

NAAQS & State/Federal Planning Updates

#### NACAA Spring Meeting

May 14-16, 2024

Scott Mathias, Director Air Quality Policy Division Office of Air Quality Planning & Standards



### Status of NAAQS Reviews (April 2024)

	Lead	Ozone	PM <sup>1</sup>	Secondary (Ecological) NO <sub>2</sub> , SO <sub>2</sub> , PM <sup>2</sup>	Primary NO₂	Primary SO <sub>2</sub>	со
Last Review Completed (final rule signed)	Sept 2016	Dec 2020	Dec 2020/Feb 2024	Mar 2012	April 2018	Feb 2019	Aug 2011
Recent or Upcoming Major Milestone(s)	Feb 7, 2024 Final ISA <sup>3</sup> released Fall 2024 Draft PA <sup>3</sup>	Aug 25, 2023 Call for Info. on the ISA³  Spring 2024 Science Policy Workshop  Fall 2024 Draft IRP³ Volume 1 and 2	January 2023 Proposed Rulemaking  February 2024 Final Rule, effective May 6, 2024	April 3, 2024 Proposed Rulemaking  Dec. 10, 2024 Final Rulemaking (consent decree)	Mar. 18, 2024 Draft IRP <sup>3</sup> Vol. 1 & 2 released for CASAC consultation on 4/16/2024	<u>TBD</u> <sup>4</sup>	<u>TBD</u> 4

Additional information regarding current and previous NAAQS reviews is available at: <a href="http://www.epa.gov/ttn/naaqs/">http://www.epa.gov/ttn/naaqs/</a>

<sup>&</sup>lt;sup>1</sup> Combined primary and secondary (non-ecological effects) review of PM

<sup>&</sup>lt;sup>2</sup>Combined secondary (ecological effects only) review of NO<sub>2</sub>, SO<sub>2</sub>, and PM

<sup>&</sup>lt;sup>3</sup> PA – Policy Assessment; REA – Risk and Exposure Assessment; IRP – Integrated Review Plan; ISA – Integrated Science Assessment

<sup>&</sup>lt;sup>4</sup>TBD = To be determined



## Secondary (Ecological) NO<sub>2</sub>, SO<sub>2</sub>, PM

- EPA proposed decisions in the combined review of the secondary standards for sulfur oxides  $(SO_X)$ , nitrogen oxides (N oxides) and particulate matter (PM) for ecological effects. [89 FR 26620, April 15, 2024]. Comment period closes June 14, 2024.
- The ecological effects addressed in this review include direct effects of N oxides and  $SO_{X_i}$  and PM loading on vegetation surfaces as well as ecological effects related to atmospheric deposition of S and N compounds in sensitive ecosystems.
- The decision proposes to revise the secondary sulfur dioxide  $(SO_2)$  standard to an annual average of 10-15 ppb, averaged over three years, and solicits comment on alternatives.
- The decision proposes to retain the secondary nitrogen dioxide (NO<sub>2</sub>) and PM standards, without revision, and solicits comment on alternative approaches.
- Air quality analyses indicate that to meet the proposed revised secondary SO<sub>2</sub> standard no additional emissions reductions would be needed beyond any required to meet the current primary SO<sub>2</sub> standard. As such, no regulatory impact analysis was developed.



## Revised PM<sub>2.5</sub> NAAQS Implementation



## Implementation Timeline Annual PM<sub>2.5</sub> NAAQS

- Effective date of final revised NAAQS rule stationary source permitting
  - Revised standard applies with respect to pre-construction Prevention of Significant Deterioration permitting upon the May 6, 2024, effective date of the revised standard.
- Within 2 years after the promulgation, by February 7, 2026, of a revised NAAQS

   Based on available information, including most recent monitoring data, EPA
   must "designate" areas as meeting (attainment) or not meeting (nonattainment) the revised NAAQS considering input from states and tribes.
  - All PM<sub>2.5</sub> nonattainment areas are initially classified as "Moderate." (CAA §188)
  - Areas with insufficient information to make a determination are designated "unclassifiable." (CAA §107)
- Within 3 years after the promulgation, by February 7, 2027, of a revised NAAQS

   All states and territories are required to submit SIP revisions to show they have the basic air quality management program components in place to implement the final NAAQS and address interstate transport. (CAA §110)
- Within 18 months after the effective date of nonattainment designation SIPs for attaining the PM<sub>2.5</sub> NAAQS are due, likely 2027. (CAA §189)
- End of the 6th calendar year after the effective date of designations "Moderate" area attainment date, likely 2032. (CAA §188)



## Implementing Annual PM<sub>2.5</sub> Standard

- Guidance on Infrastructure State Implementation Plan (SIP) Elements under Clean Air Act Sections 110(a)(1) and 110(a)(2) (September 13, 2013) EPA-issued multi-pollutant guidance document for states submitting "infrastructure SIPs".
  - Revised infrastructure SIP due February 7, 2027.
  - Interstate transport see EPA's 2032 projection of future violating areas for 2024  $PM_{2.5}$  NAAQS RIA; EPA intends to provide more information on addressing interstate transport from EPA in coming months.
- <u>Fine Particulate Matter National Ambient Air Quality Standards: State Implementation Plan (SIP) Requirements</u> Final EPA SIP Requirements Rule that established planning requirements for states with areas that do not meet the PM<sub>2.5</sub> NAAQS. (81 FR 58010, August 24, 2016; 40 CFR Subpart Z, §51.1000).
- Fine Particulate Matter (PM<sub>2.5</sub>) Precursor Demonstration Guidance (May 30, 2019) Recommendations for optional demonstrations designed to show that for a specific PM<sub>2.5</sub> nonattainment area, emissions of a particular precursor from sources in the area do not or would not contribute significantly to PM<sub>2.5</sub> levels that exceed the standard, as allowed by the PM<sub>2.5</sub> SIP Requirements Rule.



