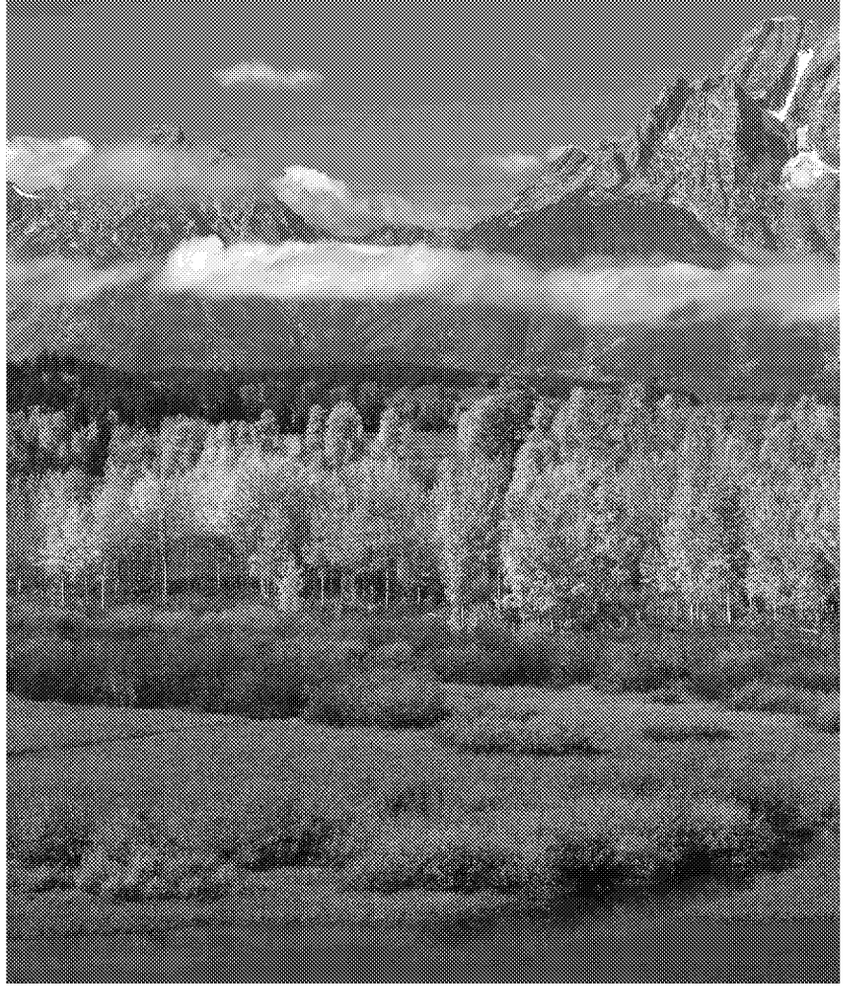

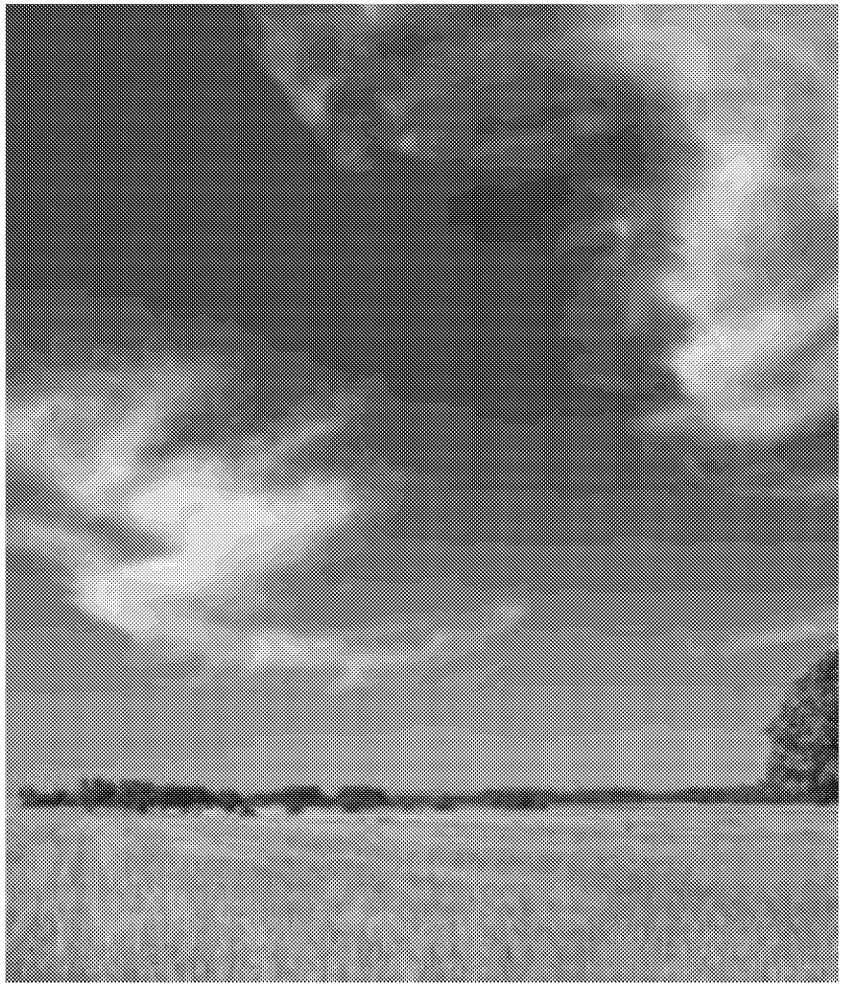

NAAQS and Other Implementation Updates

ANNA MARIE WOOD
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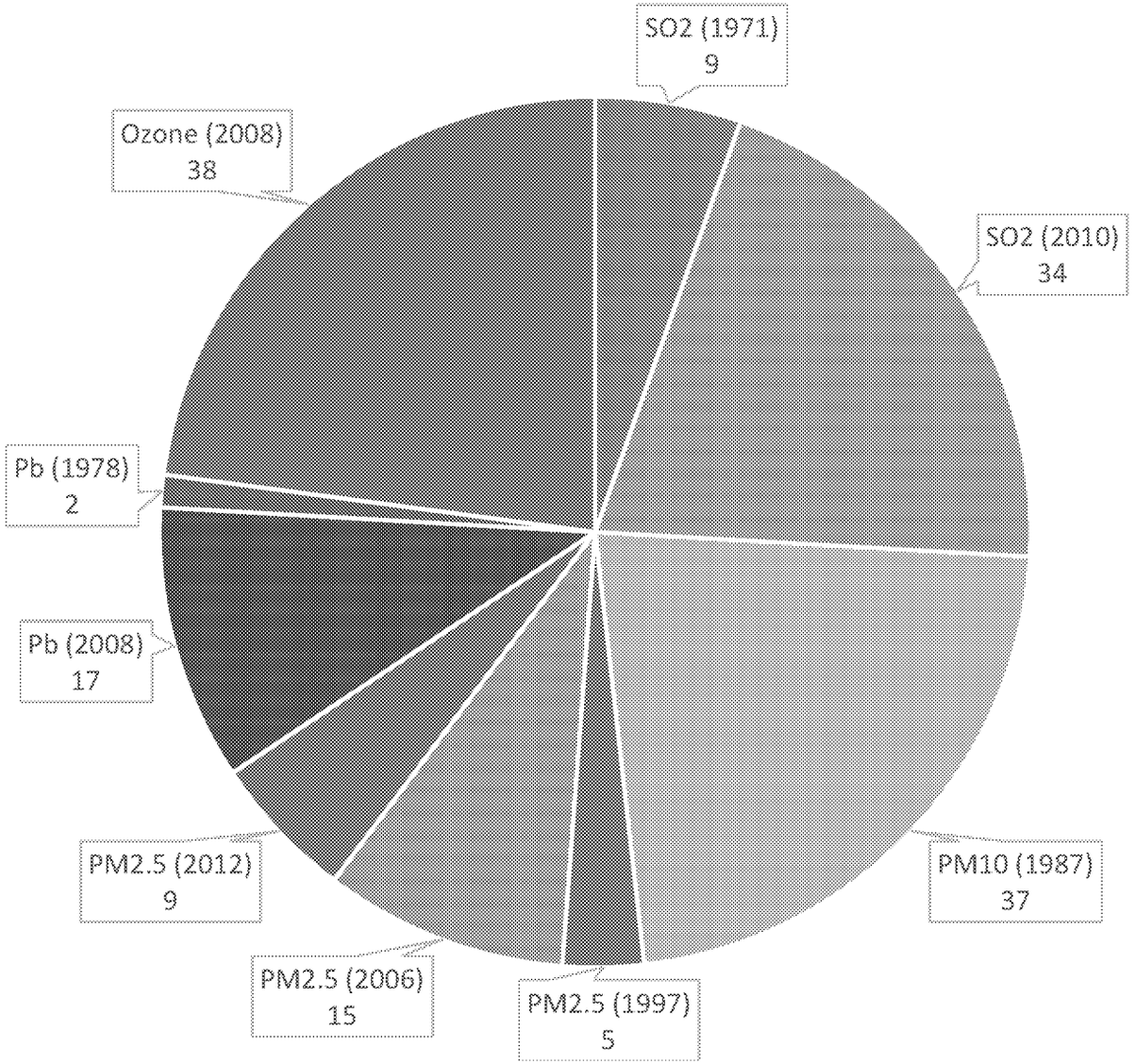
OFFICE OF AIR QUALITY PLANNING AND STANDARDS
AAPCA SPRING MEETING, APRIL 5, 2018

OVERVIEW

- EPA's Clean Air Priority Goal: Reduce Number of Nonattainment Areas
- NAAQS Implementation Updates
  - Ozone
  - Sulfur Dioxide (SO_2)
- Exceptional Events
- Regional Haze
- NSR and Title V Permitting Updates
- SIP Processing Improvements, SPeCS and LEAN

Nonattainment Areas for Non-revoked NAAQS as of October 1, 2017



EPA Priority Goal: Reduce Number of Nonattainment Areas

- Work with states to prioritize redesignation submissions.
- Ensure states have necessary rules, guidance, and tools.
- Improve the efficiency and effectiveness of the SIP/TIP process, including EPA's review process, to maximize timely processing of requested SIP/TIP actions.
- Take federal oversight actions, where necessary.

Approving state requests to redesignate nonattainment areas depends on states meeting the minimum Clean Air Act requirements, which include:

- A demonstration that the area has air quality that is attaining the NAAQS;
