

January 15, 1998

John Seitz
Director
Office of Air Quality Planning and Standards (MD-10)
U.S. Environmental Protection Agency
Research Triangle Park, NC 27711

Dear John:

On behalf of the State and Territorial Air Pollution Program Administrators (STAPPA) and the Association of Local Air Pollution Control Officials (ALAPCO), we appreciate the opportunity to provide comments on EPA's November 12, 1997 memorandum requesting general input from state and local agencies on certain aspects of implementing the new PM_{2.5} monitoring network, including the ability of state and local agencies to deploy and operate the new network of 1,500 PM_{2.5} monitoring sites during the first two years. EPA's memorandum also requests input on the national monitor procurement contract and the agency's plan to merge the new PM_{2.5} and existing visibility monitoring networks. We understand that EPA intends to use our input in finalizing the agency's PM_{2.5} Monitoring Implementation Plan by the end of January 1998.

EPA's implementation plan calls for establishment of 1,100 PM_{2.5} monitoring sites and development of a national chemical speciation sampling and analysis program by December 31, 1998, collection, measurement and storage of quality-assured data beginning on January 1, 1999 for use in attainment designations, control plans and regional haze assessments and completion of the total 1,500 PM_{2.5} site network by December 31, 1999. STAPPA and ALAPCO support the expeditious implementation of the new monitoring network, but believe that the limited timeframe EPA proposes in its implementation plan poses significant challenges and obstacles to accomplishing the objectives noted above. To ensure that state and local agencies have the best chance of meeting the challenges and obstacles they will face in implementing the new monitoring program over the next two years, STAPPA and ALAPCO believe that EPA should:

- ensure that adequate funding is available;
- assist agencies in overcoming any staffing constraints;
- ensure that agencies get the exact equipment they order under the national monitor procurement contract; and
- provide agencies with appropriate flexibility and authority in making visibility monitoring decisions.

The associations provide the following comments and concerns related to these implementation issues.

Adequate Funding for New PM_{2.5} Monitoring Network

EPA's draft implementation plan states that the "complete deployment of this network by December 31, 1999, will be provided by grant funds allocated by Congress" under Section 103 of the Clean Air Act. The agency indicates that over \$35 million in Section 103 grant funds has been allocated for state and local agencies' network implementation activities in FY 1998 and that the agency anticipates requesting a funding level for ongoing network implementation activities in FY 1999 of about \$78.2 million. EPA further states that "[t]hese funds will cover all network establishment and operational costs (all categories of capital, operations and maintenance, and labor) in FY98 and FY99."

STAPPA and ALAPCO believe that successful implementation of the new PM_{2.5} monitoring network in the two-year timeframe proposed by the agency depends primarily on EPA promptly making adequate Section 103 grants available to state and local agencies. We appreciate the additional funds Congress appropriated to support implementation of the new PM_{2.5} monitoring network in FY 1998, and believe that allocation of these funds through Section 103 (non-matching) grants is necessary and provides state and local agencies with greater fiscal flexibility in planning and deploying their PM_{2.5} monitoring sites. The associations, however, are not confident that the FY 1998 appropriation, which is substantially greater than the Administration's request, does, in fact, represent full funding for the hardware, operation and maintenance costs associated with establishing 1,100 PM_{2.5} monitoring sites by December 31, 1998.

Our lack of confidence is due, in part, to the absence of final EPA guidance and delay in EPA's issuance of cost estimates related to the procurement, siting and operation and maintenance of PM_{2.5} monitoring sites. For example, EPA's final revised FY 1998 grant allocation memorandum, which was due to be released by December 1, 1997, was finalized on January 9, 1998. This memorandum describes EPA's assumptions regarding costs across different program components (e.g., samplers, operations and maintenance, laboratory analyses), as well as identifies funds that will be directed to the national procurement contracts for monitors, filters, speciation laboratory support, quality assurance audits and visibility monitoring. This information is needed by agencies in their Section 103 grant work plan negotiations with the regions, which have already begun, and will form the basis of agencies' Section 103 grant applications, which are due to EPA by February 1, 1998.

