

NAAQS AND OTHER IMPLEMENTATION UPDATES

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NACAA 2016 Fall Business Meeting
October 2016



OVERVIEW

- NAAQS Implementation Updates
 - Ozone
 - Exceptional Events
 - Fine Particulate Matter (PM_{2.5})
 - Sulfur Dioxide (SO₂)
 - Lead
- Interstate Transport
- Regional Haze
- Multi-pollutant Planning
- Startup, Shutdown, and Malfunction (SSM) Policy for SIPs and SIP Call
- SIP Processing Improvements
- NSR and Title V Permitting Updates



NAAQS Reviews: Status Update

(as of September 2016)

	Ozone	Lead	Primary NO ₂	Primary SO ₂	Secondary NO ₂ and SO ₂	PM	CO
Last Review Completed (final rule signed)	Oct. 2015	Oct 2008	Jan 2010	Jun 2010	Mar 2012	Dec 2012	Aug 2011
Recent or Upcoming Major Milestone(s)¹	TBD ²	<u>Dec 2014</u> Proposed decision <u>2016</u> Final decision	<u>Jan 2016</u> Final ISA <u>Summer 2016</u> 1 st Draft PA/REA	<u>Jan 2016</u> CASAC review of 1 st Draft ISA <u>Winter 2016/2017</u> 2 nd Draft ISA REA Planning Document	<u>Oct 2015</u> Draft IRP <u>Fall 2016</u> Final IRP <u>Winter 2017</u> 1 st Draft ISA REA Planning Document	<u>April 2016</u> Draft IRP <u>Fall 2016</u> Final IRP <u>Fall 2017</u> 1 st draft ISA REA Planning Document	TBD ²

Additional information regarding current and previous NAAQS reviews is available at: <https://www3.epa.gov/ttn/naaqs/>

¹ IRP – Integrated Review Plan; ISA – Integrated Science Assessment; REA – Risk and Exposure Assessment; PA – Policy Assessment

² TBD = to be determined



Anticipated NAAQS Implementation Milestones

(as of August 2016)

Pollutant	Final NAAQS Date	Designations Effective	Infrastructure SIP Due	Attainment Plans Due	Attainment Date
PM _{2.5} (2006)	Oct 2006	Dec 2009	Oct 2009	Dec 2014	Dec 2015 (Mod) Dec 2019 (Ser)
Pb (2008)	Oct 2008	Dec 2010-2011	Oct 2011	June 2012-2013	Dec 2015-2019
PM _{2.5} (2012)	Dec 2012	Apr 2015	Dec 2015	Oct 2016 (Mod)	Dec 2021 (Mod) Dec 2025 (Ser)
NO ₂ (2010) (primary)	Jan 2010	Feb 2012	Jan 2013	N/A	N/A
SO ₂ (2010) (primary)	June 2010	Oct 2013, Sept 2016 (+2 rounds)	June 2013	April 2015, March 2018 (2019, 2022)	Oct 2018, Sept 2021 (2023, 2026)
Ozone (2008)	Mar 2008	July 2012	Mar 2011	Mid 2015-2016	Mid 2015-2032
Ozone (2015)	Oct 2015	Dec 2017	Oct 2018	Dec 2020-2021	2020-2037



2008 Ozone NAAQS Implementation

- **Final Implementation of the 2008 NAAQS for Ozone: State Implementation Plan Requirements Rule** published March 6, 2015 (80 FR 12264)
 - Provides interpretive rules and guidance on nearly all aspects of the attainment planning requirements for designated nonattainment areas
 - Revoked the 1997 NAAQS (effective April 6, 2015) and established anti-backsliding requirements
- Key implementation dates for nonattainment areas:
 - Emissions inventories, emissions statement rules and RACT SIPs due July 2014
 - Attainment plans and demonstrations due July 2015 (Moderate) or July 2016 (Serious and above)
 - Marginal area attainment date July 20, 2015 (attainment determined by 2012-2014 air quality data)
 - Moderate area attainment date July 20, 2018 (2015-2017 air quality data)
- Current litigation:
 - South Coast Air Quality Management District and environmental petitioners (Sierra Club *et al.*) challenged various aspects of the 2008 Ozone NAAQS SIP Requirements Rule, including creditability of reasonable further progress (RFP) control measures, revocation of 1997 NAAQS and application of regulatory anti-backsliding requirements (final briefs due late 2016)
 - Environmental petitioners (Center for Biological Diversity *et al.*) filed a complaint to require EPA to issue findings of failure to submit required SIPs and to take final action on the SIPs that were submitted for nonattainment areas and OTR states for the 2008 ozone NAAQS (complaint filed July 21, 2016)



2008 Ozone NAAQS Implementation: Actions for Marginal Nonattainment Areas

- Marginal area attainment date was July 20, 2015
- On April 11, 2016 (81 FR 26697), EPA finalized several actions for 36 Marginal areas under the 2008 ozone NAAQS:
 - Determinations of attainment by the attainment date for 17 areas
 - One-year extensions of the attainment date for 8 areas
 - Reclassification to Moderate due to failure to attain by the attainment date for 11 areas
 - Moderate area SIPs due January 1, 2017
- Attainment date for 8 areas with 1-year extensions was July 20, 2016
 - 6 areas have attained the standards by the extended attainment date
 - 2 areas failed to attain by extended attainment date and will be reclassified to Moderate



Progress on Ozone NAAQS Attainment

(as of June 17, 2016)

	1997 NAAQS (2004 Designations)	2008 NAAQS (2012 Designations)
Initial Nonattainment Areas	115	46
Areas Redesignated to Attainment	80 (prior to revocation)	3
Current Nonattainment Areas	35	43
Clean Data Determinations	26	18*
Proposed Redesignation Substitutes	2	0
Reclassifications to Higher Classification	N/A after revocation	11**

*Includes 17 Marginal area determinations of attainment by the attainment date and 1 Moderate area clean data determination.

