Furthermore, the emission standards under the CPS, which are based on group averaging, remain unchanged, except that the averaging method for determining compliance with the SO\textsubscript{2} emission standard will become more stringent, because the averaging will exclude natural gas units.

Therefore, the proposed revisions to CPS in Part 225 are approvable under Section 110(l) because: (1) There are no proposed changes to any SIP emission limits, except to make the SO\textsubscript{2} limit more stringent; (2) the conversion of the EGUs from coal to natural gas will result in a significant decrease in emissions of SO\textsubscript{2}, NO\textsubscript{x}, and reductions in emissions of PM; and (3) the changes are consistent with Illinois’ long-term strategy for making reasonable progress toward meeting the visibility goals of Section 169A of the CAA contained in the state’s regional haze rules.

III. What action is EPA taking?

EPA is proposing to approve the revisions to the Illinois air pollution control rules at 35 IAC Part 225, specifically, sections 225.291, 225.292, 225.293, 225.295 (except for 225.295(a)(4)), and 225.296 (except for 225.296(d)) and 225. Appendix A. Illinois EPA submitted the revisions to Part 225 on June 23, 2016, and submitted supplemental information on January 9, 2017.

Illinois’ final rule also included revisions to Parts 214 (Sulfur limitations) and 217 (Nitrogen oxide emissions), and other sections of the Part 225 rules. EPA is not taking any action on those revisions, and, as noted above, Illinois’ addition of 35 IAC 225.295(a)(4).

IV. Incorporation by Reference

In this rule, EPA is proposing to include in a final EPA rule regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is proposing to incorporate by reference revisions to Title 35 of Illinois Administrative Code Rule Part 225—Control of Emissions from Large Combustion Sources, sections 225.291, 225.292, 225.293, 225.295 (except for 225.295(a)(4)), and 225.296 (except for 225.296(d)) and 225. Appendix A, effective December 7, 2015. EPA has made, and will continue to make, these documents generally available through www.regulations.gov and/or at the EPA Region 5 Office (please contact the person identified in the FOR FURTHER INFORMATION CONTACT section of this preamble for more information).

V. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a).

Thus, in reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved under the 2012 fine particulate matter (PM\textsubscript{2.5}) NAAQS.

EPA is proposing to approve the SIP submission (audio, video, etc.) must be accompanied by a written comment.

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[FR Doc. 2017–18502 Filed 8–30–17; 8:45 am]

BILLING CODE 6560–50–P

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides.


Robert A. Kaplan,
Acting Regional Administrator, Region 5.

[FR Doc. 2017–18502 Filed 8–30–17; 8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[FR Doc. 2017–18502 Filed 8–30–17; 8:45 am]

Air Plan Approval; Indiana; Infrastructure SIP Requirements for the 2012 PM\textsubscript{2.5} NAAQS

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve elements of a state implementation plan (SIP) submission from Indiana regarding the infrastructure requirements of section 110 of the Clean Air Act (CAA) for the 2012 fine particulate matter (PM\textsubscript{2.5}) National Ambient Air Quality Standards (NAAQS). The infrastructure requirements are designed to ensure that the structural components of each state’s air quality management program are adequate to meet the state’s responsibilities under the CAA.

DATES: Comments must be received on or before October 2, 2017.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R05–OAR–2016–0343 at http://www.regulations.gov, or via email to aburano.douglas@epa.gov. For comments submitted at Regulations.gov, follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from Regulations.gov. For either manner of submission, EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment.
The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (i.e. on the web, cloud, or other file sharing system). For additional submission methods, please contact the person identified in the FOR FURTHER INFORMATION CONTACT section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit http://www2.epa.gov/dockets/commenting-epa-dockets.

FOR FURTHER INFORMATION CONTACT: Eric Svingen, Environmental Engineer, Attainment, Planning and Maintenance Section, Air Programs Branch (AR–18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 353–4489, svingen.eric@epa.gov.

SUPPLEMENTARY INFORMATION:
Throughout this document whenever “we,” “us,” or “our” is used, we mean EPA. This supplementary information section is arranged as follows:

I. What is the background of this SIP submission?
II. What guidance is EPA using to evaluate this SIP submission?
III. What is EPA’s analysis of this SIP submission?
IV. What action is EPA taking?
V. Statutory and Executive Order Reviews

I. What is the background of this SIP submission?

A. What state submission does this rulemaking address?

In this rulemaking, EPA is proposing to take action on a June 10, 2016, submission from the Indiana Department of Environmental Management (IDEM) intended to address all applicable infrastructure requirements for the 2012 PM$_{2.5}$ NAAQS. On December 28, 2016, IDEM supplemented this submission with additional documentation intended to address the transport requirements of Section 110(a)(2)(D) for the 2012 PM$_{2.5}$ NAAQS; EPA will take action on this supplement in a separate rulemaking.

