

Transport Panel Discussion

NACAA Annual Meeting

May 7, 2013

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Discussion topics

- Brief summary of April 7 and 18 meetings
- More detailed discussion on certain topics that came up in those meetings
 - EPA/State roles and responsibilities
 - Considerations for base case inventory

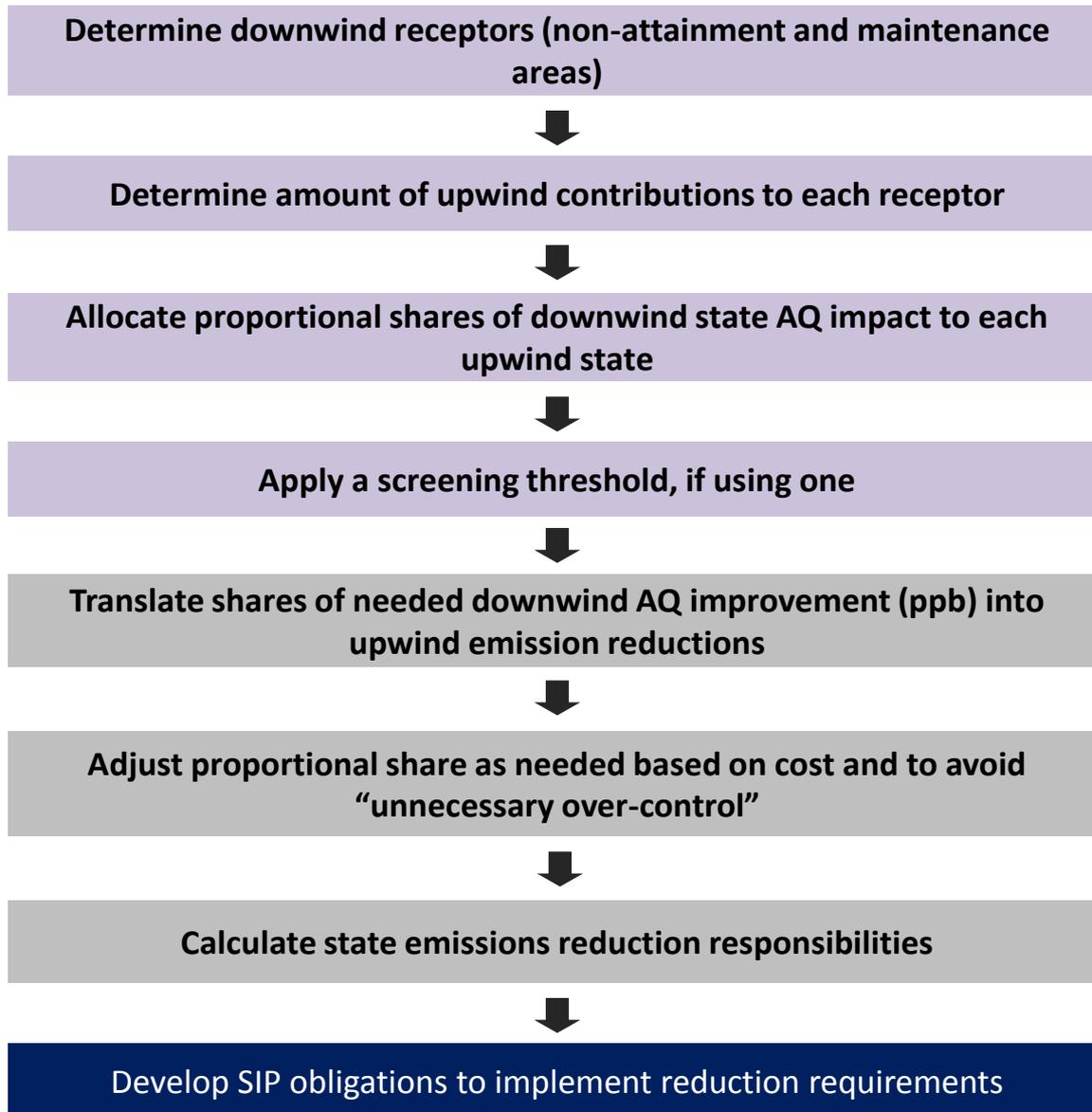
What we heard

- State/EPA roles: (i.e., is obligation concentration or tons?)
 - Mixed opinions
 - Pros of concentration-based: more flexibility on dealing with precursors and in targeting the right sub-state sources
 - Cons of concentration-based: resource-intensive and likely difficult to contain process to develop
 - Some felt there could be hybrid approaches where EPA expresses as tons but provides options to demonstrate concentration target met
- Proportionality:
 - Support for home state inclusion
 - Mixed on straight proportionality vs weighting for distance (ppb/ton)
 - Need to take into account background/international
 - Some concern calculation of proportional shares will be unfair to states who made early reductions
- Cost:
 - Ideas on metrics other than \$/ton
 - Equity concerns

What we heard (continued)

- States noted that CAA is not entirely clear about when multi-state problems are “interstate transport” problems (that is 110(a)(2)(D) issues) and when they are which are better thought of as local nonattainment planning problems. Examples cited where this may not be clear:
 - Woodsmoke area in western US,
 - Oil/gas in along Wyoming & Utah border,
 - Multistate ozone areas such as NY/NJ/CT, NJ/DE/PA, and IL/IN/WI ozone NAAs
- Some states raised concerns that ozone obligations expressed as seasonal obligations do not adequately address high ozone days related to high energy demand
- Emissions inventory challenges were raised including tribal emissions, oil and gas emissions, and future projection methods (particularly for EGUs)
- Western states noted lessons learned from regional haze program in developing strong technical foundation and useful collaborations
- States (particularly in the Western US) expressed concerns about issues related to EPA’s treatment of contributions from uncontrollable upwind sources and Indian country (both to and from states)
- Would like to know EPA’s timetable for rule and implementation

EPA and State Roles and Responsibilities



Key to Chart

