



ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R10-OAR-2013-0004: FRL-9949-69-Region 10]

Partial Approval and Partial Disapproval of Attainment Plan for Oakridge, Oregon PM_{2.5} Nonattainment Area

AGENCY: Environmental Protection Agency.

ACTION: Proposed rule.

SUMMARY: On December, 12, 2012, the Oregon Department of Environmental Quality (ODEQ) submitted, on behalf of the Governor of Oregon, a State Implementation Plan (SIP) submission to address violations of the National Ambient Air Quality Standards (NAAQS) for particulate matter with an aerodynamic diameter of less than or equal to a nominal 2.5 micrometers in diameter (PM_{2.5}) for the Oakridge PM_{2.5} nonattainment area (2012 SIP submission). The Lane Regional Air Protection Agency (LRAPA) in coordination with ODEQ developed the 2012 SIP submission for purposes of attaining the 2006 24-hour PM_{2.5} NAAQS. On February 22, 2016, the ODEQ withdrew certain provisions of the 2012 SIP submission (2016 SIP withdrawal). The Environmental Protection Agency (EPA) has evaluated whether the remaining portions of the Oakridge 2012 SIP submission meet the applicable Clean Air Act (CAA) requirements. Based on this evaluation, the EPA is proposing to partially approve and partially disapprove the remaining portions of the 2012 SIP submission.

DATES: Comments must be received on or before **[insert date 30 days after date of publication in the Federal Register]**.

ADDRESSES: Submit your comments, identified by Docket ID No.EPA-R10-OAR-2013-0004 at <http://www.regulations.gov>. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from Regulations.gov. The EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (i.e. on the web, cloud, or other file sharing system). For additional submission methods, the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <http://www2.epa.gov/dockets/commenting-epa-dockets>.

Docket: All documents in the electronic docket are listed in the <http://www.regulations.gov> index. Although listed in the index, some information is not publicly available, *i.e.*, CBI or other information that is restricted by statute from disclosure. 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 at <http://www.regulations.gov> or at EPA Region 10, Office of Air and Waste, 1200 Sixth Avenue, Seattle, Washington 98101. The EPA requests that 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, 8:30am to 4:30pm, excluding Federal holidays.

FOR FURTHER INFORMATION CONTACT: Christi Duboiski at (360) 753-9081, duboiski.christi@epa.gov, or the above EPA, Region 10 address.

SUPPLEMENTARY INFORMATION: Throughout this document, wherever “we”, “us” or “our” are used, it is intended to refer to the EPA.

TABLE OF CONTENTS:

- I. Background for the EPA’s Proposed Action
 - A. History of the PM_{2.5} NAAQS
 - B. January 4, 2013 D.C. Circuit Court Decision Regarding PM_{2.5} Implementation Under Subpart 4
 - C. CAA PM_{2.5} Moderate Area Nonattainment SIP Requirements
- II. Content of 2012 SIP Submission and the EPA’s Evaluation
- III. Consequences of Disapproved SIP Provisions
- IV. The EPA’s Proposed Action
- V. Statutory and Executive Order Reviews

I. Background for the EPA’s Proposed Action

A. History of the PM_{2.5} NAAQS

On July 18, 1997, the EPA promulgated the 1997 PM_{2.5} NAAQS, including annual standards of 15.0 µg/m³ based on a 3-year average of annual mean PM_{2.5} concentrations, and 24-hour (or daily) standards of 65 µg/m³ based on a 3-year average of the 98th percentile of 24-hour concentrations (62 FR 38652). The EPA established the 1997 PM_{2.5} NAAQS based on significant evidence and numerous health studies demonstrating the serious health effects associated with exposures to PM_{2.5}. To provide guidance on the CAA requirements for state and tribal implementation plans to implement the 1997 PM_{2.5} NAAQS, the EPA promulgated the “Final Clean Air Fine Particle Implementation Rule” (72 FR 20586, April 25, 2007) (hereinafter, the “2007 PM_{2.5} Implementation Rule”).

