

NAAQS Update

CIBO Environmental Committee

March 4, 2014

Overview

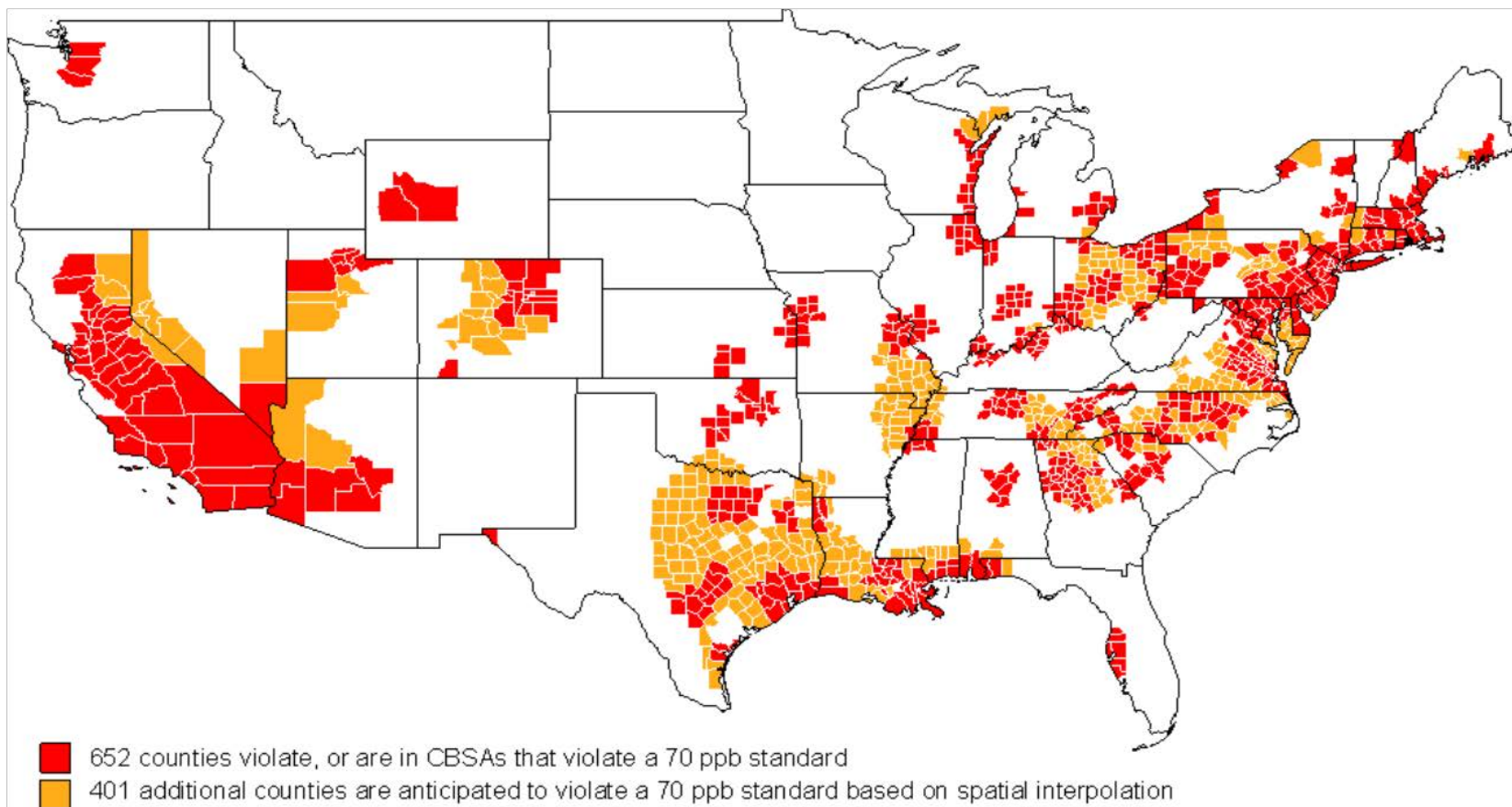
- Ozone NAAQS Update
- NO₂ NAAQS Update
- SO₂ NAAQS Implementation
- PM_{2.5} NAAQS Implementation
- Next Steps on CSAPR
- Advocacy on Timely Permitting

