

May 15, 2014

TO: Members of the MAG Air Quality Technical Advisory Committee

FROM: Philip McNeely, Phoenix, Chair

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA

Thursday, May 22, 2014 - 1:30 p.m.
MAG Office, Suite 200 - Saguaro Room
302 North 1st Avenue, Phoenix

A meeting of the MAG Air Quality Technical Advisory Committee has been scheduled for the time and place noted above. Members of the Air Quality Technical Advisory Committee may attend the meeting either in person, by videoconference or by telephone conference call. Those attending by videoconference must notify the MAG site three business days prior to the meeting. If you have any questions regarding the meeting, please contact Chair McNeely or Lindy Bauer at 602-254-6300.

Please park in the garage underneath the building, bring your ticket, and parking will be validated. For those using transit, Valley Metro/Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

In 1996, the Regional Council approved a simple majority quorum for all MAG advisory committees. If the MAG Air Quality Technical Advisory Committee does not meet the quorum requirement, members who arrived at the meeting will be instructed a legal meeting cannot occur and subsequently be dismissed. Your attendance at the meeting is strongly encouraged. If you are unable to attend the meeting, please make arrangements for a proxy from your entity to represent you.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Jason Stephens at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

TENTATIVE AGENDA

COMMITTEE ACTION REQUESTED

1. Call to Order

2. Call to the Audience

An opportunity will be provided to members of the public to address the Air Quality Technical Advisory Committee on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Members of the public will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Air Quality Technical Advisory Committee requests an exception to this limit. Please note that those wishing to comment on action agenda items will be given an opportunity at the time the item is heard.

3. Approval of the March 27, 2014 Meeting Minutes

4. Draft MAG 2014 Eight-Hour Ozone Plan-Submittal of Marginal Area Requirements for the Maricopa Nonattainment Area

The Draft MAG 2014 Eight-Hour Ozone Plan-Submittal of Marginal Area Requirements has been prepared in accordance with Section 182(a) of the Clean Air Act. On May 21, 2012, the Environmental Protection Agency (EPA) designated the Maricopa nonattainment area as a Marginal Area for the 2008 eight-hour ozone standard of 0.075 parts per million. The draft plan addresses the requirements for a Marginal nonattainment area, such as an Emissions Statement, Baseline emissions Inventory, Periodic Emissions Inventory, Corrections to Pre-1990 Reasonably Available Control Technology, New Source Review, Corrections to Pre-1990 Previously Required Vehicle Inspection

2. For information.

3. Review and approve the March 27, 2014 meeting minutes.

4. For information, discussion and recommendation to adopt the Draft MAG 2014 Eight-Hour Ozone Plan-Submittal of Marginal Area Requirements for the Maricopa Nonattainment Area.

and Maintenance Programs, and Transportation Conformity.

As a Marginal Area, the Maricopa nonattainment area will have a December 31, 2015 attainment date. EPA assumes that Marginal Areas will be in attainment of the eight-hour ozone standard (0.075 parts per million) within three years of designation without any additional control measures. According to the EPA proposed guidance (June 6, 2013), Marginal Areas are not be required to submit an attainment demonstration, reasonably available control technologies and measures, reasonable further progress demonstration, and contingency measures.

On May 15, 2014, a public hearing was conducted on the Draft MAG 2014 Eight-Hour Ozone Plan. Following the consideration of public comments, the MAG Air Quality Technical Advisory Committee may make a recommendation to the MAG Management Committee. The MAG Regional Council may take action on June 25, 2014. Please refer to the enclosed material.

5. Update on the MAG 2012 Five Percent Plan for PM-10 and Exceptional Events

On February 6, 2014, the Environmental Protection Agency published a notice proposing to approve the MAG 2012 Five Percent Plan for PM-10. The plan demonstrated that the measures will reduce emissions by five percent per year and demonstrated attainment of the standard by December 31, 2012. EPA is also proposing to make a determination that the region has met the standard based upon three years of clean data for 2010-2012, as measured by the air quality monitors. In 2013, there were six exceptional event days due to regional dust storms, thunderstorms and high winds. Documentation for the exceptional event days has been prepared and submitted to EPA for concurrence. In 2014, there was one exceptional event day on May 11, 2014 due to a regional dust storm. In addition, EPA did not propose revisions to the Exceptional Events

5. For information and discussion.

Rule in April 2014, as originally planned, due to resource constraints. Please refer to the enclosed material.

6. Update on the Regional Rideshare and Telework Program

The Regional Public Transportation Authority (Valley Metro RPTA) offers a free ride matching service to commuters interested in carpooling, vanpooling, and bicycling to work; manages and subsidizes a vanpool program; and conducts alternative mode outreach and education under the Regional Rideshare and Telework Program. This program is designed to encourage the use of alternative transportation options to the single occupant vehicle and is a transportation control measure in the regional air quality plans. A presentation will be given on the program highlights.

7. Air Quality Status Report

The air quality monitoring data for the region will be reviewed with the Committee. To date, the region has met the carbon monoxide standard and two of the ozone standards for several years. In addition, EPA recently proposed to make a determination that the region has met the PM-10 standard based upon three years of clean data for 2010-2012.

8. Update on the MAG 2014 State Implementation Plan Revision for the Removal of Stage II Vapor Recovery Controls in the Maricopa Eight-Hour Ozone Nonattainment Area

The Maricopa Association of Governments has prepared the Draft MAG 2014 State Implementation Plan Revision for the Removal of Stage II Vapor Recovery Controls in the Maricopa Eight-Hour Ozone Nonattainment Area. In accordance with Clean Air Act Section 202(a)(6), the Environmental Protection Agency made a determination that onboard refueling vapor recovery systems are in widespread use throughout the motor vehicle fleet, effective May 16, 2012. Since Stage II is a duplicative system, this plan revision requests that EPA remove the requirement for Stage II vapor

6. For information and discussion.

7. For information and discussion.

8. For information and discussion.

recovery in this area for new gasoline dispensing facilities in 2014 and for existing facilities beginning in October 2016, before a regional disbenefit begins to occur in 2018.

On June 3, 2014, a public hearing will be conducted on the draft plan revision. A status report will be provided.

9. Call for Future Agenda Items

The next meeting of the Committee has been tentatively scheduled for **Thursday, June 26, 2014 at 1:30 p.m.** The Chair will invite the Committee members to suggest future agenda items.

9. For information and discussion.

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
AIR QUALITY TECHNICAL ADVISORY COMMITTEE MEETING

Thursday, March 27, 2014
MAG Office
Phoenix, Arizona

MEMBERS ATTENDING

- Philip McNeely, Phoenix, Chairman
- William Mattingly, Peoria, Vice Chair
- Paul Lopez for Daniel Culotta, Avondale
- Susan Avans for John Minear, Buckeye
- * Jim Weiss, Chandler
- * Jamie McCullough, El Mirage
- * Jessica Koberna, Gilbert
- Megan Sheldon, Glendale
- * Cato Esquivel, Goodyear
- # Kazi Haque, Maricopa
- # Greg Edwards for Scott Bouchie, Mesa
- Tim Conner, Scottsdale
- # Antonio DeLaCruz, Surprise
- Oddvar Tveit, Tempe
- * Youngtown
- Ramona Simpson, Queen Creek
- # Walter Bouchard, American Lung Association of Arizona
- Kristin Watt, Salt River Project
- * Rebecca Hudson, Southwest Gas Corporation
- Mark Hajduk for Ann Carlton, Arizona Public Service Company
- # Susie Stevens for Gina Grey, Western States Petroleum Association
- * Robert Forrest, Valley Metro/RPTA
- * Dave Berry, Arizona Motor Transport Association
- * Jeannette Fish, Maricopa County Farm Bureau
- Steve Trussell, Arizona Rock Products Association
- Claudia Whitehead, Greater Phoenix Chamber of Commerce
- Amanda McGennis, Associated General Contractors
- * Spencer Kamps, Homebuilders Association of Central Arizona
- * Mannie Carpenter, Valley Forward
- # Kai Umeda, University of Arizona Cooperative Extension
- Joonwon Joo for Beverly Chenausky, Arizona Department of Transportation
- Diane Arnst, Arizona Department of Environmental Quality
- * Environmental Protection Agency
- Thomas Ekren, Maricopa County Air Quality Department
- Scott DiBiase, Pinal County
- Michelle Wilson, Arizona Department of Weights and Measures
- Ed Stillings, Federal Highway Administration
- * Judi Nelson, Arizona State University
- Mangas Slinkey for Stan Belone, Salt River Pima-Maricopa Indian Community

- *Members neither present nor represented by proxy.
- #Participated via telephone conference call.
- +Participated via video conference call.