B. Why did the state make this SIP submission?

Under section 110(a)(1) and (2) of the CAA, states are required to submit infrastructure SIPs to ensure that their SIPs provide for implementation, maintenance, and enforcement of the NAAQS. These submissions must contain any revisions needed for meeting the applicable SIP requirements of section 110(a)(2), or certifications that their existing SIPs for the NAAQS already meet those requirements.

EPA highlighted this statutory requirement in an October 2, 2007, guidance document entitled “Guidance on SIP Elements Required Under Sections 110(a)(1) and (2) for the 1997 8-hour Ozone and PM$_{2.5}$ ‘National Ambient Air Quality Standards’” (2007 Guidance) and has issued additional guidance documents, the most recent on September 13, 2013, entitled “Guidance on Infrastructure State Implementation Plan (SIP) Elements under CAA Sections 110(a)(1) and (2)” (2013 Guidance). The SIP submission referenced in this rulemaking pertains to the applicable requirements of section 110(a)(1) and (2), and addresses the 2012 PM$_{2.5}$ NAAQS.

C. What is the scope of this rulemaking?

EPA is acting upon the SIP submission from Indiana that addresses the infrastructure requirements of CAA section 110(a)(1) and (2) for the 2012 PM$_{2.5}$ NAAQS. The requirement for states to make SIP submissions of this type arises out of CAA section 110(a)1, which states that states must make SIP submissions “within 3 years (or such shorter period as the Administrator may prescribe) after the promulgation of a national primary ambient air quality standard (or any revision thereof),” and these SIP submissions are to provide for the “implementation, maintenance, and enforcement” of such NAAQS. The statute directly imposes on states the duty to make these SIP submissions, and the requirement to make the submissions is not conditioned upon EPA’s taking any action other than promulgating a new or revised NAAQS. Section 110(a)(2) includes a list of specific elements that “[e]ach such plan” submission must address.

EPA has historically referred to these SIP submissions made for the purpose of satisfying the requirements of CAA section 110(a)(1) and (2) as “infrastructure SIP” submissions. Although the term “infrastructure SIP” does not appear in the CAA, EPA uses the term to distinguish this particular type of SIP submission from submissions that are intended to satisfy other SIP requirements under the CAA, such as SIP submissions that address the nonattainment planning requirements of part D and the prevention of significant deterioration (PSD) requirements of part C of title I of the CAA, and “regional haze SIP” submissions required to address the visibility protection requirements of CAA section 169A.

In this rulemaking, EPA will not take action on three substantive areas of section 110(a)(2): (i) Existing provisions related to excess emissions during periods of start-up, shutdown, or malfunction (“SSM”) at sources, that may be contrary to the CAA and EPA’s policies addressing such excess emissions; (ii) existing provisions related to “director’s variance” or “director’s discretion” that purport to permit revisions to SIP approved emissions limits with limited public notice or without requiring further approval by EPA, that may be contrary to the CAA; and, (iii) existing provisions for PSD programs that may be inconsistent with current requirements of EPA’s “Final NSR Improvement Rule,” 67 FR 80186 (December 31, 2002), as amended by 72 FR 32526 (June 13, 2007) (“NSR Reform”). Instead, EPA has the authority to address each one of these substantive areas in separate rulemakings. A detailed history, interpretation, and rationale as they relate to infrastructure SIP requirements can be found in EPA’s May 13, 2014, proposed rule entitled, “Infrastructure SIP Requirements for the 2008 Lead NAAQS” in the section, “What is the scope of this rulemaking?” (see 79 FR 27241 at 27242–27245).

II. What guidance is EPA using to evaluate this SIP submission?

EPA’s guidance for this infrastructure SIP submission is embodied in the 2007 Guidance referenced above. Specifically, attachment A of the 2007 Guidance (Required Section 110 SIP Elements) identifies the statutory elements that states need to submit in order to satisfy the requirements for an infrastructure SIP submission. As discussed above, EPA issued additional guidance, the most recent being the 2013 Guidance that further clarifies aspects of infrastructure SIPs that are not NAAQS specific.

III. What is EPA’s analysis of this SIP submission?

Pursuant to section 110(a), states must provide reasonable notice and opportunity for public hearing for all infrastructure SIP submissions. On April 26, 2016, IDEM opened a 30-day comment period, and provided the opportunity for public hearing. No comments or requests for public hearing were received. Indiana provided a detailed synopsis of how various components of its SIP meet each of the applicable
requirements in section 110(a)(2) for the 2012 PM$_{2.5}$ NAAQS, as applicable. The following review evaluates the state’s submission.