### PM<sub>2.5</sub> Designations Memorandum

- Initial Area Designations for the 2024 Revised Primary Annual Fine Particle
   National Ambient Air Quality Standard memo issued February 7, 2024, with the promulgation of the revised NAAQS.
- Outlines the designations process, schedule, categories, and roles for EPA and air agencies, pursuant to CAA §107(d). CAA defines nonattainment area as both the location where a monitor indicates there is a violation and all nearby areas that contribute to the monitored violation.
- Explains the five-factor analysis approach the EPA intends to use when evaluating S/T designations recommendations and determining nonattainment area boundaries.
  - Data sets and other information available at <a href="https://www.epa.gov/particle-pollution-designations-memorandum-and-data-2024-revised#B">https://www.epa.gov/particle-pollution-designations-memorandum-and-data-2024-revised#B</a>.
- Policy for Establishing Separate Air Quality Designations for Areas of Indian Country (December 20, 2011).
  - <u>Developing Designation Recommendations for Areas of Indian Country</u> (April 2018).



## Anticipated PM<sub>2.5</sub> Designations Schedule

Designations Action	Anticipated Date	
EPA promulgates revised primary annual PM <sub>2.5</sub> NAAQS	February 7, 2024 (actual)	
States certify 2023 PM <sub>2.5</sub> data; EPA calculates design values	May-June, 2024	
States/Tribes submit designations recommendations to EPA	No later than February 7, 2025	
States certify 2024 PM <sub>2.5</sub> data; EPA calculates design values	May 2025	
EPA notifies States/Tribes concerning any intended modifications to their recommendations (120-day letters); 30-day public comment period begins	Mid-October 2025 (≥120 days prior to final designations)	
End of 30-day public comment period	Mid-November 2025	
States/Tribes submit additional information, if any, to respond to EPA's intended modification of recommended designations	Mid-December 2025	
EPA final designations decisions (without extension)	February 6, 2026	



#### **Exceptional Event Demonstration Schedule**

(40 CFR 50.14, Table 2)

Exceptional Events Action	Applicable Data Years*	Deadline	
Initial Notifications for Designations Recommendations	2021, 2022, 2023	No later than January 1, 2025	
Exceptional Events Demonstration Submittal	2021, 2022, 2023	No later than February 7, 2025	
Initial Notification and Exceptional Events Demonstration Submittal	2024	September 30, 2025	
EPA Promulgates Final Area Designations	2022, 2023, 2024	February 6, 2026	

<sup>\*</sup>States and Tribes are not required to submit exceptional events demonstrations for data years not relied on for final area designations (e.g., 2021), but should address any 2021 data they believe was influenced by an exceptional event in their area designations recommendations to the EPA due February 2025.



## Other NAAQS/SIP Updates



## NAAQS Implementation Plans and Title VI of the Civil Rights Act

- Clean Air Act section 110(a)(2)(E)(i) requires that each State
   Implementation Plan (SIP) provide "necessary assurances" that the state is
   not prohibited by any provisions of federal law from carrying out such
   implementation plan.
- Title VI of the Civil Rights Act of 1964 (Title VI) prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin.
- In Oct. 2022, EPA stated that national guidance concerning implementation of section 110(a)(2)(E)(i) as it pertains to Title VI would be "forthcoming." (87 FR 60494 Oct. 5, 2022)



## Start-Up, Shutdown and Malfunction (SSM) Provisions in SIPs

- On March 1, 2024, the D.C. Circuit Court of Appeals issued a decision in Environ. Comm. Fl. Elec. Power v. EPA, No. 15-1239.
- The case is a consolidated set of petitions for review of EPA's June 12, 2015, final action relating to SSM provisions SIPs (2015 SSM SIP Action, 80 FR 33840).
- The Court granted the petitions in part, vacating the SIP calls as to those based on automatic exemptions, director's discretion provisions, and affirmative defenses that are functionally exemptions; and denied the petitions in part as to the SIP calls based on the enforcement discretion provisions and affirmative defenses against specific relief.



### **Contingency Measures Policy**

- EPA released a new draft Contingency Measure guidance for comment last year.
  - The guidance addresses both ozone and PM plans.
  - Available at: <a href="https://www.epa.gov/air-quality-implementation-plans/draft-contingency-measures-guidance">https://www.epa.gov/air-quality-implementation-plans/draft-contingency-measures-guidance</a>
- Due to competing priorities EPA has not yet issued final guidance. The draft guidance continues to represent EPA's intent for future CM policy.
  - Air agencies developing CM submittals may consider the draft guidance and should consult with their Regional Office if there are clarifying questions.
  - We anticipate issuing a final guidance by this summer.
- Where appropriate, the EPA has begun proposing approval of CM SIPs using approaches in the draft guidance, including infeasibility justifications, and expects to continue this practice.
- Where necessary, EPA has also been disapproving CM submissions that rely on already-implemented measures per the 2021 D.C. Circuit decision in *Sierra Club*.
  - The first such disapproval for Texas ozone areas [88 FR 67957, October 3, 2023] and is being challenged by Texas in the 5<sup>th</sup> Circuit.



### Ozone Implementation Updates

## 2015 NAAQS Moderate Area Determinations of Attainment by the Attainment Date ("DAADs")

- Moderate area attainment date is August 3, 2024; statutory deadline for EPA to issue final DAADs is February 3, 2025.
- EPA regional offices will issue DAADs for their respective areas, including areas influenced by wildfire exceptional events.
- EPA headquarters will issue a separate Reclassification Requirements Rule in support of current and future DAADs to address SIP revision deadlines and "leftover" SIP requirements from prior classification.

