

Project No.	Title of regulation	Date published FR cite	New hearing date	New location of hearing
REG-136193-01 .....	Notice of Significant Reduction in the Rate of Future Benefit Accrual.	April 23, 2002 (67 FR 19713).	No change .....	Room 4718.
REG-105885-99 .....	Compensation Deferred Under Eligible Deferred Compensation Plans.	May 8, 2002 (67 FR 30826).	August 29, 2002 ...	Room 2615.
REG-118861-00 .....	Application of Section 338 to Insurance Companies.	March 8, 2002 (67 FR 10640).	No change .....	Room 6718.
REG-105369-00, .....	Arbitrage & Private Activity Restrictions Applicable to Tax-exempt Bonds Issued by State and Local Governments.	April 17, 2002 (67 FR 18835).	September 25, 2002.	Room 2615.
REG-113526-98 .....	Information Reporting for Payments of Qualified Tuition and Payments of Interest on Qualified Education Loans.	April 29, 2002 (67 FR 20923).	No change .....	Room 4718.
REG-105316-98, .....	Guidance on Cost Recovery Under the Income Forecast Method.	May 31, 2002 (67 FR 38025).	No change .....	Internal Revenue Service Auditorium, New Carrollton Building, 5000 Ellin Road, Lanham, MD 20706.

**Cynthia E. Grigsby,**  
*Chief, Regulations Unit, Associate Chief Counsel (Income Tax & Accounting).*  
 [FR Doc. 02-16396 Filed 6-27-02; 8:45 am]  
**BILLING CODE 4830-01-P**

#### **ENVIRONMENTAL PROTECTION AGENCY**

##### **40 CFR Part 52**

[MI78-01-7287b, FRL-7226-7]

##### **Approval and Promulgation of Air Quality Implementation Plans; Michigan**

**AGENCY:** Environmental Protection Agency.

**ACTION:** Proposed rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is proposing to approve several rule revisions and rescissions for incorporation into Michigan's State Implementation Plan (SIP). The Michigan Department of Environmental Quality (MDEQ) submitted these revisions on July 7, 2000 and supplemented them with letters dated January 29, 2001, and February 6, 2002. They include revisions to definitions, open burning rules, general volatile organic compound (VOC) provisions, and administrative procedures, and the rescission of two obsolete rules. In the Final Rules section of this **Federal Register**, EPA is approving the state's SIP revision, as a direct final rule without prior proposal because the Agency views this as a noncontroversial revision and anticipates no adverse comments. A detailed rationale for the

approval is set forth in the direct final rule. If we receive no adverse comments in response to that direct final rule, we plan to take no further action in relation to this proposed rule. If we receive significant adverse comments, in writing, which we have not addressed, we will withdraw the direct final rule and address all public comments received in a subsequent final rule based on this proposed rule. The EPA will not institute a second comment period on this document.

**DATES:** EPA must receive written comments on or before July 29, 2002.

**ADDRESSES:** Send written comments to: Carlton Nash, Chief, Regulation Development Section, Air Programs Branch, (AR-18), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois, 60604.

You may inspect copies of the documents relevant to this action during normal business hours at the following location: Regulation Development Section, Air Programs Branch, (AR-18), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois, 60604.

Please contact Kathleen D'Agostino at (312) 886-1767 before visiting the Region 5 office.

**FOR FURTHER INFORMATION CONTACT:** Kathleen D'Agostino, Environmental Engineer, Regulation Development Section, Air Programs Branch (AR-18), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886-1767.

##### **SUPPLEMENTARY INFORMATION**

#### **Where Can I Find More Information About This Proposal and the Corresponding Direct Final Rule?**

For additional information see the direct final rule published in the rules section of this **Federal Register**.

Dated: May 17, 2002.

**Robert Springer,**

*Acting Regional Administrator, Region 5.*  
 [FR Doc. 02-16275 Filed 6-27-02; 8:45 am]  
**BILLING CODE 6560-50-P**

#### **ENVIRONMENTAL PROTECTION AGENCY**

##### **40 CFR Part 70**

[FRL-7238-9]

##### **Clean Air Act Proposed Approval of Revision to Operating Permits Program in Washington**

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

**ACTION:** Proposed rule.

**SUMMARY:** EPA is proposing to approve, as a revision to Washington's title V air operating permits program, proposed revisions to Washington's regulations for insignificant emissions units and other proposed minor revisions to Washington's title V program. In a Notice of Deficiency published in the **Federal Register** on January 2, 2002 (67 FR 73), EPA notified Washington of EPA's finding that Washington's provisions for insignificant emissions units do not meet minimum Federal requirements for program approval. This program revision would resolve the

deficiency identified in the Notice of Deficiency.

