

STAPPA / ALAPCO

STATE AND TERRITORIAL  
AIR POLLUTION PROGRAM  
ADMINISTRATORS

ASSOCIATION OF  
LOCAL AIR POLLUTION  
CONTROL OFFICIALS

S. WILLIAM BECKER  
EXECUTIVE DIRECTOR

January 31, 2006

Air Docket  
Environmental Protection Agency  
Attention Docket ID No. OAR-2003-0062  
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1200 Pennsylvania Avenue, NW  
Washington, DC 20460

To Whom It May Concern:

The State and Territorial Air Pollution Program Administrators (STAPPA) and the Association of Local Air Pollution Control Officials (ALAPCO) are pleased to submit these comments on the U.S. Environmental Protection Agency's (EPA's) Proposed Rule to Implement the Fine Particle National Ambient Air Quality Standards (NAAQS) (proposed PM<sub>2.5</sub> Implementation Rule), as published in the *Federal Register* on November 1, 2005 (70 *Federal Register* 65984). STAPPA and ALAPCO are the two national associations representing air quality officials in states, territories and major metropolitan areas across the United States.

The proposed PM<sub>2.5</sub> Implementation Rule will serve as an important guidepost to state and local air officials. As EPA is well aware, states and localities face a daunting challenge over the next few years to develop implementation plans to meet and maintain important health and welfare standards. In addition to reducing emissions of PM<sub>2.5</sub> and its precursors, air pollution control agencies must also attain the 8-hour ozone standard, address regional haze and related visibility requirements and cut emissions of hazardous air pollutants, including mercury, by substantial amounts. We are committed to protecting public health and welfare by implementing the necessary air pollution control strategies that make the most sense for our communities; thus, we seek rules and guidance from EPA that enable us to attain the air quality standards as expeditiously as practicable and in the most cost-effective manner.

Accordingly, we offer the following general comments. We provide more detailed comments as an attachment.

First, STAPPA and ALAPCO believe that if a nonattainment area needs more than five years to attain the PM<sub>2.5</sub> standard, the area should be required to adopt additional, more stringent measures. One mechanism for accomplishing this is to provide for a classification scheme – which we support – which would differentiate from the outset between areas that are expected to attain

within five years and those that will not. If, however, EPA chooses to move forward with its preferred option of no classifications, then the agency must require that areas needing an extension beyond five years adopt more stringent requirements.

Secondly, the associations believe that Reasonably Available Control Technology (RACT) requirements must be meaningful and structured in a way that dovetails with an area's pollution levels. We strongly oppose EPA's proposal that, for states that satisfy their Clean Air Interstate Rule (CAIR) requirements entirely through emissions reductions from electric generating units (EGUs), RACT requirements for SO<sub>2</sub> and NO<sub>x</sub> would be satisfied for EGU sources covered by CAIR, as long as existing SCRs in those nonattainment areas are operated year-round beginning in 2009. While EPA concludes in its proposal (*70 Federal Register* 66025) that requiring source-specific controls on EGUs will not reduce the total amount of emissions because of the cap-and-trade system under CAIR, we strongly believe that source-specific controls are absolutely necessary to ensure that emissions are reduced *in the nonattainment area*, which is the intent of the RACT requirement. By concluding that CAIR – and its cap-and-trade program – satisfies the RACT requirements under the Clean Air Act, EPA rescinds an important requirement for an EGU that is located in a nonattainment area to reduce its emissions of pollution; an EGU could simply buy allowances to meet its CAIR requirements, notwithstanding the fact that these sources are among the most cost-effective to control. STAPPA and ALAPCO oppose this wholesale exemption of a source category from an analysis to determine whether additional reductions from that source category may be technologically and economically feasible in order to attain these important health-based air quality standards.

