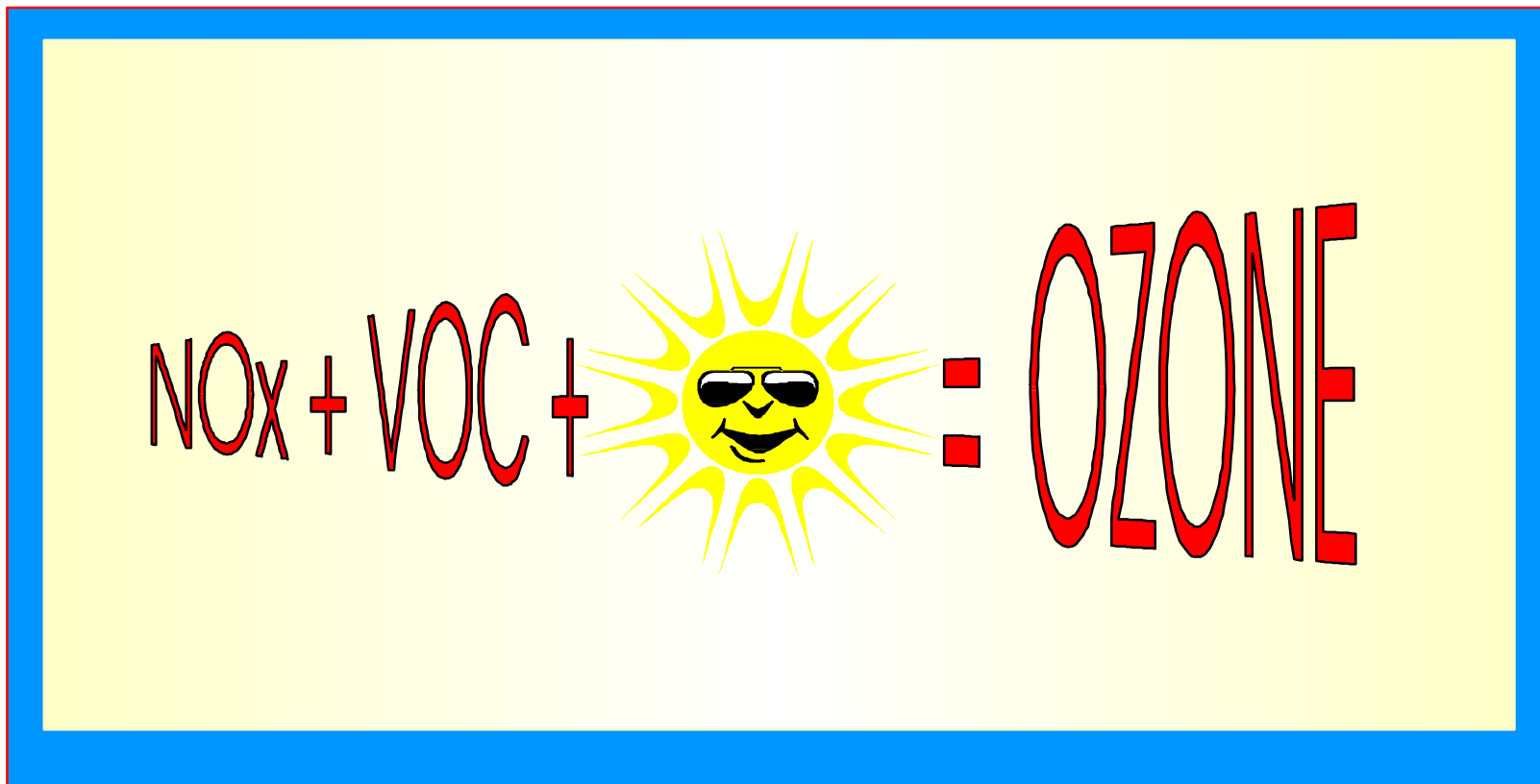
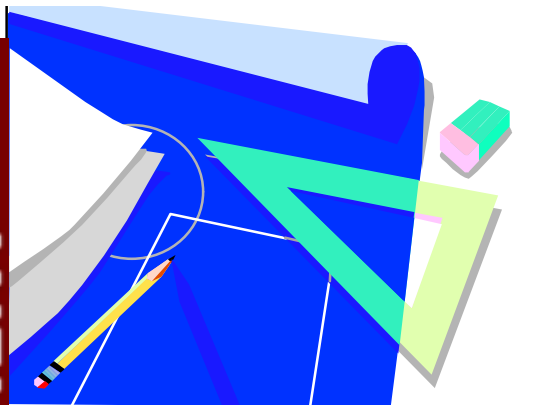