EPA is proposing to approve Washington's proposed revisions at the same time that Washington is considering the proposed changes. Washington published the proposal on Wednesday, May 15, 2002. The public comment period on the Washington regulations runs through June 21, 2002. EPA will only finalize its approval of Washington's revisions after Washington finalizes its regulations consistent with the changes described in this notice.

**DATES:** Written comments must be received on or before July 29, 2002.

**ADDRESSES:** Written comments should be addressed to Denise Baker, Environmental Protection Specialist (OAQ-107), Office of Air Quality, at the EPA Regional Office listed below.

Copies of Washington's submittal, and other supporting information used in developing this action, are available for inspection during normal business hours at the U.S. Environmental Protection Agency, Region 10, 1200 Sixth Avenue, Seattle, Washington, 98101. Interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the visiting day.

**FOR FURTHER INFORMATION CONTACT:** Denise Baker, Office of Air Quality (OAQ-107), U.S. Environmental Protection Agency, Region 10, 1200 Sixth Avenue, Seattle, Washington, 98101, (206) 553-8087.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

###### A. Approval of Washington's Title V Program

The Clean Air Act (CAA) requires all State and local permitting authorities to develop operating permits programs that meet the requirements of title V of the Act, 42 U.S.C. 7661-7661f, and its implementing regulations, 40 CFR part 70. Washington's operating permits program was submitted in response to this directive. EPA granted interim approval to Washington's air operating permits program on November 9, 1994 (59 FR 55813). EPA re promulgated final interim approval of Washington's operating permits program on one issue, along with a notice of correction, on December 8, 1995 (60 FR 62992).

Washington's title V operating permits program is implemented by the Washington Department of Ecology (Ecology), the Washington Energy Facility Site Evaluation Commission (EFSEC), and seven local air pollution

control authorities: The Benton County Clean Air Authority (BCCA); the Northwest Air Pollution Authority (NWAPA); the Olympic Air Pollution Control Authority (OAPCA); the Puget Sound Clean Air Agency (PSCAA); the Spokane County Air Pollution Control Authority (SCAPCA); the Southwest Clean Air Agency (SWCAA); and the Yakima Regional Clean Air Authority (YRCAA). After these State and local agencies revised their operating permits programs to address the conditions of the interim approval, EPA promulgated final full approval of Washington's title V operating permits program in the **Federal Register** on August 13, 2001 (66 FR 42439).

###### B. Exemption of IEUs From Permit Content Requirements

###### 1. Background

Part 70 authorizes EPA to approve as part of a State program a list of insignificant activities and emission levels (IEUs) which need not be included in the permit application, provided that an application may not omit information needed to determine the applicability of, or to impose, any applicable requirement, or to evaluate the fee amount required under the EPA-approved schedule. See 40 CFR 70.5(c). Nothing in part 70, however, authorizes a State to exempt IEUs from the testing, monitoring, recordkeeping, reporting, or compliance certification requirements of 40 CFR 70.6.

Washington's regulations contain criteria for identifying IEUs. See WAC 173-401-200(16), -530, -532, and -533. WAC 173-401-530(1) and (2)(b) provide that designation of an emission unit as an IEU does not exempt the unit from any applicable requirements and that the permit must contain all applicable requirements that apply to IEUs. The Washington program, however, specifically exempts IEUs from testing, monitoring, recordkeeping, and reporting requirements except where such requirements are specifically imposed in the applicable requirement itself. See WAC 173-401-530(2)(c). The Washington program also exempts IEUs from compliance certification requirements. See WAC 173-401-530(2)(d). Because of these exemptions, EPA has long maintained that Washington's provisions for IEUs do not meet minimum Federal requirements for program approval. For additional discussion of EPA's position on this issue, please see 66 FR 42439-42440 (August 13, 2001) (final full approval of Washington's title V program) and 67 FR 73 (January 2, 2002) (Notice of Deficiency).

