

**U.S. Environmental Protection Agency
Region 4 -Atlanta, Georgia**



**Carolinas Air Pollution Control Association
Fall Meeting**



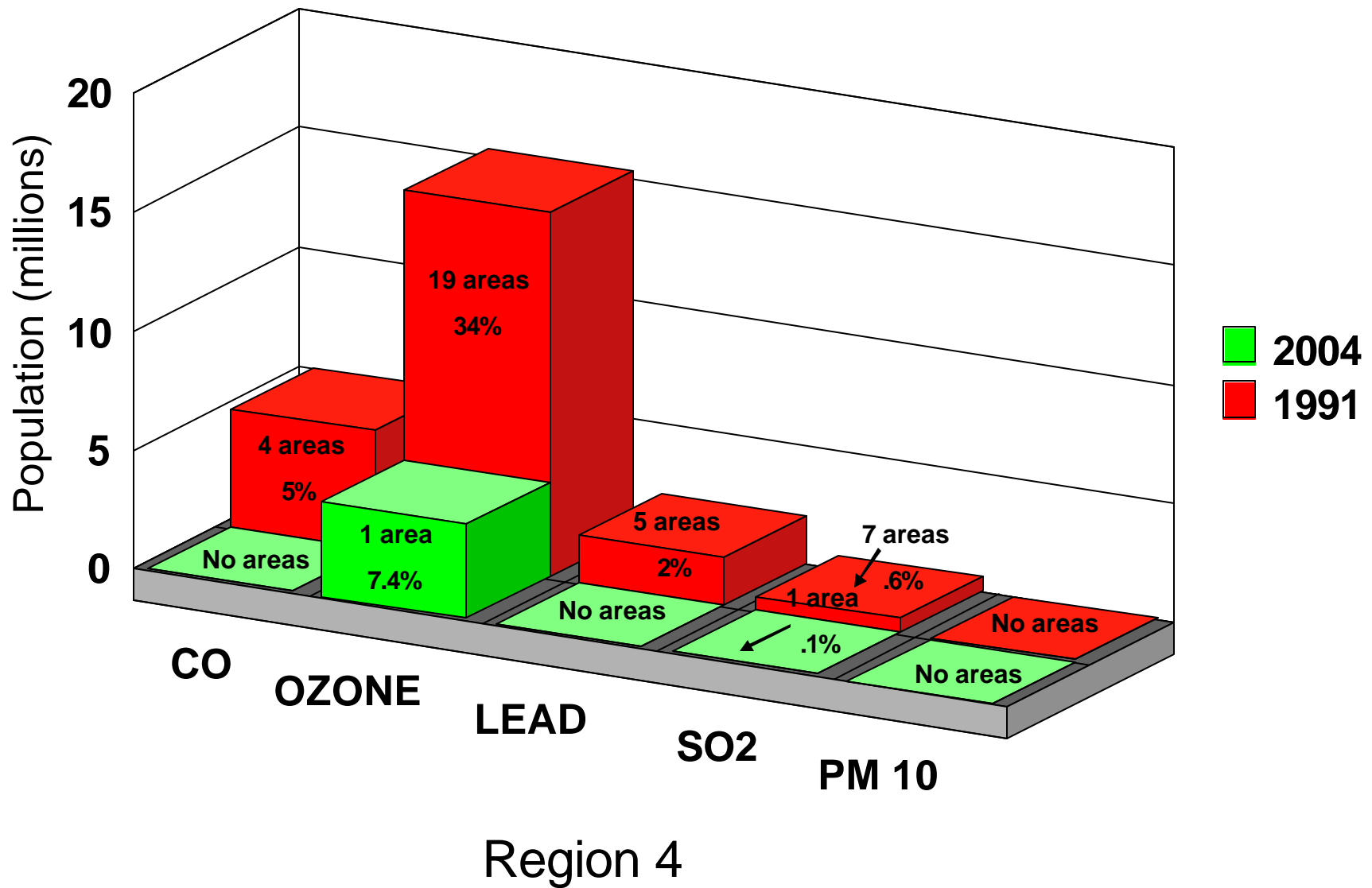
**Beverly Banister, Director
Air, Pesticides and Toxics Management
Division**



