

Dated: July 29, 1998.

Nora L. McGee,

Acting Regional Administrator, Region IX.

Part 52, chapter I, title 40 of the Code of Federal Regulations is amended as follows:

PART 52—[AMENDED]

1. The authority citation for Part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart F—California

2. Section 52.220 is amended by adding paragraphs (c)(197)(i)(C)(2), (225)(i)(A)(3), and (231)(i)(B)(3) to read as follows:

§ 52.220 Identification of plan.

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- (c) * * *
- (197) * * *
- (i) * * *
- (C) * * *
- (2) Rule 4681, adopted on December 16, 1993.
- * * * * *
- (225) * * *
- (i) * * *
- (A) * * *
- (3) Rule 1166, adopted on July 14, 1995.
- * * * * *
- (231) * * *
- (i) * * *
- (B) * * *
- (3) Rule 414, adopted on March 7, 1996.
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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[CA 187-0076a; FRL-6137-6]

Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Mojave Desert Air Quality Management District, San Diego County Air Pollution Control District, San Joaquin Valley Unified Air Pollution Control District, South Coast Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is taking direct final action on revisions to the California State Implementation Plan. The revisions concern rules from the

following districts: Mojave Desert Air Quality Management District (MDAQMD), San Diego County Air Pollution Control District (SDCAPCD), San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD), and South Coast Air Quality Management District (SCAQMD). This approval action will incorporate these rules into the federally approved SIP. The intended effect of approving these rules is to regulate emissions of volatile organic compounds (VOCs) in accordance with the requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). The rules control VOC emissions from aerospace coating operations. Thus, EPA is finalizing the approval of these rules into the California SIP under provisions of the CAA regarding EPA action on SIP submittals, SIPs for national primary and secondary ambient air quality standards and plan requirements for nonattainment areas.

DATES: This rule is effective on October 16, 1998 without further notice, unless EPA receives relevant adverse comments by September 16, 1998. If EPA received such comment, then it will publish a timely withdrawal in the **Federal Register** informing the public that this rule will not take effect.

ADDRESSES: Comments must be submitted to Andrew Steckel at the Region IX office listed below. Copies of the rules and EPA's evaluation report for each rule are available for public inspection at EPA's Region IX office during normal business hours. Copies of the submitted rules are available for inspection at the following locations:

Rulemaking Office (AIR-4), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105.

Environmental Protection Agency, Air Docket (6102), 401 "M" Street, S.W., Washington, D.C. 20460.

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 2020 "L" Street, Sacramento, CA 95814.

Mojave Desert Air Quality Management District, 15428 Civic Drive, Suite 200, Victorville, CA 92392.

San Diego County Air Pollution Control District, 9150 Chesapeake Drive, San Diego, CA 92123-1096.

San Joaquin Valley Unified Air Pollution Control District, 1999 Tuolumne Street, Suite 200, Fresno, CA 93721.

South Coast Air Quality Management District, 21865 E. Copley Drive, Diamond Bar, CA 91765.

FOR FURTHER INFORMATION CONTACT: Christine Vineyard, Rulemaking Office, AIR-4, Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105, Telephone: (415) 744-1197.

SUPPLEMENTARY INFORMATION:

I. Applicability

The rules being approved into the California SIP include: MDAQMD Rule 1118, Aerospace Vehicle Parts and Products Coating Operations; SDCAPCD Rule 67.9, Aerospace Coating Operations; SJVUAPCD Rule 4605, Aerospace Assembly and Component Manufacturing Operations; and SCAQMD Rule 1124, Aerospace Assembly and Component Manufacturing Operations. These rules were adopted by the local air pollution control agencies on October 28, 1996; April 30, 1997; December 19, 1996; and December 13, 1996, respectively. The above rules were submitted by the California Air Resources Board to EPA on November 26, 1996; August 1, 1997; March 10, 1998; and August 1, 1997; respectively.

