

List of Subjects in 30 CFR Part 256

Administrative practice and procedures, Continental shelf, Environmental Protection, Government contracts, Mineral royalties, Oil and gas exploration, Pipelines, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Surety bonds.

Dated: October 21, 1996.

Sylvia V. Baca,

Deputy Assistant Secretary, Land and Minerals Management.

For the reasons set forth in the preamble, the Minerals Management Service amends 30 CFR part 256 as follows:

PART 256—LEASING OF SULPHUR OR OIL OR GAS IN THE OUTER CONTINENTAL SHELF

1. The authority citation for part 256 continues to read as follows:

Authority: 43 U.S.C. 1331 *et seq.*

2. In § 256.37, the concluding text of paragraph (a) is removed, paragraph (a)(2) is revised, and paragraph (a)(3) is added to read as follows:

§ 256.37 Lease Term.

(a) (1) * * *

(2) If your oil and gas lease is in water depths between 400 and 800 meters, it will have an initial lease term of 8 years unless MMS establishes a different lease term under paragraph (a)(1) of this section.

(3) For leases issued with an initial term of 8 years, you must begin an exploratory well within the first 5 years of the term to avoid lease cancellation.

* * * * *

[FR Doc. 96-27782 Filed 10-29-96; 8:45 am]

BILLING CODE 4310-MR-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[IN65-1-7288a; FRL-5613-4]

Approval and Promulgation of Implementation Plans; Indiana

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: On November 21, 1995, and February 14, 1996 the State of Indiana submitted a State Implementation Plan (SIP) revision request to the Environmental Protection Agency (EPA) establishing regulations for wood furniture coating operations in Clark,

Floyd, Lake, and Porter Counties, as part of Clark and Floyd Counties' 15 percent (%) Rate-of-Progress (ROP) plan control measures for Volatile Organic Compound (VOC) emissions, and the State's requirement to develop post-1990 Control Techniques Guidelines (CTG) Reasonably Available Control Technology (RACT) rules for the four counties. These regulations require wood furniture coating facilities which have the potential to emit at least 25 tons of VOC per year to use coatings which meet a certain VOC content limit or add on controls that are capable of achieving an equivalent reduction. The rule also specifies work practices and training requirements that must be implemented for the wood working operations. Indiana expects that this rule will reduce VOC emissions by approximately 2,445 pounds per day in Clark and Floyd Counties. No wood furniture coating operations have been identified in Lake or Porter Counties at this time.

DATES: This action is effective on December 30, 1996, unless EPA receives adverse or critical comments by November 29, 1996. If the effective date is delayed, timely notification will be published in the Federal Register.

ADDRESSES: Copies of the revision request are available for inspection at the following address: Environmental Protection Agency, Region 5, Air and Radiation Division, Air Programs Branch, 77 West Jackson Boulevard, Chicago, Illinois 60604. (It is recommended that you telephone Francisco J. Acevedo at (312) 886-6082 before visiting the Region 5 Office.)

Written comments should be sent to: J. Elmer Bortzer, Chief, Regulation Development Section, Air Programs Branch (AR-18J), Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.

FOR FURTHER INFORMATION CONTACT: Francisco J. Acevedo at (312) 886-6061.

SUPPLEMENTARY INFORMATION:

I. Background

Section 182(b)(1) of the Clean Air Act (the Act) requires all ozone nonattainment areas which are classified as "moderate" or worse to achieve a 15% reduction of 1990 emissions of VOC by 1996. In Indiana, Lake and Porter Counties are classified as "severe" nonattainment for ozone, while Clark and Floyd Counties are classified as "moderate" nonattainment. As such, these areas are subject to the 15% ROP requirement. Section 182(b)(2)(A) of the Act further requires States with moderate or worse ozone nonattainment areas to submit a SIP

revision establishing RACT requirements for each source category covered by a CTG issued by EPA between November 15, 1990, and the date of area attainment. Under this provision, the State must submit these SIP revisions within the period established in the relevant CTG document. Section 183 of the Act required that EPA publish CTG documents for thirteen source categories not already covered by a CTG by November 15, 1993.