- Establishing that pollution reductions are due to implementing permanent and enforceable measures;
- A 10-year maintenance plan that includes contingency measures to be triggered in the event of a re-violation of the NAAQS; and,
- Satisfying any other applicable and outstanding attainment planning and emissions control requirements.

EPA's Clean Air Priority Goal FY2018-2022: Reduce Number of Nonattainment Areas

FISCAL YEAR	GOAL (from 166 areas)*	ACTUAL (thru FY18 Q2)
FY2018	155	163
FY2019	146	
FY2020	144	
FY2021	140	
FY2022	101	

* The baseline of 166 is the number of areas designated nonattainment for non-revoked standards as of 10/1/2017 (start of 1st quarter of FY 2018).

2008 Ozone NAAQS: Implementation

- **2008 Ozone NAAQS Key implementation dates for nonattainment areas:**
  - Emissions inventories, emissions statement rules and RACT SIPs were due July 2014
  - Attainment plans and demonstrations were due July 2015 (Moderate) or July 2016 (Serious and above)
  - Marginal area attainment date July 20, 2015 (attainment determined by 2012-2014 air quality data)
  - Moderate area attainment date July 20, 2018 (2015-2017 air quality data)

- EPA to make determinations of whether Moderate nonattainment areas attained the 2008 standard by the July 20, 2018, attainment date.
  - Final action must be completed by January 20, 2019.