OTHERS PRESENT

- Lindy Bauer, Maricopa Association of Governments
- Matt Poppen, Maricopa Association of Governments
- Julie Hoffman, Maricopa Association of Governments
- Kara Johnson, Maricopa Association of Governments
- Dean Giles, Maricopa Association of Governments
- Cathy Arthur, Maricopa Association of Governments
- Taejoo Shin, Maricopa Association of Governments
- Lee Jimenez, Maricopa County Department of Transportation
- Sam Brown, City of Scottsdale
- Corky Martinkovic, Maricopa County Air Quality Department
- Rusty Van Leuven, Arizona Department of Agriculture
- Frank Schinzel, Maricopa County Air Quality Department

1. Call to Order

A meeting of the Maricopa Association of Governments (MAG) Air Quality Technical Advisory Committee (AQTAC) was conducted on March 27, 2014. Philip McNeely, City of Phoenix, Chair, called the meeting to order at approximately 1:30 p.m. Greg Edwards, City of Mesa; Susie Stevens, Western States Petroleum Association; Walter Bouchard, American Lung Association of Arizona; Antonio DeLaCruz, City of Surprise; Kai Umeda, University of Arizona Cooperative Extension; and Kazi Haque, City of Maricopa, attended the meeting via telephone conference call.

Chair McNeely indicated that copies of the handouts for the meeting are available. He noted for members attending through audio conference, the presentations for the meeting will be posted on the MAG website under Resources for the Committee agenda, whenever possible. If it is not possible to post them before the meeting, they will be posted after the meeting.

Lindy Bauer, Maricopa Association of Governments, indicated that the MAG Regional Council has approved revisions to the MAG Committee Operating Policies and Procedures that include a change to quorum requirements. The language was provided at Committee member places. She stated that if a member agency is absent for three consecutive meetings, that member shall no longer be considered a member for purposes of calculating the number constituting a quorum. Ms. Bauer noted that at such a time as the member does attend a meeting, that person will immediately again be considered a member for purposes of calculating the quorum. She added that in no event may the quorum consist of less than one-third of the voting members of the Committee. Ms. Bauer commented that the Committee generally does not struggle with quorum issues.

2. Call to the Audience

Chair McNeely stated that according to the MAG public comment process, members of the audience who wish to speak are requested to fill out comment cards, which are available on the tables adjacent to the doorways inside the meeting room. Citizens are asked not to exceed a three minute time period for their comments. Public comment is provided at the beginning of the meeting for nonagenda items that fall under the jurisdiction of MAG and nonaction agenda items. Chair McNeely noted that no public comment cards had been received.

3. Approval of the January 23, 2014 Meeting Minutes

The Committee reviewed the minutes from the January 23, 2014 meeting. Amanda McGennis, Associated General Contractors, requested that the minutes be revised to reflect that she participated in the January 23, 2014 meeting by teleconference. Oddvar Tveit, City of Tempe, moved and William Mattingly, City of Peoria, seconded, and the motion to approve the January 23, 2014 meeting minutes, with the correction, carried unanimously.

4. Update on the MAG 2012 Five Percent Plan for PM-10 and Exceptional Events

Lindy Bauer, Maricopa Association of Governments, provided an update on the MAG 2012 Five Percent Plan for PM-10 and exceptional events. She stated that the Environmental Protection Agency (EPA) has proposed full approval of the MAG 2012 Five Percent Plan for PM-10. Comments on the EPA proposed approval of the Plan were due by March 10, 2014. Ms. Bauer noted that comments received were included in the agenda packet. She stated that the Arizona Center for Law in the Public

Interest (ACLPI) has submitted comments urging EPA to reconsider their proposed approval of the Plan as submitted. Ms. Bauer indicated that ACLPI also submitted an independent analysis of the July 18, 2011 exceptional event.

Ms. Bauer reported some of the concerns that were included in the Arizona Center for Law in the Public Interest comments. She stated that ACLPI contends that EPA failed to require a demonstration of compliance with all the Clean Air Act requirements. Ms. Bauer noted that the focus was on best available control measures and most stringent measures. She indicated that ACLPI cited EPA's prior proposed partial approval and partial disapproval that occurred in 2010. She commented that after EPA published the proposed partial approval and partial disapproval, the MAG Five Percent Plan for PM-10 was withdrawn and resubmitted. Ms. Bauer indicated that another concern raised by ACLPI was that the Plan lacked adequate control measures for agricultural emissions. The Arizona Center for Law in the Public Interest also questioned the effectiveness of the Dust Action General Permit and the fact that credit was taken for it in the Plan. Ms. Bauer added that the ACLPI comments noted the EPA exclusion of 131 exceptional events over 25 days and expressed concern. ACLPI commented that best available control measures were not in place when the exceptional events occurred. Ms. Bauer stated that the ACLPI comments questioned EPA's finding of attainment by December 31, 2012 since EPA has not resolved the status of the 2013 exceptional event documentation that has been submitted. Lastly, ACLPI questioned if the contingency measures can fulfill the contingency measures requirement since the measures were implemented early.

Ms. Bauer indicated that the Arizona Center for Law in the Public Interest letter and independent analysis of the exceptional event for July 18, 2011 were included in the agenda packet. She added that a number of letters were submitted in support of the EPA proposed approval. Letters in support were included from Senator Jeff Flake, City of Phoenix, Maricopa County Air Quality Department, Arizona Department of Environmental Quality (ADEQ), Arizona Chapter Associated General Contractors, Arizona Rock Products Association, Arizona Chamber of Commerce and Industry, Salt River Project, Representative Amanda Reeve, and MAG.

Ms. Bauer reported that the next step by EPA would be final approval action on the MAG 2012 Five Percent Plan for PM-10 by June 2, 2014. EPA will also be responding to the comments received. Ms. Bauer noted that all of the documentation on the six exceptional events in 2013, which were due to dust storms, thunderstorms, and high winds, have been submitted to EPA for concurrence.

Chair McNeely thanked everyone who submitted comments to EPA in support of the MAG 2012 Five Percent Plan for PM-10. He stated that the approval of the Plan is a milestone.

5. EPA Proposed Approval of the MAG 2009 Eight-Hour Ozone Redesignation Request and Maintenance Plan

Ms. Bauer reported that on March 14, 2014, EPA proposed approval of the MAG 2009 Eight-Hour Ozone Redesignation Request and Maintenance Plan for the 0.08 parts per million (ppm) ozone standard set by EPA in 1997. She indicated that the Plan demonstrates maintenance of the standard through 2025. Ms. Bauer stated that if EPA finalizes approval action, the region would be designated to attainment status for the 0.08 ppm standard. She commented that EPA typically reviews and sets new air quality standards, however they do not negate previous standards. The previous air quality

standards have to be met. Ms. Bauer added that the region has met the 0.08 ppm eight-hour ozone standard. The EPA proposed approval was published in the Federal Register on March 26, 2014.

Mark Hajduk, Arizona Public Service Company, inquired when the final determination for the designation to attainment status is expected. Ms. Bauer responded that EPA will first respond to comments, which are due April 25, 2014, and may make a final determination fairly quickly. She added that MAG is careful to ensure the Conformity Analysis is consistent with plans approved by EPA, but also plans submitted to EPA. The Conformity Analysis was conducted against the MAG 2009 Eight-Hour Ozone Redesignation Request and Maintenance Plan.