Ozone NAAQS

- EPA released its second draft “Policy Assessment” 1/31, CASAC will review 3/25-27
 - Recommends standard be set between 60 & 70 ppb
 - Recommends secondary standard measuring plants seasonal ozone exposure
- Sierra Club has asked US District Court for the Northern District of California to put EPA on a tight schedule to propose/promulgate a revised ozone NAAQS
 - Proposal December 1, 2014, promulgation October 1, 2015
 - EPA response: proposal 1/15/15, final 11/15/15
- Sierra Club filed 90-day notice of intent to sue EPA over 2008 ozone NAAQS designations
 - 57 areas should be reclassified from attainment to nonattainment
 - Boundaries should be expanded

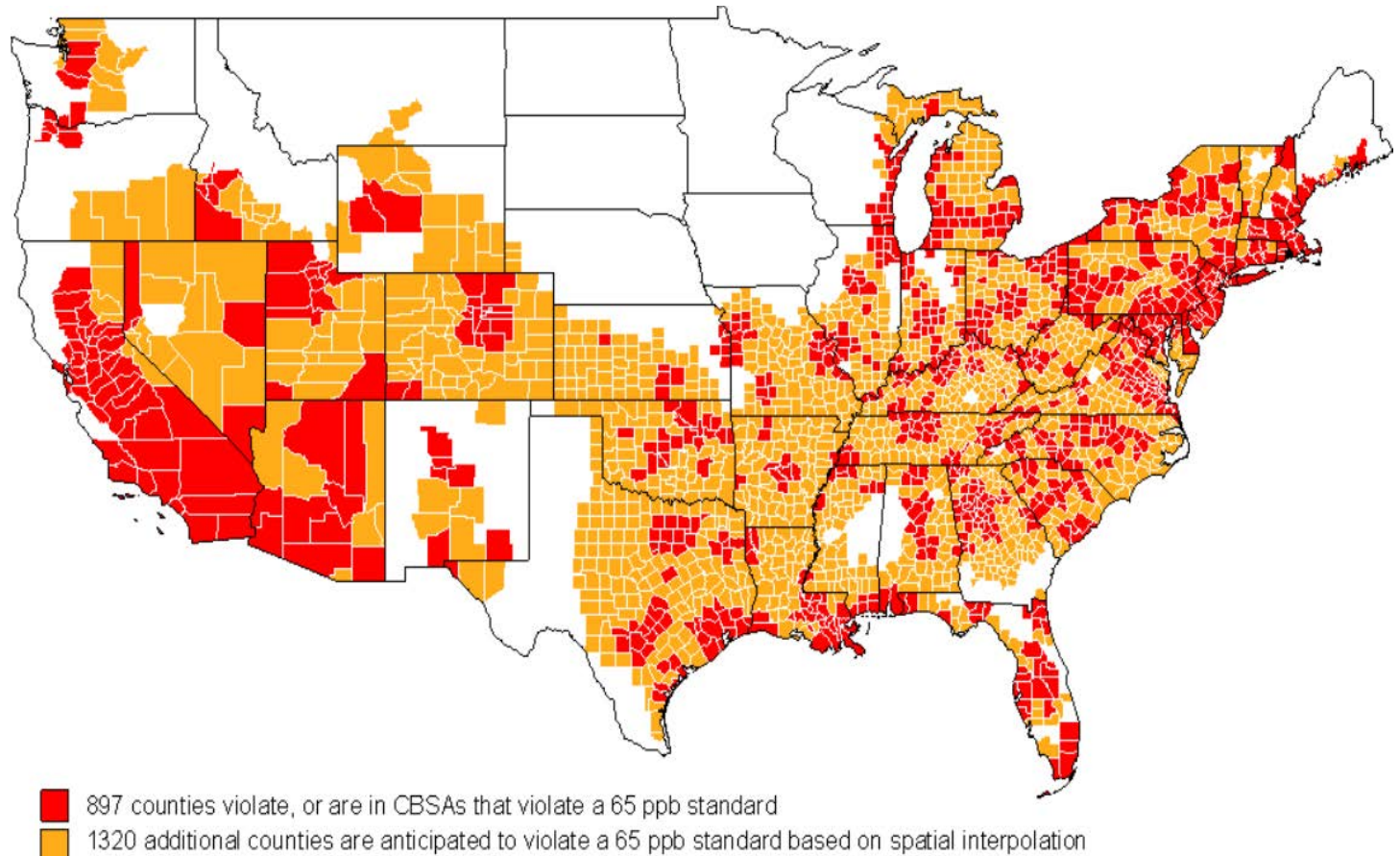
Ozone

- EPA & CASAC have recommended a new ozone standard be set between 60 and 70 ppb. The map below shows extrapolated nonattainment areas at 70 ppb

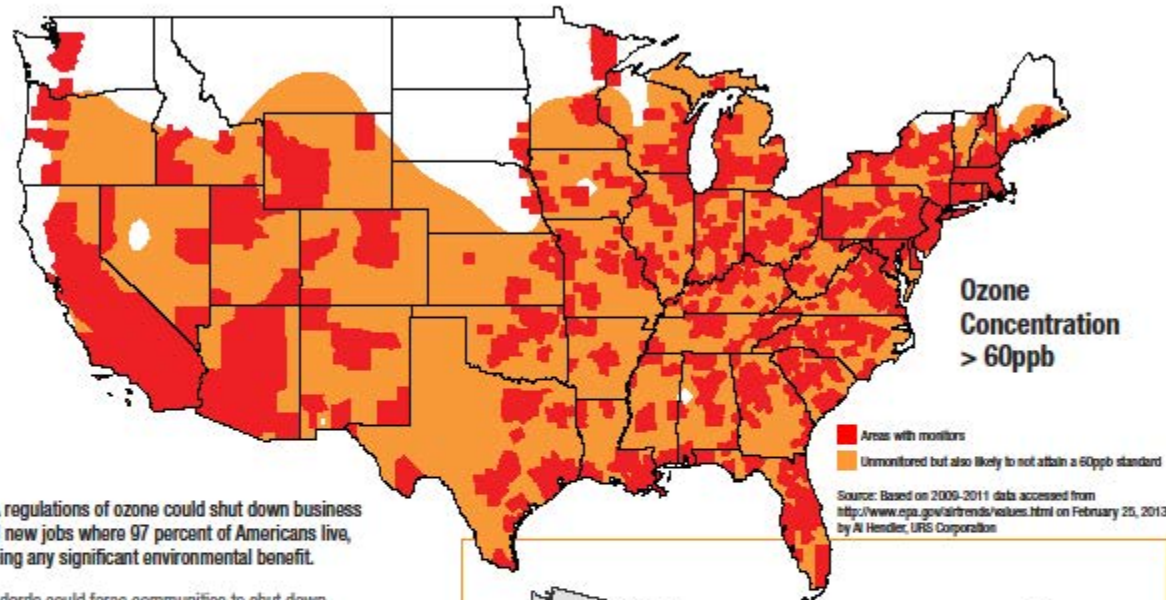


Ozone

- Projected, extrapolated n/a areas at 65 ppb



New EPA Ozone regulations could mean America is closed for business.



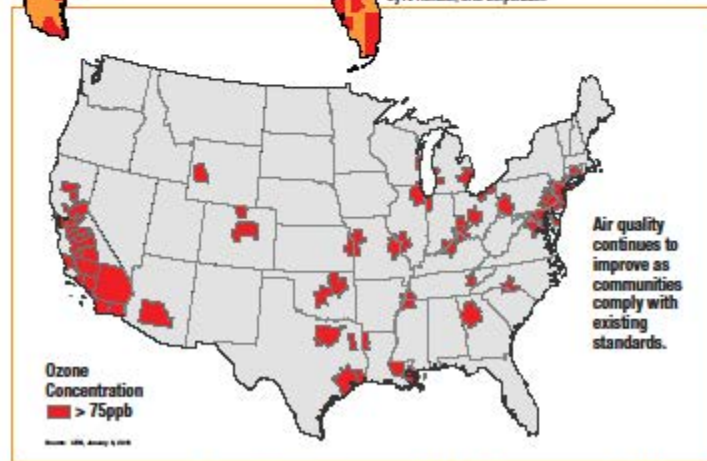
Upcoming EPA regulations of ozone could shut down business expansion and new jobs where 97 percent of Americans live, without providing any significant environmental benefit.