On April 28, 1992, the EPA published a supplement to the General Preamble for the Implementation of Title I of the 1990 Amendments to the Act (57 FR 18069), which listed 13 source categories to be covered by a post-enactment CTG document. One of these source categories is wood furniture coating. This supplemental document also noted that the EPA would not be able to publish all CTGs required by the Act by the November 15, 1993 deadline, and therefore states may delay adoption of RACT rules for forthcoming CTG source categories. However, it specifies that if the CTGs are not completed on time, the states are to develop and submit RACT rules for these categories by November 15, 1994. After an extensive regulatory negotiation with industry, EPA issued a draft CTG for wood furniture coating in August, 1995 which was released on May 20, 1996 as a final CTG. As part of the final CTG, a model rule for wood furniture finishing and cleaning operations was also released.

The emission points covered in the CTG are the finishing, cleaning, and washoff operations. The finishing operation includes the finishing application area, flashoff areas, curing ovens, and assorted cooldown zones. Emissions can occur throughout the entire finishing operation. Finishing operation-related cleaning includes application equipment cleanup, process equipment cleaning, and spray booth cleaning. Cleaning operations occur primarily in the application area, though miscellaneous cleaning operations may occur along any part of the finishing operation. Washoff operations are also covered by the model rule. Washoff includes the removal of finishing material from a piece of furniture that does not meet specifications.

The selected RACT contains two elements: emission standards limiting the VOC content of coatings and work practice standards. The VOC content should be calculated as applied to account for in-house dilution of coatings purchased from an outside source. To incorporate some flexibility, the model

rule allows sources to use either an averaging approach or add-on air pollution control equipment to meet the RACT requirements. To use an add-on control device, the source must demonstrate, through the use of a series of calculations, that the source is achieving an emission reduction equivalent to that achieved by sources using compliant coatings.

Sources using an averaging approach must demonstrate that their emissions are no greater than 90 percent of the emissions that would result from the use of compliant coatings. Section B.4(a)(4) of the model rule provides guidance on how to determine if the source is achieving the required emission reduction. The model rule contains extensive guidance for states which decide to allow averaging as a method of demonstrating compliance. However, states have the option of not incorporating an averaging mechanism into their rules. States may also place limitations on the averaging program if they wish to do so. For example, a state may limit averaging to facilities of a certain size, limit the number of coatings subject to averaging, or limit the amount of time a source could use averaging in anticipation that, in the future, compliant coatings may be available for every situation.

The baseline for each finishing material included in the averaging program shall be the lower of the actual or allowable emission rate as of the effective date of the State's RACT rule. For example, assuming a limit of 0.8 lb VOC/lb solids, if a source is already using a 0.3 lb VOC/lb solids topcoat, it is not entitled to any sort of credit for the 0.5 lb VOC/lb solids difference. Methods used in determining the usage of each finishing material shall be accurate enough to ensure that the affected source's actual emissions are less than the allowable emissions.

On May 3, 1995, the Indiana Air Pollution Control Board (IAPCB) adopted the Wood Furniture Coatings rule. Public hearings on the rule were held on March 1, 1995, and May 3, 1995, in Indianapolis, Indiana. The rule was signed by the Secretary of State on December 5, 1995, and became effective on January 4, 1996; it was published in the Indiana Register on February 1, 1996. Indiana Department of Environmental Management (IDEM) formally submitted the Wood Furniture Coatings rule to EPA on November 21, 1995, as a revision to the Indiana SIP for ozone; supplemental documentation to this revision was submitted on February 14, 1996. EPA made a finding of completeness in a letter dated February 23, 1996.