2008 Ozone NAAQS: Findings of Failure to Submit

- On January 13, 2017, in response to a complaint filed by environmental petitioners, the EPA found that 15 states and the District of Columbia failed to submit certain SIP revisions required under the 2008 ozone NAAQS (82 FR 9158; February 3, 2017; effective March 6, 2017)
  - EPA also entered into a Consent Decree with the petitioners on January 19, 2017, which sets deadlines for EPA to complete final actions on SIP submittals by various dates ranging from June 2017 to July 2018

- On November 29, 2017, also in response to a complaint filed by environmental petitioners, the EPA found that 3 states failed to submit various SIP submittals required for 2008 ozone NAAQS nonattainment areas reclassified to Moderate in 2016 (82 FR 58118; December 11, 2017; effective January 10, 2018)
  - These findings of failure to submit served as formal notice to air agencies and established deadlines by which they either must submit complete SIP revisions or become subject to mandatory sanctions

2008 Ozone NAAQS Implementation: Litigation

- **2008 Ozone NAAQS State Implementation Plan (SIP) Requirements Rule** (80 FR 12264; March 6, 2015)
  - Provides rules and guidance on nearly all aspects of the attainment planning requirements
  - Revoked the 1997 NAAQS effective April 6, 2015, and established anti-backsliding requirements

South Coast Air Quality Management District v. EPA (2018)

- South Coast AQMD and env. petitioners (Sierra Club *et al.*) challenged various elements of the 2008 Ozone NAAQS SIP Requirements Rule (SRR)

- The D.C Circuit issued its decision on February 16, 2018, upholding about half of the challenged elements and vacating several flexibilities in the SRR

2008 Ozone NAAQS Implementation: Litigation (cont.)

- ***South Coast Air Quality Management District v. EPA (2018)*: Key Decisions Include:**
  - ***UPHELD:***
    - RFP requirements including default 2011 baseline, one-time fulfillment of 15% VOC reduction, in-area restriction
    - RACT area-wide emissions averaging
    - EPA's authority to revoke a prior NAAQS with adequate anti-backsliding requirements
  - ***VACATED:***
    - Anti-backsliding approaches for bump-ups, "redesignation substitutes," and transportation conformity
    - RFP alternative baseline years
    - 1997 NAAQS maintenance area flexibilities (maintenance plans, transportation conformity)

- EPA is assessing options for addressing Court decision and implications for implementation of the 2008 and 2015 NAAQS

2015 Ozone NAAQS: Implementation-Related Rulemakings

- **Proposed Rule: Implementation of the 2015 NAAQS for Ozone: Nonattainment Area Classifications and SIP Requirements** published for public comment November 17, 2016 (81 FR 81276)

- **Final: 2015 Ozone NAAQS Classifications Rule** published March 9, 2018 (83 FR 10376)
  - Final nonattainment area classification thresholds based on "percent-above-the-standard" (PATS) methodology
  - Final maximum attainment dates associated with each nonattainment area classification

- **Final: 2015 Ozone NAAQS State Implementation Plan (SIP) Requirements Rule**
  - To be issued after remaining area designations (later this spring)
  - EPA will consider *South Coast v. EPA* (2018) decision in its final approach

2015 Ozone NAAQS Area Designations

- The statutory deadline for designations was October 1, 2017

- **On November 6, 2017, the EPA issued final designations of attainment/unclassifiable for about 85% of the counties in the United States**
  - This included 2,646 counties, two separate areas of Indian Country areas and five territories
  - It also included a designation of unclassifiable for three counties in the state of Washington due to insufficient monitoring data to calculate a 3-year ozone design value
  - These final designations took effect on January 16, 2018, 60 days after the notice was published in the Federal Register

2015 Ozone NAAQS Designations (cont.)

- **On December 22, 2017**, EPA notified states and tribes concerning any intended modifications to their designation recommendations ("120-day letters") for the remaining undesignated areas of the U.S.
  - EPA proposed 54 intended nonattainment areas and 3 unclassifiable areas, as well as additional attainment/unclassifiable areas and deferred taking action on the 8 counties in the San Antonio, TX metropolitan statistical area
  - Notification of availability and public comment period was published on January 5, 2018 (83 FR 651); comment period ended February 5, 2018
  - EPA requested States and Tribes to provide any final input by February 28, 2018
  - EPA is under court order to promulgate final ozone area designations for these areas no later than April 30, 2018

Progress on Ozone NAAQS Attainment

(as of March 2018)

	1997 NAAQS (2004 Designations)	2008 NAAQS (2012 Designations)
Initial Nonattainment Areas	115	46
Areas Redesignated to Attainment	80 (prior to revocation)	8
Current Nonattainment Areas	35	38
Clean Data Determinations	26	18*
Redesignation Substitutes	2	n/a
Reclassifications to Higher Classification	0**	13

*Includes 15 Marginal area determinations of attainment by the attainment date and 3 Moderate area clean data determinations.
**Obligation to reclassify may be affected by South Coast II decision.

2010 SO_2 NAAQS Area Designations

- EPA revised **Primary NAAQS for Sulfur Dioxide (SO_2) standard** on June 3, 2010 to 75 ppb/1-hour (75 FR 35520)

- EPA is completing area designations in four separate Rounds:
  - *Round 1* – July 25, 2013: EPA designated 29 areas as nonattainment (effective September 12, 2013)
    - SIP submittal date: April 4, 2015
    - Attainment date: October 4, 2018
    - FFS issued: April 18, 2016
    - Number of areas issued FFS: 16 areas in 11 states
    - Mandatory sanctions (can be avoided by submitting a complete SIP)
      - First sanction: 2:1 Emissions Offset for NNSR: October 18, 2017
      - Second sanction: Highway funds: April 18, 2018
    - FIP obligation: April 18, 2018 (24 months after effective date of FFS)
    - Currently, EPA remains subject to FIP obligations for 13 of the 16 FFS areas

2010 SO_2 NAAQS Area Designations (con't)

- *Round 2* – July and December 2016: EPA finalized designations for 65 areas including 7 nonattainment areas, 41 unclassifiable/attainment areas, and 17 unclassifiable areas
  - Number of nonattainment areas designated on **July 12, 2016: 4**
    - Effective date of designations: **September 12, 2016**
    - SIP submittal date: **March 12, 2018**
    - Attainment date: **September 12, 2021**

  - Number of nonattainment areas designated on **December 13, 2016**: **3**
    - Effective date of designations: **January 12, 2017**
    - SIP submittal date **July 12, 2018**
    - Attainment date: **January 12, 2022**

2010 SO_2 NAAQS Area Designations (con't)

- *Round 3* – December 21, 2017: EPA designated all remaining areas of the country except Round 4 areas
  - Included 6 nonattainment areas, 23 unclassifiable areas, and the remainder of the country in all states, territories, and tribes designated attainment/unclassifiable (except Round 4 areas)
  - The effective date of the designations is April 9, 2018
    - SIP submittal date: October 9, 2019
    - Attainment date: April 9, 2023
  - EPA is issuing a supplemental notice before April 9, 2018, to account for new information regarding 2017 air quality, as applicable