October 21, 2004

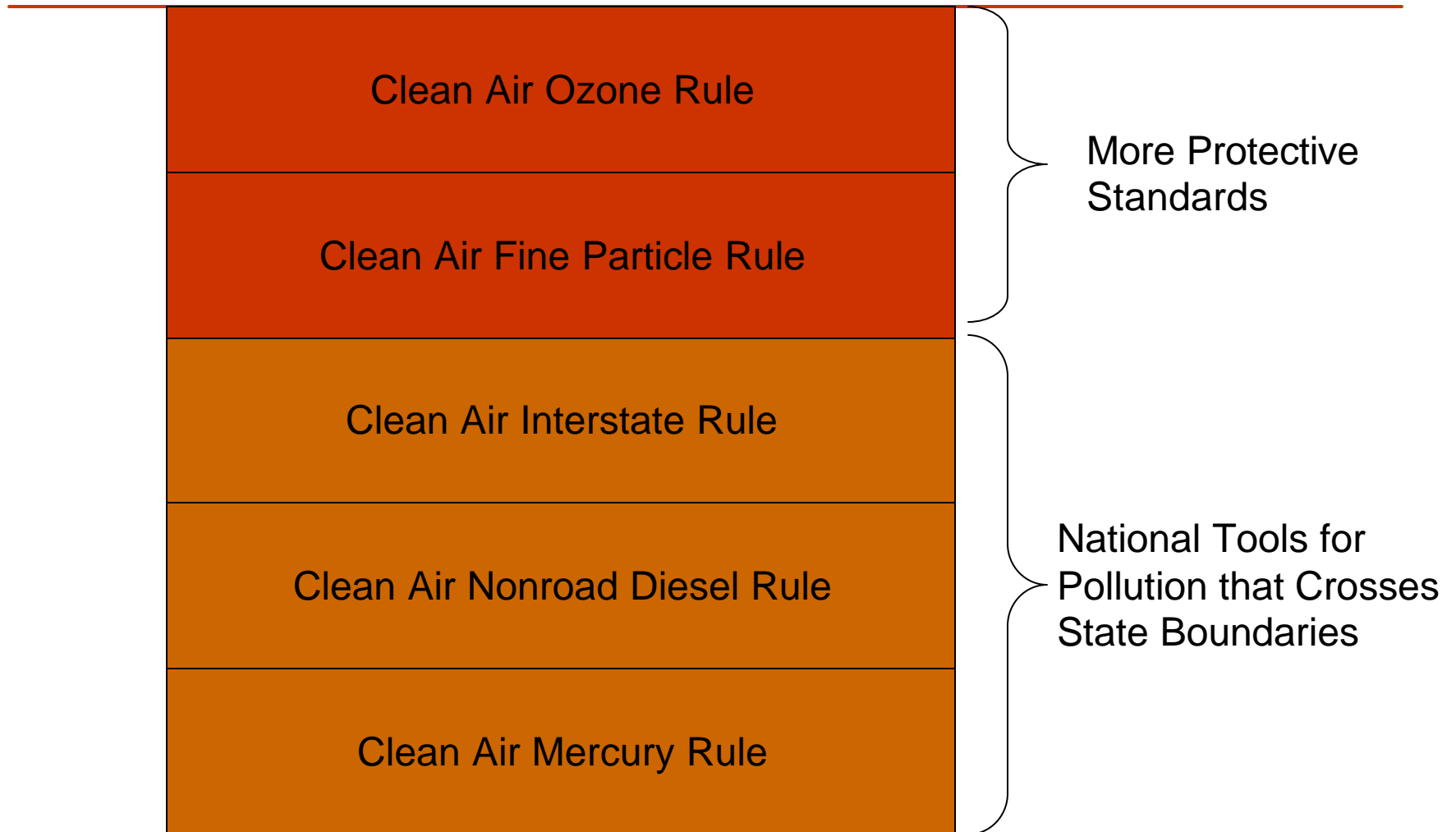


Criteria Pollutants Nonattainment Areas



The Clean Air Suite

Clean Air Rules of 2004





Clean Air Ozone Rule



8-Hour Ozone Implementation Program Timelines

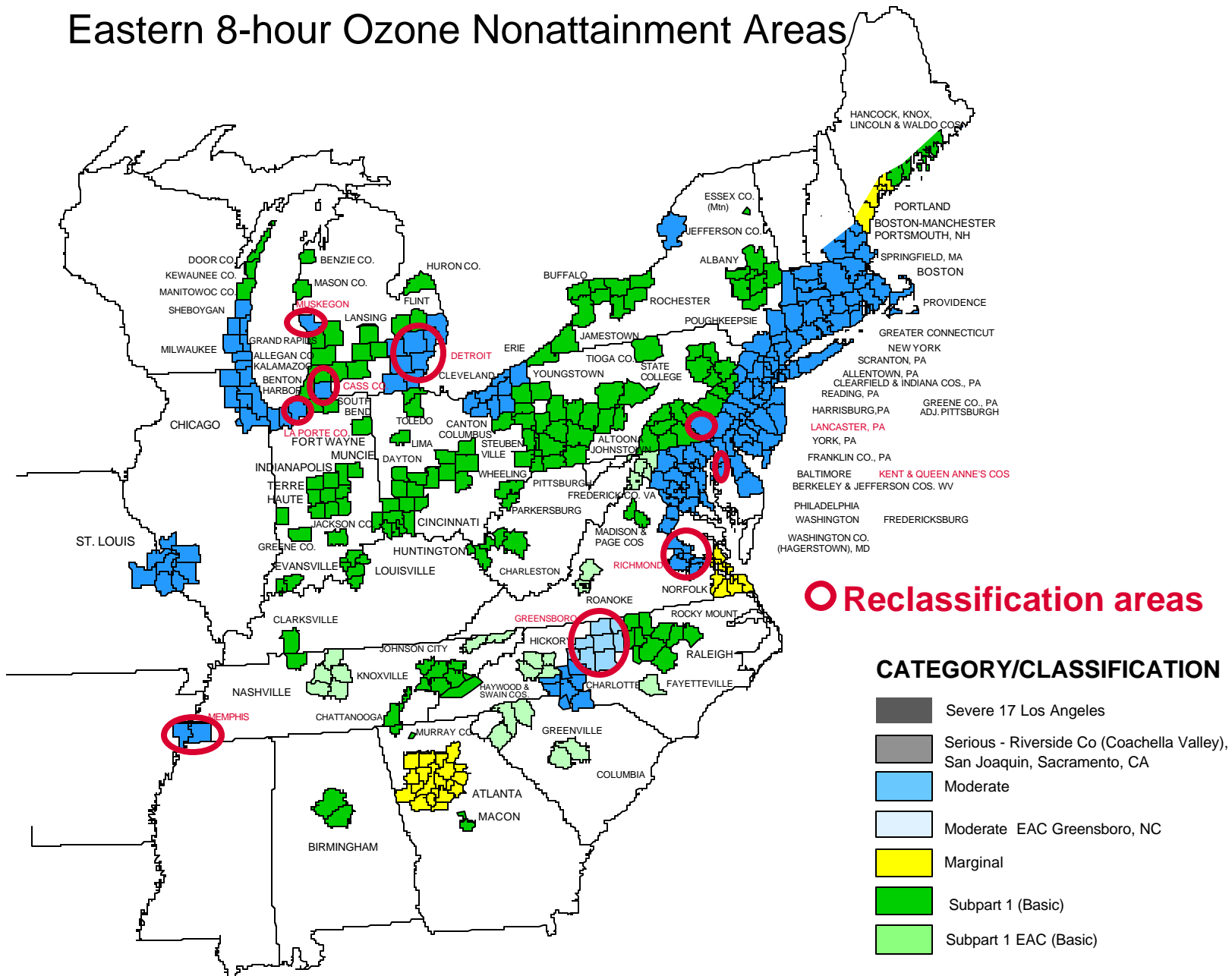
Action	Date
EPA finalized Phase 1 implementation rule	April 2004
EPA finalized designations	April 2004
EPA finalizes Phase 2 implementation rule	Fall 2004
State plans due	June 2007
Attainment dates	2007-2021

Attainment and Nonattainment Areas in the U.S. 8-hour Ozone Standard



- Attainment (or Unclassifiable) Areas (2668 counties)
- Nonattainment Areas (432 entire counties)
- Nonattainment Areas (42 partial counties)

