



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

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FEB 13 2016

Ref: 8P-AR

The Honorable Jack Dalrymple
Office of the Governor
600 East Boulevard Avenue
Bismarck, North Dakota 58505

Dear Governor Dalrymple:

Thank you for your recommendations dated September 16, 2015, on air quality designations for the state of North Dakota for the 2010 revision to the primary National Ambient Air Quality Standard (NAAQS) for sulfur dioxide (SO₂). Reducing levels of SO₂ pollution is an important part of the U.S. Environmental Protection Agency's (EPA's) commitment to a clean, healthy environment. Exposure to SO₂ can cause a range of adverse health effects, including narrowing of the airways which can cause difficulty breathing and increased asthma symptoms. This letter is to notify you of the EPA's preliminary intentions regarding your recommended designations.

On June 3, 2010, the EPA strengthened the health-based or "primary" standard for SO₂ by establishing a standard for 1-hour average SO₂ concentrations at a level of 75 parts per billion. Within one year after a new or revised standard is established, the Clean Air Act requires the Governor of each state to submit to the EPA a list of all areas in the state, with recommendations for whether each area meets the standard. Through an interactive process, the EPA considers the recommendations and then promulgates designations for all areas across the country. On July 25, 2013, the EPA designated 29 areas in 16 states as nonattainment, but did not at that time designate other areas. Pursuant to a March 2, 2015, court-ordered schedule,¹ the EPA must complete the remaining SO₂ designations by three specific deadlines: July 2, 2016, December 31, 2017, and December 31, 2020.

This current round of designations, to be completed by July 2, 2016, addresses two groups of areas: (1) areas that have newly monitored violations of the 2010 SO₂ NAAQS based on the most recent three calendar years of certified monitored ambient air quality data, and (2) areas that contain any stationary source that had not been announced as of March 2, 2015, for retirement and that according to the EPA's Air Markets Database emitted in 2012 either (i) more than 16,000 tons of SO₂ or (ii) more than 2,600 tons of SO₂ with an annual average emission rate of at least 0.45 pounds of SO₂/mmBTU.

After carefully considering North Dakota's recommendations and other available technical information, the EPA intends to designate as unclassifiable/attainment the following areas, including the following counties or portions of counties:

¹ *Sierra Club v. McCarthy*, No. 3-13-cv-3953 (SI) (N.D. Cal. Mar. 2, 2015).

| <u>Intended Unclassifiable/Attainment Area</u> | <u>Intended Unclassifiable/Attainment Area Counties</u> |
|--|---|
| Central Mercer County* | Mercer County (p) |

(p) indicates portion of county

The asterisk (*) indicates the boundary for this intended unclassifiable/attainment area represents a modification to the boundary that you have recommended. In this case, because you did not recommend a specific boundary but recommended a designation for the area around the Coyote Station, the EPA has established a proposed boundary using the recommendations for our March 20, 2015 “Updated Guidance for Area Designations for the 2010 Primary Sulfur Dioxide National Ambient Air Quality Standard.”

Because the EPA has insufficient information to determine whether the following areas are meeting or not meeting the SO₂ NAAQS, the EPA intends to designate these areas as unclassifiable:

| <u>Intended Unclassifiable Area</u> | <u>Intended Unclassifiable Counties</u> |
|--------------------------------------|---|
| McLean County/Eastern Mercer County* | McLean County |
| | Mercer County (p) |

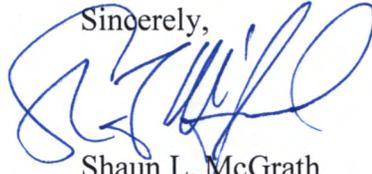
(p) indicates portion of county

The asterisk (*) indicates the designation and boundary for this intended unclassifiable area represents a modification to the attainment designation and unspecified boundary that you have recommended.

Based on ambient air quality data collected between 2012 and 2014 indicating a violation of the 2010 SO₂ NAAQS, the EPA initially identified the area around the Hess Corp Tioga Gas Plant in Tioga, North Dakota, as one that would potentially create the obligation for us to designate by July 2, 2016. However, EPA has since discovered that the monitor reading violations near the Tioga Gas Plant contained certain performance evaluation flaws, was not certified by either the state or the EPA, and should ultimately be considered non-regulatory for each year in the 2012-2014 design value period. Similarly, the design value period between 2013 and 2015 cannot be relied upon for the purposes of making a designation as the 2013 and 2014 data are non-regulatory. For these reasons, the area around the gas plant is not subject to the July 2, 2016, deadline for designation under the court order. We intend to designate the area by December 31, 2020, based on regulatory ambient monitoring near the Tioga Gas Plant.

The enclosed Technical Support Document provides a detailed analysis that supports our intended designation decisions. If your state has additional information that the EPA should consider prior to finalizing these designations, please submit it to us by April 19, 2016. We also will be publishing a notice in the Federal Register announcing a 30-day period for the public to provide input on the EPA’s intended designation decisions. We will promulgate the designations for these areas by July 2, 2016. We will designate all other previously undesignated areas in the state on a schedule consistent with the prescribed timing of the court order, i.e., by December 31, 2017, or December 31, 2020.

We look forward to a continued dialogue with you and your staff as we work together to complete the area designations and implement the 2010 primary SO₂ standard. For additional information regarding designations under the SO₂ standard, please visit our website at www.epa.gov/so2designations. Should you have any questions, please do not hesitate to call me, or have your staff contact Carl Daly of my staff at (303) 312-6416 or daly.carl@epa.gov.

Sincerely,

Shaun L. McGrath
Regional Administrator

Enclosure

cc: Dave Glatt
Environmental Health Section Chief, North Dakota Department of Health

Terry O'Clair
Director, Division of Air Quality

Janet G. McCabe, Acting Assistant Administrator for Air and Radiation
Stephen D. Page, Director, Office of Air Quality Planning and Standards