

EPA Office of Air & Radiation Update

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Key Actions Under Review

- California GHG Waiver Denial
- PM2.5 Designations
- New Source Review
 - Aggregation
 - Fugitive Emissions
- “Johnson Memo”
 - Power plant permitting and CO2 emissions
- Air Quality Standards
 - PM standards – response to Court remand
 - Ozone – Court grants EPA motion requesting time to determine whether standards should be reconsidered

California GHG Waiver Reconsideration – Timeline

- In 2004, California adopted standards limiting total GHGs from cars and light trucks
- 14 States have adopted California's GHG rules regulations
- EPA published waiver denial – March 2008
- February 6, 2009 – EPA initiated reconsideration
- March 5 – public hearing
- April 6 – comment period closes
- Final decision expected in summer 2009

PSD Memorandum – “Johnson Memo”

- **December 18, 2008 – EPA Issues Memorandum Interpreting Prevention of Significant Deterioration (PSD) permitting regulations**
Former EPA Administrator Johnson issued a memo interpreting the Agency’s rules regarding what air pollutants are subject to the federal PSD program. PSD is part of the New Source Review program that applies in areas meeting national air quality standards.
- **January 2009 – Reconsideration Petition**
The Sierra Club and other parties petitioned EPA to reconsider the “Johnson memo.”
- **February 17, 2009 – EPA Reconsiders PSD Memo**
EPA agrees to reconsider the Johnson memo on the scope of the PSD permitting program.
- The Agency will issue a notice requesting public comment on the issues raised in the memo.

PM NAAQS Decision—February 24, 2009

- **American Farm Bureau Federation v. EPA** – U.S. Court of Appeals for the District of Columbia Circuit
- **The Court granted the petitions for review of the primary annual and secondary standards for fine particulate matter (PM 2.5)**
- **The PM2.5 standards remain in place as the Agency addresses the Court's ruling.**
- **PM2.5 annual primary standard – remanded**
 - EPA did not adequately explain why 15 ug/m³ protected public health from both short- and long-term exposures
- **PM2.5 secondary NAAQS – remanded**
 - EPA failed to adequately explain why setting the secondary standard equal to the primary standard provided the required protection from visibility impairment.
- **Court upheld the PM2.5 24-hour standards**
- **Court upheld decision to retain 24-hour PM10 standard and revoked annual PM10 standard**

24-Hour PM_{2.5} Area Designations

- In September 2006, EPA revised the primary and secondary 24-hour PM_{2.5} NAAQS, lowering the level of the standards from 65 $\mu\text{g}/\text{m}^3$ to 35 $\mu\text{g}/\text{m}^3$
- Revision of the 24-hour PM_{2.5} NAAQS triggered the initial designations process under CAA section 107(d)(1)
- December 2008: Signature by Administrator Johnson (58 nonattainment areas); letters sent to Governors and Tribal leaders
- Letters to Governors indicated that we would consider complete, quality-assured, and certified 2006-2008 air quality data in the event that all monitors in the area indicate a change in status
- Agency has received 2008 data from a number of areas
- Currently under review

Implementing the National Ambient Air Quality Standards and Regional Haze Program

Standards:	1997 Ozone	1997 PM	Regional Haze
State Implementation Plans (SIPs) Submitted outlining all basic program elements (states and territories)	22 of 56	18 of 56	15 of 53
Attainment Demonstrations Submitted for Nonattainment Areas	27 of 38 areas	Approx half of 56	NA

Standards:	2008 Ozone	2008 Lead
Likely date for designations	2010	2011/2012 (effective date)
Date SIPs likely due	2013	No later than 2013

Looking Forward - National Ambient Air Quality Standards Review Schedule

NAAQS Pollutant	Proposal	Final
NO₂ Primary*	Jun 2009	Jan 2010
SO₂ Primary*	Nov 2009	Jun 2010
NO_x/SO_x Secondary*	Feb 2010	Oct 2010
CO*	Oct 2010	May 2011
PM	Jan 2011	Oct 2011
Ozone	Jun 2012	Mar 2013

