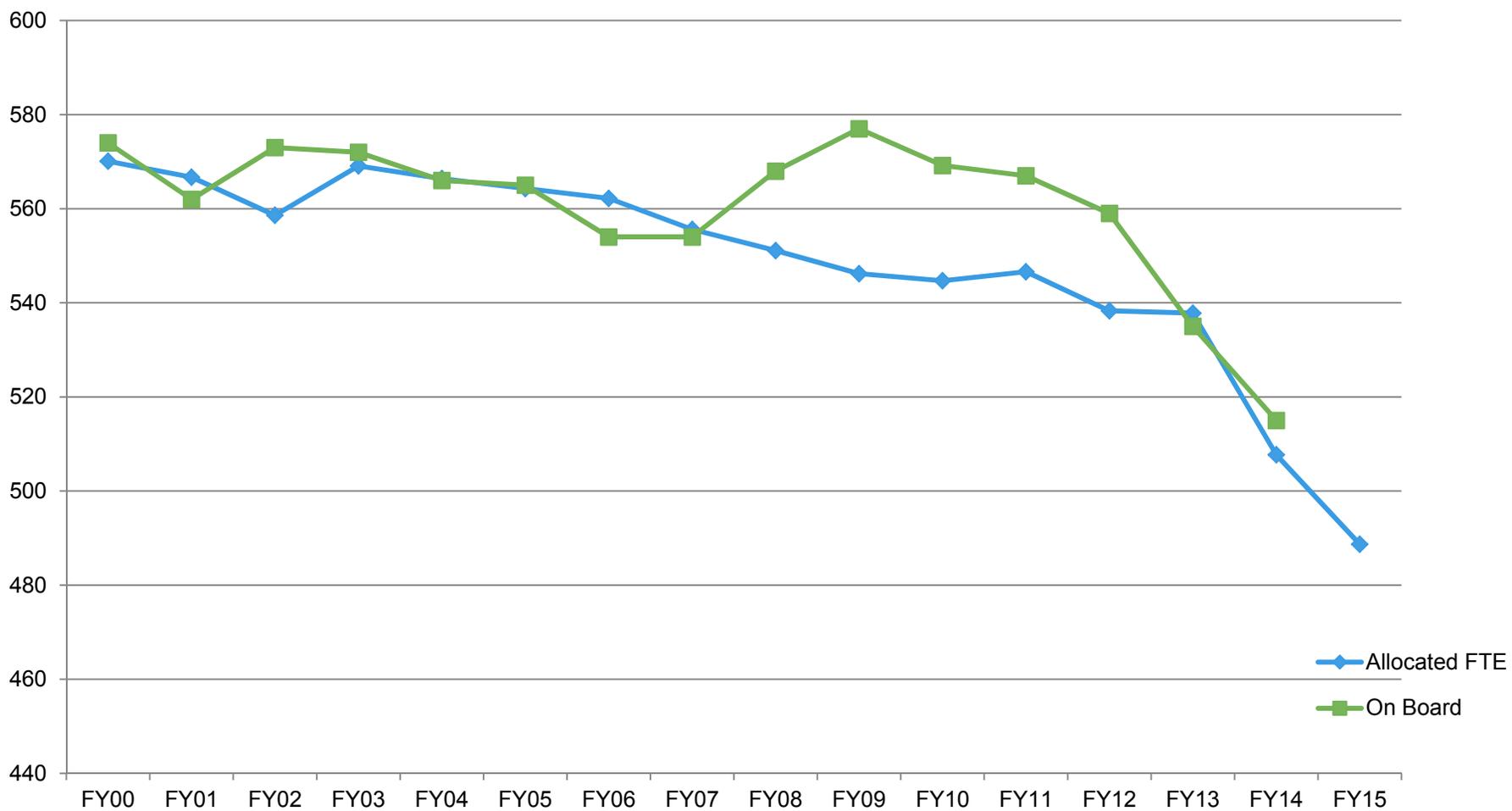
EPA's Budget: FY 2004 to FY 2014 Operating Plan (Dollars in Billions)



EPA Agency Wide FTE Levels FY 2005 to FY 2015 PresBud



Region 7 FTE FY 2000 through FY 2015 (PresBud)





Working Smart to Protect Human Health and the Environment

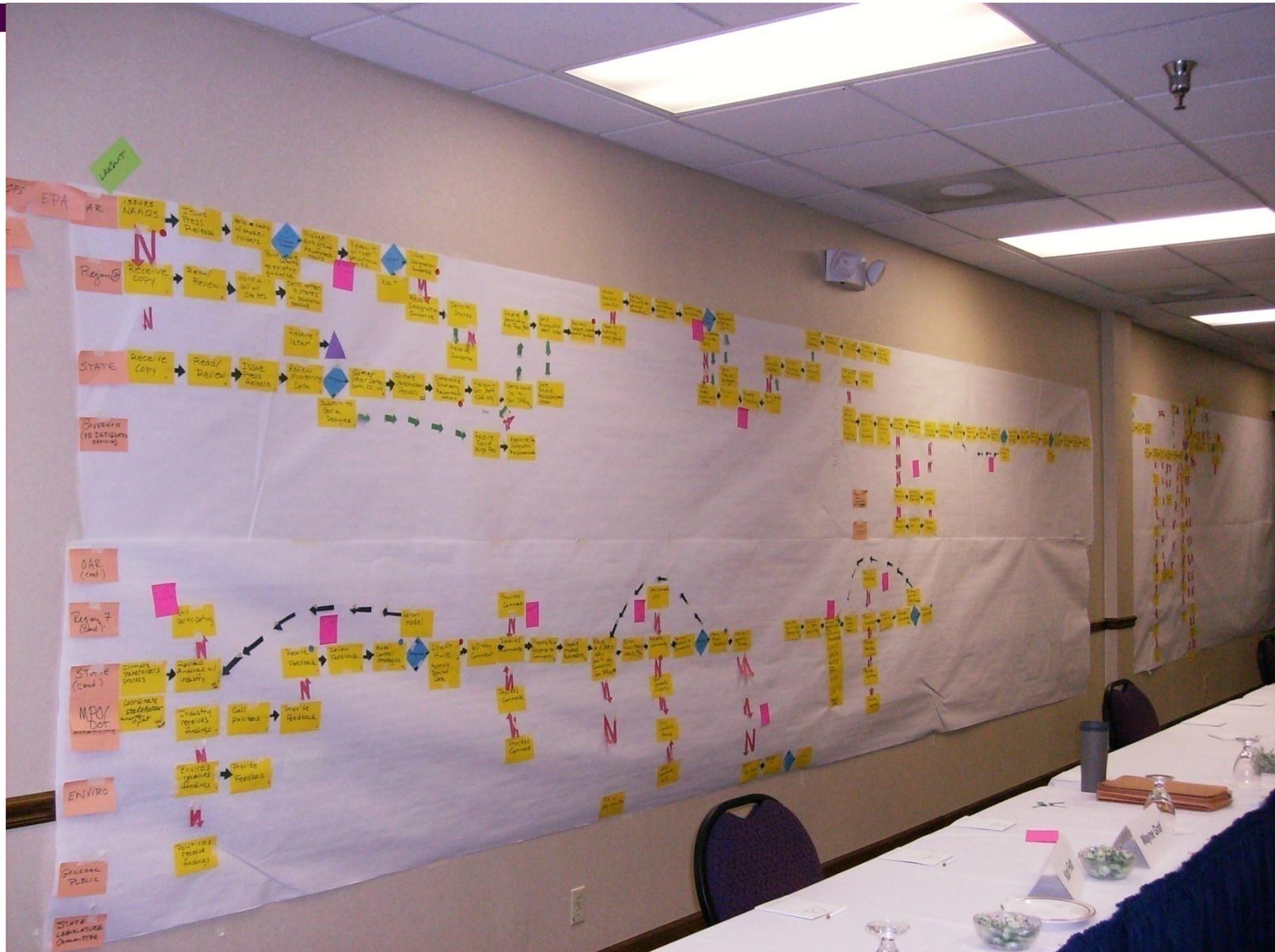
Lean government enables environmental agencies to work more effectively and efficiently by eliminating waste in government processes.

