ENVIROMENTAL PROTECTION AGENCY

40 CFR Part 52

Approval and Promulgation of Implementation Plans; Tennessee; 110(a)(1) and (2) Infrastructure Requirements for the 1997 8-Hour Ozone National Ambient Air Quality Standards

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is proposing to approve in part, and conditionally approve in part, the State Implementation Plan (SIP) submission, submitted by the State of Tennessee, through the Tennessee Department of Environment and Conservation (TDEC), to demonstrate that the State meets the requirements of sections 110(a)(1) and (2) of the Clean Air Act (CAA or Act) for the 1997 8-hour ozone national ambient air quality standards (NAAQS). Section 110(a) of the CAA requires that each state adopt and submit a SIP for the implementation, maintenance, and enforcement of each NAAQS promulgated by the EPA, which is commonly referred to as an “infrastructure” SIP. TDEC certified that the Tennessee SIP contains provisions that ensure the 1997 8-hour ozone NAAQS are implemented, enforced, and maintained in Tennessee (hereafter referred to as “infrastructure submission”). EPA is proposing to conditionally approve sub-element 110(a)(2)(E)(ii) of Tennessee’s December 14, 2007, submission because the current Tennessee SIP does not include provisions to comply with the requirements of this sub-element. With the exception of sub-element 110(a)(2)(E)(ii), EPA is proposing to determine that Tennessee’s infrastructure submission, provided to EPA on December 14, 2007, addressed all the required infrastructure elements for the 1997 8-hour ozone NAAQS.

DATES: Written comments must be received on or before May 16, 2012.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R04–OAR–2011–0353, by one of the following methods:
1. www.regulations.gov: Follow the on-line instructions for submitting comments.
2. Email: benjamin.lynorae@epa.gov.
3. Fax: (404) 562–9019.
5. Hand Delivery or Courier: Lynorae Benjamin, Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW., Atlanta, Georgia 30303–8960. Such deliveries are only accepted during the Regional Office’s normal hours of operation. The Regional Office’s official hours of business are Monday through Friday, 8:30 to 4:30, excluding federal holidays.

INSTRUCTIONS: Direct your comments to Docket ID No. EPA–R04–OAR–2011–0353. EPA’s policy is that all comments received will be included in the public docket without change and may be made available online at www.regulations.gov, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit through www.regulations.gov or email, information that you consider to be CBI or otherwise protected. The www.regulations.gov Web site is an “anonymous access” system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to EPA without going through www.regulations.gov, your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses. For additional information about EPA’s public docket visit the EPA Docket Center homepage at http://www.epa.gov/epahome/dockets.htm.

Docket: All documents in the electronic docket are listed in the www.regulations.gov index. Although listed in the index, some information is not publicly available, i.e., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically in www.regulations.gov or in hard copy at the Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW., Atlanta, Georgia 30303–8960. EPA requests that if at all possible, you contact the person listed in the FOR FURTHER INFORMATION CONTACT section to schedule your inspection. The Regional Office’s official hours of business are Monday through Friday, 8:30 to 4:30, excluding federal holidays.

FOR FURTHER INFORMATION CONTACT: Nacosta C. Ward, Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW., Atlanta, Georgia 30303–8960. The telephone number is (404) 562–9140. Ms. Ward can be reached via electronic mail at ward.nacosta@epa.gov.

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I. Background

On July 18, 1997, EPA promulgated a new NAAQS for ozone based on 8-hour average concentrations. The 8-hour averaging period replaced the previous 1-hour averaging period, and the level of the NAAQS was changed from 0.12 parts per million (ppm) to 0.08 ppm. See 62 FR 38856. Pursuant to section 110(a)(1) of the CAA, states are required to submit SIPs meeting the requirements of section 110(a)(2) within three years after promulgation of a new or revised NAAQS. Section 110(a)(2) requires states to address basic SIP requirements, including emissions inventories, monitoring, and modeling to assure attainment and maintenance of the NAAQS. States were required to submit such SIPs for the 1997 8-hour ozone NAAQS to EPA no later than June 2000. However, intervening litigation over the 1997 8-hour ozone NAAQS created uncertainty about how to proceed and many states did not provide the required “infrastructure” SIP submission for these newly promulgated NAAQS.

On March 4, 2004, Earthjustice submitted a notice of intent to sue related to EPA’s failure to issue findings of failure to submit related to the “infrastructure” requirements for the 1997 8-hour ozone NAAQS. EPA entered into a consent decree with Earthjustice which required EPA, among other things, to complete a Federal Register notice announcing EPA’s determinations pursuant to section 110(k)(1)(B) as to whether each state had made complete submissions to meet the requirements of section 110(a)(2) for the 1997 8-hour ozone NAAQS by December 15, 2007. Subsequently, EPA received an extension of the date to complete this Federal Register notice until March 17, 2008, based upon agreement to make the findings with respect to submissions made by January 7, 2008. In accordance with the consent decree, EPA made completeness findings for each state based upon what the Agency received from each state as of January 7, 2008.