State and local agencies are also uncertain whether EPA's cost projections for implementation of the new network include sufficient funding to accommodate unanticipated developments. For example, the new Federal Reference Method (FRM) monitors have generally been only field tested and, thus, unproven over time. As such, EPA's preliminary cost estimates for operation and maintenance of these monitors may be inaccurate, since real labor costs may be greater than anticipated. For example, early tests of FRM monitors reveal that retrieving samples only once every four days may result in the loss of up to 15 percent of nitrate species captured on filters due to, among others, chemical reactions on the filter surface. Agencies experiencing such

sampling losses may be forced to increase operator visits and maintenance activities to prevent the losses, which will result in additional labor costs not necessarily reflected in EPA's overall implementation cost estimates. We are also concerned that EPA's program cost calculations may not have factored in expenses related to hiring appropriate staff to run new PM_{2.5} monitoring sites, since the new program will require staff with greater knowledge and expertise to operate and maintain the new samplers and monitoring sites.

In EPA's recent written responses to questions posed by NGA, ECOS and STAPPA and ALAPCO on a variety of NAAQS-related questions, including those on implementation of the new PM_{2.5} monitoring network, the agency reaffirms that it is "committed to providing 100 percent of the funding for the hardware, operation, and maintenance costs associated with the complete PM_{2.5} ambient air monitoring network." STAPPA and ALAPCO appreciate EPA's commitment, but seek clarification as to whether it is exclusively based on the agency's expectation that Congress will appropriate the additional \$78.2 million EPA anticipates requesting in FY 1999 for the new PM_{2.5} monitoring network, or whether the agency plans to allocate its own programmatic funds (e.g., non-Section 105 grant funds) in FY 1999 if Congress appropriates less than EPA's anticipated request. EPA's commitment to provide full funding for implementation of the new PM_{2.5} monitoring network has meaning only if the agency is committed to requesting adequate additional funding levels for implementation and ongoing operation and maintenance of the new PM_{2.5} monitoring network and is committed to allocating non-Section 105 grant funds in FY 1999 if Congress appropriates less than the full amount needed.

State and local agencies are also extremely concerned about whether funding for operating and maintaining the new PM_{2.5} monitoring network beyond FY 1999 will be adequate and forthcoming. EPA's draft implementation plan indicates that, although federal funding for the new network will revert to the Section 105 grant program after the two-year phase-in of the network is completed -- requiring state and local agencies to meet matching requirements (60 percent federal funds, 40 percent non-federal funds) -- the agency will request additional grant funds in FY 2000 to help offset the costs of operating and maintaining the PM_{2.5} monitoring network. Similarly, in its responses to NGA, ECOS, STAPPA and ALAPCO, EPA indicates that it intends to request funds beyond FY 1999 for operation and maintenance of the new PM_{2.5} monitoring network.

STAPPA and ALAPCO support EPA's plan to request additional grant funds in FY 2000 and beyond for PM_{2.5} monitoring, but cannot overstate the need for this request to be for substantial *new* appropriations *above* what EPA would otherwise request to fund other existing programs through Section 105 grants. However, many state and local agencies have indicated that even if EPA is successful in getting additional Section 105 grant funds for the new monitoring network in FY 2000 and beyond, it is likely that these agencies will be unable to get the general funds necessary to meet their grant-matching requirement (i.e., 40 percent non-federal funds) for receiving the additional Section 105 grants. As such, the associations recommend that, to the greatest extent possible, EPA should continue to request funding for ongoing implementation of the new monitoring program (e.g., FY 2000 and beyond) through the Section 103 grant program, to minimize the fiscal impacts (e.g., grant-match requirements) anticipated

from shifting federal funding for the new program from Section 103 to Section 105 grant programs after FY 1999.

STAPPA and ALAPCO continue to reject the notion that significant resources for the new PM_{2.5} monitoring network can be generated by reengineering the existing ozone and particulate matter monitoring systems, as well as by disinvesting in other air program activities. Although EPA has indicated that some savings are possible by reducing the monitoring frequency at existing PM₁₀ sites, as provided for under the revised PM₁₀ NAAQS, such savings are uncertain. Many state and local agencies have indicated that disinvestments in existing PM₁₀ program activities are limited and likely will result in nominal resource savings, compared to the costs anticipated to operate and maintain the new network. As such, the associations urge EPA to provide additional flexibility in its final implementation plan for state and local agencies to appropriately disinvest in PM₁₀ monitoring program activities and quickly act on agencies' proposals to reduce the number of PM₁₀ monitors at National Air Monitoring Station sites, which require EPA approval. Moreover, although we appreciate EPA's recent efforts to disinvest in other air program activities to free up resources for the new PM_{2.5} monitoring network (e.g., plans to significantly downsize the national lead monitoring system), the associations do not believe that these actions supplant the need for new, additional funding beyond FY 1999 to support operation and maintenance of the new PM_{2.5} monitoring network.