II. Analysis of State Submittal

The submittals include the following new or revised rules:

326 *Indiana Air Code (IAC) 8-11 Wood Furniture Coatings*

In order to determine the approvability of the Indiana Wood Furniture Coating SIP revision, the State rule was reviewed for enforceability and consistency with the model rule found in the draft and final CTG for Wood Furniture Coating. A discussion of the rule and EPA's analysis follows:

8-11-1 *Applicability*

This section establishes which facilities are subject to the Indiana wood furniture coating rules. Subject facilities include all sources in Clark, Floyd, Lake, and Porter Counties which have the potential to emit at least 25 tons of VOC per year and are classified under any of the following Standard Industrial Classification (SIC) codes: 2434 (wood cabinets), 2511 (wood household furniture, including tables, beds, chairs, and upholstered sofas), 2512 (upholstered wood household furniture), 2517 (wood television, radios, phonographs, and sewing machine cabinets), 2519 (household furniture, not elsewhere classified), 2521 (wood office furniture), 2531 (public building and related furniture), 2541 (wood office and store fixtures, partitions, shelving, and lockers), 2599 (furniture and fixtures and any other coated furnishings made of solid wood, wood composition, or simulated wood material not elsewhere classified). The applicability section of the Indiana rule is generally consistent with EPA's model rule for wood furniture finishing and cleaning operations and is therefore approvable.

8-11-2 *Definitions*

This section establishes definitions for 42 terms used throughout the State rule. The definitions section of the Indiana rule accurately describes the specified terms and is generally consistent with EPA's model rule for wood furniture finishing and cleaning operations. The Indiana rule does not define additional terms found in the model rule that are also used in the State rule. However, the lack of these definitions does not appear to create a conflict in the rule nor does it weaken the interpretation of the rule. This section is therefore approvable.

8-11-3 *Emission Limits*

This section requires that on or after January 1, 1996, each facility subject to the rule must limit VOC emissions from finishing operations by complying with

one of the following options: (1) Using as-applied topcoats with a VOC content limit of 0.8 kg VOC/kg solids (0.8 lb VOC/lb solids); (2) Using a finishing system of sealers with a VOC content limit of 1.9 kg VOC/kg solids (1.9 lb VOC/lb solids), as applied and topcoats with a VOC content limit of 1.8 kg VOC/kg solids (1.8 lb VOC/lb solids), as applied; (3a) For sources using acid-cured alkyd amino vinyl sealers and acid-cured alkyd amino conversion varnish topcoats the sealer is to contain no more than 2.3 kg VOC/kg solids (2.3 lb VOC/lb solids), as-applied, and the topcoat no more than 2.0 kg VOC/kg solids (2.0 lb VOC/lb solids), as-applied; (3b) For sources using a sealer other than an acid-cured alkyd amino vinyl sealer and acid-cured amino conversion varnish topcoats, the sealer is to contain no more than 1.9 kg VOC/kg solids (1.9 lb VOC/lb solids), as-applied, and the topcoat is to contain no more than 2.0 kg VOC/kg solids (2.0 lb VOC/lb solids), as applied; (3c) For sources using an acid-cured alkyd amino vinyl sealer and a topcoat other than an acid-cured alkyd amino conversion varnish topcoat, the sealer is to contain no more than 2.3 kg VOC/kg solids (2.3 lb VOC/lb solids), as-applied, and the topcoat is to contain no more than 1.8 kg VOC/kg solids (1.8 lb VOC/lb solids), as applied.

As an alternative to meeting these coating limits, the rule allows regulated sources to use either a control system that achieves an equivalent reduction in emissions as calculated using specified compliance procedures in section 6(a)(2) of the rule, or an emissions averaging approach which must demonstrate that emissions reductions from the finishing materials are at least 10% greater than would be achieved by use of compliant coatings to meet the coating limits. Section 3(a)(4) establishes the equations, based upon those developed in the CTG's model rule, to demonstrate compliance with the rule through emissions averaging, and sources using an averaging approach must meet additional requirements as provided for in section 10.

To limit VOC emissions from cleaning operations, section 3(b) requires that wood furniture coating facilities meet a VOC content limit of 0.8 kg VOC/kg solids (0.8 lb VOC/lb solids), for strippable booth coatings, as applied. The emission limits section of the Indiana rule follows the approach recommended in the EPA model rule and is therefore approvable.