On October 17, 2006, the EPA strengthened the 24-hour PM_{2.5} NAAQS to 35 µg/m³ and retained the level of the annual PM_{2.5} standard at 15.0 µg/m³ (71 FR 61144). Following promulgation of a new or revised NAAQS, the EPA is required by the CAA to promulgate designations for areas throughout the United States; this designation process is described in

section 107(d)(1) of the CAA. On November 13, 2009, the EPA designated areas across the United States with respect to the revised 2006 24-hour PM_{2.5} NAAQS (74 FR 58688). In that November 2009 action, the EPA designated Oakridge, Oregon, and a small surrounding area as nonattainment for the 2006 24-hour PM_{2.5} NAAQS (Oakridge NAA), requiring Oregon to prepare and submit to the EPA an attainment plan for the Oakridge NAA to meet the 2006 24-hour PM_{2.5} NAAQS. On March 2, 2012, the EPA issued “Implementation Guidance for the 2006 24-Hour Fine Particulate (PM_{2.5}) National Ambient Air Quality Standards (NAAQS)” to provide guidance on the development of SIPs to demonstrate attainment with the 24-hour standards (March 2012 Implementation Guidance). The March 2012 Implementation Guidance explained that the overall framework and policy approach of the 2007 PM_{2.5} Implementation Rule provided effective and appropriate guidance on statutory requirements for the development of SIPs to attain the 2006 24-hour PM_{2.5} NAAQS. Accordingly, the March 2012 Implementation Guidance instructed states to rely on the 2007 PM_{2.5} Implementation Rule in developing SIPs to demonstrate attainment with the 2006 24-hour PM_{2.5} NAAQS.

B. January 4, 2013 D.C. Circuit Court Decision Regarding PM_{2.5} Implementation Under Subpart 4

On January 4, 2013, the D.C. Circuit Court issued a decision in *Natural Resources Defense Council v. EPA*, 706 F.3d 428, holding that the EPA erred in implementing the 1997 PM_{2.5} NAAQS pursuant to the general implementation provisions of subpart 1 of Part D of Title I of the CAA (subpart 1), rather than the particulate-matter-specific provisions of subpart 4 of Part D of Title I (subpart 4). The Court did not vacate the 2007 PM_{2.5} Implementation Rule but remanded the rule with instructions for the EPA to promulgate new implementation regulations for the PM_{2.5} NAAQS in accordance with the requirements of subpart 4. On June 6, 2013, consistent with the Court’s remand decision, the EPA withdrew its March 2012 Implementation

Guidance which relied on the 2007 PM_{2.5} Implementation Rule to provide guidance for the 2006 24-hour PM_{2.5} NAAQS.

Prior to the January 4, 2013 *NRDC* decision, states had worked towards meeting the air quality goals of the 2006 PM_{2.5} NAAQS in accordance with the EPA regulations and guidance derived from subpart 1 of Part D of Title I of the CAA. The EPA considered this history in issuing the PM_{2.5} Subpart 4 Nonattainment Classification and Deadline Rule (79 FR 31566, June 2, 2014) that identified the initial classification under subpart 4 for areas currently designated nonattainment for the 1997 and/or 2006 PM_{2.5} NAAQS as “moderate” nonattainment areas. The final rule also established December 31, 2014 as the new deadline for the states to submit any additional SIP submissions related to attainment for the 1997 or 2006 PM_{2.5} NAAQS.

The ODEQ submitted an attainment plan for the Oakridge NAA on December 12, 2012. The plan included measures intended to demonstrate attainment of the 2006 PM_{2.5} NAAQS by December 31, 2014. In this notice the EPA evaluates the State’s existing attainment plan submission for the 2006 PM_{2.5} NAAQS to determine whether it meets the applicable statutory requirements. The applicable statutory requirements include not only the applicable requirements of subpart 1, but also the applicable requirements of subpart 4. This interpretation is consistent with the *NRDC* Court’s decision that the EPA must implement the PM_{2.5} NAAQS consistent with the requirements of subpart 4.

