

paragraph (34)(g), of Commandant Instruction M16475.IC, this rule is categorically excluded from further environmental documentation because it disestablishes a regulated navigation area. A "Categorical Exclusion Determination" is not required.

#### List of Subjects in 33 CFR Part 162

Navigation (water), Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 162.115 as follows:

#### PART 162—[AMENDED]

1. The authority citation for Part 162 continues to read as follows:

**Authority:** 33 U.S.C. 1231; 50 U.S.C. 191; 49 CFR 1.46.

#### § 162.115 [REVISED]

2. Section 162.115 is amended by removing paragraph (b) and removing the designator to paragraph (a).

Dated: August 18, 2000.

**G.S. Cope,**

*Captain, U.S. Coast Guard, Acting  
Commander, Ninth Coast Guard District.*

[FR Doc. 00-22567 Filed 9-1-00; 8:45 am]

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## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

[TX-116-1-7437a; FRL-6862-5]

#### Approval and Promulgation of Implementation Plans; Texas; Control of Air Pollution From Volatile Organic Compounds, Transfer Operations, Loading and Unloading of Volatile Organic Compounds

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Direct final rule.

**SUMMARY:** The EPA is taking direct final action on revisions to the Texas State Implementation Plan (SIP). These revisions concern Control of Air Pollution from Volatile Organic Compounds (VOC) Transfer Operations, specifically, the loading and unloading of VOCs from gasoline terminals and bulk plants in the ozone nonattainment areas and in the eastern half of Texas. The EPA is approving these revisions to regulate emissions of VOCs in accordance with the requirements of the Federal Clean Air Act (the Act).

**DATES:** This rule is effective on November 6, 2000 without further notice, unless EPA receives adverse comment by October 5, 2000. If EPA

receives such comment, EPA will publish a timely withdrawal in the **Federal Register** informing the public that this rule will not take effect.

**ADDRESSES:** Written comments on this action should be addressed to Mr. Thomas H. Diggs, Chief, Air Planning Section (6PD-L), at the EPA Region 6 Office listed below. Copies of documents relevant to this action are available for public inspection during normal business hours at the following locations. Anyone wanting to examine these documents should make an appointment with the appropriate office at least two working days in advance.

Environmental Protection Agency, Region 6, Air Planning Section (6PD-L), 1445 Ross Avenue, Dallas, Texas 75202-2733.

Texas Natural Resource Conservation Commission, Office of Air Quality, 12124 Park 35 Circle, Austin, Texas 78753.

**FOR FURTHER INFORMATION CONTACT:** Mr. Alan Shar, P.E., Air Planning Section (6PD-L), EPA Region 6, 1445 Ross Avenue, Dallas, Texas 75202-2733, telephone (214) 665-6691.

#### SUPPLEMENTARY INFORMATION:

##### Table of Contents

1. What action is EPA taking?
2. What action are we not taking in this document?
3. Why do we regulate VOCs?
4. Where can I find EPA guidelines on gasoline transfer operations?
5. Where else can I find EPA guidelines on gasoline related operations?
6. What are the gasoline bulk transfer rule changes?
7. Will these changes relax the SIP?
8. Why do these changes not relax the SIP?
9. What is a nonattainment area?
10. What is a Reasonably Available Control Technology (RACT)?
11. What is a State Implementation Plan?
12. What is the Federal approval process for a SIP?
13. What does Federal approval of a SIP mean to me?
14. What areas in Texas will these rules affect?

Throughout this document "we," "us," and "our" means EPA.

#### 1. What Action Is EPA Taking?

On August 9, 1999, the Governor of Texas submitted the Chapter 115, "Control of Air Pollution From Volatile Organic Compounds," as a revision to the SIP. The August 9, 1999, SIP submittal concerned loading and unloading of VOCs.

On November 29, 1999, the Governor of Texas submitted the Chapter 115, "Control of Air Pollution From Volatile Organic Compounds," as a revision to the SIP. The November 29, 1999, SIP

submittal concerned loading and unloading of gasoline at gasoline terminals and gasoline bulk plants.

