FACT SHEET Direct Final Rule Revisions to Federal Implementation Plans to Reduce Interstate Transport of Fine Particulate Matter and Ozone – Part II

ACTION

EPA is taking direct final action on several additional revisions to the final Cross-State Air Pollution Rule (CSAPR). In a separate but related action today, the Agency also finalized technical revisions to the CSAPR that were proposed on October 6, 2011. In that proposal, EPA requested additional comment regarding state budgets and today's direct final rule addresses comments received during that public comment process.

Like the revisions rule also finalized today, this direct final rule will provide important and consistent technical adjustments to the CSAPR programs in certain states. No changes will be made to the core elements of the program through this action.

CSAPR is a sound, achievable, market-based program that will deliver strong public health protections. The revisions in this direct final rule will not affect the major air quality improvements slated to occur under CSAPR. While individual state adjustments vary, overall, the total budget increase from both rules remain small—around two percent—when compared to the millions of tons of pollution reductions secured by CSAPR. CSAPR will significantly reduce the interstate transport of pollution and help downwind states in their efforts to attain and maintain the National Ambient Air Quality Standards (NAAQS).

Although the U.S. District Court of Appeals stayed the CSAPR pending judicial review, the Agency believes that it is prudent to move forward with finalizing these corrections so EPA can be prepared to implement the CSAPR if the stay is lifted. While this action revises the CSAPR, it is consistent with, and is unaffected by, the Court's Order staying the underlying final CSAPR. Finalizing this action in and of itself does not impose any requirements on regulated units or states.

The direct final rule revises state budgets for Arkansas, Georgia, Indiana, Kansas, Louisiana, Mississippi, Missouri, Nebraska, New York, Ohio, Oklahoma, South Carolina, and Texas. This rule also revises new unit set-asides for Arkansas, Louisiana, and Missouri.

STATE BUDGETS AND NEW UNIT SET-ASIDES

Like the technical adjustments finalized in the related revisions rule, the adjustments outlined in this direct final rule reflect updated information on pollution controls and operational requirements at specific units subject to the CSAPR.

The revisions included in the direct final rule cover changes in the following areas:

- Increases in state budgets: Arkansas, Georgia, Indiana, Kansas, Louisiana, Mississippi, Missouri, Nebraska, New York, Ohio, Oklahoma, South Carolina, and Texas
- Changes to new unit set-asides: Arkansas, Louisiana, and Missouri.

BACKGROUND

EPA issued CAIR on May 12, 2005 and the CAIR federal implementation plans (FIPs) on April 26, 2006. In 2008, the U.S. Court of Appeals for the D.C. Circuit remanded CAIR to the Agency, leaving existing CAIR programs in place while directing EPA to replace them as rapidly as possible with a new rule consistent with the Clean Air Act.

The CSAPR was proposed July 6, 2010. EPA held three public hearings on the proposed rule during the 60-day comment period. EPA also issued three notices of data availability (NODAs) to provide additional opportunities for public comment on data, modeling, and other key aspects of the rule. The Agency received hundreds of detailed comments from states, environmental and public health groups, industry, and other stakeholders during the comment periods for the proposed rule and NODAs. The final CSAPR was finalized on July 6, 2011.

In a separate but related regulatory action, EPA also issued a supplemental notice of proposed rulemaking on July 6, 2011. The supplemental proposal was open for public review and comment until August 22, 2011. No public hearing was requested. EPA finalized the supplemental rule on December 15, 2011 to include five additional states - Iowa, Michigan, Missouri, Oklahoma, and Wisconsin - in the CSAPR ozone season NO_X program. EPA concluded that these five states plus Kansas significantly contribute to nonattainment and/or interference with maintenance of the 1997 ozone NAAQS in other states.

In order to make technical adjustments to the CSAPR based on new information, EPA proposed a revisions rule on October 6, 2011. The public comment period ended on November 28, 2011 and a public hearing was held in Washington, DC on October 28, 2011. EPA is finalizing the revisions rule today in a separate but related regulatory action.

The CSAPR was scheduled to replace CAIR starting January 1, 2012. However, on December 30, 2011, the U.S. Court of Appeals for the D.C. Circuit issued a ruling to stay the CSAPR pending judicial review. While this decision delays implementation of the CSAPR and the significant public health benefits associated with the rule, it also leaves CAIR in place while the court considers the merits of the challenges to the CSAPR.

HOW TO COMMENT

EPA will accept comment on the parallel proposal that is being published concurrently with the direct final rule. EPA will accept comment for 30 days after publication in the *Federal Register*. If the Agency receives no significant adverse comment, the direct final will become effective 90 days after publication in the *Federal Register*. If EPA receives adverse comment, the Agency will publish a timely withdrawal in the *Federal Register*. EPA would then review relevant comments received on the parallel proposal before issuing a final rule.

Comments, identified by Docket ID No. EPA-HQ-OAR-2009-0491, may be submitted by one of the following methods:

- www.regulations.gov: follow the on-line instructions for submitting comments.
- E-mail: Comments may be sent by electronic mail (e-mail) to <u>a-and-r-Docket@epa.gov</u>.
- Fax: Fax your comments to: 202-566-1741.
- Mail: Send your comments to: Air and Radiation Docket and Information Center, Environmental Protection Agency, Mail Code: 6102T, 1200 Pennsylvania Ave., NW, Washington, DC, 20460.
- Hand Delivery or Courier: Deliver your comments to: EPA Docket Center, 1301, Constitution Ave., NW, Room 3334, Washington, D.C. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

FOR MORE INFORMATION

To see the direct final rule, including technical supporting documents, go to <u>www.epa.gov/crossstaterule</u>.

For more information contact: Gabrielle Stevens, U.S. Environmental Protection Agency, Clean Air Markets Division, MC 6204J, Ariel Rios Building, 1200 Pennsylvania Ave., NW, Washington, D.C. 20460, telephone (202) 343-9252, e-mail at <u>stevens.gabrielle@epa.gov</u>.