On March 27, 2008, EPA published a final rulemaking entitled “Completeness Findings for Section 110(a) State Implementation Plans; 8-Hour Ozone NAAQS,” making a finding that each state had submitted or failed to submit a complete SIP that provided the basic program elements of section 110(a)(2) necessary to implement the 1997 8-hour ozone NAAQS. See 73 FR 16205. For those states that did receive findings, such as Tennessee, the findings of failure to submit for all or a portion of a state’s implementation plan established a 24-month deadline for EPA to promulgate a Federal Implementation Plan (FIP) to address the outstanding SIP elements unless, prior to that time, the affected states submitted, and EPA approved, the required SIPs. However, the findings of failure to submit did not impose sanctions or set deadlines for imposing sanctions as described in section 179 of the CAA, because these findings do not pertain to the elements contained in the Title I part D plan for nonattainment areas as required under section 110(a)(2)(I).

Additionally, the findings of failure to submit for the infrastructure submittals are not a SIP call pursuant to section 110(k)(5).

The findings that all or portions of a state’s submission are complete established a 12-month deadline for EPA to take action upon the complete SIP elements in accordance with section 110(k). Tennessee’s infrastructure submission was received by EPA on December 14, 2007, and was determined to be complete on March 27, 2008, for all elements with the exception of 110(a)(2)(C) and (J). Tennessee was among other states that received a finding of failure to submit because its infrastructure submission was not complete for elements (C) and (J) for the 1997 8-hour ozone NAAQS by March 1, 2008. Tennessee has since met the completeness requirements for 110(a)(2)(C) and (J) and these infrastructure elements were federally approved on March 14, 2012. See 77 FR 14976.

Today’s action is proposing to approve in part, and conditionally approve in part, Tennessee’s infrastructure SIP for which EPA made the completeness determination on March 27, 2008. This action is not approving any specific rule, but rather proposing that Tennessee’s already approved SIP meets certain CAA requirements.

II. What elements are required under sections 110(a)(1) and (2)?

Section 110(a) of the CAA requires states to submit SIPs to provide for the implementation, maintenance, and enforcement of a new or revised NAAQS within three years following the promulgation of such NAAQS, or within such shorter period as EPA may prescribe. Section 110(a) imposes the obligation upon states to make a SIP submission to EPA for a new or revised NAAQS, but the contents of that submission may vary depending upon the facts and circumstances. In particular, the data and analytical tools available at the time the state develops and submits the SIP for a new or revised NAAQS affects the content of the submission. The contents of such SIP submissions may also vary depending upon what provisions the state’s existing SIP already contains. In the case of the 1997 8-hour ozone NAAQS, states typically have met the basic program elements required in section 110(a)(2) through earlier SIP submissions in connection with previous ozone NAAQS.

More specifically, section 110(a)(1) provides the procedural and timing requirements for SIPs. Section 110(a)(2) lists specific elements that states must meet for “infrastructure” SIP requirements related to a newly established or revised NAAQS. As mentioned above, the infrastructure requirements include SIP infrastructure elements such as modeling, monitoring, and emissions inventories that are designed to assure attainment and maintenance of the NAAQS. The requirements that are the subject of this proposed rulemaking are listed below and in EPA’s October 2, 2007, memorandum entitled “Guidance on SIP Elements Required Under Section 110(a)(1) and (2) for the 1997 8-Hour Ozone and PM2.5 National Ambient Air Quality Standards.”

- 110(a)(2)(B): Ambient air quality monitoring/data system.
- 110(a)(2)(C): Program for enforcement of control measures.

1 Two elements identified in section 110(a)(2) are not governed by the three year submission deadline of section 110(a)(1) because SIPs incorporating necessary local nonattainment area controls are not due within three years after promulgation of a new or revised NAAQS, but rather due at the time the nonattainment area plan requirements are due pursuant to section 172. These requirements are: (1) Submissions required by section 110(a)(2)(C) to the extent that subsection refers to a permit program as required in part D Title I of the CAA; and (2) submissions required by section 110(a)(2)(I) which pertain to the nonattainment planning requirements of part D, Title I of the CAA. Today’s proposed rulemaking does not address infrastructure elements related to section 110(a)(2)(I) or the nonattainment planning requirements of 110(a)(2)(C).

2 This rulemaking only addresses requirements for this element as they relate to attainment areas.

3 Today’s proposed rule does not address element 110(a)(2)(D)(II) (Interstate Transport) for the 1997 8-hour ozone NAAQS. Interstate transport
III. Scope of Infrastructure SIPs

EPA is currently acting upon SIPs that address the infrastructure requirements of CAA section 110(a)(1) and (2) for ozone and fine particulate matter (PM_{2.5}) NAAQS for various states across the country. Commenters on EPA’s recent proposals for some states raised concerns about EPA statements that it was not addressing certain substantive issues in the context of acting on those infrastructure SIP submissions. These Commenters specifically raised concerns involving provisions in existing SIPs and with EPA’s statements in other proposals that it would address two issues separately and not as part of actions on the infrastructure SIP submissions: (i) Existing provisions related to excess emissions during periods of start-up, shutdown, or malfunction (SSM) at sources, that may be contrary to the CAA and EPA’s policies addressing such excess emissions; and (ii) existing provisions related to “director’s variance” or “director’s discretion” that purport to permit revisions to SIP approved emissions limits with limited public process or without requiring further approval by EPA, that may be contrary to the CAA (director’s discretion). EPA notes that there are two other substantive issues for which EPA likewise stated in other proposals that it would address the issues separately: (i) Existing provisions for minor source new source review programs that may be inconsistent with the requirements of the CAA and EPA’s regulations that pertain to such programs (minor source NSR); and (ii) existing provisions for PSD programs that may be inconsistent with current requirements of EPA’s “Final NSR Improvement Rule,” 67 FR 80186 (December 31, 2002), as amended by 72 FR 32526 (June 13, 2007) (NSR Reform). In light of the comments, EPA believes that its statements in various proposed actions on infrastructure SIPs with respect to these four individual issues should be explained in greater detail. It is important to emphasize that EPA is taking the same position with respect to these four substantive issues in this action on the infrastructure SIPs for the 1997 8-hour ozone NAAQS from Tennessee.