C. CAA PM_{2.5} Moderate Area Nonattainment SIP Requirements

With respect to the requirements for attainment plans for the PM_{2.5} NAAQS, the EPA notes that the general nonattainment area planning requirements are found in subpart 1, and the moderate area planning requirements specifically for particulate matter are found in subpart 4. The EPA has a longstanding general guidance document that interprets the 1990 amendments to

the CAA commonly referred to as the “General Preamble” (57 FR 13498, April 16, 1992). The General Preamble addresses the relationship between subpart 1 and subpart 4 requirements and provides recommendations to states for meeting statutory requirements for particulate matter attainment planning. Specifically, the General Preamble explains that requirements applicable to moderate area attainment plan SIP submissions are set forth in subpart 4, but such SIP submissions must also meet the general attainment planning provisions in subpart 1, to the extent these provisions “are not otherwise subsumed by, or integrally related to,” the more specific subpart 4 requirements (57 FR 13538). Additionally, the EPA proposed the *Fine Particulate Matter National Ambient Air Quality Standards: State Implementation Plan Requirements* rule (80 FR 15340, March 23, 2015), to clarify our interpretations of the statutory requirements that apply to moderate and serious PM_{2.5} nonattainment areas (NAAs) under subparts 1 and 4.

The CAA requirements of subpart 1 for attainment plans include: (i) the section 172(c)(1) requirements for reasonably available control measures (RACM), reasonably available control technology (RACT) and attainment demonstrations; (ii) the section 172(c)(2) requirement to demonstrate reasonable further progress (RFP); (iii) the section 172(c)(3) requirement for emissions inventories; (iv) the section 172(c)(5) requirements for a nonattainment new source review (NSR) permitting program; and (v) the section 172(c)(9) requirement for contingency measures.

The CAA subpart 4 requirements for moderate areas are generally comparable with the subpart 1 requirements and include: (i) the section 189(a)(1)(A) NSR permit program requirements; (ii) the section 189(a)(1)(B) requirements for attainment demonstration; (iii) the section 189(a)(1)(C) requirements for RACM; and (iv) the section 189(c) requirements for RFP

and quantitative milestones. In addition, under subpart 4 the moderate area attainment date is as expeditiously as practicable but no later than the end of the 6th calendar year after designation.

II. Content of 2012 SIP Submission and the EPA's Evaluation

The LRAPA, in coordination with ODEQ, developed the 2012 SIP submission for the Oakridge NAA that was subsequently adopted by the State and submitted by the ODEQ to the EPA. The following describes the relevant contents of the 2012 SIP submission, the 2016 SIP withdrawal, and the EPA's evaluation of the remaining SIP provisions.

The 2012 SIP submission included provisions that address the requirements of an attainment plan for a moderate PM_{2.5} nonattainment area including RACT/RACM, emissions inventories, modeling, attainment demonstration, transportation conformity and motor vehicle emissions budgets, RFP and contingency measures.

The 2016 SIP withdrawal included the State's withdrawal of the following 2012 SIP submission provisions:

- OAR 340-200-0040–General Air Pollution Procedures and Definitions; the adopted and amended version of the rules and Redline/strikeout version of the adopted and amended rules.
- The LRAPA's Title 29–Designation of Air Quality Areas; the adopted and amended version of the rules and redline/strikeout version of the adopted and amended rules **except:**
 - 29-0010(10)–Oakridge PM_{2.5} Nonattainment Area definition
 - 29-0030 Designation of Nonattainment Areas
- Title 38 – Major New Source Review
- Smoke Management Directive

The state withdrew OAR-340-200-0040, portions of the LRAPA Title 29, Title 38 and the Smoke Management Directive because they were not intended to be included in the SIP submission.

State Nonattainment Area Description and Designation

The 2012 SIP submission contained revised portions of the LRAPA Title 29, “Designation of Air Quality Areas” (29-0010(10) and 29-0030) adopted on October 18, 2012 that identify and describe the Oakridge PM_{2.5} area and lists the Oakridge PM_{2.5} area as nonattainment. The area described as the Oakridge PM_{2.5} nonattainment area in the LRAPA Title 29 is consistent with the federal nonattainment area designated at 40 CFR 81.338. We propose to approve the State’s area description and listing as nonattainment.