- *Round 4* – by December 30, 2020: EPA will designate approximately 50 remaining areas by the consent decree deadline
  - Monitoring is underway in states that timely sited monitors consistent with the SO_2 Data Requirements Rule

Progress on 2010 SO_2 NAAQS Attainment

(as of March 2018)

	Round 1	Round 2	Round 3
Initial Nonattainment Areas	29	7	6
Areas Redesignated to Attainment	2	0	0
Current Nonattainment Areas	27	7	6
Clean Data Determinations	1	0	0

2016 Exceptional Events Rule Implementation

- Since finalizing the 2016 rule, EPA has concurred on ozone demonstrations for CT, MA, MD, NJ, PA, RI, TX, Ute Tribe (Utah), and Washoe County (Nevada)

- We remain focused on continuous improvement by engaging with stakeholders, addressing concerns, and streamlining the process

- We are hopeful that many of the things we are already doing or working to implement under the revised rule are addressing existing concerns such as ensuring timely review processes, right-sizing demonstrations, fostering national consistency, and providing additional resources like updated FAQs and technical guidance documents

Exceptional Events: Additional Resources and Engagement to Improve the Process

- EPA resources now available online – Google "EPA Exceptional Events"
  - Wildfire-Ozone Guidance
  - 2007-to-2016 Rule Crosswalk
  - Best Practices for Multi-State Exceptional Events Demonstrations
  - Mitigation Plan Checklist
  - Example Demonstrations

- Additional implementation documents planned for this year
  - Updated FAQs
  - Updated High Winds
  - Stratospheric Ozone Intrusion
  - Prescribed Fire-Ozone
  - Alternate Paths for Data Exclusion

- Stakeholder engagement – National call on Alternate Paths and webinar on Mitigation Plans

- EPA developing national electronic tracking system for exceptional events (similar to SPeCS for SIPs)

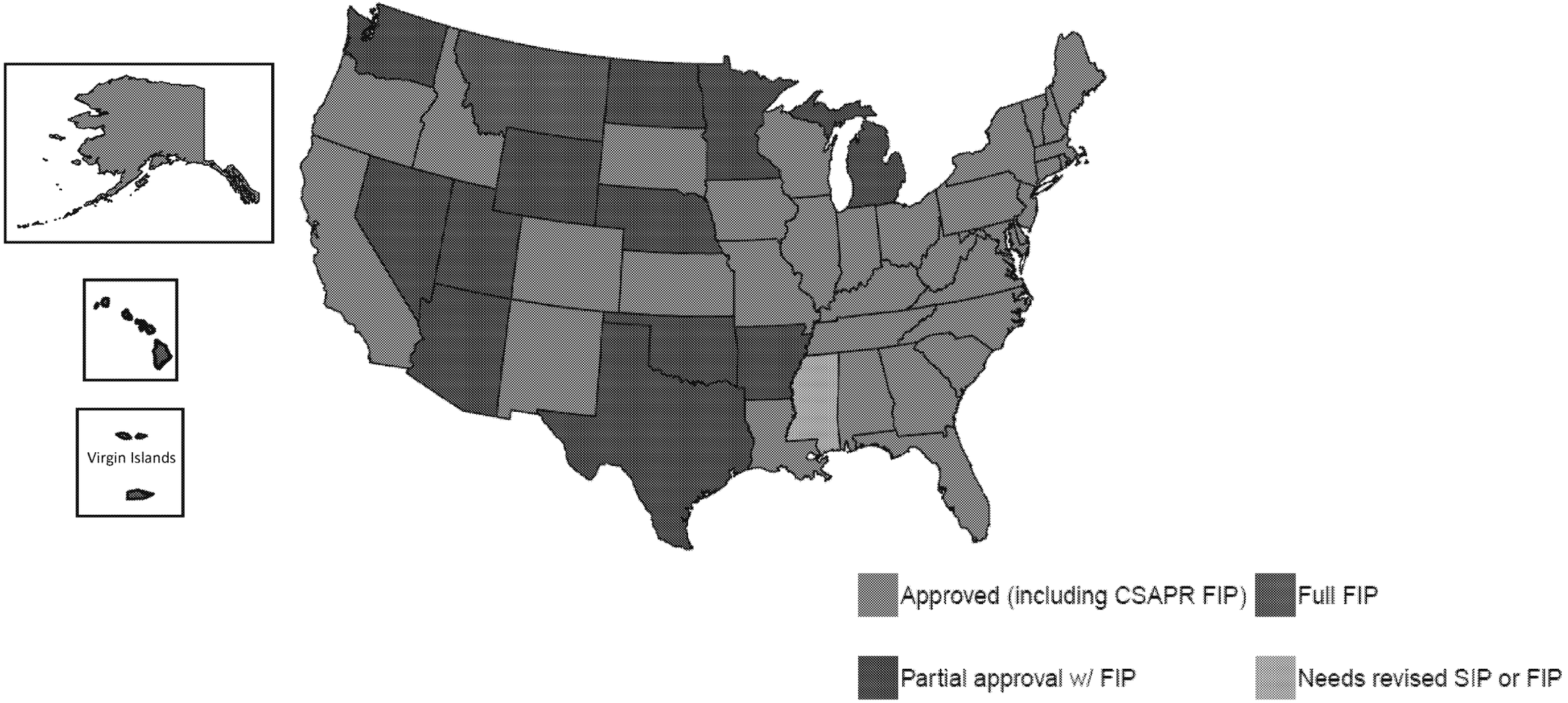
Continued Emphasis on Early and Frequent Communication

- The 2016 Exceptional Events Rule eliminated event flagging and demonstration submission deadlines with the exception of initial area designations
  - Informational or 'I' flags are encouraged for initially flagging suspected events
  - Request exclusion or 'R' flags should be used when a demonstration will be submitted

- The new **Initial Notification Process** starts a conversation between EPA and air agencies to establish mutual expectations for "right-sizing" effort, assessing the purpose for data exclusion, and identifying what is needed for an approvable demonstration