**2 additional areas are pending reclassification



2015 Ozone NAAQS

- Final **National Ambient Air Quality Standards for Ozone Rule** signed October 1, 2015 (40 FR 65292), revising the primary and secondary 8-hour ozone standards to 0.070 ppm
- The overall framework and policy approach for the previous implementation rules for the 2008 ozone NAAQS will serve as a template for implementation of the 2015 revised standard
 - Implementing the 2015 Ozone NAAQS Memorandum released October 1, 2015, by Janet McCabe to Regional Administrators https://www.epa.gov/sites/production/files/2015-10/documents/implementation_memo.pdf



Intended Schedule for 2015 Ozone NAAQS Implementation Rules/Guidance/Tools

Action	After NAAQS Promulgation	(Actual) and Planned Dates
EPA finalized 2015 Ozone NAAQS, Monitoring rules, Exceptional Event Demonstration Schedule, and PSD grandfathering.	Upon promulgation	(October 1, 2015)
EPA proposed Exceptional Events Rule revisions and issues draft Wildfire/Ozone Guidance		(November 10, 2015)
EPA issued Area Designations Guidance for the 2015 Ozone NAAQS	4 months	(February 25, 2016)
EPA finalizes Exceptional Events Rule revisions and issues Wildfire/Ozone Guidance		September 2016
States and tribes submit recommendations for ozone area designations to EPA	12 months	October 1, 2016
EPA provides results of interstate ozone transport modeling information	12 months	Fall 2016

Intended Schedule for 2015 Ozone NAAQS Implementation Rules/Guidance/Tools
(table continued)

Action	After NAAQS Promulgation	(Actual) and Planned Dates
EPA proposes nonattainment area SIP rules/guidance (including area classifications thresholds, SIP due dates, and nonattainment NSR provisions)	12 months	October 2016
EPA finalizes designations, classifications, and nonattainment area SIP rules/guidance	24 months	October 2017
States submit infrastructure and transport SIPs	36 months	October 2018
States submit attainment plans	5-6 years	2020-2021
Nonattainment area attainment dates (Marginal – Extreme)	5-22 years	2020-2037

2015 Ozone NAAQS: Upcoming Implementation-Related Rules/Guidance/Activities

- Area designations guidance (including assessing rural transport areas) issued to states in February 2016
 - Ozone Designations Mapping Tool provides access to air quality data, emissions data, and jurisdictional boundaries
 - Can be found at <https://www.epa.gov/ozone-designations/ozone-designations-guidance-and-data>
- Proposed rule to update, where necessary, the existing ozone NAAQS implementation regulations targeted for Fall 2016 (more on next slide); final Fall 2017
- PSD permitting:
 - Final update to Guideline on Air Quality Models (Appendix W to 40 CFR Part 51) (Fall 2016)
 - Guidance on compliance demonstration tools:
 - Ozone and PM_{2.5} significant impact levels (SILs) (posted for comment in August 2016)
 - Model emissions rates for precursors (MERPs) (Fall 2016)
- Update to transportation conformity guidance specific to nonattainment areas for 2015 NAAQS (Fall 2017)



Key Issues to be Addressed in 2015 Ozone NAAQS SIP Requirements NPRM

1. Nonattainment area classification thresholds
2. RFP – milestone compliance demonstrations
3. RACT – submission and implementation deadlines
4. Attainment plans – consideration of sources of intrastate transport
5. NNSR – interprecursor trading
6. CAA section 179B on international emissions impacts
7. Revocation of the 2008 ozone NAAQS



2015 Ozone NAAQS: Anticipated Timeline for Designations Process

Milestone	Date
The EPA promulgates 2015 Ozone NAAQS rule	October 1, 2015
The EPA issues designations guidance	February 25, 2016
Air agencies submit exceptional events demonstrations for data years 2014-2015	No later than the date recommendations are due to EPA (October 1, 2016)
States and tribes submit recommendations for ozone designations (and exceptional events demonstrations for data years 2014-2015) to EPA	No later than October 1, 2016
The EPA notifies states and tribes concerning any intended modifications to their recommendations (120-day letters)	No later than June 2, 2017 (120 days prior to final ozone area designations)
The EPA publishes public notice of state and tribal recommendations and the EPA's intended modifications, if any, and initiates 30-day public comment period	On or about June 9, 2017
End of 30-day public comment period	On or about July 10, 2017
States and tribes submit additional information, if any, to respond to the EPA's modification of a recommended designation	No later than August 7, 2017
The EPA promulgates final ozone area designations	No later than October 1, 2017



Background Ozone

- EPA discussed and characterized background ozone issues in several documents:
 - Proposed and final 2015 Ozone NAAQS preambles
 - 2015 Ozone Implementation Memo from Janet McCabe to EPA Regional Administrators (October 1, 2015)
 - Background Ozone White Paper (December 30, 2015)
- To seek input from air agencies and other interested stakeholders, EPA held a workshop on background ozone and solicited written comments through March 31, 2016
 - Workshop held February 24-25, 2016
 - Docket for workshop materials and written comments EPA-HQ-OAR-2016-0097
- For more information visit https://www.epa.gov/sites/production/files/2015-10/documents/implementation_memo.pdf and <https://www.epa.gov/ozone-pollution/background-ozone-workshop-and-information>



