



ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R02-OAR-2021-0361, FRL-10180-02-R2]

Air Plan Approval; New York; Fuel Composition and Use

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving revisions to the New York State Implementation Plan (SIP) concerning the control and reduction of sulfur and particulate matter emissions from facilities in New York State. The SIP revisions consist of amendments to regulations outlined within New York's Codes, Rules and Regulations (NYCRR) for sulfur in fuel limits and the use of waste oil as fuel. The intended effect of the revisions is to approve control strategies, required by the Clean Air Act (CAA), which will result in emission reductions that will help attain and maintain National Ambient Air Quality Standards (NAAQS) for sulfur dioxide and fine particulate matter emissions throughout New York State. Additionally, the revisions will establish applicability criteria, composition limits, and permitting requirements for waste oils; provide monitoring, recordkeeping, and reporting requirements for facilities that are determined eligible to burn waste oil; update conditions required for the firing of waste oils in space heaters at automotive maintenance/service facilities to align with both Federal and New York State hazardous waste regulations; and simplify and streamline implementation of the regulation through the correction of typographical errors and elimination of obsolete regulatory references within provisions. This action is being taken in accordance with the requirements of the CAA.

DATES: This final rule is effective on [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 Number EPA-R02-OAR-2021-0361. All documents in the docket are listed on the <http://www.regulations.gov> website. Although listed in the index, some information is not publicly available, e.g., Controlled Unclassified Information (CUI) (formerly referred to as 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 electronically through <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Nicholas Ferreira, Environmental Protection Agency, Region 2, Air Programs Branch, 290 Broadway, New York, New York 10007-1866, at (212) 637-3127, or by email at Ferreira.Nicholas@epa.gov.

SUPPLEMENTARY INFORMATION:

Table of Contents

- I. What is the background for this action?
- II. What comments were received in response to the EPA’s proposed action?
- III. What action is the EPA taking?
- IV. Incorporation by Reference
- V. Statutory and Executive Order Reviews

I. What is the background for this action?

On October 25, 2022, the EPA published a notice of proposed rulemaking (87 FR 64428) that proposed to approve revisions to the New York SIP which were submitted to the EPA by the New York State Department of Environmental Conservation (NYSDEC) on August 26, 2020, and March 2, 2021.

This SIP revision includes revisions to Title 6 of the NYCRR part 225, “Fuel Composition and Use,” subpart 225-2, now entitled, “Fuel Composition and Use – Waste Oil as a Fuel”; in conjunction with attendant revisions to part 200, “General Provisions,” section 200.1, “Definitions,” and section 200.9, “Referenced material,” with a State effective date of April 2, 2020. In addition, this SIP revision also includes revisions to

Title 6 of the NYCRR part 225, “Fuel Consumption and Use,” subpart 225-1, “Fuel Composition and Use - Sulfur Limitations,” with a State effective date of February 4, 2021. The revisions to part 225 apply to fuel composition and use, limit the sulfur content of distillate oil, residual oil, and coal fired in stationary sources; and regulate the burning of waste oils in combustion, incineration, and process sources throughout New York. The attendant revisions to 6 NYCRR part 200, “General Provisions,” section 200.1, “Definitions,” and section 200.9, “Referenced material,” for 6 NYCRR subpart 225-2 have been addressed under separate rulemakings at 86 FR 54375 (October 1, 2021), effective November 1, 2021, and 87 FR 52337 (August 25, 2022), effective September 26, 2022, respectively.

New York’s revisions to subpart 225-1 will add process sources and incinerators as stationary emission sources to prevent these sources from purchasing and firing fuel that is not compliant with the sulfur-in-fuel requirements of the regulation, from out-of-state distributors; lower the sulfur-in-fuel limit for waste oil from 0.75 percent by weight to 0.25 percent by weight; remove 225-1.3(e) which New York determined to be redundant, and paragraph 225-1.4(c)(2), which the State also determined to be outdated and less stringent; as well as correct other typographical errors. Overall, New York’s revisions to subpart 225-1 will ensure the firing of waste oils is regulated within provisions under subpart 225-1.

New York’s subpart 225-2 is repealed and replaced with the newly titled “Fuel Composition and Use – Waste Oil as a Fuel.” The State’s new subpart 225-2 will continue to regulate the burning of waste oils in combustion, incineration, and process sources throughout the State by establishing the applicability criteria, composition limits, and permitting requirements for waste oils; simplify and streamline implementation of the regulation through the elimination of obsolete regulatory references; and update the permitting process to include monitoring, recordkeeping, and reporting requirements that

align with 6 NYCRR Part 201, “Permits and Registrations,” and Title V criteria found in the CAA. Additional revisions to subpart 225-2 will also remove outdated references to liquid waste transportation regulations; move regulations pertaining to the burning of chemical waste and “off-spec” waste oils (*i.e.*, Waste Fuel B) to 6 NYCRR Part 212, “Process Operations,” or Parts 370-376 as appropriate; and clarify the regulation’s process for the burning of waste oil while removing the term “waste fuel.” Furthermore, based on comments NYSDEC received during the public comment period, New York included arsenic (5ppm), cadmium (2 ppm), and chromium (10 ppm) and their corresponding limits in Table 1 of this subpart.