EPA recently apprised state and local regulators that the agency is assessing the value of state and local agencies' use of Title V fees for appropriate related monitoring activities. STAPPA and ALAPCO have doubts about the availability of excess Title V fees for monitoring purposes, because it has become clear during implementation of the Title V operating permits program that Title V fees are not the panacea many legislators and regulators believed they would be. However, STAPPA and ALAPCO recommend that EPA continue to assess how use of Title V fees may provide state and local agencies added flexibility to fund the ongoing costs of the new monitoring network.

State and Local Staffing Concerns

One of the primary responsibilities that state and local agencies bear in implementing the new PM_{2.5} monitoring network is engaging adequate staff to support the planning, siting, deploying, operating and maintaining of the new network. Numerous state and local agencies, however, have concerns about limitations on their ability to hire new staff to carry out these new monitoring responsibilities.

Many state and local agencies are currently under hiring freezes or other restrictions on expanding regulatory programs. For example, the following state and local agencies have informed us that they are among those under hiring and other limitations (as indicated):

- Full Time Employee (FTE) Caps -- Alabama; Alaska; Arkansas; District of Columbia; Georgia; Idaho; Kansas; Louisville, Kentucky; Maryland; Massachusetts; Michigan; Nebraska;

Oklahoma; Pennsylvania; Rhode Island; Texas; Vermont; and Utah (the caps range from permanent to temporary, statewide to department-specific).

- Legislative Cycles -- several state agencies have indicated that they have biennial or other legislative cycles that effectively limit their ability to immediately seek new authorities to hire staff to deploy and establish the new PM_{2.5} monitoring network; in some cases, agencies must wait several months before the next available legislative budget cycle.
- Contract Limitations -- some agencies are restricted from hiring contractors to perform various programmatic activities.

In most of these situations, it is not realistic for the agencies to seek legislative changes to remove these limitations, because the process necessary to affect legislative changes would not occur quickly enough to enable agencies to meet their implementation responsibilities under EPA's implementation schedule. Therefore, while funding for staff may be available through Section 103 grants, staffing and other limitations may impede our ability to hire personnel or contractors to perform the new monitoring responsibilities.

STAPPA and ALAPCO recommend that EPA work closely with state and local agencies to address their particular situations and provide assistance as needed. For example, this may involve exploring possible options for state and local agencies with staffing limitations, including, among others, the availability of EPA or other staff through, for example, the Interagency Personnel Assignment and State Assignee programs, to help state and local agencies implement the new PM_{2.5} monitoring network.

Monitor Procurement Concerns

STAPPA and ALAPCO commend EPA for its leadership and efforts to establish a national monitor procurement contract, in which state and local agencies may participate to satisfy their sampler and equipment procurement needs. State and local agencies recognize the potential benefits from centralized (or regional) procurement, including reduced administrative burdens, economies of scale, consistency in services and products and simplified accounting. As a result, most state and local agencies have indicated a strong interest in participating in the national PM_{2.5} monitor procurement contract.

State and local agencies, however, have several basic concerns about participation in the national procurement contract that may limit some agencies' participation. For example, EPA has indicated that it will do everything possible to satisfy state and local agencies' specific equipment and manufacturer procurement orders under the national contract, but cannot guarantee agencies will get the exact equipment they order from the vendor they select. Although EPA anticipates that the vendors will generally manufacture the same basic samplers -- because the FRM calls for prescriptively designed components and samplers must satisfy FRM certification requirements -- state and local agencies are nonetheless concerned about potential incompatibilities from mixing and matching samplers and replacement equipment manufactured by various vendors. Moreover, state and local agencies already have monitoring equipment from vendors likely to be awarded part of the new PM_{2.5} monitor procurement contract and would like to be able to procure

equipment from those vendors to build on existing agency-vendor relationships. As such, state and local agencies are uncomfortable committing to participation in the national contract if EPA cannot guarantee that the agencies will be able to select the manufacturer(s) and equipment they desire.

State and local agencies also are concerned about the increased expenses likely if they cannot procure the specific samplers and equipment they desire under the national contract. State and local agencies understand well the additional expenses involved in maintaining different equipment from various manufacturers, including increased staff training, increased inventories of replacement equipment and resources necessary to operate and maintain a variety of equipment.