*Court ordered deadline

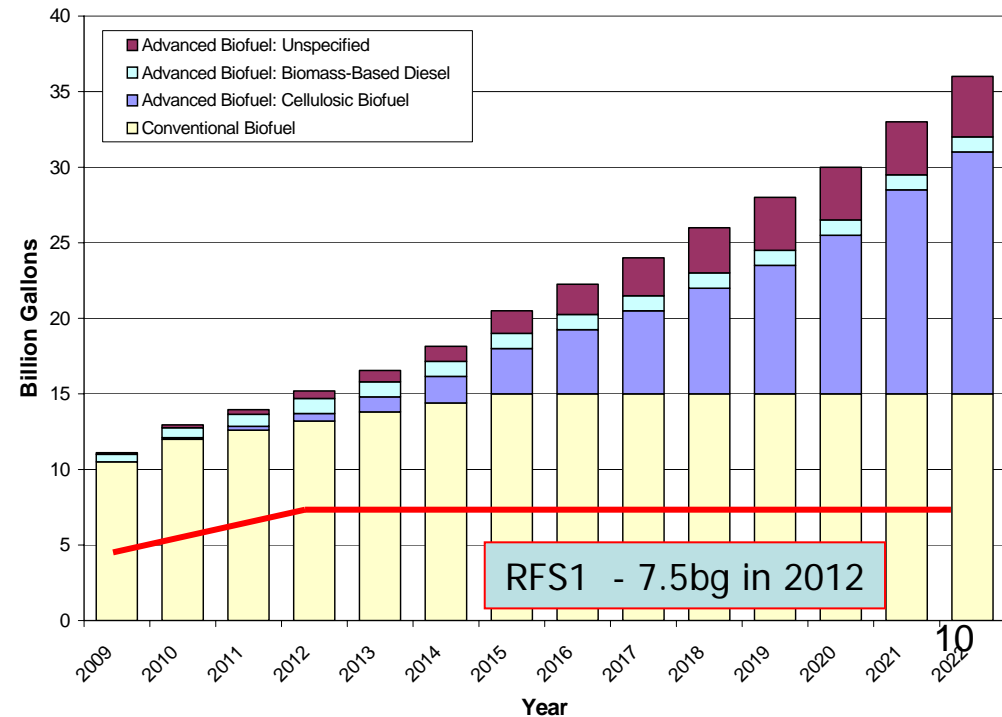
Upcoming Court-Ordered Rulemaking Deadlines through June 2009

- **3/31** - Portland Cement NESHAP MACT Reconsideration - *Proposal*
- **5/15** - Area Source NESHAP for Miscellaneous Chemical Manufacturing – *Final Rule*.
- **5/31** - NSPS Review for Portland Cement – *Final Rule*
- **5/31** - NESHAP Amendments for Mercury Cell Chlor-Alkali Plants – *Final Rule*
- **6/15** – 5 Final Rules covering 7 Area Source Categories.
 - 1) Aluminum Copper, and other Nonferrous Foundries – proposed
 - 2) Asphalt Roofing Manufacture
 - 3) Chemical Preparations Industry
 - 4) Paint and Allied Products
 - 5) Prepared Animal Feed Materials
- **6/26** - NO₂ NAAQS Review – Proposal

Renewable Fuel Standard

- RFS in Energy Independence & Security Act of 2007
 - Increased required volumes from 7.5 billion gallons per year in 2012 (under 2005 Energy Policy Act) to 36 billion gallons per year in 2022
 - Increase is Almost All Cellulosic/Advanced Renewables
 - Establishes new renewable fuel categories with GHG thresholds
 - No threshold for ethanol up to 15 billion gallons; 20% for new production
 - 50% GHG reduction for advanced biofuels; 60% GHG reduction for cellulosic biofuel
 - Provides new waiver provisions if volumes can't be met

- Status of Rulemaking
 - Proposal at OMB
 - Goal is to issue final rule by the end of this year



Ocean-Going Vessel (OGV) Regulations

- First EPA regulation of OGVs was in 2003
 - Set 2007 deadline to promulgate more stringent standards
- Dec 2007: Published ANPRM & extended deadline to Dec 2009
 - ANPRM described same technology approaches as IMO proposal
- Working to issue NPRM on a tight schedule
 - NPRM Signature Spring 2009
 - FRM Signature Dec 2009
- NPRM will reflect the International Maritime Organization (IMO) program
- EPA will work through the IMO process to establish emission control areas

Diesel Emissions Reductions Act (DERA) Funding

- Designed to reduce emissions from the existing diesel fleet
- Supports clean diesel projects that significantly reduce air pollution
 - particulate matter emissions
 - nitrogen oxides and other air toxics
- Millions of dollars of health benefits returned to society
- Reduces diesel consumption
 - Enhances energy security
 - Reduces GHG emissions
 - Cuts fuel costs for companies
- Enhanced funding oversight to ensure accountability

DERA Funding Distribution

- National Competitive RFA announced March 19th
 - Clean Diesel Funding Assistance – \$156m
 - funding to reduce emissions from existing diesel engines with EPA-verified and certified technologies
 - SmartWay – \$30m
 - establishes national low-cost revolving loans or other financing programs that will provide funding to fleets to reduce diesel emissions
 - Emerging Technology – \$20m
 - advances new cutting edge technologies to reduce diesel emissions from the existing fleet
- State -- \$206m, \$1.73m per state and DC
 - States use funds to develop and implement grant and low-cost revolving loan programs
 - Work plans due March 20th
- American Recovery and Reinvestment Act
 - \$300 million distributed between four DERA programs
- Goal is to award state grants by mid-April

EPA-State School Monitoring Initiative

- March 2 – EPA Administrator announces initiative with states to measure levels of toxic air pollution near priority schools
- EPA, state and local governments are currently identifying schools for monitoring
- Focus on schools:
 - with large industrial facilities close to them,
 - in some urban areas where air toxics emissions come from a mix of large and small industries and mobile sources, and
 - with Environmental Justice issues
- Over the next several months, EPA and states will be setting up monitors and gathering data

2009 Budget

- Congress has passed a final appropriations bill for EPA. We had been operating under a continuing resolution at FY 2008 levels.
- Some programs received additional funding beyond the levels requested by the previous Administration
 - state and local air grants
 - the mandatory GHG rule
 - renewable fuels work
- There is about \$224 million available for state and local air grants
- EPA will work with state and local agencies to determine the final allocation among regions