The specific details of New York’s SIP submittal and rationale for the EPA’s approval are explained in the EPA’s proposed rulemaking and are not restated in this final action. For this detailed information, the reader is referred to the EPA’s October 25, 2022, proposed rulemaking. *See* 87 FR 64428.

II. What comments were received in response to the EPA’s proposed action?

In response to the EPA’s October 25, 2022, proposed rulemaking on New York’s SIP revisions, two comments were received during the 30-day public comment period. The specific comments may be viewed under Docket ID Number EPA-R02-OAR-2021-0361 on the <https://regulations.gov> website.

Comment 1:

The first public comment, received on November 22, 2022, was submitted by the environmental organization, Sierra Club. The commenter attached a letter requesting that the EPA reject elements within this rulemaking that the commenter believes expand the authorized burning of waste oils in space heaters located in automotive/service facilities, and instead, urges the EPA to analyze whether such waste oils can be recycled. The commenter believes it was irrational and arbitrary for the EPA to not provide an explanation for authorizing the expanded on-site combustion of used motor oils; as well

as any evaluation of whether these oils can be beneficially reused. The commenter includes several statements from the EPA, for which the recycling of used oils is promoted as feasible and environmentally beneficial. Two examples of businesses which recycle used oil, Safety-Kleen and EcoPower, are referenced as evidence for the feasibility and emissions reductions associated with such a recycling program implemented by the EPA. The commenter concludes by emphasizing the significant role the EPA plays, with regard to the climate crisis, in pushing forward the recycling of waste oil and the implementation of high-efficiency heat pump technologies in place of the on-site burning of waste oil.

Response 1:

The EPA acknowledges why it would appear beneficial to reject the expanded allowance of firing waste oil in space heaters located at automotive and/or service facilities; however, the EPA would like to clarify that the use of waste oil under such circumstances is already authorized under the current federally approved version of 225-2, so long as an owner or operator complies with the provisions associated with such use of waste oils. To clarify, this rulemaking should not be interpreted as an expansion of the authorization for the firing of waste oils in space heaters located in automotive/service facilities, as provided within the comment the EPA received. Nevertheless, the EPA would like to provide the rationale for its position to allow the continued burning of waste oils.

As New York states within its submittal to the EPA, there has been an increase in the number of “synthetic” engine lubricating oils manufactured from natural gas. These “synthetic” oils have virtually no sulfur content and have resulted in a significant decrease of the overall sulfur content of waste oil. New York also provides in its submittal to the EPA that “the distillate oil pipeline changed over to 15 ppm sulfur distillate oil in 2011 in anticipation of the 2013 Subpart 225-1 changes requiring home

heating oil and stationary combustion sources to fire 15 ppm oil.” Thus, the EPA expects that allowing for the burning of waste oil in space heaters located at automotive/service facilities, which will now be subject to limits under provisions approved by this rulemaking, to a sulfur content of 0.25 percent by weight (*see* Section 225-1.2) and limited in the content of hazardous air pollutants such as polychlorinated biphenyls (PCB), arsenic, cadmium, chromium, and lead (*see* Section 225-2.5), will provide for an additional source of energy, while also providing reduced emissions of air pollutants.

Furthermore, the EPA has determined that New York’s revised fuel limitations, which the EPA is approving with this rulemaking, will be equivalent to the fuel standards of both 40 CFR part 60 “Standards of Performance for New Stationary Sources” and 40 CFR part 63 “National Emission Standards for Hazardous Air Pollutants” at the time of New York’s adoption.

The EPA would also like to emphasize that New York’s revisions to Subpart 225-2, which the EPA is approving with this rulemaking, will limit the number of facilities authorized to burn waste oil through a series of provisions approved with this rulemaking. The rulemaking sets a minimum operating heat input for processing sources or stationary combustion installations and a minimum charging capacity for incinerators, among other requirements, that owners or operators of facilities proposing to burn waste oil must meet to apply for a permit or registration to burn waste oil. *See* Section 225-2.4. Owners or operators of space heaters located in auto maintenance and service facilities are exempt from these requirements only if they can satisfy certain conditions regarding the composition limits of waste oil, the maximum operating heat input, and the location of where waste oil is generated. Likewise, under Section 225-1.4, “Variances,” waste oils with a sulfur content greater than allowed will be permitted to be fired only when a facility owner can demonstrate the sulfur dioxide emissions do not exceed the allowable sulfur dioxide emissions based on the percent of total heat input from waste fuel.