EPA intended the statements in the other proposals concerning these four issues merely to be informational, and to provide general notice of the potential existence of provisions within the existing SIPs of some states that might require future corrective action. EPA did not want states, regulated entities, or members of the public to be under the misconception that the Agency’s approval of the infrastructure SIP submission for Tennessee consistent with the Clean Air Interstate Reform. In light of the comments, EPA notes that there are two other substantive issues for which EPA likewise stated in other proposals that it would address the issues separately: (i) Existing provisions for minor source new source review programs that may be inconsistent with the requirements of the CAA and EPA’s regulations that pertain to such programs (minor source NSR); and (ii) existing provisions for PSD programs that may be inconsistent with current requirements of EPA’s “Final NSR Improvement Rule,” 67 FR 80186 (December 31, 2002), as amended by 72 FR 32526 (June 13, 2007) (NSR Reform). In light of the comments, EPA believes that its statements in various proposed actions on infrastructure SIPs with respect to these four individual issues should be explained in greater detail. It is important to emphasize that EPA is taking the same position with respect to these four substantive issues in this action on the infrastructure SIPs for the 1997 8-hour ozone NAAQS from Tennessee.

EPA’s objective was to make clear that approval of an infrastructure SIP for these ozone and PM_{2.5} NAAQS should not be construed as explicit or implicit re-approval of any existing provisions that relate to these four substantive issues. EPA is reiterating that position in this action on the infrastructure SIP for Tennessee.

Unfortunately, the Commenters and others evidently interpreted these statements to mean that EPA considered action upon the SSM provisions and the other three substantive issues to be integral parts of acting on an infrastructure SIP submission, and therefore that EPA was merely postponing taking final action on the issues in the context of the infrastructure SIPs. This was not EPA’s intention. To the contrary, EPA only meant to convey its awareness of the potential for certain types of deficiencies in existing SIPs, and to prevent any misunderstanding that it was reapproving any such existing provisions. EPA’s intention was to convey its position that the statute does not require that infrastructure SIPs address these specific substantive issues in existing SIPs and that these issues may be dealt with separately, outside the context of acting on the infrastructure SIP submission of a state. To be clear, EPA did not mean to imply that it was not taking a full final agency action on the infrastructure SIP submission with respect to any substantive issue that EPA considers to be a required part of acting on such submissions under section 110(k) or under section 110(c). Given the confusion evidently resulting from EPA’s statements in those other proposals, however, we want to explain more fully the Agency’s reasons for concluding that these four potential substantive issues in existing SIPs may be addressed separately from actions on infrastructure SIP submissions.

The requirement for the SIP submissions at issue arises out of CAA section 110(a)(1). That provision requires that states must make a SIP submission “within 3 years (or such shorter period as the Administrator may prescribe) after the promulgation of a national primary ambient air quality standard (or any revision thereof)” and that these SIPs are to provide for the “implementation, maintenance, and enforcement” of such NAAQS. Section 110(a)(2) includes a list of specific elements that “[e]ach such plan” submission must meet. EPA has historically referred to these particular submissions that state must make after the promulgation of a new or revised NAAQS as “infrastructure SIPs.” This
specific term does not appear in the statute, but EPA uses the term to distinguish this particular type of SIP submission designed to address basic structural requirements of a SIP from other types of SIP submissions designed to address other different requirements, such as “nonattainment SIP” submissions required to address the nonattainment planning requirements of part D, “regional haze SIP” submissions required to address the visibility protection requirements of CAA section 169A, NSR permitting program submissions required to address the requirements of part D, and a host of other specific types of SIP submissions that address other specific matters.

Although section 110(a)(1) addresses the timing and general requirements for these infrastructure SIPs, and section 110(a)(2) provides more details concerning the required contents of these infrastructure SIPs, EPA believes that many of the specific statutory provisions are facially ambiguous. In particular, the list of required elements provided in section 110(a)(2) contains a wide variety of disparate provisions, some of which pertain to required legal authority, some of which pertain to required substantive provisions, and some of which pertain to requirements for both authority and substantive provisions. Some of the elements of section 110(a)(2) are relatively straightforward, but others clearly require interpretation by EPA through rulemaking, or recommendations through guidance, in order to give specific meaning for a particular NAAQS. 