Eastern 8-hour Ozone Nonattainment Areas

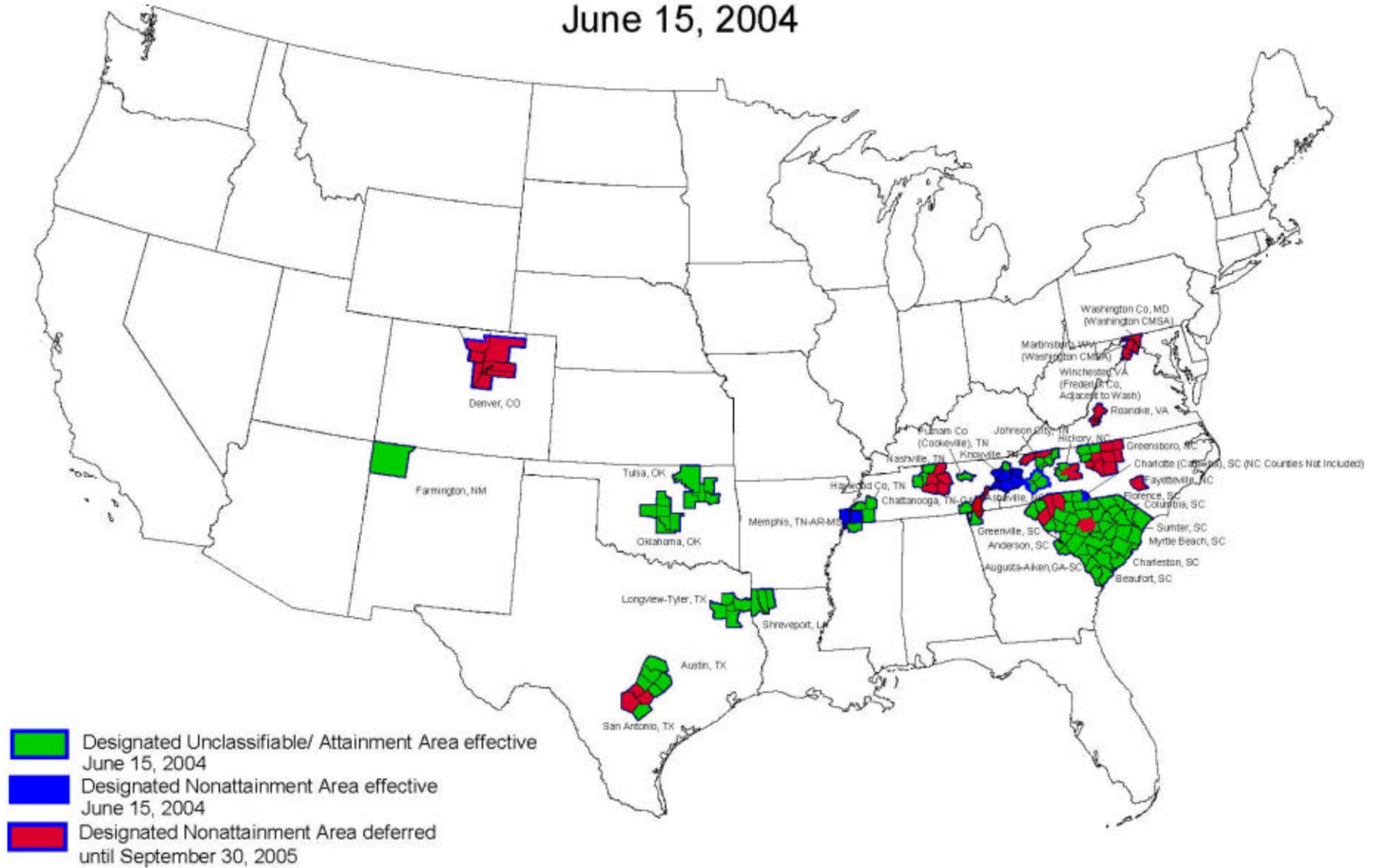


Early Action Compacts Program Timelines

Action	Date
EPA designated “Compact Areas” as nonattainment, but defers effective date for these areas	April 2004
State adopts control measures into SIP & submits to EPA for approval	December 31, 2004
Areas implement control measures	2005
Progress assessment and report to EPA	June 30, 2006
Areas attain 8-hr ozone NAAQS	December 2007

Early Action Compact Areas

June 15, 2004



A portion of some of the counties are excluded from the EAC



Clean Air Fine Particle Rule



PM2.5 Designations – 9 Factors

- 1. Emissions in CMSAs and adjacent counties**
- 2. Air quality in most recent three years**
- 3. Population density and degree of urbanization including commercial development**
- 4. Traffic and commuting patterns**
- 5. Expected growth**
- 6. Meteorology**
- 7. Geography/topography**
- 8. Jurisdictional boundaries (e.g., counties, air districts, Reservations, etc.)**
- 9. Level of control of emission sources**