II. Background

On March 3, 1978, EPA promulgated a list of ozone nonattainment areas under the provisions of the Clean Air Act, as amended in 1977 (1977 Act or pre-amended Act), that included the Mojave Desert portion of San Bernardino County, San Diego County, the South Coast Air Basin and the San Joaquin Valley Air Basin which encompassed the following eight air pollution control districts (APCDs): Fresno County APCD, Kern County APCD,¹ King County APCD, Madera County APCD, Merced County APCD, San Joaquin County APCD, Stanislaus County APCD, and Tulare County. See 43 FR 8964, 40 CFR 81.305. Because some of these areas were unable to meet the statutory attainment date of December 31, 1982, California requested under section 172(a)(2), and EPA approved, an extension of the attainment date to December 31, 1987.² See 40 CFR 52.222. On May 26, 1988, EPA notified the Governor of California, pursuant to section 110(a)(2)(H) of the

¹At that time, Kern County included portions of two air basins: The San Joaquin Valley Air Basin and the Southeast Desert Air Basin. The San Joaquin Valley Air Basin portion of Kern County was designated as nonattainment, and the Southeast Desert Air Basin portion of Kern County was designated as unclassified. See 40 CFR 81.305 (1991).

²This extension was not requested for the following counties: Kern, King, Madera, Merced, and Tulare. Thus, the attainment date for these counties remained December 31, 1982.

1977 Act, that the above districts' portions of the California SIP were inadequate to attain and maintain the ozone standard and requested that deficiencies in the existing SIP be corrected (EPA's SIP-Call). On November 15, 1990, the Clean Air Act Amendments of 1990 were enacted. Pub. L. 101-549, 104 Stat. 2399, codified at 42 U.S.C. 7401-7671q. In amended section 182(a)(2)(A) of the CAA, Congress statutorily adopted the requirement that nonattainment areas fix their deficient reasonably available control technology (RACT) rules for ozone and established a deadline of May 15, 1991 for states to submit corrections of those deficiencies.

The SJVUAPCD was formed on March 20, 1991. The SJVUAPCD has authority over the San Joaquin Valley Air Basin which includes all of the above eight counties except for the Southeast Desert Air Basin portion of Kern County, which remains under jurisdiction of the Kern County Air Pollution Control District.

Section 182(a)(2)(A) applies to areas designated as nonattainment prior to enactment of the amendments and classified as marginal or above as of the date of enactment. It requires such areas to adopt and correct RACT rules pursuant to pre-amended section 172 (b) as interpreted in pre-amendment guidance.³ EPA's SIP-Call used that guidance to indicate the necessary corrections for specific nonattainment areas. The Mojave Desert portion of San Bernardino County is classified as severe; San Diego County is classified as serious; the San Joaquin Valley Area is classified as serious; and the South Coast-LA Basin is classified as extreme;⁴ therefore, these areas were subject to the RACT fix-up requirement and the May 15, 1991 deadline. This **Federal Register** action for the South Coast Air Quality Management District excludes the Los Angeles County portion of the Southeast Desert AQMA, otherwise known as the Antelope Valley Region in Los Angeles County, which is

now under the jurisdiction of the Antelope Valley Air Pollution Control District as of July 1, 1997.⁵

The State of California submitted many revised RACT rules for incorporation into its SIP on November 26, 1996; August 1, 1997; March 10, 1998; including the rules being acted on in this document. This document addresses EPA's direct-final action for MDAQMD Rule 1118, Aerospace Vehicle Parts and Products Coating Operations; SDCAPCD Rule 67.9, Aerospace Coating Operations; SJVUAPCD Rule 4605, Aerospace Assembly and Component Manufacturing Operations; and SCAQMD Rule 1124, Aerospace Assembly and Component Manufacturing Operations.

MDAQMD adopted Rule 1118, Aerospace Vehicle Parts and Products Coating Operations on October 28, 1996; SDCAPCD adopted Rule 67.9, Aerospace Coating Operations on April 30, 1997; SJVUAPCD adopted Rule 4605, Aerospace Assembly and Component Manufacturing Operations on December 19, 1996; and SCAQMD adopted Rule 1124, Aerospace Assembly and Component Manufacturing Operations on December 13, 1996. These submitted rules were found to be complete on February 3, 1997 (MDAQMD Rule 1118), September 30, 1997 (SDCAPCD Rule 67.9 and SCAQMD Rule 1124), and May 21, 1998 (SJVUAPCD Rule 4605) pursuant to EPA's completeness criteria that are set forth in 40 CFR part 51 Appendix V⁶ and are being finalized for approval into the SIP.