In this rule making we are taking two separate actions: (1) We are specifically approving revisions to sections 115.211-115.217 and section 115.219; and (2) We are specifically approving revisions to section 115.211 concerning emission specifications, section 115.212 concerning control requirements, and section 115.219 concerning counties and compliance schedules. We are approving revisions to the Texas SIP concerning control of VOC emissions from loading and unloading of gasoline at gasoline terminals and gasoline bulk plants in the Houston/Galveston (H/G), Beaumont/Port Arthur (B/PA), Dallas/Fort Worth (D/FW), and El Paso (EP) ozone nonattainment areas, and in 95 counties in the eastern half of Texas. The approval of these rules means that we agree Texas is implementing RACT on these source categories as required by section 182(b)(2)(A) and (C), and section 183 of the Act. For more information on the SIP revision and EPA's evaluation, please refer to our Technical Support Document (TSD) dated May 2000.

#### 2. What Action Are We Not Taking in This Document?

In this document we are not acting on revisions to sections 115.221-115.227 and section 115.229 concerning filling of gasoline storage vessels (Stage I) for motor vehicle fuel dispensing facilities.

In this document we are not acting on revisions to sections 115.234-115.237 and section 115.239 concerning control of VOC leaks from transport vessels.

#### 3. Why Do We Regulate VOCs?

Oxygen in the atmosphere reacts with VOCs and Oxides of Nitrogen to form ozone, a key component of urban smog. Inhaling even low levels of ozone can trigger a variety of health problems including chest pains, coughing, nausea, throat irritation, and congestion. It also can worsen bronchitis and asthma. Exposure to ozone can also reduce lung capacity in healthy adults.

#### 4. Where Can I Find EPA Guidelines on Gasoline Transfer Operations?

You can find our guidelines on gasoline bulk plants in the document number EPA-450/2-77-035, "Control of Volatile Organic Emissions from Bulk Gasoline Plants," December 1977.

#### 5. Where Else Can I Find EPA Guidelines on Gasoline Related Operations?

You can also find additional guidelines on gasoline related

operations in the following EPA documents:

(1) "Control of Hydrocarbons from Tank Truck Gasoline Loading Terminals," EPA-450/2-77-026,

(2) "Hydrocarbon Control Strategies for Gasoline Marketing Operations," EPA-450/3-78-017, and

(3) "Control of Volatile Organic Compounds from Storage of Petroleum Liquids in Fixed Roof Tanks," EPA-450/2-77-036.

#### **6. What Are the Gasoline Bulk Transfer Rule Changes?**

The revisions to Chapter 115 will modify the gasoline loading and unloading rule by: (1) adding the requirements in the urban ozone nonattainment areas to 95 counties in the eastern half of Texas; (2) deleting the concentration based emission specification (milligram per liter) for gasoline bulk plants in the H/G, D/FW, and EP ozone nonattainment areas, and in 95 counties in the eastern half of Texas; and (3) revising the "loading lockout" requirements for gasoline terminals in the H/G, D/FW, and EP ozone nonattainment areas.

For detailed evaluation of the specific provisions of the gasoline bulk transfer rule changes, please see page 2 of our TSD dated May 2000.

#### **7. Will These Changes Relax the SIP?**

No, these changes will not relax the SIP. These rule changes will make it: (1) easier to quantify emissions, (2) enforce a limitation that is more practical, and (3) simpler for the operator to relate to. We prefer having a regulation that incorporates operating parameters instead of a regulation that uses a concentration based emission limit.

Our Regional office developed a Federal Implementation Plan (FIP) (40 CFR 52.2285 and 52.2286) for Bexar County, and certain counties in east Texas, in the mid 1970s. The FIP applied to sources with storage capacities greater than 1000 gallons. These Texas state rules that we are approving as a revision to the Texas SIP set exemption levels based on throughput. We are of the opinion that the emission reductions resulting from implementation of these rules are at least equivalent to the current FIP requirements. Upon the effective date of our approval of section 115.219, as a part of the Texas SIP, affected sources will only need to comply with the state's SIP-approved VOC rules and not our FIP VOC rule. The affected sources are large stationary vessels and transfer facilities (Gasoline Bulk Plants with a throughput greater than or equal to 4000 gallons per day, or Land based loading/

unloading operations with a throughput greater than or equal to 20,000 gallons per day).

The FIP requirements will remain in place for gasoline transfer facilities, bulk plants and smaller sources (storage capacity greater than or equal to 1000 gallons and: (a) Gasoline Bulk Plants with a throughput less than 4000 gallons per day, or (b) Land based loading/unloading operations with a throughput less than 20,000 gallons per day).