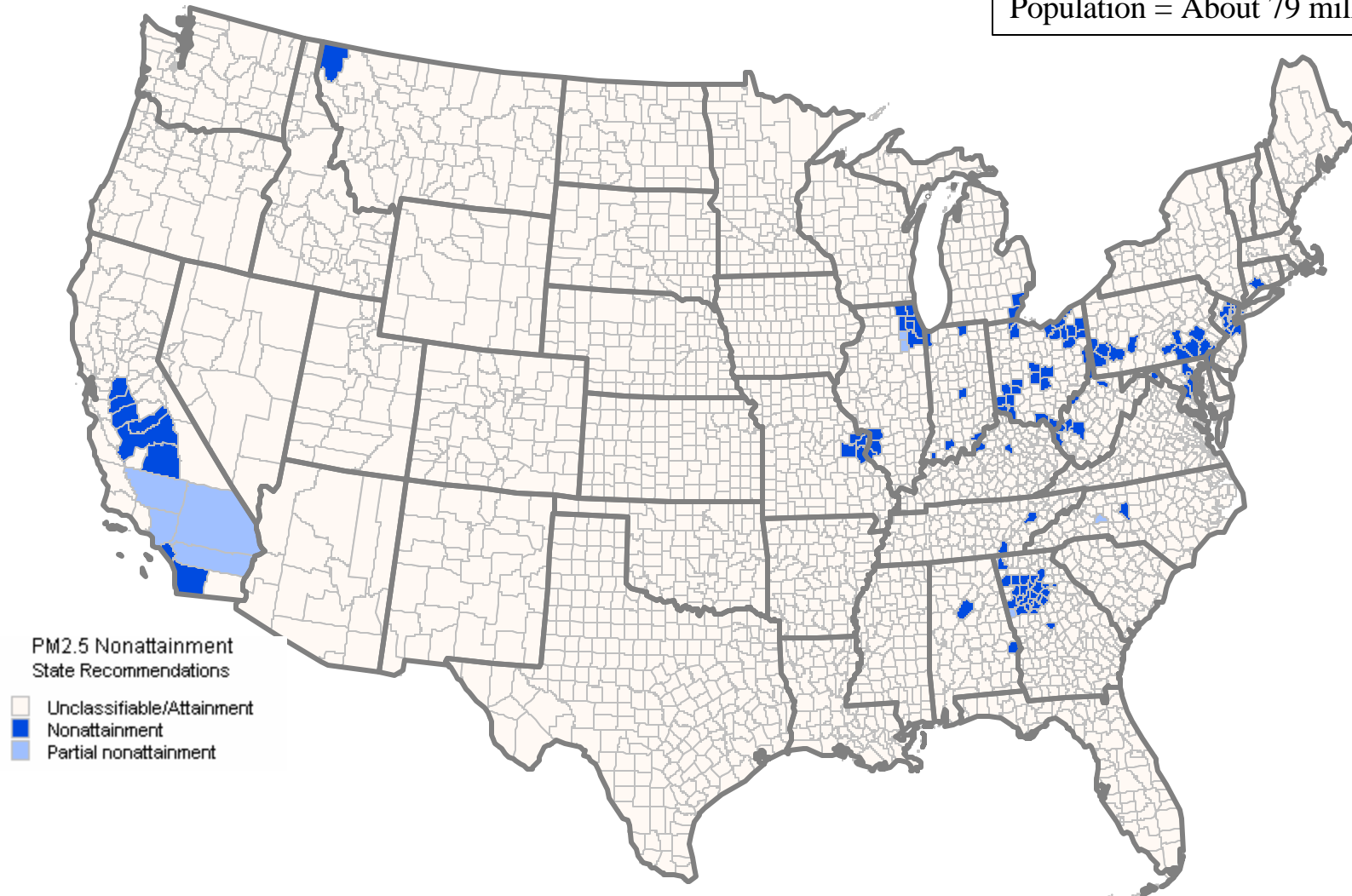
PM_{2.5} Timeline

Date	Action
Feb. 2004*	State and tribal designation recommendations to EPA
June 2004	EPA letters to States and tribes responding to PM_{2.5} designation recommendations
Fall 2004	EPA proposes implementation rule
Nov. 2004	EPA finalizes designations
Spring 2005	EPA finalizes PM_{2.5} implementation rule