6. Update on the MAG 2014 Eight-Hour Ozone Plan - Submittal of Marginal Area Requirements

Matt Poppen, Maricopa Association of Governments, provided an update on the MAG 2014 Eight-Hour Ozone Plan. He stated that on May 21, 2012, EPA designated the Maricopa area as a marginal nonattainment area for the 2008 eight-hour ozone standard of 0.075 ppm. On June 6, 2013, EPA published a proposed rule on the implementation of the 2008 National Ambient Air Quality Standard for ozone. Mr. Poppen noted that as a Marginal Area, the Maricopa nonattainment area will have a December 31, 2015 attainment date. He indicated that EPA assumes that Marginal Areas will be in attainment of the standard within three years of designation without any additional control measures. Marginal Areas are not required to submit an attainment demonstration, reasonably available control technologies and measures, and reasonable further progress demonstration and contingency measures.

Mr. Poppen reviewed the Clean Air Act requirements for Marginal Areas. The first requirement is an emissions statement, which are annual emissions surveys that are submitted by stationary sources of nitrogen oxides (NO_x) and volatile organic compounds (VOC). The second requirement is a baseline emissions inventory which, for this Plan, will be the 2011 Periodic Emissions Inventory completed and finalized by the Maricopa County Air Quality Department in February 2014. The next requirement is a periodic emissions inventory, no later than every three years until attainment of the standard; this will be satisfied when the Maricopa County Air Quality Department produces the 2014 Periodic Emissions Inventory. Corrections to reasonably available control technology that were in place prior to the 1990 Clean Air Act amendments are another requirement. Additionally, a nonattainment area preconstruction program and new source review are requirements. Pre-1990 corrections to previously required vehicle inspection and maintenance programs are also required. Mr. Poppen added that the nonattainment area has an enhanced vehicle inspection maintenance program that has been extended through 2016. The Plan is required to meet transportation conformity requirements, as well as offset requirements for new and major stationary sources, including NO_x and VOC. Mr. Poppen stated that if the region fails to attain the standard by December 31, 2015, the region may be bumped up to the Moderate Area category with additional requirements to be met.

Mr. Poppen discussed Marginal Area requirements. He indicated that upon application by the State, EPA may extend the attainment date for one additional year if the following are met: the State has complied with all applicable requirements and commitments pertaining to the area in the applicable implementation plan; no more than one exceedance of the ozone standard has occurred in the area preceding the extension year; and no more than two one-year extensions of the attainment date may be issued. EPA proposed that the due date for the Marginal Area MAG 2014 Eight-Hour Ozone Plan is July 20, 2014.

Mr. Poppen presented the tentative schedule for the MAG 2014 Eight-Hour Ozone Plan. A draft Plan will be available for public review April 14, 2014. The public hearing is scheduled for May 15, 2014. Mr. Poppen indicated that the MAG Air Quality Technical Advisory Committee may make a recommendation on May 22, 2014. The MAG Management Committee may make a recommendation on June 11, 2014. The MAG Regional Council adoption of the MAG 2014 Eight-Hour Ozone Plan would occur June 25, 2014. MAG would then submit the Plan to ADEQ and EPA by June 27, 2014.

Ms. Bauer added that many of the MAG 2014 Eight-Hour Ozone Plan requirements are already completed. She commented that MAG has been working in cooperation with the Maricopa County Air Quality Department, Arizona Department of Environmental Quality, and Arizona Department of Transportation, to use language from other Air Quality Plans that demonstrates the requirements have been completed while citing the Federal Register notices that published their completion. Ms. Bauer noted that the MAG 2014 Eight-Hour Ozone Plan is a different kind of plan as a majority of the components are already completed.

7. EPA Review of the Federal Ozone Standards

Mr. Poppen presented the EPA review of the National Ambient Air Quality Standards for ozone. Mr. Poppen indicated that in January 2014, EPA made available for public review the Policy Assessment for the Review of the Ozone National Ambient Air Quality Standards (NAAQS) which is the Second External Review Draft. He stated that the Second Draft Policy Assessment is prepared by EPA staff and presents preliminary staff conclusions on the adequacy of the current standards and potential alternative standards appropriate for consideration.

Mr. Poppen presented the EPA flowchart for the new NAAQS review process. EPA is currently in the Policy Assessment stage. Mr. Poppen reported that the next step, following interagency review, is the EPA proposed decision on the standard. The current deadline for a proposed standard is January 15, 2015. Mr. Poppen noted that this deadline is subject to change.

Mr. Poppen discussed preliminary EPA staff conclusions. He commented that with regard to the primary ozone standard, the adequacy of the current 0.075 ppm standard is questioned on its ability to protect public health. EPA concluded that it is appropriate to consider an alternative standard within the range of 0.060 and 0.070 ppm. With regard to the secondary ozone standard, EPA staff questioned the adequacy of the current standard to protect public welfare, such as plant life. Mr. Poppen reported that EPA is considering a new seasonal form for the standard. According to EPA staff, it is appropriate to consider an alternative standard using the W126-based cumulative seasonal metric with a form averaged across three consecutive years and levels extending above 15 ppm-hours down to 7 ppm-hours. Mr. Poppen stated the North Phoenix monitor (which tends to have the highest ozone concentrations in the region) was evaluated against the alternative secondary ozone standard in 2011-2013 and the result was a seasonal concentration of 23 ppm-hours.

Mr. Poppen presented a map of the 2011-2013 three year average of the annual fourth high eight-hour ozone concentrations by monitoring site for the State of Arizona. Mr. Poppen noted that the most recent ozone data available was used to compare against the primary ozone standard. Monitors in green have a three year average of the annual fourth high of 0.065 ppm. Yellow monitors fall in the 0.066-0.070 ppm ozone range. Orange monitors have values between 0.071-0.075 ppm. Monitors in

red have a three year average between 0.076-0.081 ppm. Mr. Poppen added that monitors in red and orange would exceed a primary ozone standard set at 0.070 ppm. Mr. Poppen mentioned that if a primary ozone standard of 0.060 ppm was set, no monitors in the state would meet the standard based on 2011-2013 data. He added that a designation based on a new ozone standard would not be made for quite some time. Mr. Poppen mentioned that EPA finalized the PM-2.5 standard in December 2012, and final designations for that standard are scheduled for December 2014. He commented that if a new standard were to be proposed and finalized, additional years of ozone data would be available before final ozone designations are made.

Diane Arnst, Arizona Department of Environmental Quality, inquired if EPA recommended rounding with regard to the standard. Mr. Poppen replied that the form of the proposed standard has not changed and that values would likely be truncated under the proposed standard. Chair McNeely asked how ppm-hours are calculated. Mr. Poppen responded that it is a complex process in which values from 8 a.m. to 8 p.m. in the ozone season are weighted to find a daily index value. The daily index value is then used to attain the monthly index value. The three highest monthly index values are then averaged over three years to get the ppm-hours value. Mr. Poppen stated that the value represents the seasonal exposure that plant life has to ozone during the ozone season.

Ms. McGennis inquired about the proposed alternative secondary ozone standard. Mr. Poppen replied that the primary and secondary ozone standards are closely correlated, thus when reductions in ozone are seen in relation to the primary standard, reductions in ozone would also be seen in relation to the secondary standard. He noted that our current ozone values are above the standards being considered. Ms. McGennis asked what this means for the region. Ms. Bauer responded that the Mayor of Phoenix hosted a meeting January 8, 2014 with Gina McCarthy, Environmental Protection Agency, and elected officials from the region. She stated that a question on tightening the ozone standard was raised. Ms. Bauer indicated that Ms. McCarthy reported that EPA is waiting for the scientific data to determine the ozone standard. Ms. McCarthy also indicated that areas should not waste time and resources on state and local control measures National/federal controls will be needed with regard to ozone. Ms. Bauer added that Ms. McCarthy mentioned the finalized Tier 3 Tailpipe Standards as an example. She commented that the region will need to wait for the potential new standard, the timeframe the region would have to attain the new standard, and see what federal controls will be put in place.

Steve Trussell, Arizona Rock Products Association, inquired if the region has contact with the representatives of the Clean Air Scientific Advisory Committee. Ms. Bauer replied that the Clean Air Scientific Advisory Committee includes medical doctors and scientists. She indicated that entities may comment on EPA proposed standards. Ms. Bauer stated that generally MAG does not comment on the standard itself. She noted that MAG does not have medical expertise on staff.