Emissions Inventory

Section 172(c)(3) of the CAA requires the development of emissions inventories for nonattainment areas. In addition, the planning and associated modeling requirements set forth in CAA section 189(a) make the development of an accurate and up-to-date emissions inventory a critical element of any viable attainment plan. EPA guidance specifies the best practices for developing emission inventories for PM_{2.5} nonattainment areas (see “Emissions Inventory Guidance for Implementation of Ozone and Particulate Matter National Ambient Air Quality Standards (NAAQS) and Regional Haze Regulations”). The 2012 SIP submission contains planning inventories of emission sources and emission rates for the base year of 2008 and the projected attainment year of 2014. The LRAPA chose the year 2008 as the base year because it is one of the three years used to designate the area as nonattainment as well as the middle year of the five year period, 2006-2010, used for the determining the base year design value. Additionally, the LRAPA determined that high-quality emission information was already available from the National Emission Inventory for 2008. The LRAPA developed the base year

emissions inventory for the nonattainment area. Table 1 provides information on the worst case winter season day, most relevant to attainment planning, as well as the typical winter season day. Annual emissions for primary PM_{2.5}, NO_x, SO₂, VOC, and NH₃ can be found in the docket in the LRAPA's SIP submission. The LRAPA determined the precursor emissions for a typical winter day accounted for less than 6 percent of the total PM. The 2012 SIP submission listed total emissions of direct PM_{2.5} on a typical winter day at 525 pounds per day (lbs/day). The source categories contributing to the typical winter day total were identified as follows: area sources, primarily RWC, emit 479 pounds per day (lbs/day); mobile sources, including railroads and re-entrained road dust emit 44.7 lbs/day; and permitted stationary sources emit 0.5 lbs/day.

Table 1 - 2008 Oakridge; Typical Season Day and Worst-Case Day PM_{2.5} Emissions (lbs/day)

Source Sector	PM _{2.5} lbs/per day	
	Typical Season Day	Worst Case Day
Permitted Point	0.5	0.9
Stationary Area	479.5	480
Onroad	38.7	65.1
Nonroad	6.0	6.0
Total	525	552

The EPA has reviewed the base year emission inventory and believes it satisfies the CAA section 172(c)(3) requirement for a comprehensive, accurate and current inventory of actual 2008 emissions of the relevant pollutants in the Oakridge NAA. Thus, the EPA proposes to approve the base year emission inventory in the 2012 SIP submittal.

2014 Projected Attainment Inventory for the Nonattainment Area

The 2012 SIP submittal included a projected 2014 attainment year emissions inventory that supported attainment by December 2014. The 2014 attainment year emissions inventory included the same source categories as the 2008 base year. Emissions in the 2014 attainment year inventory were adjusted to account for emissions increases due to anticipated growth between

2008 and 2014 and emissions decreases from implementation of the control strategies identified in the RACM analysis.

Due to the fact that the Oakridge NAA failed to attain the PM_{2.5} NAAQS by the December 31, 2014 attainment date projected in the 2012 SIP submission, the EPA presumes that the attainment year emission inventory was not accurate. The quality-assured and certified ambient air monitoring data from the Willamette Activity Center monitoring site from 2012 through 2014, yields a design value of 40 µg/m³ and confirms that the area did not attain the 2006 24-hour PM_{2.5} NAAQS by December 31, 2014. Thus, the EPA proposes to disapprove the projected 2014 attainment year inventory in the 2012 SIP submission.

Federal Requirement for RACM, including RACT

The general SIP planning requirements for nonattainment areas under subpart 1 include section 172(c)(1), which requires implementation of all RACM (including RACT). The language of section 172(c) requires that attainment plans provide for the implementation of RACM (including RACT) to provide for attainment of the NAAQS. Therefore, what constitutes RACM and RACT is related to what is necessary for attainment in a given area.

Subpart 4 also requires states to develop attainment plans that evaluate potential control measures and impose RACM and RACT on sources within a moderate nonattainment area that are necessary to expeditiously attain the NAAQS. Section 189(a)(1)(C) requires that moderate nonattainment plans provide for implementation of RACM and RACT no later than four years after the area is designated as nonattainment. As with subpart 1, the terms RACM and RACT are not defined within subpart 4. Nor do the provisions of subpart 4 specify how states are to meet the RACM and RACT requirements. However, the EPA's longstanding guidance in the General

Preamble provides recommendations for determining which control measures constitute RACM and RACT for purposes of meeting the statutory requirements of subpart 4. 57 FR 13540-41.