Exceptional Events

- On September 16, 2016, the EPA finalized the **2016 Revisions to the Exceptional Events Rule**, which address issues raised by stakeholders and increase the administrative efficiency of the rule process
 - <https://www.epa.gov/air-quality-analysis/treatment-data-influenced-exceptional-events>
 - Rule effective date is September 30, 2016
 - Published in Federal Register on October 3, 2016 (81 FR 68216)
- General Elements of the Exceptional Events Rule
 - Applies to all criteria pollutants and NAAQS and all event types
 - Applies to all state air agencies, to (delegated) local air agencies, to tribal air agencies that operate air quality monitors that produce regulatory data and to federal land managers/federal agencies if agreed by the state
 - Establishes procedures and criteria for identifying and evaluating air quality monitoring data affected by exceptional events
 - Provides a mechanism by which air quality data can be excluded from regulatory decisions and actions
 - Affects design value calculations, NAAQS designation decisions, attainment determinations, and State / Tribal / Federal Implementation Plan development



Final Exceptional Events Rule Revisions

- Clarify the types of determinations and actions to which the authorizing statutory authority in CAA section 319(b) applies
 - Designations/redesignations, classifications, attainment determinations (including clean data determinations), attainment date extensions, findings of SIP inadequacy leading to SIP call, other actions on a case-by-case basis
- Return to the core statutory elements of CAA section 319(b)
- Clarify “not reasonably controllable or preventable” criteria
 - “Controllable” and “preventable” are separate tests
 - Rely on pollutant-relevant controls in attainment/maintenance SIP/FIP/TIPs approved within 5 years of the date of the event
 - Indicate that air agencies generally have no obligation to specifically address controls for emissions originating outside their jurisdictional (i.e., state/tribal/international) border(s)



Final Exceptional Events Rule Revisions (con't)

- Clarifies high wind elements currently addressed in guidance, such as provisions for the high wind threshold and criteria for “extreme” events
- Codifies requirements for the content and organization of exceptional events submittals
- Removes “general schedule” deadlines for data flagging and demonstration submittal
- Includes new fire-related rule language and preamble text
 - Clarifies that all wildfires on wildland are natural events
 - Clarifies that prescribed fire is a human-caused event eligible for treatment as an exceptional event and finalize a streamlined path to show how air agencies can satisfy rule criteria
- Includes requirements to develop mitigation plans in areas with recurring events



Exceptional Events: Wildfire/Ozone Guidance

- Along with the Revisions to the Exceptional Events, the EPA issued the final version of the non-binding guidance document, ***Guidance on the Preparation of Exceptional Events Demonstrations for Wildfire Events that May Influence Ozone Concentrations***
- Incorporates and applies the Exceptional Events Rule revisions to wildfire/ozone events
- Provides example analyses, conclusion statements, and technical tools that air agencies can use to provide evidence that the wildfire event influenced the monitored ozone concentration
- Uses a tiered approach for analyses to support the clear causal relationship criterion



PM_{2.5} NAAQS Implementation: SIP Requirements Rule

- **Final Air Quality State Implementation Plans; Approvals and Promulgations: Fine Particulate Matter National Ambient Air Quality Standards Rule** published on August 24, 2016 (81 FR 58010)
- Provides the framework for planning requirements for 2012 and future PM_{2.5} NAAQS, and will inform implementation for areas still violating 1997 and/or 2006 PM_{2.5} NAAQS
- Addresses the January 2013 DC Circuit Court remand (*NRDC v. EPA*) of the 2007 PM_{2.5} implementation rule and nonattainment portions of the 2008 NSR rule for PM_{2.5} which held that EPA must implement PM_{2.5} NAAQS under subpart 4 (CAA 188-190) and presumptively required to address all PM_{2.5} precursors (SO₂, NO_x, VOC, ammonia) in SIPs



PM_{2.5} NAAQS Implementation: SIP Requirements Rule

- Final rule addresses all aspects of implementation for Moderate and Serious areas:
 - Emission inventories
 - Control measure evaluations [e.g. reasonably available control measures (RACM), best available control measures (BACM), most stringent measures (MSM)]
 - Attainment demonstration and modeling
 - Reasonable further progress and quantitative milestones
 - Contingency measures
 - Discretionary and mandatory reclassifications
 - Attainment date extension criteria
 - Nonattainment New Source Review requirements
 - Precursor policies (regarding demonstrations to show a precursor has an insignificant contribution to PM_{2.5} levels)
- EPA expects to issue “PM_{2.5} Precursor Demonstration Guidance” recommending technical approaches for conducting precursor demonstrations to assess whether a particular air quality concentration threshold can be considered to be insignificant in a given area later this year.



