

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

IN THE MATTER OF:)
)
SECTION 27 PROPOSED RULES FOR)
NITROGEN OXIDE (NO_x) EMISSIONS) R07-19
FROM STATIONARY RECIPROCATING) (Rulemaking – Air)
INTERNAL COMBUSTION ENGINES AND)
TURBINES: AMENDMENTS TO 35 ILL.)
ADM. CODE PARTS 211 AND 217)

MOTION FOR EXPEDITED REVIEW

NOW COMES Proponent, the Illinois Environmental Protection Agency (~~H~~ilinois EPA”), by one of its attorneys, and pursuant to 35 Ill. Adm. Code 101.512, respectfully submits this Motion for Expedited Review (~~M~~otion”). In support of its Motion, the Illinois EPA states as follows:

1. On May 9, 2008, the Illinois EPA filed a proposal with the Illinois Pollution Control Board (~~B~~oard”) to amend 35 Ill. Adm. Code Parts 211 and 217 to control the emissions of nitrogen oxides (~~N~~O_x”) for internal combustion engines and turbines. This proposed rulemaking is intended to meet in part certain obligations of the State of Illinois under the federal Clean Air Act (~~C~~AA”), 42 U.S.C. § 7401 *et seq.*; specifically, to satisfy in part Illinois’ obligation to submit a State Implementation Plan (~~S~~IP”) to address the requirements under Sections 172 and 182 of the CAA for major stationary sources of NO_x in areas designated as nonattainment with respect to National Ambient Air Quality Standards (~~N~~AAQS”). *See*, 42 U.S.C. §§ 7502 and 7511a. The Board held hearings on this proposal on April 9, 2008, and May 7, 2008. First Notice was published on October 31, 2008. (32 Ill. Reg. 17035). Comments were filed on February 5, 6, and 10, 2009.

2. Under Section 110 of the CAA and related provisions, states are required to submit, for the United States Environmental Protection Agency’s (~~U~~SEPA”) approval, SIPs that

provide for the attainment and maintenance of standards established by USEPA through control programs directed to sources of the pollutants involved. 42 U.S.C. §7410. The CAA also provides for the State to address emissions sources on an area-specific basis through such requirements as reasonably available control measures (“~~R~~ACM”) and reasonably available control technology (“~~R~~ACT”). *See*, 42 U.S.C. §§7502 and 7511a. For each nonattainment area, the CAA requires the State to demonstrate that it has adopted ~~all~~ reasonably available control measures as expeditiously as possible (including such reductions in emissions from existing sources in the area as may be obtained through the adoption, at a minimum, of reasonably available control technology) and shall provide for attainment of the national primary ambient air quality standards.” 42 U.S.C. § 7502(c)(1).

3. Volatile organic compounds and NO_x are the primary precursors to the formation of ozone. Additionally, NO_x is a precursor to the formation of fine particulate matter (“~~P~~M_{2.5}”).

4. USEPA designated two areas in Illinois as nonattainment for the 8-hour ozone and PM_{2.5} NAAQS, respectively. Such designations triggered requirements under the CAA for adopting regulations that reduce emissions sufficiently to demonstrate attainment of the standards.

5. Under Section 172(c)(1) of the CAA, states with nonattainment areas are required to submit, in part, SIPs that provide for the adoption of RACM for stationary sources in all nonattainment areas as expeditiously as possible. 42 U.S.C. § 7502(c)(1).

6. A subset of RACM is the RACT requirements. RACT is defined as the lowest emission limitation that a particular source can meet by applying a control technique that is reasonably available considering technological and economic feasibility. *See*, 44 *Fed. Reg.* 53762 (September 17, 1979). Section 182(b)(2) of the CAA requires states to adopt RACT rules for all areas designated nonattainment for ozone and classified as moderate or above.

7. In Illinois, there are two areas designated as nonattainment (moderate) for the 8-hour ozone standard. The first is the Chicago-Gary-Lake County, IL-IN designated area, which includes Cook County, DuPage County, Grundy County (partial—Goose Lake and Aux Sable Townships), Kane County, Kendall County (partial—Oswego Township), Lake County, McHenry County, and Will County. The second area is the St. Louis, MO-IL designated area, which includes Jersey County, Madison County, Monroe County, and St. Clair County. 40 CFR §81.314.

8. In Illinois, there are two areas designated as nonattainment for the PM_{2.5} standard, the first being the Chicago-Gary-Lake County, IL-IN designated area, which includes Cook County, DuPage County, Grundy County (partial—Goose Lake and Aux Sable Townships), Kane County, Kendall County (partial—Oswego Township), Lake County, McHenry County, and Will County, and second being the St. Louis, MO-IL designated area, which includes Madison County, Monroe County, Randolph County (partial—Baldwin Village), and St. Clair County. 40 CFR §81.314.

9. States, such as Illinois, with nonattainment areas classified as moderate or above for the 8-hour ozone NAAQS were required to submit by September 15, 2006, a SIP demonstrating that sources specified under the CAA were subject to RACT requirements. *See, Final Rule To Implement the 8-Hour Ozone National Ambient Air Quality Standard; Final Rule, 70 Fed. Reg. 71612, 71652 (November 29, 2005).*

10. By letter dated March 17, 2008, the USEPA notified the State of Illinois that it had failed to make required submissions under the CAA, and that USEPA would be publishing a rulemaking notice to announce this finding. *See, attached Letter from Mary A. Gade, Regional Administrator, USEPA, to Douglas P. Scott, Director, Illinois EPA.*

11. On March 24, 2008, USEPA made a finding that Illinois, among other states, failed to make a RACT submittal required under Part D of Title I of the CAA for its two moderate nonattainment areas. *See, 73 Fed. Reg.* 15416 (March 24, 2008). Such finding starts the 18-month emission offset sanctions clock and 24-month highway funding sanctions clock under Section 179(a) and (b) of the CAA and the 24-month clock for the promulgation by USEPA of a Federal Implementation Plan (“FIP”) under Section 110(c) of the CAA. 42 U.S.C. §§ 7509(a) and (b) and 7410(c).