Numerous government agencies, including EPA, are using Lean improvement methods to dramatically improve the quality, transparency, and speed of their processes.

Working Smart to Protect Human Health and the Environment

- EPA, in collaboration with the Environmental Council of States (ECOS) , supports environmental agencies using Lean and Six Sigma to design and implement better, smarter, and faster processes to protect human health and the environment.
- EPA headquarters and regional offices have employed Lean methods to shorten process timeframes by as much as 82 percent and reduce the number of process steps by more than 63 percent.

Original SIP Process



Results

	Current SIP Process	New SIP Process	Percent Change
# of Steps	165	134	↓19%
# of Decisions	14	8	↓43%
# of Handoffs	42	42	0%
# of Value Added Steps	16	20	↑25%
# of Loopbacks	6	5	↓17%
# of Delays	17	5	↓71%
Best Case: Delay Time	56 months (4.7 years)	13 months (1.1 years)	↓77%
Worst Case: Delay Time	96 months (8 years)	15 months (1.3 years)	↓84%
Process Time	Region 7: 340 days (0.9 years) EPA HQ: 1,080 days (3 years) State: 1,282 days (3.5 years) <u>Total</u> : 2,702 days (7.4 years)	1,181 days (3.2 years)	↓56%

Target Schedule for NAAQS Implementation Rules/Guidance/Tools

Action	After NAAQS Promulgation
EPA issues PSD guidance or rule*	Upon promulgation (for necessary PSD measures)**
EPA issues Designations guidance	4 months
<i>States submit Designation recommendations</i>	1 year
EPA issues Infrastructure guidance and/or Transport Rule	Up to 1 year
EPA issues proposed nonattainment area SIP rules or guidance	1 year
EPA finalizes designations (and classifications where appropriate)	2 years***
EPA issues NSR and/or conformity rule/ guidance if needed	2 years***
EPA issues final nonattainment area SIP rules or guidance (including emission inventory, modeling guidance, and any nonattainment NSR provisions)	2 years***
EPA and/or air agencies issue final SIP templates, toolkits, etc. to assist states with development of nonattainment area plans	2 years***
<i>States submit Infrastructure and Transport SIPs</i>	3 years
<i>States submit Attainment plans</i>	3.5 to 5 years

*Includes transition provisions, emissions estimation/source testing provisions, permit modeling, screening tools (SER, SIL, other), increments, and precursor implementation.

**Timing for other guidance/rules depends on the CAA requirements for the NAAQS.

***Designations can be finalized in 3 years under certain circumstances.

Muscatine PM_{2.5} and SO₂ SIPs

- Early and frequent communication
- Collaboration on unique policy issues
- Consultation on technical products
- Review of early drafts
- Consultation on state's response to comments

Current Schedule for Ongoing NAAQS Reviews

(updated September 12, 2013)

MILESTONE	POLLUTANT						
	Ozone	Lead	NO ₂ Primary	SO ₂ Primary	NO ₂ /SO ₂ Secondary	CO	PM
NPR	TBD	2014	Feb 2016	Feb 2017	May 2017	Summer 2017	TBD
NFR	TBD	TBD	Nov 2016	Nov 2017	Feb 2018	Spring 2018	TBD

Anticipated NAAQS Implementation Milestones

(updated September 2013)

Pollutant	Final NAAQS Date (or Projection)	Infrastructure SIP Due	Designations Effective	Attainment Demonstration Due	Attainment Date
PM _{2.5} (2006)	Oct 2006	Oct 2009	Dec 2009	Dec 2012	2015 (Mod) 2019 (Ser)
Pb (2008)	Oct 2008	Oct 2011	Dec 2010/2011	June 2012/2013	Dec 2015/2016
NO ₂ (2010) (primary)	Jan 2010	Jan 2013	Feb 2012	none	none
SO ₂ (2010) (primary)	June 2010	June 2013	Oct 2013 (+2 rounds)	April 2015	Oct 2018
Ozone (2008)	Mar 2008	Mar 2011	July 2012	Mid 2015/2016	2015/2032
PM _{2.5} (2012)	Dec 2012	Dec 2015	Early 2015	Mid 2016	2021 (Mod) 2025 (Ser)
Ozone (current review)	TBD	TBD	TBD	TBD	TBD

