Findings of Failure to Submit State Implementation Plan Revisions in Response to the 2016 Oil and Natural Gas Industry Control Techniques Guidelines for the 2008 Ozone National Ambient Air Quality Standards (NAAQS) and for States in the Ozone Transport Region

FACT SHEET

ACTION

 On October 29, 2020, the U.S. Environmental Protection Agency (EPA) found that California, Connecticut, New York, Pennsylvania, and Texas failed to submit State Implementation Plan (SIP) revisions in a timely manner to satisfy the Clean Air Act's reasonably available control technology requirements (RACT) associated with EPA's 2016 Oil and Natural Gas Industry Control Techniques Guidelines (CTG). This RACT requirement applies to nonattainment areas and the states in the Ozone Transport Region (OTR) for the 2008 ozone National Ambient Air Quality Standards (NAAQS). The table below lists the specific nonattainment areas and states affected by this action:

| State | 2008 Ozone NAAQS Nonattainment area/OTR State | Classification |
|-------|--|----------------|
| CA | San Diego County nonattainment area | Serious |
| СТ | Greater Connecticut nonattainment area | Serious |
| СТ | CT portion of New York-N. New Jersey-Long Island nonattainment area | Serious |
| СТ | CT—OTR state | OTR |
| NY | NY portion of New York-N. New Jersey-Long Island nonattainment area | Serious |
| NY | NY—OTR state | OTR |
| РА | PA—OTR state | OTR |
| ТХ | Dallas-Fort Worth nonattainment area | Serious |
| ТХ | Houston-Galveston-Brazoria nonattainment area | Serious |

- These findings of failure to submit establish a 24-month deadline for EPA to either approve SIPs or finalize Federal Implementation Plans (FIPs) that address the CTG in each area or OTR state.
- This action also establishes timelines for the implementation of two mandatory sanctions that will begin if the named states do not submit complete SIPs to address the CTG.
 - 1. Eighteen months after the effective date of these findings, a 2-to-1 offset ratio for the nonattainment New Source Review (NSR) permitting program will go into effect, such that for every unit of volatile organic compounds (VOC) or nitrogen oxide (NOx) emissions a new or modified source will contribute to the nonattainment area or OTR state, two units must be reduced.
 - 2. Six months after the date of offset sanctions, federal highway funding may be withheld in nonattainment areas. For the OTR states, such highway sanctions would only apply in nonattainment areas in those states. If the OTR state does not contain any nonattainment areas, then the highway sanctions would not apply in that state.
- EPA is committed to working with California, Connecticut, New York, Pennsylvania, and Texas to expedite the development and submission of the required SIP revisions addressing the Oil and Natural Gas Industry CTG for these areas and OTR states, and to review and act on their submissions in accordance with the requirements of the Clean Air Act.

BACKGROUND

- On October 27, 2016, the U.S. EPA issued final CTGs for reducing smog-forming volatile organic compound (VOC) emissions from existing oil and natural gas industry equipment and processes. Sections 182 and 184 of the Clean Air Act (CAA) require states to implement Reasonably Available Control Technology (RACT) to limit VOC emissions from existing sources covered by a CTG. States were required to submit to EPA revisions to their SIPs adopting RACT for the affected sources by October 27, 2018.
- In March 2018, the EPA proposed to withdraw the CTG, however, on June 30, 2020 the EPA formally announced in the U.S. Office of Management and Budget's Spring 2020 Unified Agenda and Regulatory Plan that the CTG will remain in place as published on October 27, 2016.
- Therefore, SIP revisions were due from the areas classified as Moderate or higher ozone nonattainment areas for the 2008 ozone standards (see <u>https://www3.epa.gov/airquality/greenbook/hnc.html</u>) and the states that comprise the Ozone Transport Region (OTR): Connecticut, District of Columbia, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Virginia, and Vermont.
- Nonattainment areas and/or states subject to this RACT SIP requirement without any oil and natural gas sources covered by the control techniques guidelines in their jurisdictions were required to make a SIP submission that could be comprised of a "negative declaration" stating as much.

• EPA is finding that California, Connecticut, New York, Pennsylvania, and Texas failed to submit the SIP revision required in response to the CTG for reducing smog-forming VOC emissions from existing oil and natural gas industry equipment and processes.

FOR MORE INFORMATION

- To download this action from EPA's website, go to <u>https://www.epa.gov/ground-level-ozone-pollution/2008-ozone-national-ambient-air-quality-standards-naaqs-nonattainment.</u>
- The official version of this rule will be published in the *Federal Register*.
- Today's action and other background information are also available either electronically at http://www.regulations.gov, the EPA's electronic public docket and comment system, or in hardcopy at the EPA Docket Center's Public Reading Room. (Docket ID EPA-HQ-OAR-2020-0377).
- The Public Reading Room is located in the EPA Headquarters, Room Number 3334 in the William Jefferson Clinton West Building, located at 1301 Constitution Avenue, NW, Washington, D.C. Hours of operation are 8:30 a.m. to 4:30 p.m. eastern standard time, Monday through Friday, excluding federal holidays.
- Out of an abundance of caution for members of the public and our staff, the EPA Docket Center and Reading Room are closed to the public, with limited exceptions, to reduce the risk of transmitting COVID-19. Our Docket Center staff will continue to provide remote customer service via email, phone, and webform. For further information on EPA Docket Center services and the current status, please visit us online at <u>https://www.epa.gov/dockets</u>.
- Visitors are required to show photographic identification, pass through a metal detector, and sign the EPA visitor log. All visitor materials will be processed through an x-ray machine as well. Visitors will be provided a badge that must be visible at all times.
- For further information about this action, contact Mr. C.W. Stackhouse of EPA's Office of Air Quality Planning and Standards at (919) 541-5208 or by email at *stackhouse.butch@epa.gov*