Notwithstanding that section 110(a)(2) provides that “each” SIP submission must meet the list of requirements therein, EPA has long noted that this literal reading of the statute is internally inconsistent, insofar as section 110(a)(2)(I) pertains to nonattainment SIP requirements that could not be met on the schedule provided for these SIP submissions in section 110(a)(1). This illustrates that EPA must determine which provisions of section 110(a)(2) may be applicable for a given infrastructure SIP submission. Similarly, EPA has previously decided that it could take action on different parts of the larger, general “infrastructure SIP” for a given NAAQS without concurrent action on all subsections, such as section 110(a)(2)(D)(i), because the Agency bifurcated the action on these latter “interstate transport” provisions within section 110(a)(2) and worked with states to address each of the four prongs of section 110(a)(2)(D)(i) with substantive administrative actions proceeding on different tracks with different schedules. This illustrates that EPA may conclude that subdividing the applicable requirements of section 110(a)(2) into separate SIP actions may sometimes be appropriate for a given NAAQS where a specific substantive action is necessitated, beyond a mere submission addressing basic structural aspects of the state’s implementation plans. Finally, EPA notes that not every element of section 110(a)(2) would be relevant, or as relevant, or relevant in the same way, for each new or revised NAAQS and the attendant infrastructure SIP submission for that NAAQS. For example, the monitoring requirements that might be necessary for purposes of section 110(a)(2)(B) for one NAAQS could be very different than what might be necessary for a different pollutant. Thus, the content of an infrastructure SIP submission to meet this element from a state might be very different for an entirely new NAAQS, versus a minor revision to an existing NAAQS.

Similarly, EPA notes that other types of SIP submissions required under the statute also must meet the requirements of section 110(a)(2), and this also demonstrates the need to identify the applicable elements for other SIP submissions. For example, nonattainment SIPs required by part D likewise have to meet the relevant subsections of section 110(a)(2) such as section 110(a)(2)(A) or (E). By contrast, it is clear that nonattainment SIPs would not need to meet the portion of section 110(a)(2)(C) that pertains to part C, i.e., the PSD requirements applicable in attainment areas. Nonattainment SIPs required by part D also would not need to address the requirements of section 110(a)(2)(G) with respect to emergency episodic sources, as such requirements would not be limited to nonattainment areas. As this example illustrates, each type of SIP submission may implicate some subsections of section 110(a)(2) and not others.

Given the potential for ambiguity of the statutory language of section 110(a)(1) and (2), EPA believes that it is appropriate for EPA to interpret that language in the context of acting on the infrastructure SIPs for a given NAAQS. Because of the inherent ambiguity of the list of requirements in section 110(a)(2), EPA has adopted an approach in which it reviews infrastructure SIPs against this list of elements “as applicable.” In other words, EPA assumes that Congress could not have intended that each and every SIP submission, regardless of the purpose of the submission or the NAAQS in question, would meet each of the requirements, or meet each of them in the same way. EPA elected to use guidance to make recommendations for infrastructure SIPs for these ozone and PM 2.5 NAAQS.

On October 2, 2007, EPA issued guidance making recommendations for the infrastructure SIP submissions for both the 1997 8-hour ozone NAAQS and the 1997 PM 2.5 NAAQS. Within this guidance document, EPA described the duty of states to make these submissions to meet what the Agency characterized as the “infrastructure” elements for SIPs, which it further described as the “basic SIP requirements, including emissions inventories, monitoring, and modeling to assure attainment and maintenance of the standards.” As further identification of these basic structural SIP requirements, “attachment A” to the guidance document included a short description of the various elements of section 110(a)(2) and additional information.
about the types of issues that EPA considered germane in the context of such infrastructure SIPs. EPA emphasized that the description of the basic requirements listed on attachment A was not intended “to constitute an interpretation of” the requirements, and was merely a “brief description of the required elements.” 13 EPA also stated its belief that with one exception, these requirements were “relatively self-explanatory, and past experience with SIPs for other NAAQS should enable States to meet these requirements with assistance from EPA Regions.” 14 However, for the one exception to that general assumption (i.e., how states should proceed with respect to the requirements of section 110(a)(2)(G) for the 1997 PM₂.₅ NAAQS), EPA gave much more specific recommendations. But for other infrastructure SIP submittals, and for certain elements of the submittals for the 1997 PM₂.₅ NAAQS, EPA assumed that each State would work with its corresponding EPA regional office to refine the scope of a State’s submittal based on an assessment of how the requirements of section 110(a)(2) should reasonably apply to the basic structure of the State’s implementation plans for the NAAQS in question.

On September 25, 2009, EPA issued guidance to make recommendations to states with respect to the infrastructure SIPs for the 2006 PM₂.₅ NAAQS. 15 In the 2009 Guidance, EPA addressed a number of additional issues that were not germane to the infrastructure SIPs for the 1997 6-hour ozone and 1997 PM₂.₅ NAAQS, but were germane to these SIP submissions for the 2006 PM₂.₅ NAAQS (e.g., the requirements of section 110(a)(2)(D)(i) that EPA had bifurcated from the other infrastructure elements for those specific 1997 ozone and PM₂.₅ NAAQS). Significantly, neither the 2007 Guidance nor the 2009 Guidance explicitly referred to the SSM, director’s discretion, minor source NSR, or NSR Reform issues as among specific substantive issues EPA expected states to address in the context of the infrastructure SIPs, nor did EPA give any more specific recommendations with respect to how states might address such issues even if they elected to do so. The SSM and director’s discretion issues implicate section 110(a)(2)(A), and the minor source NSR and NSR Reform issues implicate section 110(a)(2)(C). In the 2007 Guidance and the 2009 Guidance, however, EPA did not indicate to states that it intended to interpret these provisions as requiring a substantive submission to address these specific issues in existing SIP provisions in the context of the infrastructure SIPs for these NAAQS. Instead, EPA’s 2007 Guidance merely indicated its belief that the states should make submissions in which they established that they have the basic SIP structure necessary to implement, maintain, and enforce the NAAQS. EPA believes that states can establish that they have the basic SIP structure, notwithstanding that there may be potential deficiencies within the existing SIP. Thus, EPA’s proposals for other states mentioned these issues not because the Agency considers them issues that must be addressed in the context of an infrastructure SIP as required by section 110(a)(1) and (2), but rather because EPA wanted to be clear that it considers these potential existing SIP problems as separate from the pending infrastructure SIP actions. The same holds true for this action on the infrastructure SIPs for Tennessee.

