Climate & NAAQS Update CIBO Environment Committee Meeting December 6, 2016

Climate: Trump's Stated Priorities

- Revoke President Obama's Climate Action Plan
- Withdraw from Paris Climate Accord
 - Withdraw signature, push to Senate for vote, do nothing to comply
- Stop the Clean Power Plan
 - Ask DC Circuit Court for a remand
 - Conduct new rulemaking
 - Don't enforce plan provision
 - Don't appropriate funds for implementation

Other Climate Actions New Administration Could Take

- Revoke NEPA GHG Guidance
- Revoke other E.O.s directing federal agencies to take actions to address climate change
- Revisit GHG and CAFÉ standards for cars and trucks
- Go after climate endangerment findings
- Stop DOE efficiency standard rulemakings
- Revise or eliminate use of the social cost of carbon, methane, and nitrous oxides
- Revise the Clean Air Act to prohibit regulation of certain GHGs

Recent (and expected) NAAQS Activities

- Current NAAQS Review Schedule
- Final Exceptional Events Rule
- Proposed 2015 Ozone NAAQS Implementation Rule
- Proposed 2015 Ozone NAAQS Designations
- Draft Ozone & PM2.5 SILs Guidance
- Final Appendix W Modeling Rule
- Guidance on Modeled Emission Rates for Precursors (MERPs)

NAAQS Reviews: Status Update

(as of September 2016)

	Ozone	Lead	Primary NO ₂	Primary SO ₂	Secondary NO ₂ and SO ₂	PM	co
Last Review Completed (final rule signed)	Oct. 2015	Oct 2008	Jan 2010	Jun 2010	Mar 2012	Dec 2012	Aug 2011
Recent or Upcoming Major Milestone(s) ¹	TBD ²	Dec 2014 Proposed decision 2016 Final decision	Jan 2016 Final ISA Summer 2016 1st Draft PA/REA	Jan 2016 CASAC review of 1st Draft ISA Winter 2016/2017 2nd Draft ISA REA Planning Document	Oct 2015 Draft IRP Fall 2016 Final IRP Winter 2017 1st Draft ISA REA Planning Document	April 2016 Draft IRP Fall 2016 Final IRP Fall 2017 1st draft ISA REA Planning Document	TBD ²

Additional information regarding current and previous NAAQS reviews is available at: https://www3.epa.gov/ttn/naaqs/



¹ IRP - Integrated Review Plan; ISA - Integrated Science Assessment; REA - Risk and Exposure Assessment; PA - Policy Assessment

² TBD = to be determined

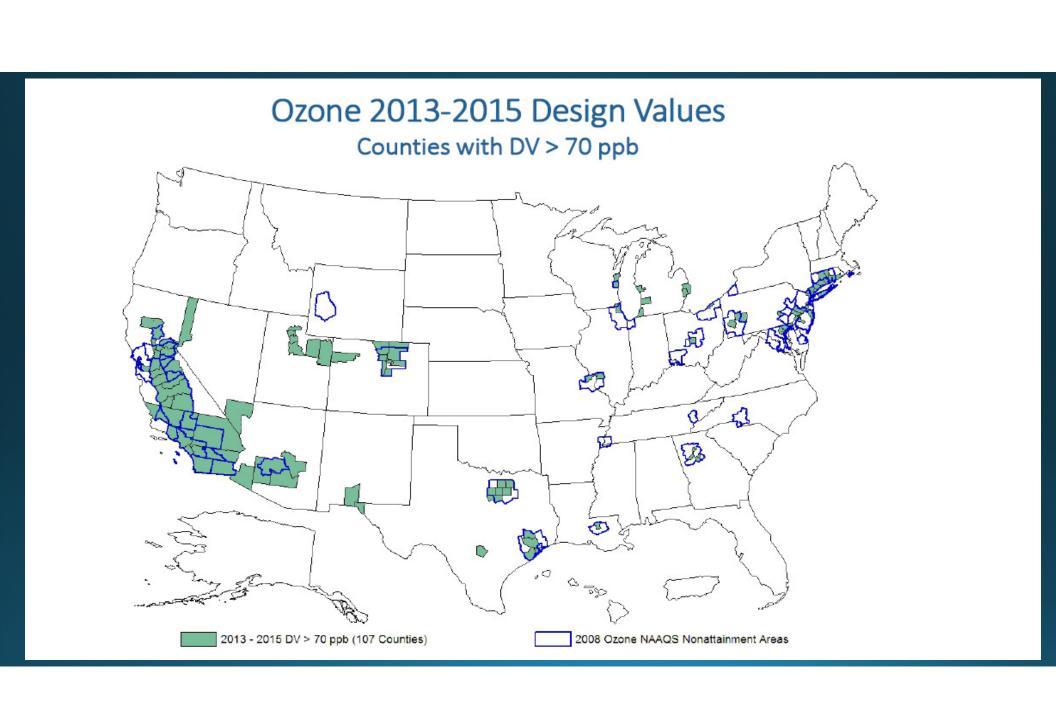
Final Exceptional Events Rule

- Finalized September 16, 2016, effective October 16
- Provides states and tribes with more flexibility than previous versions
- Sets procedures states and tribes can use to exclude certain monitoring data from regulatory decision-making (e.g. nonattainment designations, area classifications)—must be "not reasonably controllable or preventable"
- Mostly focused on wildfires, prescribed burns, stratospheric ozone intrusions, dust storms
- Limited use for international emissions

Key Issues in Proposed 2015 Ozone NAAQS Implementation Rule

- Nonattainment area classification thresholds & SIP submittal deadlines
- Reasonable Further Progress (RFP)—milestone compliance demonstrations
- RACT—submission and implementation deadlines
- Attainment plans—consideration of sources of intrastate transport
- NNSR—interpollutant trading
- CAA Section 179B on international emissions impacts
- Revocation of the 2008 ozone NAAQS

