



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
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Ref: 8RA

JUL 31 2008

MEMORANDUM

SUBJECT: Non-Concurrence – Final Agency Review (FAR) Workgroup for the Prevention of Significant Deterioration New Source Review Refinements of Increment Modeling Procedures Rulemaking

FROM: Carol Rushin, Acting Regional Administrator
Region 8

Handwritten signature of Carol Rushin in black ink.

TO: Bharat Mathur, Acting Regional Administrator
Region 5 (Sub Lead Region for New Source Review)

This memorandum responds to Region 5's request for Regional review of the Prevention of Significant Deterioration New Source Review: Refinements of Increment Modeling Procedures rulemaking. Region 5 is representing the Regions in the FAR workgroup process for this rulemaking. Therefore, I am providing you with my decision to non-concur on the Refinements of Increment Modeling Procedures rulemaking. As discussed below, Region 8 has had long-standing concerns with the inappropriate discretion the rulemaking would provide a reviewing authority for calculating increment consumption.

Our primary concerns on the draft final Refinements of Increment Modeling Procedures rulemaking concern the two key air dispersion modeling issues discussed below.

1) Annual average emissions to calculate short term increment consumption:

In 2002, we noted that an increment consumption analysis prepared by the State of North Dakota to support its SIP adequacy evaluation used annual average sulfur dioxide (SO₂) emissions for all major and minor stationary sources to calculate 3-hour, 24-hour, and annual average increment consumption, and that this approach fails to protect the statutory 3-hour and 24-hour increments. Averaging the concentrations over longer time periods eliminates short-term concentration peaks, which the 3-hour and 24-hour average increments are meant to protect. We commented to the State that its approach significantly underestimated increment consumption, especially for the short-time period averages, which are usually the first, and most often, violated increment standards. EPA's Refinements of Increment Modeling Procedures rulemaking would allow emissions to be estimated for sources that consume PSD increment in a manner consistent with the approach North Dakota used for its increment analysis.

2) Time periods used to define baseline emissions:

In 2002, we commented to North Dakota that the baseline emission estimates it prepared for its SO₂ increment consumption analysis overstated the level of baseline emissions. The State's baseline emissions calculations included SO₂ emissions emitted after the minor source baseline date. We noted that the PSD program is intended to prevent air quality degradation from all sources measured from a specific date (the baseline date). If source emissions were calculated using different time periods the emission estimates would not match with what the sources were contributing to the ambient concentration in the baseline year. However, the Refinements of Increment Modeling Procedures rulemaking would allow emissions to be based on a different time period than the 24 months preceding a baseline date (including the use of periods after the baseline date) if it is determined by the reviewing authority that such a period is more representative of normal source operation. This inappropriate discretion would allow baseline emission estimates to be calculated in the same way North Dakota used for its increment analysis.

Our position on these modeling issues is in the public record. As discussed above, Region 8 provided extensive comments (see attached) to North Dakota on the increment consumption analysis it conducted that supported its determination that increment standards for SO₂ had not been exceeded.

If your staff has any questions related to my decision to non-concur with this rulemaking, or with this memo or the other concerns outlined in our 2002 comments, please have them contact Callie Videtich, Director of Region 8's Air Program at 303-312-6434. Thank you for coordinating Regional review on this rule and representing the Regions at the FAR workgroup meeting.

Attachment

cc: Cheryl Newton, Region 5