EPA believes that this approach to the infrastructure SIP requirement is reasonable because it would not be feasible to read section 110(a)(1) and (2) to require a top to bottom, stem to stern, review of each and every provision of an existing SIP merely for purposes of assuring that the state in question has the basic structural elements for a functioning SIP for a new or revised NAAQS. Because SIPs have grown by accretion over the decades as statutory and regulatory requirements under the CAA have evolved, they may include some outdated provisions and historical artifacts that, while not fully up to date, nevertheless may not pose a significant problem for the purposes of “implementation, maintenance, and enforcement” of a new or revised NAAQS when EPA considers the overall effectiveness of the SIP. To the contrary, EPA believes that a better approach is for EPA to determine which specific SIP elements from section 110(a)(2) are applicable to an infrastructure SIP for a given NAAQS, and to focus attention on those elements that are most likely to need a specific SIP revision in light of the new or revised NAAQS. Thus, for example, EPA’s 2007 Guidance specifically directed states to focus on the requirements of section 110(a)(2)(G) for the 1997 PM₂.₅ NAAQS because of the absence of underlying EPA regulations for emergency episodes for this NAAQS and an anticipated absence of relevant provisions in existing SIPs.

Finally, EPA believes that its approach is a reasonable reading of section 110(a)(1) and (2) because the statute provides other avenues and mechanisms to address specific substantive deficiencies in existing SIPs. These other statutory tools allow the Agency to take appropriate tailored action, depending upon the nature and severity of the alleged SIP deficiency. Section 110(k)(5) authorizes EPA to issue a “SIP call” whenever the Agency determines that a state’s SIP is substantially inadequate to attain or maintain the NAAQS, to mitigate interstate transport, or otherwise to comply with the CAA. 16 Section 110(k)(6) authorizes EPA to correct errors in past actions, such as past approvals of SIP submissions. 17 Significantly, EPA’s determination that an action on the infrastructure SIP is not the appropriate time and place to address all potential existing SIP problems does not preclude the Agency’s subsequent reliance on provisions in section 110(a)(2) as part of the basis for action at a later time. For example, although it may not be appropriate to require a state to eliminate all existing inappropriate director’s discretion provisions in the course of acting on the infrastructure SIP, EPA believes that section 110(a)(2)(A) may be among the statutory bases that the Agency cites in the course of addressing the issue in a subsequent action. 18

13 Id., at attachment A, page 1.
14 Id., at page 4. In retrospect, the concerns raised by the Commenters with respect to EPA’s approach to some substantive issues indicates that the statute is not so “self-explanatory,” and indeed is sufficiently ambiguous that EPA needs to interpret it in order to explain why these substantive issues do not need to be addressed in the context of infrastructure SIPs and may be addressed at other times and by other means.
15 See “Guidance on SIP Elements Required Under Sections 110(a)(1) and (2) for the 2006 24-Hour Fine Particle (PM₂.₅) National Ambient Air Quality Standards (NAAQS),” from William T. Harnett, Director Air Quality Policy Division, to Regional Air Division Directors, Regions I-X, dated September 25, 2009 (the “2009 Guidance”).
16 EPA has recently issued a SIP call to rectify a specific SIP deficiency related to the SSO issue. See “Finding of Substantial Inadequacy of Implementation Plan; Call for Utah State Implementation Plan Revision,” 76 FR 21639 (April 18, 2011).
17 EPA has recently utilized this authority to correct errors in past actions on SIP submissions related to PSD programs. See “Limitation of Approval of Prevention of Significant Deterioration Provisions Concerning Greenhouse Gas Emission Sources in State Implementation Plans; Final Rule,” 75 FR 82536 (December 30, 2010). EPA has previously used its authority under CAA 110(k)(6) to remove numerous other SIP provisions that the Agency determined it had approved in error. See 61 FR 38664 (July 25, 1996) and 62 FR 34641 (June 27, 1997) (corrections to California SIP); 62 FR 34755 (June 27, 1997) (corrections to American Samoa, Arizona, California, Hawaii, and Nevada SIPs); 69 FR 67602 (November 16, 2004) (corrections to California SIP); and 74 FR 57051 (November 3, 2009) (corrections to Arizona and Nevada SIPs).
18 EPA has recently disapproved a SIP submission from Colorado on the grounds that it would have included a director’s discretion provision inconsistent with CAA requirements, including section 110(a)(2)(A). See 75 FR 42342, 42344 (July 15, 2010).
IV. What is EPA’s analysis of how Tennessee addressed the elements of sections 110(a)(1) and (2) “infrastructure” provisions?