The above rules reduce VOC emissions from aircraft and aerospace coating, assembly, cleaning and rework operations. VOCs contribute to the production of ground level ozone and smog. These rules were originally adopted as part of each district's effort to achieve the National Ambient Air Quality Standard (NAAQS) for ozone and in response to EPA's SIP-Call and

the section 182(a)(2)(A) CAA requirement. The following is EPA's evaluation and final action for these rules.

III. EPA Evaluation and Action

In determining the approvability of a VOC rule, EPA must evaluate the rule for consistency with the requirements of the CAA and EPA regulations, as found in section 110 and part D of the CAA and 40 CFR part 51 (Requirements for Preparation, Adoption, and Submittal of Implementation Plans). The EPA interpretation of these requirements, which forms the basis for today's action, appears in the various EPA policy guidance documents listed in footnote 3. Among those provisions is the requirement that a VOC rule must, at a minimum, provide for the implementation of RACT for stationary sources of VOC emissions. This requirement was carried forth from the pre-amended Act.

For the purpose of assisting state and local agencies in developing RACT rules, EPA prepared a series of Control Technique Guideline (CTG) documents. The CTGs are based on the underlying requirements of the Act and specify the presumptive norms for what is RACT for specific source categories. Under the CAA, Congress ratified EPA's use of these documents, as well as other Agency policy, for requiring States to "fix-up" their RACT rules. See section 182(a)(2)(A). The CTG applicable to all of these rules, "Control of Volatile Organic Compound Emissions from Coating Operations of Aerospace Manufacturing and Rework Operations," was finalized on March 27, 1998 (see 63 FR 15006). Further interpretations of EPA policy are found in the Blue Book, referred to in footnote 3. In general, these guidance documents have been set forth to ensure that VOC rules are fully enforceable and strengthen or maintain the SIP.

There is currently no version of MDAQMD 1118, Aerospace Vehicle Parts and Products Coating Operations in the SIP. The submitted rule includes the following provisions:

- Definitions needed to clarify the terms used in the rule.
- VOC limits for coatings, solvents, and strippers.
- Requirements for application equipment, labeling of product containers, and storage and clean-up specifications.
- Exemptions for small users, touch-up and repair, laboratory testing, and products supplied in aerosol containers.
- Recordkeeping and test methods for compliance verification.

³ Among other things, the pre-amendment guidance consists of those portions of the proposed post-1987 ozone and carbon monoxide policy that concern RACT, 52 FR 45044 (November 24, 1987); "Issues Relating to VOC Regulation Cutpoints, Deficiencies, and Deviations, Clarification to Appendix D of November 24, 1987 **Federal Register** Notice" (Blue Book) (notice of availability was published in the **Federal Register** on May 25, 1988); and the existing control technique guidelines (CTGs).

⁴ The Mojave Desert, San Diego County, San Joaquin Valley Area, and South Coast Air Basin retained that designation of nonattainment and were classified by operation of law pursuant to sections 107(d) and 181(a) upon the date of enactment of the CAA. See 56 FR 56694 (November 6, 1991).

⁵ The State has recently changed the names and boundaries of the air basins located within the Southeast Desert Modified AQMA. Pursuant to State regulation the Coachella-San Jacinto Planning Area is now part of the Salton Sea Air Basin (17 Cal. Code. Reg. § 60114); the Victor Valley/Barstow region in San Bernardino County and Antelope Valley Region in Los Angeles County is a part of the Mojave Desert Air Basin (17 Cal. Code. Reg. § 60109). In addition, in 1996 the California Legislature established a new local air agency, the Antelope Valley Air Pollution Control District, to have the responsibility for local air pollution planning and measures in the Antelope Valley Region (California Health & Safety Code § 40106).

⁶ EPA adopted the completeness criteria on February 16, 1990 (55 FR 5830) and, pursuant to section 110(k)(1)(A) of the CAA, revised the criteria on August 26, 1991 (56 FR 42216).