12. On March 12, 2009, to ensure that the CAA’s requirements are met in a timely manner and to avoid adverse consequences of failure to do so, the USEPA informed Director Douglas P. Scott of the Illinois EPA that the State needs to address the findings of failure to submit the required ozone SIP elements previously identified by the USEPA in the March 17, 2008, letter and in the March 24, 2008, final rule (*73 Fed. Reg.* 15416). *See*, attached letter from Bharat Mathur, Acting Regional Administrator, USEPA, Region 5, to Douglas P. Scott, Director, Illinois EPA (“March 12, 2009, letter”).

13. By this letter, USEPA further reaffirmed that the final rule started a sanctions clock that, if not terminated or stayed by USEPA, will result in the implementation of several sanctions in the Chicago and Metro-East St. Louis 8-hour ozone nonattainment areas, as early as September 2009. *Id.* USEPA sent this letter “to request expedited action” by the Illinois EPA and the Board “to complete the ozone SIP development and adoption process for the missing SIP elements * * * to avoid implementation of sanctions.” *Id.*

14. To date, the Illinois EPA has submitted all of the SIP elements identified in the March 17, 2008, letter and the March 24, 2008, final rule, except for the NO_x RACT rules for the Chicago ozone nonattainment area and Metro-East St. Louis ozone nonattainment area.

15. USEPA reiterates in the letter that if, by September 24, 2009, Illinois has not submitted all of the required SIP elements, pursuant to Section 179(a) of the CAA and 40 CFR 52.31, the new source offset sanction, identified in Section 179(b)(2) of the CAA, will apply in the Chicago and Metro-East St. Louis areas. *See*, March 12, 2009, letter. The increased new source emissions offset ratio (2:1) will make it more difficult for new sources to locate in the nonattainment areas. *Id.*

16. Furthermore, if by six months after imposition of the first sanction, Illinois has not submitted the required SIP elements, highway sanctions will be implemented in accordance with 40 CFR 52.31. *Id.* This may adversely affect Federal funding of new highway projects, including highway project funding under the American Recovery and Reinvestment Act of 2009, and would restrict the types of highway projects that the State and local governments can implement. *Id.*

17. Finally, if by March 24, 2010, Illinois has not submitted the required SIP elements and USEPA has not approved these SIP revisions, Section 110(c) of the CAA provides for USEPA to promulgate FIPs to replace the missing SIP elements. *Id.* If it is necessary for USEPA to promulgate a FIP, USEPA may pay the costs of developing and promulgating this plan with section 105 funds that would otherwise be given to Illinois. *Id.*

18. USEPA is very concerned that the time available to avoid the implementation of sanctions is very short. *Id.*

19. The Illinois EPA must ensure that sanctions are not imposed in the two nonattainment areas in Illinois.

20. Accordingly, if this proposed rulemaking is not promulgated and a complete submittal made to USEPA by September 24, 2009, the offset sanction will apply in the two nonattainment areas. If, by six months after the offset sanction is imposed, USEPA has not

1021 North Grand Avenue, East
P.O. Box 19276
Springfield, Illinois 62794-9276
217.782.5544
217.782.9143 (TDD)
217.782.9807 (Fax)

R07-19 Service List

Timothy Fox, Hearing Officer Illinois Pollution Control Board State of Illinois Center 100 W. Randolph, Suite 11-500 Chicago, IL 60601	Katherine D. Hodge N. LaDonna Driver Hodge Dwyer Zeman 3150 Roland Ave. PO Box 5776 Springfield, IL 62705-5776
N. LaDonna Driver Illinois Environmental Regulatory Group 3150 Roland Ave. Springfield, IL 62705-5776	Kathleen C. Bassi Renee Cipriano Joshua R. More Stephen J. Bonebrake Schiff Hardin, LLP 6600 Sears Tower 233 S. Wacker Drive Chicago, IL 60606-6473

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AFFIRMATION

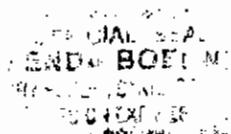
I, Rachel L. Doctors, under oath, hereby state and affirm that I am an Assistant Counsel for the Illinois EPA and the facts cited in the foregoing Motion for Expedited Review are true and correct to the best of my information and belief.


 Rachel L. Doctors
 Assistant Counsel
 Division of Legal Counsel

SUBSCRIBED AND SWORN TO BEFORE ME

This 19 day of March, 2009


 Notary Public



■ 3. Section 52.975, entitled, “Redesignations and maintenance plans; ozone”, is amended by adding a new paragraph (i) as follows:

§ 52.975 Redesignations and maintenance plans; ozone.

* * * * *

(i) Approval. The Louisiana Department of Environmental Quality (LDEQ) submitted 8-hour ozone maintenance plans for the Lafayette and Lafourche Parish areas on October 13, 2006 and December 19, 2006, respectively. The two areas are designated unclassifiable/attainment for the 8-hour ozone standard. EPA determined these requests for Lafayette and Lafourche Parishes were complete on November 30, 2006 and May 2, 2007, respectively. These maintenance plans meet the requirements of section 110(a)(1) of the Clean Air Act, and are consistent with EPA’s maintenance plan guidance document dated May 20, 2005. The EPA therefore approved the 8-hour ozone maintenance plans for the Lafayette and Lafourche Parish areas on *March 24, 2008*.

[FR Doc. E8-5800 Filed 3-21-08; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-HQ-OAR-2008-0072; FRL-8545-5]

Finding of Failure To Submit State Implementation Plans Required for the 1997 8-Hour Ozone NAAQS

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final Rule.