#### **8. Why Do These Changes Not Relax the SIP?**

These changes will not relax the SIP for the following reasons: (1) section 115.212(a)(5)(A) will still require using a vapor balance system to recycle gasoline vapors back to the storage tank or using a 90 percent efficient add-on control device for such facilities, (2) section 115.212(a)(5)(A) will continue to satisfy our RACT requirement, (3) we do not consider the "loading lockout" as RACT, and (4) Texas had not taken any emission reduction credits for adoption of the "loading lockout" requirements in its 15% Rate-of-Progress (ROP) SIPs, post 1996-ROP SIPs, and attainment demonstration SIPs for the four ozone nonattainment areas.

Texas' experience shows that the "loading lockout" instrumentation does not work well in practice. For example, they found out that the "loading lockout" instrumentation could allow loading of gasoline to continue even if the hose is damaged or improperly connected. A damaged hose or improper connections can cause more VOC emissions into the air. Therefore, this instrumentation is not worth the expense.

For reasons stated above, these changes do not relax the SIP. We are agreeing with Texas on these rule changes, and are approving the rule changes.

#### **9. What Is a Nonattainment Area?**

A nonattainment area is a geographic area in which the level of a criteria air pollutant is higher than the level allowed by Federal standards. A single geographic area may have acceptable levels of one criteria air pollutant but unacceptable levels of one or more other criteria air pollutants. Thus, a geographic area can be attainment for one criteria pollutant and nonattainment for another criteria pollutant at the same time. It has been estimated that 60 percent of Americans live in nonattainment areas.

#### **10. What Is a Reasonably Available Control Technology (RACT)?**

Section 172(c)(1) of the Act contains general requirements for States to implement RACT in areas that do not meet the NAAQS. Section 182(b)(2) of the Act contains more specific requirements for moderate and above ozone nonattainment areas. A related requirement of the Act in 182(b)(2)(C)(3) calls for States to implement RACT on all gasoline dispensing facilities. Texas submitted its rules for control of VOCs from loading and unloading of gasoline at the gasoline bulk plants and terminals to us on June 8, 1992, and we approved them as RACT on March 7, 1995 (60 FR 12438). We approved the July 12, 1995 revisions, the March 13, 1996 revisions, and the August 9, 1996 revisions to these rules on January 26, 1999 (64 FR 3841).

Sections 3 and 4 of this action name the titles of EPA's documents for control of emissions from gasoline related operations.

#### **11. What Is a State Implementation Plan?**

Section 110 of the Act requires States to develop air pollution regulations and control strategies to ensure that State air quality meets the NAAQS that EPA has established. Under section 109 of the Act, EPA established the NAAQS to protect public health. The NAAQS address six criteria pollutants. These criteria pollutants are: carbon monoxide, nitrogen dioxide, ozone, lead, particulate matter, and sulfur dioxide.

Each State must submit these regulations and control strategies to us for approval and incorporation into the federally enforceable SIP. Each State has a SIP designed to protect air quality. These SIPs can be extensive, containing State regulations or other enforceable documents and supporting information such as emission inventories, monitoring networks, and modeling demonstrations.

#### **12. What Is the Federal Approval Process for a SIP?**

When a State wants to incorporate its regulations into the federally enforceable SIP, the State must formally adopt the regulations and control strategies consistent with State and Federal requirements. This process includes a public notice, a public hearing, a public comment period, and a formal adoption by a state-authorized rulemaking body.

Once a State adopts a rule, regulation, or control strategy, the State may submit the adopted provisions to us and request

that we include these provisions in the federally enforceable SIP. We must then decide on an appropriate Federal action, provide public notice on this action, and seek additional public comment regarding this action. If we receive adverse comments, we must address them prior to a final action.

Under section 110 of the Act, when we approve all State regulations and supporting information, those State regulations and supporting information become a part of the federally approved SIP. You can find records of these SIP actions in the Code of Federal Regulations at Title 40, part 52, entitled "Approval and Promulgation of Implementation Plans." The actual State regulations that we approved are not reproduced in their entirety in the CFR but are "incorporated by reference," which means that we have approved a given State regulation with a specific effective date.

