US ERA ARCHIVE DOCUMENT

## **MEMORANDUM**

TO: Docket

FROM: EPA, Clean Air Markets Division

SUBJECT: Correction to State NOx Budgets Proposed in the Supplemental Notice of

Proposed Rulemaking for the Clean Air Interstate Rule

DATE: July 23, 2004

In the January 30, 2004 Notice of Proposed Rulemaking (NPR)<sup>1</sup>, EPA proposed to distribute the 28-State (and D.C.) regional NOx budgets based on each State's average heat input – using heat input data from Acid Rain Program units – over the years 1999 through 2002. EPA summed the average heat input from each of the applicable jurisdictions to obtain a regional total average annual heat input. Then, each State received a pro rata share of the regional NOx emissions budget based on the ratio of its average annual heat input to the regional total average annual heat input.

In the June 10, 2004 Supplemental Notice of Proposed Rulemaking (SNPR)<sup>2</sup>, EPA again proposed to apportion state budgets using heat input, but to supplement the Acid Rain Program data with annual heat input data from the U.S. Energy Information Administration (EIA) to reflect heat input from non-Acid Rain units. Additionally, EPA noted that it was including updated Acid Rain Program data for 2002 in the calculation of state budgets. The docket contains a technical support document and a memorandum that describe in detail the heat input data used in the calculation of state budgets, entitled as well as the data in spreadsheet form (EPA docket entries OAR-2003-0052-1407, -1408, and -1409).<sup>3</sup> These items are also available on the Clean Air Interstate Rule Technical Information website.

EPA inadvertently made an error in the calculation of state NOx budgets in the SNPR (69 FR 32749-32750). This memorandum provides revised state NOx budgets. Specifically, EPA is making the following revision:

The heat input data used to calculate state NOx budgets in the SNPR included updated Acid Rain Program for 2002, but did not include the EIA heat input data that EPA had

<sup>&</sup>lt;sup>1</sup> See 69 FR 4566. For specific discussion of NOx state budgets, see 69 FR 4620.

<sup>&</sup>lt;sup>2</sup> See 69 FR 32684.

<sup>&</sup>lt;sup>3</sup> The technical support document and memorandum are titled, respectively, "State Emission Budget Calculation Technical Support Document for the Proposed Clean Air Interstate Rule – Supplemental Notice of Proposed Rulemaking" and "Revised State Acid Rain and EIA Heat Input Totals – 48 States and the District of Columbia."

proposed to include as a supplement to the Acid Rain Program data. The revised state NOx budgets presented in this memorandum were calculated using heat input data for Acid Rain Program units for 1999-2002, supplemented with EIA heat input data to account for affected non-Acid Rain Program units.

EPA notes that it is not revising the methodology it proposed to calculate state NOx budgets, but rather is making a revision based solely on an error in applying the methodology. Table 1 presents the state NOx budgets proposed in the SNPR and the revised state budgets.

Table 1. State NOx Budgets Proposed in the SNPR and Revised State NOx Budgets

	State Budgets in SNPR		<b>Revised State Budgets</b>		
	(to	(tons)		(tons)	
State	2010	2015	2010	2015	
Alabama	67,422	56,185	64,359	53,632	
Arkansas	24,919	20,765	23,537	19,614	
Delaware	5,089	4,241	4,812	4,010	
District of Columbia	215	179	212	177	
Florida	115,503	96,253	115,263	96,053	
Georgia	63,575	52,979	61,026	50,855	
Illinois	73,622	61,352	69,623	58,019	
Indiana	102,295	85,246	100,223	83,519	
Iowa	30,458	25,381	28,915	24,096	
Kansas	32,436	27,030	30,689	25,574	
Kentucky	77,938	64,948	73,710	61,425	
Lousiana	47,339	39,449	50,783	42,319	
Maryland	26,607	22,173	26,367	21,972	
Massachusetts	19,630	16,358	24,395	20,329	
Michigan	60,212	50,177	63,252	52,710	
Minnesota	29,303	24,420	28,255	23,546	
Mississippi	21,932	18,277	21,007	17,506	
Missouri	56,571	47,143	53,918	44,931	
New Jersey	9,895	8,246	17,608	14,674	
New York	52,503	43,753	59,897	49,914	
North Carolina	55,763	46,469	55,095	45,913	
Ohio	101,704	84,753	96,389	80,324	
Pennsylvania	84,552	70,460	87,279	72,733	
South Carolina	30,895	25,746	29,575	24,646	
Tennessee	47,739	39,783	45,193	37,661	
Texas	224,314	186,928	233,447	194,539	
Virginia	31,087	25,906	33,658	28,049	
West Virginia	68,235	56,863	65,104	54,253	
Wisconsin	39,044	32,537	37,210	31,008	
Total	1,600,799	1,333,999	1,600,799	1,333,999	

Additionally, as was discussed in the SNPR, EPA is taking comment on the data and

methodology used to calculate state emission budgets. Any further changes or corrections to the data as a result of public comment would result in further revisions to the state emission budgets.