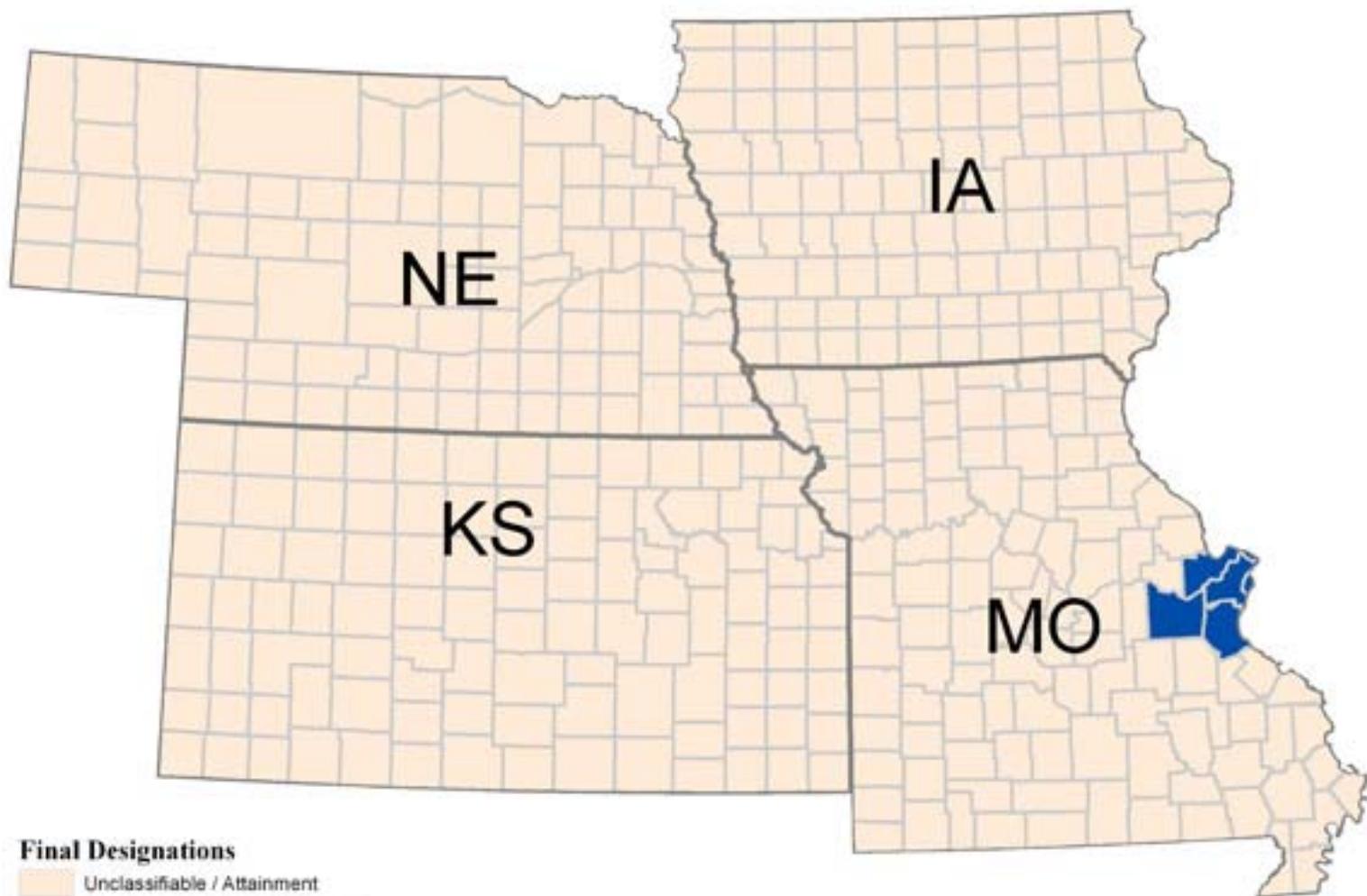
2008 Ozone NAAQS Implementation

- Revised primary 8-Ozone standard in 2008 (.075 ppm/8-hr)
 - Litigation regarding level of 2008 NAAQS: primary standard upheld, secondary standard remanded for reconsideration

- EPA designations for the 2008 Ozone NAAQS became effective on July 20, 2012

- 2008 Ozone NAAQS SIP Requirements Rule
 - Proposed May 29, 2013 (78 FR 34178)
 - Comment period closed 9/4/13
 - Anticipated publication of final rule in Spring 2014
 - Attainment plans and demonstrations due July 2015 or July 2016 depending on classification

2008 O3 Std Nonattainment Areas



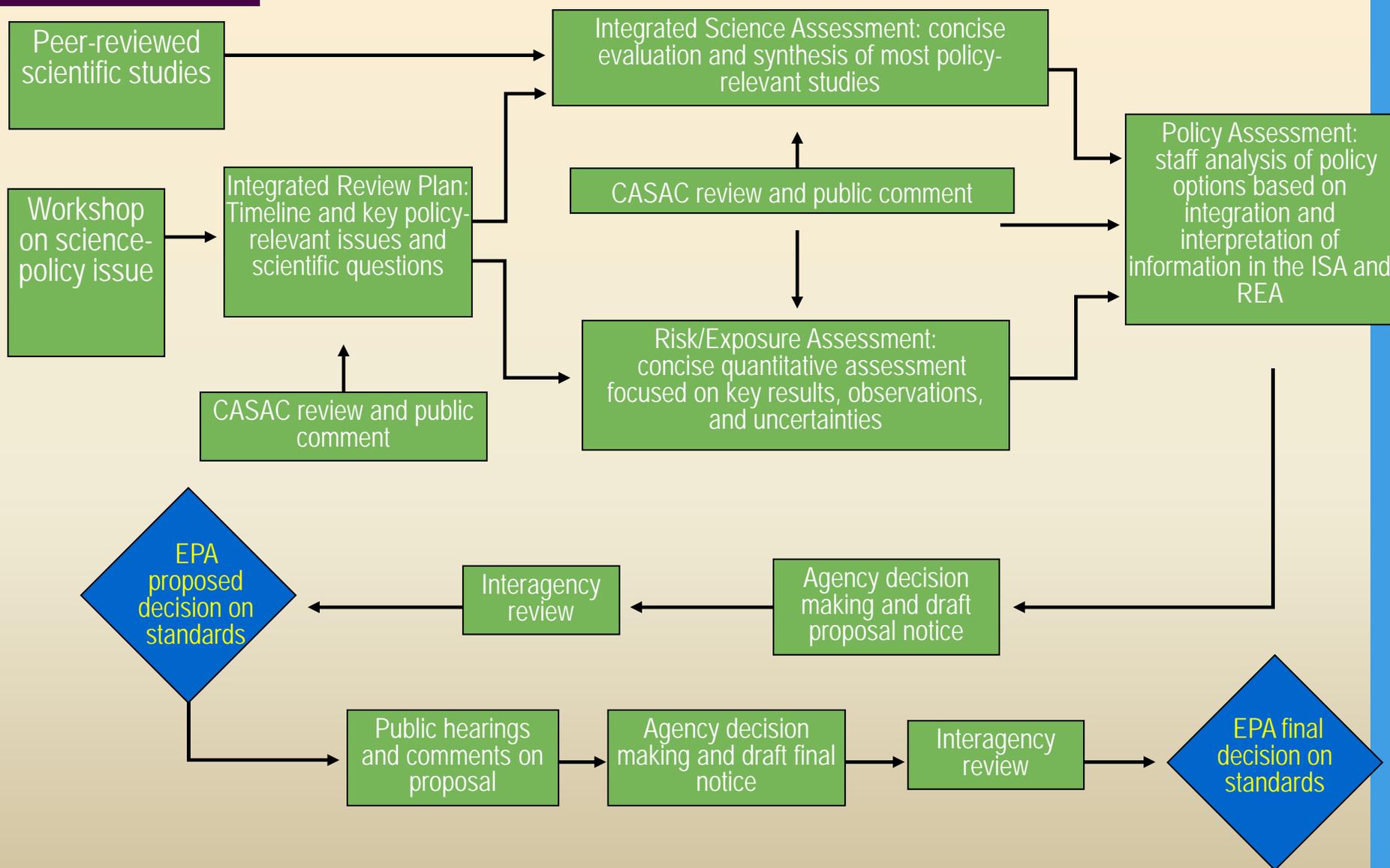
Final Designations

-  Unclassifiable / Attainment
-  Nonattainment (Partial County)
-  Nonattainment (Whole County)

Current Review of Ozone NAAQS

- Current Ozone NAAQS Review
 - Final Integrated Science Assessment – Released February 15, 2013
 - Risk and Exposure Assessment and Policy Assessment
 - Released 2nd draft January 2014
 - The Clean Air Scientific Advisory Committee (CASAC) and the public will review these documents at a CASAC meeting likely in late March 2014
 - Proposal and final dates are TBD

Overview of NAAQS Review Process



2010 SO₂ NAAQS Implementation

- Revised primary SO₂ standard in June 2010 (75 ppb/1-hr)
- Information on EPA's SO₂ area designations and implementation strategy
 - <http://www.epa.gov/airquality/sulfurdioxide/implement.html>
- EPA issued PSD permit modeling guidance documents applicable to the 1-hr SO₂ NAAQS on August 23, 2010 and March 1, 2011
 - http://www.epa.gov/scram001/so2_modeling_guidance.htm
- Technical assistance documents available at <http://www.epa.gov/airquality/sulfurdioxide/implement.html>
 - Source-Oriented Sulfur Dioxide (SO₂) Monitoring Technical Assistance Document
 - Sulfur Dioxide (SO₂) National Ambient Air Quality Standards Designations Modeling Technical Assistance Document

