

Fact Sheet
EPA Proposed Action on San Joaquin Valley
1-hour Ozone Plan and Associated Rules

June 30, 2009

Proposed Action on SJV 1-hour Ozone Plan

- EPA is proposing to approve the majority of the San Joaquin Valley's (SJV) plan for meeting the 1-hour ozone standard by its Clean Air Act deadline of November 2010. We are proposing to disapprove the plan's contingency provisions. These proposals are based on an extensive review of the plan and the local and State air pollution control measures supporting the plan.
- This is the second time EPA is proposing action on SJV's plan for meeting the 1-hour ozone standard. After reviewing comments made by the public on our initial proposal last October, EPA determined that we needed to further evaluate the plan and rules associated with it and to provide the public with an additional opportunity to comment.
- The Clean Air Act (CAA) requires that air quality plans include contingency measures that provide for continuing emission reductions should an area fail to attain by its required deadline. EPA is proposing to disapprove the contingency provisions in the SJV plan because the plan does not show sufficient emission reductions for contingency purposes.
- This plan also lays the foundation for eventual attainment of the more protective 8-hour ozone standard in the Valley, while not specifically addressing that standard. EPA will take action on 8-hour ozone plans in the future.

Proposed Action on Rules Associated with the SJV 1-hour Ozone Plan

- In addition to the proposed action on the SJV 1-hour ozone plan, EPA is proposing action on rules in concert with the plan, as follows.

1. Rules on which EPA, in separate rulemakings, is proposing approval or has recently proposed approval include the following:

- ARB diesel and gasoline fuels rule revisions,
- ARB consumer products rule revisions,
- SJV Rule 4103 Open Burning,
- SJV Rule 4603 Surface Coating of Metal Parts and Products,
- SJV Rule 4604 Can and Coil Coating Operations,
- SJV Rule 4606 Wood Products and Flat Wood Paneling Products Coating Operations,
- SJV Rule 4607 Graphic Arts and Paper, Film, Foil and Fabric Coatings,
- SJV Rule 4612 Motor Vehicle and Mobile Equipment Coating Operations – Phase II,

- SJV Rule 4621 Gasoline Transfer into Stationary Storage Containers, Delivery Vessels, and Bulk Plants,
- SJV Rule 4622 Gasoline Transfer Into Motor Vehicle Fuel Tanks,
- SJV Rule 4624 Transfer of Organic Liquid,
- SJV Rule 4651 Soil Decontamination Operations,
- SJV Rule 4653 Adhesives,
- SJV Rule 4662 Organic Solvent Degreasing Operations,
- SJV Rule 4663 Organic Solvent Cleaning, Storage, and Disposal, and
- SJV Rule 4703 Stationary Gas Turbines.

2. Rules on which EPA, in separate rulemakings, is proposing limited approval/disapproval include the following:

- SJV Rule 3170 Federally Mandated Ozone Nonattainment Fee,
- SJV Rule 4401 Steam-Enhanced Crude Oil Production Wells,
- SJV Rule 4570 Confined Animal Facilities,
- SJV Rule 4605 Aerospace Assembly and Component Manufacturing Operations, and
- SJV Rule 4684 Polyester Resin Operations.

Discussion of EPA Proposed Action on Selected Rules

1. Proposed Limited Approval/Disapproval of SJV Rule 4570 Confined Animal Facilities.

- EPA is proposing limited approval of the SJV rule to reduce volatile organic compound (VOC) emissions from confined animal facilities (CAFs). The SJV CAF rule is the first rule in the nation written specifically to control VOCs from CAFs, and is projected to reduce approximately 18 tons per day of VOC emissions.
- EPA is simultaneously proposing limited disapproval of this rule because it does not cover all major poultry sources (i.e., sources with 400,000 – 650,000 chickens). It also does not adequately demonstrate that large poultry and swine operations implement all reasonably available control technology (RACT) requirements.
- While EPA recommends additional rule revisions regarding dairies, beef feedlot and other cattle operations, we are proposing to defer a decision on whether the rule meets RACT for those operations pending results from the National Air Emissions Monitoring Study (NAEMS).

- The CAFs subject to the rule include:

<u>Livestock Category</u>	<u>Rule Applicability Limit</u>	<u># of Facilities Subject to Rule</u>
Dairy	1,000 lactating cows	550
Beef Feedlot	3,500 beef cattle	12
Other Cattle	7,500 cattle	-
Chickens	650,000 head	32
Turkeys	100,000 head	35
Swine	3,000 head	1

- The rule allows selection from a menu of mitigation measures for controlling VOCs specific to each animal sector.
- NAEMS is a \$14.8 million industry funded analysis of animal feeding operation (AFO) emissions at 25 sites nationwide that EPA is overseeing. Monitoring began in July 2007 and data collection and analyses should be completed by May 2010. EPA expects to release emission estimating methodologies by November 2011. Once methodologies are developed, EPA will determine whether appropriate national standards for AFOs should be developed.

2. Proposed Limited Approval/Limited Disapproval of SJV Rule 3170 Federally Mandated Ozone Nonattainment Fee

- EPA is proposing a limited approval of SJV Rule 3170, which establishes fees for large industrial and commercial air pollution sources if the area fails to meet the 1-hour ozone standard by 2010.
- EPA is simultaneously proposing a limited disapproval of this rule because it deviates from CAA requirements in a few respects. For example, it exempts from fees emission units that recently installed pollution controls and emission units constructed after 2010. While we appreciate the rationale for such exemptions, further rule modifications are needed before EPA can approve them.

3. Proposed Action on Updated Air Resources Board (ARB) Fuels and Smog Check Rules.

- EPA is proposing to approve California's current rules for gasoline and diesel fuel. California gasoline reduces vehicle emissions below federal standards and most recently was revised to allow increased amounts of ethanol as a fuel additive without increasing emissions. The California diesel fuel program is similar to the federal program except that it applies to nonroad vehicles sooner than the federal requirements.
- EPA soon expects to propose action on the latest version of California's Smog Check rule. The state operates an enhanced Smog Check program in the most polluted areas of the state and a basic program throughout most of the rest of the state. Nearly 25

million passenger vehicles are subject to the state's Smog Check program every two years.

Next Steps

- We are asking for the public to comment on the various proposals. Comments will be taken for 30 days after each proposal is published in the Federal Register.
- EPA expects to finalize action on the plan by November 13, 2009, consistent with a consent decree. EPA also expects to finalize action on the rules by that date.
- If finalized, the disapprovals of portions of the plan and rules will start a sanctions and FIP clock; however, EPA plans to continue to work with the State, SJV Air District and stakeholders to revise the plan and rules and avoid the sanctions and FIP.