Purple: Makes sense to be an EPA role

Gray: Potentially an EPA or a state role

Blue: Intrinsically a state role

- **What should be the respective roles and responsibilities of EPA and the states in this process?**

Discussion questions on roles

- How should EPA weigh pros and cons states expressed on ppb target vs. emissions target ?
 - Examples of issues to weigh which were raised by states:
 - Resources required to translate obligation into control strategy (*e.g.*, modeling)
 - Flexibility for states in translating air quality to emissions (including addressing precursors for PM), applying cost criteria, and addressing over control
 - With flexibility also comes risk of “dueling approaches”
 - Finding the “sweet spot” of how much to take on
 - The more issues addressed in the rule defining the obligation, the greater potential for one of those issues being challenged/overturned (as opposed to having the individual SIPs challenged)
 - BUT, if too few issues are addressed, potential for court to say the rule left too much to the states and did not “quantify the obligation”
 - Which one offers the best chance of getting needed reductions in place?
- Are individual states in position to effectively deal with overcontrol issue? Could an EPA rule define for them how to do that?

Technical Questions

- How many states are considering updates to the 2011 NEI by the May 8th deadline? How comfortable are states with their 2011 Oil & Gas emissions numbers and are they planning to update those data before June 2013?
- What future air quality year would be appropriate to use for our base case if we take that approach? Do states have any source or sector specific projection information for that future base year that they could provide to EPA in the May-June 2013 timeframe?

Where do we go from here?

- There will be opportunities for additional state/EPA discussion of transport issues
 - Many of these will be included as part of multi-issue meetings that are already scheduled
 - May/June MJO meetings; WESTAR modeling workshop in July
 - EPA expects to arrange specialty calls as appropriate
 - Topics likely to include emission inventory, emissions modeling overview, others?
 - We are still evaluating additional outreach opportunities
- States also discussing key issues with each other
- EPA still intends to move forward expeditiously with rule development, so we expect outreach process to be focused