- EPA intends to conduct initial review of demonstrations within 120 days of submission, complete review within 12 months, and defer demonstrations that do not have regulatory significance within 60 days

Regional Haze: Status of Actions from First Implementation Period



CSAPR-better-than-BART

Recent Court Opinion:

- The D.C. Circuit recently (March 20, 2018) issued an opinion upholding EPA's 2012 CSAPR-better-than-BART rulemaking. This opinion also upheld EPA's disapprovals of several SIPs that relied on CAIR
  - The litigation in this case was in abeyance for several years while litigation on CSAPR played out
  - CSAPR-better-than-BART is currently used in regional haze plans for nineteen states

CSAPR-better-than-BART reaffirmation:

- In September 2017, EPA reaffirmed that CSAPR remains better-than-BART despite some changes to the CSAPR trading programs
- EPA received petitions for review and reconsideration on the reaffirmation rulemaking; no updates on next steps or schedule

Regional Haze: Second Implementation Period

- EPA is already working with states and groups of states on the second planning period
- Key principles for implementation of the second planning period include:
  - Ensuring that states have the information they need to develop approvable regional haze plans
  - Ensuring that states have discretion and flexibility to select sources for reasonable progress analysis
  - Ensuring that we are on a path that enables compliance with the Clean Air Act, improved visibility in Class I areas, and state discretion regarding whether and how to control sources of visibility-impairing pollutants

Regional Haze Rule and Guidance Updates

- **Rule revisions were finalized on January 10, 2017 (82 FR 3078):**
  - Petitions for review were filed in the D.C. Circuit as well as petitions for reconsideration
  - On January 17, 2018, EPA announced its decision to revisit aspects of the 2017 rule revisions:
    - "EPA intends to commence a notice-and-comment rulemaking in which we will address portions of the rule, including but not limited to the Reasonably Attributable Visibility Impairment (RAVI) provisions, the provisions regarding Federal Land Manager (FLM) consultation, and any other elements of the rule we may identify for additional consideration. Furthermore, EPA plans to finalize one or more EPA guidance documents for regional haze State Implementation Plan (SIP) revisions due in 2021. Such guidance may also address some or all of the issues raised in the petitions for reconsideration."
  - EPA asked the D.C. Circuit to place the litigation into abeyance "pending administrative proceedings that may result in changes or clarifications to the challenged rule and thereby potentially narrow the scope of this litigation;" motion granted January 30, 2018

- **On July 8, 2016 (81 FR 44608), EPA released draft guidance**
  - Next steps on guidance are expected to be developed as EPA initiates regulatory review of the 2017 rule revisions

NSR Improvements and Other Recent Actions

- Actual-to-Projected-Actual Applicability Test Guidance Memorandum
- Project Emissions Accounting Memo
- Project Emissions Accounting Rulemaking
- Source Aggregation Guidance
- Project Aggregation Reconsideration
- Ambient Air Guidance
- Rulemaking on Treatment of Biomass for Permitting
- $PM_{2.5}$ and Ozone SILs Guidance
- Routine Maintenance, Repair and Replacement (RMRR)
- Once-In-Always-In

NSR Updates: Actual-to-Projected-Actual Applicability Test Guidance Memorandum

- **Memorandum: "New Source Review Preconstruction Permitting Requirements: Enforceability and Use of the Actual-to-Projected-Actual Applicability Test in Determining Major Modification Applicability"** signed by Administrator Pruitt on December 7, 2017
  - Available at https://www.epa.gov/sites/production/files/2017-12/documents/policy_memo.12.7.17.pdf
  - Where a source projects an insignificant emissions increase, the level of actual emissions after the project governs applicability
  - Projections may reflect the intent to actively manage post-project operations in order to prevent a significant emissions increase from occurring
  - EPA will not second guess NSR applicability analyses that comply with the procedural requirements of the regulations

Project Emissions Accounting (Project Netting) Guidance Memorandum

- **Memorandum: "Project Emissions Accounting Under the New Source Review Preconstruction Permitting Program"** was published on March 30, 2018 (83 FR 13745)
  - Available at www.gpo.gov/fdsys/pkg/FR-2018-03-30/pdf/2018-06430.pdf
  - Communicates EPA's interpretation that the current NSR regulations provide that emissions decreases as well as increases are to be considered at Step 1 of the NSR applicability process, i.e., determining whether a project will result in a significant emissions increase
  - Interpretation is grounded in the principle that the plain language of the CAA indicates that Congress intended to apply NSR to changes that increase actual emissions and the language in the corresponding NSR regulations is consistent with that intent

- Prior EPA guidance had indicated that the relevant provisions of the NSR regulations preclude the consideration of emissions decreases at Step 1
  - For the reasons discussed in the memo, EPA will no longer apply such interpretation

Project Emissions Accounting (PEA) Proposed Rule

- EPA published on March 30, 2018, the **Issuance of Guidance Memorandum, "PEA Under the New Source Review Preconstruction Permitting Program"**
- As discussed in the memo, this clarification will apply to all project categories (including existing units only, new units only, and new and existing units)
  - Memo can be found at www.gpo.gov/fdsys/pkg/FR-2018-03-30/pdf/2018-06430.pdf
- A proposal will codify the considerations and interpretations reflected in the memorandum
  - Current schedule: Fall 2018

Source Aggregation

- **EPA defines "*stationary source*" in the permitting programs as all of the pollutant-emitting activities that are:**
  - located on one or more contiguous or adjacent properties *and*
  - are under common control of one person (or persons under common control), *and*
  - belong to the same major industrial grouping (2 digit SIC code)

  [40 CFR 70.2 and 52.21(b)(1) and (5)]

- EPA's interpretation of "adjacent" has evolved through source-specific determinations
  - 2016 Rulemaking clarified "adjacent" for oil and gas operations
    - Adjacent operations are limited to those within ¼ mile with shared equipment

- EPA's determinations of whether "common control" exists have been based on an assessment of multiple factors
  - We are evaluating whether/how to further refine the factors that must be assessed

- EPA intends to address "adjacent" and "common control" in upcoming actions

Project Aggregation Reconsideration

- 2009 Rule for Project Aggregation
  - Established "substantially related" criterion for aggregating projects, and a 3-year rebuttable presumption against aggregating
  - Did not amend the CFR text (definition of "project"), considered an interpretive rule
  - Calling it a "new interpretation" of the rule text, it only applies prospectively