SUMMARY: The EPA is taking a final action finding that several states have failed to submit State Implementation Plans (SIPs) to satisfy certain requirements of the Clean Air Act (CAA) for the 1997 8-hour ozone National Ambient Air Quality Standards (NAAQS). Under the CAA and EPA’s implementing regulations, states with nonattainment areas classified as moderate, serious, severe or extreme were required to submit by June 15, 2007, SIPs: Demonstrating how each nonattainment area would attain the 1997 8-hour ozone standard as expeditiously as practicable but no later than the applicable dates established in the implementing regulations; and demonstrating reasonable further progress (RFP). Additionally, states were required by September 15, 2006, to submit for these same areas SIPs demonstrating that sources specified under the CAA were subject to reasonably available control technology requirements (RACT). States that are part of the Ozone Transport Region (OTR) were required to submit SIPs to meet the 1997 8-hour ozone RACT

requirement for the entire state by September 15, 2006. The RACT requirement applies to all areas within the Ozone Transport Region, regardless of the area’s designation for the 1997 8-hour ozone standard. Some states have not yet submitted SIPs to satisfy these requirements. The EPA is by this action making a finding of failure to submit for those nonattainment areas and OTR areas that have not made the required SIP submission(s). If EPA has not affirmatively found that the state has submitted the required plan or plans within 18 months, the offset sanction applies in the area. If within 6 additional months EPA has still not affirmatively determined that the state has submitted the required plan, the highway funding sanction applies in an area if it is designated nonattainment. No later than 2 years after EPA makes the finding, EPA must promulgate a Federal Implementation Plan if the state has not submitted and EPA has not approved the required SIP.

DATES: *Effective Date:* This action is effective on March 24, 2008.

FOR FURTHER INFORMATION CONTACT: General questions concerning this notice should be addressed to Mr. Butch Stackhouse, Office of Air Quality Planning and Standards, Air Quality Policy Division, Mail Code: C504-2, 109 TW Alexander Drive, Research Triangle Park, NC 27709; telephone (919) 541-5208.

SUPPLEMENTARY INFORMATION: For questions related to a specific state please contact the appropriate regional office:

Regional offices	States
Dave Conroy, Branch Chief, Air Programs Branch, EPA New England, 1 Congress Street, Suite 1100, Boston, MA 02203-2211.	Maine, New Hampshire, Rhode Island, and Vermont.
Raymond Werner, Chief, Air Programs Branch, EPA Region II, 290 Broadway, 25th Floor, New York, NY 10007-1866.	New York.
Christina Fernandez, Acting Branch Chief, Air Quality Planning Branch, EPA Region III, 1650 Arch Street, Philadelphia, PA 19103-2187.	Virginia.
Jay Bortzer, Chief, Air Programs Branch, EPA Region V, 77 West Jackson Street, Chicago, IL 60604.	Illinois, Indiana, Ohio, and Wisconsin.
Dave Jesson, Air Planning Office, EPA Region IX, 75 Hawthorne Street, San Francisco, CA 94105.	California.

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I. Background

The CAA requires states with areas that are designated nonattainment for the 1997 8-hour ozone NAAQS to develop a SIP providing how the state will attain and maintain the NAAQS. Part D of title I of the CAA specifies the required elements of a SIP for an area designated nonattainment. These requirements include, but are not limited to, RFP, RACT, and an attainment demonstration. See CAA sections 172 and 182. In addition, states that are part of the Ozone Transport Region (OTR) must submit SIPs meeting the 1997 8-hour ozone RACT requirement for the entire state or the portion of the state in the OTR. A number of states have submitted RFP, RACT and attainment demonstration SIPs as required under the CAA and EPA's implementing regulations, but at present, some states have not yet submitted SIPs to satisfy these requirements of the CAA. The EPA is by this action making a finding of failure to submit for those areas that have not yet submitted these required SIPs.

A. Statutory Requirements

On July 18, 1997, EPA issued a revised ozone standard. At that time, the ozone standard was 0.12 ppm measured over a 1-hour period. EPA revised the NAAQS to rely on an 8-hour averaging period (versus 1 hour for the previous NAAQS), and the level of the standard was changed from 0.12 ppm to 0.08 ppm (62 FR 38856). EPA's initial implementation strategy for the 1997 8-hour standard was vacated and remanded by the Supreme Court. *Whitman v. American Trucking Associations, Inc.*, 531 U.S. 457 (2001). On April 30, 2004 (69 FR 23951) and on November 29, 2005 (70 FR 71612), EPA published final rules that addressed the elements related to implementation of the 1997 8-hour ozone NAAQS (Phase 1 and Phase 2 Implementation Rules). In an April 30, 2004 rulemaking (69 FR 23858) EPA designated attainment and nonattainment areas for the 1997 8-hour ozone standard, and specified the classification for each nonattainment area. The 1997 8-hour ozone designations took effect on June 15, 2004. The November 30, 2005 Phase 2 implementation rule set forth deadlines for state and local governments to develop and submit to EPA implementation plans designed to meet the 1997 8-hour standard by reducing air pollutant emissions contributing to ground-level ozone concentrations. The Phase 2 Rule required states with nonattainment areas to submit SIPs by

June 15, 2007 demonstrating how each nonattainment area would attain the 1997 8-hour ozone standard as expeditiously as practicable but no later than specified dates and demonstrating how the area would make reasonable further progress toward attainment in the years prior to the attainment year. Additionally, the Phase 2 Rule required states to submit SIPs requiring RACT for nonattainment areas and for areas within the OTR by September 15, 2006.

B. Consequences of Findings of Failure To Submit

The CAA establishes specific consequences if EPA finds that a state has failed to submit a SIP or, with regard to a submitted SIP, EPA determines it is incomplete or disapproves it. CAA section 179(a)(1). Additionally, any of these findings also triggers an obligation for EPA to promulgate a Federal Implementation Plan (FIP) if the states have not submitted and EPA has not approved the required SIP within 2 years of the finding. CAA section 110(c). The first finding, that a state has failed to submit a plan or one or more elements of a plan required under the CAA, is the finding relevant to this rulemaking.

EPA is finding that 11 states have failed to make required SIP submissions for 11 nonattainment areas and 3 states or portions of states in the Ozone Transport Region. If EPA has not affirmatively determined that a state has made the required complete submittals for an area within 18 months of the effective date of this rulemaking, pursuant to CAA section 179(a) and (b) and 40 CFR 52.31, the offset sanction identified in CAA section 179(b)(2) will apply in the area subject to the finding. If EPA has not affirmatively determined that the state has made a complete submission within 6 months after the offset sanction is imposed, then the highway funding sanction will apply in areas designated nonattainment, in accordance with CAA section 179(b)(1) and 40 CFR 52.31.¹ The 18-month clock will stop and the sanctions will not take effect if, within 18 months after the date of the finding, EPA finds that the state has made a complete submittal as to each of the SIPs for which these findings are made. In addition, EPA is not required to promulgate a FIP if the state makes the required SIP submittal and EPA takes final action to approve

¹ In accordance with section 179(b)(1)(A), the highway funding sanction only applies in areas designated nonattainment for the relevant standard and thus would not apply in the portions of the OTR subject to RACT, but not designated nonattainment.

the submittal within 2 years of EPA's finding.