#### **Interstate Transport – Good Neighbor Plan**

- In the 10 states currently with requirements for electric generating units under the Good Neighbor Plan, nitrogen oxide emissions from power plants dropped 18% from 2022 levels in the 2023 ozone season.
- Emissions limits for industrial sources under the Good Neighbor Plan will begin in 2026.
- On February 16, 2024, EPA proposed to expand the Rule to five additional states, Arizona, lowa, Kansas, New Mexico, and Tennessee. Comment period is open until May 16, 2024.
- On March 28, 2024, EPA responded to certain arguments in petitions to EPA to reconsider the Good Neighbor Plan.



### Ozone Air Quality/Redesignations

#### 2023 ozone air quality (preliminary thru 1/09/24)

- 20 of 34 nonattainment areas are meeting the 2008 ozone NAAQS.
  - 2 of 4 maintenance areas not meeting standard (Chicago, Sheboygan)
- 8 of 46 nonattainment areas are meeting the 2015 ozone NAAQS.
  - 3 of 6 maintenance areas not meeting standard (Detroit, Door, Manitowoc)
- Monitors located in approximately 30 areas currently designated attainment in at least 15 states are violating the 2015 ozone NAAQS.
  - Mostly midwestern and western US states.
  - Some monitors have a longer-term violation trend but others are new.

#### Recent redesignations to attainment

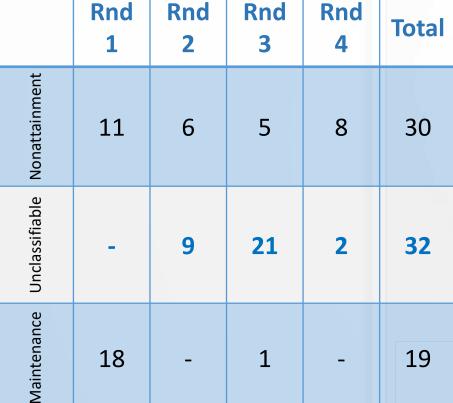
- 2008 NAAQS: Chicago (IL, IN and WI portions)
- 2015 NAAQS: Atlanta, GA; Cincinnati, OH-KY; Detroit, MI; Door County-Revised, WI; Louisville (IN portion); Manitowoc County, WI
- 2015 NAAQS: reversal of El Paso County, TX nonattainment designation



## **SO<sub>2</sub> Nonattainment Areas by Status and Designations Round**

as of February 2024 **Total** UNITED STATES 30 32 Current Status, Round Maintenance, 1

MÉXICO



Onclassifiable, 2

Unclassifiable, 3
 Maintenance, 3
 Nonattainment, 4

Unclassifiable, 4

Dots denote original designation based on modeling



## SO<sub>2</sub> NAAQS Implementation Update

#### Round 1 Nonattainment Areas

- Revised attainment plans due in 2023 for Miami, AZ; Sullivan Co, TN; and St. Bernard Parish, LA. Revised attainment plan due in 2024 for Indiana, PA (under EPA review).
- EPA pursuing redesignation to nonattainment for an area of Westmoreland & Cambria counties, PA adjacent to the existing Indiana, PA area (89 FR 9815, February 12, 2024). EPA currently reviewing comments received during comment period (closed 3/28/024).

#### Round 2 Nonattainment Areas

 All areas have either Clean Data Determination and/or approved attainment plan except Rusk/Panola Cos., TX. EPA subject to December 13, 2024, CD deadline for FIP/complete SIP for Rusk/Panola Cos., TX.

#### Round 3 Nonattainment Areas

 Sanctions and FIP deadline December 2, 2022, for Evangeline Parish, LA; Piti-Cabras, GU; and Huntington Co. IN.

#### Round 4 Nonattainment Areas

Attainment plan submittals due October 30, 2022, for St. Lawrence Co., NY; Giles Co., VA; Henderson & Webster Counties, KY.

#### SO<sub>2</sub> Interstate Transport SIPs

• OCEF challenged EPA for inaction on several SIP actions, including SO2 transport SIPs for TX and LA. EPA has negotiated 2025 deadlines for final SIP actions, <u>public comment on CD ends 5/23/24</u>.



## Regional Haze Program Update



### Status of RH SIP Reviews

- EPA continues to review and act on 2<sup>nd</sup> Planning Period Regional Haze SIPs.
- Latest SIP action was a final approval for Maryland (88 FR 22337, 4/1/24).
- EPA issued Findings of Failure to Submit effective September 29, 2022, for 15 states (87 FR 52856); 12 remain outstanding.
- Failure to Act litigation continues for 33 states identified in a 2023 lawsuit.
  - On 3/29/24, EPA published a notice taking comment on a proposed consent decree of dates to take proposed action on 4 SIPs and final action on 33 SIPs (89 FR 22141).
- 2<sup>nd</sup> Planning Period Progress Reports are due January 31, 2025. EPA plans to issue a memo addressing questions about report requirements in Spring 2024.

Regional Haze SIP Status *				
EPA Final Actions Published	3			
Submitted SIPs Awaiting Final EPA Action	36			
SIPs Outstanding	13			

\*As of April 2024



### Regional Haze Rule Revisions

- EPA has opened a non-regulatory docket where interested parties can submit comments on the future of the Regional Haze program in advance of Third Planning Period rule revisions (EPA-HQ-OAR-2023-0262).
- In addition to opening the docket, EPA held informational webinars on the Regional Haze program and future rule revisions on April 9<sup>th</sup> and 10<sup>th</sup>. The webinar materials can be found in the non-regulatory docket.
- Topics covered in the webinar presentation include:
  - Reasonable Progress
  - Four Factor Analysis
  - Long-Term Strategy
  - Future SIP Obligations
- Interested parties are welcome to submit written comments to the nonregulatory docket on these topics as well as topics not covered in the presentation.
  - Comments received after June 28, 2024, will be considered late; EPA may be unable to consider comments received after this date.