- Reconsideration and Stay of the 2009 Rule
  - NRDC petitioned for reconsideration and sued EPA on the 2009 Rule
  - EPA granted reconsideration and stayed the effectiveness of the 2009 Rule pending completion of the reconsideration or litigation
  - In 2010, EPA proposed reconsideration with a preference to revoke 2009 Rule

- Current Action – Final Reconsideration Rule
  - Current schedule: Summer 2018

Ambient Air Guidance

- **EPA defines *"ambient air"* as "that portion of the atmosphere, external to buildings, to which the general public has access" (40 CFR 50.1(e))**
  - EPA's longstanding policy for implementing ambient air for PSD purposes was stated in a 1980 Costle letter, *"the atmosphere over land that is owned or controlled by the source and to which public access is precluded by a fence or other physical barriers"*
  - Subsequent guidance provided over the years by EPA to recommend how to apply 1980 policy statement for specific situations

- We are evaluating several key terms associated with the definition including: "general public", "access" and "building" to determine where additional flexibility may be appropriate

- EPA is anticipating issuing guidance in Spring 2018

Treatment of Biogenic CO_2 Emissions in Permitting

- **On February 13, 2018, EPA issued a response to New Hampshire reflecting its current views on the programmatic treatment of biomass**

- In this letter, EPA clarifies, among other things, that:
  - The Consolidated Appropriations Act of 2017 urges the proactive recognition of forest biomass as being both carbon neutral and a source of renewable energy
  - Spurred by this congressional action, EPA is engaged in a multi-agency effort with DOE and USDA to establish a mechanism for federal cooperation and consistency on the use of biomass for energy throughout the federal government
  - EPA will be developing a set of options consistent with the carbon neutral policy of biomass from forests and other lands sectors to provide certainty for the treatment of biomass throughout the Agency's permitting decisions

- Letter at: https://www.epa.gov/air-and-radiation/policy-update-epa-programmatic-treatment-biomass-and-forest-products-industry

$PM_{2.5}$ and Ozone SILs Guidance

- EPA is developing both a revised $PM_{2.5}$ SIL and new ozone SIL for permittees to use in streamlining the air dispersion modeling permitting process
- The guidance will be comprised of a policy memorandum, a technical document and legal support document
  - All three are intended to be referenced and included in any permit record where the recommended SILs are used by a permitting authority
  - The guidance is not a final agency action and is not binding for industry, permitting authorities, or the public
- An informal public comment was accomplished in 2016
- The guidance is currently under OMB review
- Projected signature of guidance - Spring 2018

Routine Maintenance, Repair and Replacement

- EPA believes there is uncertainty regarding the interpretation of the Routine Maintenance, Repair and Replacement (RMRR) provisions in the New Source Review program
- EPA is evaluating the need to clarify the interpretation and appropriate application of the RMRR provision under the NSR regulations
- EPA anticipates clarification in Spring 2018

Once In Always In

- **2018 EPA Withdraws Once In Always In**
  - On January 25, 2018, EPA issued guidance memorandum, "Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act"
  - Memo addresses when a major source subject to a maximum achievable control technology (MACT) standard, under section 112 of the Clean Air Act (CAA), may be reclassified as an area source and no longer subject to MACT requirements
  - Discusses EPA's plain language reading of the statutory terms "major source" and "area source"
  - Withdraws 1995 Seitz memo "Once In Always In" policy, which required major sources to limit potential to emit to below the major source threshold by the first compliance date to be treated as an area source
  - Responds to comments received in response to E.O. 13777 and 13783 on the need to revise 1995 OIAI policy
  - EPA intends to issue a FR Notice to take comment on regulatory text to implement EPA's plain language reading of statute as discussed in January 2018 guidance memorandum

- **Litigation**
  - On March 26, 2018, coalition of environmental groups filed a petition for review in the D.C. Circuit Court

- **For More Information**
  - https://www.epa.gov/stationary-sources-air-pollution/reclassification-major-sources-area-sources-under-section-112-clean
  - Contact: Debra Dalcher, Policy and Strategies Group, 919-627-4883 or Dalcher.debra@epa.gov

Title V Permitting

- Rulemakings in progress
  - Petitions Process Rulemaking
- Process Improvements
  - Increased use of electronic systems
    - Central Data Exchange (CDX) for receipt of petitions
    - Beta test of permit submission system in Region 9
- Lean Kaizen Event held on March 26, 2018
  - See subsequent slide for more information

Title V Petitions

- Title V Petitions continue to be a substantial work load
- Petitions Received FY 2018 (to date) – 8
- Petitions Resolved FY 2018 (to date) – 22
  - 15 Orders
  - 7 Resolved by other means (petitioners agreed to withdraw, previous responses identified)
- Pacificorp Hunter – EPA will not look back at decisions made in NSR permitting process in the context of title V
  - Provided that there was an opportunity for public comment and judicial review
  - Decision being challenged in 10th Circuit (Utah) and D.C. Circuit

Title V Permitting – Fee Guidance

- In response to a 2014 Office of Inspector General (OIG) report recommending enhanced oversight of state and local title V program fee practices, EPA issued two guidance documents on March 27, 2018.
  - *Program and Fee Evaluation Strategy and Guidance for 40 CFR Part 70* (Title V Evaluation Guidance) and
  - *Updated Guidance on EPA Review of Fee Schedules for Operating Permit Programs under Title V* (Updated Fee Schedule Guidance)
- These documents satisfy EPA commitments to the OIG by providing guidance for EPA regions on conducting state and local title V program and fee evaluations.
- The guidance is discretionary for EPA regions and sets no specific requirements for state programs.

