Message

From: Huser, Jennifer [Huser.Jennifer@epa.gov]
Sent: 8/21/2018 8:47:34 PM
To: Olszewski, Joshua [olszewski.joshua@epa.gov]; Young, Carl [young.carl@epa.gov]; Donaldson, Guy [Donaldson.Guy@epa.gov]; Feldman, Michael [Feldman.Michael@epa.gov]; Watson, Lucinda [Watson.Lucinda@epa.gov]; Smith, Suzanne [Smith.Suzanne@epa.gov]
Subject: RE: TX Regional Haze news release and more

Thanks Josh. I note that this article has a link to the pre-publication version of the rule.

From: Olszewski, Joshua
Sent: Tuesday, August 21, 2018 3:36 PM
To: Young, Carl ; Donaldson, Guy ; Feldman, Michael ; Huser, Jennifer ; Watson, Lucinda ; Smith, Suzanne
Subject: RE: TX Regional Haze news release and more

https://insideepa.com/daily-news/epa-seeks-input-proposal-bolster-texas-so2-regional-haze-trading

Daily News

EPA Seeks Input On Proposal To Bolster Texas' SO2 Regional Haze Trading

August 20, 2018

EPA is seeking public input on a proposal aimed at bolstering the rationale for approving Texas' use of an intrastate sulfur dioxide (SO2) emissions trading program to satisfy regional haze reduction mandates, while also asking for comment on alternatives including source-specific emissions limits sought by environmentalists.

The proposal, announced Aug. 17, is already prompting criticism from the Sierra Club and National Parks Conservation Association even though it floats facility-specific air pollution limits. The groups argue that the proposal affirms support for SO2 trading -- an approach environmentalists warn would allow emissions increases, in contrast to the Obama EPA's proposed plan for hard emissions limits to meet regional haze requirements.

The Trump administration abandoned that plan, instead finalizing last October a federal implementation plan (FIP) in which it crafted the SO2 trading program for the state. Environmentalists petitioned the agency to reconsider the FIP, and the new proposal with the various options to revise the FIP is the result of that process.

"Instead of protecting public health and the environment, EPA has proposed a plan that will continue to allow air pollution to darken skies and threaten communities and national parks," say NPCA and Sierra Club.

One environmentalist says "what you have got is a gross disparity" between the proposed Obama EPA plan and the Trump EPA's trading program, which might allow emissions to rise because emissions allowances for facilities emitting SO2 are too generous. "They are obviously not interested in requiring reductions."

Texas is unusual in employing an intrastate emissions trading program to address regional haze, although several interstate trading programs have previously served to satisfy haze reduction requirements. While the Texas plan relates to a previous period of states' implementation of the regional haze program, from 2008-2018, states are now preparing their plans for compliance with the 2018-2028 phase, with plans due to EPA by 2021.

The haze program requires states to craft state implementation plans (SIPs) detailing how they will reduce haze-forming emissions from industrial sources, and EPA can impose FIPs on states whose SIPs it rejects.

In the agency's new proposal on the Texas plan, EPA affirms its backing for the SO2 trading program as an alternative to best available retrofit technology (BART), the emissions control standard required under the Clean Air Act for regional haze-generating sources, chiefly power plants. The Trump EPA and the Texas Commission on Environmental Quality, the state's environmental regulator, jointly agreed on the program as an alternative to tougher, source-specific BART controls proposed by the Obama administration.

The agency will hold a public hearing on the proposal Sept. 26 in Austin, TX, and will take written comment through Oct. 26.

Texas FIP

Although EPA established the Texas SO2 trading program through a FIP, the agency has expressed its preference for Texas to submit a regional haze SO2 SIP instead, although the state has yet to do so, EPA says in the new proposal. In an Aug. 17 statement the agency says it "maintains that States are in the best position to provide flexibility and protect the environment while maintaining a strong economic engine."

Environmentalists oppose the trading program as too weak to either meet air law haze reduction mandates or to protect public health. In general, environmental groups have opposed emissions trading as insufficient to ensure that pollution is reduced in specific "Class I" areas -- national parks and wilderness areas.

Environmentalists are litigating the SO2 trading program, which they say is too weak and fails to satisfy air law BART requirements. EPA issued its FIP approving the trading plan under a consent decree agreement in the U.S. District Court for the District of Columbia suit *NPCA, et al. v. EPA, et al.*, a case that remains stayed pending EPA's final response to environmentalists' petition for reconsideration.

NPCA and others in the suit have argued that EPA's FIP is unlawful on procedural grounds, because it is such a radical departure from the Obama EPA's original proposal.