8. Update on the MAG 2014 State Implementation Plan Revision for the Removal of Stage II Vapor Recovery Controls

Mr. Poppen provided an update on the MAG 2014 State Implementation Plan Revision for Removal of Stage II Vapor Recovery Controls. He stated that House Bill (H.B.) 2128 is still moving through the Arizona State Legislature. Once H.B. 2128 is passed, a draft SIP Revision will be released for public review. Chair McNeely asked about H.B. 2128. Michelle Wilson, Arizona Department of Weights and Measures, discussed that the bill moved through the House unanimously and it is now in

the Senate. She added that H.B. 2128 has been passed by both the Environment Committee and Rules Committee. Ms. Wilson noted that there has been no opposition to the bill.

Mr. Mattingly asked what qualifies as a new dispensing facility. Ms. Wilson replied that major modifications would not qualify for an exemption from Stage II requirements. She indicated that a facility built up from the ground that has never been permitted under Stage II constitutes a new dispensing facility.

9. CMAQ Annual Report

Dean Giles, Maricopa Association of Governments, provided the Congestion Mitigation and Air Quality Improvement (CMAQ) Annual Report for 2013. The Federal Congestion Mitigation and Air Quality Improvement Program requires that a CMAQ Annual Report be prepared that specifies how CMAQ funds have been spent during the prior fiscal year and the anticipated air quality benefits. The annual report for fiscal year ending September 30, 2013 was submitted to the Federal Highway Administration in February 2014. Mr. Giles noted that the report is in the electronic format produced by the Federal Highway Administration's CMAQ tracking system. He thanked the Arizona Department of Transportation for their assistance and review of the Annual Report.

Mr. Giles reviewed the CMAQ projects included in the report. He stated that the Committee has seen these projects before when they were submitted for possible CMAQ funding and inclusion in the Transportation Improvement Program. He indicated that the 2013 annual report contains 58 projects that include information on the CMAQ cost and also the estimated air quality benefits for carbon monoxide, NO_x, VOCs, and PM-10 in kilograms per day. He highlighted the first two pages of the report which include projects that reduce PM-10.

10. Call for Future Agenda Items

Chair McNeely requested suggestions for future agenda items. He indicated that the next meeting of the Committee has been tentatively scheduled for Thursday, April 24, 2014 at 1:30 p.m. With no further comments, the meeting was adjourned at approximately 2:05 p.m.

DRAFT

**MAG 2014 EIGHT-HOUR OZONE PLAN – SUBMITTAL OF
MARGINAL AREA REQUIREMENTS FOR THE
MARICOPA NONATTAINMENT AREA**

APRIL 2014



**MAG 2014 EIGHT-HOUR OZONE PLAN – SUBMITTAL OF
MARGINAL AREA REQUIREMENTS FOR THE
MARICOPA NONATTAINMENT AREA**

Prepared by:



April 2014

Technical Assistance Provided By:

**Arizona Department of Environmental Quality
Arizona Department of Transportation
Maricopa County Air Quality Department
U.S. Environmental Protection Agency**

**MAG 2014 EIGHT-HOUR OZONE PLAN – SUBMITTAL OF MARGINAL AREA
REQUIREMENTS FOR THE MARICOPA NONATTAINMENT AREA**

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REQUIREMENTS FOR THE MARICOPA NONATTAINMENT AREA**

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**MAG 2014 EIGHT-HOUR OZONE PLAN – SUBMITTAL OF MARGINAL AREA
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APPENDICES

APPENDIX A

- Exhibit 1: 2011 Periodic Emissions Inventory for Ozone Precursors for the Maricopa County, Arizona, Eight-Hour Ozone Nonattainment Area. Maricopa County Air Quality Department. February 2014.
- Exhibit 2: Letter from the Arizona Department of Environmental Quality to EPA Submitting the 2012 New Source Review State Implementation Plan Revision. October 29, 2012.
- Exhibit 3. Arizona Revised Statute Section 49-402 and Delegation Agreement # EV12-0061 Between Arizona Department of Environmental Quality and Pinal County.
- Exhibit 4 Letter from the Arizona Department of Environmental Quality to EPA Submitting the Authorization of the Arizona State Legislature to Extend the Life of the Vehicle Emissions Inspection Program through the End of 2016. June 22, 2009.

APPENDIX B

- Exhibit 1: Public Hearing Process Documentation.
- Exhibit 2: Certification of Adoption.

MAG 2014 EIGHT-HOUR OZONE PLAN – SUBMITTAL OF MARGINAL AREA REQUIREMENTS FOR THE MARICOPA NONATTAINMENT AREA

Within the Maricopa nonattainment area, the National Ambient Air Quality Standard has not yet been attained for the 2008 eight-hour ozone standard of 0.075 parts per million (ppm). The area is classified as a Marginal Area under the Clean Air Act. The Maricopa Association of Governments (MAG) was designated by the Governor of Arizona in 1978 and recertified by the Arizona Legislature in 1992 to serve as the Regional Air Quality Planning Agency to develop plans to address air pollution problems. The plans are prepared through a coordinated effort with the Arizona Department of Environmental Quality (ADEQ), Arizona Department of Transportation, and Maricopa County Air Quality Department (MCAQD).

On June 15, 2004, the Environmental Protection Agency (EPA) designated a 4,880 square mile area located mainly in Maricopa County and Apache Junction in Pinal County as the nonattainment area for the eight-hour ozone standard (0.08 ppm) established by EPA in 1997. The area had a June 2009 attainment date. The MAG 2007 Eight-Hour Ozone Plan demonstrated attainment of the standard by June 2008. In February 2009, the MAG 2009 Eight-Hour Ozone Redesignation Request and Maintenance Plan was submitted to EPA, which demonstrated that the standard would be maintained through 2025. There have been no violations of the 0.08 ppm standard since 2004. On June 13, 2012, EPA published a final notice to approve the MAG 2007 Eight-Hour Ozone Plan. On March 14, 2014, EPA signed a notice to propose approval of the MAG 2009 Eight-Hour Ozone Redesignation Request and Maintenance Plan. In the notice, EPA also proposed to redesignate the area to attainment status.

In 2008, EPA revised the eight-hour ozone standard to 0.075 parts per million. On May 21, 2012, EPA published a final rule to designate the Maricopa nonattainment area as a Marginal Area with a December 31, 2015 attainment date. The boundaries of the ozone nonattainment area were also expanded slightly to the west and south to include new power plants. The new eight-hour ozone nonattainment area boundary encompasses 5,017 square miles and is included in Figure 1.

MARGINAL AREA REQUIREMENTS

On June 6, 2013, the Environmental Protection Agency published a proposed rule on the Implementation of the 2008 National Ambient Air Quality Standards for Ozone: State Implementation Plan Requirements. As a Marginal Area, the Maricopa nonattainment area will have a December 31, 2015 attainment date. EPA assumes that Marginal Areas will be in attainment of the eight-hour ozone standard (0.075 parts per million) within three years of designation without any additional control measures. According to the proposed guidance, Marginal Areas would not be required to submit an attainment demonstration,

reasonably available control technologies and measures, reasonable further progress demonstration, and contingency measures. Final planning guidance from EPA will be forthcoming.

The Clean Air Act requirements for Marginal eight-hour ozone nonattainment areas are listed below. A narrative discussion of each bullet is provided in subsequent text.

- An Emissions Statement - CAA Section 182(a)(3)(B)
- A Baseline Emissions Inventory - CAA Section 182(a)(1)
- A Periodic Emissions Inventory, No Later than Every Three Years Until Attainment of the Standard - CAA Section 182(a)(3)(A)
- Pre-1990 Reasonably Available Control Technology Corrections - CAA Section 182(a)(2)(A)
- A Nonattainment Area Preconstruction Permit Program - CAA Section 182(a)(2)(C)
- New Source Review - CAA Title I, Part D
- Offset Requirements: 1.1 to 1 (Ratio of Total Emission Reductions of Volatile Organic Compounds to Total Increased Emissions) - CAA Section 182(a)(4)
- Pre-1990 Corrections to Previously Required Vehicle Inspection and Maintenance Programs - CAA Section 182(a)(2)(B)
- Meet Transportation Conformity Requirements - CAA Section 176(c)

An Emissions Statement - CAA Section 182(a)(3)(B)

The State is required to submit a revision to the Arizona State Implementation Plan that requires the owner or operator of each stationary source of nitrogen oxides or volatile organic compounds to provide the State with a statement showing the actual emissions of nitrogen oxides or volatile organic compounds from that source as described in Section 182(a)(3)(B). On November 5, 2012, the EPA finalized approval and incorporation of Maricopa County Air Quality Department Rule 100, Section 500, "Monitoring and Records", and Arizona Department of Environmental Quality Rule R18-2-327, "Annual Emissions Inventory Questionnaire", into the Arizona State Implementation Plan. The incorporated rules establish the requirements for permitted sources (including sources with emissions of volatile organic compounds and nitrogen oxides) operating in Maricopa County and the State of Arizona to submit annual emissions statements to each agency.