Strict new standards could force communities to shut down business activity in a futile attempt to force ozone levels below background levels. Needless to say, operating under such stringent requirements could stifle new investment necessary to create jobs and could slow the economy or even nudge it back into recession.

Meanwhile, air quality continues to improve under the existing standards. The health data being used to justify tightening the standard is not compelling and EPA and the states have not even begun to implement the stringent 2008 ozone standard.

EPA should consider keeping the current standards—the most stringent ever—before closing America for business.

To find out more, visit API.org



NO₂ NAAQS Update

- Current standard 53 ppb annual, 100 ppb one-hour; new proposal 2/16, final 12/16
- EPA released draft “Integrated Science Assessment” 11/22/13, will be reviewed by CASAC 3/12-13
- Key findings:
 - Likely causal relationship between short-term NO₂ exposure and both cardiovascular disease & total mortality
 - Associations found at levels as low as 22 to 66 ppb (mean 1-hour readings)
- Major opposition from API, UARG, truckers, & Auto Alliance

SO2 NAAQS Implementation

- EPA published list of 29 n/a areas August 2013, virtually nobody happy with process
- Litigation followed—ENGOS, states, industry
- EPA released TADs late last month, outline process forward:
 - In 2015, states decide whether to proceed with a monitoring or modeling option for further designations
 - If monitoring, site selection in 2016, installation by 1/2017, data for designations certified by 5/2020 and recommendations made, EPA makes designation decisions by 12/2020, SIPs due 8/2022
 - If modeling, modeling protocols due 1/2016, modeling demonstrations and recommended n/a designations due 1/2017 (or enforceable commitments to keep areas attainment), EPA issues final designations by 12/2017, SIPs due 8/2019

PM_{2.5} NAAQS Implementation

- Still waiting on PM_{2.5} modeling guidance, PM_{2.5} NAAQS SIP Requirements rule, PM_{2.5} SILs Reconsideration proposal
- 12/9/13 FR notice removed language in CFR on PM_{2.5} SILs and SMCs, though 3/4/13 EPA Q & A on SILs remains in place
- DC Circuit oral arguments go mostly in EPA's favor (more from Lisa)

Next Steps on CSAPR

- CSAPR replacement under development, will deal only with 2008 ozone standard (NO_x only)—October proposal?
- Likely to include industrial boilers, utility boilers increasingly well-controlled
- EPA likely to retain test of whether upwind emissions “interfere” with attainment
- Supreme Court is the wild card
- In meantime:
 - EPA & industry in agreement that EPA 2012 memo to states allowing credit for CAIR reductions should remain in place
 - EPA taking comment on possible reincarnation of NO_x trading program
 - EPA taking comment on 2011 base year emission inventory, 2018 emission inventory

Advocacy on Timely Permitting

- For many companies, ability to get a timely PSD/NSR permit is the key NAAQS implementation issue. Both good and bad news here:
- Bad news:
 - EPA keeps missing its own deadlines to issue rules, guidance, and model fixes
 - Serious budget issues affect EPA-OAQPS modeling, monitoring, test method, and emission factor staffs' ability to help
 - ENGO & EJ activists have gotten even better at permit challenges
 - Inter-industry fights not helpful
 - NAAQS still getting tighter
- Good news:
 - Many, many meetings with OAQPS and Air Office leaders mean EPA “gets it”
 - Clear EPA push to link revised NAAQS with implementation guidance, plus some slowdown on NAAQS revision schedule
 - Folks on the Hill increasingly aware of issue, looking to get involved
 - Our ability to campaign for economic & jobs growth while providing requisite environmental protections should resonate with most external audiences