8-11-4 *Work Practice Standards*

This section requires that certain work practices be followed. On or after

July 23, 1995, all equipment is to be maintained according to the manufacturer's specifications; all fresh or used solvent must be kept in closed containers; all organic solvents used for line cleaning must be pumped or drained into a closed container; and all finishing materials and cleaning materials must also be stored in closed containers. In addition, closed tanks are required to be used for washoff operations, and during washoff operations dripping of components must be minimized by tilting or rotating the part to drain as much organic solvent as possible. Further, sources are not to use organic solvents containing more than 8% by weight of VOC for cleaning spray booth components other than conveyors, continuous coaters and their enclosures, or metal filters, except during refurbishing of the spray booth. If the spray booth is being refurbished, that is, the spray booth coating or material used to cover the booth is being replaced, no more than 1 gallon of organic solvent shall be used to clean the booth. Conventional air spray guns are prohibited under the rule except under certain circumstances specified under section 4(c).

On or after May 1, 1996, wood furniture coating operations must clean spray guns using an enclosed device which minimizes solvent evaporation, recirculates solvent for reuse, and collects solvent for proper disposal or recycling. Sources must also implement a written leak inspection and maintenance plan which meets criteria specified in section 4(g). A cleaning and washoff solvent accounting system must be implemented, by means of maintaining forms that record the quantity and type of organic solvent used each month for washoff and cleaning, the number of pieces washed off, and the reason for the washoff, and the quantity of spent solvent generated from each activity that is recycled on-site or disposed off-site each month. Finally, sources must implement a written and hands-on annual training program which at a minimum will cover applicable application techniques, cleaning procedures, equipment setup and adjustment to minimize finishing material usage and overspray, and management of clean-up wastes. Records of such training programs shall be kept on-site for at least three years. The work practice standards section is consistent with EPA's model rule for wood furniture finishing and cleaning operations and is therefore approvable.

8-11-5 *Continuous Compliance Plan*

This section requires that on or before May 1, 1996, each owner or operator of

a subject facility must submit to IDEM a continuous compliance plan (CCP) which shall address, at a minimum, the work practice requirements specified in section 4 of the rule. Further, the CCP should include a statement signed by a responsible official certifying that the facility is in compliance with the control requirements of section 3 and the work practice standards of section 4. A copy of the CCP shall be maintained on site and shall be available for inspection. If IDEM determines the CCP is inadequate, IDEM shall require the CCP to be modified appropriately. The continuous compliance plan section is consistent with EPA's model rule for wood furniture finishing and cleaning operations and is therefore approvable.

8-11-6 *Compliance Procedures and Monitoring Requirements*

This section requires sources subject to the emission limits in the State rule to demonstrate compliance with those limits by using any of the following methods: (1) To support that each sealer, topcoat, and strippable booth coating meets the requirements of the emission limits section, the sources are required to maintain documentation that uses EPA Method 24 data, or data from an equivalent method, to determine the VOC and solids content of the as-supplied finished material. If solvents or other VOC are added to the finishing material before application, the source is required to maintain documentation showing the VOC content of the finishing material as-applied, in kilograms of VOC per kilograms of solids. (2) To comply through the use of a control system, sources are required to determine the overall control efficiency needed to demonstrate compliance using the overall control efficiency equation provided in the rule for the specific capture system and control devices employed by the source. Sources are also required to document that the actual or daily weighted average VOC content used in the overall control efficiency equation is obtained from the VOC and solids content of the as-applied finishing material. In addition, sources will need to calculate the overall efficiency of the capture system and control device, using the procedures described in the test procedures section of the rule, and demonstrate that the value of the overall control efficiency thus estimated is equal or greater than the value of the overall control efficiency calculated by the overall control efficiency equation.