For both RACM and RACT, the EPA notes that an overarching principle is that if a given control measure is not needed to attain the relevant NAAQS in a given area as expeditiously as practicable, then that control measure would not be required as RACM or RACT because it would not be reasonable to impose controls that are not in fact needed for attainment purposes. Accordingly, a RACM and RACT analysis is a process to identify emissions sources, evaluate potential emissions controls, and impose those control measures and technologies that are reasonable and necessary to bring the area into attainment as expeditiously as practicable, but by no later than the applicable attainment date for the area. However, the EPA has long-applied a policy that states evaluate the combined effect of reasonably available control measures that were not necessary to demonstrate attainment by the statutory attainment, and if they collectively advance the attainment date by at least one-year the measures should be adopted to satisfy the statutory requirement that attainment be as expeditious as practicable (80 FR 15369).

Identification of RACM and RACT

The LRAPA provided a RACM and RACT analysis in Appendix J of the 2012 SIP submission. The submission explained that residential wood combustion (RWC) sources (e.g., woodstoves, fireplaces, pellet stoves) account for 86% of emissions on worst-case winter days when exceedance of the NAAQS is most likely to occur. The other contributing sources were identified as road dust (5%), transportation (7.9%) and industrial and other unidentified area sources (1.1%). The LRAPA also conducted a speciation analysis, included in Appendix E of the 2012 SIP submission, which demonstrated that 96% of total particulate matter is from organic and elemental carbon, with significantly smaller amounts of secondary inorganic aerosols

including nitrate (0.4%), sulfate (1%) and ammonium (.03%). Based on these and other analyses, the LRAPA concluded that RWC was the major contributor to PM_{2.5} concentrations on worst-case winter days and focused its RACM analysis on this source category.

Emissions from RWC for winter home heating has been a long-standing air pollution problem for the Oakridge NAA, first identified when EPA designated the area nonattainment for the PM₁₀ NAAQS. The Oakridge nonattainment area PM₁₀ SIP adopted a control strategy that specifically addressed emissions from RWC (64 FR 12751). In the 2012 SIP submission for the 2006 PM_{2.5} NAAQS, the LRAPA likewise focused on RWC emissions and described a suite of control measures that included measures in effect from the previous approved PM₁₀ attainment plan as well as new measures specifically intended to address PM_{2.5}. While the LRAPA described several control measures in the 2012 PM_{2.5} SIP submission, it only relied on emission reductions from measures implemented after the base year of 2008. These measures are:

- RWC curtailment during adverse meteorological conditions and air quality advisories are issued: Oakridge City ordinance 889;
- Motor vehicle emission reductions due to federal emissions requirements; and,
- Woodstove change outs of uncertified stoves to EPA certified stoves since 2008.

In its RACT analysis, the LRAPA identified two industrial stationary sources in the nonattainment area, a rock crusher and ready-mix concrete plant, which are described as minor sources of direct and precursor emissions for purposes of PM_{2.5}. The LRAPA asserts that these two small sources together emit less than one ton per year of PM_{2.5} emissions and contribute less than 1% to the 2008 base year emission inventory. The EPA National Emission Inventory data for the Oakridge NAA as presented in Appendix D of the 2012 SIP submission (attachment 3.3d,

pages 207-210) identified precursor emissions for the base year of 2008. That data show there are no precursor emissions from industrial sources in the Oakridge NAA.

In the 2012 SIP submission, the LRAPA reviewed the two stationary sources and determined that the air pollution control technology installed on these sources are the current standard for the industry. The rock crusher controls emissions of PM_{2.5} using water spray. The concrete batch plant uses baghouse controls to reduce PM_{2.5} emissions. The SIP submission did not propose or contain any additional control technologies for purposes of meeting RACT based on the existing particulate matter control measures and the minimal contribution to PM_{2.5} concentrations from the two small stationary sources. Operating permits for these two sources were not included in the 2012 SIP submission.