The Tennessee infrastructure submission addresses the provisions of sections 110(a)(1) and (2) as described below.

1. 110(a)(2)[A]: Emission limits and other control measures: Several regulations within Tennessee’s SIP provide Tennessee Air Pollution Control Regulations relevant to air quality control regulations. The regulations described below have been federally approved in the Tennessee SIP and include enforceable emission limitations and other control measures.

   - Chapters 1200–3–1, General Provisions; 1200–3–3, Air Quality Standards; 1200–3–4, Open Burning; 1200–3–18, Volatile Organic Compounds; and 1200–3–27, Nitrogen Oxides, of the Tennessee SIP establish emission limits for ozone and address the required control measures, means, and techniques for compliance with the ozone NAAQS. EPA has made the preliminary determination that the provisions contained in these chapters and Tennessee’s practices are adequate to protect the 1997 8-hour ozone NAAQS in the State.

   - In this action, EPA is not proposing to approve or disapprove any existing State provisions with regard to excess emissions during SSM of operations at a facility. EPA believes that a number of states have SSM provisions which are contrary to the CAA and existing EPA guidance. “State Implementation Plans: Policy Regarding Excess Emissions During Malfunctions, Startup, and Shutdown” (September 20, 1999), and the Agency plans to address such state regulations in the future. The Agency encourages a state having a deficient SSM provision to take steps to correct it as soon as possible.

   - Additionally, in this action, EPA is not proposing to approve or disapprove any existing State rules with regard to director’s discretion or variance provisions. EPA believes that a number of states have such provisions which are contrary to the CAA and existing EPA guidance (52 FR 45109 (November 24, 1987)), and the Agency plans to take action in the future to address such state regulations. The Agency encourages any state having a director’s discretion or variance provision which is contrary to the CAA and EPA guidance to take steps to correct the deficiency as soon as possible.

2. 110(a)(2)[B] Ambient air quality monitoring/data system: Tennessee’s Air Pollution Control Requirements, Chapter 1200–3–12, Procedures for Ambient Sampling and Analysis, of the Tennessee SIP, along with the Tennessee Network Description and Ambient Air Monitoring Network Plan, provide for an ambient air quality monitoring system in the State.

   - Annually, EPA approves the ambient air monitoring network plan for the State agencies. On July 1, 2011, Tennessee submitted its plan to EPA. On October 24, 2011, EPA approved Tennessee’s monitoring network plan. Tennessee’s approved monitoring network plan can be accessed at www.regulations.gov using Docket ID No. EPA–R04–OAR–2011–0353. EPA has made the preliminary determination that Tennessee’s SIP and practices are adequate for the ambient air quality monitoring and data system related to the 1997 8-hour ozone NAAQS.

3. 110(a)(2)[D][ii] Interstate and International transport provisions: Chapter 9–155, Growth Policy, of the Tennessee SIP outlines how the State will notify neighboring states of potential impacts from new or modified sources. Tennessee does not have any pending obligation under sections 115 and 126 of the CAA. Additionally, Tennessee has federally approved regulations in its SIP that satisfy the requirements for the NOx SIP Call. See 70 FR 76408 (December 27, 2005). EPA has made the preliminary determination that Tennessee’s SIP practices are adequate for inventory compliance with the applicable requirements relating to interstate and international pollution abatement for the 1997 8-hour ozone NAAQS.

4. 110(a)(2)[E] Adequate resources: EPA is proposing two separate actions with respect to the sub-elements required pursuant to section 110(a)(2)[E]. Section 110(a)(2)[E] requires that each implementation plan provide (i) necessary assurances that the State will have adequate personnel, funding, and authority under state law to carry out its implementation plan, (ii) that the State comply with the requirements respecting State Boards pursuant to section 128 of the Act, and (iii) necessary assurances that, where the State has relied on a local or regional government, agency, or instrumentality for the implementation of any plan provision, the State has responsibility for ensuring adequate implementation of such plan provisions.

   - With the remainder of the infrastructure elements addressed by this notice, EPA is proposing to approve Tennessee’s SIP as meeting the requirements of sub-elements 110(a)(2)[E][i] and (iii). With respect to sub-element 110(a)(2)[E][ii] (regarding state boards), EPA is proposing to approve in part, and conditionally approve in part, this sub-element. EPA’s rationale for today’s proposals respecting each sub-element is described in turn below.

   - In support of EPA’s proposal to approve sub-elements 110(a)(2)[E][i] and (iii), EPA notes that TDEC, through the Tennessee Air Pollution Control Board, is responsible for promulgating rules and regulations for the NAAQS, emissions standards general policies, a system of permits, fee schedules for the review of plans, and other planning needs. As evidence of the adequacy of TDEC’s resources with respect to sub-elements (i) and (iii), EPA submitted a letter to Tennessee on March 11, 2011, outlining 105 grant commitments and current status of these commitments for fiscal year 2010. The letter EPA submitted to Tennessee can be accessed at www.regulations.gov using Docket ID No. EPA–R04–OAR–2011–0353. Annually, states update these grant commitments based on current SIP requirements, air quality planning, and applicable requirements related to the NAAQS. There were no outstanding issues for fiscal year 2009, therefore, Tennessee’s grants were finalized and closed out. EPA has made the preliminary determination that Tennessee has adequate resources for implementation of the 1997 8-hour ozone NAAQS.