Initial compliance with the rule is to be met as follows. (1) Sources subject to the provisions of section 3(a)(1) through

3(a)(3) or 3(b) which are complying through the procedures established in section 6(a)(1) are to submit an initial compliance status report, as required by the continuous compliance plan and reporting requirements sections of the rule, stating that compliant sealers and topcoats and strippable booth coatings are being used in the wood furniture manufacturing operations. (2) Sources subject to the coating limit provisions of section 3 that are complying through the procedures established in subsection (a)(1) and are applying sealers and topcoats using continuous coaters are required to demonstrate initial compliance by either of the following two options: (a) By submitting an initial compliance status report stating that compliant sealers and topcoats, as determined by the VOC content of the finishing material in the reservoir and the VOC content as calculated from records, are being used; or (b) By submitting an initial compliance status report stating that compliant sealers or topcoats, as determined by the VOC content of the finishing material in the reservoir, are being used and the viscosity of the finishing material in the reservoir is being monitored. The source is also required to provide data that demonstrate the correlation between viscosity of the finishing material and the VOC content of the finishing material in the reservoir. (3) Sources using a control system or capture or control device to comply with the requirements of this rule, as allowed in the emission limits section of the State rule and subsection (a)(2), are required to demonstrate initial compliance by doing the following on or before January 1, 1996: Conducting an initial compliance test using the procedures and test methods listed in the test procedures section of the rule; calculating the overall control efficiency; determining those operating conditions critical to determining compliance and establishing operating parameters that will ensure compliance with the standards; and submitting a monitoring plan that identifies the operating parameter to be monitored for the capture device and discusses why the parameter is appropriate for demonstrating ongoing compliance. In addition, this subsection requires sources complying with this subsection to calculate the site-specific operating parameter value as the arithmetic average of the maximum or minimum operating parameter values, as appropriate, that demonstrate compliance with the standards, during the initial compliance test required in subsection (c)(3)(A)(iv) of the rule. (4)

This section also states that sources subject to the CCP requirements of the rule are required to submit an initial compliance status report, as required by the reporting requirements section of the rule, stating that the CCP has been developed and procedures have been established for implementing the provisions of the plan.

The Indiana rule states that continuous compliance must be demonstrated as follows: (1) Sources that are complying through the procedures established in subsection (a)(1) shall demonstrate continuous compliance by using compliant materials, maintaining records that demonstrate the finishing materials are compliant, and submitting a compliance certification with the semiannual report required by section 9(c) of this rule. (2) Sources that are complying through the procedures established in subsection (a)(1) and are applying sealers and topcoats using continuous coaters shall demonstrate continuous compliance by use of the following procedures: (A) Using compliant materials, as determined by the VOC content of the finishing material in the reservoir and the VOC content as calculated from records, and submitting a compliance certification with the semiannual report required by section 9(c) of the rule; (B) Using compliant materials, as determined by the VOC content of the finishing material in the reservoir, maintaining a viscosity of the finishing material in the reservoir that is no less than the viscosity of the initial finishing material by monitoring the viscosity with a viscosity meter or by testing the viscosity of the initial finishing material and retesting the material in the reservoir each time solvent is added, maintaining records of solvent additions, and submitting a compliance certification with the semiannual report required by section 9(c) of the rule. (3) Sources that are complying through the use of a control system or a capture or control device are required to demonstrate continuous compliance by complying with the control system operation, maintenance, and testing, and control system monitoring, record keeping, and reporting requirements stated in this section of the rule. (4) Sources subject to the continuous compliance plan requirements in section 5 are required to demonstrate continuous compliance by following the provisions of the CCP and submitting a compliance certification with the semiannual report required by the reporting requirements section of the rule. The compliance procedures and monitoring requirements section is

consistent with EPA's model rule for wood furniture finishing and cleaning operations and is therefore approvable.

8-11-7 Test Procedures

This section provides that compliance with the rule's emission coating limits will be determined by the procedures and methods contained in 326 IAC 8-1-4 and 40 CFR Part 60, Appendix A. The former contains the State's testing provisions, while the latter contains EPA's Method 24. If it is demonstrated to the satisfaction of IDEM and EPA that a finishing material does not release VOC by-products during the cure, (for example, all VOC is solvent), then batch formulation information shall be accepted. In the event of any inconsistency between an EPA Method 24 test and a facility's formulation data, that is, if the EPA Method 24 value is higher, the EPA Method 24 shall govern. Compliance through the use of a control system shall be demonstrated initially by demonstrating that the overall control efficiency determined by using procedures in 326 IAC 8-1-4 and 40 CFR 60, Appendix A is at least equal to the required overall control efficiency determined by using the equation in section 6(a)(2)(A). All tests required in this section are to be conducted according to the protocol developed in consultation with IDEM. The test procedures section is consistent with EPA's model rule for wood furniture finishing and cleaning operations and is therefore approvable.

