



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
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ATLANTA, GEORGIA 30303-8960

MAR 22 2016

Charles G. Snavelly
Secretary
Energy and Environment Cabinet
Capital Plaza Tower, 12th Floor
500 Metro Street
Frankfort, Kentucky 40601

Dear Mr. Snavelly:

On behalf of the U.S. Environmental Protection Agency, I would like to thank you for the January 7, 2016, submittal for the Commonwealth of Kentucky identifying sources to be characterized under the sulfur dioxide (SO₂) Data Requirements Rule (DRR).¹ I am writing to respond to your submittal and provide additional information about the next steps in this source characterization effort, which will result in important data that states and the EPA will use to protect public health.

On August 21, 2015, the EPA finalized the DRR, which requires state air agencies to characterize ambient SO₂ levels in areas with large sources of SO₂ emissions to help implement the 1-hour SO₂ National Air Ambient Quality Standard (NAAQS). Under the DRR, state air agencies must, at a minimum, model or monitor air quality around sources that emit 2,000 tons per year (tpy) or more of SO₂ and that are not located in an area already designated nonattainment. For a source listed because it emitted more than 2,000 tpy, an air agency may avoid this requirement by adopting federally enforceable emission limits by January 13, 2017, that ensures the source will emit less than 2,000 tpy of SO₂.

Under the DRR implementation schedule, state air agencies were required to submit to the EPA by January 15, 2016, a list that identifies all sources within its jurisdiction with SO₂ emissions of 2,000 tpy or more during the most recent year for which emissions data are available. Air agencies or the EPA may also include additional sources on a state's source list with SO₂ emissions below 2,000 tpy to ensure that air quality around such sources is appropriately characterized.

The EPA has reviewed your agency's submittal and is identifying additional sources that the DRR requires to be characterized (i.e., "applicable sources").

The available information indicates that your submittal did not include all sources of SO₂ with emissions at or in excess of 2,000 tpy that are not located in a nonattainment area. Accordingly, the EPA is adding the following sources to your state's list of applicable sources under the DRR:

¹ "Data Requirements Rule for the 2010 1-Hour Sulfur Dioxide (SO₂) Primary National Ambient Air Quality Standard (NAAQS); Final Rule," 80 *Federal Register* 51052, August 21, 2015.

Sources	County	Most recent emissions data
Louisville Gas & Electric Co. – Cane Run Station	Jefferson	8,762 tpy

The next key milestone for purposes of DRR implementation is July 1, 2016, the date by which each air agency must identify, for each listed source, the approach it will use to characterize air quality in the respective area (air quality modeling, ambient monitoring, or establishment of a federally enforceable emission limit).

For sources that an air agency decides to evaluate through air quality modeling, the DRR requires the air agency to submit to the EPA Regional Administrator a modeling protocol by July 1, 2016, and the completed modeling analysis by January 13, 2017. For sources that an air agency decides to evaluate through ambient monitoring, the air agency will need to identify appropriate sites to characterize peak 1-hour SO₂ concentrations, and may need to relocate existing monitors or install new monitors at such sites. As further required under the DRR, the air agency must submit information about monitoring sites to the EPA Regional Administrator by July 1, 2016, as part of its annual monitoring network plan and in accordance with the EPA's monitoring requirements specified in 40 CFR part 58. The air agency must also ensure that ambient monitors will be operational by January 1, 2017.

As noted earlier, in lieu of characterizing air quality around a source with SO₂ emissions at or above 2,000 tpy, air agencies may indicate by the July 1, 2016, deadline that they will adopt federally enforceable emissions limitations that will limit the SO₂ emissions of a source to below 2,000 tpy. Such limits must be adopted and effective by January 13, 2017. The DRR requires that an air agency provide a description of the requirements and emission limits that the air agency intends to apply for the affected sources in their July 1, 2016, submittal. Additionally, for those applicable sources with planned shut downs, the air agency would need to indicate by July 1, 2016, that it will provide the EPA with supporting documentation confirming that the source will be permanently shut down by January 13, 2017 based on a federally enforceable mechanism.

We look forward to a continued dialogue with you and your staff as you prepare the required submittals that are due on July 1, 2016. To assist in this process, we are available to discuss any technical issues that you may have concerning either modeling or monitoring in order to assist you in meeting this requirement.

Please note that a copy of each state air agency's submittal and a compiled national list of sources subject to DRR requirements are posted on EPA's SO₂ implementation website at www3.epa.gov/airquality/sulfurdioxide/implement.html. We also plan to post this letter on that site and to update the compiled national list with the sources added by this letter as described above in the near future.

Again, thank you for your letter and for your efforts to implement this important standard. For additional information concerning the DRR, please visit our SO₂ implementation website listed above. 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 Beverly Banister of my staff at (404) 562-9326 or banister.beverly@epa.gov.

Sincerely,

A handwritten signature in blue ink that reads "Heather McTeer Toney". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Heather McTeer Toney
Regional Administrator

cc: Bruce Scott, KYDEP
Sean Alteri, KYDEP
Keith Talley, Louisville APCD