2010 SO₂ NAAQS Implementation

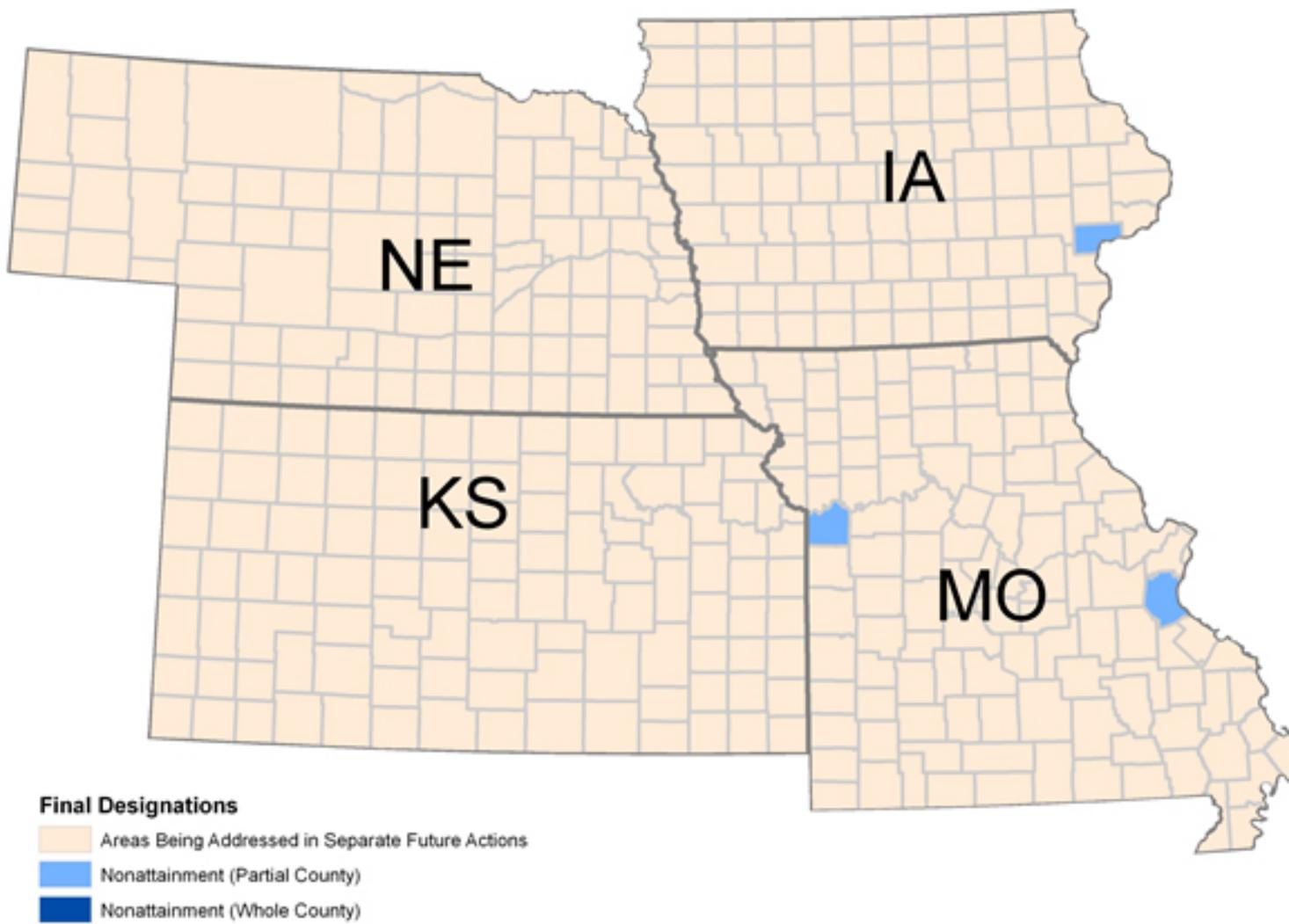
■ Phase I Designations

- Initial nonattainment area designations based on violating monitors completed in August 2013 – 29 areas designated
- 1-hr SO₂ NAAQS Nonattainment SIP Elements Guidance
 - Draft in Fall 2013

■ Phase II Designations

- SO₂ Data Requirements Rule
 - Future rounds of designations
 - Proposal targeted for early 2014 and final in late 2014
- Two additional future rounds of initial designations based on modeling (2017) and monitoring (2020) are planned
- EPA has received two notices of intent to sue and two lawsuits have been filed for failure to designate remaining areas

SO₂ Nonattainment Areas



- **New Source Review**
 - Coal-fired Power Plants
 - Cement Kilns
 - Acid Manufacturers
 - Glass Furnaces

- **Air Toxics**
 - Flaring & Excess Emissions

- **Next Generation Compliance**
 - Advanced monitoring techniques

SIP Call for SSM

- EPA proposed a SIP Call to 36 states in February 2013 concerning identified SIP provisions for treatment of excess emissions occurring during SSM
 - Extended comment period ended May 13, 2013
 - The proposal restated and invited public comment on EPA's SSM Policy
 - EPA proposed to allow the affected states 18 months after any SIP calls are final (the max allowed under the CAA) to correct and submit SIPs revisions
 - Link to EPA's webpage specific to this rule is at www.epa.gov/airquality/urbanair/sipstatus

Tally of GHG Permits (as of 11/27/13)

- **132** PSD permits with GHG limits have been issued
 - 95 issued by states
 - 37 issued by EPA
 - About 40% are for new facilities and 60% for mods/new units at existing sources
- **Over 50** GHG-related PSD permit applications are currently being processed by EPA Regions
- EPA Comment Letters on GHG Permitting Actions
 - <http://www.epa.gov/nsr/ghgcomment.html>

Industry Breakdown of PSD Permits with GHG Limits

(in order by number of permits issued)

- Power Plants
- Chemical Plants
- Oil and gas projects (i.e., natural gas processing, LNG, OCS exploration)
- Cement Plants
- Iron and Steel Plants
- Wood Products facilities
- Nitrogen plants (fertilizer use)
- Ceramic/Proppant facilities
- Petroleum refineries
- Municipal Landfill (waste-to-energy projects)
- Ethanol plants
- Coal to Synthetic Natural Gas facility

Status of GHG PSD and Title V Permitting Programs

- PSD Programs
 - 10 permitting authorities initially received FIPs
 - 9 states, 2 programs in Arizona
 - Only 2 states (TX, FL) currently remain with GHG FIP
 - Texas in the process of adopting its state rules
 - EPA continuing to work with permitting authorities to ensure PSD permitting program changes are processed in an efficient manner

- Title V Programs
 - EPA is working with Regional Offices to ensure states have adequate authority to implement Title V GHG programs

Carbon Capture and Storage (CCS)

- Recent permits have viewed CCS as an available and technically feasible technology for facilities emitting CO₂ in large amounts
- Factors such as pipeline construction costs, energy requirement for capital equipment, and site-specific feasibility issues have prevented CCS from being selected as BACT in most cases
- Recent comments from public focusing more on CCS cost effectiveness

Clean Air Act Section 111

- **New power plants under section 111(b)**
 - Federal standards for new, modified and reconstructed sources
 - Most Section 111 regulations have been issued under 111(b)
 - Proposal published **January 8, 2014**
 - Original comment period closed **March 10th**
 - Notice Of Data Availability (NODA) signed on **February 26, 2014**
 - Comment period extended to **May 9th, 2014**
 - Final after timely review of comments

- **Modified and reconstructed power plants section 111(b)**
 - Proposal: **June 2014**
 - Final: **June 2015**

New Power Plant Proposal

- **Comment Process**

Comments may be submitted by one of the following methods:

www.regulations.gov: Follow the on-line instructions for submitting comments.

E-mail: Comments may be sent by electronic mail (e-mail) to a-and-r-Docket@epa.gov.

Fax: Fax your comments to: 202-566-9744.

Mail: Send your comments to: Air and Radiation Docket and Information Center, Environmental Protection Agency, Mail Code: 2822T, 1200 Pennsylvania Ave., NW, Washington, DC, 20460.