## State Plans Addressing Emissions Guidelines

Clean Air Act section 111(d) rules



## §111(d) State Plans – General Requirements

- "Adoption and Submittal of State Plans for Designated Facilities: Implementing Regulations Under Clean Air Act Section 111(d)"
  - 40 CFR part 60, subpart Ba "General Provisions"
  - Published November 17, 2023 (80 FR 80480)
- Amendments include:
  - revisions to the timing requirements for state plans (18-month default);
  - allowing for electronic submission of state plans (available thru SPeCS);
  - the addition of flexibility mechanisms such as trading and averaging; and
  - new requirements for meaningful engagement with the public.
- Also revises and clarifies Remaining Useful Life and Other Factors (RULOF) considerations for states in applying a standard of performance.
  - RULOF is intended as a limited, less-stringent variance from the EPA's determinations to address unusual circumstances at particular facilities.



#### §111(d) State Plans – Emissions Guideline Sectors

- Oil and Natural Gas Emissions Guidelines
  - "Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review," published March 8, 2024 (89 FR 16820).
  - Emissions Guideline State Plans (EGSPs) due March 9, 2026.
  - Federal Plan development work (tribal lands).
  - Compliance assistance documents under development: Small Entity Compliance Guide, Summary of Requirements for §111(d) State Plans.
  - State equivalency issues.
  - EPA cross-agency workgroup coordination.
- Fossil Fuel-Fired Electric Generating Units (EGUs)
  - "New Source Performance Standards for Greenhouse Gas Emissions From New, Modified, and Reconstructed Fossil Fuel-Fired Electric Generating Units; Emission Guidelines for Greenhouse Gas Emissions From Existing Fossil Fuel-Fired Electric Generating Units; and Repeal of the Affordable Clean Energy Rule," published May 9, 2024 (89 FR 39798).
  - See <u>State Plans Fact Sheet</u> and <u>General Overview Presentation</u>.
  - Emissions Guideline State Plans (EGSPs) due May 11, 2026; source compliance deadlines 1/1/2030 or 1/1/2032 depending on subcategory.
  - Additional compliance assistance documents under development.
  - Does not cover existing natural gas combustion turbines. EPA has inititated a separate supplemental
    action development, details are available at <u>Nonregulatory Public Docket: Reducing Greenhouse Gas</u> open
    through May 28, 2024.



# Clean Air Act Permitting Updates



### Reference List for PSD Permitting

- Effective Permitting Tools for Fine Particulate Matter under the Prevention of Significant Deterioration Permitting Program Fact Sheet. Policy and technical guidance, models, and tools to assist stakeholders to demonstrate compliance and, as appropriate, exercise the inherent discretion and flexibilities within the permitting process to best evaluate impacts from a proposed new major source or major modification of an existing source.
  - Significant Impact levels (SILs) revised annual SIL value 0.13 μg/m³.
  - Model selection including alternative models, treatment of background sources, determining representative background including consideration of exceptional events.
  - MERPS "Guidance on the Development of Modeled Emission Rates and Precursors (MERPS) as a Tier 1 Demonstration Tool for Ozone and PM2.5 under the PSD Permitting Program."
  - Ambient Air "...may be excluded from ambient are where the source employs measures, which may include physical barriers, that are effective in precluding access to the land by the general public."
  - Project Emissions Accounting for modification projects at existing major sources, both emissions increases and decreases may be included in the major modification applicability decision (i.e., at Step 1).
  - Plantwide Applicability Limits-PALs.
  - Mitigation through Offsets obtain offsetting emission reductions (PSD offsets) to mitigate adverse impacts of new/modified project. See 40 CFR 51.165(b)(3).
- Air agencies and permit applicants seeking to obtain EPA assistance should contact their appropriate <a href="EPA Regional office">EPA Regional office</a>.



### Permit Program Updates – NSR

- Minor New Source Review Program Guidance
- Project Emissions Accounting Rule Reconsideration
- Fugitive Emissions Rule Reconsideration
- Guidance on Enforceable Limitations on Potential to Emit
- Use of Significant Impact Levels (SILs) in State PSD Permitting Programs



### Minor NSR Program Guidance

- After stakeholder early engagement (Sep 2022 to Jan 2023) EPA has decided to develop comprehensive guidance on the Minor NSR program that will:
  - Cover Minor NSR legal authorities and common program elements, including public participation, general permits/permits-by-rule, NAAQS protection, program demonstrations and applicability;
  - Clarify existing regulatory requirements for each program element;
  - Provide EPA's interpretations of the existing regulations;
  - Explain the different types of permits authorized under Minor NSR;
  - Provide best practices for implementing the Minor NSR program.
- EPA intends to provide draft guidance for public comment.



## Project Emissions Accounting Rule Reconsideration (PEAR)

- October 2020 PEA Rule (85 FR 74890) interpreted the existing EPA major NSR regulations to allow for accounting of both increases and decreases in emissions at Step 1 of the NSR applicability process (i.e., the project emissions increase).
- Proposed reconsideration rule published May 3, 2024 (87 FR 36870). Comment period open through July 2, 2024.
- Key elements
  - Expansion of the definition of the term "project" in the NSR regulations as a discrete change or group of changes that are "substantially related" to each other.
    - Changes are substantially related if they are dependent on each other to be economically or technically viable.
    - Consistent with the 2018 final action on project aggregation.
  - Requirement that emissions decreases accounted for at Step 1 be enforceable.
    - Citing to requirement that already applies to Step 2 emissions decreases.
  - Revisions to Reasonable Possibility (RP) recordkeeping and reporting provisions.
    - Requirements apply to projects at an expanded group of sources for which the owner/operator accounts for one or more decreases at Step 1, regardless of the projected emissions increase.
    - Expanded project description criteria for pre-project records.
    - Clarification of certain existing requirements.