8-11-8 Record Keeping Requirements

This section requires that the owner or operator of a source subject to the Indiana rule maintain the following records as part of this program: A list of each of the finishing material and strippable booth coating subject to the emission limits of the rule; the VOC and solids content, as applied, of each finishing material and strippable booth coating subject to the emission limits of the rule; and copies of data sheets documenting how the as-applied values were determined.

In addition, the owner or operator of a Source following the compliance procedures of section 6(c)(2) shall maintain records required by subsection (a), viscosity measurements, and daily records of solvent and finishing material additions to the continuous coater reservoir. Sources following the compliance method of section 6(a)(2) in addition to complying with the record keeping requirements of section 6(c)(3)(B) shall maintain the following records: Copies of the calculations to support the equivalency of using a control system, as well as the data

necessary to support the calculation of the required overall efficiency and actual determined control efficiency; and records of the daily average value of each continuously monitored parameter for each operating day.

Sources subject to the work practice standards in section 4 of the State rule are to maintain on-site the CCP and all records associated with fulfilling the requirements of that plan, including, but not limited to the following: Records demonstrating compliance with the operator training program; records maintained in accordance with the leak inspection and maintenance plan; records associated with cleaning solvent accounting system; records associated with the limitation on the use of conventional air spray guns showing total finishing material usage and the percentage of finishing materials applied with conventional air spray guns for each semiannual reporting period; records showing the VOC content of solvent used for cleaning booth components, except for solvent used to clean conveyors, continuous coaters and their enclosures, or metal filters; and copies of logs and other documentation developed to demonstrate that the other provisions of the CCP are followed. All records under this rule are to be maintained for a minimum period of three years. Failure to maintain the records constitutes a violation of the rule for each day records are not maintained. The record keeping requirements section is consistent with EPA's model rule for wood furniture finishing and cleaning operations and is therefore approvable.

8-11-9 Reporting Requirements

On or before May 1, 1996, owners or operators of wood furniture manufacturing operation are to submit the following information to IDEM: the continuous compliance plan required by section 5 of the State rule and the initial compliance report for sources using add-on controls as required by section 6(b)(3) of the rule. Sources demonstrating compliance in accordance with section 6(a)(1) or 6(a)(2) of the rule are to submit a semiannual report covering the previous six months of operation. The first report is to be submitted 30 calendar days after the end of the first six (6) month period following the compliance date. Subsequent reports are to be submitted within 30 calendar days after the end of each six month period following the first report. Each semiannual report shall include: the information required by section 6(c); a statement of whether the operation was in compliance or noncompliance; and if the operation

was not in compliance, the measures taken to bring the source into compliance. The reporting requirements section is consistent with EPA's model rule for wood furniture finishing and cleaning operations and is therefore approvable.

8-11-10 Provisions for Sources Electing To Use Emissions Averaging

This section provides that sources electing a program to comply with the emission standard via averaging equations need to submit to IDEM, a plan addressing the following provisions detailed in the rule: Program goals and rationale; program scope; for program baseline, each finishing material included in the averaging program shall be the lower of the actual or allowable emission rate as of the effective date of this rule; quantification procedures; and monitoring, record keeping, and reporting. In addition, this section states that pending approval by IDEM and EPA of a proposed emissions averaging plan, the source is to continue to comply with the provisions of the rule. The provisions for sources electing to use emissions averaging section is consistent with EPA's model rule for wood furniture finishing and cleaning operations and is therefore approvable.