1997 and 2006 PM_{2.5} NAAQS Implementation

- Identification of Nonattainment Classification and Deadlines for Submission of State Implementation Plan Provisions for the 1997 Fine Particle (PM_{2.5}) NAAQS and 2006 PM_{2.5} NAAQS Rule issued June 2, 2014 (79 FR 31566) clarified that all nonattainment areas at the time were Moderate and set a deadline of December 31, 2014, for states to provide revised SIP submissions as necessary to meet subpart
 - Rule was upheld in D.C. Circuit Court decision *WildEarth Guardians v. EPA*, No. 14-1145, July 29, 2016
- 2006 PM_{2.5} NAAQS Moderate area attainment date was December 31, 2015
 - EPA preparing to issue determinations of attainment/failure to attain by the attainment date based on 2013-15 air quality data
 - Areas that failed to attain by the attainment date will be reclassified to Serious by operation of law and will need to submit a revised SIP within 18 months that includes “best” controls



PM_{2.5} NAAQS Implementation

- On June 2, 2016, the US District Court for the Northern District of California agreed to a consent decree settlement for *Center for Biological Diversity, Center for Environmental Health, and Neighbors for Clean Air v. EPA* to issue final action on certain states' attainment plans, NNSR plans, infrastructure SIPs, and/or findings of failure to submit
 - Approved consent decree established dates (through May 2017) for EPA to take final action on state submissions and/or for states to make overdue submissions (affects 6 states: AZ, CA, ID, MT, OR, UT)



PM_{2.5} NAAQS Implementation (con't)

- On July 1, 2016, the Center for Biological Diversity and the Center for Environmental Health submitted a 60-day NOI to file suit against EPA for its failure to perform several duties related to PM_{2.5} SIPs in the following categories:
 - PSD Increments
 - Interstate transport SIPs for 2012 PM_{2.5} NAAQS
 - 2006 PM_{2.5} NAAQS determinations of attainment and reclassifications for certain areas
 - 1997 and 2006 PM_{2.5} Infrastructure SIPs



Progress on PM_{2.5} NAAQS Attainment

(as of August 16, 2016)

	1997 PM _{2.5} (2005 Designations)	2006 PM _{2.5} (2009 Designations)	2012 PM _{2.5} (2015 Designations)
Initial Nonattainment Areas	39	32	9
Areas Redesignated to Attainment	32	16	0
Current Nonattainment Areas	7	16	9
Clean Data Determinations	5	8	0
Proposed Redesignations	0	0	0



2010 SO₂ NAAQS Implementation

- EPA revised primary SO₂ standard on June 3, 2010 (75 ppb/1-hour)
- 1-hr SO₂ NAAQS NAA SIP elements guidance issued on April 24, 2014
- Attainment plans for 29 areas currently designated nonattainment were due April 4, 2015
- EPA issued findings of failure to submit (FFS) attainment plans for 16 areas in 11 states, effective April 18, 2016
 - Mandatory sanctions may apply at 18 months (October 18, 2017) and then additional sanction at 24 months (April 18, 2018) if affected states do not submit complete SIPs
 - Affected states may be subject to Federal Implementation Plans (FIPs) if they do not submit SIPs for the 16 areas within 24 months (April 18, 2018)

Current Status of the 29 Initial SO₂ NAAs

- As of August 15, 2016, of the 29 initial areas designated as NAA:
 - 1 area redesignated to attainment (Billings, MT)
 - 3 states submitted redesignation and/or clean data requests for 2 areas (Campbell-Clermont, OH-KY and Jefferson County, MO)
 - NAA area SIPs for 14 areas submitted



2010 SO₂ NAAQS Designations

- Consent decree entered on March 2, 2015, by U.S. District Court for Northern California in *SIERRA CLUB and NATURAL RESOURCES DEFENSE COUNCIL v. EPA* “triggered” the following deadlines:
 - July 2, 2016 - The EPA must complete a round of designations for 61 areas associated with approximately 64 EGUs in 24 states and any undesignated areas with violating monitors (“Round 2” designations)
 - *EPA issued designations on June 30, 2016, which are effective September 12, 2016*
 - December 31, 2017 - The EPA must complete an additional round of designations for any area a state has not established a new monitoring network by January 1, 2017 per the provisions of the SO₂ Data Requirements Rule (*see subsequent slide*)
 - December 31, 2020 - The EPA must complete designations of all remaining, undesignated areas (expected to be areas where states elected to monitor per the provisions of the DRR)

2010 SO₂ Designations Due on July 2, 2016 Under Consent Decree

- On June 30, 2016, EPA finalized designations for 61 areas for “Round 2”:
 - Areas where there are sources (electric power plants) that as of March 2, 2015, have not been “announced for retirement,” and
 - Areas that meet one of the following emissions thresholds:
 - 16,000 tons of emitted in 2012 or
 - 2,600 tons of SO₂ emitted in 2012 with an average emission rate of at least 0.45 pounds of SO₂ per mmBtu
 - Areas where 2013-15 data indicate monitored violations – only Hawaii County, HI – which was determined to be an Exceptional Event
- These designations included 4 nonattainment areas, 41 unclassifiable/attainment areas, and 16 unclassifiable areas

SO₂ NAAQS Data Requirements Rule: Implementation Timeline

- **January 15, 2016:** Air agency identifies applicable sources (i.e., those exceeding threshold and other sources for which air quality will be characterized)
 - EPA notified states in March 2016 that review of source lists was complete. In a few cases, EPA added sources to characterization list
- **July 1, 2016:** Air agency specifies (for each applicable source) whether it will monitor air quality, model air quality, or establish an enforceable limit
 - Air agency also accordingly submits a revised monitoring plan, modeling protocols, or descriptions of planned limits on source emissions to less than 2,000 tpy, or documentation that a source has shut down
 - Two new webpages provide information on the source list and state choices for source characterization, as well as communication between the states and EPA
 - <https://www3.epa.gov/airquality/sulfurdioxide/drr.html>
 - <https://www.epa.gov/so2-pollution/so2-data-requirements-rule-state-pathway-notifications>
- **January 2017**
 - New monitoring sites must be operational by January 1, 2017
 - Modeling analyses must be submitted to EPA by January 13, 2017
 - Documentation of federally enforceable emission limits and compliance, or documentation that a source has shut down must be submitted to EPA by January 13, 2017
- **Early 2020:** Monitoring sites will have 3 years of quality-assured data which must be submitted to EPA

