US ERA ARCHIVE DOCUMENT

Houston/Galveston Clean Air Project

Goals of the HGCAP XL Project

The Houston Regional SIP is the performance baseline for the HGCAP XL Project ("Project"). The Project is intended to enhance and complement the Houston Regional SIP, at both the regional and facility levels.

The Project will achieve superior performance by working side-by-side with the existing organizations developing the SIP to identify how cost effective innovative control measures or programs requiring flexibility under EPA or state rules, regulations or guidelines can:

- 1) Help close gaps between modeled attainment and expected results of control measures;
- 2) Assist in determining how non-specified reductions will be achieved and assist in implementing solutions;
- 3) Provide incentives for existing sources to seek ozone reductions beyond the amounts required of them in the SIP either at covered facilities or at partnering entities;
- 4) Foster significant reductions of other critical pollutants such as small particulates or air toxics;
- 5) Ensure broad, consistent and concurrent reductions in pollutants across all sectors, from point sources to mobile sources to the public;
- 6) Encourage holistic air quality management, such that the overall air quality effects (e.g., on ozone-producing pollutants, small particulates and air toxics) of innovations are assessed in determining the priority of a control innovation or whether it will be implemented at all; and,
- 7) Protect the economic vibrancy of the Houston area even while attainment is achieved and overall air quality is enhanced.

Accordingly, the goals of the Project are proposed to be the following:

- 1. To identify cost effective emissions reduction innovations (including currently unquantifiable, unenforceable or long-term controls or strategies), both initially and on a continuing basis, that may require regulatory flexibilities and which lead to the achievement of environmental performance superior to the SIP by those entities implementing the innovations. All projects involving flexibilities must achieve superior performance and NOx reductions at least equivalent to those required by SIP obligations. Superior performance is defined to mean that which leads to an entity achieving: 1) greater reductions than likely could be achieved under the SIP obligations; 2) quicker reductions than would occur under the SIP system; 3) reductions in previously under-controlled or non-controlled sources; and/or 4) the implementation of controls that reduce ozone-producing pollutants and other public health risks, such as particulates and hazardous air pollutants.
- 2. To identify innovations that seek superior performance toward ozone attainment and other air quality improvements including reduction of small particulates or air toxics by achieving broader participation by all contributors to ozone-producing pollutants, including the public.

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3. To identify necessary SIP rules changes to allow for the continuing efficient integration of superior performance-producing innovations into SIP implementation before and after any mid-course correction.

The "Final Project Agreement" (FPA) of this Project will be developed by an independent stakeholder group as recommended by EPA's Project XL guidelines working closely with existing organizations developing elements of the SIP. This stakeholder group specifically includes, as required by Project XL, a diverse group of stakeholders including: 1) the City of Houston; 2) the Houston/Galveston Area Council (local governments across the 8-county region); 3) local environmental organizations through the Citizens' Environmental Coalition and the Sierra Club as well as others; 4) the Greater Houston Partnership through its Business Coalition for Clean Air; 5) Harris County; 6) TNRCC; and, 7) the USEPA. It is likely the stakeholder group (Group) will expand geographically and categorically as the process proceeds, and the target will be 1/3 of the Group from government, 1/3 of the Group from the business community and 1/3 of the group from environmental and/or citizen organizations. All meetings will be open and broad public comment will be encouraged throughout the process. Each 1/3 segment will have veto power over elements of the FPA, as long as its participants reach a consensus position on a veto within the segment.

Uniquely among XL projects to date, the stakeholder group also will be the sponsor of the Project.

All meetings of the stakeholder group will be open to the public and broad public comment will be encouraged, and facilitated through a Project Website. Meetings will be held at the Houston/Galveston Area Council (HGAC) and staffing will be provided in conjunction with HGAC.

Because of the highly creative nature of the innovations likely to arise from the FPA discussions, it is not possible at this time to define the ongoing management structure for FPA implementation. The stakeholder group, however, recognizes the importance of developing a well-defined structure for project management decision-making. The on-going implementation may be fully accomplished by existing organizations or a new structure, but any new structure, to the greatest extent possible, will utilize existing Houston area NGO, private and governmental organizations, including public/private partnerships.

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