Enforcement

The Indiana Code (IC) 13-7-13-1, states that any person who violates any provision of IC 13-1-1, IC 13-1-3, or IC 13-1-11, or any regulation or standard adopted by one of the boards (i.e., Indiana Air Pollution Control Board), or who violates any determination, permit, or order made or issued by the commissioner (of Indiana Department of Environmental Management) pursuant to IC 13-1-1, or IC 13-1-3, is liable for a civil penalty not to exceed twenty-five thousand dollars per day of any violation. Because this submittal is a regulation adopted by the IAPCB, a violation of which subjects the violator to penalties under IC 13-7-13-1, and because a violation of the ozone SIP would also subject a violator to enforcement under section 113 of the Act by EPA, EPA finds that the submittal contains sufficient enforcement penalties for approval. In addition, IDEM has submitted a civil penalty policy document which accounts for various factors in the assessment of an appropriate civil penalty for noncompliance with IAPCB rules, among them, the severity of the violation, intent of the violator, and frequency of violations. EPA finds these criteria sufficient to deter non-compliance and is therefore approvable.

III. Final Rulemaking Action

Indiana's rules for wood furniture finishing and cleaning operations are generally consistent with EPA's guidance in the Act for this category and are therefore considered to constitute RACT. EPA therefore approves these rules in 326 Indiana Air Code (IAC) 8-11 that were submitted on November 21, 1995, and February 14, 1996.

The EPA is publishing this action without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. However, in a separate document in this Federal Register publication, the EPA is proposing to approve the SIP revision should adverse or critical comments be filed. This action will be effective December 30, 1996 unless, by November 29, 1996, adverse or critical comments are received.

If the EPA receives such comments, this action will be withdrawn before the effective date by publishing a subsequent document that will withdraw the final action. All public comments received will be addressed in a subsequent final rule based on this action serving as a proposed rule. The EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time. If no such comments are received, the public is advised that this action will be effective December 30, 1996.

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

IV. Administrative Requirements

A. Executive Order 12866

This action has been classified as a Table 3 action for signature by the Regional Administrator under the procedures published in the Federal Register on January 19, 1989 (54 FR 2214-2225), as revised by a July 10, 1995 memorandum from Mary D. Nichols, Assistant Administrator for Air and Radiation. The Office of Management and Budget (OMB) has exempted this regulatory action from E.O. 12866 review.

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act, 5 U.S.C. 600 *et seq.*, EPA must prepare

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

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

C. Unfunded Mandates

Under Section 202 of the Unfunded Mandates Reform Act of 1995, signed into law on March 22, 1995, EPA must undertake various actions in association with any proposed or final rule that includes a Federal mandate that may result in estimated costs to state, local, or tribal governments in the aggregate; or to the private sector, of \$100 million or more. This Federal action approves pre-existing requirements under state or local law, and imposes no new Federal requirements. Accordingly, no additional costs to state, local, or tribal governments, or the private sector, result from this action.

D. Submission to Congress and the General Accounting Office

Under 5 U.S.C. 801(a)(1)(A) as added by the Small Business Regulatory Enforcement Fairness Act of 1996, EPA submitted 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 General Accounting Office prior to publication of the rule in today's Federal Register. This rule is not a major rule as defined by 5 U.S.C. 804(2).

E. Petitions for Judicial Review

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United

States Court of Appeals for the appropriate circuit by December 30, 1996. 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, Hydrocarbons, Incorporation by reference, Intergovernmental relations, Ozone, Reporting and recordkeeping requirements.

Dated: September 5, 1996.

William E. Muno,

Acting Regional Administrator.

For the reasons stated in the preamble, 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. 7401-7671q.

2. Section 52.770 is amended by adding paragraph (c)(114) to read as follows:

§ 52.770 Identification of Plan.

* * * * *

(c) * * *

(114) On November 21, 1995, and February 14, 1996, Indiana submitted regulations for wood furniture coating operations in Clark, Floyd, Lake, and Porter Counties as a revision to the State Implementation Plan for ozone.

(i) *Incorporation by reference.* 326 Indiana Administrative Code 8-11 Wood Furniture Coatings, Section 1 Applicability, Section 2 Definitions, Section 3 Emission limits, Section 4 Work practice standards, Section 5 Continuous compliance plan, Section 6 Compliance procedures and monitoring requirements, Section 7 Test procedures, Section 8 Recordkeeping requirements, Section 9 Reporting requirements, Section 10 Provisions for sources electing to use emission averaging. Adopted by the Indiana Air Pollution Control Board May 3, 1995. Filed with the Secretary of State December 5, 1996. Published at Indiana Register, Volume 19, Number 5,

February 1, 1996. Effective January 4, 1996.