SO₂ NAAQS DRR: Status of the Sources on the Source List

- Total number of DRR sources on the source list: 376
 - Based on the July 1, 2016, state notification submittals:
 - **64** of the **376** sources on the list were included in one of the 61 areas designated in Round 2 (CD Sources)
 - **44** sources were included in Unclassifiable/Attainment areas
 - **16** sources were included in Unclassifiable areas
 - **4** sources were included in Nonattainment areas
- How states chose to characterize the 376 sources on the list (as of August 30, 2016):
 - Modeling: **189**
 - Monitoring: **74**
 - Taking a limit: **49**
 - Shutting down: **6**
 - Sources from the CD round designated as Nonattainment or Unclassifiable/Attainment: **48**
 - TBD: **10**

Total: 376

Intended Schedule for Area Designations for 2010 SO₂ NAAQS Due on December 31, 2017

Milestone	Date
States and tribes may submit updated recommendations and supporting information for area designations to the EPA	No later than January 13, 2017
States and tribes submit modeling analyses pursuant to SO ₂ Data Requirements Rule	No later than January 13, 2017
States submit exceptional events demonstrations for event-influenced SO ₂ monitoring data from 2015-2016	No later than July 14 , 2017
The EPA notifies states and tribes concerning any intended modifications to their recommendations (120-day letters)	on/about August 14, 2017 (no later than 120 days prior to final designations)
The EPA publishes public notice of state and tribal recommendations and the EPA's intended modifications and initiates 30-day public comment period	on/about August 24, 2017
End of 30-day public comment period	on/about September 24, 2017
States and tribes submit additional information, if desired, to demonstrate why an EPA modification is inappropriate	No later than October 13, 2017
The EPA signs notice promulgating final SO ₂ area designations for Round 3	on/about December 14, 2017 (can be no later than December 31, 2017)

Steps for Success in SO₂ Designations Rounds 3 and 4

- Schedule is tight – Communication between states and EPA Region is critical
 - Modeling protocols and monitoring plans can be complicated, so early engagement with your Region is important
 - Regions will review modeling protocols and monitoring plans quickly after submission to engage states as soon as possible, well in advance of the January 2017 deadline
- EPA (HQ & Regions) is ready to engage now on both of these plans to work towards high quality submittals in January
 - Early partial approval of SO₂ portion of monitoring plan possible
 - Several Model Clearinghouse approvals of adj u* already, Appendix W likely will be finalized in Fall 2016, and updated Modeling Technical Assistance Document posted in August 2016



Lead NAAQS Implementation Update

- In 2008, EPA strengthened the standard and changed the level to $0.15\mu\text{g}/\text{m}^3$
 - EPA initially designated 22 areas as nonattainment:
 - 16 areas were designated nonattainment effective Dec. 31, 2010
 - 5 additional areas were designated nonattainment effective Dec. 31, 2011
 - 1 area was designated nonattainment effective October 3, 2014
- As of September 2016, 21 areas remain in nonattainment:
 - EPA expects most of the areas previously designed as nonattainment either will have attained or are on track to attain by end of 2016
 - All but one of the areas that have not attained are implementing specific plans to address the main sources of concern
 - The remaining area is working on a plan to demonstrate attainment
- On September 16, 2016, EPA completed its review of the Pb NAAQS and issued a decision to retain the existing 2008 standards without revision



Status of Transport Rule Efforts

- Status of the Cross-State Air Pollution Rule (CSAPR)
 - EPA began implementation of this rule on January 1, 2015. It addresses interstate transport obligations for the 1997 ozone, 1997 PM_{2.5} and 2006 PM_{2.5} NAAQS
 - On July 28, 2015, the D.C. Circuit issued its opinion on the remaining issues raised with respect to CSAPR. While the rule was largely upheld, the budgets for some states were remanded.
- On September 7, 2016, EPA finalized an update to the CSAPR ozone season program by addressing the CSAPR Update
 - This rule addresses interstate transport of ozone pollution with respect to the 2008 ozone NAAQS
 - In 2017, this rule will reduce summertime emissions of NO_x from power plants in 22 states in the eastern half of the U.S.
 - The final rule reflects stakeholder input received during the public comment process and also responds to the July 2015 remand of certain CSAPR budgets by the U.S. Court of Appeals for the D.C. Circuit.
 - Additional information at <http://www.epa.gov/airmarkets/final-cross-state-air-pollution-rule-update>



Interstate Transport: CAA Sections 126 and 176A

- EPA is reviewing four CAA section 126 petitions for various NAAQS
 - As provided for under the CAA, EPA recently extended the deadlines for EPA's response to the petitions
- EPA also has a pending CAA 176A petition from several Northeastern states to add additional states to the Ozone Transport Region
 - EPA was sued for failure to timely act on the petition
 - EPA is considering the appropriate response for this petition