##### 2. Notice of Deficiency

40 CFR 70.10(c)(1) provides that EPA may withdraw a part 70 program approval, in whole or in part, whenever the approved program no longer complies with the requirements of part 70. Section 70.10(b) sets forth the procedures for program withdrawal, and requires as a prerequisite to withdrawal that the permitting authority be notified of any finding of deficiency by EPA and that the document be published in the **Federal Register**. If the permitting authority has not taken "significant action to assure adequate administration and enforcement of the program" within 90 after publication of a notice of deficiency, EPA may withdraw the State program, apply any of the sanction specified in section 179(b) of the Act, or promulgate, administer, and enforce a Federal title V program. 40 CFR 70.10(b)(2). Section 70.10(b)(3) provides that if a State has not corrected the deficiency within 18 months of the finding of deficiency, EPA will apply the sanctions under section 179(b) of the Act, in accordance with section 179(a) of the Act. Upon EPA action, the sanctions will go into effect unless the State has corrected the deficiencies identified in this notice within 18 months. In addition, section 70.10(b)(4) provides that, if the State has not corrected the deficiency with 18 months, EPA must promulgate, administer, and enforce a whole or partial program within 2 years. Pursuant to the above provisions, EPA notified Washington of EPA's finding that Washington's provisions for IEUs do not meet minimum Federal requirements for program approval in a Notice of Deficiency published in the **Federal Register** on January 2, 2002 (67 FR 73).

##### 3. Proposed Changes to IEU Provisions

In response to the Notice of Deficiency, Washington has proposed to revise its IEU provisions so that IEUs are no longer exempt outright from testing, monitoring, recordkeeping, reporting, and compliance certification. As proposed, WAC 173-401-530(2)(c) creates a presumption that no testing, monitoring, recordkeeping, and reporting is required for IEUs, but that presumption can be overcome if such testing and monitoring provisions are determined by the permitting authority to be necessary to assure compliance. This revision is consistent with EPA's long-standing position that the permitting authority in general has broad discretion in determining the nature of any required monitoring and that the requirement to include in a permit testing, monitoring,

recordkeeping, and reporting sufficient to assure compliance does not require the permit to impose the same level of rigor with respect to all emission units. For example, it does not require extensive testing or monitoring to assure compliance with the applicable requirements for emissions units that do not have significant potential to violate emissions limitations or other requirements under normal operating conditions. Because IEUs are typically associated with lesser environmental impacts than other emission units and present little or no potential for violations of generally applicable requirements, EPA has stated that the permitting authority can provide in some cases that the status quo (*i.e.*, no monitoring) meets the requirements of part 70.

In response to the Notice of Deficiency, Washington has also proposed to revise its IEU provisions so that IEUs are no longer exempt from compliance certification. As proposed, WAC 173-401-530(2)(d), which specifically states that sources did not need certify compliance under WAC 173-401-630(5) for IEUs, would be deleted. WAC 173-401-530(2)(c) would be revised to clarify that, if a title V permit does not require monitoring for IEUs, the permittee may certify continuous compliance if there were no observed, documented, or known instances of noncompliance during the reporting period and that, if the title V permit does require monitoring for IEUs, the permittee must also consider the required monitoring. The EPA interprets 70.5(c)(9) to allow for a certification of compliance where there is no required monitoring and, despite a "reasonable inquiry" to uncover other existing information, the responsible official has no information to the contrary. EPA believes that the proposed revisions to WAC 173-401-530(c) and the proposed deletion of WAC 173-401-530(d) meet the requirements of part 70 with respect to testing, monitoring, recordkeeping, reporting, and compliance certification for IEUs. See *White Paper Number 2 for Improved Implementation of the Part 70 Operating Permits Program*, pp. 30-31 (March 5, 1996). Therefore, EPA proposes to approve these changes as a revision to Washington's title V program if Washington finalizes the proposed changes consistent with this notice. Final adoption of these changes by Washington would also adequately address the deficiency identified in the Notice of Deficiency.

### C. Other Proposed Changes to Washington's Title V Regulations

Washington has also proposed other minor changes to its regulations governing its title V operating permits program, which EPA also proposes to approve.