Hand Delivery or Courier

More information at: <http://www2.epa.gov/carbon-pollution-standards>

Clean Air Act Section 111(d)

- **Existing sources under section 111(d)**
 - State programs for existing sources that are equivalent to federal guidelines
 - 111(d) is reserved for addressing “other pollutants” i.e. not criteria or hazardous air pollutants

 - **Proposal: June 2014**
 - **Final: June 2015**
 - **State Plans Due: June 2016**

Clean Air Act Section 111(d)

- Region 7 Stakeholder Sessions
- Common issues we've heard:
 - Setting the Baseline
 - State Plan Flexibility
 - Efficiency Measures
 - Setting Best System of Emission Reduction (BSER)
 - Transmission and Reliability
 - Other Regulatory Impacts and Timing
 - Other Unique Issues

Questions?

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EPA

United States
Environmental Protection
Agency

2010 NO₂ NAAQS Implementation

- Revised primary NO₂ standard in January 2010 (100 ppb/1-hr)
- Guidance on NO₂ PSD permit modeling issued June 2010 and March 2011
 - <http://www.epa.gov/NSR/guidance.html>
- Designations of “unclassifiable/attainment” for all areas effective February 2012
- NAAQS rule established requirements for near roadway monitors on phased-in basis
 - Additional clarification/guidance NO₂ permit modeling planned

2012 PM_{2.5} NAAQS Revision

- EPA revised the annual primary PM_{2.5} NAAQS to 12 $\mu\text{g}/\text{m}^3$ from the previous level of 15 $\mu\text{g}/\text{m}^3$ on December 14, 2012
 - Published in Federal Register on January 15, 2013
 - NAAQS effective date: March 18, 2013

- 2012 final rule included implementation transition provisions and guidance for PSD

- 2012 PM NAAQS SIP Requirements NPRM
 - Under development
 - Proposal will clarify nonattainment implementation requirements according to Subpart 4 of Part D of CAA, consistent with D.C. Circuit Court decision
 - Will also address how Subpart 4 decision affects NSR nonattainment area requirements (e.g., major source threshold, precursors, etc.)

- Propose rule early 2014; finalize one year later

2012 PM_{2.5} NAAQS Implementation

- April 2013 guidance on Initial Area Designations for the 2012 Revised Primary Annual Fine Particle National Ambient Air Quality Standard
 - <http://www.epa.gov/pmdesignations/2012standards/docs/april2013guidance.pdf>
- Available data sets to facilitate area analyses, and interactive designations tools are available on the PM_{2.5} designations website at <http://www.epa.gov/pmdesignations/2012standards/techinfo.htm> and http://geoplatform2.epa.gov/PM_MAP/index.html (PM Designations Mapping Tool)

2012 PM_{2.5} NAAQS Implementation

- Draft guidance on PM_{2.5} permit modeling was released in March 2013 with a 90-day public comment period that ended on May 31, 2013
 - Currently addressing comments received during public comment period
 - Comments received from federal/state/local government organizations, industry/consultants and environment groups
 - Draft guidance can be found at http://www.epa.gov/ttn/scram/guidance/guide/Draft_Guidance_for_PM25_Permit_Modeling.pdf

- Release of a revised guidance document is anticipated by the end of 2013

Lead NAAQS

- Revised NAAQS in 2008, primary standard is 0.15 micrograms per cubic meter ($\mu\text{g}/\text{m}^3$)
- 21 NA areas designated (2010/2011); states working on infrastructure SIPs and attainment SIPs
- Current Lead NAAQS Review
 - CASAC's draft letter on our draft Policy Assessment concurs with staff recommendation that the NAAQS not be revised
 - Propose Rulemaking - 2014
 - Finalize Rulemaking - TBD

Interstate Pollution Transport Update

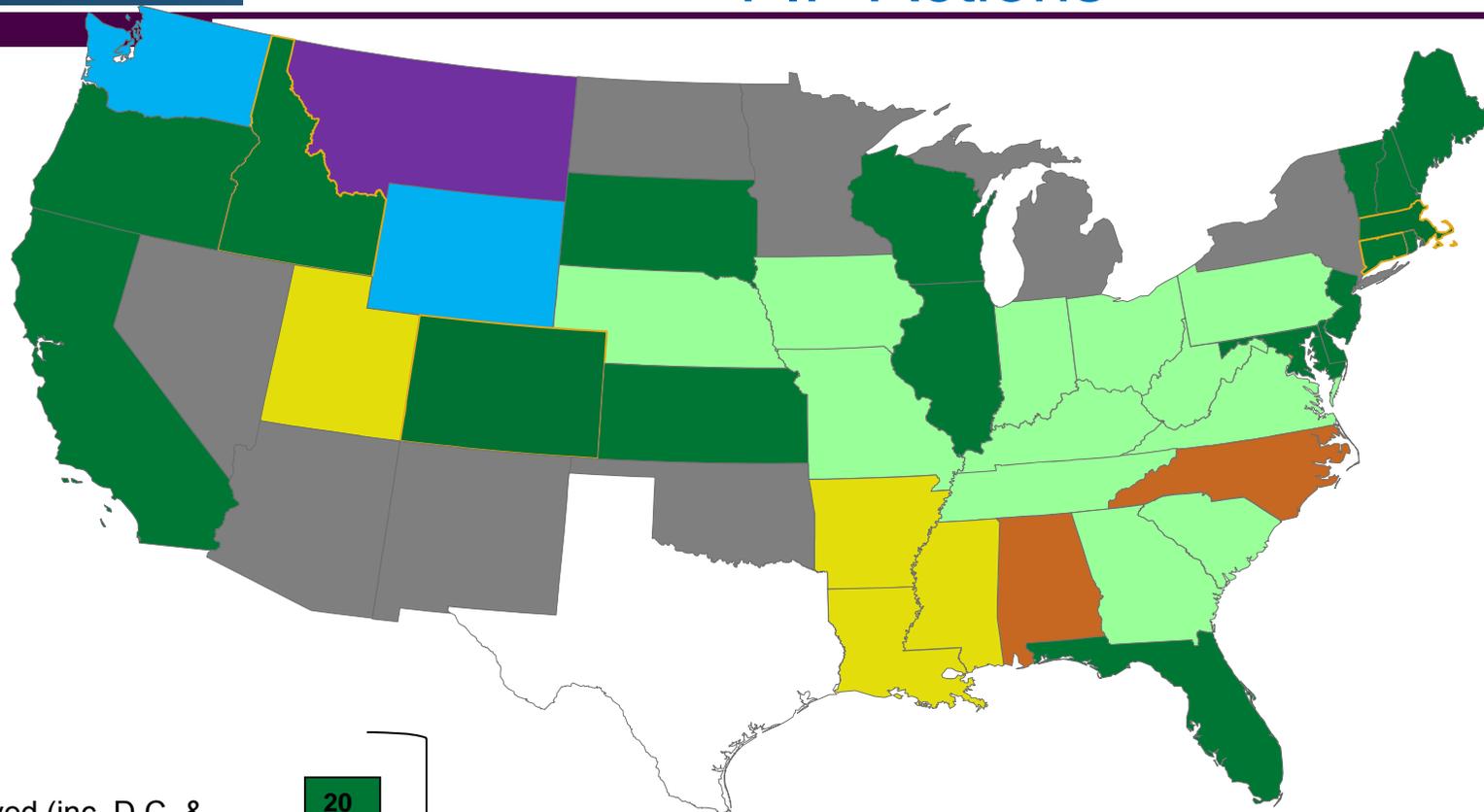
- U.S. Supreme Court granted EPA's petition for review of the D.C. Circuit's decision in *EME Homer City* which vacated CSAPR
 - Oral argument December 2013
- CSAPR focused on attainment and maintenance of the 1997 Ozone NAAQS, 1997 PM_{2.5} NAAQS and 2006 PM_{2.5} NAAQS
- EPA continues to move forward with the states to address transport for the newer NAAQS while pursuing the Supreme Court appeal

Interstate Pollution Transport Update (con't)

- Certain principles emerged from previous discussions with states
 - EPA's efforts should be timely
 - EPA should focus on defining state obligations but provide states flexibility on implementation
 - Most pressing transport challenge appears to be ozone in eastern half of the U.S., particularly for the 2008 ozone standard
- EPA working to define upwind states' obligations under the 2008 ozone standard to address transport in eastern half of the U.S.
 - EPA will continue to work with western states through EPA Regions to address PM and ozone attainment challenges and assess need for a future transport rule addressing these issues
- EPA plans to stay engaged with states as we develop a proposal

REGIONAL HAZE UPDATE

Current Status of Regional Haze SIP and FIP Actions



Approved (inc. D.C. & AK)

20

Approved + CSAPR FIP

12

Approved but needs CSAPR SIP within 2 years

2

SIP
Approval
Actions

Partial disapproval
w/ 2-year FIP clock

4

Limited disapproval
for CAIR. No other
action.