## Fugitive Emission Reconsideration Proposal

- Proposed rule published October 14, 2022 (87 FR 62322)
  - Proposed change in this rule is that non-listed major sources undergoing major modification will no longer have an exemption for the accounting of fugitive emissions.
  - The treatment of fugitive emissions in determining whether a new or existing source is a major source is well-established and is not impacted by this proposed action.
  - "The EPA expects any impacts of this proposed action on a limited subset of the regulated community to be manageable."
- Comment period closed February 14, 2023, after extensions totaling 120 days.
  - Significant objections raised with EPA's rationale and legal arguments, costs not considered in this rulemaking, lack of real environmental benefit for this regulatory change, and eliminating the non-listed source category exemption (e.g., mining, distilleries).
  - EPA continues to assess comments.



## Guidance on Enforceable Limitations on Potential to Emit

- EPA is working to address concerns raised by the OIG in a 2021 audit report on EPA oversight of synthetic minor source permitting.
- EPA committed to issuing updated guidance on practical enforceability of PTE limitations.
- Update would address enforceable limitations on PTE across multiple CAA programs, including NSR, NESHAP, and Title V.
  - A substantial body of EPA guidance, administrative decisions, and rulemaking actions addressing the effectiveness and enforceability of limits taken to restrict PTE under EPA regulations has evolved since the late 1980's.
  - This guidance would aggregate and synthesize relevant existing guidance into a single document for improved awareness and consistent application.
  - Intend to provide draft updated guidance for public comment.



## Use of Significant Impact Levels (SILs) in State PSD Permitting Programs

- May 30, 2023, Administrative Petition from Environmental Groups requesting that the EPA Region 6 Administrator address alleged failures of the States of LA and TX to implement the CAA PSD permitting, NAAQS requirements and protections, and specifically their alleged inappropriate use of <u>EPA's SILs</u> guidance.
- Litigation
  - Formosa Plastics: Litigation in LA state court on PSD permit issued by LDEQ. On 1/19/2024, the LA Court of Appeal First Circuit upheld LDEQ's decision to grant the Formosa PSD permit, finding that LDEQ complied with the Clean Air Act and overturned the 9/12/2022 lower court decision that vacated the PSD permit because modeling showed NAAQS violations and LDEQ relied on SILs to support its conclusion that Formosa did not cause or contribute to the violations.
  - <u>Commonwealth LNG</u>: Litigation in the 5th Cir. on PSD permit issued by LDEQ. Sierra Club alleges that the PSD permit issued by LDEQ unlawfully relies on SILs to avoid further analysis of likely air pollution increases that will result from the LNG project.
  - <u>Suncor</u>: Litigation in the 10th Cir. on Title V petition order challenging Colorado's use of the PSD SILs in permitting determinations for the Suncor refinery.



## Use of SILs in State PSD Permitting Programs (cont.)

- EPA HQ and Regional efforts to review concerns
  - EPA Region 6 and OAQPS have engaged in communications with Petitioners and affected states.
  - OAQPS and Regional offices have engaged in a workgroup process to investigate the
    use of SILs in PSD permitting by EPA, state, and local permitting authorities at the
    national level consistent with commitments made in the 2018 SILs guidance.
- Results of ongoing activities will inform potential revision of existing guidance regarding the use of SILs in the PSD permitting program (to be evaluated in 2025).



### Permit Program Updates – Title V

- Title V Applicable Requirements Rule
- Title V Petition Orders
- OIG Closeout on Fees



## Title V Applicable Requirements Rule

- Proposed Title V Applicable Requirements Rule published January 9, 2024 (89 FR 1150)
  - Proposal to codify EPA's existing (2017-present) position on the limited situations in which unique title V oversight tools (e.g., objections, petitions) can be used to address NSR permitting issues.
  - Also addresses "General Duty Clause" under CAA 112(r)(1) concerning accidental releases of hazardous substances (not implemented through title V).
- Comment period closed April 10. EPA still evaluating comments.
- Preliminary feedback:
  - Concern from environmental groups, who want title V to be used for oversight.
  - States and industry support not using title V to address NSR issues.
  - States and industry concerned with provisions addressing notice on NSR permits.



### Title V Petition Orders

- Petition trends (FY23 through 1<sup>st</sup> half of FY24):
  - Industry focus: Half of all petitions are associated with oil and gas; remainder split between manufacturing, power plants, and other industries
  - Geographic focus: Regions 3 (PA), 4 (AL), 6 (LA, TX), 8 (CO)
  - Frequent petitioners: Sierra Club, Environmental Integrity Project, Center for Biological Diversity,
     WildEarth Guardians
- Issues/responses (FY23 through 1st half of FY24; total of 179 claims):
  - EPA granted 33% of petition claims; objected to 59 different issues
  - Most common issue raised: monitoring and compliance assurance (44% of all claims received)
     Most often granted issue: EPA granted half of monitoring claims
     75% of EPA objections were because state permit record was insufficient
  - 2<sup>nd</sup> most common: NSR issues (typically denied)
  - Other persistent issues: whether title V permit clearly includes all applicable requirements; whether permit issuance process complied with public participation requirements
- EPA continues to respond to more petitions each year than received, reducing the backlog.



