



ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R09-OAR-2023-0649; FRL-11647-02-R9]

Air Plan Revisions; California; Feather River Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking final action to approve a revision to the Feather River Air Quality Management District (FRAQMD) portion of the California State Implementation Plan (SIP). This revision concerns a rule submitted to address section 185 of the Clean Air Act (CAA or “Act”).

DATES: This rule is effective [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: The EPA has established a docket for this action under Docket ID No. EPA-R09-OAR-2023-0649. All documents in the docket are listed on the <https://www.regulations.gov> web site. Although listed in the index, some information is not publicly available, e.g., Confidential Business Information (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 through <https://www.regulations.gov>, or please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section for additional availability information. If you need assistance in a language other than English or if you are a person with a disability who needs a reasonable accommodation at no cost to you, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section.

FOR FURTHER INFORMATION CONTACT: Mae Wang, EPA Region IX, 75 Hawthorne St., San Francisco, CA 94105; phone: (415) 947-4137; email: wang.mae@epa.gov.

SUPPLEMENTARY INFORMATION: Throughout this document, “we,” “us” and “our” refer to the EPA.

Table of Contents

- I. Proposed Action
- II. Public Comments and EPA Responses
- III. EPA Action
- IV. Incorporation by Reference
- V. Statutory and Executive Order Reviews

I. Proposed Action

On February 12, 2024 (89 FR 9813), the EPA proposed to approve the following rule into the California SIP.

| Local Agency | Rule # | Rule Title | Amended | Submitted |
|---------------------|---------------|----------------------------------|----------------|------------------|
| FRAQMD | 7.15 | Clean Air Act Nonattainment Fees | 04/04/2022 | 07/05/2022 |

We proposed to approve this rule because we determined that it complies with the relevant CAA requirements. Our proposed action contains more information on the rule and our evaluation.

II. Public Comments and EPA Responses

The EPA’s proposed action provided a 30-day public comment period. During this period, we received five comments. Three of these comments were supportive of our proposed action, one was not germane to the action, and one stated that the rule submittal is not approvable. All the comments can be found in the docket for this rulemaking. We thank the commenters for their input. One of these commenters in support of the proposed action asked why there was no mention of California and COVID-19. FRAQMD Rule 7.15 was adopted and submitted to address the CAA section 185 fee program for Federal ozone nonattainment areas. Because COVID-19 does not bear on whether or not the submitted rule fulfills the requirements of section 185 of the CAA, we do not consider COVID-19 relevant to this rulemaking.

The comment in opposition to our proposed action was submitted from Air Law for All, Ltd., on behalf of the Center for Biological Diversity (the commenter from here on referred to as “ALFA” or “the commenter”). We have summarized below the substance of the comments from ALFA, identifying discrete points made by the commenter, and responding to each in turn.

Before responding to the issues raised by the commenter, we will first correct two factual misstatements in the comment letter. In the Background section of ALFA’s comment letter, the commenter states that “In 2012, EPA determined that the area had met the 1-hour standards by the applicable attainment date for those standards.” The reference cited was an EPA action on October 18, 2012 (77 FR 64036). In that action, the EPA determined that complete, quality-assured, and certified air quality data for the Sacramento Metro 1-hour ozone nonattainment area show continuous attainment for the 1-hour ozone national ambient air quality standards (NAAQS) since 2009. We would like to clarify that this clean data finding was not a determination that the area had attained the NAAQS by the applicable attainment date, but instead a finding that the area had achieved attaining levels of air quality for the 2009-2011 period, which was after the applicable attainment date. The commenter also incorrectly stated, “For the 2008 8-hour standards, the applicable attainment date is December 31, 2027.” The applicable attainment date for the Sacramento Metro ozone nonattainment area for the 2008 8-hour ozone NAAQS is July 20, 2027. *See* 40 CFR 51.1103(a) Table 1, 77 FR 30160 (May 21, 2012) and 80 FR 12264 (March 6, 2015).

Comment #1: The commenter states that the EPA has not carried out its duty to determine whether the Sacramento Metro nonattainment area has attained the 1997 8-hour NAAQS by the June 15, 2019 attainment date. The commenter states that “[t]his information is germane to EPA’s action, as the failure to attain would trigger the ozone fee requirement, for which the public and the regulated community must receive notice.” Therefore, the commenter claims that “EPA’s proposal notice is insufficient, because it gives no notice of the legal consequences of EPA’s approval.”