1

Full FIP (MT & HI
&VI)

3

Final Partial FIP*
(inc. FCPP)

9

Proposed Partial FIP*

2

FIP
Actions
(*status
of rest
of SIP
varies)

Related EPA Actions

- CSAPR Better-than-BART Rule (effective August 7, 2012)
 - Allows CSAPR states to meet the BART requirements for EGUs with CSAPR programs
 - Eleven states have partial “friendly” FIPs that substitute CSAPR trading programs for source-specific BART for EGUs, as applicable
 - Two states have FIP clocks running that are dependent on CSAPR
- Implications of the CSAPR Vacatur
 - Supreme Court has agreed to review the U.S. Court of Appeals for the D.C. Circuit’s decision in *EME Homer City Generation, L.P. v. EPA* (the CSAPR decision)
 - EPA is assessing potential paths to address these SIPs, FIPs and FIP clocks for the affected states, so that once the final outcome of the CSAPR litigation is known, EPA is positioned to consult quickly with states on appropriate paths forward

Regional Haze SIPs – Periodic Review

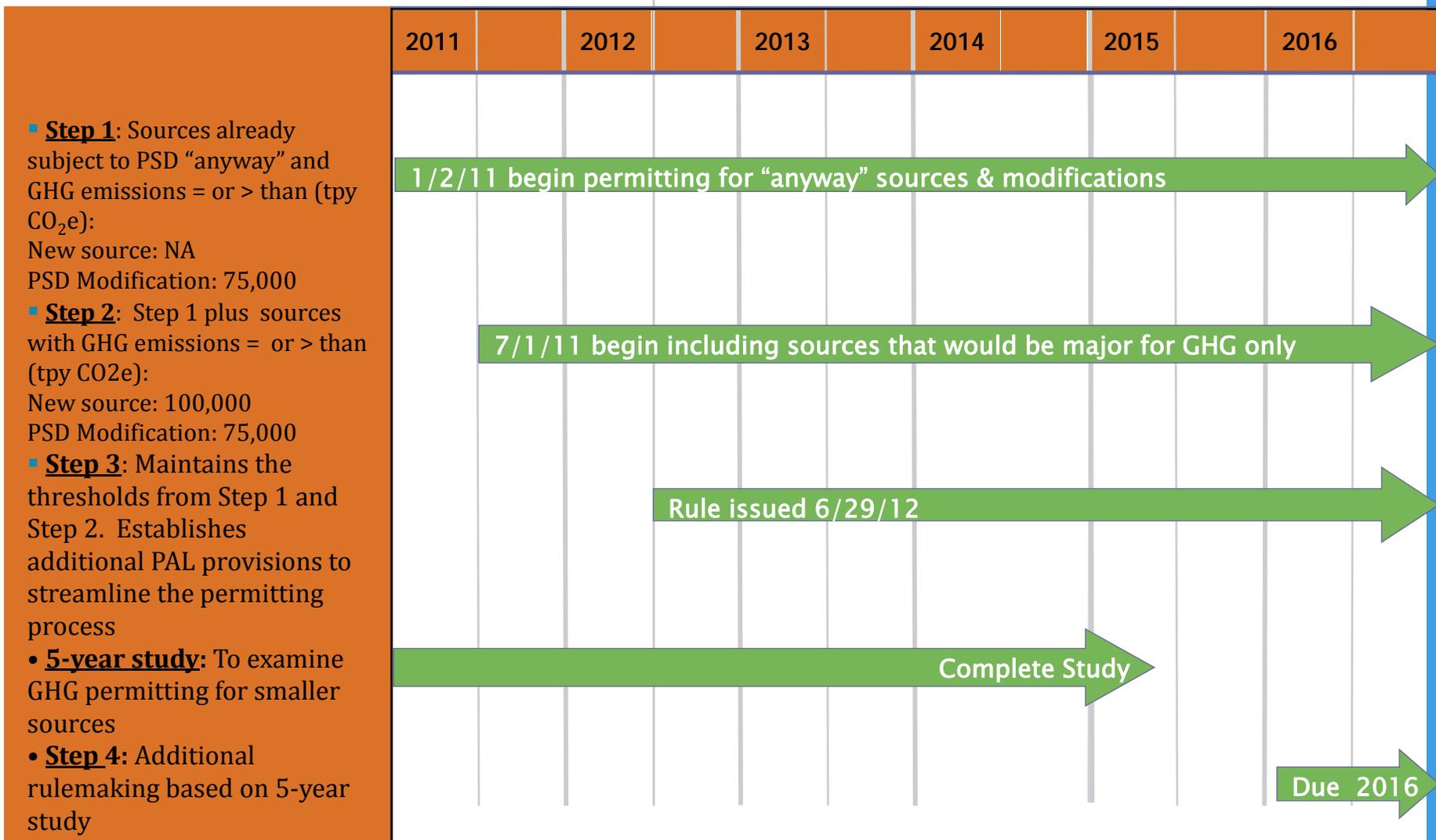
- Periodic report describing progress toward reasonable progress goals and evaluation of adequacy of existing plan [§51.308(g) and §51.309(d)(10)]
- Report is due 5 years from submittal of the initial SIP under 308 and in 2013 under 309, and must be in the form of a SIP revision
- EPA issued guiding principles in April 2013 for review of 5-year reports

Looking Forward: 2018 Regional Haze SIP Revisions

- A comprehensive SIP revision is due July 31, 2018, and must fully satisfy the Regional Haze Rule requirements, including revised reasonable progress goals, if necessary
- OAQPS is actively engaging the EPA Regional offices on lessons learned and how EPA can improve the Regional Haze Program for the next round of SIPs
 - Topics for discussion include national consistency issues, possible additional guidance, technical support needed and potential rule revisions
- We have met with WESTAR, FLMs and several environmental groups and will consider their input

GHG PERMITTING UPDATE

GHG Permitting Tailoring Rule Implementation Schedule



- **Step 1:** Sources already subject to PSD "anyway" and GHG emissions = or > than (tpy CO₂e):
New source: NA
PSD Modification: 75,000
- **Step 2:** Step 1 plus sources with GHG emissions = or > than (tpy CO₂e):
New source: 100,000
PSD Modification: 75,000
- **Step 3:** Maintains the thresholds from Step 1 and Step 2. Establishes additional PAL provisions to streamline the permitting process
- **5-year study:** To examine GHG permitting for smaller sources
- **Step 4:** Additional rulemaking based on 5-year study