On December 20, 2000, EPA approved through direct final rule the incorporation of Pinal County Air Quality Control District Rule 3-1-103, "Annual emissions inventory

questionnaire”, and Rule 3-1-150, “Monitoring”, into the Arizona State Implementation Plan. These incorporated rules establish the requirements for permitted sources (including sources with emissions of volatile organic compounds and nitrogen oxides) operating in Pinal County to submit annual emissions statements to the Pinal County Air Quality Control District.

A Baseline Emissions Inventory - CAA Section 182(a)(1)

The State is required to submit a comprehensive, accurate, and current emissions inventory of all sources as described in Section 182(a)(1). On February 28, 2014, the Maricopa County Air Quality Department released the final 2011 Periodic Emissions Inventory for Ozone Precursors for the Maricopa County, Arizona, Eight-Hour Ozone Nonattainment Area. The inventory includes emission estimates from all sources of volatile organic compounds, nitrogen oxides and carbon monoxide in the eight-hour ozone nonattainment area. Annual totals as well as ozone season-day emissions are provided for all source categories. The 2011 Periodic Emissions Inventory for Ozone Precursors is included in Appendix A, Exhibit 1. A summary table of nonattainment area annual and ozone season-day emissions from the 2011 Periodic Emissions Inventory is shown in Table 1.

A Periodic Emissions Inventory, No Later than Every Three Years Until Attainment of the Standard - CAA Section 182(a)(3)(A)

Section 182(a)(3)(A) requires the State to submit periodic emission inventories every three years after the initial base year inventory for the Marginal nonattainment area. The base year inventory for the Maricopa eight-hour ozone Marginal nonattainment area is the 2011 Periodic Emissions Inventory for Ozone Precursors as described above and included in Appendix A, Exhibit 1.

EPA’s proposed implementation rule for the 2008 ozone standard advises States to rely on the three-year cycle inventory as described in EPA’s final Air Emissions Reporting Requirements (AERR) rule to meet the periodic emissions inventory requirement. As stated in the guidance,

“The EPA thinks it would be appropriate for states with periodic inventory obligations under 182(a)(3)(A) to rely on their 3-year cycle inventory as described in the AERR to satisfy their 182(a)(3)(A) periodic inventory obligation. In cases where a state will use its 3-year cycle inventory to meet its 182(a)(3)(A) inventory obligation, we are further proposing that the emissions reporting requirements of the AERR be applied to determine all of the data elements required for such inventories.” (78 FR 34202)

The next three-year cycle inventory required by the AERR will be for calendar year 2014. As such, the Maricopa County Air Quality Department will complete a 2014 periodic emissions inventory of ozone precursors for the Maricopa nonattainment area to satisfy the requirements of Section 182(a)(3)(A).

Table 1
Summary Table of Nonattainment Area Emissions from the Maricopa County Air Quality Department
2011 Periodic Emissions Inventory for Ozone Precursors, February 2014

Table 1.6-9. Annual and season-day emissions from all sources in the eight-hour ozone nonattainment area.

Section	Annual emissions (tons/year)			Season-day emissions (lbs/day)		
	VOC	NO _x	CO	VOC	NO _x	CO
POINT SOURCES:	768.54	1,754.12	1,078.48	4,908.3	15,407.1	9,715.8
AREA SOURCES:						
<i>Fuel combustion:</i>						
Industrial distillate oil: Boilers	0.61	60.61	15.15	3.9	388.5	97.1
Industrial distillate oil: Engines	0.00	1,830.35	393.95	0.0	11,733.0	2,525.3
Industrial natural gas	36.83	727.80	453.34	216.9	4,285.3	2,669.3
Comm./inst. distillate oil: Boilers	0.00	0.12	0.03	0.0	0.8	0.2
Comm./inst. distillate oil: Engines	0.00	3.70	0.80	0.0	23.7	5.1
Comm./inst. natural gas	54.42	1,079.44	662.05	251.7	4,992.0	3,061.7
Residential distillate oil	0.01	0.35	0.10	0.0	0.0	0.0
Residential natural gas	50.20	857.96	365.09	120.5	2,060.1	876.7
Residential LPG	2.02	51.93	14.73	0.0	0.0	0.0
Residential wood combustion	515.53	58.38	2,993.75	0.0	0.0	0.0
Residential kerosene	0.00	0.03	0.01	0.0	0.0	0.0
All Fuel Combustion:	659.63	4,670.68	4,898.99	593.0	23,483.5	9,235.4
<i>Industrial processes:</i>						
Chemical manufacturing	77.09			596.5		
Commercial cooking	151.03		397.07	829.8		2,181.7
Bakeries	77.85			545.4		
Secondary metal production	41.01	15.02	98.36	306.4	107.9	697.4
Rubber/plastic product manufacturing	1,759.15			14,110.1		
Electrical equipment manufacturing	122.80	23.47	2.98	746.2	135.8	16.4
Industrial processes, NEC	47.55	224.92	91.84	318.0	1,245.8	525.2
All Industrial Processes:	2,276.48	263.41	590.27	17,452.4	1,489.5	3,420.8
<i>Solvent use:</i>						
Architectural coatings	5,033.13			30,973.1		
Auto refinishing	1,327.53			10,211.8		
Traffic markings	171.12			1,737.5		
Factory finished wood	137.12			1,390.7		
Wood furniture	414.77			3,419.9		
Aircraft surface coating	65.84			473.1		
Miscellaneous surface coating	315.02			2,440.0		
Degreasing	216.62			1,445.1		
Dry cleaning	23.42			180.1		
Graphics arts	289.73			2,216.1		
Miscellaneous industrial solvent use	718.75			5,104.6		
Consumer and commercial products	17,605.51			96,468.5		
Cutback asphalt	788.72			4,309.9		
Emulsified asphalt	817.24			4,465.8		
Roofing asphalt	3.08			23.7		
Agricultural pesticides	212.18			1,697.5		
All Solvent Use:	28,139.77			166,557.4		

Table 1 Continued

Table 1.6-9. Annual and season-day emissions from all sources in the eight-hour ozone nonattainment area (continued).