Feb. 2008	State and tribal implementation plans due
2010-15	Attainment dates for nonattainment areas

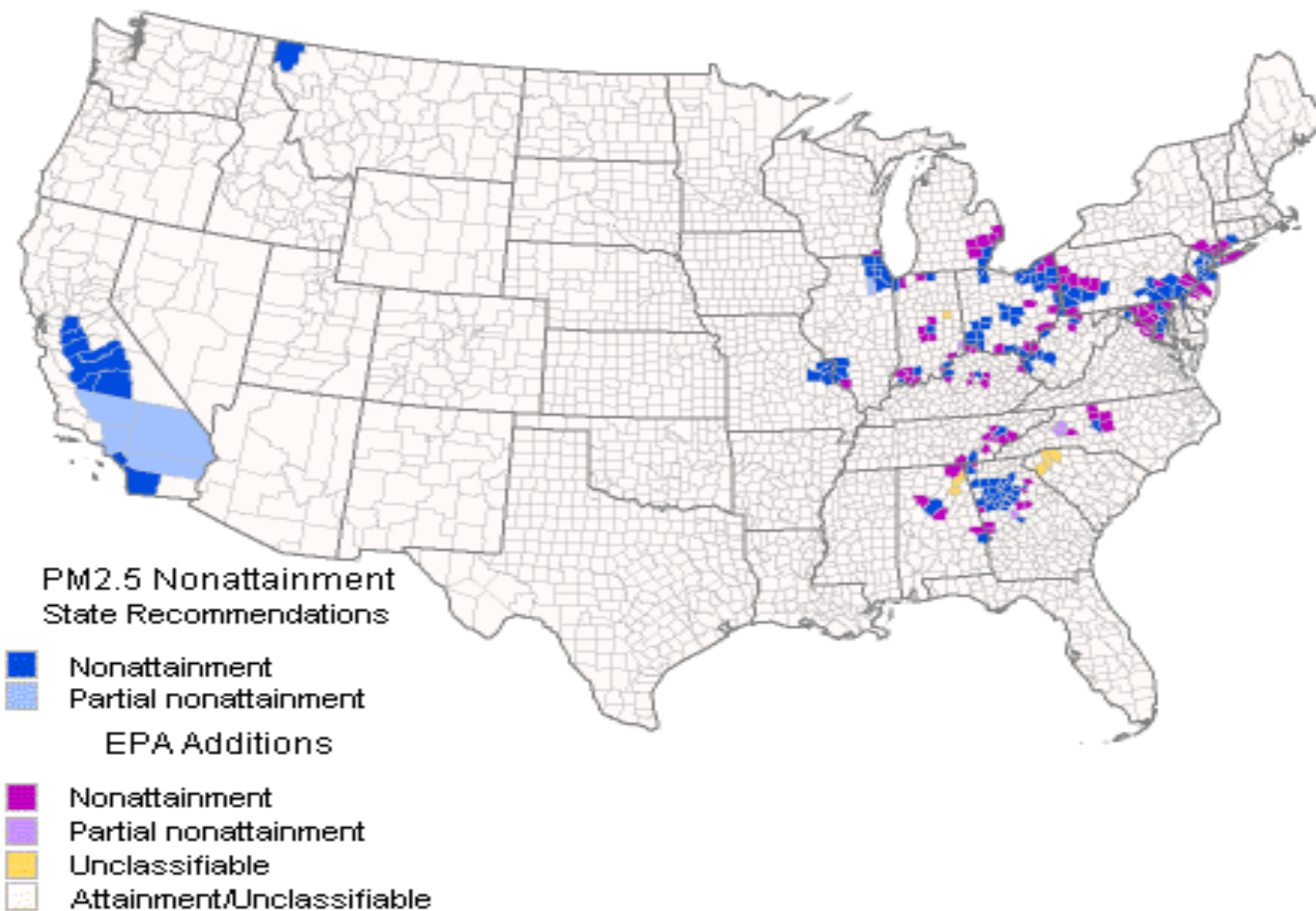
*Consolidated Appropriations Bill of FY2004 requires designations by 12/31/04. SIP due dates for PM_{2.5} and regional haze are 3 years from effective date of PM_{2.5} designations.