At approximately the same time as the signing of this notice, EPA Regional Administrators are sending letters to the states informing each state identified below that EPA is determining that they have failed to make one or more of the required SIP submissions for the specified areas. These letters, and any accompanying enclosures, have been included in the docket to this rulemaking.

II. This Action

In this action, EPA is making a finding of failure to submit for states that have failed to make certain required SIP submittals. This finding starts the 18-month emission offset sanctions clock, 24-month highway funding sanctions clock and a 24-month clock for the promulgation by EPA of a FIP. This action will be effective on March 24, 2008. The following states failed to make an attainment demonstration, reasonable further progress, or reasonably available control technology submittal required under Part D of Title 1 of the CAA for the specific area(s) identified below.

The areas for which states that did not submit the RACT SIP, RFP SIP, and/or the attainment demonstration SIP are as follows:

Attainment Demonstrations²

NH, Boston-Manchester-Portsmouth (SE) Area
 NY, Jefferson County Area
 RI, Providence (all of RI) Area
 IL, Chicago-Gary-Lake County Area
 IN, Chicago-Gary-Lake County Area
 WI, Milwaukee-Racine Area
 WI, Sheboygan Area

RACT SIPs³

RI, Providence (all of RI) Area
 VT, entire state in Ozone Transport Region
 ME, entire state of Maine for the OTR VOC RACT requirement
 ME, entire state of Maine for the OTR NO_x RACT requirement, with the exception of those areas that received a NO_x waiver⁴

² This finding is for the attainment demonstration requirement in section 182(b)(1), 182(c)(2)(A) and 182(d) and 40 CFR 51.908.

³ Except as noted, this finding is for the RACT SIPs required under CAA section 182(b)(2) for VOC and section 182(f) for NO_x. This requirement applies to moderate areas under 182(b)(2) and applies to serious, severe and extreme areas as provided in CAA section 182(c), (d) and (e), respectively.

⁴ On February 3, 2006 (71 FR 5791), EPA approved a NO_x waiver for Northern Maine (specifically, Oxford, Franklin, Somerset, Piscataquis, Penobscot, Washington, Aroostook, and portions of Hancock and Waldo Counties). This approval exempts major sources of NO_x in this area from the requirements to implement controls meeting RACT.

VA, Stafford County
 IL, Chicago-Gary-Lake County Area
 IL, St. Louis Area for NO_x RACT requirement
 IN, Chicago-Gary-Lake County Area
 OH, Cleveland-Akron-Lorain Area for VOC
 RACT requirement

RFP SIPs⁵

RI, Providence (all of RI) Area
 NH, Boston-Manchester-Portsmouth (SE)
 Area
 NY, Jefferson County Area
 IL, Chicago-Gary-Lake County Area
 IN, Chicago-Gary-Lake County Area
 WI, Milwaukee-Racine Area
 WI, Sheboygan Area
 CA, Western Mojave Desert
 CA, Sacramento Metro Area
 CA, Ventura County (part) Area

A. Clean Air Determination Areas Receiving a Finding of Failure To Submit

For areas designated as "moderate nonattainment" areas, the CAA requires states to develop SIPs describing how the state will attain and maintain the ozone standard; such SIPs were to have been submitted to EPA by June 15, 2007. The Boston-Manchester-Portsmouth (SE) area in NH and Jefferson County, NY are designated "moderate nonattainment." EPA has published proposed determinations that both areas are in attainment of the 1997 8-hour ozone NAAQS. See 73 FR 7234 (February 7, 2008), and 73 FR 8637 (February 14, 2008). These actions were taken in consideration of several years of air quality data in these areas showing attainment of the NAAQS and in consultation with the states. In the case of Jefferson County, on June 14, 2007 New York submitted to EPA a formal clean data request.

EPA is proceeding with rulemaking on the clean data determinations for these two areas. A final determination of attainment would suspend the attainment demonstration and RFP SIP requirements of 40 CFR 50.918. EPA expects to take final action on these determinations as soon as possible. If EPA issues a final determination of attainment, it will stay the sanctions and FIP clocks. The stay for the 2:1 emission offset sanction, highway sanction and FIP promulgation clocks will continue for as long as the area air quality continues to attain the 1997 8-hour ozone standard. The clocks will be permanently turned off if the areas are redesignated to attainment.

EPA is issuing findings of failure to submit to New Hampshire for the Boston-Manchester-Portsmouth (SE) area and to New York for the Jefferson

County Area. As noted earlier, EPA has published proposed determinations that both areas are in attainment of the 1997 8-hour ozone NAAQS. Pursuant to 40 CFR 51.918, the states' obligation to submit the reasonable further progress and attainment demonstrations will be stayed as of the effective date of a final approval of the clean air determination for these areas. This stay will remain in effect for so long as the area remains in attainment and will no longer apply if the area is redesignated to attainment.

B. OTR Attainment Areas Receiving a Finding of Failure To Submit

The states of Maine and Vermont and Stafford County, VA have 8-hr ozone RACT requirements because they are part of the OTR.⁶ The EPA is issuing a finding of failure to submit to Maine, Vermont and Virginia because they have not met the requirement (40 CFR 51.916(b)). EPA understands that these three states are each working on a certification that the RACT rules the states adopted and EPA approved under the 1-hour ozone standard meet the RACT requirements applicable for the 1997 8-hour ozone standard. The FIP clocks will be stopped when the states submit and EPA approves the RACT SIP. This is a formal SIP submittal and the states must complete their notice-and-comment process prior to submission. Maine, Vermont and Virginia should be able to complete the process and submit the SIPs in time for EPA to take rulemaking action on the submissions before the 24-month FIP clock expires. These OTR areas are subject to nonattainment NSR and, therefore, would be subject to the 2:1 emission offset sanctions if they fail to submit RACT rules EPA affirmatively determines are complete within 18 months of this finding. Because the areas are in attainment, the highway funding sanction would not apply (40 CFR 52.31(e)(2)).