The EPA realizes its obligation to consider the recycling of used motor oils and would like to clarify that it finds the regulated burning of used motor oil to be an effective method in which used and/or reprocessed motor oils can be reused and recycled. Moreover, the EPA believes that the regulated burning of used motor oil replaces the need for facilities to burn fuel oil and natural gas as a source of energy, which possess a greater potential to negatively impact air quality, by alleviating the demand of such energy sources, while also reducing the risk of potential spills and contamination associated with the transportation of such fuel oils for energy production. Furthermore, the EPA does promote the recycling of waste oil, as evidenced by the supporting statements the commenter provides.

Notably, as part of New York's reasoning for reducing the limit for the amount of sulfur content in waste fuel from 0.75 percent by weight to 0.25 percent by weight, one of the businesses which recycles used oil mentioned by the commenter (Safety-Kleen), is one whose records New York utilized to determine that the waste oil sulfur content in several million gallons of waste oil between 2016 and 2017 averaged at or below 0.25 percent by weight. Additionally, New York expects the sulfur content of waste oil to continue to decrease over the next several years. As a result, it is the EPA's understanding that the State has determined the impact that provisions within this rulemaking will have on air quality and that the State is taking the necessary steps in accordance with the CAA to continue improving air quality.

The EPA would also like to mention that the SIP submittal that was provided by New York did not include any provisions pertaining specifically to the recycling of waste oil and no comments were received during the State's comment period related to this matter. The EPA has an obligation to evaluate the SIP as it was submitted by the State. If a SIP submission meets requirements under the CAA, the EPA must approve the SIP. The EPA is not permitted to require a State to go beyond what is required by the CAA;

and as a result, the EPA does not believe this matter is a permissible basis for the disapproval of the provisions subject to this rulemaking.

In conclusion, the EPA finds that this rulemaking is not considered an expansion allowing for the increased burning of waste oil; rather, it is an expansion of regulations pertaining to the burning of waste oils, providing for increased stringency. As a result, the EPA expects that provisions it is approving with this rulemaking that regulate the burning of waste oil, which would include used motor oil, will not result in an increase in the emission of air pollutants, such as sulfur dioxide. Overall, the EPA believes this rulemaking will strengthen New York's SIP and should not interfere with any applicable CAA requirements.

Comment 2:

The second comment, received on November 22, 2022, was submitted by an environmental studies student attending the University of Wisconsin-Madison. The commenter begins by acknowledging the significant role the EPA plays in safeguarding both environmental and human health regarding air quality. The commenter observes that these revisions appear overwhelmingly positive and voices support for this rulemaking, recognizing it will reduce emissions of sulfur compounds and particulate matter, ensuring compliance with the NAAQS. However, the commenter expresses over the removal of the requirement that fuel be combusted at an efficiency rate of 99%, and questions whether this would decrease fuel combustion, resulting in excess waste fuel.

Additionally, the commenter suggests that the SIP revision may eventually lead to phasing out the burning of waste fuels entirely, since the term "waste fuel" has been removed from the definitions, and the revision appears to emphasize removing burning waste fuel. The commenter questions what impacts such a new non-combustion method of removing waste fuel will have on air quality and suggests that it would have been beneficial for New York to include a section dedicated to discussing the environmental

impacts of the new strategy of treating waste fuel, including whether the waste fuel will be disposed of in such a way as to harm human health and the environment, including whether the waste fuel will be disposed of in such a way as to harm human health and the environment.

Response 2:

The EPA appreciates the commenter's support of the EPA's proposed rulemaking. That said, the EPA would like to address the commenter's concern regarding the removal of the 99% fuel combustion requirement and clarify that while it may reduce fuel combustion efficiency, which may potentially result in excess waste fuel, the State has assessed that an increase in fuel use will not significantly impact air quality. Although a lower combustion efficiency typically results in incomplete combustion and a decrease in the heat output of the fuel-burning equipment, it can reduce emissions per unit of fuel burned while increasing the total fuel consumption to compensate for the loss of heat, which can ultimately increase overall emissions. Nonetheless, the State has determined that the potential air quality impacts from burning excess waste oil will not be significant and has promulgated the provisions that EPA is approving with this rulemaking to allow for the proper handling and utilization of waste oil.