State PM 2.5 Recommendations

Nonattainment (full county): 133
Nonattainment (partial county): 8
Population = About 79 million

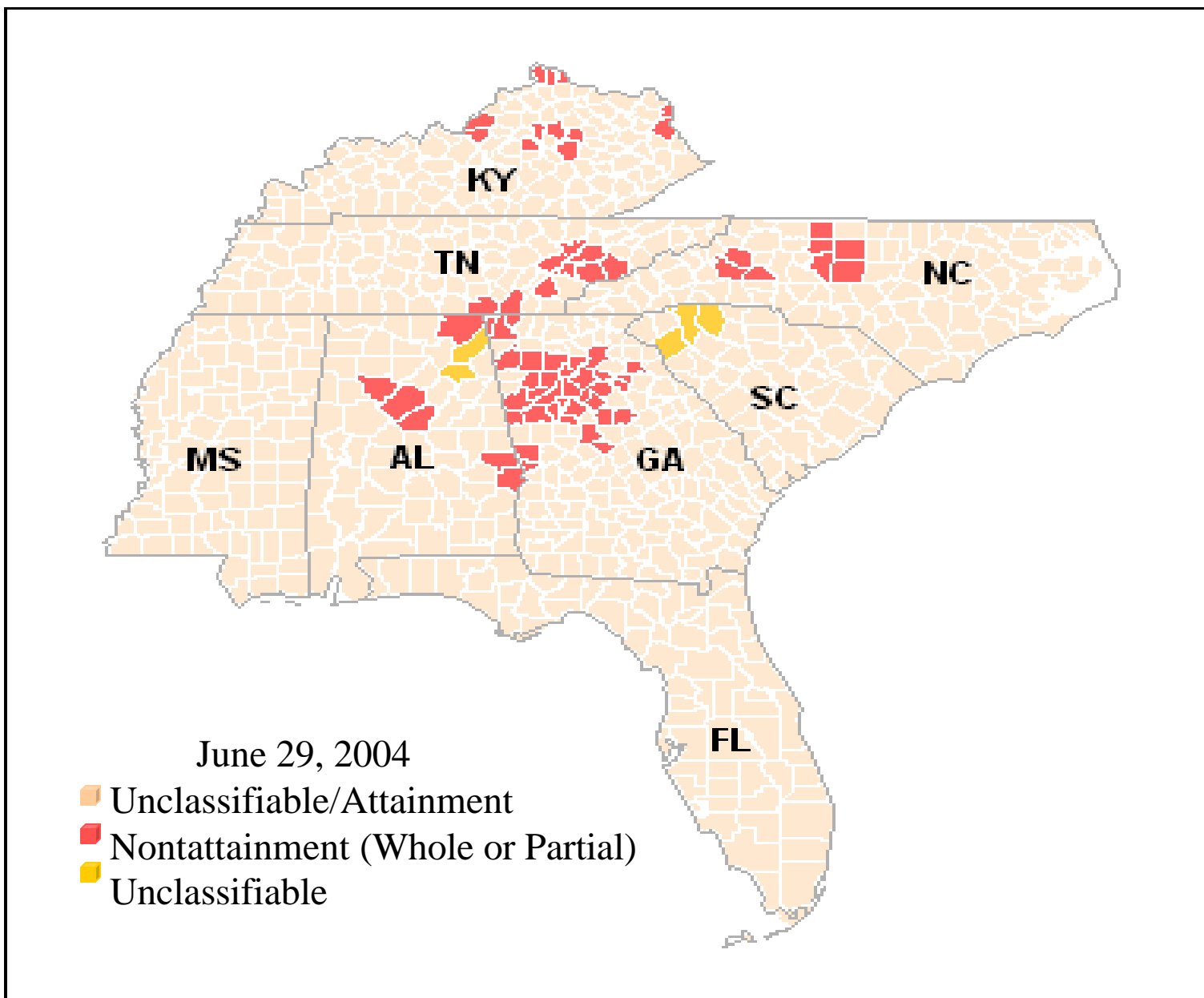


EPA Response to State Recommendations on PM_{2.5} Designations — June 29, 2004



	All Counties		Full Counties		Partial Counties	
	Count	Population (million)	Count	Population (million)	Count	Population (million)
States	142	79	134	65	8	14
EPA	244	99	234	85	10	14