#### 1. Continuous and Intermittent Compliance

Washington has proposed to add definitions for "continuous compliance" and "intermittent compliance" to implement the compliance certification requirements of its title V program. Although these terms are not currently defined in part 70, Washington's proposed definitions are identical to definitions in the instructions to the standard annual compliance certification form developed by EPA for use by permittees subject to the Federal operating permits program. See <http://www.epa.gov/oar/oaps/permits/p71forms.html>. EPA therefore believes that these proposed new definitions are approvable. EPA notes, however, that it intends to propose changes to the compliance certification requirements of part 70 (40 CFR 70.6(c)(5)) in the near future, which may include definitions of the terms "continuous compliance" and "intermittent compliance." Washington would be required to later revise its compliance certification requirements, including the definitions of "continuous compliance" and "intermittent compliance," if Washington's provisions are not consistent with the compliance certification requirements adopted by EPA after notice and comment rulemaking.

#### 2. Major Source

Washington has proposed to revise the definition of "major source" in response to recent amendments to the definition of "major source" in part 70. See 66 FR 59161 (November 27, 2001). EPA made two changes from the 1992 rule regarding when non-Hazardous Air Pollutant (HAP) fugitive emissions are included in determining major source status. The 1992 rule required that non-HAP fugitive emissions be counted for all industrial facilities in source categories covered by New Source Performance Standards (NSPS) or National Emission Standards for Hazardous Air Pollutants (NESHAP) standards, but only with regards to pollutants specifically regulated for the source category. The final amendment to part 70 changed this requirement: (1) To address only source categories covered by NSPS or NESHAP standards promulgated after August 7, 1980; and

(2) to delete the limitation that only pollutants specifically regulated by the standard be included. Consistent with this amendment, Washington is proposing to revise its rule to delete the limitation on only pollutants specifically regulated by the standard. However, Washington is not limiting the applicability of this requirement to sources in categories regulated *after* August 7, 1980. Without this date, Washington's rule is more stringent than part 70 (*i.e.*, requires that fugitive emissions be included for more categories of sources). Therefore, Washington's proposed change in the definition of "major source" is approvable.

#### 3. Standard Application Forms

Washington has also proposed to revise its regulations to clarify that the use of a standard title V operating permit application form is not required if the owner/operator provides all of the required data elements for a complete application. As EPA has previously stated, although part 70 clearly requires that States develop a standard permit application form, part 70 does not require permitting authorities to require permit applicants to use the standard form provided that all the required information is submitted by the permit applicant. See *Response to Comments Regarding Alleged Deficiencies in Washington's Title V Operating Permits Program*, dated December 14, 2001.

#### 4. Prompt Reporting of Permit Deviations

Finally, Washington has proposed to amend its rules to provide that deviations that do not represent a potential threat to human health or safety must be reported no later than thirty days after the end of the month during which the deviation is discovered or as part of routine emission monitoring reports, whichever occurs first. Reporting of deviations that represent a potential threat to human health and safety continues to be required as soon as possible, but in no case later than twelve hours after the deviation is discovered. Currently in Washington, permitting authorities have the discretion to require reporting of "other deviations" (that is, deviations that do not represent a potential threat to human health or safety) either no later than thirty days after the end of the month during which the deviation is discovered or as part of routine emission monitoring reports. EPA raised concerns that this could allow the reporting of excess emissions six months after the deviation occurred. In response to EPA's concerns, all

Washington permitting authorities have committed to EPA to require reporting of all “other” deviations no later than 30 days after the end of the month in which the deviation is discovered. The proposed change to the provisions for prompt reporting of deviations would make Washington regulations consistent with the current practice of Washington permitting authorities, and EPA believes the change is consistent with the requirements of part 70.

