

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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JUL 17 2013

Mr. David Brymer
Director, Air Quality Division
Texas Commission on Environmental Quality
Post Office Box 13087, MC-206
Austin, Texas 78711-3087

Dear Mr. Brymer:

The purpose of this letter is to notify you that the U.S. Environmental Protection Agency (EPA) will soon announce in the *Federal Register* (FR) our determination that the Motor Vehicle Emissions Budgets (MVEBs *or* budgets) contained in the latest revisions to the Houston/Galveston/Brazoria (HGB) 1997 8-hour Ozone State Implementation Plan (SIP) are adequate for transportation conformity purposes. These revisions incorporate the latest available demographic projections into the MVEBs and establish the modeled budget years. The budgets will become effective 15 days after the *Federal Register* publication date.

In a letter dated May 6, 2013, Chairman Bryan W. Shaw submitted to the EPA the HGB area 1997 8-hour Ozone Reasonable Further Progress (RFP) and Attainment Demonstration (AD) SIPs, both of which contain new MVEBs. The RFP SIP contains new MVEBs for 2008 (261.95 tons per day (tpd) for nitrogen oxides (NOx); and 102.50 tpd for volatile organic compounds (VOCs)), 2011 (234.92 tpd NOx, 93.56 tpd VOCs), 2014 (171.63 tpd NOx, 71.56 tpd VOCs), 2017 (130.00 tpd NOx, 59.76 tpd VOCs), and 2018 (120.99 tpd NOx, 57.02 tpd VOCs). The AD SIP contains new MVEBs for 2018 (103.34 tpd NOx, 50.13 tpd VOCs).

The EPA is required to make a determination that the MVEBs are consistent with the applicable SIP control strategy, and we have followed the procedure for doing so per 40 CFR 93.118(e)(4). The availability of these SIP revisions was posted on the EPA's website for the purpose of soliciting public comments on the budgets. The revised MVEBs were made available for public review and comment on May 14, 2013. The EPA received no comment by the close of the comment period on June 13, 2013. We have determined the budgets submitted in these SIP revisions are adequate for transportation conformity purposes and, upon the effective date of the subsequent FR Notice of Adequacy, they must be used in future transportation conformity determinations. We will be posting our determination on the EPA's website in addition to announcing it in the FR.

The EPA has considered these budgets in light of the current status of the Clean Air Interstate Rule (CAIR) and the Cross State Air Pollution Rule (CSAPR). The U.S. Court of Appeals for the D.C. Circuit issued a decision on July 11, 2008 to vacate and remand CAIR. See North Carolina v. EPA, 531 F.3d 896 (D.C. Cir. 2008). On December 23, 2008, the court granted the EPA's motion for rehearing and revised its prior decision. The court remanded CAIR to the EPA for further rulemaking, and without vacatur to "at least temporarily preserve the environmental values" of the rule. North Carolina v. EPA, 550F.3d 1176, 1178 (D.C. Cir. 2008).

On August 8, 2011 (76 FR 48208), the EPA finalized the CSAPR as a replacement for the remanded CAIR rule.

On August 21, 2012, the D₂C. Circuit issued a decision to vacate and remand CSAPR to the EPA. <u>EME Homer City Generation, L.P.</u> v. EPA, 696 F.3d 7 (D.C. Cir. 2012). The court also ordered the EPA to continue to administer CAIR pending the promulgation of a valid replacement. On June 24, 2013, the U.S. Supreme Court granted certiorari to review the D.C. Circuit's vacatur of CSAPR in response to petitions filed by EPA and other parties.

The EPA is continuing to administer CAIR in accordance with the August 2012 decision.

The EPA has reviewed these MVEBs in light of the remand of CAIR, the vacatur of CSAPR and the Court's order that the EPA continue administering CAIR. The EPA has concluded that the budgets meet the conformity rule's adequacy criteria found at 40 CFR 93.118(e)(4). In particular, the EPA has concluded that the budgets satisfy the requirements of 40 CFR 93.118(e)(4)(iv), which requires that the budget(s), when considered together with all other emissions sources, is consistent with applicable requirements for the RFP and demonstration of attainment. The EPA bases its conclusion on the MVEBs being clearly derived from the on-road mobile source emissions inventories developed by the state for these RFP and the AD SIP revisions.

If you have any questions concerning this action, please contact me at (214) 665-7200 or Guy Donaldson of my staff at (214) 665-7242.

Sincerely Yours,

Wren Stenger

Director

Multimedia Planning and

Permitting Division

cc: Mr. Alan Clark

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