EPA's Response to States' PM Recommendations



Recommended PM_{2.5} Nonattainment Areas - Region 4

Alabama	Birmingham Columbus GA-AL Chattanooga TN-GA-AL DeKalb County (unclassifiable) Etowah County (unclassifiable)	North Carolina	Greensboro Hickory
Georgia	Atlanta Macon Chattanooga TN-GA-AL Athens Columbus GA-AL Floyd County	South Carolina	Greenville (unclassifiable)
Kentucky	Louisville Cincinnati Huntington Lexington	Tennessee	Chattanooga TN-GA-AL Knoxville

National Program Initiatives that Reduce Particulate Matter Emissions

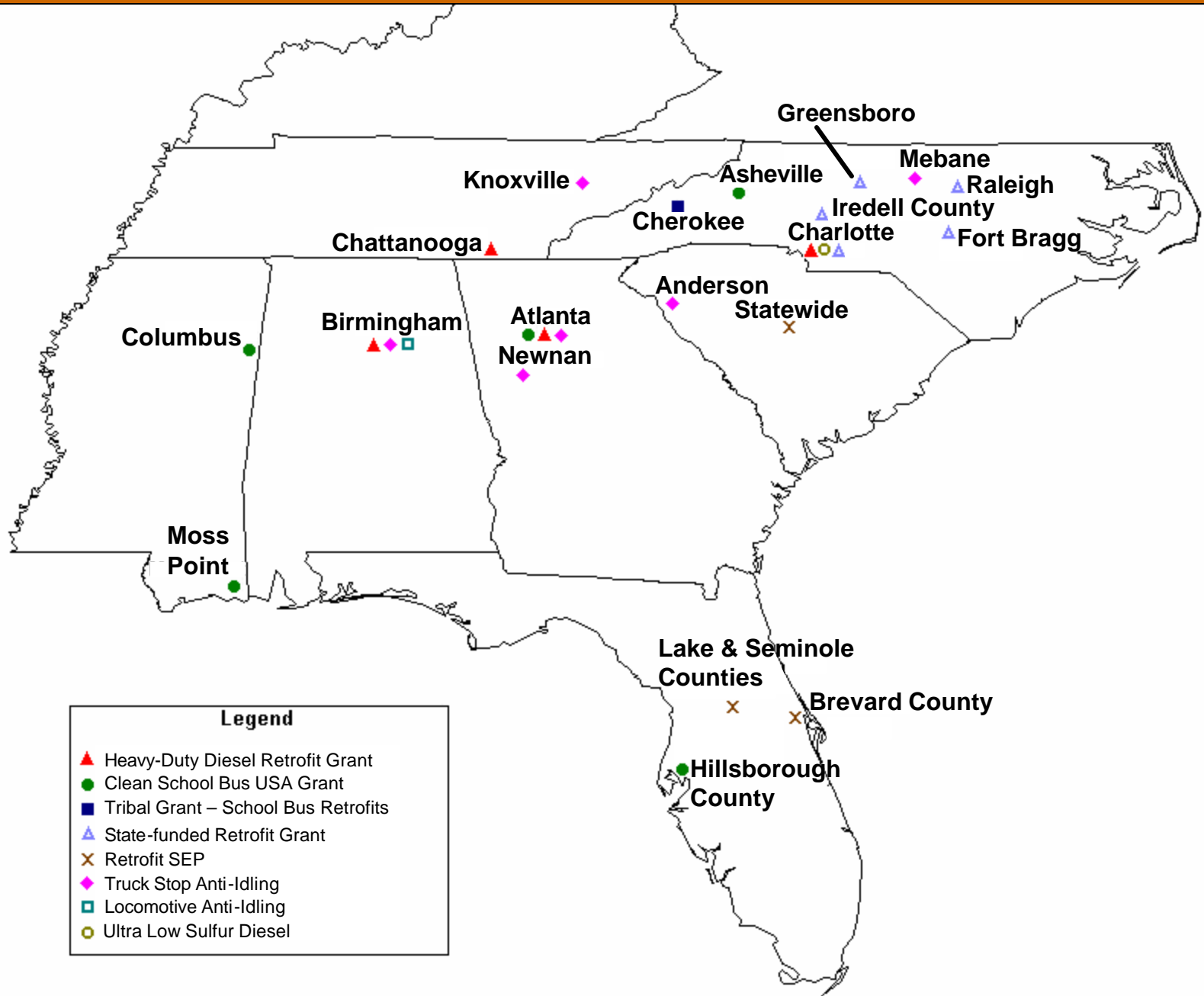
Program Implementation

- ✍ 2004 Tier2/Low Sulfur Rule
- ✍ 2004 Highway Diesel Rule
- ✍ 2007 On-Road Heavy Duty Diesel Rule
- ✍ New NAAQS Transportation Conformity Rule – Signed: June 14, 2004
- ✍ 2004 Clean Air Nonroad Diesel Rule