US EPA ARCHIVE DOCUMENT

September 1998



## **Overview .... EPA's Final NO<sub>x</sub> "SIP Call" and Related Actions**



## What We'll Cover Today....

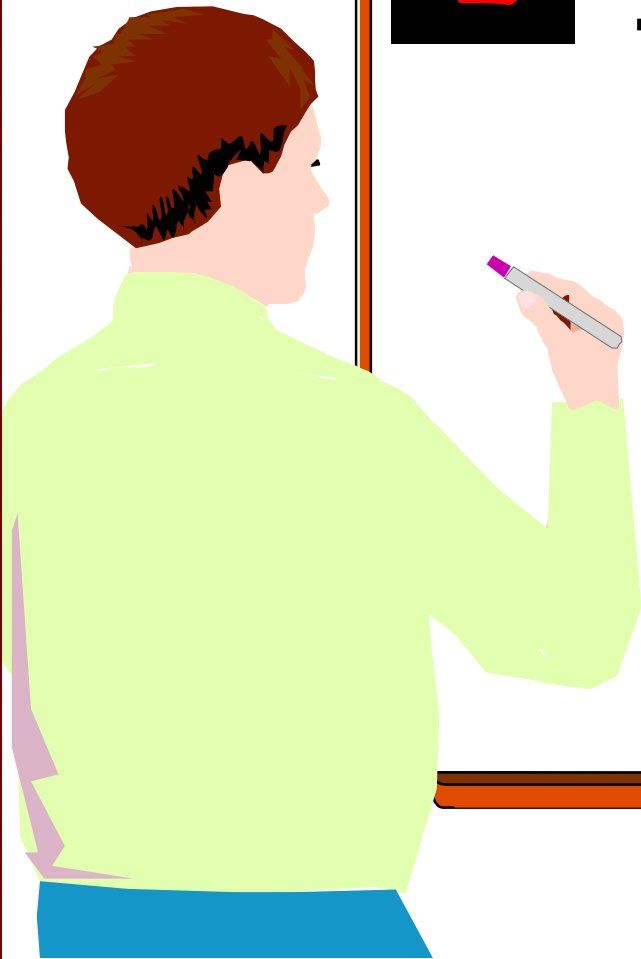
- ▶ **"SIP Call" to Address Regional Transport**
- ▶ **Action on Section 126 Petitions**
- ▶ **Federal Implementation Plan for NO<sub>x</sub> Reductions**

***Remember ... Not final yet .....***

*Focus on ...*



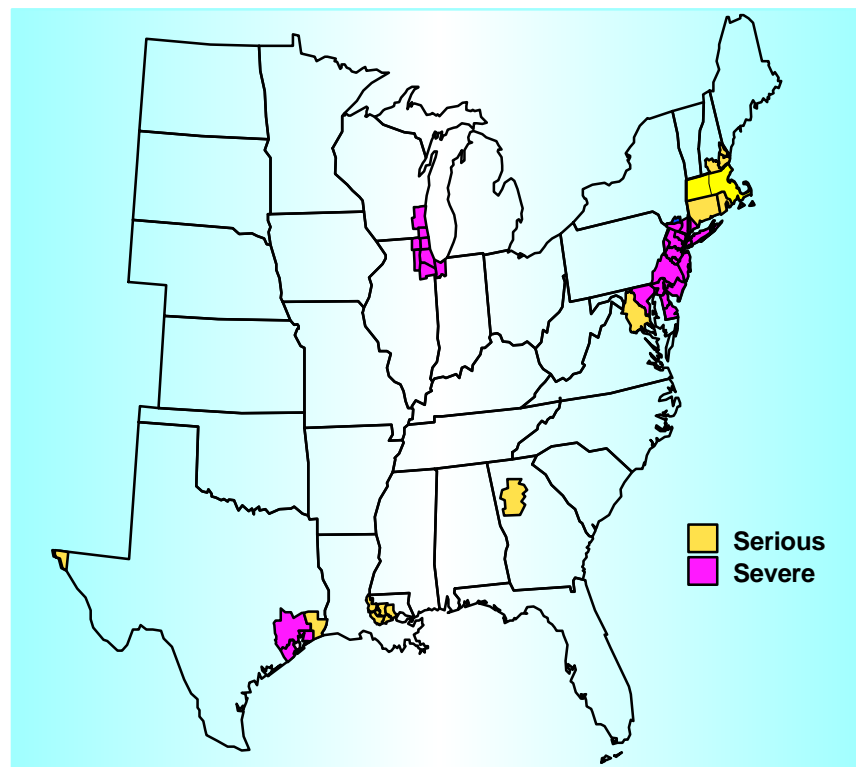
# The "SIP Call" to Address Regional Transport