### 13. What Does Federal Approval of a SIP Mean to Me?

A State may enforce State regulations before and after we incorporate those regulations into a federally approved SIP. After we incorporate those regulations into a federally approved SIP, both EPA and the public may also take enforcement action against violators of these regulations.

### 14. What Areas in Texas Will These Rules Affect?

These rules will affect the H/G, B/PA, D/FW, and EP ozone nonattainment areas. The H/G area is classified as severe ozone nonattainment and includes the following counties: Brazoria, Chambers, Fort Bend, Harris, Galveston, Liberty, Montgomery, and Waller. The B/PA is classified as moderate ozone nonattainment area and includes the following counties: Hardin, Jefferson, and Orange. The D/FW area is classified as serious ozone nonattainment and includes the following counties: Collin, Dallas, Denton, and Tarrant. The El Paso is classified as serious ozone nonattainment and includes the following county: El Paso.

These rules will also affect the 95 counties in the eastern half of Texas. These 95 counties in the eastern half of Texas are: Anderson, Angelina, Aransas, Atascosa, Austin, Bastrop, Bee, Bell, Bexar, Bosque, Bowie, Brazos, Burleson, Caldwell, Calhoun, Camp, Cass, Cherokee, Colorado, Comal, Cooke, Coryell, De Witt, Delta, Ellis, Falls, Fannin, Fayette, Franklin, Freestone, Goliad, Gonzales, Grayson, Gregg, Grimes, Guadalupe, Harrison, Hays, Henderson, Hill, Hood, Hopkins,

Houston, Hunt, Jackson, Jasper, Johnson, Karnes, Kaufman, Lamar, Lavaca, Lee, Leon, Limestone, Live Oak, Madison, Marion, Matagorda, McLennan, Milam, Morris, Nacogdoches, Navarro, Newton, Nueces, Panola, Parker, Polk, Rains, Red River, Refugio, Robertson, Rockwall, Rusk, Sabine, San Jacinto, San Patricio, San Augustine, Shelby, Smith, Somervell, Titus, Travis, Trinity, Tyler, Upshur, Van Zandt, Victoria, Walker, Washington, Wharton, Williamson, Wilson, Wise, and Wood.

If you are in one of these counties or one of these nonattainment areas, you need to refer to these rules to find out if and how these rules will affect you.

### Final Action

The EPA is publishing this rule without prior proposal because we view this as a noncontroversial amendment and anticipate no adverse comments. However, in the **PROPOSED RULES** section of today's **Federal Register** publication, we are publishing a separate document that will serve as the proposal to approve the SIP revision if adverse comments are received. This rule will be effective on November 6, 2000 without further notice unless we receive adverse comment by October 5, 2000. If EPA receives adverse comments, we will publish a timely withdrawal in the **Federal Register** informing the public that the rule will not take effect. We will address all public comments in a subsequent final rule based on the proposed rule. We will not institute a second comment period on this action. Any parties interested in commenting must do so at this time.

### Administrative Requirements

#### A. Executive Order 12866

The Office of Management and Budget (OMB) has exempted this regulatory action from Executive Order 12866, entitled "Regulatory Planning and Review."

#### B. Executive Order 13132

Executive 13132, entitled "Federalism" (64 FR 43255, August 10, 1999) revokes and replaces Executive Order 12612, "Federalism," and Executive Order 12875, "Enhancing the Intergovernmental Partnership." Executive Order 13132 requires EPA to develop an accountable process to ensure "meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications." "Policies that have federalism implications" is defined in the Executive Order to include regulations that have

"substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government." Under Executive Order 13132, EPA may not issue a regulation that has federalism implications, that imposes substantial direct compliance costs, and that is not required by statute, unless the Federal government provides the funds necessary to pay the direct compliance costs incurred by State and local governments, or EPA consults with State and local officials early in the process of developing the proposed regulation. The EPA also may not issue a regulation that has federalism implications and that preempts State law unless the Agency consults with State and local officials early in the process of developing the proposed regulation.

This final rule will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132. Thus, the requirements of section 6 of the Executive Order do not apply to this rule.

#### C. Executive Order 13045

Executive Order 13045, entitled "Protection of Children from Environmental Health Risks and Safety Risks" (62 FR 19885, April 23, 1997), applies to any rule that: (1) is determined to be "economically significant" as defined under Executive Order 12866, and (2) concerns an environmental health or safety risk that EPA has reason to believe may have a disproportionate effect on children. If the regulatory action meets both criteria, the Agency must evaluate the environmental health or safety effects of the planned rule on children, and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the Agency.

