

EPA Office of Air & Radiation Update

Elizabeth Craig

Acting Assistant Administrator

U.S. EPA, Office of Air and Radiation

May 14, 2009

Significant Recent Proposals

- **Emission Control Areas for Ocean-Going Vessels**
 - Joint U.S./Canada proposal
 - Sent for consideration by International Maritime Organization March 30
- **Greenhouse Gas Monitoring and Reporting Rule**
 - Published in Federal Register April 10
 - Comment period ends June 9
- **Endangerment Finding**
 - Published in Federal Register April 24
 - Comment period ends June 23
- **Cement Kilns MACT**
 - Published in Federal Register May 6
 - Comment period ends July 6
- **Renewable Fuels Standard 2**
 - Signed May 5, 60-day comment period
 - not yet published

Strategy to Address Ocean-Going Vessel Emissions

- Amendments to MARPOL Annex VI - **Complete**
 - Adopted October 2008
 - Stringent long-term standards that apply to all ships operating in designated Emission Control Areas (ECAs)
 - NOx standards (2016): 80% reduction
 - Fuel sulfur standards (2015): 1,000 ppm
- ECA U.S. Coasts through Amendment to Annex VI - **Underway**
 - U.S./Canada ECA proposal sent to IMO March 27, 2009
 - Consideration in July 2009; possible adoption in March 2010
 - Applies to lower 48 plus eastern Alaska and eastern Hawaii
 - Working on additional submittal for Puerto Rico and U.S. Virgin Islands
- Clean Air Act rule – Proposal in June 2009
 - Adopt emission limits for U.S. vessels
 - Apply Annex VI requirements to all vessels operating in U.S. waters
- National Clean Diesel Campaign Clean Ports USA program
 - Promote cleaner diesel technologies and strategies through education, incentives, financial assistance

Greenhouse Gas Monitoring and Reporting Rule

- Required by FY08 Appropriations Act – Dec. 26, 2007
- Rule applies to:
 - Direct emitters of greenhouse gases with emissions generally equal or greater to 25,000 metric tons/year
 - Suppliers of fossil fuels & industrial chemicals
 - Manufacturers of motor vehicles and engines
- Covers 85%-90% of total U.S. GHG emissions
- Excludes most small businesses and governments
- Reporting at the facility level
- Working toward issuing final rule in late 2009, so 2010 data can be reported in 2011

Proposed Endangerment Finding

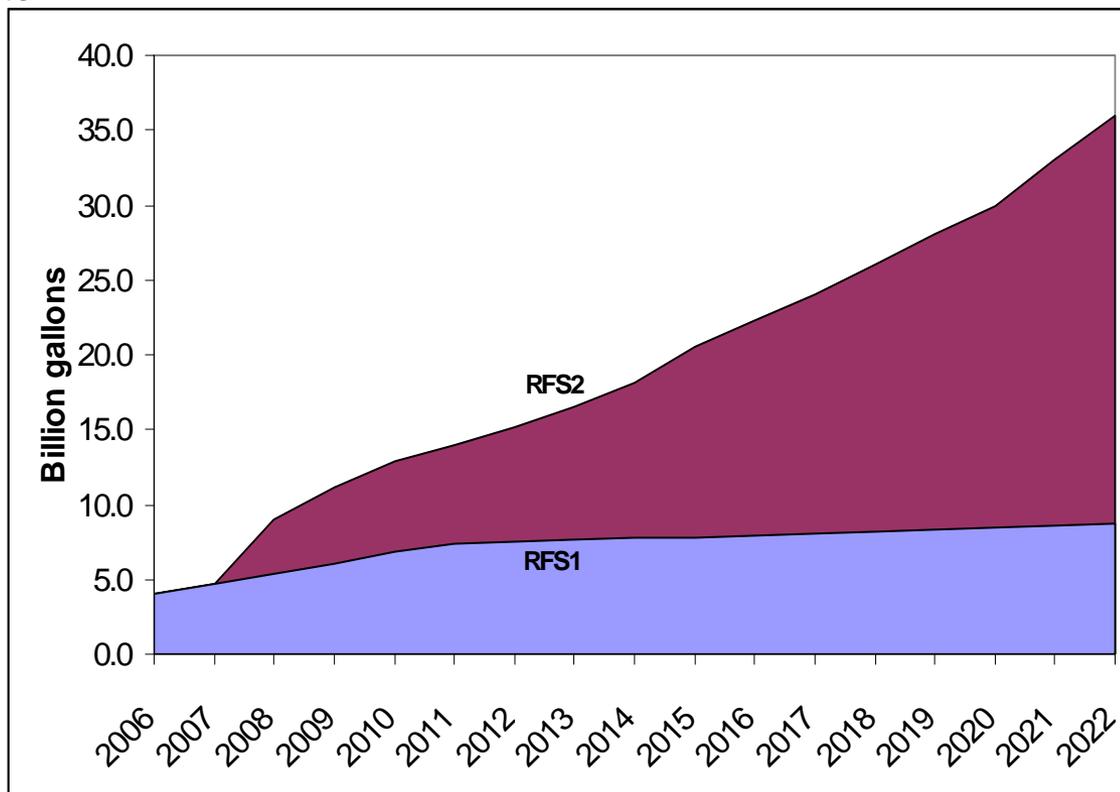
- April 2, 2007– In *Massachusetts v. EPA* Supreme Court decision found that greenhouse gases are air pollutants covered by the Clean Air Act .
- April 17, 2009 – Administrator signed the proposal with two distinct findings regarding greenhouse gases under section 202(a) of the Clean Air Act
 - **Proposed Endangerment Finding:** Current and projected concentrations of the mix of six key greenhouse in the atmosphere threaten the public health and welfare
 - **Cause or Contribute Finding:** Combined emissions of CO₂, CH₄, N₂O, and HFCs from new motor vehicles and motor vehicle engines contribute to the atmospheric concentrations of these key greenhouse gases and hence to the threat of climate change
- 60-day public comment period from April 24-June 23
 - Over 600 comments received so far