## *OTAG work critical to EPA's SIP Call....*

# What is was the Ozone Transport Assessment Group (OTAG)?

- ▶ 37 Eastern States and DC
- ▶ Brought together under ECOS in May 1995
- ▶ 2 years of extensive analysis and modeling work
- ▶ Recommended reducing NO<sub>x</sub> emissions
- ▶ EPA received OTAG recommendations in June 1997



# Final Transport SIP Call ... What might it do?

- ▶ **Makes findings of significant contribution of transported ozone precursors to a downwind nonattainment or maintenance problem in eastern half of US**
- ▶ **Addresses both old and new ozone NAAQS**
- ▶ **Proposed State-wide NOx emissions budgets .... (22 States and DC) ....**
  - **Alabama, Connecticut, District of Columbia, Delaware, Georgia, Illinois, Indiana, Kentucky, Massachusetts, Maryland, Michigan, Missouri, North Carolina, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, Wisconsin, and West Virginia.**
- ▶ **15 States in the OTAG domain were excluded in proposal**
  - **Arkansas, Florida, Iowa, Kansas, Louisiana, Maine, Minnesota, Mississippi, North Dakota, Nebraska, New Hampshire, Oklahoma, South Dakota, Texas, Vermont**

# **SIP Call Final ... What might it do?**

**(continued)**

- ▶ **Permits States to choose what NOx measures to adopt to meet the State-wide emission budget**
- ▶ **Requires these to submit by 9/99 State plans to secure NOx emission reductions to meet budgets**
- ▶ **Suggests regulating utility and large boiler controls under a cap and trade program ... most cost-effective strategy**
- ▶ **Finalized at the same time as Section 126 and Federal Implementation Plans are proposed**





## *EPA's supplemental NO<sub>x</sub> SIP Call proposal ..*

### **SNPR Proposal Highlights**

- ▶ **Revised NO<sub>x</sub> Budgets--Growth Factors and Addition of Sources**
- ▶ **Model Trading Rule**
- ▶ **Title IV Interaction**
- ▶ **Emissions Reporting & SIP Criteria**
- ▶ **Air Quality Analysis of Proposed Budgets**
- ▶ **Rule Language**

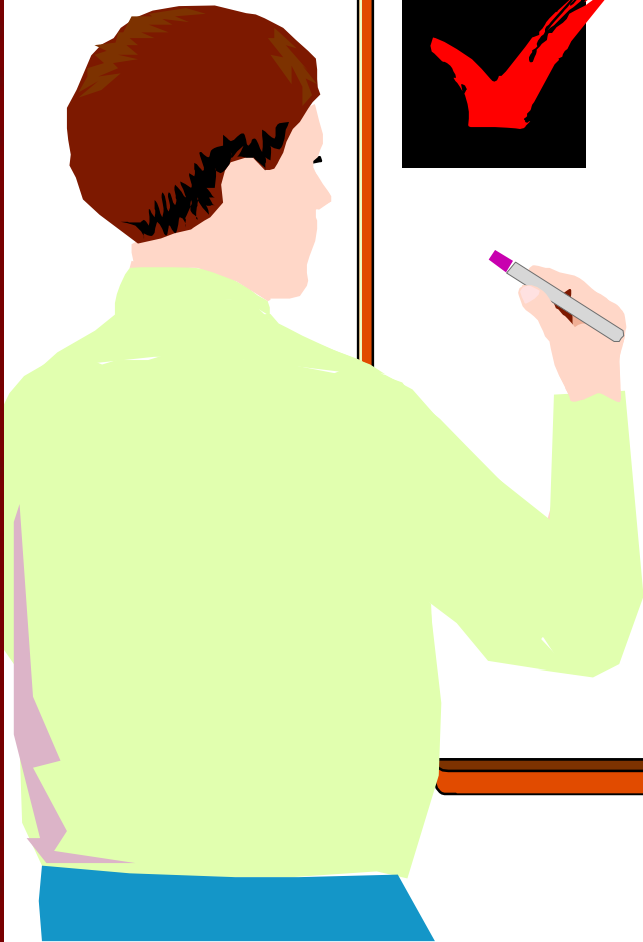
# *What did the public say about the proposals*

...