Regional Haze: Status of Actions from First Implementation Period

- EPA has taken actions to satisfy the Consent Decree, but we have outstanding obligations in a few states (e.g., EGU BART in TX and LA)
- Litigation lingers in several states – with challenges for:
 - CSAPR reliance for EGU BART
 - FIPs (from states, affected sources, and environmental groups)
 - Disapproved SIPs (by states and affected sources) and approved SIPs (by environmental groups)
- Other RH related program issues are being considered and addressed:
 - Options for visibility protection iSIPs
 - July 28, 2015, CSAPR D.C. Circuit Court opinion and potential interactions with RH SIPs/FIPs



Regional Haze Looking Forward: Planning for the Next Cycle of SIPs

- Rule amendments proposed on May 4, 2016 (81 FR 26942) included:
 - Provide certain clarifications to reflect the Agency's long-standing interpretations of the 1999 Regional Haze rule
 - Shift the due date for the next round of comprehensive planning SIPs to July 2021; will not prevent states from submitting SIPs earlier
 - Change the schedule and process for submitting 5-year Progress Reports
 - Revise aspects of RAVI provisions
- EPA is currently considering public comments as we work to finalize the rule revisions (later this year)



Regional Haze Looking Forward: Planning for the Next Cycle of SIPs (con't)

- On July 8, 2016 (81 FR 44608), EPA released draft guidance for two key aspects of the program:
 - 1) Reasonable Progress (RP) Guidelines – Guidance for evaluating the statutory factors and making decisions on RP controls
 - 2) Visibility Tracking – Tracking visibility progress based on impacts from controllable, anthropogenic emissions instead of all sources
 - EPA is currently considering public comments as we work to finalize the guidance document (later this year)
- Outreach:
 - EPA held webinars at proposal and plan to have webinars when we finalize the rule revisions and guidance document
 - EPA considering other activities that could support the program and state efforts to develop SIPs