C. Findings of Failure To Submit RFP Plans in California

EPA is making findings of failure to submit RFP plans for the following three areas in California: Los Angeles-San Bernardino Counties (Western Mojave Desert), Ventura, and Sacramento Metro nonattainment areas. The findings of failure to submit are being made because these areas did not submit the RFP plans that were due on June 15,

2007. On February 14, 2008, the state submitted a formal request to EPA to voluntarily reclassify: (1) Western Mojave Desert from moderate to severe-17; (2) Ventura from moderate to serious; and (3) Sacramento Metro from serious to severe-15. Although EPA must grant such voluntary reclassification, a reclassification does not provide a basis for extending the submittal deadlines for SIP elements that were due for these areas' initial classifications. Consequently this finding of failure to submit is based on the states' failure to submit the RFP plans that were due on June 15, 2007 for the area's current classification; this finding does not apply with regard to any additional RFP obligations that would be triggered by the reclassification of these areas. The February 14, 2008 letter included a commitment to submit to EPA the RFP for the current classifications for the three areas, as well as the RFP and attainment requirements for the requested higher classification for the Western Mojave Desert and Ventura areas by April 30, 2008. With respect to the Sacramento Metro area, we note that the state has submitted an RFP SIP for the 2008 milestone. Thus the finding applies only to the RFP component required for the 2011 milestone.

Both the Ventura and Western Mojave Desert areas are downwind from the South Coast Air Basin (metropolitan Los Angeles), and the state has indicated that RFP in the areas must depend in part upon reductions in the South Coast area. The Phase 2 Rule to implement the 1997 8-hour NAAQS set forth a policy that emission reductions from outside a nonattainment area could be credited toward the 1997 8-hour ozone RFP requirement. The rule stated that credit could be taken for VOC and NO_x emission reductions within 100 km and 200 km respectively outside the nonattainment area (70 FR 71647; November 29, 2005). However, if a regional NO_x control strategy were in place in the state, reductions could be taken from within the state. On July 17, 2007, EPA requested a partial voluntary remand from the Court of Appeals for the District of Columbia Circuit on this policy provision. This provision was challenged by the Natural Resources Defense Council (NRDC). EPA's PM_{2.5} Implementation Rule (72 FR 20586, April 25, 2007) adopted a different approach for crediting reductions of precursor pollutants from "outside" the nonattainment area for ROP/RFP purposes.⁷ Because the PM_{2.5}

⁵ This finding is for the RFP requirement under CAA sections 172(c)(2) and 182(b)(1). See also 40 CFR 51.910.

⁶ The remaining portion of Virginia that is in the OTR is also part of the Washington DC-MD-VA moderate 1997 8-hour ozone nonattainment area. EPA has received a RACT SIP addressing Virginia's OTR and moderate RACT requirements for the Washington DC-MD-VA moderate 1997 8-hour ozone nonattainment area.

⁷ "If the state justifies consideration of precursor emissions for an area outside the nonattainment

Implementation Rule significantly modified the policy regarding which emissions reductions are eligible to be credited towards a nonattainment area's RFP requirement, EPA asked for a partial voluntary remand of the Phase 2 Ozone Rule to consider whether it should be revised for consistency with the PM_{2.5} Implementation Rule. In response to EPA's request for a partial voluntary remand of the Phase 2 Ozone Rule, NRDC asked the court for a vacatur, i.e., to nullify this provision. The Court ultimately granted NRDC's petition for vacatur. EPA issued a memorandum on October 11, 2007 stating that we: (1) Sought a voluntary remand, (2) would be revising the rule, and (3) advised the Regional Offices not to approve ROP/RFP SIPs that obtained VOC or NO_x reductions from outside the nonattainment area until the new rulemaking was finalized.⁸

EPA is currently developing a proposed rule to address the court's vacatur of the provision in the Phase 2 Ozone Implementation Rule that allowed nonattainment areas to take credit for emission reductions outside the nonattainment area from selected sources which differed from what was in the PM_{2.5} Implementation Rule. Until we issue that final rule, we could take rulemaking action on the RFP SIPs on a case-by-case basis. We plan to issue the final rule as soon as possible. However, sanctions clocks will terminate when states make submittals that EPA affirmatively determines are complete and the FIP clocks can be turned off if we take final action to approve the RFP plans.

III. Statutory and Executive Order Reviews

A. Notice and Comment Under the Administrative Procedure Act

This is a final EPA action, but is not subject to notice-and-comment requirements of the Administrative Procedure Act (APA), 5 U.S.C. 553(b). EPA believes that because of the limited time provided to make findings of failure to submit regarding SIP submissions, Congress did not intend such findings to be subject to notice-and-comment rulemaking. However, to the extent such findings are subject to notice-and-comment rulemaking, EPA

area, EPA will expect state RFP assessments to reflect emissions changes from all sources in this area. The State cannot include only selected sources providing emission reductions in the analysis." (72 FR at 20636 (4/25/07).)

⁸ "Partial Voluntary Remand Sought in the Ozone Phase 2 Rule Concerning Rate of Progress (ROP) Reductions Obtained From Outside a Nonattainment Area" Memorandum of October 11, 2007.

invokes the good cause exception pursuant to the APA, 5 U.S.C. 553(b)(3)(B). Notice and comment are unnecessary because no EPA judgment is involved in making a nonsubstantive finding of failure to submit elements of SIP submissions required by the CAA. Furthermore, providing notice and comment would be impracticable because of the limited time provided under the statute for making such determinations. Finally, notice and comment would be contrary to the public interest because it would divert agency resources from the critical substantive review of complete SIPs. See 58 FR 51270, 51272, n.17 (October 1, 1993); 59 FR 39832, 39853 (August 4, 1994).

B. Effective Date Under the Administrative Procedure Act

This action will be effective on March 24, 2008. Under the APA, 5 U.S.C. 553(d)(3), agency rulemaking may take effect before 30 days after the date of publication in the **Federal Register** if the agency has good cause to specify an earlier effective date. This action concerns SIP submissions that are already overdue; and EPA previously cautioned the affected states that the SIP submissions were overdue and that EPA was considering taking this action. In addition, this action simply starts a "clock" that will not result in sanctions against the states for 18 months, and that the states may "turn off" through the submission of complete SIP submittals. These reasons support an effective date prior to 30 days after the date of publication.