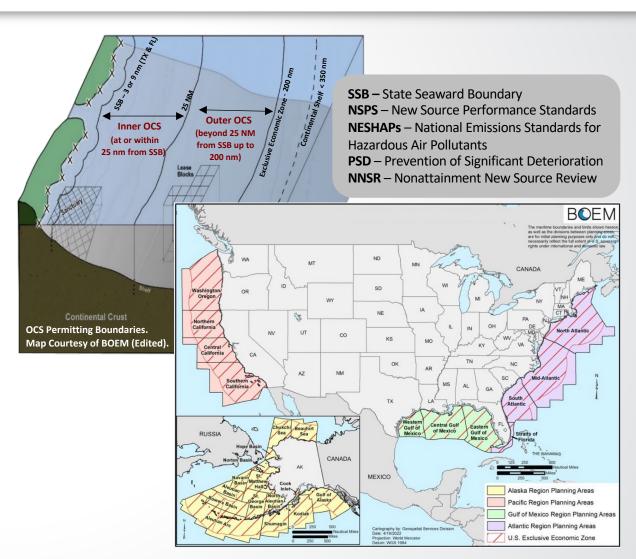
#### Title V Fees

- All corrective actions specified in the January 12, 2022, Office of Inspector General (OIG) Report: *EPA's Title V Program Needs to Address Ongoing Fee Issues and Improve Oversight* have now been completed.
- EPA will continue to work towards improving oversight of title V fees through trainings, guidance, and data collection and analysis.
- Resources:
  - Title V Fee Website: <a href="https://www.epa.gov/title-v-operating-permits/permit-fees">https://www.epa.gov/title-v-operating-permits/permit-fees</a>
  - Updated Guidance on Fee Evaluations and Oversight
  - Title V Fee Webinar for Permitting Authorities



## Permit Program Updates – OCS

- CAA section 328 directs EPA to establish regulatory requirements to control air pollution from sources located on the Outer Continental Shelf (OCS). Regulations established in 40 C.F.R. part 55 (1992).
- Air pollution control requirements are implemented through OCS permits.
- Applicability of CAA requirements depends on the OCS source location.
  - Inner OCS sources (sources within 25 miles of an SSB) are subject to the state/local requirements (e.g., NNSR) of the Corresponding Onshore Area (COA) which is generally the onshore area geographically closest to the OCS source (40 C.F.R. § 55.14).
  - All OCS sources, including outer OCS sources (sources beyond 25 miles from an SSB), are subject to NSPS, NESHAPs, PSD and title V requirements if the source meets the applicability criteria for those programs (40 C.F.R. § 55.13).
- EPA has OCS permitting jurisdiction outside all coastal states except in the States of Texas, Louisiana, Mississippi and Alabama and in the Chukchi and Beaufort Seas off the State of Alaska.
- EPA has delegated the OCS permitting program to three States (Delaware, Maryland and Virginia) and 4 California permitting authorities (San Luis Obispo, Santa Barbara, South Coast, and Ventura County).

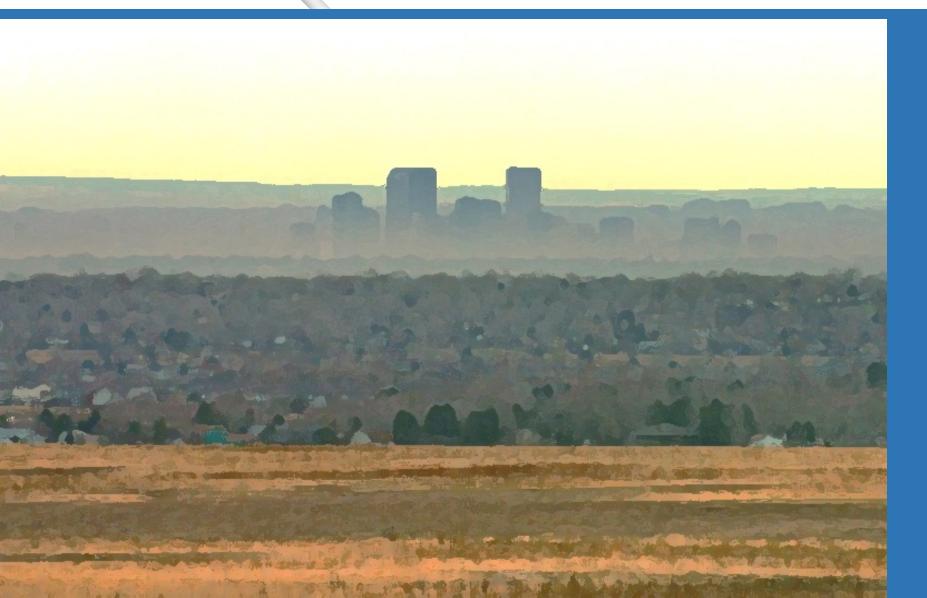




## OCS Permitting (cont.)

- OCS permitting program currently focused on permitting offshore wind energy sources
  - Consistent with Executive Order 14008 <u>Tackling the Climate Crisis at Home and Abroad</u>, in March 2021 DOI, DOE and DOC set a <u>goal</u> to deploy 30 GW of Offshore Wind by 2030.
- By the end of April 2024, EPA will have issued 8 OCS permits for approximately 10 GW of permitted energy capacity:
  - <u>Vineyard Wind (May 2021), South Fork Wind (Feb. 2022), Revolution Wind (Sep. 2023), Empire Wind (Feb. 2024), New England Wind I and II (April 2024), Sunrise (April 2024) and CVOW-C (April 2024).</u>
- On February 26, 2024, EPA held an OCS Air Permitting Seminar for project developers to explain the permitting process in detail and address their questions.
- Online database of selected offshore wind energy permitting topics and associated EPA-issued OCS permits addressing those topics.