SIP Processing Improvements

- High priority continues to be reducing the SIP backlog and improving SIP processing times

- Trends in SIP processing:
  - Total pending SIPs reduced by 20% (between October 2013 and March 2018)
  - Historic backlogged SIPs reduced by 80% (between October 2013 and March 2018)

- SIP management improvement efforts ongoing
  - SIP management plans continue to provide opportunities for EPA regional offices and states to engage on setting SIP action priorities
  - EPA emphasizing early engagement with air agencies
  - Continued commitment to providing timely guidance on SIP development issues
  - EPA maintaining emphasis on internal SIP processing improvements
    - Using lean practices to inform opportunities for continuous improvement
    - Significant investment in IT improvements will also contribute in this area

SIP Processing Improvements: State Plan Electronic Collaboration System (SPeCS)

- EPA worked extensively with state air agency representatives, and partnered with E-Enterprise for the Environment and ECOS on this project over the past 18 months
  - The E-Enterprise Integrated Project Team (IPT), with 12 air agency representatives, provided useful feedback on the Plan Collection Interface (PCI) module
  - Fourteen states participated in beta testing before system was launched in January 2018
  - Training webinars and materials: https://www.epa.gov/air-quality-implementation-plans/submit-sips-online

- Benefits
  - Reduce paper/mailing/printing/storage costs
  - Save staff time and resources
  - Integrate multiple legacy tracking systems into one
  - Increase transparency
  - Achieve more efficient SIP processing

SIP Processing Improvements: State Plan Electronic Collaboration System (SPeCS)

- Plans for 2018 and beyond (with sufficient funding) include:
  - Enhance State Plan Collection Interface based on ongoing user feedback
  - Develop Public Dashboard
  - Develop an Exceptional Events demonstration module
  - Develop Title V module for EPA review of state issued permits
  - Develop NSR Permit Tracking System and Technology Database
  - Coordinate SPeCS with SIP Lean efforts

State Plan Electronic Collaboration System (SPeCS)

Plan Collection Interface

- *For use by Air Agency staff*
- Upload SIPs and other submissions electronically to EPA
- Enables air agency to identify specific requirements addressed in plan
- State landing page to provide list/status of all past and pending submissions
- **Rollout: January 2018**

EPA Plan Review Clearinghouse

- *For use by EPA*
- Facilitates concurrent review by multiple EPA offices
- Tracks SIP submissions and compliance with SIP requirements by state/area
- Electronic storage and online searching of documents
- **Roll out: February 2018**

Public Dashboard

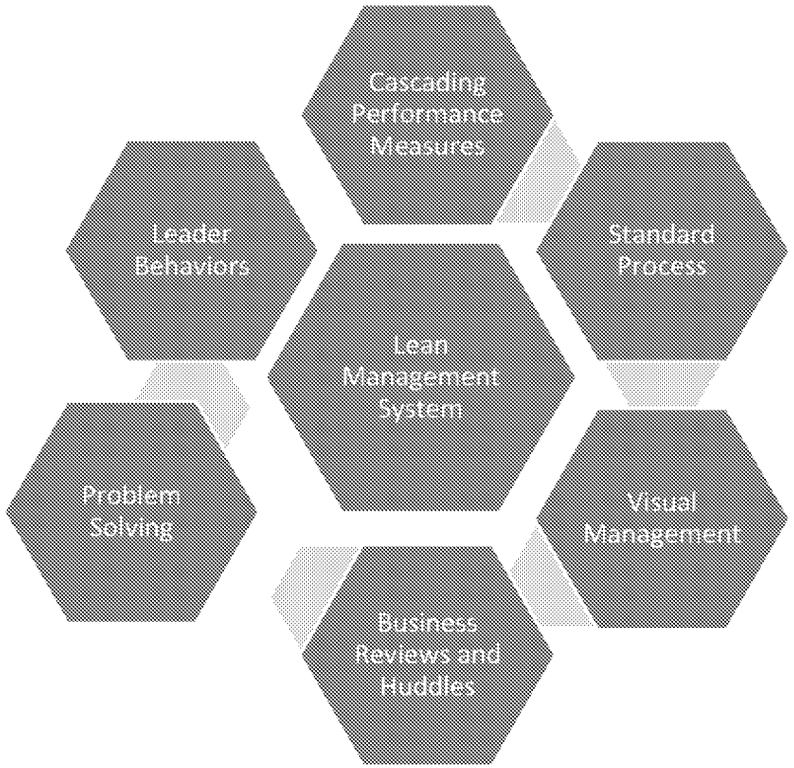
- *For use by the public and states*
- Links to FR notices and final approved plans
- National and state SIP status information
- **Rollout: later in 2018**

EPA is Implementing a Lean Management System (LMS)

EPA Desires:

- Continuous improvement through problem solving at the level closest to the work
- Continuous improvement based on respect for the people doing the work
- Accountability to the process without blaming people
- Sustainment of gains from its improvement efforts
- Development and adherence to standard processes

LEAN MANAGEMENT SYSTEM



Lean Priority Areas

- Applying lean principles to specific focus areas to:
  - Develop visual management systems
  - Identify and eliminate waste consistent with lean principles
  - Develop a more efficient and effective process
- Key areas identified include SIP processing, NSR, and Title V
- Timely action on SIPs is a priority for EPA, as reflected in EPA's recently released Strategic Plan for FY2018 – 2022 and the Agency's Reform Plan
- The Reform Plan highlights priority areas where EPA plans to apply lean tools in order to make further progress, with a new emphasis at EPA on the use of visual management tools
- SIP lean event held in February 2018 focused on both EPA process and state process – and included participants from states and a local area
  - Goal of SIP lean event was to develop process and tools that would enable EPA to eliminate the backlog and process SIPs within CAA timelines, by 2022

SIP Lean Overview and Next Steps

- Identified an ideal process that includes an emphasis on cooperative federalism and working closely with states at the outset so that states are able to submit approvable SIPs
- Described key decisions throughout the process, including the details of who should make those decisions, when, and other aspects of those decisions
- Outlined opportunities for standard work to ensure consistency across regional offices and with EPA HQ
- Considered options for addressing current pending SIPs while also implementing the new process
- Implementation details are still being developed
  - We are eager to stand this new system up as quickly as we can, and will keep you posted on our progress

NSR and Title V Lean/Kaizen Efforts and Next Steps

- As part of the Agency streamlining efforts, we are taking a look at the permitting process and timelines for EPA-issued permits under both Title V and NSR
- We are applying Lean/Kaizen concepts to the permitting process with the goal of identifying actions we could take to expedite the process and make permitting more efficient
  - These events are focused on EPA-issued permits
- During the week of March 26, 2018, EPA HQ and Regions conducted a week-long Kaizen event focused on the Title V program
- A week-long Kaizen event for the NSR program is scheduled for the week of April 9, 2018