C. Executive Order 12866: Regulatory Planning and Review

This action is not a "significant regulatory action" under the terms of Executive Order 12866 (58 FR 51735, October 4, 1993) and is therefore not subject to review under the Executive Order. However, the EPA submitted this action to the Office of Management and Budget (OMB) for review on February 12, 2008 and any changes made in response to OMB's recommendations have been documented in the docket for this action. The OMB released it on March 14, 2008.

D. Paperwork Reduction Act

This action does not impose an information collection burden under the provisions of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.* This rule relates to the requirement in the CAA for states to submit SIPs under section Part D of title I of the CAA to satisfy elements required for the 1997 8-hour ozone NAAQS. The present final rule

does not establish any new information collection requirement. Burden means that total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An Agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations in the CFR are listed in 40 CFR part 9.

E. Regulatory Flexibility Act (RFA)

This final rule is not subject to the Regulatory Flexibility Act (RFA), which generally requires an agency to prepare a regulatory flexibility analysis for any rule that will have a significant economic impact on a substantial number of small entities. The RFA applies only to rules subject to notice and comment rulemaking requirements under the Administrative Procedure Act (APA) or any other statute. This rule is not subject to notice and comment requirements under the APA or any other statute because although the rule is subject to the APA, the Agency has invoked the "good cause" exemption under 5 U.S.C. 553(b), therefore it is not subject to the notice and comment requirement.

F. Unfunded Mandates Reform Act

Title II of the Unfunded Mandate Reform Act of 1995 (UMRA), Public Law 104-4, establishes requirements for Federal Agencies to assess the effects of their regulatory actions on state, local and Tribal governments and the private sector. Under section 202 of the UMRA, EPA generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with "Federal mandate" that may result in expenditures to state, local, and Tribal governments, in the aggregate, or to the private sector, of \$100 million or more in any 1 year. Before promulgating an EPA rule for which a written statement is needed, section 205 of the

UMRA generally requires EPA to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, most cost-effective or least burdensome alternative that achieves the objectives of the rule. The provisions of section 205 do not apply when they are inconsistent with applicable law. Moreover, section 205 allows EPA to adopt an alternative other than the least costly, most cost-effective or least burdensome alternative if the Administrator publishes with the final rule an explanation of why that alternative was not adopted. Before EPA establishes any regulatory requirements that may significantly or uniquely affect small governments, including Tribal governments, it must have developed under section 203 of the UMRA a small government agency plan. The plan must provide for notifying potentially affected small governments to have meaningful and timely input in the development of EPA regulatory proposals with significant Federal intergovernmental mandates, and informing, educating, and advising small government on compliance with regulatory requirements.

This action does not include a Federal mandate within the meaning of UMRA that may result in expenditures of \$100 million or more in any 1 year by either state, local, or Tribal governments in the aggregate or to the private sector, and therefore, is not subject to the requirements of sections 202 and 205 of the UMRA. It does not create any additional requirements beyond those of the 1997 8-hour ozone NAAQS (62 FR 38652; 62 FR 38856, July 18, 1997), therefore, no UMRA analysis is needed. EPA has determined that this action is not a Federal mandate. The CAA provisions requires states to submit SIPs. This notice merely provides a finding that the states have not met the requirement to submit certain SIPs and begins a clock that could result in the imposition of sanctions if the states continue to not meet this statutory obligation. This notice does not, by itself, require any particular action by any state, local, or Tribal government; or by the private sector. For the same reasons, EPA has determined that this rule contains no regulatory requirements that might significantly or uniquely affect small governments.

The EPA believes that any new controls imposed as a result of this action will not cost in the aggregate \$100 million or more annually. Thus, this Federal action will not impose mandates that will require expenditures of \$100 million or more in the aggregate in any 1 year.

G. Executive Order 13132: Federalism

Executive Order 13132, entitled "Federalism" (64 FR 43255, August 10, 1999), requires EPA to develop an accountable process to ensure "meaningful and timely input by state and local officials in the development of regulatory policies that have federalism implications." "Policies that have federalism implications" is defined in the Executive Order to include regulations that have "substantial direct effects on the states, or the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government."

This final rule does not have federalism implications. It will not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132. The CAA establishes the scheme whereby states take the lead in developing plans to meet the NAAQS and the Federal Government acts as a backstop where states fail to take the required actions. This rule will not modify the relationship of the states and EPA for purposes of developing programs to implement the NAAQS. Thus, Executive Order 13132 does not apply to this rule.

H. Executive Order 13175: Consultation and Coordination with Indian Tribal Governments

Executive Order 13175, entitled "Consultation and Coordination with Indian Tribal Governments" (65 FR 67249, November 9, 2000), requires EPA to develop an accountable process to ensure "meaningful and timely input by Tribal officials in the development of regulatory policies that have Tribal implications."

EPA has concluded that this final rule will not have Tribal implications. It will neither impose substantial direct compliance costs on Tribal governments, nor preempt Tribal law. This rule responds to the requirement in the CAA for states to submit SIPs to satisfy the nonattainment area requirements of the CAA for the 1997 8-hour ozone NAAQS. The CAA requires states with areas that are designated nonattainment for the NAAQS to develop a SIP describing how the state will attain and maintain the NAAQS. There are Tribal governments within certain nonattainment areas for which this rule turns on a sanctions clock. However, this rule does not have Tribal implications because it does not impose

any compliance costs on Tribal governments nor does it pre-empt Tribal law. The rule will not have a substantial direct effect on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes, as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

I. Executive Order 13045: Protection of Children from Environmental Health and Safety Risks

Executive Order 13045: "Protection of Children from Environmental Health Risks and Safety Risks" (62 FR 19885, April 23, 1997) applies to any rule that: (1) Is determined to be "economically significant" as defined under Executive Order 12866, and (2) concerns an environmental health or safety risk that EPA has reason to believe may have a disproportionate effect on children. If the regulatory action meets both criteria, the Agency must evaluate the environmental health or safety effects of the planned rule on children, and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the Agency.