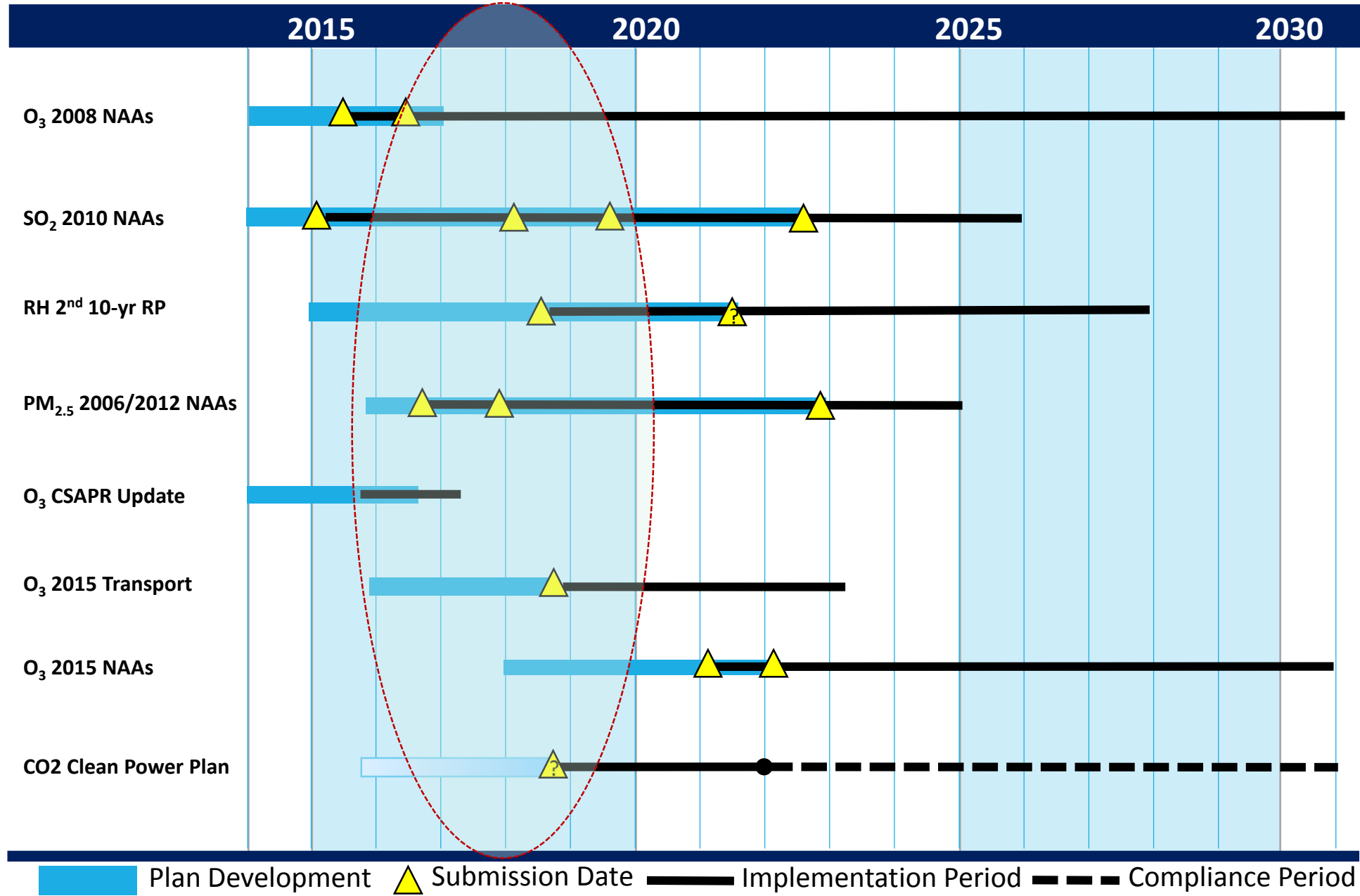


Multi-Pollutant Planning

- A multi-pollutant focus can help optimize strategies to concurrently reduce emissions and exposures to criteria and toxic air pollutants in ways that can reduce air pollution risks and maximize public health protection
- Upfront and early consideration of upcoming NAAQS, climate change, or air toxics policies, as well as local strategies can improve decision making in a way that minimizes costs, and synchronizes timing and planning process
- EPA continues to consider mechanisms to better integrate CAA requirements and timing
 - It is a dynamic process – we need to continuously review multi-pollutant approaches as we implement current programs and as new requirements arise
- Planning for the Future:
 - Identifying applicable requirements
 - Looking for opportunities to harmonize federal requirements
 - Continue dialogue with states and communities to identify how to best coordinate and harmonize
 - Continue to promote and support early planning through Ozone and PM Advance Programs
- Additional information and resources on multi-pollutant planning can be found at www.epa.gov/advance/advance-resources



Multiple Air Quality Planning Programs June 2016



Response to SSM Petition, Final Policy and SIP Call

- Final action was signed May 22, 2015, in response to a Sierra Club petition for rulemaking concerning SIP provisions for treatment of excess emissions occurring during periods of startup, shutdown and malfunction (SSM)
 - Final notice restates EPA's SSM Policy as it applies to SIPs with one change regarding affirmative defense (AD) provisions
- SIP Call applies to 36 states (45 jurisdictions), the majority of which were named in the original petition
- Deadline for state action to remove provisions from their rules and make corrective SIP submissions is November 22, 2016
- Challenge from multiple parties filed with D.C. Circuit Court



SIP Processing Improvements

- NACAA-ECOS-EPA SIP Reform Workgroup discussed need to reduce the SIP backlog and improve SIP processing
- Successful Implementation of Key Principles:
 - Set a goal of clearing the current backlog (as of October 1, 2013) by the end of 2017
 - Manage the review of all other SIPs consistent with Clean Air Act deadlines
 - Develop 4-year management plans agreed upon by EPA Regions and states that identify the highest priority SIPs to process and meet the backlog reduction goal
 - Use best practices and tools developed through the PM_{2.5} Full Cycle Analysis Project (FCAP) to facilitate SIP processing
 - Increase transparency of SIP review status and improve EPA's SIP tracking system with fields that could be of assistance to states



SIP Processing Improvements (Con't)

- Trends in SIP Processing
 - EPA and air agencies are implementing the best practices from the PM_{2.5} Full Cycle Analysis to improve SIP processing and assessing effectiveness to ensure continued improvement
 - 4-year management plans in place for each state
 - Will continue to coordinate with states on SIP management plans as a standard practice
 - EPA and states making good progress on eliminating the SIPs backlogged as of October 1, 2013
 - The number and complexity of new SIP submissions is making this challenging
 - EPA and states working together to prioritize SIPs and manage the review of all other SIPs consistent with Clean Air Act deadlines



SIP Processing Improvements: Integrated Electronic System for SIP Submissions

- Our vision is to create an integrated electronic submission system for SIPs and other state plans that enables us to:
 - Manage state submissions more efficiently and effectively
 - Increase transparency through data availability
- EPA embarking on project to leverage new Agency IT systems to improve and modernize the SIP submission process by allowing for:
 - 1) Developing and transmitting SIP submissions;
 - 2) Internal EPA review, collaboration, tracking and storage of plans;
 - 3) External public interface that provides status information on EPA action on SIPs, links to submittals, and links to FR notices; and
 - 4) Additional functionality, such as maintaining SIP compilations and accommodating other types



NSR and Title V Updates

Draft Guidance on Significant Impact Levels (SILs) for Ozone and PM_{2.5} in the Prevention of Significant Deterioration Permitting Program

- Draft guidance posted (revised version posted August 18, 2016) for 60 day comment period through September 30, 2016
 - Draft guidance includes a memorandum that identifies recommended SIL values for ozone and PM_{2.5} and describes how these values may be used in a PSD compliance demonstration;
 - A technical basis document (with supporting appendices) describing how EPA developed the SIL values for PM_{2.5} and ozone; and
 - A legal support document that discusses a legal basis that permitting authorities may choose to apply if allowing sources to use SILs as part of their compliance demonstrations.
 - Webinar was given on August 24. Slides are posted on website below

<https://www.epa.gov/nsr/forms/significant-impact-levels-ozone-and-fine-particles-prevention-significant-deterioration>



Source Determination Rule for the Oil and Gas Sector

- On June 3, 2016, EPA published the final **Source Determination for Certain Emission Units in the Oil and Natural Gas Sector Rule** (81 FR 35622)
- The rule clarifies the meaning of “adjacent” that is used to determine the scope of a stationary source for purposes of the Prevention of Significant (PSD) and Nonattainment NSR (NNSR) preconstruction permitting programs and the scope of “major source” in the title V permit program in the onshore oil and natural gas sector
 - Part of the comprehensive Oil and Gas Strategy including NSPS, CTG and Indian Country FIP
- For more information visit <https://www3.epa.gov/airquality/oilandgas/actions.html>