# Questions and Comments



#### State Planning Milestones (Spring 2024)

Pollutant (Standard)	Final NAAQS Signature	Nonattainment Designations Effective	Infrastructure SIP Due	Attainment/EG Plans Due	Attainment Date/EG Compliance Date
Ozone (2015)	Oct 2015	Aug 3, 2018 **	Oct 2018	Aug 2021-2022, Jan 2023***, <mark>Jan 2026</mark> ***	Aug 2021 <mark>-2038</mark>
Ozone (2008)	Mar 2008	July 2012	Mar 2011	July 2015-2016 Jan 2017*, Aug 2020*	July 2015, 2018, 2021, 2027, 2032
SO <sub>2</sub> (2010) (primary)	June 2010	<sup>1</sup> Oct 2013, <sup>2</sup> Sept 2016, <sup>3</sup> Apr 2018, <sup>4</sup> Apr 2021	June 2013	<sup>1</sup> Apr 2015, <sup>2</sup> Mar 2018, <sup>3</sup> Oct 2019, <sup>4</sup> Oct 2022	<sup>1</sup> Oct 2018, <sup>2</sup> Sept 2021, <sup>3</sup> Apr 2023, <sup>4</sup> Apr 2026
PM <sub>2.5</sub> (2024 annual)	February 2024	Spring 2026	February 2027	Fall 2027	Spring 2032 (Moderate)
PM <sub>2.5</sub> (2012 annual)	Dec 2012	Apr 2015	Dec 2015	Oct 2016 (Moderate)	Dec 2021 (Moderate)  Dec 2025 (Serious)
PM <sub>2.5</sub> (2006 24-hr)	Oct 2006	Dec 2009	Oct 2009	Dec 2014	Dec 2015 (Moderate) Dec 2019 (Serious) Dec 2024**
OOOOc Oil & Gas Emiss. Guideline	n/a	n/a	n/a	<mark>March 2026</mark>	March 2029
UUUUa EGU Emiss. Guideline	n/a	n/a	n/a	TBD	TBD

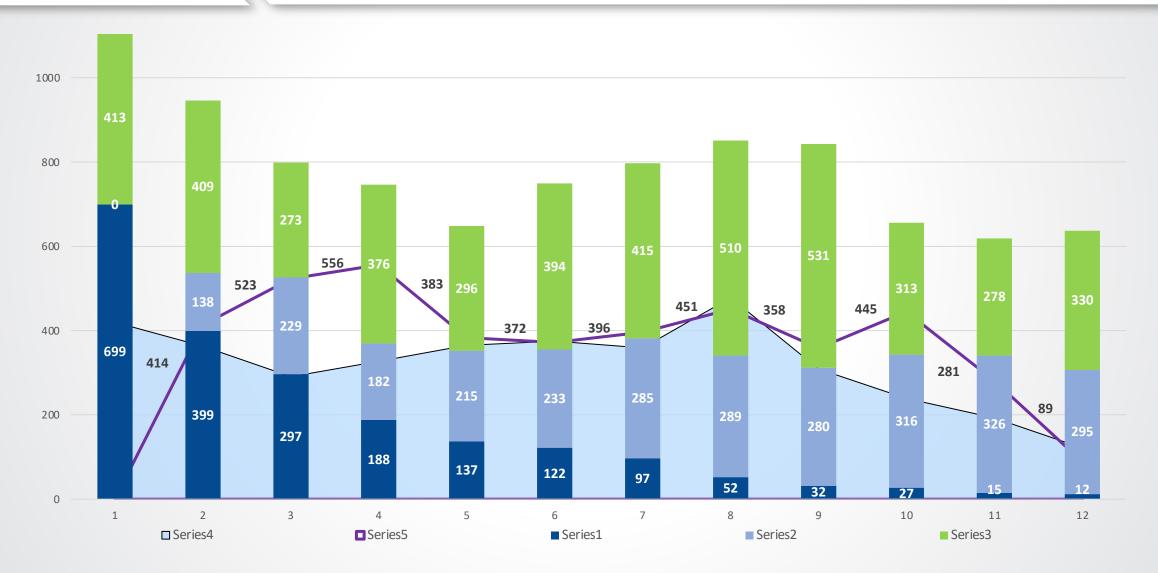
<sup>\*</sup>January 2017 for areas reclassified from Marginal to Moderate. August 2020 for areas reclassified from Moderate to Serious.

<sup>\*\*</sup>September 24, 2018 for San Antonio, TX

<sup>\*\*\*</sup> January 2023 for areas reclassified from Marginal to Moderate, January 2026 (proposed) for areas reclassified from Moderate to Serious.



#### Update to SIP Processing Chart through March 31,





## EPA eLearning Modules on Area Designations and Exceptional Events

- Air Quality Planning curriculum intended for learners who implement the National Ambient Air Quality Standards via State / Tribal Implementation Plans
- AirKnowledge eLearning Modules at <a href="https://airknowledge.gov">https://airknowledge.gov</a>
  - What are Area Designations?
  - Exceptional Events Demonstrations
  - PLAN201-SI: <u>Applying Technical Factors for Area Designations</u>
    - Area Designations Process and Timeline
    - Area Designations Factor Analysis



