

US EPA ARCHIVE DOCUMENT

## ENVIRONMENTAL PROTECTION AGENCY

### Regulatory Reinvention (XL) Pilot Projects

AGENCY: Environmental Protection Agency

ACTION: Notice of availability of the Project XL Draft Final Project Agreement: Chicago Regional Air Quality and Economic Development Project

SUMMARY: EPA is requesting comments on a draft Project XL Final Project Agreement (FPA) for the Chicago Regional Air Quality and Economic Development Project. The FPA is a voluntary agreement developed collaboratively by Chicago Department of Environment (CDOE), Illinois Environmental Protection Agency (IEPA) and the United States Environmental Protection Agency (USEPA). Project XL, announced in the Federal Register on May 23, 1995 (60 FR 27282), gives regulated entities the opportunity to develop alternative strategies that will replace or modify specific regulatory requirements on the condition that they produce greater environmental benefits.

In this proposed project, Section 173(a)(1)(B) of the Clean Air Act will be used to promote cleaner air and economic development in the Chicago metropolitan area. Section 173(a)(1)(B) allows the Administrator of the USEPA, in consultation with the Secretary of Housing and Urban Development (HUD), to identify a zone in which economic development should be targeted. For the purposes of this proposal, such zones will be called "Development Zones." A new or modified major stationary source which locates in a Development Zone within the Chicago non-attainment area would draw emission reductions from a growth allowance generated from the State's emission inventory in lieu of obtaining emission offsets. The growth allowance would be created using emissions reduction activities of Chicago and other municipalities. Under this proposed project, 40% of the emission reductions which go into the growth allowance will be

retired. The remaining 60% will be made available to sources which locate in development zones.

DATES: The period for submission of comments ends on *TBD (14 day comment period)*.

ADDRESSEES: All comments on the proposed Final Project Agreement should be sent to: Steve Marquardt USEPA Region V (AR-18J) 77 West Jackson Street, Chicago, IL 60604. Comments may also be faxed to Mr. Marquardt at 312-886-5824.

FOR FURTHER INFORMATION: To obtain a copy of the draft Final Project Agreement or Fact Sheet, contact Steve Marquardt USEPA, Region V, 77 West Jackson Street (3HS23), Chicago, IL 60604. The draft FPA and related documents are also available via the Internet at the following location: <http://www.epa.gov/ProjectXL>. In addition, the draft FPA is available at the City of Chicago Department of the Environment, 30 N. LaSalle, Suite 2500, Chicago, IL 60602. Questions to EPA regarding the documents can be directed to Tim Torma at (202) 260-5180 or Steve Marquardt at (312) 353-3214. To be included on the Chicago Project XL mailing list about future public meetings, XL progress reports and other mailings from CDOE on the XL project, contact Alexandra Holt at (312) 744-3172, CDOE, 30 N. LaSalle Suite 2500, Chicago, IL 60602. For information on all other aspects of the XL Program contact Christopher Knopes at the following address: Office of Policy Economics and Innovation, United States Environmental Protection Agency, 1200 Pennsylvania Avenue NW, Washington, DC 20460, Room M3802 (1802), Washington, DC 20460. Additional information on Project XL, including documents referenced in this notice, other EPA policy documents related to Project XL, regional XL contacts, application information, and descriptions of existing XL projects and proposals, are available via the Internet at <http://www.epa.gov/ProjectXL>.

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Elizabeth A. Shaw,  
Director, Office of Environmental Policy Innovation

Date \_\_\_\_\_

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