Also with respect to RACT, of the three options presented by EPA for structuring the RACT program, we support only Option 1, with a slight modification, as it is the only option that comports with the Clean Air Act and will demonstrably improve air quality in nonattainment areas. In Option 1, EPA proposes that RACT be required on all stationary sources in nonattainment areas with the potential to emit (PTE) more than 100 tons per year (TPY) of the PM<sub>2.5</sub> precursors, nitrogen oxides (NO<sub>x</sub>) or sulfur dioxides (SO<sub>2</sub>). We agree with this proposal. However, we believe the PTE thresholds for direct PM<sub>2.5</sub> should be lower, given that these emissions directly contribute to PM<sub>2.5</sub> pollution. Furthermore, areas that will attain within five years should be required to conduct a RACT analysis for sources with PTEs of direct PM<sub>2.5</sub> of 25-50 TPY, while areas that need more time to attain should be required to perform this analysis on sources with PTEs of 10-25 TPY.

Third, STAPPA and ALAPCO generally support EPA's adoption of the new source review (NSR) regulatory framework for controlling PM<sub>2.5</sub> emissions from new sources and existing sources that are making modifications, including requirements for best available control technology and air quality analysis in PSD areas, and lowest achievable emissions rate and emissions offsets in nonattainment areas. We also support EPA's NSR applicability presumptions for NO<sub>x</sub>, VOCs and ammonia, although we urge EPA to develop procedures to analyze and evaluate boundary impacts in cases when NO<sub>x</sub>, VOC or ammonia precursor emissions may be affecting attainment of the PM<sub>2.5</sub> NAAQS in a neighboring state.

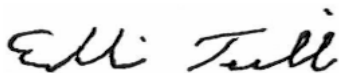
Fourth, we strongly oppose several provisions of the proposed NSR rule. The associations believe that EPA's proposed 100 TPY NSR major source threshold for direct PM<sub>2.5</sub> emissions is

not adequate. Consistent with our recommendation on RACT thresholds, STAPPA and ALAPCO believe that the levels should be 25-50 TPY for areas needing five years or less to attain, and 10-25 TPY for areas needing more than five years. The 100 TPY major source threshold, although acceptable for the precursors SO<sub>2</sub> and NO<sub>x</sub>, will interfere with many states' attainment strategies if it is retained for direct PM<sub>2.5</sub> emissions. Moreover, the associations urge EPA to promulgate PM<sub>2.5</sub> increments for the protection of PSD areas in this rulemaking and forego taking an alternative approach. We are troubled by EPA's implication in the proposal that an approach other than increments is under consideration. Alternative proposals could impair our ability to protect Class I and II areas. In addition, we support 1:1 offset ratios unless appropriate modeling analysis demonstrates that a lower ratio will achieve a net air quality benefit. Furthermore, we oppose inter-precursor trading for offset compliance. Such trading should be limited – PM<sub>2.5</sub> direct emissions with other PM<sub>2.5</sub> direct emissions and PM<sub>2.5</sub> precursors with the same precursor.

Finally, we are concerned that, without the enforcement and compliance tools necessary to effectively enforce permitted PM<sub>2.5</sub> emission limits, we may not fully achieve the health and welfare benefits of the standard. Although many stack test methods and monitoring strategies for PM<sub>2.5</sub> emissions are discussed in the rule, both the provisions for testing and for monitoring PM<sub>2.5</sub> emissions are currently inadequate. We urge EPA to develop and finalize improved test methods for measuring PM<sub>2.5</sub> emissions. Moreover, the associations need accurate correlative factors to apply to the emissions of different industrial sectors in order to quantify PM<sub>2.5</sub> emissions as accurately as possible. Furthermore, improved and affordable methods for monitoring compliance with PM<sub>2.5</sub> emissions limits should be made available. The Clean Air Act holds sources to a high standard of continuous compliance under the Act and state and local agencies must be able to monitor and verify sources' compliance with all permit limits.

Thank you for considering these comments. If you have any questions, please feel free to contact either of us or Amy Royden-Bloom or Mary Stewart Douglas of the STAPPA/ALAPCO Secretariat at 202-624-7864.

Sincerely,



Eddie Terrill  
STAPPA President



John A. Paul  
ALAPCO President

Encl.