The EPA's Evaluation of RACM including RACT

The measures selected and implemented by the LRAPA to meet RACM including RACT requirements did not provide for attainment of the PM_{2.5} NAAQS by the attainment date in the 2012 SIP submission of December 31, 2014. In addition, the RWC curtailment program included in the 2012 SIP submission, identified as Oakridge City Ordinance 889, was rescinded and is no longer in effect. A new replacement ordinance, Oakridge City Ordinance 914 has not yet been submitted to EPA for incorporation into the SIP. Based on the forgoing, the suite of control measures in the 2012 SIP submission do not represent RACM and RACT and fail to meet the requirements of section 172(c)(1) and section 189(a)(1)(C) of the CAA. Accordingly, we are proposing to disapprove the RACM and RACT provisions of the 2012 SIP submission.

Attainment Demonstration and Modeling

Section 189(a)(1)(B) requires that a PM_{2.5} moderate area SIP contain either a demonstration that the plan will provide for attainment by the applicable attainment date, or a

demonstration that attainment by such date is impracticable. In the attainment demonstration of the 2012 SIP submission, the LRAPA described how the attainment plan would provide the emissions reductions needed to bring the Oakridge NAA into attainment with the 2006 24-hour $PM_{2.5}$ NAAQS no later than December 31, 2014.

All attainment demonstrations must project air quality below the standard using air quality modeling. The ODEQ submitted a modeled demonstration that is consistent with the recommendations contained in the EPA's modeling guidance document "Guidance on the Use of Models and Other Analyses for Demonstrating Attainment of Air Quality Goals for Ozone, $PM_{2.5}$, and Regional Haze" (EPA-454/B-07-002, April 2007) and the June 28, 2011, memorandum from Tyler Fox to Regional Air Program Managers, "Update to the 24-hour $PM_{2.5}$ Modeled Attainment Test." States should base modeling on national (e.g., EPA), regional (e.g., Western Regional Air Partnership) or local modeling, or a combination thereof, if appropriate. The April 2007 guidance indicates that states should review supplemental analyses, in combination with the modeling analysis, in a "weight of evidence" assessment to determine whether each area is likely to achieve timely attainment.

The LRAPA used a proportional "roll-forward" model to project air quality levels into the future. The linear model the LRAPA used for the Oakridge NAA considered the concentrations of individual chemical species analyzed from the $PM_{2.5}$ filters. The model does not account for secondary chemistry because inert species comprise more than 97% of the total $PM_{2.5}$ in the Oakridge NAA. The EPA believes that the roll-forward model is an appropriate approach for the Oakridge NAA due to the limited number of emission sources and source categories, the limited contribution of secondary aerosol, and the even dispersal of emission sources across the area. The LRAPA determined the emission changes of each species from the

base year to a future attainment year based on emissions growth or emissions reduction from trends in technology and population, and considering both national control measures (such as Tier 2 gasoline vehicle standards), and control measures included as part of the SIP submission. These emission changes and resulting changes in ambient chemical species levels were summed to estimate future year projected PM_{2.5} concentrations.

The attainment demonstration starts with estimating the baseline design value for PM_{2.5}. The procedure for its calculation is presented in Appendix N to 40 CFR 50, “Interpretation of the National Ambient Air Quality Standards for Particulate Matter,” EPA Guidance on the Use of Models and Other Analyses for Demonstrating Attainment of Air Quality Goals for O₃, PM_{2.5}, and Regional Haze,” and the June 28, 2011, memorandum from Tyler Fox to Regional Air Program Managers, “Update to the 24-hour PM_{2.5} Modeled Attainment Test.” Ambient PM_{2.5} concentrations from 2006 to 2010 were used to calculate a baseline design value of 39.5 µg/m³. Detailed methods on the baseline design value calculation are in Appendix G of the 2012 SIP submission.

Quality-assured and certified ambient air monitoring data from the Willamette Activity Center monitoring site from 2012 through 2014, yields a design value of 40 µg/m³ and confirms that the area did not attain the 2006 24-hour PM_{2.5} NAAQS by December 31, 2014. Therefore, EPA is proposing to disapprove the attainment demonstration portion of the 2012 SIP submission because the area failed to attain by the projected attainment date.