Response #1: It is not clear in what manner the commenter is alleging that the proposal notice is insufficient regarding the lack of notice of the “legal consequences” of the EPA’s approval. As an initial matter, the commenter is correct that, as of the time of this action, the EPA has not made a determination as to whether the Sacramento Metro ozone nonattainment area attained the 1997 8-hour ozone NAAQS by the applicable attainment date. The commenter appears to be asserting that the approvability of a CAA section 185 rule submission depends in some way on whether or not the EPA has made such a finding, and because the EPA has not yet done so, the proposed rule did not sufficiently detail the legal consequences of approving Rule 7.15 into the SIP. The approvability of a section 185 rule submission does not depend on whether or not the EPA has previously made a finding that the area has failed to attain the relevant NAAQS. In some instances, the EPA has approved section 185 programs after making a finding that the area has failed to attain by the applicable attainment date.¹ In other instances, the EPA has approved a section 185 program prior to determining whether an area has attained the standard by the applicable attainment date.² The legal consequences of approving FRAQMD Rule 7.15 into the SIP are clear. Rule 7.15 section C.1 provides that fees will be assessed for emissions in the previous calendar year, beginning the year after the effective date of an EPA finding published in the *Federal Register* that the area has not attained an ozone NAAQS by the attainment date. The fact that the EPA has not made such a finding at the time the rule was adopted, submitted, or approved into the SIP is not relevant to the approvability of Rule 7.15. If the EPA in a future rulemaking proposes to find that the area failed to attain the 1997 ozone NAAQS by the applicable attainment date, or that it did attain the 1997 ozone NAAQS by the

¹ See, e.g., 76 FR 82133, December 30, 2011 (finding that the Los Angeles-South Coast Air Basin Area and the San Joaquin Valley Area did not attain the 1-hour ozone NAAQS by the applicable attainment date); 77 FR 50021, August 20, 2012 (approving the section 185 rule for the 1-hour ozone NAAQS applicable to the San Joaquin Valley Area); and 77 FR 74372, December 14, 2012 (approving the section 185 rule for the 1-hour ozone NAAQS applicable to the South Coast Air Basin).

² See, e.g., 69 FR 77909, December 29, 2004 (approving the section 185 rule for the 1-hour ozone NAAQS applicable to the Virginia portion of the Metropolitan Washington D.C. Severe Ozone Nonattainment Area); and 73 FR 43360, July 25, 2008 (determining that the Metropolitan Washington D.C. nonattainment area attained the 1-hour ozone NAAQS by the applicable attainment date).

applicable attainment date, such finding would itself be subject to notice and comment via a separate *Federal Register* notice at that time. Should the EPA finalize a finding that the area failed to attain by the applicable attainment date, then pursuant to Rule 7.15 section C.1, fees would be assessed for emissions in the previous calendar year. Accordingly, the EPA disagrees with the commenters' assertion that the EPA's notice does not give sufficient notice of the legal consequences of approving Rule 7.15 into the California SIP.

Comment #2: The commenter claims that ozone emission fees are imposed upon a nonattainment area's failure to attain an ozone NAAQS, regardless of the timing of an EPA determination that the area failed to attain. The commenter states that CAA section 185(a) provides that emission fees must be paid for "each calendar year beginning after the attainment date, until the area is redesignated as an attainment area for ozone." Thus, the commenter specifically objects to the language in FRAQMD Rule 7.15 section C.1 that states, "beginning in the year after the effective date of a final determination published in the *Federal Register* that the area has not attained the standard by the attainment date, the Air Pollution Control Officer shall assess the Clean Air Act Fees for emissions in the previous calendar year." The commenter claims that even though the EPA is overdue in making a determination that the Sacramento Metro ozone nonattainment area failed to attain the 1997 ozone NAAQS, CAA section 185(a) requires fees to be collected for the years 2020, 2021, 2022, and 2023.

Response #2: The EPA notes as an initial matter that there are no major stationary sources in the portion of the Sacramento Metro ozone nonattainment area regulated by the FRAQMD, nor have there been at any point since the 2005 attainment date for the 1-hour ozone NAAQS.³ Thus, there were no sources in the area subject to the rule in the years 2020, 2021,

³ The staff report for FRAQMD Rule 7.15 confirms that "There were no major sources in the SFNA portion of Sutter County when the Rule 7.15 was adopted in 2010 and there have been no new sources since that date." The submitted staff report, dated March 4, 2022, also states, "The District has reviewed all current and pending permit applications and has determined that there are no applicable sources in the Sutter County portion of the SFNA. Therefore, Rule 7.15 does not apply to any current or anticipated sources in the District." The EPA's review of available facilities databases and permit applications shows no new major sources have begun operating in the relevant area since that time.

2022, and 2023, and the commenter's statement that the rule must require fees be collected for those years is without any practical import because no fees would be owed or collected in any case. Notwithstanding this fact, the EPA acknowledges that the hypothetical scenario raised by the commenter could potentially become relevant if all of the three following conditions were met: (1) the Sacramento Metro nonattainment area failed to attain a particular ozone NAAQS by the applicable attainment date for that NAAQS, (2) the EPA finalized a finding of failure to attain for that NAAQS two or more calendar years following the attainment year for that NAAQS, and (3) a new major stationary source had begun operating in the portion of the Sacramento Metro ozone nonattainment area regulated by the FRAQMD prior to the year in which the EPA issued its finding of failure to attain.⁴ In that hypothetical scenario, Rule 7.15 would require such a source to begin paying fees in the year following the effective date of the EPA's finding of failure to attain for emissions in the previous calendar year (that is, for emissions occurring in the calendar year of the effective date of the EPA's finding of failure to attain), but not for any emissions in prior years.