The EPA interprets Executive Order 13045 as applying only to those regulatory actions that are based on health or safety risks, such that the analysis required under section 5-501 of the Order has the potential to influence the regulation. This final rule is not subject to Executive Order 13045 because it approves a State program.

#### D. Executive Order 13084

Under Executive Order 13084, EPA may not issue a regulation that is not

required by statute, that significantly or uniquely affects the communities of Indian tribal governments, and that imposes substantial direct compliance costs on those communities, unless the Federal government provides the funds necessary to pay the direct compliance costs incurred by the tribal governments, or EPA consults with those governments. If EPA complies by consulting, Executive Order 13084 requires EPA to provide to the OMB, in a separately identified section of the preamble to the rule, a description of the extent of EPA's prior consultation with representatives of affected tribal governments, a summary of the nature of their concerns, and a statement supporting the need to issue the regulation. In addition, Executive Order 13084 requires EPA to develop an effective process permitting elected officials and other representatives of Indian tribal governments "to provide meaningful and timely input in the development of regulatory policies on matters that significantly or uniquely affect their communities."

Today's rule does not significantly or uniquely affect the communities of Indian tribal governments. This action does not involve or impose any requirements that affect Indian tribes. Accordingly, the requirements of section 3(b) of Executive Order 13084 do not apply to this rule.

#### *E. Regulatory Flexibility Act*

The Regulatory Flexibility Act, 5 U.S.C. 600 *et seq.*, generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and small governmental jurisdictions. This final rule will not have a significant impact on a substantial number of small entities because SIP approvals under section 110 and subchapter I, part D of the 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 create any new requirements, I certify that this action will not have a significant economic impact on a

substantial number of small entities. Moreover, due to the nature of the Federal-State relationship under the Act, preparation of a flexibility analysis would constitute Federal inquiry into the economic reasonableness of State action. The Act forbids EPA to base its actions concerning SIPs on such grounds. *See Union Electric Co., v. U.S. EPA*, 427 U.S. 246, 255-66 (1976); 42 U.S.C. 7410(a)(2).

#### *F. Unfunded Mandates*

Under section 202 of the Unfunded Mandates Reform Act of 1995, 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 annual 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.

The EPA has determined that the approval action promulgated does not include a Federal mandate that may result in estimated annual 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 preexisting requirements under State or local law, and imposes no new requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

#### *G. Submission to Congress and the Comptroller General*

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. The 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**. A major rule can not take effect until 60 days after it is published in the **Federal Register**. This action is not a "major" rule as defined by 5 U.S.C. 804(2). This rule will be effective November 6, 2000.

#### *H. Petitions for Judicial Review*

Under section 307(b)(1) of the Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by November 6, 2000. 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 the 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, Gasoline, Intergovernmental relations, Nonattainment, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: August 3, 2000.

**Lynda F. Carroll,**

*Acting Regional Administrator, Region 6.*

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 SS—Texas**

2. Section 52.2270 is amended in paragraph (c) under Chapter 115, Subchapter C, by removing the entry for section 115.211 to 115.219 and adding entries for sections 115.211, 115.212, and 115.219 to read as follows:

#### **§ 52.2270 Identification of plan.**

\* \* \* \* \*  
(c) \* \* \*

EPA APPROVED REGULATIONS IN THE TEXAS SIP

State citation	Title/Subject	State adoption date	EPA approval date	Explanation
*	*	*	*	*
<b>Chapter 115 (Reg 5)—Control of Air Pollution from Volatile Organic Compounds</b>				
*	*	*	*	*
<b>Subchapter C—Volatile Organic Compounds Transfer Operations</b>				
Section 115.211 ....	Emission Specifications.	November 10, 1999 .....	September 5, 2000 .....	Ref 52.2299(c)(104).
Section 115.212 ....	Control Requirements.	November 10, 1999 .....	September 5, 2000 .....	Ref 52.2299(c)(104),52.2270(105)(i)(K).
Section 115.219 ....	Counties and Compliance.	November 10, 1999 .....	September 5, 2000 .....	Ref 52.2299(c)(104),52.2270(105)(i)(K).
*	*	*	*	*

[FR Doc. 00-22514 Filed 9-1-00; 8:45 am]  
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**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 52**