Reasonable Further Progress and Quantitative Milestones

For PM_{2.5} nonattainment areas, two statutory provisions apply regarding RFP and quantitative milestones. First, under subpart 1, CAA section 172(c)(2) requires attainment plans to provide for RFP, which is defined in CAA section 171(l) as “such annual incremental

reductions in emissions of the relevant air pollutant as are required by [Part D of Title I] or may reasonably be required by the Administrator for the purpose of ensuring attainment of the applicable national ambient air quality standard by the applicable date." Reasonable further progress is a requirement to assure that states make steady, incremental progress toward attaining air quality standards, rather than deferring implementation of control measures and thereby emission reductions until before the date by which the standard is to be attained. Second, CAA section 189(c) requires that attainment plans for the PM_{2.5} NAAQS to include "quantitative milestones which are to be achieved every 3 years until the area is redesignated to attainment and which demonstrate reasonable further progress...toward attainment by the applicable date."

In the 2012 SIP submission, the LRAPA did not address RFP and quantitative milestone requirements. The 2012 SIP submission projected attainment of the 2006 PM_{2.5} NAAQS within five years of designation, or by December 31, 2014. However, the Oakridge NAA failed to attain by December 31, 2014. The attainment plan control measures therefore did not achieve the necessary emission reductions that would have been necessary to demonstrate RFP or meet quantitative milestones, assuming such requirements were addressed in the 2012 SIP submittal. Accordingly, the EPA is proposing to disapprove the RFP and quantitative milestones elements for the 2012 SIP submission.

Contingency Measures

Section 172(c)(9) of the CAA requires that an attainment plan provide for implementation of specific contingency measures in the event that an area fails to attain a standard by its applicable attainment date, or fails to meet RFP. These measures should consist of other available control measures not included in the control strategy and must be fully adopted rules or measures that take effect without any further action by the state or the EPA. Contingency measures should

also contain trigger mechanisms and an implementation schedule, and should provide for emission reductions equivalent to one year's worth of RFP (57 FR 13498).

While the LRAPA discussed contingency measures in the 2012 SIP submission, the ordinance enacting the contingency measures was not included in the SIP submission. Because the regulatory text of the contingency measures was not included in the 2012 SIP submission, the EPA is proposing to disapprove the 2012 SIP submission with respect to the contingency measure requirements of the CAA.

Motor Vehicle Emissions Budget

Section 176(c) of the CAA requires federal actions in nonattainment and maintenance areas to “conform to” the goals of SIPs. This means that such actions will not cause or contribute to violations of a NAAQS, worsen the severity of an existing violation, or delay timely attainment of any NAAQS or any interim milestone. Actions involving Federal Highway Administration (FHWA) or Federal Transit Administration (FTA) funding or approval are subject to the transportation conformity rule (40 CFR part 93, subpart A). Under this rule, metropolitan planning organizations (MPOs) in nonattainment and maintenance areas coordinate with state air quality and transportation agencies, the EPA, and the FHWA and the FTA to demonstrate that their long-range transportation plans and transportation improvement programs (TIPs) conform to applicable SIPs. This demonstration is typically determined by showing that estimated emissions from existing and planned highway and transit systems are less than or equal to the motor vehicle emissions budgets (budgets) contained in a SIP.

For budgets to be approvable, they must meet, at a minimum, the EPA's adequacy criteria (40 CFR 93.118(e)(4)). One of the adequacy criteria requires that motor vehicle emissions budgets when considered together with all other emissions sources, are consistent with the

applicable requirements for reasonable further progress, attainment or maintenance (40 CFR 93.118(e)(4)(iv)). In this case the applicable requirement is attainment of the 2006 24-hour PM_{2.5} NAAQS. The Oakridge NAA failed to attain the 2006 24-hour PM_{2.5} NAAQS by December 31, 2014, and the submitted motor vehicle emissions budgets therefore do not meet the aforementioned adequacy criterion. Accordingly, EPA is proposing to disapprove the submitted budgets.

III. Consequences of a Disapproved SIP

This section explains the consequences of a disapproval of a SIP under the CAA. The Act provides for the imposition of sanctions and the promulgation of a federal implementation plan (FIP) if a state fails to submit and the EPA approve a plan revision that corrects the deficiencies identified by the EPA in its disapproval.