The EPA has not established a comprehensive approach to section 185 fees that may be due retroactively for emissions in years prior to the EPA issuing a finding of failure to attain. The EPA does not believe that the present rulemaking, for which the question is only theoretical and for which there are no identifiable parties at interest, is the proper forum for establishing a position on section 185 fees that may be due retroactively. The EPA believes that addressing this question in a future notice and comment rulemaking would provide a more appropriate forum for a range of impacted parties to provide input on this question. We do not believe that the hypothetical scenario above precludes our approval of Rule 7.15, which will require fees be paid by any potential future major stationary sources for all ozone NAAQS. Even if that hypothetical scenario comes to pass for a particular NAAQS in the future, the EPA could address any

⁴ Because the fee obligation in Rule 7.15 becomes applicable the year after the effective date of an EPA finding of failure to attain, but applies to emissions from "the previous calendar year," the rule would collect fees for emissions occurring in the year the EPA's finding became effective.

potential deficiencies under its section 185(d) authority (which is discussed in further detail in the response to Comment #4). As a result, the EPA finds that the timing of the rule's applicability provisions does not preclude our final approval of Rule 7.15.

Comment #3: The commenter claims that “an emissions fee program must collect separate emissions fees for each ozone standard for which an area is classified as Severe or Extreme.” The commenter further states, “For the Feather River rule to be fully approvable, it must make clear that two separate fees are to be paid if the area fails to attain both standards. In addition, the baseline appropriate for each particular standard must be used for each fee. However, the rule text does not explicitly address this requirement.”

Response #3: The EPA agrees with the commenter's claim that CAA section 185 fees must be calculated and collected separately for each ozone NAAQS. However, the EPA disagrees with the commenter's claim that Rule 7.15 is not sufficiently clear on this point, because Rule 7.15 does require fees to be calculated and paid for each applicable standard. As stated in the FRAQMD staff report for Rule 7.15, the rule was amended to include the 8-hour ozone standards because the originally adopted version of the rule only applied to the 1-hour ozone standard. The staff report says, “The amendments would apply to the existing 8-hour standards that were amended in 1997, 2008, and 2015 and any future 8-hour standards.”

Additionally, the rule itself in sections A.2 and A.4 refers to multiple standards. When discussing the cessation of fees, section A.4 states that fees “for any ozone standard will cease on the effective date of the United States Environmental Protection Agency final action redesignating the nonattainment area to attainment for *that* standard” (italics added), which indicates that the fee obligation would continue for each other applicable NAAQS for which the area is still designated nonattainment and classified as Severe or Extreme. The rule's definition for the term “Attainment Year” in section B.1 also refers to multiple standards, which is consistent with the conclusion that the rule addresses the CAA section 185 fee requirement for each individual standard. Although the EPA notes that the rule language could be more explicit

to state that the fees for each individual NAAQS are assessed separately, we conclude that the rule is sufficiently clear on this point.

Comment #4: The commenter states that “EPA must immediately promulgate procedures for collecting emissions fees.” The commenter claims that the EPA has an independent obligation under CAA section 185(d) to promulgate these procedures regardless of whether a federal implementation plan obligation is triggered. The commenter also claims that CAA “section 185(d) requires the EPA to collect ‘unpaid fees’ if the state has not done so.” Additionally, the commenter states that the EPA has a “mandatory duty” under the Act to collect section 185 fees for “the Sacramento metropolitan ozone area for the years 2020 through 2023, and possibly other nonattainment areas as well.” The commenter also notes that “section 301(a) of the Act requires EPA to promulgate procedures ensuring ‘fairness and uniformity’ in implementing and enforcing the Act across EPA’s regional offices” and suggests that “a uniform set of procedures for collections of emissions fees” is the best approach to do so.

Response #4: The issues raised in this comment are outside the scope of the current rulemaking. Section 185(d) provides in part: “If the Administrator has found that the fee provisions of the implementation plan do not meet the requirements of this section, or if the Administrator makes a finding that the State is not administering and enforcing the fee required under this section, the Administrator shall, in addition to any other action authorized under this subchapter, collect, in accordance with procedures promulgated by the Administrator, the unpaid fees required under subsection (a) of this section.”