[Region II Docket No. NJ36-2-213, FRL-6860-1]

**Approval and Promulgation of Implementation Plans; New Jersey; Nitrogen Oxides Budget and Allowance Trading Program**

**AGENCY:** Environmental Protection Agency.

**ACTION:** Final rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is announcing approval of New Jersey's State Implementation Plan (SIP) revision for ozone. This SIP revision relates to New Jersey's portion of the Ozone Transport Commission's September 27, 1994 Memorandum of Understanding, which includes a regional nitrogen oxides budget and allowance (NO<sub>x</sub> Budget) trading program that will significantly reduce NO<sub>x</sub> emissions generated within the Ozone Transport Region, which includes the State of New Jersey. EPA is approving New Jersey's regulations, which implement Phase II and Phase III of the NO<sub>x</sub> Budget Trading Program, since they reduce NO<sub>x</sub> emissions and help achieve the national ambient air quality standard for ozone.

**DATES:** This rule is effective on October 5, 2000.

**ADDRESSES:** Copies of the State submittal and supporting documents are available for inspection during normal business hours, at the following addresses:

Environmental Protection Agency, Region II Office, Air Programs Branch, 290 Broadway, 25th Floor, New York, New York 10007-1866.  
 New Jersey Department of Environmental Protection, Office of Air Quality Management, Bureau of Air Quality Planning, 401 East State Street, CN418, Trenton, New Jersey 08625.

**FOR FURTHER INFORMATION CONTACT:** Richard Ruvo, Air Programs Branch, Environmental Protection Agency, 290 Broadway, 25th Floor, New York, New York 10007-1866, (212) 637-4014.

**SUPPLEMENTARY INFORMATION:**

**Overview**

The EPA is approving the New Jersey Department of Environmental Protection's (New Jersey's) Nitrogen Oxides Budget and Allowance (NO<sub>x</sub> Budget) Trading Program for 1999, 2000, 2001, 2002 and 2003 and thereafter.

The following table of contents describes the format for this **SUPPLEMENTARY INFORMATION** section:

- Overview
- EPA's Action
  - What Action is EPA Approving?
  - Why is EPA Approving this Action?
  - When did EPA Propose to Approve New Jersey's Program?
  - What did EPA Propose?
  - What were the Public's Comments on EPA's Proposal?
  - What is the Ozone Transport Commission's Memorandum of Understanding?
  - Where is Additional Information Available on EPA's Action?
- Conclusion
- Administrative Requirements

**EPA's Action**

*What Action Is EPA Approving?*

The EPA is approving a revision to New Jersey's Ozone State Implementation Plan (SIP) which New

Jersey submitted on April 26, 1999 and supplemented on July 31, 2000. This SIP revision relates to New Jersey's NO<sub>x</sub> Budget Trading Program. New Jersey's regulations which implement the NO<sub>x</sub> Budget Trading Program are:

- New Subchapter 31, "NO<sub>x</sub> Budget Program"
- Guidance for Implementation of Emissions Monitoring Requirements for the NO<sub>x</sub> Budget Program, January 28, 1997
- NO<sub>x</sub> Budget Program Monitoring Certification and Reporting Requirements, July 3, 1997
- Electronic Data Reporting, Acid Rain Program/NO<sub>x</sub> Budget Program-Version 2.0, July 3, 1997
- Measurement Protocol for Commercial, Industrial and Residential Facilities, April 28, 1993.

New Jersey also amended Subchapter 3, "Civil administrative penalties for violation of rules adopted pursuant to the Act" to implement the NO<sub>x</sub> Budget Trading Programs. Subchapter 3 contains the mechanisms to enforce the NO<sub>x</sub> Budget Trading Program, which are acceptable to EPA. EPA is not incorporating Subchapter 3 because EPA can take enforcement actions related to SIP penalties under its own corresponding federal regulations.

EPA will propose action on other components of the July 31, 2000 SIP revision in a separate future rulemaking.

*Why Is EPA Approving This Action?*

- EPA is approving this action to:
- Fulfill New Jersey's and EPA's requirements under the Clean Air Act (the Act),
  - Make New Jersey's NO<sub>x</sub> Budget Trading Program federally-enforceable, and
  - Make the significant NO<sub>x</sub> emission reductions available for credit toward the attainment SIP.