This final rule is not subject to the Executive Order because it is not economically significant as defined in Executive Order 12866, and because the Agency does not have reason to believe the environmental health or safety risks addressed by this action present a disproportionate risk to children. This action should reduce the levels of harmful pollutants in the air that should reduce harmful effects on children.

J. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution, or Use

This rule is not a "significant energy action" as defined in Executive Order 13211, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use" (66 FR 28355 (May 22, 2001)) because it is not likely to have a significant adverse effect on the supply, distribution, or use of energy. In this action, EPA is finding that several states have failed to submit SIPs to satisfy certain nonattainment area requirements of the Clean Air Act (CAA) for the 1997 8-hour ozone National Ambient Air Quality Standards (NAAQS).

K. Executive Order 12898: Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations

Executive Order 12898 (59 FR 7629 (February 16, 1994)) establishes Federal executive policy on environmental justice. Its main provision directs Federal agencies, to the greatest extent practicable and permitted by law, to make environmental justice part of their mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of their programs, policies, and activities on minority populations and low-income populations in the United States. EPA has determined that this final rule will not have disproportionately high and adverse human health or environmental effects on minority or low-income populations because it does not directly affect the level of protection provided to human health or the environment. This notice finds that certain states have not met the requirement to submit one or more SIPs and begins a clock that could result in the imposition of sanctions if the states continue to not meet this statutory obligation. If the states fail to submit the required SIPs or if they submit SIPs that EPA cannot approve, then EPA will be required to develop the plans in lieu of the states.

L. National Technology Transfer Advancement Act

Section 12(d) of the National Technology Transfer Advancement Act of 1995 (NTTAA), Public Law 104-113, (15 U.S.C. 272 note) directs EPA to use voluntary consensus standards (VCS) in its regulatory activities unless to do so would be inconsistent with applicable law or otherwise impracticable. VCS are technical standards (e.g., materials specifications, test methods, sampling procedures, and business practices) that are developed or adopted by VCS bodies. The NTTAA directs EPA to provide Congress, through OMB, explanations when the Agency decides not to use available and applicable VCS.

This action does not involve technical standards. Therefore, EPA did not consider the use of any VCS.

M. Congressional Review Act

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General

of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a "major rule" as defined by 5 U.S.C. 804(2). This rule will be effective March 24, 2008.

N. Judicial Review

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the District of Columbia Circuit Court within 60 days from the date final action is published in the **Federal Register**. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review must be filed, and shall not postpone the effectiveness of such rule or action.

Thus, any petitions for review of this action making findings of failure to submit RACT, RFP, and attainment demonstration SIPs for the nonattainment areas identified in section II above, must be filed in the Court of Appeals for the District of Columbia Circuit within 60 days from the date final action is published in the **Federal Register**.

List of Subjects in 40 CFR Part 52

Environmental protection, Administrative practice and procedure, Air pollution control, Intergovernmental relations, Reporting and recordkeeping requirements.

Dated: March 17, 2008.

Robert J. Meyers,

Principal Deputy Assistant Administrator.

[FR Doc. E8-5807 Filed 3-21-08; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 59

[EPA-HQ-OAR-2006-0971; FRL-8544-2]

RIN 2060-A086

National Volatile Organic Compound Emission Standards for Aerosol Coatings

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is taking direct final action to amend the National Volatile Organic Compound Emission Standards for Aerosol Coatings final rule, which is a rule that establishes national reactivity-based emission standards for the aerosol coatings category (aerosol spray paints) under the Clean Air Act, published elsewhere in this **Federal Register**. This direct final action clarifies and amends certain explanatory and regulatory text in the Aerosol Coatings final rule, as the final rule contains misstatements and possibly confusing language on how compounds are added to the list in Tables 2A, 2B or 2C—Reactivity Factors, and when distributors and retailers are regulated entities responsible for compliance with the final rule.

DATES: This direct final rule is effective on June 23, 2008, without further notice, unless EPA receives adverse comment by April 23, 2008, or May 8, 2008, if a public hearing is held. If EPA receives adverse comment, we will publish a timely withdrawal in the **Federal Register** informing the public that some or all of the amendments in the final rule will not take effect.

Comments. Written comments must be received by April 23, 2008, unless a public hearing is requested by April 3, 2008. If a hearing is requested, written comments must be received by May 8, 2008.

Public Hearing. If anyone contacts EPA requesting to speak at a public hearing concerning the proposed regulation by April 3, 2008, we will hold a public hearing on April 8, 2008.

ADDRESSES: Comments. Submit your comments, identified under Docket ID No. EPA-HQ-OAR-2006-0971 by one of the following methods:

- www.regulations.gov. Follow the online instructions for submitting comments.
- *E-mail:* a-and-r-docket@epa.gov
- *Fax:* (202)-566-9744
- *Mail:* National Volatile Organic Compound Emission Standards for Aerosol Coatings, Environmental Protection Agency, Mail Code: 2822T, 1200 Pennsylvania Avenue, NW., Washington, DC 20460. Please include two copies.

- *Hand Delivery:* EPA Docket Center, 1301 Constitution Avenue, NW., EPA Headquarters Library, Room 3334, EPA West Building, Washington, DC 20460. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. EPA-HQ-OAR-2006-



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590



REPLY TO THE ATTENTION OF:

(R-19J)

Douglas P. Scott, Director
Illinois Environmental Protection Agency
1021 North Grand Avenue East
P.O. Box 19726
Springfield, Illinois 62794-9276

Dear Mr. Scott:

I am writing concerning submittals that the State of Illinois must make to comply with Clean Air Act (the Act) requirements to meet the 8-hour national ambient air quality standard for ozone. The Act requires States with areas that are designated nonattainment for the ozone national ambient air quality standard to develop a State Implementation Plan (SIP) describing how the State will attain and maintain the ozone standard.

Part D of title I of the Act outlines all of the required elements of an approvable SIP for areas designated nonattainment. The requirements include but are not limited to, reasonable further progress, Volatile Organic Compounds (VOC) and Nitrogen Oxides (NOx) Reasonably Available Control Technology (RACT), and an attainment demonstration. These submittals were due on September 15, 2006 (VOC RACT for existing, pre-2006, Control Technique Guideline (CTG) and major non-CTG source categories and NOx RACT), and June 15, 2007 (all other ozone SIP elements).

