National Association of Clean Air Agencies Spring Membership Meeting 2008

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OAQPS Highlights

- Highlighted Regulatory Actions
- NAAQS
 - Lead NAAQS
 - Ozone NAAQS Implementation
 - □ PM_{2.5} NAAQS Implementation
- Regional Haze
- New Source Review
- Brick and Boiler MACT
- Clean Air Mercury Rule
- NSPS for Petroleum Refineries
- NSPS for Portland Cement
- Area Source Standards
- Residual Risk and Technology Review
- Voluntary Programs
- GHG—Stationary Sources

Highlighted Regulatory Actions

- Over the next six months, OAQPS will be proposing or finalizing 40 actions. Of the 40 actions, 16 will be final. Highlighted actions include:
 - Lead NAAQS final action
 - □ ANPR for Greenhouse Gases Under the CAA proposal (all OAR)
 - □ NSPS Review for Portland Cement proposal
 - □ NSPS for Elec Util, Indust, Com, & Inst Steam Gen Units proposal
 - □ NESHAP Residual Risk and Technology Review Group 2A proposal
 - □ NESHAP Residual Risk Stds for Petroleum Refineries final action
 - □ NESHAP Residual Risk and Technology Review Group 2B proposal
 - □ NESHAP Reconsideration for Portland Cement proposal
 - □ Federal Plan Large Mun Waste Combust Constr before 9/94 proposal
 - Reconsid of Halogenated Solvent Cleaning Final Residual Risk Rule proposal
 - □ CAM Compliance Assurance Monitoring Rule (Part 64) proposal

Lead NAAQS

On May 1, 2008, EPA proposed to:

- Tighten the NAAQS for lead within a range of 0.10 to 0.30 micrograms of lead per cubic meter of air as measured in total suspended particles (TSP)
- Seek comment on alternative levels of the standard from levels below 0.10 to 0.50 micrograms per meter
- Improve the lead monitoring network to better assess national compliance with the proposed revisions to the lead standards

1997 Ozone NAAQS Implementation

- Reviewing submitted attainment demonstrations
- Response to 2006 D.C. Circuit Court partial vacatur
 - Classification scheme and contingency measures (Subpart 1 vs. Subpart 2)
 - Section 185 fees
 - □ NSR
 - □ Proposed rulemakings in fall 2008
- Remand on Reasonable Further Progress (RFP) emissions credit for reductions outside nonattainment areas
 - Credit allowed if all emissions from the outside area are accounted for in baseline
 - Proposed rulemaking in summer 2008

2008 Ozone NAAQS Implementation

- EPA reviewing 1997 designations guidance; anticipate new guidance in summer 2008 if necessary
- Proposed rulemaking in fall 2008
 - Classification scheme (Subpart 1 vs. Subpart 2)
 - Transition from 1997 Ozone NAAQS to 2008 Ozone NAAQS

PM_{2.5} NAAQS Implementation

- Reviewing petitions for reconsideration of PM_{2.5} implementation rule issued April 2007
- Nonattainment SIPs due April 2008 (1997 PM_{2.5} standard)
 - □ 58 SIPs were due
 - Agency considering timing for findings of failure to submit

Regional Haze

- States were required to submit SIPs by December 17, 2007
- 52 SIPs were due
- Agency may submit findings of failure to submit in the next 4-6 weeks

New Source Review (NSR)

- NSR Implementation Rule for PM_{2.5} Final
 Includes NSR program requirements for sources that emit PM_{2.5} and other pollutants that contribute to PM_{2.5}
- NSR Applicability Test for Electric Generating Units (EGUs) – Final
 - Adds an hourly-based emissions increase test for major modifications at EGUs

Brick & Boiler MACT Standards— Implications of Vacaturs

- March 2007, the DC Circuit Court vacated the Brick MACT, finding EPA had failed to set floors "at the emission levels actually achieved by the bestperforming sources." June 2007, the DC Circuit Court vacated and remanded the CISWI definitions rule
- Scope of the Court decisions will require new information for MACT floors, including process, feedstock, and controls
 - May require testing
 - □ Classification of sources as "boilers" or "incinerators"
 - Establish bases for subcategories and variability
- EPA has interpreted 112(j) case-by-case MACT to apply in cases of complete vacatur
- Information collection request pursuant to Paperwork Reduction Act must be renewed prior to implementation of 112(j) regulations
 - ICR published in FR 4/17/08, for 30-day public comment period and 60-day concurrent OMB review

Clean Air Mercury Rule

- February 2008, the DC Circuit Court vacated both the 112(n) Rule and subsequently CAMR
- On March 24, 2008, EPA and UARG (intervenors) filed for rehearing en banc and currently awaiting the outcome of this petition process
- If the Court declines to rehear the case, EGUs remain subject to section 112 requirements as a listed source category
- Sources must have a 112(g) MACT determination before beginning actual construction or reconstruction
 - Must be no less stringent than the emission control achieved in practice by the best controlled similar source as determined by the permitting authority based on available information

NSPS for Petroleum Refineries

- April 30, 2008, the Agency amended existing standards to reflect demonstrated improvements in emission control technologies and work practices since the previous standards for petroleum refineries
- Included emissions limits for numerous refinery operations and options for control through work practices
- Will reduce emissions of PM, SO₂, VOC and NO_x from 30 petroleum refineries by 31,000 tons per year over next 5 years

NSPS for Portland Cement, Industrial Boilers

- Under consent decree with Sierra Club to conduct review of cement NSPS and propose findings by May 31, 2008, with final rules by May 31, 2009
- Obtained voluntary remand of boiler NSPS following Mass v. EPA, with schedule discussions underway

Area Source Standards

- 70 area source categories
- Standards promulgated for 40 categories
- 30 categories remain to be addressed under March 2006 Court Order
 - □ 10 source categories by June 15, 2008
 - □ 10 source categories by December 15, 2008
 - □ 10 source categories by June 15, 2009

Residual Risk and Technology Review Phase II

- Group 1
 - Published NPRM and proposed no additional standards for 8 low-risk source categories in December 2007
- Group 2
 - □ Published Group 2 ANPRM in March 2007
 - □ Plan to propose 5 MACTs (Group 2A) summer 2008
 - □ Plan to propose 3 MACTs (Group 2B) summer 2008
 - □ Plan to propose 3 MACTs (Group 2C) spring 2009
 - Published NPRM for Petroleum Refineries in September 2007; consent decree for promulgation in August 2008
- Group 3
 - Plan to publish the Group 3 ANPRM in the Federal Register in early 2009

Voluntary Programs

Sustainable Skylines

- Integrates land use, transportation, energy and air quality planning
- Pilots ongoing in Dallas and Kansas City

Wood Smoke

- Outdoor Wood Fired Hydronic Heaters
 - Labeling program for new units—70%+ cleaner
- Wood Stove Changeout Campaigns
 - \$28M in health benefits, costs less than \$2000/ton PM_{2.5} reduced, more than 25 locations in US to date

Green House Gases—Stationary Sources

 Potentially affected stationary source programs:

 New Source Performance Standards
 Maximum Achievable Control Technology Standards
 New source permitting – Prevention of Significant Deterioration, Nonattainment New Source Review
 National Ambient Air Quality Standards

 Administrator's ANPRM on Climate

Completed by June 2008