   - With respect to sub-element 110(a)(2)[E][ii], EPA is proposing to approve in part, and to conditionally approve in part, Tennessee’s infrastructure SIP as to this requirement. Section 110(a)(2)[E][ii] provides that infrastructure SIPs must require compliance with section 128 of CAA requirements respecting State boards. Section 128, in turn, provides at subsection (a)(1) that each SIP shall require that any board or body which approves permits or enforcement orders shall be subject to the described public interest and income restrictions therein. Subsection 128(a)(2) requires that any board or body, or the head of an executive agency with similar power to approve permits or enforcement orders under the CAA, shall also be subject to conflict of interest disclosure requirements. In this action, EPA is proposing to conditionally approve Tennessee’s infrastructure SIP for element 110(a)(2)[E][ii] with respect to the applicable section 128(a)(1) requirements, and to approve Tennessee’s infrastructure SIP for element 110(a)(2)[E][ii] with respect the
applicable section 128(a)(2) requirements.

EPA’s proposed conditional approval of this sub-element 110(a)(2)(E)(ii) respecting the 128(a)(1) requirements is based upon a TDEC letter to EPA, dated March 28, 2012, which outlined TDEC’s commitment to adopt specific enforceable measures into its SIP within one year to address the applicable portions of section 128(a)(1). The March 28, 2012, letter from TDEC to EPA can be accessed at www.regulations.gov using docket ID No. EPA–R04–OAR–2011–0353.

In Tennessee’s March 28, 2012, commitment letter, TDEC committed to bring its SIP into conformity with section 128(a)(1) of the CAA by submitting SIP revisions that designate at least a majority of the positions on the State’s Air Pollution Control Board as at least a majority of the members on the State’s Air Pollution Control Board as being subject to the “public interest” requirement. In addition, TDEC has committed to submitting SIP revisions establishing requirements to ensure that at least a majority of the members on the State’s Air Pollution Control Board do not derive any significant portion of their income from persons subject to permits or enforcement orders. In the March 28, 2012 commitment letter, TDEC describes that its planned restrictions related to the “significant portion of income” requirements of section 128 will include an exclusion for the official salaries of mayors of counties and municipalities, and for faculty members at institutions of higher learning.

In accordance with section 110(k)(4) of the CAA, the commitment from Tennessee must provide that the State will adopt the specified enforceable provisions and submit a revision to EPA for approval within one year from EPA’s final conditional approval action. In its March 28, 2012, letter, TDEC committed to adopt the above-specified enforceable provisions and submit them to EPA for incorporation into the SIP by no later than one year from the effective date of EPA’s final conditional approval action for this requirement. Failure by the State to adopt these provisions and submit them to EPA for incorporation into the SIP within one year from the effective date of EPA’s final conditional approval action would result in this proposed conditional approval being treated as a disapproval. Should that occur, EPA would provide the public with notice of such a disapproval in the Federal Register.

As a result of Tennessee’s formal commitment to correct deficiencies contained in the Tennessee SIP pertaining to section 128, EPA intends to move forward with finalizing the conditional approval of 110(a)(2)(E)(ii) with respect to the section 128(a)(1) requirements consistent with section 110(k)(4) of the Act. With respect to the remaining sub-elements of 110(a)(2)(E), EPA is proposing to approve these portions of Tennessee’s infrastructure SIP. As such, EPA has made the preliminary determination that Tennessee has adequate resources for implementation of the 1997 8-hour ozone NAAQS.

5. 110(a)(2)(F) Stationary source monitoring system: Tennessee’s infrastructure submission describes how to establish requirements for compliance testing by emissions sampling and analysis, and for emissions and operation monitoring to ensure the quality of data in the State. TDEC uses these data to track progress towards maintaining the NAAQS, develop control and maintenance strategies, identify sources and general emission levels, and determine compliance with emission regulations and additional EPA requirements. These requirements are provided in Chapter 1200–3–10, Required Sampling, Recording and Reporting, of the Tennessee SIP.

Additionally, Tennessee is required to submit emissions data to EPA for purposes of the National Emissions Inventory (NEI). The NEI is EPA’s central repository for air emissions data. EPA published the Air Emissions Reporting Rule (AERR) on December 5, 2008, which modified the requirements for collecting and reporting air emissions data (73 FR 76539). The AERR shortened the time states had to report emissions data from 17 to 12 months, giving states one calendar year to submit emissions data. All states are required to submit a comprehensive emissions inventory every three years and report emissions for certain larger sources annually through EPA’s online Emissions Inventory System (EIS).

States report emissions data for the six criteria pollutants and their associated precursors—NOX, sulfur dioxide, ammonia, lead, carbon monoxide, particulate matter, and volatile organic compounds (VOCs). Many states also voluntarily report emissions of hazardous air pollutants. Tennessee made its latest update to the NEI on December 31, 2011. EPA compiles the emissions data, supplementing it where necessary, and releases it to the general public through the Web site http://www.epa.gov/ttn/chief/ einformation.html. EPA has made the preliminary determination that Tennessee’s SIP and practices are adequate for the stationary source monitoring systems related to the 1997 8-hour ozone NAAQS.