EPA is legally required to issue final regulations that are a "logical outgrowth" of the proposal, but environmentalists say the Obama proposal said nothing about an SO2 trading program, rendering it impossible to comment on such a program and violating the Clean Air Act's notice-and-comment requirement.

The new proposal does present an opportunity for public comment on the adequacy of the SO2 program to meet statutory haze reduction requirements. It also solicits comment on how EPA should handle recent or planned retirements of several coal-fired power plants covered by the trading program.

Although EPA has found that the agency's Cross-State Air Pollution Rule interstate emissions program satisfies air law haze obligations with respect to haze-forming nitrogen oxides, the current Texas proposal does not address this finding. -- *Stuart Parker* (sparker@iwpnews.com)

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From: Young, Carl
Sent: Friday, August 17, 2018 2:51 PM
To: Donaldson, Guy ; Feldman, Michael ; Huser, Jennifer ; Olszewski, Joshua ; Watson, Lucinda ; Smith, Suzanne
Subject: TX Regional Haze news release and more

I'm forwarding the links from External Affairs.

Carl

Carl Young
EPA Region 6 Air Quality Program
(214) 665-6645

From: Fanning, Cynthia
Sent: Friday, August 17, 2018 2:48 PM
To: Paige, Carrie <Paige.Carrie@epa.gov>; Acevedo, Janie <Acevedo.Janie@epa.gov>; Martindale, Cary <martindale.cary@epa.gov>; Bokun, Lisa <Bokun.Lisa@epa.gov>
Cc: Wiley, Adina <Wiley.Adina@epa.gov>; Mohr, Ashley <Mohr.Ashley@epa.gov>; Young, Carl <young.carl@epa.gov>; Riley, Jeffrey <Riley.Jeffrey@epa.gov>
Subject: RE: Federal Register Action Signed

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News release: https://www.epa.gov/newsreleases/epa-proposes-affirm-october-2017-texas-regional-haze-plan
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Cynthia Fanning
Office of External Affairs
U.S. Environmental Protection Agency, Region 6
214-665-2142
****

From: Paige, Carrie
Sent: Friday, August 17, 2018 9:27 AM
To: Acevedo, Janie <Acevedo.Janie@epa.gov>; Fanning, Cynthia <fanning.cynthia@epa.gov>; Martindale, Cary <martindale.cary@epa.gov>; Bokun, Lisa <Bokun.Lisa@epa.gov>
Cc: Wiley, Adina <Wiley.Adina@epa.gov>; Mohr, Ashley <Mohr.Ashley@epa.gov>; Young, Carl <young.carl@epa.gov>; Riley, Jeffrey <Riley.Jeffrey@epa.gov>
Subject: RE: Federal Register Action Signed

The Federal Register titled TX_RH_BART_Proposal2-Anne.docx has been digitally signed using the GSA PKCS#7 Signing Tool by Regional Administrator Idsal, Anne on Friday, August 17, 2018. The pre-publication pdf document is attached for your reference.

Please contact Adina Wiley, Ashley Mohr, Carrie Paige, Carl Young or Jeff Riley if you have any questions. We are here to help!

Carrie Paige
EPA Region 6 (6MM-AB)
State Implementation Section
214-665-6521

From: R6 Federal Register Notice Digital Signature and Encryption Home [mailto:no-reply@sharepointonline.com]
Sent: Friday, August 17, 2018 9:00 AM
To: Idsal, Anne <idsal.anne@epa.gov>; Gray, David <gray.david@epa.gov>
Cc: Stenger, Wren <stenger.wren@epa.gov>; Taheri, Diane <Taheri.Diane@epa.gov>; Donaldson, Guy <Donaldson.Guy@epa.gov>; Stanton, MaryA <Stanton.Marya@epa.gov>; Feldman, Michael <Feldman.Michael@epa.gov>; Robinson, Jeffrey <Robinson.Jeffrey@epa.gov>; Verhalen, Frances <verhalen.frances@epa.gov>; Wiley, Adina <Wiley.Adina@epa.gov>; Mohr, Ashley <Mohr.Ashley@epa.gov>; Paige, Carrie <Paige.Carrie@epa.gov>; Young, Carl <young.carl@epa.gov>; Riley, Jeffrey <Riley.Jeffrey@epa.gov>
Subject: Federal Register Action Signed

The Federal Register titled TX_RH_BART_Proposal2-Anne.docx has been digitally signed using the GSA PKCS#7 Signing Tool by Regional Administrator Idsal, Anne on Friday, August 17, 2018.

Please contact Adina Wiley, Ashley Mohr, Carrie Paige, Carl Young or Jeff Riley if you have any questions. We are here to help!