Section	Annual emissions (tons/year)			Season-day emissions (lbs/day)		
	VOC	NOx	CO	VOC	NOx	CO
Storage/transport:						
Residential portable gas cans	2,968.67			16,311.39		
Commercial portable gas cans	570.89			3,136.73		
Bulk plants	120.91			659.3		
Gas stations Stage I: Submerged fill	85.08			528.7		
Gas stations Stage I: Bal. submerged fill	229.60			1,426.8		
Gas stations Stage II	0.00			0.0		
Underground tanks: Breathing/emptying	777.00			4,138.6		
Airports: Aviation gasoline Stage I	344.41			1,887.2		
Airports: Aviation gasoline Stage II	17.87			97.9		
Truck: Gasoline (tank trucks in transit)	50.82			315.8		
Pipeline gasoline	17.32			94.5		
Volatile organic liquids storage/transport	28.80			169.3		
All Storage/Transport:	5,211.35			28,766.2		
Waste treatment/disposal:						
On-site incineration	0.17	3.31	0.79	1.1	21.4	5.3
Open Burning: Land clearing debris	0.30	0.13	2.81	9.1	4.1	86.4
Landfills	36.59	30.40	108.55	200.7	167.4	596.4
Publicly owned treatment works	75.88			583.7		
Leaking underground storage tanks	1.05			32.3		
Other waste	2.12	22.19	77.93	10.9	122.8	431.4
All Waste Treatment/Disposal:	116.10	56.04	190.06	837.8	315.6	1,119.6
Misc. area sources:						
Agricultural field burning	15.28	6.79	144.32	470.2	209.0	4,440.7
Structure fires	14.95	1.90	81.55	73.3	9.3	399.7
Aircraft engine testing	4.72	46.36	16.16	26.1	259.3	91.2
Vehicle fires	9.38	1.17	36.64	51.4	6.4	200.8
Crematories	1.18	11.14	2.22	50.9	88.1	17.2
Accidental releases	0.45	0.00	0.00	2.1	0.0	0.0
Hospitals	8.66			52.9		
Wildfires	206.08	93.95	4,379.28	12,794.0	5,832.6	271,872.2
Prescribed fires	0.39	0.38	4.54	129.2	127.1	1,523.2
All Misc. Area Sources	261.09	161.70	4,664.71	13,650.0	6,531.8	278,544.9
ALL AREA SOURCES:	36,664.42	5,151.83	10,344.03	227,856.8	31,820.5	292,320.7
NONROAD MOBILE SOURCES:						
Agricultural equipment	22.52	193.22	177.56	192.5	1,615.1	1,510.9
Airport ground support equipment (+APU)	111.43	404.49	3,259.08	584.5	2,128.9	17,071.7
Commercial equipment	1,916.15	1,355.57	30,094.46	14,474.7	8,299.0	202,531.2
Construction & mining equipment	1,941.80	13,349.23	14,855.32	13,534.5	90,774.0	103,125.0
Industrial equipment	339.78	1,831.45	7,110.33	2,203.1	11,712.9	45,940.4
Lawn and garden equipment	4,970.15	876.55	55,425.05	52,584.9	7,078.4	529,218.9
Pleasure craft	530.39	96.56	1,249.66	11,527.0	1,996.8	26,738.3
Railway maintenance equipment	1.96	8.64	16.67	14.4	59.7	119.1
Recreational equipment	684.30	29.78	2,871.27	8,020.9	306.0	33,528.7
Aircraft	1,705.43	2,585.98	11,719.36	8,385.8	12,535.3	64,993.6
Locomotives	50.15	901.12	153.29	274.8	4,937.7	839.9
ALL NONROAD MOBILE SOURCES:	12,274.06	21,632.59	126,932.05	111,797.1	141,443.8	1,025,617.7
ONROAD MOBILE SOURCES:	24,110.04	56,861.82	226,581.20	148,186.2	301,823.7	1,321,680.2
BIOGENIC SOURCES:	55,311.84	527.18	5,934.55	624,395.0	6,231.7	62,584.2
TOTAL, ALL SOURCE CATEGORIES:	129,128.91	85,927.54	370,870.31	1,117,143.4	496,726.7	2,711,918.6

Pre-1990 Reasonably Available Control Technology Corrections - CAA Section 182(a)(2)(A)

In accordance with Section 182(a)(2)(A), the State is required to submit a revision that includes provisions to correct requirements in (or add requirements to) the plan concerning reasonably available control technology as required under Section 172(b) in effect before the 1990 amendments to the Clean Air Act. The source categories subject to the Reasonably Available Control Technology corrections may be found in Chapter 2 of the Final Serious Area Ozone State Implementation Plan for Maricopa County. The source categories are summarized below.

- Architectural Coatings. EPA approved Maricopa County Rule 335 as a SIP revision effective on March 6, 1992.
- Surface Coating Operations. EPA approved Maricopa County Rule 336 as a SIP revision effective on November 19, 1999.
- Solvent Cleaning. EPA approved Maricopa County Rule 331 as a SIP revision effective on January 20, 2005.
- Petroleum Solvent Dry Cleaning. EPA approved revisions to Maricopa County Rule 333 as a SIP revision effective on March 11, 1998.
- Cutback and Emulsified Asphalt. EPA approved Maricopa County Rule 340 as a SIP revision effective on March 4, 1996.
- Storage of Organic Liquids at Bulk Plants. EPA approved Maricopa County Rule 350 as a SIP revision effective on October 5, 1995.
- Loading Organic Liquids. EPA approved Maricopa County Rule 351 as a SIP revision effective October 5, 1995.
- Transfer of Gasoline into Stationary Dispensing Tanks. EPA approved Maricopa County Rule 353 as a SIP revision effective March 4, 1996.
- Gasoline Delivery Vessel Testing and Use. EPA approved Maricopa County Rule 352 as a SIP revision effective October 5, 1995.
- Graphic Arts. EPA approved revisions to Maricopa County Rule 337 as a SIP revision effective March 11, 1998.

On June 14, 2005, EPA approved the One-hour Ozone Redesignation Request and Maintenance Plan for the Maricopa County Nonattainment Area, including the RACT demonstration under Sections 182(a)(2)(A) and (b)(2).

A Nonattainment Area Preconstruction Permit Program - CAA Section 182(a)(2)(C)

Section 182(a)(2)(C) requires the State to submit a revision that requires permits, in accordance with Sections 172(c)(5) and 173 of the Clean Air Act, for the construction and operation of each new or modified major stationary source (with respect to ozone) located within the Marginal nonattainment area. Except as noted below, the nonattainment area preconstruction permit program for the portions of the Marginal ozone nonattainment area located in Maricopa County is administered by the Maricopa County Air Quality Department. On August 15, 1994, the Arizona Department of Environmental Quality submitted to EPA the State Implementation Plan - *Maricopa County New Source Review and Prevention of Significant Deterioration (NSR/PSD) Program for Major Sources and Major Modifications, and New Source Review (NSR) for Minor Sources*. The submission included new or amended Maricopa County Air Quality Rules 100, 200, 210, 220, 240, 241, 245, 270, 500 and Appendix B as revisions to the County's approved nonattainment new source review program. These new and amended rules were designed in part to satisfy the requirements of Title I, Part D, Subpart 2 of the Clean Air Act Amendments of 1990 for nonattainment new source review in ozone nonattainment areas as well as all of the requirements of sections 172(c)(5) and 173 of the Clean Air Act. The Arizona Department of Environmental Quality submitted supplemental documentation, amendments to these rules and additional rules implementing the County's new source review program (County Rules 242 and 510) on August 30, 1994, August 31, 1995, February 26, 1997, June 7, 2007 and July 5, 2007.

The nonattainment area preconstruction permit program for the portions of the Marginal ozone nonattainment area located in Pinal County is administered by the Pinal County Air Quality Control District under a delegation agreement with the Arizona Department of Environmental Quality. Pinal County does not have an approved nonattainment new source review program. Under A.R.S. Section 49-402 A.1., the Arizona Department of Environmental Quality therefore has original jurisdiction over major sources located in the County, and the Department's permitting rules, rather than Pinal County's, apply to these sources. Except as noted below, the Department has delegated responsibility for administering the permitting program for major sources in Pinal County to the District. On October 29, 2012, the Department submitted to EPA the State Implementation Plan Revision - New Source Review, as a revision to the Arizona State Implementation Plan. The submitted revision included amended State new source review rules (such as Rule R18-2-403, Permits for Sources Located in Nonattainment Areas) that meet current federal requirements. A copy of the State Implementation Plan Revision letter submitted to EPA by the State is included in Appendix A, Exhibit 2. A copy of A.R.S. Section 49-402 and relevant pages from the delegation agreement between the Department and the District is included in Appendix A, Exhibit 3.

Under A.R.S. Section 49-402 A.1., the Arizona Department of Environmental Quality has original jurisdiction throughout the State, including Maricopa and Pinal Counties, over the following stationary source types: smelting of metal ore, petroleum refineries, coal fired electric generating stations, Portland cement plants and portable sources. In its delegation

agreement with Pinal County, the Department retained jurisdiction over these source types. The Department therefore administers the nonattainment area preconstruction permit program in both Maricopa and Pinal County with respect to sources falling within these categories. As noted above, the Department has submitted a revision to the Arizona State Implementation Plan for new source review that meets current federal requirements.

New Source Review - CAA Title I, Part D

See discussion in prior Section, A Nonattainment Area Preconstruction Permit Program - CAA Section 182(a)(2)(C).