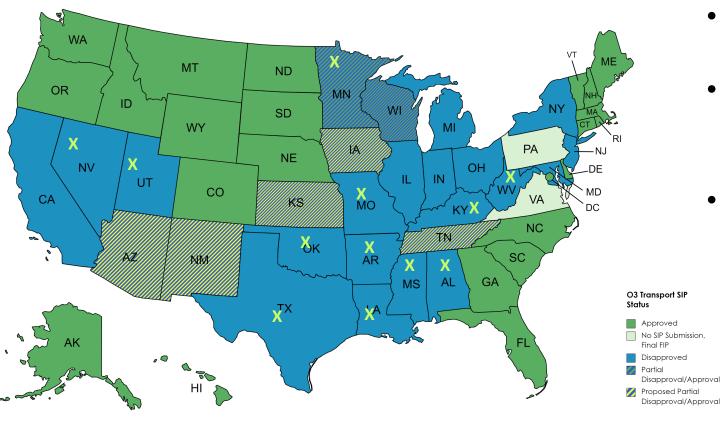
## **Exceptional Events Tools Update**

- Data Visualization and Comparison Tools
  - To help air agencies identify event-influenced PM<sub>2.5</sub> and Ozone data most likely to have regulatory significance.
- PM<sub>2.5</sub> Wildland Fire Exceptional Events Tiering Document
  - Information on tiering wildland fire/PM events (similar to the tiering approach used for wildfire/ozone events) to help "right-size" demonstrations.
- Wildland Prescribed Fire Demonstration Document
  - EPA collaborated with the State of California, the Northern Sierra Air Quality Management District, Placer County Air Pollution Control District and the US Forest Service to develop an exceptional events demonstration for a prescribed fire on wildland that influenced PM<sub>2.5</sub> concentrations in Nevada County.



#### 2015 Ozone Transport SIP Status (as of 4/4/2024)

X =stay of EPA SIP disapproval (as of 9.13.23)



- Final action taken on 46 of 49 submitted ozone transport SIPs.
- Proposed partial disapproval/ approval action on AZ, IA, KS, NM, TN (89 FR 12666, 2/16/24)
- Litigation:
  - Settlement deadline to take final action on AZ, NM, and TN by August 30, 2024.
  - SIP disapprovals stayed for 12 states.

Created with mapchart.net



## Ozone Good Neighbor Plan FIP

- Federal plan ensures states eliminate their significant contribution to nonattainment or interference with maintenance of the 2015 ozone NAAQS in downwind states (88 FR 36654, 6/5/23). Effective date 8/4/2023.
  - Establishes Federal NOx emissions reduction requirements for sources in 23 states.
  - Electric Generating Unit (EGU) requirements in 22 states starting in 2023 ozone season (12 states stayed).
  - Industrial source (non-EGU) requirements in 20 states by 2026 ozone season (10 states stayed).
  - Stay orders on SIP disapproval actions has resulted in EPA issuing stay of the effective date of GNP FIP for 12 states (interim final rules: 88 FR 49295 7/31/23; 88 FR 67102 9/29/23).
- Compliance for Non-EGUs.
  - Initial Notifications for 3 industrial source groups due December 4, 2023.
  - Iron and Steel Work Plans due August 5, 2024.
  - Case-by-Case Emissions Limit Requests due August 5, 2024.
  - See Non-EGU GNP Implementation webpage for implementation tools and resources.



#### Ozone NAAQS SIP Status

#### **2008 NAAQS SIP Status Update**

- No overdue SIP submittals for previously reclassified Serious areas.
- SIP revisions for reclassified Severe areas are in progress (due May 7, 2024).

#### **2015 NAAQS SIP Status Update**

- For all initial SIP revisions due through August 3, 2022:
  - 19 areas with approx. 75 SIP elements in total overdue (as of March 19, 2024).
  - Includes nonattainment NSR SIPs/certifications for 15 areas covering 18 NNSR elements.
- SIP revisions for reclassified Moderate areas were due January 1, 2023.
  - EPA issued Findings of Failure to Submit effective November 17, 2023, for Arizona, California, Connecticut, Delaware, Illinois, Indiana, Michigan, New Jersey, Nevada, Texas, and Wisconsin. (88 FR 71757)
  - The findings trigger deadlines for imposition of offset and highway funding sanctions starting in May 2025 and, if needed, for EPA to promulgate a FIP (November 2025).





- A collaborative multi-pollutant program for states, tribes, and local governments to avoid nonattainment and achieve ongoing emission reductions in areas designated as attainment or maintenance for ozone and/or PM<sub>2.5</sub> NAAQS.
- Currently **51 partner areas** covering more than 50 million population. Partners include states, tribal nations, cities, counties, councils of government, regional planning commissions.

#### **Focus**

Currently working with areas to proactively reduce PM2.5 emissions.

#### <u>Goals</u>

- Leverage programs and planning to address air quality, climate, and environmental justice objectives;
- Help meet the environmental, health, economic development, and quality of life goals in the participating area.

#### **Benefits of partnership**

- Avoid the costs of nonattainment designation for ozone or PM2.5 while collaborating with local stakeholders
- Implement ozone and PM<sub>2.5</sub> programs that also support climate goals and address concerns of EJ communities
- Obtain technical assistance from multiple EPA offices and other agencies like DOE and DOT
- Attend monthly meetings with partners sharing best practices and EPA training on programs and tools
- Receive monthly newsletter on grants and training opportunities



## **NSR Training Resources**

1. Historical Background of CAA Permitting Programs (NSR/Title V) -

https://airknowledge.gov/Mod/Historical\_Background\_of\_the\_Clean\_Air\_Act\_Permitting\_Programs/Web/index.html#/

2. Basic Elements of the NSR Program -

https://airknowledge.gov/Mod/New\_Source\_Review\_Program/Web/index.html#/

3. Setting Enforceable Potential to Emit Limits in NSR Permits -

https://airknowledge.gov/Mod/Setting Enforceable Potential to
Emit Limits in New Source Review Permits/Web/story.html

For more information about NSR permitting, go to www.epa.gov.nsr