[FR Doc. 96-27607 Filed 10-29-96; 8:45 am]

BILLING CODE 6560-50-P

40 CFR Part 52

[LA-37-1-7320, TX-75-1-73199; FRL-5629-7]

Approval and Promulgation of Air Quality Plans, Texas and Louisiana; Revision to the Texas and Louisiana State Implementation Plans Regarding Negative Declarations for Source Categories Subject to Reasonably Available Control Technology

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: Section 172(c)(1) of the Clean Air Act (the Act) requires nonattainment areas to reduce emissions from existing sources by adopting, at a minimum, reasonably available control technology (RACT). The EPA has established 13 source categories for which RACT must be implemented and issued associated Control Technique Guidelines (CTGs) or Alternate Control Techniques (ACTs) documents. If no major sources of volatile organic compound (VOC) emissions in a particular source category exist in a nonattainment area, a State may submit a negative declaration for that category. Louisiana has submitted negative declarations for certain source categories in the Baton Rouge ozone nonattainment area. Texas has submitted negative declarations for certain source categories in the Beaumont/Port Arthur, Dallas/Fort Worth, El Paso, and Houston/Galveston ozone nonattainment areas. The EPA is approving these negative declarations for Louisiana and Texas.

DATES: This action is effective on December 30, 1996, unless notice is postmarked by November 29, 1996, that someone wishes to submit adverse or critical comments. If the effective date is delayed, timely notice will be published in the Federal Register.

ADDRESSES: Comments should be mailed to Thomas H. Diggs, Chief, Air Planning Section (6PD-L), EPA Region 6, 1445 Ross Avenue, Dallas, Texas 75202-2733. Copies of the States' submittals and other information relevant to this action are available for inspection during normal hours at the following locations:

Environmental Protection Agency,
Region 6, Air Planning Section (6PD-L), 1445 Ross Avenue, Suite 700,
Dallas, Texas 75202-2733

Louisiana Department of Environmental Quality, Office of Air Quality, 7290 Bluebonnet Blvd., Baton Rouge, LA 70810

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

Anyone wishing to review this submittal at the EPA office is asked to contact the person below to schedule an appointment 24 hours in advance.

FOR FURTHER INFORMATION CONTACT: Lt. Mick Cote, Air Planning Section (6PD-L), Environmental Protection Agency, Region 6, 1445 Ross Avenue, Dallas, Texas 75202-2733, telephone (214) 665-7219.

SUPPLEMENTARY INFORMATION:

I. Background

Section 172(c)(1) of the Act requires nonattainment area State Implementation Plans (SIPs) to provide, at a minimum, for such reductions in emissions from existing sources in the areas as may be obtained through the adoption of reasonably available control measures including RACT. In the notice at 44 FR 53761 (September 17, 1979) the EPA defines RACT as: "The lowest emission limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economical feasibility."

Furthermore, section 182(b)(2)(A) of the Act requires that States shall submit a revision to the applicable implementation plan to include provisions to require RACT implementation for each category of VOC sources in the area covered by a CTG document issued by the Administrator after November 15, 1990. This section applies to sources only in moderate and above ozone nonattainment areas. In addition, section 182(b)(2)(C) requires that States adopt RACT for all other major sources, i.e. non-CTG major sources, in the ozone nonattainment areas by November 15, 1992. In appendix E of the General Preamble to title I (57 FR 13948), the EPA identified 11 CTGs that it intended to issue. The EPA is also specifically required to issue CTGs for aerospace coatings and shipbuilding and repair for a total of 13 CTGs. The 11 additional CTGs are listed below:

1. Synthetic organic chemical manufacturing industry (SOCMI) distillation
2. SOCMI reactors
3. Wood furniture
4. Plastic parts coating (business machines)