On October 3, 1984, EPA approved into the SIP a version of Rule 67.9, Aerospace Coating Operations that had been adopted by the SDCAPCD on August 24, 1983. SDCAPCD submitted Rule 67.9, Aerospace Coating Operations, which includes the following significant changes from the current SIP:

- The perchloroethylene content limit for maskant was removed because EPA added it to the exempt compound list.
- VOC content limits were increased for some coatings to reflect the current availability of those coatings. Because some of the coating limits are less stringent than the SIP-approved rule, the District prepared a demonstration showing that overall, the submitted rule will get greater emission reductions than the existing rule.
- Several new categories of maskants were added.
- Recordkeeping requirements were revised.
- Several existing test methods were revised and a few added.

Currently, there is no SJVUAPCD Rule 4605, Aerospace Assembly and Component Coating Operations, SIP rule. The submitted rule includes the following provisions:

- VOC content limits for aerospace coatings and adhesives.
- VOC content and VOC composite vapor pressure limits for coating strippers.
- Requirements for evaporative loss minimization during surface cleaning and coating application equipment cleaning.
- An add-on control equipment option in lieu of meeting the requirements for aerospace coatings and adhesives and evaporative loss minimization.
- Administrative requirements for recordkeeping, and test methods for compliance determinations.

On May 6, 1996, EPA approved into the SIP a version of Rule 1124, Aerospace Assembly and Component Manufacturing Operations, that had been adopted by SCAQMD on January 13, 1995. The revised SCAQMD Rule 1124 includes the following significant changes from the current SIP rule:

- The applicability has been expanded to clarify that aircraft operators, aircraft maintenance, and service facilities are subject to the rule.
- New sub-categories were established for primers, adhesive bonding primers, and fuel-tank coatings.
- The effective compliance date for several coating categories were extended because SCAQMD believes that compliant coatings are not currently available.

- A limited exemption was added for non-spray applications of rubber fuel-tank coatings until January 2002.

EPA has evaluated these submitted rules and has determined that they are consistent with the CAA, EPA regulations, and EPA policy. Therefore, MDAQMD Rule 1118, Aerospace Vehicle Parts and Products Coating Operations; SDCAPCD Rule 67.9, Aerospace Coating Operations; SJVUAPCD Rule 4605, Aerospace Assembly and Component Manufacturing Operations; and SCAQMD Rule 1124, Aerospace Assembly and Component Manufacturing Operations are being approved under section 110(a) and part D. The rules are inconsistent with the recently issued CTG for the source category; however, EPA will be publishing a **Federal Register** document in the near future that will specify deadlines for these Districts to resubmit rules to meet the CTG and to require sources to comply with limitations and work practices.

Nothing in this action should be construed as permitting or allowing or establishing a precedent for any future implementation plan. Each request for revision to the state implementation plan shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

EPA is publishing this rule without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. However, in the proposed rules section of this **Federal Register** publication, EPA is publishing a separate document that will serve as the proposal to approve the SIP revision should relevant adverse comments be filed. This rule will be effective October 16, 1998 without further notice unless the Agency receives relevant adverse comments by September 16, 1998.

If the EPA received such comments, then EPA will publish a timely withdrawal of the direct final rule informing the public that the rule will not take effect. All public comments received will then be addressed in a subsequent final rule based on the proposed rule. The EPA will not institute a second comment period on this rule. Any parties interested in commenting on this rule should do so at this time. If no such comments are received, the public is advised that this rule will be effective on October 16, 1998 and no further action will be taken on the proposed rule.

IV. Administrative Requirements

A. Executive Orders 12866 and 13045

The Office of Management and Budget (OMB) has exempted this regulatory action from E.O. 12866 review.

The final rule is not subject to E.O. 13045, entitled "Protection of Children from Environmental Health Risks and Safety Risks," because it is not an "economically significant" action under E.O. 12866.

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act, 5 U.S.C. 600 *et seq.*, EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000.

SIP approvals under section 110 and subchapter I, part D of the Clean Air Act do not create any new requirements but simply approve requirements that the State is already imposing. Therefore, because the Federal SIP approval does not impose any new requirements, the Administrator certifies that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the Federal-State relationship under the CAA, preparation of a flexibility analysis would constitute Federal inquiry into the economic reasonableness of State action. The Clean Air Act forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co. v. U.S. EPA*, 427 U.S. 246, 255-66 (1976); 42 U.S.C. 7410(a)(2).