Offset Requirements: 1.1 to 1 (Ratio of Total Emission Reductions of Volatile Organic Compounds to Total Increased Emissions) - CAA Section 182(a)(4)

Section 182(a)(4) requires emission offsets in the form of a ratio of total emission reductions of volatile organic compounds to total increased volatile organic compound emissions of at least 1.1 to 1. Both the Maricopa County and State rules referenced in the prior Section, A Nonattainment Area Preconstruction Permit Program - CAA Section 182(a)(2)(C), satisfy this requirement. See A.A.C. R18-2-404(J); Maricopa County Air Pollution Control Regulations, Rule 240, Section 306.3.

Pre-1990 Corrections to Previously Required Vehicle Inspection and Maintenance Programs - CAA Section 182(a)(2)(B)

The State Vehicle Inspection Maintenance Program established in 1976 is designed to promote the clean operation of motor vehicles by controlling vehicle exhaust emissions. The program is operated by the Arizona Department of Environmental Quality and contains the provisions listed in Section 182(a)(2)(B) of the Clean Air Act for a Vehicle Inspection and Maintenance (I/M) Program.

An Enhanced Vehicle Emissions Inspection and Maintenance Program is operated in Area A of Maricopa and Pinal Counties by the Arizona Department of Environmental Quality. The program contains the provisions in Section 182(c)(3) of the Clean Air Act for an Enhanced Vehicle Inspection and Maintenance Program. The State's complete inspection and maintenance program is documented in the Final Arizona State Implementation Plan Revision, Basic and Enhanced Vehicle Emissions Inspection/Maintenance Programs, Volumes 1 and 2, Air Quality Division, Arizona Department of Environmental Quality, June 2001. EPA proposed approval of the Arizona I/M program in August 2002 and signed the final approval notice on October 31, 2002. The final approval notice was published in the Federal Register on January 22, 2003.

On December 21, 2009, EPA approved a final rule that included a statutory provision extending the life of the State's enhanced vehicle emissions inspection and maintenance program through the end of 2016. The letter submitted by the Arizona Department of Environmental Quality to EPA that includes the Arizona State Legislature's authorization

to extend the vehicle emissions inspection and maintenance program to the end of 2016 is included in Appendix A, Exhibit 4.

Meet Transportation Conformity Requirements - CAA Section 176(c)

Clean Air Act Section 176(c)(1) states that the Federal Government can not support, finance, or approve any activity which does not conform to an EPA-approved or promulgated State Implementation Plan. This same section of the Clean Air Act also indicates that metropolitan planning organizations can not approve any project, program or plan that does not conform to an EPA-approved or promulgated State Implementation Plan. The next two subsections summarize the EPA general conformity and transportation conformity requirements.

General Conformity - 40 CFR Part 93, Subpart B, describes the general conformity requirements for Federal Government supported, financed, or approved activities which are located in the Maricopa eight-hour ozone nonattainment area. The requirements documented in 40 CFR 93, Subpart B, are also included in R18-2-1438 of the Arizona Administrative Code, adopted as of July 1, 1994. There are currently no known federal plans or actions affecting ozone in the Maricopa nonattainment area. The Arizona Department of Environmental Quality commits to review and comment on, as appropriate, any federal agency draft general conformity determination it receives pursuant to 40 CFR §93.155 for activities planned for the Maricopa eight-hour ozone nonattainment area.

Transportation Conformity - 40 CFR Part 93, Subpart A, identifies the conformity requirements for plans, programs and projects developed, funded, or approved under federal highway and transit laws. There are also requirements in 40 CFR §93.105 regarding the consultation process for transportation conformity determinations. Metropolitan planning organizations are required to provide the opportunity for consultation with local and state air quality and transportation agencies, in addition to the U.S. Department of Transportation and EPA. There are also requirements to establish a proactive public involvement process that provides for a public review and comment period prior to formal action on a conformity determination.

The Maricopa Association of Governments (MAG) is the designated metropolitan planning organization for Maricopa County and portions of Pinal County, including the City of Apache Junction, the Town of Florence, and the City of Maricopa. MAG is responsible for preparing the Transportation Improvement Program, Regional Transportation Plan, and the associated transportation conformity analyses.

The MAG 2007 Eight-Hour Ozone Plan for the Maricopa Nonattainment Area was submitted to EPA in June 2007. This plan demonstrated attainment of the 1997 eight-hour ozone standard of 0.08 parts per million and established conformity budgets for ozone precursor emissions, volatile organic compounds (VOC) and nitrogen oxides (NOx), in the attainment year of 2008. EPA approved the MAG 2007 Eight-Hour Ozone Plan, including the emissions budgets, effective July 13, 2012.

On May 21, 2012, EPA published the final rule implementing the 2008 eight-hour ozone standard of 0.075 parts per million. This rule also revoked the 1997 eight-hour ozone standard for transportation conformity purposes, one year after the effective date for nonattainment area designations for the 2008 ozone standard (i.e., July 20, 2013). No back-sliding will result from the revocation of the 1997 standard for transportation conformity purposes, as areas designated nonattainment for the 2008 ozone standard are required to use existing adequate or approved mobile source emissions budgets for prior ozone standards, until budgets for the new 2008 ozone standard are found to be adequate or approved by EPA.

For the new 2008 ozone standard, the Maricopa nonattainment area boundary was expanded to the west and southwest. To meet the transportation conformity requirements documented in 40 CFR §93.109(c)(2)(iii)(B), projected emissions for the larger nonattainment area must be less than or equal to the VOC and NO_x budgets in the EPA-approved MAG 2007 Eight-Hour Ozone Plan. Consistency with the EPA-approved budgets from the MAG 2007 Eight-Hour Ozone Plan was demonstrated in the most recent transportation conformity analysis for the Maricopa Eight-Hour Ozone Nonattainment Area that was approved by the U.S. Department of Transportation on February 12, 2014.

On September 10, 2013, EPA advised MAG to include conformity test results in the most recent conformity analysis for mobile source emissions budgets that had been submitted in air quality plans, but were not yet approved or found to be adequate by EPA. To comply with this request, the most recent conformity analysis also demonstrates that the projected 2025 and 2035 VOC and NO_x emissions are less than the 2025 budgets in the MAG Eight-Hour Ozone Redesignation Request and Maintenance Plan for the Maricopa Nonattainment Area, submitted to EPA in March 2009.

On March 14, 2014, EPA signed a notice proposing approval of the MAG 2009 Eight-Hour Ozone Redesignation Request and Maintenance Plan, including the 2025 conformity budgets for VOC and NO_x. When EPA-approval of the MAG 2009 Eight-Hour Ozone Redesignation Request and Maintenance Plan is finalized, the new 2025 budgets, as well as the 2008 budgets, will be utilized to demonstrate transportation conformity for ozone precursor emissions.

2014 Exceedances of the 24-Hour PM-10 Standard by Date
(Preliminary Data Through May 11, 2014)

Date	Monitor	24-Hour Avg. PM-10 Concentration in $\mu\text{g}/\text{m}^3$	Additional Information
May 11, 2014	Central Phoenix	182.4	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
	Durango	173.2	
	Dysart	164.3	
	Glendale	206.0	
	Greenwood	208.9	
	North Phoenix	200.3	
	South Phoenix	170.8	
	South Scottsdale	170.5	
	Supersite	193.2	
	West 43rd Ave.	171.8	
	West Phoenix	210.4	
	Zuni Hills	166.8	

2014 Exceedances of the 24-Hour PM-10 Standard by Monitor
(Preliminary Data Through May 11, 2014)

Monitor	Date	24-Hour Avg. PM-10 Concentration in $\mu\text{g}/\text{m}^3$	Additional Information
Central Phoenix	May 11, 2014	182.4	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
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Glendale	May 11, 2014	206.0	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
Greenwood	May 11, 2014	208.9	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
North Phoenix	May 11, 2014	200.3	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
South Phoenix	May 11, 2014	170.8	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
South Scottsdale	May 11, 2014	170.5	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
Supersite	May 11, 2014	193.2	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
West 43rd Ave.	May 11, 2014	171.8	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
West Phoenix	May 11, 2014	210.4	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.
Zuni Hills	May 11, 2014	166.8	Regional dust storm. The maximum west wind speed reached 29 mph with a maximum gust of 37 mph.

policy tools to maximize cost-effective methane and VOC reductions from the oil and gas sector.”