The Act's Provisions for Sanctions

If the EPA finalizes disapproval of a required SIP submission, such as an attainment plan submission, or a portion thereof, CAA section 179(a) provides for the imposition of sanctions unless the deficiency is corrected within 18 months of the final rulemaking of disapproval. The first sanction would apply 18 months after the EPA disapproves the SIP submission, or portion therefore. Under EPA's sanctions regulations, 40 CFR 52.31, the first sanction imposed would be 2:1 offsets for sources subject to the new source review requirements under section 173 of the Act. If the state has still failed to submit a SIP submission to correct the identified deficiencies for which the EPA proposes full or conditional approval 6 months after the first sanction is

imposed, the second sanction will apply. The second sanction is a prohibition on the approval or funding certain highway projects.¹

Federal Implementation Plan Provisions That Apply if a State Fails To Submit an Approvable Plan

In addition to sanctions, if the EPA finds that a state failed to submit the required SIP revision or finalizes disapproval of the required SIP revision, or a portion thereof, the EPA must promulgate a FIP no later than 2 years from the date of the finding if the deficiency has not been corrected within that time period.

Ramifications Regarding Conformity

One consequence if EPA finalizes disapproval of a control strategy SIP submission is a conformity freeze.² If we finalize the disapproval of the attainment demonstration SIP without a protective finding, a conformity freeze will be in place as of the effective date of the disapproval (40 CFR 93.120(a)(2)).³ The Oakridge NAA is an isolated rural area as defined in the transportation conformity rule (40 CFR 93.101). As such it does not have a metropolitan planning organization (MPO), and there is no long range transportation plan or TIP that would be subject to a freeze. However the freeze does mean that no projects in the Oakridge NAA may be found to conform until another attainment demonstration SIP is submitted and the motor vehicle emissions budgets are found adequate or the attainment demonstration is approved.

¹ On April 1, 1996 the US Department of Transportation published a notice in the Federal Register describing the criteria to be used to determine which highway projects can be funded or approved during the time that the highway sanction is imposed in an area. (See 61 FR 14363)

² Control strategy SIP revisions as defined in the transportation conformity include reasonable further progress plans and attainment demonstrations (40 CFR 93.101).

³ EPA would give a protective finding if the submitted control strategy SIP contains adopted control measures or written commitments to adopt enforceable control measures that fully satisfy the emissions reductions requirements relevant to the statutory provision for which the implementation plan revision was submitted, such as reasonable further progress or attainment (40 CFR 93.101 and 93.120(a)(2) and (3)). The submitted attainment plan for the Oakridge NAA does not contain all necessary controls to attain the 2006 24-hour PM_{2.5} NAAQS and therefore is not eligible for a protective finding.

IV. The EPA's Proposed Action

Proposed Approval

We propose to approve the following elements of the 2012 SIP submission:

- Description of the Oakridge NAA and listing as nonattainment, and
- The base year 2008 emission inventory to meet the section 172(c)(3) requirement for emissions inventories.

Proposed Disapproval

We propose to disapprove the following elements of the 2012 SIP submission:

- the attainment year emission inventory to meet the section 172(c)(3) requirement for emissions inventories,
- the section 172(c)(1) requirement for reasonably available control measures (RACM), including reasonably available control technology (RACT),
- the section 189(a)(1)(B) requirement for an attainment demonstration,
- Transportation conformity and MVEB,
- Section 172(c)(2) and section 189(c) requirements for RFP and quantitative milestones, and
- Section 172(c)(9) requirement for contingency measures.

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. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, the 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 that reason, this 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) and 13563 (76 FR 3821, January 21, 2011);
- 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 (Public Law 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);
- 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 Clean Air Act; and

- does not provide the 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).

The SIP is not approved to apply on any Indian reservation land or in any other area where the EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

Dated: July 18, 2016.

Michelle L. Pirzadeh
Acting Regional Administrator
Region 10.

[FR Doc. 2016-17714 Filed: 7/27/2016 8:45 am; Publication Date: 7/28/2016]