STAPPA and ALAPCO strongly recommend that EPA build ample flexibility into its national procurement contract to address these concerns, and thereby, increase the likelihood of state and local participation in the contract. The associations strongly urge EPA to design its national procurement contract to ensure that sufficient numbers and types of monitors will be available from manufacturers to ensure that state and local agencies receive the monitors and equipment of their choosing.

Integration with Visibility Measurements

EPA's draft implementation plan proposes merging the new PM_{2.5} and existing visibility (i.e., IMPROVE) networks, based on various technical connections between the two programs (e.g., fine particles are responsible for nearly all visibility degradation). There are 30 existing IMPROVE sites, which are funded with Section 105 grants, overseen by a steering committee that includes federal land managers (FLMs) and some state and local representatives and operated by applicable FLMs. EPA's draft PM_{2.5} monitoring implementation plan calls for establishing 78 additional IMPROVE sites in or near federal Class I areas over the next two years, which, combined with the 30 existing IMPROVE sites, will serve as background monitors in the 1,500 site PM_{2.5} monitoring network. EPA estimates that the annual operation and maintenance costs for each IMPROVE site is \$40,000 and the cost to operate and maintain the 108 IMPROVE sites proposed by the agency will exceed \$4 million annually, which would be paid for out of Section 105 grant funds.

Although linking the two programs may enhance regional haze planning efforts and background PM_{2.5} information, STAPPA and ALAPCO have concerns about certain ramifications from merging the new PM_{2.5} and visibility networks. For example, we are concerned that EPA's proposal will provide state and local agencies nominal control over the approximately \$4 million in Section 105 grants these agencies will contribute to support the 108 IMPROVE sites in FY 2000 and beyond, because EPA's implementation plan would distribute those funds directly to the applicable FLMs. In recognition of state and local agencies' significant financial contribution to the visibility monitoring network, we request that EPA provide state and local agencies, after consultation with applicable FLMs, the discretion to decide how best to use the funds targeted for visibility monitoring, including targeting the funds to FLMs for deployment and operation of visibility monitoring sites or to appropriate alternative monitoring activities. This is important

because siting a visibility monitor at each federal Class I area may not be appropriate, based on the particular circumstances of each Class I area (e.g., two adjoining Class I areas may need only one visibility monitoring site). Since state and local agencies will be required to address visibility problems, we believe they should have substantial flexibility regarding the siting of visibility monitors.

Moreover, in situations where FLMs deploy and operate the visibility monitors, we request that EPA's implementation plan require the FLMs to consult with the applicable state and local agencies and authorize the agencies to review and approve FLM decisions related to siting decisions, operating procedures, actual operations, quality assurance activities and data collection. We believe that providing state and local agencies with this discretion and authority is appropriate and necessary to ensure that the visibility component of the overall PM_{2.5} monitoring network reflects state and local priorities, not just FLM priorities.

STAPPA and ALAPCO also believe that the significant level of Section 105 funding that will be provided in FY 2000 and beyond for the visibility network demands more state and local participation on the IMPROVE Steering Committee. Currently, there are more FLMs on the committee than state and local representatives. To ensure that state and local concerns and goals for the new sites are addressed, STAPPA and ALAPCO recommend that state and local representation to the steering committee be increased to at least parity with the FLMs.

Conclusion

STAPPA and ALAPCO believe that the effectiveness of the new PM_{2.5} NAAQS program depends on the timely delivery of adequate and scientifically defensible monitoring data. We believe that the new PM_{2.5} monitoring network proposed by EPA can produce that data if adequate Section 103 funds are made available to state and local agencies during the phase-in of the new PM_{2.5} monitoring network, and new Section 105 grant funds, above what EPA would otherwise request to fund existing programs through Section 105 grants, are made available in FY 2000 and beyond for operation and maintenance of the new network. Further, we recommend EPA incorporate adequate flexibility and programmatic options for affected state and local agencies to use in overcoming staffing and contracting impediments.

By adopting the recommendations offered and providing the clarifications requested by the associations in these comments, STAPPA and ALAPCO believe that the new PM_{2.5} monitoring program will have a better likelihood of success. The associations are committed to implementing the new monitoring network expeditiously and assisting EPA in establishing an adequate and effective monitoring program to support the new PM_{2.5} NAAQS. The associations welcome the opportunity to assist EPA in timely distributing implementation guidance and information to state and local agencies, and welcome opportunities to participate where possible. If you have any questions or desire additional information or assistance, please contact us.

Sincerely,

(original signed)
Timothy Method
STAPPA President

(original signed)
Bruce Andersen
ALAPCO President