Questions and Comments

APPENDIX

NAAQS Reviews: Status Update

April 2018

	Ozone	Lead	Primary NO_2	Primary SO_2	Secondary (Ecological) NO_2, SO_2, PM[1]	PM[2]	CO
Last Review Completed (final rule signed)	Oct. 2015	Sept 2016	Jan 2010	Jun 2010	Mar 2012	Dec 2012	Aug 2011
Recent or Upcoming Major Milestone(s)[3]	TBD[4]	TBD[4]	July 14, 2017 Proposal Sept 25, 2017 Public Comment Closed April 6, 2018 Final	Sept. 18-19, 2017 CASAC review of draft PA and REA May 25, 2018 Proposal Jan 28, 2019 Final	May 24-25, 2017 CASAC review of 1st Draft ISA Late 2018 2nd Draft ISA REA Planning Document	Late 2018 1st draft ISA	TBD[4]

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

[1] Combined secondary (ecological effects only) review of NO_2, SO_2, and PM
[2] Combined primary and secondary (non-ecological effects) review of PM
[3] IRP – Integrated Review Plan; ISA – Integrated Science Assessment; REA – Risk and Exposure Assessment; PA – Policy Assessment
[4] TBD = to be determined

Anticipated NAAQS Implementation Milestones

(March 2018)

Pollutant	Final NAAQS Date	Nonattainment Designations Effective	Infrastructure SIP Due	Attainment Plans Due	Attainment Date
$PM_{2.5}$ (2006)	Oct 2006	Dec 2009	Oct 2009	Dec 2014	Dec 2015 (Mod) Dec 2019 (Ser)
Pb (2008)	Oct 2008	Dec 2010-2011	Oct 2011	June 2012-2013	Dec 2015-2019
$PM_{2.5}$ (2012)	Dec 2012	Apr 2015	Dec 2015	Oct 2016 (Mod)	Dec 2021 (Mod) Dec 2025 (Ser)
NO_2 (2010) (primary)	Jan 2010	Feb 2012	Jan 2013	N/A	N/A
SO_2 (2010) (primary)	June 2010	Oct 2013, Sept 2016 (+2 rounds)	June 2013	Apr 2015, Mar 2018 (Oct 2019, 2022)	Oct 2018, Sept 2021 (2023, 2026)
Ozone (2008)	Mar 2008	July 2012	Mar 2011	Mid 2015-2016	Mid 2015-2032
Ozone (2015)	Oct 2015	Mid Oct	Oct 2018	Mid 2021-2022	Mid 2021-2038

Oil and Natural Gas:
2016 New Source Performance Standards (NSPS) Update

- **March 2018 Amendments**
  - EPA amended two narrow provisions of the 2016 NSPS to address aspects of the rule that pose significant and immediate compliance concerns:
    - Removing the requirement that leaking components be repaired during unplanned or emergency shutdowns;
    - Creating separate monitoring survey requirements for well sites located on Alaskan North Slope
    - Amendments were in response to public comments and information received in response to June 2017 proposed stays of certain requirements in the rule and subsequent Notices of Data Availability (November 2017)

- **NSPS Reconsideration**
  - EPA is reconsidering certain aspects of the 2016 NSPS, including fugitive emissions requirements
    - Looking broadly at the rule during the reconsideration process
    - EPA is continuing to evaluate comments the agency received on proposed stays and NODAs
  - EPA will issue a proposal addressing the reconsideration of the rule for public review and comment at a later date

Oil and Natural Gas: Control Technique Guidelines (CTG)

- **March 2018: EPA proposed to withdraw 2016 Oil and Gas CTG in its entirety**
  - The CTG provides recommendations for reducing volatile organic compounds emissions from existing oil and gas equipment and processes
    - CTGs are not regulations and do not impose legal requirements directly on pollution sources
    - However, once EPA issues a CTG, states must make RACT determinations for the sources it covers
  - Because some recommendations in the Oil and Gas CTG are based on the 2016 NSPS, and others are based on the NSPS issued in 2012, EPA believes withdrawing the entire Oil and Gas CTG will be more efficient for states
  - EPA is currently reconsidering certain aspects of the 2016 NSPS and intends to look broadly at the rule during the reconsideration process
  - Comment period on the proposed CTG withdrawal ends April 23, 2018

- **For More Information**
  - https://www.epa.gov/controlling-air-pollution-oil-and-natural-gas-industry
  - Contact: David Cozzie, Group Leader, Fuels and Incineration Group, 919-541-5356 or cozzie.david@epa.gov

Municipal Solid Waste Landfills: New Source Performance Standards (NSPS) and Emission Guidelines (EG)

- **Background**
  - August 29, 2016, EPA announced final updates to the NSPS to reduce emissions of methane-rich landfill gas from new, modified and reconstructed municipal solid waste (MSW) landfills
  - EPA also issued EGs for reducing emissions from existing MSW landfills

- **Petition for Reconsideration and Judicial Review**
  - May 5, 2017, EPA granted reconsideration to petitions on various issues regarding the 2016 MSW Landfills NSPS and EG
  - May 31, 2017, EPA issued a 90-day stay on the 2016 NSPS and EG
    - Because the 90-stay expired on August 29, 2017, the 2016 rules are currently in effect
  - EPA is developing the reconsideration process and path forward on these actions
  - Notice of Intent to sue from several states for failure to enforce the 2016 EG and compliance times of the rule

Municipal Solid Waste Landfills: NSPS and EG (con't)

- **NSPS**
  - With the March 13, 2020, court ordered deadline to complete the risk and technology review (RTR), EPA plans to align the NSPS reconsideration with the RTR, with a proposal expected in 2019
  - This will provide clarity for regulated entities, pose less burden and add additional regulatory certainty to landfills covered by both regulations
  - EPA continues to consider whether additional steps could be appropriate during reconsideration

- **EG**
  - Under these guidelines, the Clean Air Act section 111(d) state plans for addressing existing landfills were due May 30, 2017
  - At this time, EPA has neither approved nor disapproved the state plans that were timely submitted, nor has EPA promulgated any federal plans

- **For More Information**
  - https://www.epa.gov/stationary-sources-air-pollution/municipal-solid-waste-landfills-new-source-performance-standards
  - Contact: Robin Dunkins, Group Leader, Natural Resources Group, 919-541-5335 or dunkins.robin@epa.gov