Proposed Amendments to MACT: Portland Cement Manufacturing

- Would significantly reduce emissions of mercury, total hydrocarbons, hydrochloric acid (HCl) and particulate matter (PM).
- Applies to both new and existing cement kilns.
- Proposed numerical limits for mercury, total hydrocarbons and PM would apply both major and area sources; HCl limits would apply to major sources only.
- Proposal Published May 6; comment period ends July 6.
- Final rule due Spring 2010.

Renewable Fuel Standard Proposed

- RFS2 in Energy Independence & Security Act of 2007
 - Increased required volumes from 7.5 billion gallons per year in 2012 to 36 billion gallons per year in 2022
 - Increase is Almost All Cellulosic/Advanced Renewables
 - New renewable categories with GHG thresholds
 - No threshold for ethanol up to
 - 15 billion gallons;
 - 20% for new production
 - 50% GHG reduction for advanced biofuels;
 - 60% GHG reduction for cellulosic biofuel
 - Provides new waiver provisions
- Status of Rulemaking
 - Proposal signed May 5
 - 60-day Comment Period
 - Goal is to issue final rule by the end of this year





Actions Under Review

- California GHG Waiver Denial
- New Source Review
 - Aggregation
 - Fugitive Emissions
 - “Reasonable Possibility”
 - PM 2.5 Permitting
- “Johnson Memo”
 - Power plant permitting and CO2 emissions
- Air Quality Standards
 - PM standards – response to Court remand
 - Ozone – Court grants EPA motion requesting time to determine whether standards should be reconsidered

Looking Forward -

National Ambient Air Quality Standards Review Schedule

NAAQS Pollutant	Proposal	Final
NO₂ Primary*	Jun 2009	Jan 2010
SO₂ Primary*	Nov 2009	Jun 2010
NO_x/SO_x Secondary*	Feb 2010	Oct 2010
CO*	Oct 2010	May 2011
PM	Jan 2011	Oct 2011
Ozone	Jun 2012	Mar 2013

*Court ordered deadline

Upcoming Court-Ordered Rulemaking Deadlines through June 2009

- **5/15** – NSPS Coal Preparation and Processing Plants – *Supplemental Proposal*
- **5/31** – NSPS Review for Portland Cement – *Final Rule*
- **5/31** – NESHAP Amendments for Mercury Cell Chlor-Alkali Plants – *Final Rule*
- **6/15** – Air Toxics Requirements for Aluminum Copper, and other Nonferrous Foundries Area Sources – *Final Rule*
- **6/26** – NO₂ NAAQS Review – *Proposal*
- **8/15** – 4 area source rules covering these source categories:
 - 1) Asphalt Roofing Manufacture
 - 2) Chemical Preparations Industry
 - 3) Paint and Allied Products
 - 4) Prepared Animal Feed Materials

ARRA Clean Diesel Funding Distribution

- American Recovery and Reinvestment Act
 - \$300 million distributed between four ARRA Diesel programs
- National Competitive RFA – \$206 Million announced March 19
- Received over 600 applications – approximately \$2 billion
 - Clean Diesel Funding Assistance – \$156 Million
 - funding to reduce emissions from existing diesel engines with EPA-verified and certified technologies
 - SmartWay – \$30 Million
 - establishes national low-cost revolving loans or other financing programs that will provide funding to fleets to reduce diesel emissions
 - Emerging Technology – \$20 Million
 - advances new cutting edge technologies to reduce diesel emissions from the existing fleet
- State Program Grants – \$88 Million, \$1.73 Million per state and DC
 - 50 grants awarded
 - States use funds to develop and implement grant and low-cost revolving loan programs