The scope of this approval addresses only air quality impacts; however, it is against the law to improperly dispose of used oil, and the EPA has a series of programs pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.* (*see, e.g.,* 40 CFR part 279), which reduce waste from used oil and address the full scope of this comment. Additionally, the State has regulations (located at 6 NYCRR 374-2, "Standards for the Management of Used Oil") addressing the issue of proper handling of used oil from waste fuel. In conclusion, the purpose for the removal of the 99% combustion efficiency limit is to reduce the financial burden on facilities by eliminating the requirement to periodically test combustion efficiency, which can cost a subject

facility between \$1,000.00 and \$5,000.00 per test depending on equipment size and configuration. While these provisions may result in excess waste fuel, the EPA believes there are adequate resources available to handle waste fuel and prevent unnecessary financial burden imposed on owners and/or operators.

Furthermore, the EPA clarifies that this rulemaking will not phase out the burning of waste fuels by operation of the removal of the term “waste fuel” as the commenter suggests. Revisions under this rulemaking will simply clarify the regulation’s process for the burning of waste oil while removing the term “waste fuel”. The term “waste fuel” is deemed interchangeable with the term “waste oil” and therefore becomes obsolete with the passage of these provisions pertaining to waste oils. This is further evident with the repeal of 6 NYCRR Part 225-2, “Fuel Composition and Use – Waste Fuel” and the replacement of it with 6 NYCRR Subpart 225-2, “Fuel Composition and Use -Waste Oil as a Fuel.” Finally, the SIP that was provided to the EPA did not include any provisions pertaining to the treatment of waste fuel, and no comments were received during the State’s comment period related to this matter. Thus, the EPA has evaluated the SIP as it was submitted by the State to the EPA.

III. What action is the EPA taking?

The EPA is approving New York’s SIP revision submittals dated August 26, 2020, and March 2, 2021, for the purpose of incorporating the revisions made to 6 NYCRR part 225, “Fuel Consumption and Use,” subpart 225-1, “Fuel Composition and Use - Sulfur Limitations,” and subpart 225-2, “Fuel Composition and Use – Waste Oil as a Fuel,” with State effective dates of April 2, 2020 and February 4, 2021, respectively. The attendant revisions to 6 NYCRR part 200, “General Provisions,” section 200.1, “Definitions,” and section 200.9, “Referenced material,” for 6 NYCRR subpart 225-2 have been addressed under separate rulemakings at 86 FR 54375 (October 1, 2021),

effective November 1, 2021, and 87 FR 52337 (August 25, 2022), effective September 26, 2022, respectively.

IV. Incorporation by Reference

In this document, 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 6 NYCRR part 225, “Fuel Consumption and Use,” subpart 225-1, “Fuel Composition and Use – Sulfur Limitations,” and subpart 225-2, “Fuel Composition and Use - Waste Oil as a Fuel” described in the amendments to 40 CFR part 52 as discussed in section I of this preamble. The EPA has made and will continue to make these materials generally available through <http://regulations.gov>. Therefore, these materials have been approved by EPA for inclusion in New York’s SIP, have been incorporated by reference by EPA into that SIP, and are fully federally enforceable under sections 110 and 113 of the CAA as of the effective date of the final rule of EPA’s approval, and will be incorporated by reference in the next update to the SIP compilation.¹

V. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Clean Air Act and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the Clean Air Act.

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 Order 12866 (58 FR 51735, October 4,

¹ 62 FR 27968 (May 22, 1997).

1993);

- Is not subject to Executive Order 14192 (90 FR 9065, February 6, 2025) because SIP actions are exempt from review under Executive Order 12866;
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4);
- Does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not 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 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).

This action is subject to the Congressional Review Act, and 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, Particulate matter, Reporting and recordkeeping requirements, Sulfur dioxide.

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

Michael Martucci,
Regional Administrator,
Region 2.

For the reasons set forth in the preamble, 40 CFR part 52 is amended 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 HH—New York

2. Amend § 52.1670, in the table in paragraph (c), by revising the entries “Title 6, Part 225, Subpart 225-1” and “Title 6, Part 225, Subpart 225-2” to read as follows:

§ 52.1670 Identification of plan.

* * * * *

(c) * * *

EPA—APPROVED NEW YORK STATE REGULATIONS AND LAWS

| State citation | Title/subject | State effective date | EPA approval date | Comments |
|----------------------------------|--|-----------------------------|--|---|
| * * * * * | | | | |
| Title 6, Part 225, Subpart 225-1 | Fuel Composition and use – Sulfur Limitations | 2/4/2021 | [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER] | <ul style="list-style-type: none"> EPA approved finalized at 90 FR [INSERT FEDERAL REGISTER PAGE WHERE THE DOCUMENT BEGINS]. |
| Title 6, Part 225, Subpart 225-2 | Fuel Composition and use – Waste Oil as a Fuel | 4/2/2020 | [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER] | <ul style="list-style-type: none"> EPA approved finalized at 90 FR [INSERT FEDERAL REGISTER PAGE WHERE THE DOCUMENT BEGINS]. |
| * * * * * | | | | |

* * * * *