While we appreciate the work that the Illinois Environmental Protection Agency has done to meet its obligations under the Act, not all of the required SIP elements have been submitted. Based on our discussions with your staff, we believe that Illinois will complete and submit the required SIP elements expeditiously and well before any findings discussed here result in any adverse consequences for the State. In particular, we note the very good progress the State has made through its efforts, as a participant in the Lake Michigan Air Directors Consortium, to complete the ozone attainment demonstration and reasonable further progress plans for the Chicago area.

Nonetheless, we consider the required SIP elements to be a high priority and by today's letter, EPA is notifying Illinois that, pursuant to section 179(a) of the Act, EPA is making findings of failure to submit for the following areas and SIP requirements:

Chicago Area

- Reasonable Further Progress Plan
- Attainment Demonstration
- VOC RACT for Existing CTG and Major Non-CTG Sources
- NOx RACT

Metro-East St. Louis Area - NOx RACT

EPA will shortly publish a rulemaking notice in the Federal Register announcing these findings, which will be effective upon publication of the notice. In general, findings are being made in those cases where a State failed to submit all or elements of a required SIP. Please be assured that we will continue to work closely with the Illinois Environmental Protection Agency to undertake all necessary efforts to ensure that the remaining submittals are made as soon as possible so that we can avoid the implementation of sanctions and the need to promulgate a Federal Implementation Plan (FIP).

If, within 18 months of EPA's finding, Illinois has not submitted the missing elements of the SIP, pursuant to section 179(a) of the Act and 40 Code of Federal Regulations (CFR) section 52.31, the new source offset sanction identified in section 179(b) of the Act will apply in the affected areas. If Illinois still has not made a complete submission six months after the new source offset sanction is imposed, the highway sanction will apply in the affected areas in accordance with 40 CFR 52.31. In addition, section 110(c) of the Act provides that EPA promulgate a FIP no later than two years after a finding under section 179(a) if EPA has not approved the plan for which the finding was made.

The 18-month clock will stop and the sanctions will not take effect if, within 18 months after the date of the findings, EPA finds that the State has made a complete submittal. In addition, EPA would no longer be obligated to promulgate a FIP if the State makes the required SIP submittals and EPA takes final action to approve the submittals within two years of the findings.

I also call your attention to the transportation conformity issues associated with certain aspects of these findings of failure to submit pursuant to EPA's transportation conformity rule (40 CFR 93.120(b)). The conformity status of the transportation plans and transportation improvement programs in the affected areas would lapse on the date that highway sanctions under section 179 are imposed, unless the State makes the required SIP submittals and EPA acknowledges this via a letter.

We are looking forward to working closely with Illinois to ensure that the Act's requirements are met in a timely manner without adverse consequences.

Sincerely,

A handwritten signature in black ink, appearing to read "Walter W. K... for". The signature is written in a cursive style and is positioned above the typed name of the signatory.

Mary A. Gade
Regional Administrator



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

MAR 12 2009

REPLY TO THE ATTENTION OF

R-19J

Douglas P. Scott, Director
Illinois Environmental Protection Agency
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62794-9276

Dear Mr. Scott:

The State of Illinois needs to address the findings of failure to submit required ozone State Implementation Plan (SIP) elements previously identified by the U.S. Environmental Protection Agency in a March 17, 2008, letter and in a March 24, 2008, final rule (73 FR 15416). The final rule began a sanctions clock that, if not terminated or stayed by EPA, will result in the implementation of several sanctions in the Chicago and Metro-East St. Louis 8-hour ozone nonattainment areas, as early as September 2009. I am sending this letter to request expedited action by the Illinois Environmental Protection Agency (IEPA) and the Illinois Pollution Control Board (IPCB) to complete the ozone SIP development and adoption process for the missing SIP elements (discussed below) to avoid implementation of sanctions.

Failure to submit the following SIP elements were identified in the March 17, 2008, letter and the March 24, 2008, final rule.

1. Chicago ozone nonattainment area:
 - a. an 8-hour ozone Reasonable Further Progress (RFP) plan
 - b. an 8-hour ozone attainment demonstration
 - c. Volatile Organic Compounds (VOC) Reasonably Available Control Technology (RACT) rule certification (or new rules for source categories lacking existing RACT rules) for source categories covered by Control Technique Guidelines (CTGs) issued prior to September 15, 2006, or for major non-CTG sources
 - d. Nitrogen Oxides (NOx) RACT rules
2. Metro-East St. Louis ozone nonattainment area:
 - a. NOx RACT rules

The specific timing for the various sanctions that could be triggered if Illinois continues to fail to adopt and submit the required SIP elements are as follows.

If, by September 24, 2009, Illinois has not submitted all of the required SIP elements listed above (including final, adopted VOC and NO_x RACT rules where applicable), pursuant to section 179(a) of the Act and 40 CFR 52.31, the new source offset sanction, identified in section 179(b)(2) of the Act, will apply in the Chicago and Metro-East St. Louis areas. The increased new source emissions offset ratio (2:1) will make it more difficult for new sources to locate in the nonattainment areas.

If, by six months after imposition of the first sanction, Illinois has not submitted the required SIP elements, highway sanctions will be implemented in accordance with 40 CFR 52.31. This may adversely affect Federal funding of new highway projects, including highway project funding under the American Recovery and Reinvestment Act of 2009, and would restrict the types of highway projects that the State and local governments can implement.

Finally, if by March 24, 2010, Illinois has not submitted the required SIP elements and EPA has not approved these SIP revisions, section 110(c) of the Act provides for EPA to promulgate Federal Implementation Plans (FIPs) to replace the missing SIP elements. If it is necessary for EPA to promulgate a FIP, EPA may pay the costs of developing and promulgating this plan with section 105 funds that would otherwise be given to Illinois.

EPA is very concerned that the time available to avoid the implementation of sanctions in this case is very short. We look forward to working closely with Illinois to ensure that the Act's requirements are met in a timely manner and to avoid adverse consequences of failure to do so. If you have any questions about this issue, please contact me or Cheryl Newton at 312-353-6730.

Sincerely,



Bharat Mathur
Acting Regional Administrator

cc: Laurel Kroack, Director
Bureau of Air, Illinois EPA