GHG Tailoring Rule Implementation

- Additional work/commitments include:
 - 5-year study due for completion in April 2015
 - Step 4 Rule due in April 2016
 - Actions to ensure implementation of the Tailoring Rule
 - Program Updates (SIP and Title V)
 - Streamlining Techniques Development
 - Title V Fees for GHGs
 - Approaches for treatment of Biogenic CO₂ emissions for permitting purposes

GHG Permitting Five-Year Study

- As part of the Tailoring Rule, EPA made an enforceable commitment to conduct and complete a study by April 30, 2015
- In the Five-Year Study EPA will:
 - Project the GHG permitting administrative burdens that remain below Step 3 thresholds
 - Assess the permitting authorities ability to secure resources, hire and train staff for GHG permitting as well as experiences with GHG permitting
 - Assess the successes of streamlining measures adopted by the states to reduce permitting burden
- The study will help inform the Step 4 Rule due in April 2016

GHG Permitting Five-Year Study: Data Collection

- Data on GHG permitting activity is needed for both PSD and Title V programs as part of the study
 - EPA HQ has asked EPA Regions to provide permitting information for GHGs
 - EPA is conducting a voluntary survey of 9 state/local permitting authorities to obtain additional permitting data

GHG Streamlining Techniques Under Consideration

- EPA is considering CAAAC GHG Permit Streamlining Report released in September 2012 and reviewing approaches commented on in Tailoring Rule

- Techniques currently under consideration include:
 - Defining Potential to Emit (PTE) for various source categories
 - Establishing presumptive BACT
 - General permits and permits-by-rule
 - Electronic permitting and “lean” techniques
 - Creating GHG permitting authority to issue synthetic minor sources

Tally of GHG PSD Permits (as of 9/16/13)

- **113** PSD permits with GHG limits have been issued
 - 82 issued by states
 - 31 issued by EPA
 - About 50% are for new facilities and 50% for modifications

- **57** GHG-related PSD permit applications are currently being processed by EPA Regions

- EPA Comment Letters on GHG Permitting Actions
 - <http://www.epa.gov/nsr/ghgcomment.html>

Industry Breakdown of PSD Permits with GHG Limits

(in order by number of permits issued)

- Power Plants
- Chemical Plants
- Oil and gas projects (i.e., natural gas processing, LNG, OCS exploration)
- Cement Plants
- Iron and Steel Plants
- Wood Products facilities
- Nitrogen plants (fertilizer use)
- Ceramic/Proppant facilities
- Petroleum refineries
- Municipal Landfill (waste to energy projects)
- Ethanol plants
- Coal to Synthetic Natural Gas facility

Carbon Capture and Storage (CCS)

- Recent permits have viewed CCS as an available and technically feasible technology for facilities emitting CO₂ in large amounts
- Factors such as pipeline construction costs, energy requirement for capital equipment, and site-specific feasibility issues have prevented CCS from being selected as BACT in most cases
- Recent comments from public focusing more on CCS cost effectiveness

Step 4 Rulemaking

- In the Tailoring Rule, EPA committed to:
 1. Complete a study by April 30, 2015, to evaluate the status of PSD and title V permitting for GHG-emitting sources, including progress in developing streamlining techniques; and
 2. Complete further rulemaking based on that study by April 30, 2016, to address the permitting of smaller sources. That rulemaking may also consider additional permanent exclusions based on the “absurd results” doctrine, where applicable.
- Also in the Tailoring Rule, we said our action in that rulemaking would address permitting requirements for smaller sources, taking into account the remaining problems concerning costs to sources and burdens to permitting authorities

Status of GHG PSD and Title V Permitting Programs

- PSD Programs
 - 10 permitting authorities initially received FIPs
 - 9 states, 2 programs in Arizona
 - Only 3 states (TX, WY, FL) currently remain with GHG FIP
 - EPA continuing to work with permitting authorities to ensure PSD permitting program changes are processed in an efficient manner

- Title V Programs
 - EPA is working with Regional Offices to ensure states have adequate authority to implement Title V GHG programs

Treatment of Biogenic CO₂ Emissions

- Treatment of Biogenic CO₂ Emissions for PSD and Title V Permitting Purposes
 - 3-year deferral was set to expire in July 2014
 - SAB completed its scientific analysis; provided EPA with report – September 28, 2012
 - On July 12, 2013, the D.C. Circuit Court of Appeals vacated EPA's July 2011 biogenic CO₂ deferral rule
 - The Court granted an extension to the date by which petitions for reconsideration are due, thus extending the issuance of the mandate making the Court's decision effective
 - EPA is already working with sources and permitting authorities to resolve source permitting and SIP issues as they are arising

GWP & EGU NSPS Heads-Up

- Revision to Part 98 Global Warming Potential (GWP) values proposed in March 2013
 - Aligns Reporting Rule GWPs with IPCC's 2007 Report
 - Some GWP values would increase
 - Methane proposed to increase from 21 to 25
 - Nitrous Oxide and SF6 proposed to decrease
 - EPA received comments on the rule with respect to possible permitting implications and is working through the comments, preparing responses, and working on the final rule

- NSPS Proposal for New Electric Generating Units

TITLE V UPDATE

CAAAC Title V Task Force

- “State of the Program” report issued after 10 years of implementation
 - Final report submitted to CAAAC in 2006
 - The final report listed 18 topic areas and made a total of 100 recommendations
- EPA reviewed the report and developed a list of priority recommendations
- NACAA also reviewed the Task Force report and provided recommendations to EPA for program improvements
 - NACAA’s recommendations were well aligned with the areas EPA identified for improvement

2005 Inspector General (IG) Report

- The IG Report included a series of recommendations for improvement/clarification of the Title V Program
- Three of these recommendations are still unresolved:
 - “...develop and issue guidance or rulemaking on annual compliance certification content which requires responsible officials to certify compliance with all applicable terms and conditions of the permit, as appropriate.”
 - “...develop nationwide guidance or rulemaking, as appropriate, on the contents of statements of basis...”
 - “Issue the draft rule regarding intermittent versus continuous monitoring as it relates to annual compliance certifications and including credible evidence.”

- In March 2013, EPA proposed changes to federal rules to amend the annual compliance certification requirements for state and federal operating permit programs to address IG recommendation
 - The proposal published on March 29, 2013
 - We received 7 comment letters and are working on the final package
 - EPA is working on a final rule to amend the compliance certification requirements for state and federal operating permit programs and response to comment
- EPA committed to develop a guidance document that addresses the recommendations on the contents of statement of basis and compliance certifications
 - EPA plans is to issue the guidance by the end of 2013

NSR UPDATE

Upcoming NSR Rules

- $PM_{2.5}$ Good Cause Final Rule to remove vacated elements of PSD regulations pursuant to January 22, 2013 court decision in Sierra Club v. EPA
- $PM_{2.5}$ SILs Reconsideration Rule

SIP REFORM UPDATE

Focus of SIP Reform Efforts

Guiding Principle: Early Air Agency Engagement - No Surprises!