## II. Final Action

EPA is proposing to approve as a revision to Washington’s title V air operating permits program proposed revisions to Washington’s regulations for IEUs, specifically, revisions to WAC 173-401-530(2)(c) and deletion of WAC 173-401-530(2)(d). EPA has determined that the proposed changes meet the requirements of title V and part 70 relating to IEUs and adequately address the deficiency identified in the Notice of Deficiency published in the **Federal Register** on January 2, 2002 (67 FR 73). EPA is also proposing to approve the proposed addition of definitions for “continuous compliance” and “intermittent compliance,” the proposed change to the definition of “major source,” proposed changes to clarify that the use of a standard application form is not required if all required information is provided by the applicant, and a proposed change to the time frame for the prompt reporting of permit deviations. Because the proposed revisions Chapter 173-401 apply throughout the State of Washington, this proposed approval applies to all State and local agencies that implement Washington’s operating permits program. As discussed above, those agencies include Ecology, EFSEC, BCCAA, NWAPA, OAPCA, PSCAA, SCAPCA, SWCAA, and YRCAA.

Consistent with EPA’s action granting Washington full approval, this approval does not extend to “Indian Country”, as defined in 18 USC 1151, except with respect to non-trust lands within the 1873 Survey Area of the Puyallup Reservation.<sup>1</sup> See 66 FR 42439, 42440 (August 13, 2001); 64 FR 8247, 8250–8251 (February 19, 1999); 59 FR 42552, 42554 (August 18, 1994).

## III. Administrative Requirements

Under Executive Order 12866, “Regulatory Planning and Review” (58 FR 51735, October 4, 1993), this action is not a “significant regulatory action”

and therefore is not subject to review by the Office of Management and Budget. Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), the Administrator certifies that this rule will not have a significant economic impact on a substantial number of small entities because it merely approves State law as meeting Federal requirements and imposes no additional requirements beyond those imposed by State law. This rule does not contain any unfunded mandates and does not significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4) because it approves pre-existing requirements under State law and does not impose any additional enforceable duties beyond that required by State law. This rule also does not have tribal implications because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes, as specified by Executive Order 13175, “Consultation and Coordination with Indian Tribal Governments” (65 FR 67249, November 9, 2000). This rule also does not have Federalism implications because it 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, “Federalism” (64 FR 43255, August 10, 1999). The rule merely approves existing requirements under State law, and does not alter the relationship or the distribution of power and responsibilities between the State and the Federal government established in the Clean Air Act. This rule also is not subject to Executive Order 13045, “Protection of Children from Environmental Health Risks and Safety Risks” (62 FR 19885, April 23, 1997) or Executive Order 13211, “Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use” (66 FR 28355 (May 22, 2001), because it is not a significantly regulatory action under Executive Order 12866. This action will not impose any collection of information subject to the provisions of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*, other than those previously approved and assigned OMB control number 2060-0243. For additional information concerning these

requirements, see 40 CFR part 70. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

In reviewing State operating permit programs submitted pursuant to title V of the Clean Air Act, EPA will approve State programs provided that they meet the requirements of the Clean Air Act and EPA’s regulations codified at 40 CFR part 70. In this context, in the absence of a prior existing requirement for the State to use voluntary consensus standards (VCS), EPA has no authority to disapprove a State operating permit program for failure to use VCS. It would, thus, be inconsistent with applicable law for EPA, when it reviews an operating permit program, to use VCS in place of a State program that otherwise satisfies the provisions of the Clean Air Act. Thus, the requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 USC 272 note) do not apply.

## List of Subjects in 40 CFR Part 70

Environmental protection, Administrative practice and procedure, Air pollution control, Intergovernmental relations, Operating permits, Reporting and recordkeeping requirements.

Dated: June 18, 2002.

**John Iani,**

*Regional Administrator, Region 10.*

[FR Doc. 02-16363 Filed 6-27-02; 8:45 am]

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## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 300

[FRL-7238-3]

#### National Oil and Hazardous Substances Pollution Contingency Plan; National Priorities List

**AGENCY:** Environmental Protection Agency.

**ACTION:** Notice of intent to delete the Hopkins Farm Superfund Site from the National Priorities List.

**SUMMARY:** The Environmental Protection Agency (EPA), Region 2, is issuing a Notice of Intent to Delete the Hopkins Farm Superfund Site (Site), located in Plumsted Township, Ocean County, New Jersey, from the National Priorities List (NPL) and requests public comment on this Notice of Intent.

The NPL is appendix B of the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), 40 CFR part 300, which EPA promulgated

<sup>1</sup> As these terms are defined in the Agreement dated August 27, 1988 among the Puyallup Tribe of Indians, local governments in Pierce County, the State of Washington, the United States, and certain private property owners.