According to this provision, the EPA shall collect “unpaid fees” required under subsection (a) if either (1) the Administrator has found that the fee provisions of the SIP do not meet the requirements of section 185, or (2) the Administrator makes a finding that the State is not administering and enforcing the section 185 fee obligation. As explained in the response to Comment #2, there are currently no major stationary sources in the area regulated by Rule 7.15,

nor were there any major stationary sources in the applicable area in the years 2020 through 2023. As a result, there are no “unpaid fees” for the EPA to collect in the area at issue in this rulemaking. Should the EPA in the future make either of the above-enumerated findings, and outstanding unpaid fees exist at that time, the EPA could at that time exercise its authority under section 185(d) to collect such fees. However, the EPA is under no obligation to promulgate procedures for doing so in the FRAQMD at this time, nor are the EPA’s potential obligations under section 185(d) relevant to the approvability of Rule 7.15. Additionally, any potential section 185 fee obligations for areas outside of the FRAQMD have no relevance to the approvability of the present rule submission from the FRAQMD.

Accordingly, the commenter’s assertion that the EPA has a “mandatory duty” to collect fees for “the Sacramento metropolitan ozone area for the years 2020 through 2023, and possibly other nonattainment areas as well” is outside the scope of this action.

With respect to the commenter’s statement that the section 301(a) requirement for “fairness and uniformity” in the criteria, procedures, and policies applied by the regional offices suggests that “a uniform set of procedures for collections of emissions fees” is the best approach, this is also outside the scope of the current rulemaking. As noted, the EPA does not have any duty to exercise its section 185(d) authority in the FRAQMD at this time.

III. EPA Action

No comments were submitted that change our assessment of the rule as described in our proposed action. Therefore, as authorized in section 110(k)(3) of the Act, the EPA is approving FRAQMD Rule 7.15 into the California SIP. This final approval action also removes the EPA’s obligation to promulgate a Federal Implementation Plan (FIP) for the FRAQMD portion of the Sacramento Metro ozone nonattainment area by permanently stopping the FIP clock associated with the January 5, 2010 (75 FR 232) finding of failure to submit.⁵

⁵ Although the imposition of sanctions due to the January 5, 2010 finding was deferred on May 18, 2011 (76 FR 28661), and was permanently stopped with our October 28, 2022 completeness letter, there remained an obligation for the EPA to promulgate a FIP associated with the January 5, 2010 action.

IV. Incorporation by Reference

In this rule, the EPA is finalizing regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, the EPA is finalizing the incorporation by reference of FRAQMD Rule 7.15, “Clean Air Act Nonattainment Fees,” amended on April 4, 2022, which addresses the CAA section 185 fee program requirements. The EPA has made, and will continue to make, these documents available through www.regulations.gov and at the EPA Region IX Office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information).

V. Statutory and Executive Order Reviews

Under the Clean Air Act, 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 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 Orders 12866 (58 FR 51735, October 4, 1993) and 14094 (88 FR 21879, April 11, 2023);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.S. 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 subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it approves a State program;
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001); and
- 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.

In addition, 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).

Executive Order 12898 (Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations, 59 FR 7629, February 16, 1994) directs Federal agencies to identify and address “disproportionately high and adverse human health or environmental effects” of their actions on minority populations and low-income populations to the greatest extent practicable and permitted by law. Executive Order 14096 (Revitalizing Our Nation's Commitment to Environmental Justice for All, 88 FR 25251, April 26, 2023) builds on and supplements EO 12898 and defines environmental justice (EJ) as, among other things, “the just treatment and meaningful involvement of all people, regardless of income, race, color, national origin, Tribal affiliation, or disability, in agency decision-making and other Federal activities that affect human health and the environment.”

The State did not evaluate EJ considerations as part of its SIP submittal; the CAA and applicable implementing regulations neither prohibit nor require such an evaluation. The EPA

did not perform an EJ analysis and did not consider EJ in this action. Consideration of EJ is not required as part of this action, and there is no information in the record inconsistent with the stated goal of Executive Orders 12898 and 14096 of achieving EJ for communities with EJ concerns.

This action is subject to the Congressional Review Act, and the EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

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 [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action 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, Incorporation by reference, Intergovernmental relations, Nitrogen oxides, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: December 23, 2024.

Martha Guzman Aceves,
Regional Administrator,
Region IX.

For the reasons stated in the preamble, the Environmental Protection Agency amends part 52, chapter I, title 40 of the Code of Federal Regulations as follows:

PART 52 - APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

1. The authority citation for part 52 continues to read as follows:

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

Subpart F – California

2. Section 52.220 is amended by adding paragraph (c)(607)(i)(C) to read as follows:

§52.220 Identification of plan – in part.

* * * * *

(c) * * *

(607) * * *

(i) * * *

(C) Feather River Air Quality Management District.

(I) Rule 7.15, “Clean Air Act Nonattainment Fees,” amended on April 4, 2022.

(2) [Reserved]

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