- Rule and Guidance Management – EPA issues timely and effective NAAQS-related rules, guidance, and other tools needed for air agencies to meet their Clean Air Act responsibilities
- SIP Backlog Reduction and Improved SIP Processing
 - SIP approval decisions are consistent between EPA Regions and made within Clean Air Act timeframes
 - SIP backlog is reduced and future SIPs are processed in timely manner
- Continue to make progress on list of 13 SIP Reform requests from ECOS/NACAA

Planned Work Products for PM_{2.5} FCAP Subgroups

- Technical Subgroup
 - Roadmap for state input to modeling and inventory guidance
 - Timely issuance of guidance
- SIP Processing Subgroup
 - Recommendations for creating opportunities for meaningful communication
 - Recommendations for engaging in approvability discussions during the SIP development process
 - Best practices for establishing roles and responsibilities in attainment demonstration SIP planning (to be developed)
 - Tools to aid air agencies in developing and submitting approvable SIPs on time
 - Template or checklist for infrastructure SIP submission
 - Template or guidance for attainment demonstration (what analysis and tools should be used in the SIP and what the minimum requirements are that the SIP should contain)
 - Tools to aid EPA Regions in timely and consistent (within reason) review of SIP submissions

Rules and Guidance Update

- 2008 Ozone NAAQS
- 2010 SO₂ NAAQS
- 2012 PM_{2.5} NAAQS
- Exceptional Events
- Infrastructure SIP Guidance
- Regional Haze Guidance

For more information see Appendix

Target Schedule for NAAQS Implementation Rules/Guidance/Tools

Action	After NAAQS Promulgation
EPA issues PSD guidance or rule*	Upon promulgation (for necessary PSD measures)**
EPA issues Designations guidance	4 months
<i>States submit Designation recommendations</i>	1 year
EPA issues Infrastructure guidance and/or Transport Rule	Up to 1 year
EPA issues proposed nonattainment area SIP rules or guidance	1 year
EPA finalizes designations (and classifications where appropriate)	2 years***
EPA issues NSR and/or conformity rule/ guidance if needed	2 years***
EPA issues final nonattainment area SIP rules or guidance (including emission inventory, modeling guidance, and any nonattainment NSR provisions)	2 years***
EPA and/or air agencies issue final SIP templates, toolkits, etc. to assist states with development of nonattainment area plans	2 years***
<i>States submit Infrastructure and Transport SIPs</i>	3 years
<i>States submit Attainment plans</i>	3.5 to 5 years

*Includes transition provisions, emissions estimation/source testing provisions, permit modeling, screening tools (SER, SIL, other), increments, and precursor implementation.

**Timing for other guidance/rules depends on the CAA requirements for the NAAQS.

***Designations can be finalized in 3 years under certain circumstances.

Efforts to Address SIP Backlog and Improve SIP Processing

- NACAA/ECOS and EPA are having focused discussions through the SIP Reform Workgroup (SRWG) to address SIP backlog and improve SIP processing
- Main themes of these discussions include:
 - Developing and implementing best practices and tools developed through FCAP to facilitate SIP processing
 - Increasing transparency of SIP data and evaluating additional improvements to AirTrax that could be of assistance to states
 - Developing joint state-region plans to reduce the number of SIPs pending before an EPA Region within a certain time frame

APPENDIX

- **2008 Ozone NAAQS**
 - Rule: Implementation of the 2008 NAAQS for Ozone State Implementation Plan Requirements

- **2010 SO₂ NAAQS**
 - Guidance: SO₂ Nonattainment Area Implementation Requirements
 - Technical Assistance Document for SO₂ Air Quality Modeling in Support of Designations
 - Technical Assistance Document for SO₂ Air Quality Monitoring in Support of Designations
 - Rule: Data Requirements for Air Quality Modeling and Monitoring for Designations

NOTE: Not a comprehensive list of completed, planned or ongoing rulemakings/guidances

- **2012 PM_{2.5} NAAQS**
 - Guidance: Area Designations for the 2012 Revised PM_{2.5} NAAQS
 - Guidance: PM_{2.5} Permit Modeling
 - Rule: PM_{2.5} Nonattainment Area Implementation Requirements
 - PM_{2.5} Good Cause Final Rule to remove vacated SMCs
 - PM_{2.5} SILs Reconsideration Rule
 - (Revised) Guidance on the Use of Models and Other Analyses for Demonstrating Attainment for Air Quality Goals for O₃, PM_{2.5} and Regional Haze
 - (Revised) Guidance: Emission Inventory Guidance for Implementation of O₃ and PM_{2.5} NAAQS and Regional Haze Regulations

Rule and Guidance Update

- **Exceptional Events**
 - Interim Exceptional Events Guidance to clarify key provisions of the 2007 Exceptional Events Rule.
 - Supplemental Exceptional Events Guidance re: Wildfire/Ozone Events
 - Rule: Revisions to the 2007 Exceptional Events Rule

- **Guidance: Infrastructure State Implementation Plan Elements Under Clean Air Act Sections 110(a)(1) and 110(a)(2)**

- **Regional Haze:** Guidance - General Principles for the 5-Year Regional Haze Progress Reports for the Initial Regional Haze State Implementation Plans (Intended to Assist States and EPA Regional Offices in Development and Review of the Progress Report)

NOTE: Not a comprehensive list of completed, planned or ongoing rulemakings/guidances

List of 13 SIP Reform Requests from ECOS/NACAA: Completed Items

- **2. Facilitate redesignations and maintenance plan submittals by eliminating unnecessary documentation**
- **8. Allow letter approval or certifications for minor SIP revisions**
- **11. Allow states to determine the most appropriate mechanisms for seeking comment from the public about SIP amendments (including whether or not to hold a hearing and the possibility of using online methods of notice)**
- All three were addressed through SIP Consistency Memo (McCabe, 4/6/11) which addresses state submittal requirements

List of 13 SIP Reform Requests from ECOS/NACAA: Ongoing Items

- **1. Assure that EPA guidance is issued in time for state and local agencies to use in developing their plans**
 - The Full Cycle Analysis Project (FCAP) is working with states to address this
 - EPA has been engaging the states on guidance and rulemakings
- **3. Develop and institute regional approaches to SIP planning**
 - SIP Consistency Memo (Janet McCabe, 4/6/11)
 - Focusing on consistency across EPA Regions (i.e., model language for notices)
 - Some EPA Regions have begun to review early drafts of SIPs
- **4. Promote weight-of-evidence demonstrations**
 - Working on revised version of photochemical modeling guidance, including chapter on weight-of-evidence

List of 13 SIP Reform Requests from ECOS/NACAA: Ongoing Items (con't)

- **6. Improve communications**
 - Improved communication with states through the FCAP subgroups, NAAQS Implementation Webinars, Monthly NACAA Criteria Pollutant and Permitting calls, etc.
 - Providing more opportunities for air agencies to provide input and feedback on draft guidance
 - Use of AirShare to solicit input and share info
 - Several Regions are doing SIP Kaizen-like efforts with states to improve communications (e.g., NOI posted on website and updated)
- **7. Create a protocol/checklist for the development of attainment SIPs**
 - FCAP SIP processing subgroup is working on developing protocols and checklists
 - Completed a Menu of Control Measures to provide info for developing local emission reduction and NAAQS SIP scenarios
 - Working on pollutant-specific NAAQS SIP Toolkits

List of 13 SIP Reform Requests from ECOS/NACAA: Ongoing Items (con't)

- **10. Provide training to assist states developing nonattainment SIPs and train EPA personnel**
 - Developing new training and updating existing training
 - Conducting webinars during comment periods to facilitate more meaningful comments
- **12. Accept electronic SIP submittals instead of requiring multiple hard copies**
 - Developing a fully electronic submittal process to remove the requirement for hard copies
- **13. Create an online clearinghouse of approved SIPs and an online SIP-tracking database for SIP submittals**
 - EPA Regions moving towards making their systems work together

List of 13 SIP Reform Requests from ECOS/NACAA: On Hold Items

- **5. To the extent possible, align SIP submittal dates for various pollutants**
 - CAA dates and states' desire not to accelerate submission dates make this difficult within existing structure of the Act

- **9. Simplify the reporting process for innovative and voluntary measures**
 - EPA has addressed specific processes raised by states such as developing an Energy Efficiency and Renewable Energy Manual (published July 2012)
 - Awaiting additional input from states on other specific measures needing simplification or clarification