E-Notice Rule for NSR, Title V and OCS Permitting

- On October 5, 2016, EPA finalized **Revisions to the Public Notice Provisions in Clean Air Act Permitting Programs** rulemaking is to remove the mandatory newspaper publication requirement for air permits and provide electronic notice as an available, effective, and adequate standard for public notice
 - States have the discretion to continue using newspaper notice
- Consistent with Clean Air Act Advisory Committee Task Force Recommendations
- Final rule not yet published
- For more information go to <https://www.epa.gov/nsr/clean-air-act-permitting-electronic-notice-final-rule>



Amendments to Regional Consistency Regulations

- EPA's Part 56 regulations require that EPA's regulations and policies be applied consistently across all the regional offices
- Final Amends to Regional Consistency Regulations was published on August 3, 2016 (81 FR 51102)
 - Provides an exception allowing EPA regional offices to deviate from national EPA policy when it is necessary to comply with a U.S. Circuit or District Court decision involving regional or locally applicable matters
 - Rule change is consistent with May 30, 2014, D.C. Circuit ruling in *NEDA CAP v. EPA*
 - Rule effective on September 2, 2016
- For more information visit <https://www.epa.gov/title-v-operating-permits/current-regulations-and-regulatory-actions>



PSD Preconstruction Permits Rescission Rule

- On June 3, 2016, EPA published (81 FR 38640) the **proposed Rescission of Preconstruction Permits Issued Under the CAA** revised the “Permit Rescission” provision at 40 CFR 52.21(w). In the rule, we proposed to:
 - Amend the permit rescission provision to remove a date restriction that limits the use of this provision to permits issued based on the rules in effect on or before July 30, 1987
 - 1987 date put in place to allow permit rescissions when we transitioned from the PM to PM₁₀ indicator
 - Due to restriction, in April 2015 EPA amended this provision to allow us to rescind Step 2 GHG permits
 - Add this permit rescission provision to the major Nonattainment NSR Rules in Indian country to provide permit rescission authority for all federal major source permitting programs
 - Clarify that permit rescissions continue to be case-by-case determinations
- Public comment period closed on July 14, 2016
 - We received 6 comments: 2 states, 1 industry, 3 industry associations
 - Overall commenters were in favor of removing the date restriction but would like us to specify criteria on when a permit rescission should be granted or denied
- Final rule projected for Fall/Winter 2016



Title V Permitting

- Title V Program and Fee Evaluation Guidance
 - Satisfies EPA commitments in response to an Office of Inspector General (OIG) report on title V fee oversight
 - Provides guidance for EPA regions on program and/or fee evaluations of state title V programs
 - Updating guidance on Agency review of state title V fee schedules
 - Discretionary for EPA regions and no specific requirements for state programs
 - Consistent with the EPA's Cross-Media State Programs Health and Integrity Workgroup principles and best practices for oversight of state, local and tribal permitting programs
 - Committed to completing all OIG recommendations by Fall 2017
 - Target date for completion is Fall 2016



Revisions to the Petition Provisions of the Title V Permitting Program

- Proposed rulemaking to increase transparency and stakeholder understanding of the petition process, as well as ensure that the Agency is able to efficiently address related programmatic and air quality issues was published on August 24, 2016 (81 FR 57822)
- The proposed revisions:
 - provide direction for submitting title V petitions, including encouraging the use of an electronic submittal system;
 - require mandatory content and format for title V petitions; and
 - require permitting authorities to respond in writing to significant comments received during the public comment period on draft title V permits.
- The preamble also provides guidance on “recommended practices” for permitting authorities and sources to help ensure title V permits have complete administrative records and are consistent with the CAA
 - If followed, these practices may reduce the likelihood that a petition will be submitted on a title V permit
- The public comment closes October 24, 2016



Regulatory Updates for GHG Permitting

- In April 2015, EPA issued a final rulemaking revising EPA's PSD regulations to enable the EPA to rescind EPA-issued PSD permits for GHG
 - Direct Final (80 FR 26183); Parallel Proposal (80 FR 26210)
- In August 2015, EPA issued a final **Prevention of Significant Deterioration and Title V Permitting for Greenhouse Gases: Removal of Certain Vacated Elements Rulemaking** (80 FR 50199)
 - Rule removed certain provisions from PSD and title V that were vacated as part of the D.C. Circuit Court's April 2015 Amended Judgment
- On August 26, 2016, EPA proposed the **Revisions to the Prevention of Significant Deterioration (PSD) and Title V Greenhouse Gas (GHG) Permitting Regulations and Establishment of a Significant Emissions Rate (SER) for GHG Emissions Under the PSD Program** (81 FR 68110)
 - Rule also proposed the remaining changes to PSD and title V that are necessary to fully implement the D.C. Circuit Court's April 2015 amended judgment
 - The 60 day public comment period ends on December 2, 2016



Removal of Emergency Provisions from Part 70 and 71

- Proposed **Removal of Title V Emergency Affirmative Defense Provisions From State Operating Permit Programs and Federal Operating Permit Program Rule** to remove the “emergency” affirmative defense (AD) provisions from title V regulations 40 CFR 70.6(g) and 71.6(g) was published on June 14, 2016 (81 FR 38645)
- The public comment period closed on August 15, 2016; the EPA is currently evaluating all comments received
- This is a follow-up action to similar rulemakings, including the 2015 SSM SIP Call, intended to ensure that the EPA’s policy on AD is consistent across all CAA program areas, following the D.C. Circuit’s *2014 NRDC v. EPA* decision



Questions and Comments