6. 110(a)(2)(G) Emergency power: Chapter 1200–3–15, Emergency Episode Requirements, of the Tennessee SIP identifies air pollution emergency episodes and preplanned abatement strategies. These criteria have previously been approved by EPA. EPA has made the preliminary determination that Tennessee’s SIP and practices are adequate for emergency powers related to the 1997 8-hour ozone NAAQS.

7. 110(a)(2)(H) Future SIP revisions: As previously discussed, TDEC is responsible for adopting air quality rules and revising SIPs as needed to attain or maintain the NAAQS. Tennessee has the ability and authority to respond to calls for SIP revisions, and has provided a number of SIP revisions over the years for implementation of the NAAQS. Specific to the 1997 8-hour ozone NAAQS, Tennessee has provided the following submissions, including:

• August 10, 2005, SIP Revision—(EPA approval, 70 FR 55559, September 22, 2005) Redesignation of the Montgomery County portion of the Clarksville–Hopkinsville, KY–KY 8-hour Ozone Area;
• February 26, 2009, SIP Revision—(EPA approval, 75 FR 56, January 4, 2010) Redesignation of the Memphis, TN 8-hour Ozone Area;
• July 14, 2010, SIP Revision—(EPA approval, 76 FR 12587, March 8, 2011) Redesignation of the Knoxville, TN 8-hour Ozone Area; and,

Tennessee has no areas designated as nonattainment for the 1997 8-hour ozone NAAQS. EPA has made the preliminary determination that Tennessee’s SIP and practices adequately demonstrate a commitment to provide future SIP revisions related to the 1997 8-hour ozone NAAQS when necessary.

8. 110(a)(2)(K) Air quality and modeling/data: Chapter 1200–3–9—(K), Air Quality Models, of the Tennessee SIP specify that required air modeling be conducted in accordance

19 The composition of Tennessee’s Air Pollution Control Board is statutorily prescribed at Tennessee Code Annotated 68–201–104.

20 EPA notes that pursuant to section 110(k)(4), a conditional approval is treated as a disapproval in the event that a State fails to comply with its commitment. Notification of this disapproval action in the Federal Register is not subject to public notice and comment.
with 40 CFR Part 51, Appendix W “Guideline on Air Quality Models,” as incorporated into the Tennessee SIP. These standards demonstrate that Tennessee has the authority to provide relevant data for the purpose of predicting the effect on ambient air quality of the 8-hour ozone NAAQS. Additionally, Tennessee supports a regional effort to coordinate the development of emissions inventories and conduct regional modeling for several NAAQS, including the 1997 8-hour ozone NAAQS, for the Southeastern states. Taken as a whole, Tennessee’s air quality regulations and practices demonstrate that TDEC has the authority to provide relevant data for the purpose of predicting the effect on ambient air quality of the 8-hour ozone NAAQS. EPA has made the preliminary determination that Tennessee’s SIP and practices adequately demonstrate the State’s ability to provide for air quality and modeling, along with analysis of the associated data, related to the 1997 8-hour ozone NAAQS when necessary.

8. 110(a)(2)(E)(ii) Permitting fees: As discussed above, Tennessee’s SIP provides for the review of construction permits. Permitting fees in Tennessee are collected through the State’s federally-approved title V fees program and conduct regional modeling for several NAAQS, including the 1997 8-hour ozone NAAQS when necessary.

9. 110(a)(2)(E)(ii) Permitting fees: As discussed above, Tennessee’s SIP provides for the review of construction permits. Permitting fees in Tennessee are collected through the State’s federally-approved title V fees program and conduct regional modeling for several NAAQS, including the 1997 8-hour ozone NAAQS when necessary.

As described above, with the exception of sub-element 110(a)(2)(E)(ii), TDEC has addressed the elements of the CAA 110(a)(1) and (2) SIP requirements pursuant to EPA’s October 2, 2007, guidance to ensure that the 1997 8-hour ozone NAAQS are implemented, enforced, and maintained in Tennessee. With respect to 110(a)(2)(E)(ii) (referencing section 128 of the CAA), EPA is proposing to conditionally approve Tennessee’s infrastructure SIP. On March 28, 2012, Tennessee submitted a letter requesting conditional approval of 110(a)(2)(E)(ii). In this letter, TDEC committed to adopt specific enforceable measures into its SIP and submit these revisions to EPA within one year of EPA’s final rulemaking to address the applicable portions of section 128. EPA is also proposing to approve Tennessee’s infrastructure submission for the 1997 8-hour ozone NAAQS, with the exception of sub-element 110(a)(2)(E)(ii) because its December 14, 2007, submission is consistent with section 110 of the CAA.

VI. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable federal regulations. See 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this proposed action merely approves state law as meeting federal requirements and does not impose additional requirements beyond those imposed by state law. For these reasons, this proposed action:

• Is not a “significant regulatory action” subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
• Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.);
• Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.);
• Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
• Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
• Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997); and
• Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
• Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
• Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this proposed rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country located in the State, and EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Intergovernmental relations, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

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


A. Stanley Meiburg,
Acting Regional Administrator, Region 4.

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52


Approval and Promulgation of State Implementation Plan Revisions; Infrastructure Requirements for the 1997 8-Hour Ozone National Ambient Air Quality Standards; North Dakota

AGENCY: Environmental Protection Agency (EPA).