And top White House officials told reporters March 19 that the overall low-carbon benefits of natural gas continue to outweigh the GHG emissions stemming from methane releases.

“The basic story on methane . . . is that the emissions are definitely big enough to be worth reducing, but they’re not big enough to imperil the advantage that natural gas has over coal as a way to generate electricity,” White House science advisor John Holdren told reporters March 19. — *Bridget DiCosmo*

Exceptional Events

EPA Delays ‘Exceptional Events’ Air Rule, Complicating Ozone Compliance

EPA is citing resource constraints to delay its long-awaited revised rule for when states can exclude emissions from “exceptional events” such as dust storms from counting toward their compliance with federal air standards, prompting concern from states who say it will complicate their efforts to attain the agency’s ozone ambient air limit.

One state air official says the delay of the proposed revised rule is a surprise, as it is said to be near completion and almost ready for White House pre-publication review. The source says that states had expected swift issuance of the rule after years of consultation with EPA on it, with states looking for revisions to address their concerns that the current rule is too ambiguous and time-consuming to successfully claim an event was exceptional.

EPA issued guidance intended to ease implementation of the existing 2007 rule in May, but it drew criticism for not satisfying all of states’ and others’ demands to resolve uncertainty over the process for claiming an exception event, or EPA’s delays in reviewing those claims. Later that month the agency said it would revise the 2007 rule.

But EPA’s Air Quality Policy Division Director Anna Marie Wood said at an April 3 Clean Air Act Advisory Committee meeting in Arlington, VA “the timing of the rule is being delayed because of resource constraints.”

Until now, the rule has been of greatest importance for western states seeking to comply with federal particulate matter (PM) standards, because of dry, dusty conditions in the region. However, western areas also experience high levels of background ozone, which originates from natural processes or foreign pollution.

When dust storms, wildfires or other naturally occurring exceptional events happen, it can cause spikes in PM or ozone levels. In turn, those elevated air pollution levels can hinder states’ ability to comply with EPA’s national ambient air quality standards (NAAQS). The exceptional events rule aimed to address this problem by allowing states to exclude emissions data associated with the uncontrollable events from counting toward NAAQS compliance.

States were hoping that EPA’s pending proposal would resolve long-running ambiguity over what can count as an exceptional event, and also how the agency intended to address the backlog of pending requests.

One western source says that the delay to the revised rule is harmful because EPA is widely expected next year to propose in January tightening its ozone NAAQS of 75 parts per billion (ppb) for both the “primary,” or health-based standard, and the “secondary” standard designed to protect the environment. EPA staff has suggested a range between 60-70 ppb for the primary standard, a range generally supported by its clean air scientific advisers.

To meet a tougher NAAQS, western states need to exclude air monitoring data gathered during high background ozone events that are beyond the states’ ability to control, the source says. Ozone can occur as a result of wildfires, intrusion of stratospheric ozone into the lower atmosphere, or pollution originating in foreign countries, pushing background levels close to the 60 ppb to 70 ppb level EPA is now contemplating. If western states cannot exclude the high ozone days from their monitoring results, their “design values” — pollution levels used to determine attainment with NAAQS — will be pushed higher, making NAAQS attainment harder, the source says.

“We are deferring today something we will pay for tomorrow,” the source says, noting that background ozone levels have already reached 57 ppb at Yellowstone National Park at times.

As background levels approach the same level as the agency’s NAAQS, state regulators are left with a vanishingly small amount of ozone to mitigate by regulating local sources, state and industry sources say. Some environmental and public health groups have advocated a primary ozone NAAQS as tough as 55 ppb.

EPA faces some contradictory requests in drafting its new rule, as states want greater certainty about the meaning of key terms used to define whether an event is “exceptional” — such as provision in the existing rule that requires that states prove they would have attained the NAAQS “but for” the event. States say they have to do extensive work to establish historical baseline conditions in a given area, in order to prove that an event was far outside historical norms.

But states and industry groups on a Aug. 26 conference call also called for the new rule to be as flexible as possible, and not prescriptive, in order to account for variations in local conditions such as topography and weather.

When EPA in its interim exceptional events guidance issued last year set a 25 miles per hour wind speed threshold

as a guide for regulators in determining what qualifies as a high-wind exceptional event, many public commenters said that unusual amounts of dust can be generated by lower speeds.

These commenters called for EPA to use a flexible “weight of evidence” approach to determine what is “exceptional.” Environmentalists, however, have reservations about weight-of-evidence analyses, which they fear can allow inconsistent and weak statutory implementation. — *Stuart Parker*

Greenhouse Gases

McCarthy Downplays Agency’s GHG Concerns Over LNG Export Project

EPA Administrator Gina McCarthy is downplaying comments the agency raised about a proposed liquefied natural gas (LNG) export terminal expansion, arguing the agency is not seeking to block the project because federal regulators did not analyze the potential direct and indirect increases of the greenhouse gas (GHG) methane.

Under questioning by Rep. Bill Cassidy (R-LA) during an April 2 House energy committee hearing, McCarthy said the agency “did not pose any objection” to the project.

“We didn’t recommend that this [analysis] needed to be done in any way,” she testified. “It was part of the normal environmental process in which we identify all impacts. So we were not weighing in relative to whether this was good, bad or indifferent.”

At issue is a proposed expansion of the Cameron LNG export terminal in Louisiana, which comes as the administration is facing growing calls to speed LNG infrastructure projects in response to the crisis in Ukraine. The push to construct the facilities has prompted calls from both EPA and environmentalists for energy regulators to broaden their GHG assessments of LNG exports to consider lifecycle impacts both from direct effects of the projects under review and indirect effects stemming from increased upstream production.

In a March 3 letter to the Federal Energy Regulatory Commission (FERC) on a draft environmental impact assessment (DEIS) for the Cameron project, EPA said, “We recommend that FERC establish reasonable spatial and temporal boundaries for the analysis of GHG emissions” stemming from the direct effects of the project. *Relevant documents are available on InsideEPA.com. See page 2 for details. (Doc. ID: 2466423)*

The letter adds: “We recommend the [final EIS] consider the extent to which implementation of the proposed project could increase demand for natural gas extraction, as well as potential environmental impacts” of such an increase.

However, Senate energy committee Chairman Mary Landrieu (D-LA) in an April 2 letter to FERC appears to minimize EPA’s and other comments on the proposed project. “My office has reviewed comments filed on the DEIS. That review indicates that there are no significant new issues raised in the DEIS comments,” she writes. “Thus there is a clear path for FERC to follow to timely issue a final EIS and grant the application sought by Cameron LNG.”

Landrieu adds that it is “absolutely imperative” that FERC meet its current schedule to issue a final EIS by April 30 and requests that a final permit be issued by mid June.

Cassidy, who is running against Landrieu in a closely watched Senate race in November, more directly challenged EPA’s comments during the House hearing. Citing a *Reuters* article on the matter, he said, “EPA had issued something to FERC asking them to consider whether approving LNG export would increase methane release, the carbon footprint if you will, by increasing demand for more natural gas drilling.”

He added: “We know that natural gas is replacing coal, which has a better carbon footprint than coal. If EPA is objecting that there will be gas released . . . so therefore we shouldn’t do it, in my reading it seems to reflect a limited understanding of the positive impact that this has.”

In response to Cassidy’s concerns, McCarthy said the agency’s comments were “just raising that these are things you might think about. We did not recommend it. We did not make an argument for it. It is something we raised in an environmental assessment review.”

The article Cassidy referenced, the administrator said, “might have put it in a much stronger context, and clearly did, than EPA is.”

McCarthy’s remarks underscore the complicated issues EPA faces regarding releases of methane and other GHG emissions from the natural gas sector. The agency has long agreed with environmentalists that environmental impact statements of LNG projects should assess potential increases in methane and other emissions as a result of increased production. The agency has also called for a programmatic EIS to consider the broader impacts of federal programs that regulate construction of LNG terminals and other natural gas infrastructure.

But the agency has been reluctant to aggressively regulate the emissions. For example, the agency’s Environmental