## **March 9 & June 25 Submittals**

- ▶ **EPA has received over 600 comments on the proposals. Comments focused on:**
  - ✓ **Alternative Proposals--Governors; ACAP**
  - ✓ **Level of control & regionality vs. uniform**
  - ✓ **Trading and basic associated with it**
  - ✓ **Timing--compliance date/phase-in/ SIP submittal date**
  - ✓ **Emissions budgets--inventories/growth factors**

*Focus on ...*



# Proposed Action on Section 126 Petitions



# Summary of Northeast States' Section 126 Petitions

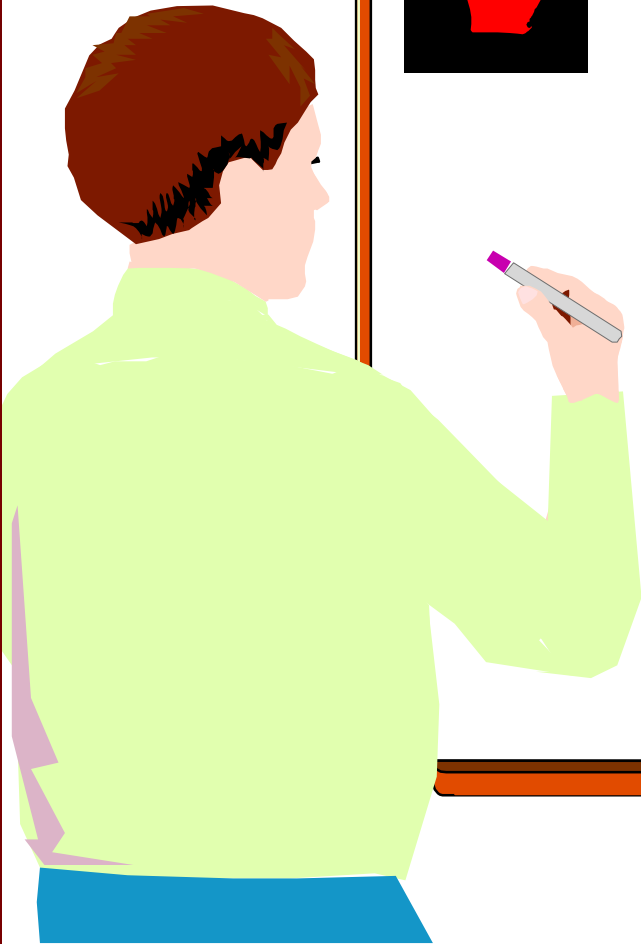
- ▶ **Petitions Filed in August 1997 by Eight States:**
  - **Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New York and Pennsylvania**
  
- ▶ **The Petitions Name 27 States:**
  - **All the 22 States and DC Covered by the Ozone Transport SIP Call**  
(AL, CT, DE, DC, GA, IL, IN, KY, MD, MA, MI, MO, NJ, NY, NC, OH, PA, RI, SC, TN, VA, WI, and WV)
  - **Plus Five Additional States**  
(AR, IA, LA, MS, MN)
  
- ▶ **The Goal of the Petitions is to Reduce NOx Emissions**

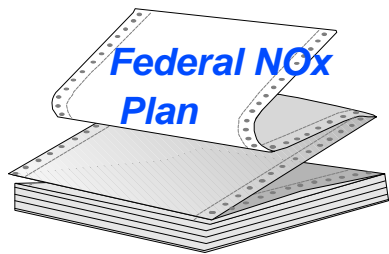


*Focus on ...*



# Proposed Federal Implementation Plan





# Federal Implementation Plan (FIP) Highlights of Proposal ...

- **Designed to achieve same emissions reductions as "SIP call."  
Reductions based on highly cost-effective control measures**
- **Small Business Law outreach and panel report completed; impacts on small entities minimized.**
- **Final FIPs promulgated "immediately" for States that fail to respond to the SIP call in September 1999.**
- **Federal plan may propose to use same trading program as proposed in the Section 126 notice.**
- **FIP may propose specific rules to control NOx emissions from uncontrolled levels:**
  - Electric generating units**
  - Cement kilns**
  - Industrial boilers and Turbines**
  - Stationary IC engines**

# Summary



- ▶ **NOx "SIP call" for old 1-hr and new 8-hr ozone NAAQS's**
- ▶ **OTAG provided foundation for the SIP call**
- ▶ **"Significance" determined by "weight of evidence"**
- ▶ **22 States and DC proposed for NOx SIP call**
- ▶ **Statewide NOx budgets suggested .... trading suggested**
- ▶ **SIP call proposed 11/97, Supplemental Notice proposed 5/98 ..... Final --September 1998**
- ▶ **EPA will propose a FIP and Section 126 findings on 9/98**