Programs in Development

- ✍ Locomotive and Marine Rule

Heavy-Duty Diesel Emission Reduction Programs in Region 4



TOYOTA

Supplemental Environmental Project

- ✍️ \$20 million for school bus retrofits only**
- ✍️ Diesel particulate filters and ultra low sulfur diesel**
- ✍️ Only school systems can apply, no third parties**
- ✍️ Awardees randomly selected from two categories:
(attainment and nonattainment areas)**

**Interested parties should contact Toyota directly by going to:
<http://www.cleanbusesforkids.com/>**

or by calling: 703-934-3040

Clean Air Interstate Rule

- ✍ Proposed on December 17, 2003, and published in the Federal Register on January 30, 2004
 - ✍ Rule uses a cap and trade program to reduce emissions of SO₂ and NO_x in the Eastern U.S.
- ✍ Supplemental proposal was signed on May 18, 2004, and published in the Federal Register on June 10, 2004.
 - ✍ Provided additional details on proposed model cap-and-trade program for power plants and proposed integration of the Clean Air Interstate Rule with existing Clean Air Act requirements

Clean Air Interstate Rule cont'd

- ✍ Information Collection Request (ICR) proposed notice was published in the Federal Register on July 16, 2004. The comment period ended on September 14, 2004.
 - ✍ Provided the anticipated monitoring, reporting, and recordkeeping burden estimates and associated costs for states, local governments, and sources that are expected to result from the proposed CAIR.
- ✍ Notice of Data Availability published in the Federal Register on August 6, 2004. Comment period ended on August 27, 2004
 - ✍ Included a new modeling platform that consisted of among other things new meteorological data and an updated emissions. Also included the revised state NOx budgets.

Clean Air Mercury Rule

- ✍ Proposed rule - signed on December 15, 2003, and published in the Federal Register on January 30, 2004
 - ✍ Proposes to reduce mercury emissions from power plants by nearly 70 percent when fully implemented.
- ✍ Supplemental notice - signed on February 24, 2004, and published in the Federal Register on March 16, 2004.
 - ✍ Proposed rule included a model cap-and-trade program and monitoring and reporting requirements

Clean Air Mercury Rule cont'd

- ✍ EPA extended comment period and decision deadline at the request of NRDC.
- ✍ Comment period ended on June 29, 2004
 - ✍ Over 540,000 total comments
 - ✍ Key issues include MACT v. cap and trade
 - ✍ Allocation levels regional equity
 - ✍ Readiness and availability of technology
 - ✍ Health concerns
- ✍ EPA is on track to finalize rule by March 15, 2005

Guiding Principles

Nation's First-Ever Regulation of Emissions from Coal-Fired Power Plants

The final rule will adhere to these principles:

- 1. Protect children and pregnant women**
- 2. Encourage early adopters of new technology that can be widely distributed**
- 3. Significantly reduce total emissions by leveraging the \$50 billion investment the CAIR will require**
- 4. Consider need to maintain America's competitiveness**
- 5. One component of overall effort to reduce mercury emissions**



Additional Air Priorities

Title V Permitting Program

New Source Review

Air Toxics Program



Title V Permitting Program

Remaining Initial Issuance

<u>Permitting Authority</u>	<u>Permits Issued*</u>	<u>Projected Completion</u>
NORTH CAROLINA	379/380 (99.7%)	December 04
SOUTH CAROLINA	100% Complete	
GEORGIA	100% Complete	
ALABAMA	100% Complete	
KENTUCKY	218/274 (80%)	March 05
Jefferson County	38/41 (93 %)	October 04
MISSISSIPPI	315/317 (99.5%)	March 05
TENNESSEE	237/240 (99 %)	December 04
Memphis	30/36 (83 %)	September 04
R4 Total**	3,920/3,996 (98%)	-
National Total	15,658/17,274 (91%)	-

* For sources that became subject to Title V upon approval of each state/local program

** Representing 22 % of sources nationally

New Source Review

- ✍ Final NSR rule revisions December 31, 2002, remain in effect unless DC Circuit Court overturns or remands rules. Decision expected in 2005
- ✍ Equipment Replacement Provision (ERP)
 - ✍ Court issued a stay of rule on December 24, 2003.
 - ✍ Final court decision on the rule unknown.

New Source Review cont'd

- ✍ Agency is reconsidering three aspects of the ERP rule:
 - ✍ Was there an adequate legal basis for the rule?
 - ✍ Is the 20 percent cost threshold arbitrary and capricious and does it lack a sufficient record?
 - ✍ Can EPA legally implement procedures for changing the PSD plans of delegated states by automatic incorporation into the new FIP provisions?

Integrated Air Toxics Program

- ✍ Implementation of Major Source MACT standards
 - ✍ Boiler & Plywood MACT—Signed Feb 6, 2004
 - ✍ Utility MACT (Hg)-Final by Spring 2005
 - ✍ Hazardous Waste Combustion MACT—Final by June 2005
- ✍ Development of area source MACTs
- ✍ Expand monitoring of air toxics and inventories of emissions
- ✍ Investments in community-based air toxic initiatives
- ✍ Provide tools and training to assist in the transition to the risk-based phase