C. Unfunded Mandates

Under Section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to State, local, or tribal governments in the aggregate; or to private sector, of \$100 million or more. Under Section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the approval action promulgated does not include a Federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements under State or local law, and imposes no new Federal requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

D. Submission to Congress and the General Accounting Office

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This rule is not a "major" rule as defined by 5 U.S.C. 804(2).

E. Petitions for Judicial Review

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by October 16, 1998. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Hydrocarbons, Incorporation by reference, Intergovernmental relations, Ozone, Reporting and recordkeeping requirements.

Note: Incorporation by reference of the State Implementation Plan for the State of California was approved by the Director of the Federal Register on July 1, 1982.

Dated: July 23, 1998.

Clyde Morris,

Acting Regional Administrator, Region IX.

Part 52, Chapter I, Title 40 of the Code of Federal Regulations is amended as follows:

PART 52—[AMENDED]

1. The authority citation for Part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart F—California

2. Section 52.220 is amended by adding paragraphs (c)(242)(i)(A)(1), (c)(248)(i)(A)(2), (c)(248)(i)(B)(1), and (c)(254)(i)(A)(2) to read as follows:

§ 52.220 Identification of plan.

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(c) * * *

(242) * * *

(i) * * *

(A) Mojave Desert AQMD.

(1) Rule 1118, adopted on October 28, 1996.

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(248) * * *

(i) * * *

(A) * * *

(2) Rule 67.9, adopted on April 30, 1997.

(B) South Coast AQMD.

(1) Rule 1124, adopted on December 13, 1996.

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(254) * * *

(i) * * *

(A) * * *

(2) Rule 4605, adopted on December 19, 1991 and amended on December 19, 1996.

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DEPARTMENT OF DEFENSE

48 CFR Parts 225 and 252

[DFARS Case 98-D016]

Defense Federal Acquisition Regulation Supplement; Waiver of 10 U.S.C. 2534—United Kingdom

AGENCY: Department of Defense (DoD).

ACTION: Interim rule with request for comments.

SUMMARY: The Director of Defense Procurement has issued an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to implement a waiver of domestic source restrictions for certain

defense items produced in the United Kingdom. The waiver was executed by the Under Secretary of Defense (Acquisition and Technology) and became effective on August 4, 1998.

DATES: *Effective date:* August 17, 1998.

Comment date: Comments on the interim rule should be submitted in writing to the address shown below on or before October 16, 1998, to be considered in the formulation of the final rule.

ADDRESSES: Interested parties should submit written comments to: Defense Acquisition Regulations Council, Attn: Ms. Amy Williams, PDUSD (A&T) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301-3062. Telefax (703) 602-0350.

E-mail comments submitted over the Internet should be addressed to:

dfars@acq.osd.mil

Please cite DFARS Case 98-D016 in all correspondence related to this issue. E-mail comments should cite DFARS Case 98-D016 in the subject line.

FOR FURTHER INFORMATION CONTACT: Ms. Amy Williams, (703) 602-0131.

SUPPLEMENTARY INFORMATION:

A. Background

This interim rule amends DFARS Subpart 225.70 and the clauses at DFARS 252.225-7016 and 252.225-7029 to implement a waiver of the domestic source restrictions of 10 U.S.C. 2534(a) for certain defense items produced in the United Kingdom. A notice of the waiver was published in the **Federal Register** on July 20, 1998 (63 FR 38815). This rule amends DFARS guidance pertaining to the acquisition of air circuit breakers for naval vessels, ball and roller bearings, and totally enclosed lifeboats. Anchor and mooring chain, which is covered by the waiver, is not addressed in this rule, as the more stringent defense appropriations act restrictions on the acquisition of anchor and mooring chain presently take precedence over the restrictions of 10 U.S.C. 2534. The other items listed in the July 20, 1998, notice of waiver are not covered in the DFARS and, therefore, are not addressed in this rule.

B. Regulatory Flexibility Act

This interim rule is not expected to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because there are no known small business manufacturers of the restricted air circuit breakers; defense appropriations acts presently impose domestic source restrictions on the acquisition of totally enclosed lifeboats