Action	After NAAQS Promulgation	(Actual) and Planned Dates
EPA proposes nonattainment area SIP rules/guidance (including area classifications thresholds, SIP due dates, and nonattainment NSR provisions)	12 months	October 2016
EPA finalizes designations, classifications, and nonattainment area SIP rules/guidance	24 months	October 2017
States submit infrastructure and transport SIPs	36 months	October 2018
States submit attainment plans	5-6 years	2020-2021
Nonattainment area attainment dates (Marginal – Extreme)	5-22 years	2020-2037



Background of SILs in the PSD Program

- PSD is the major source NSR program in attainment areas. In order to obtain a permit
 to construct, a proposed PSD source (source), among other requirements, must
 demonstrate that it will not cause or contribute to a violation of the NAAQS or PSD
 increments.
- SILs have been used in the PSD permitting program for determining compliance with both the NAAQS and PSD increments for many years.
- Historically, a SIL is a PSD compliance demonstration tool used by the source to evaluate its air quality impact. SILs have been used to determine:
 - The geographic area for the modeling analysis;
 - Whether a source needs to perform a cumulative analysis; and
 - Whether the results from the cumulative analysis indicate the source's impact causes or contributes to a violation of the NAAQS or PSD increments.

Recommended SIL Values for NAAQS

- NAAQS are not class-specific (i.e., Class I,II,III); therefore, ozone and PM_{2.5} NAAQS SILs do not need class-specific values.
- For $PM_{2.5}$:
 - The analysis resulted in similar NAAQS SIL values for $PM_{2.5}$ as promulgated in the 2010 SILs rule: 1.3 μ g/m3 (24-hr) and 0.2 μ g/m3 (annual).
 - 51.165(b)(2) values are still in effect and these values constrain the upper limits for PM_{2.5} NAAQS SILs: **1.2** μ g/m3 (24-hr) and **0.3** μ g/m3 (annual).
 - We recommend the most conservative values that are provided overall from the 2010 rule and the technical analysis.
 - The permitting authority has discretion to interpret an annual impact between 0.2 $\mu g/m3$ and 0.3 $\mu g/m3$ as significant.
- For Ozone: Recommended NAAQS SIL 1.0 ppb

Final Appendix W Rule and Draft MERPS Guidance

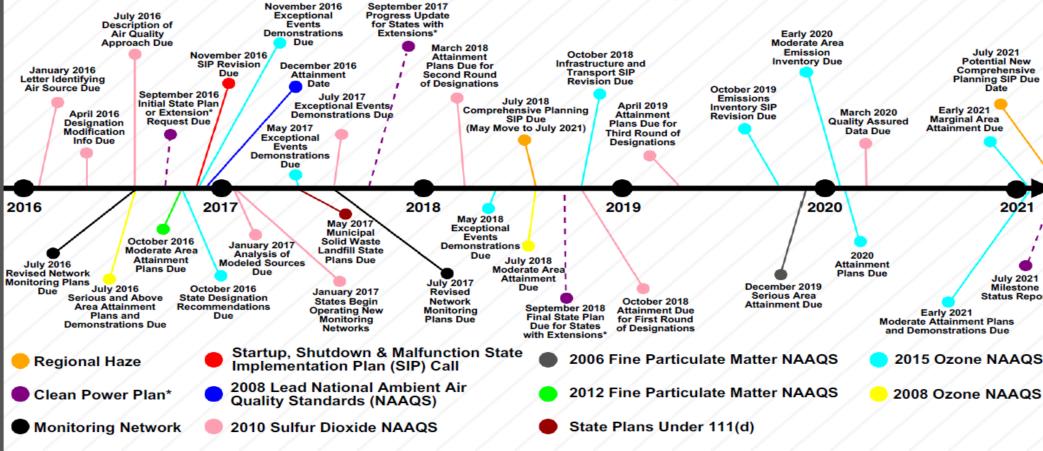
- Former was just released from OMB, was due out at least 6 weeks ago; likely will be signed by next week
- Will allow use of certain model options (ARM2, ADJ U*) as default options rather than Beta options that must go through the EPA Modeling Clearinghouse (but not low wind fixes)
- Also addresses single source modeling for ozone and PM2.5 precursors
- MERPs guidance now informally available for public comment
- MERPs should be very useful—if source/project emissions are < MERP, project viewed as not causing or contributing to NAAQS violation, no further modeling required

Table 7.1 Most Conservative (Lowest) Illustrative MERP Values (tons per year) by Precursor, Pollutant and Region. Note: illustrative MERP values are derived based on the EPA modeling (as described in section 4) and critical air quality thresholds (as described in Section 5).

Precursor	Area	8-hr O3	Daily PM	Annual PM
NOx	Central US	126	1,820	7,427
NOx	Eastern US	107	2,467	10,037
NOx	Western US	184	1,155	3,184
SO2	Central US		256	1,795
SO2	Eastern US		675	4,013
SO2	Western US		225	2,289
VOC	Central US	948		
VOC	Eastern US	814		
VOC	Western US	1,049		



State Clean Air Act Deadlines, 2016 - 2021



^{*} On February 9, 2016, the U.S. Supreme Court stayed implementation of the Clean Power Plan. According to U.S. EPA: "EPA firmly believes the Clean Power Plan will be upheld when the merits are considered because the rule rests on strong scientific and legal foundations. For the states that choose to continue to work to cut carbon pollution from power plants and seek the agency's guidance and assistance. EPA will continue to provide tools and support."