A. Section 110(a)(2)(A)—Emission Limits and Other Control Measures

This section requires SIPs to include enforceable emission limits and other control measures, means or techniques, schedules for compliance, and other related matters. EPA has long interpreted emission limits and control measures for attaining the standards as being due when nonattainment planning requirements are due. In the context of an infrastructure SIP, EPA is not evaluating the existing SIP provisions for this purpose. Instead, EPA is only evaluating whether the state’s SIP has basic structural provisions for the implementation of the NAAQS.

IDEM’s authority to adopt emissions standards and compliance schedules is found at Indiana Code (IC) 13–14–8, IC 13–17–3–4, IC 13–17–3–11, and IC 13–17–3–14. To maintain the 2012 PM$_{2.5}$ NAAQS, Indiana implements controls and emission limits for particulate matter in 326 Indiana Administrative Code (IAC) 6. Additionally, Indiana provides emission limits for Clark, Dearborn, Dubois, Howard, Marion, St. Joseph, Vanderburgh, Vigo, and Wayne counties at 326 IAC 6.5, and Lake County at 326 IAC 6.8. EPA proposes that Indiana has met the infrastructure SIP requirements of section 110(a)(2)(A) with respect to the 2012 PM$_{2.5}$ NAAQS. As previously noted, EPA is not proposing to approve or disapprove any existing state provisions or rules related to SSM or director’s discretion in the context of section 110(a)(2)(A).

B. Section 110(a)(2)(B)—Ambient Air Quality Monitoring/Data System

This section requires SIPs to include provisions to provide for establishing and operating ambient air quality monitors, collecting and analyzing ambient air quality data, and making these data available to EPA upon request. This review of the annual monitoring plan includes EPA’s determination that the state: (i) Monitors air quality at appropriate locations throughout the state using EPA-approved Federal Reference Methods or Federal Equivalent Method monitors; (ii) submits data to EPA’s Air Quality System (AQS) in a timely manner; and, (iii) provides EPA Regional Offices with prior notification of any planned changes to monitoring sites or the network plan.

IDEM continues to operate an air monitoring network; EPA approved the state’s 2017 Annual Air Monitoring Network Plan on October 31, 2016, including the plan for PM$_{2.5}$. IDEM enters air monitoring data into AQS, and the state provides EPA with prior notification when changes to its monitoring network or plan are being considered. EPA proposes that Indiana has met the infrastructure SIP requirements of section 110(a)(2)(B) with respect to the 2012 PM$_{2.5}$ NAAQS.

C. Section 110(a)(2)(C)—Program for Enforcement of Control Measures; PSD

States are required to include a program providing for enforcement of all SIP measures and the regulation of construction of new or modified stationary sources to meet new source review (NSR) requirements under PSD and nonattainment at NSR (NNSR) programs. IC 13–17–3–3 addresses PSD, while part D of the CAA (sections 171–193) addresses NNSR requirements.

The evaluation of each state’s submission addressing the infrastructure SIP requirements of section 110(a)(2)(C) covers: (i) Enforcement of SIP measures; (ii) PSD provisions that explicitly identify oxides of nitrogen (NO$_x$) as a precursor to ozone in the PSD program; (iii) identification of precursors to PM$_{2.5}$ and the identification of PM$_{2.5}$ and PM$_{10}$ condensables in the PSD program; (iv) PM$_{2.5}$ increments in the PSD program; and, (v) greenhouse gas (GHG) permitting and the “Tailoring Rule.”

Sub-Element 1: Enforcement of SIP Measures

IDEM maintains an enforcement program to ensure compliance with SIP requirements. IC 13–14–1–12 provides the Commissioner with the authority to enforce rules “consistent with the purpose of the air pollution control laws.” Additionally, IC 13–14–2–7 and IC 13–17–3–3 provide the Commissioner with the authority to assess civil penalties and obtain compliance with any applicable rule a board has adopted in order to enforce air pollution control laws. Lastly, IC 13–14–10–2 allows for an emergency restraining order that prevents anyone from causing, or introducing contaminants, that cause or contribute to air pollution. EPA proposes that Indiana has met the enforcement of SIP measures requirements of section 110(a)(2)(C) with respect to the 2012 PM$_{2.5}$ NAAQS.

Sub-Element 2: PSD Provisions That Explicitly Identify NO$_x$ as a Precursor to Ozone in the PSD Program

EPA’s “Final Rule to Implement the 8-Hour Ozone National Ambient Air Quality Standard—Phase 2; Final Rule to Implement Certain Aspects of the 1990 Amendments Relating to New Source Review (NSR) Program, Prevailing Construction Standards, and Significant Deterioration (SD) As They Apply in Carbon Monoxide, Particulate Matter, and Ozone NAAQS; Final Rule for Reformulated Gasoline” (Phase 2 Rule) was published on November 29, 2005 (see 70 FR 71612). Among other requirements, the Phase 2 Rule obligated states to revise their PSD programs to explicitly identify NO$_x$ as a precursor to ozone (70 FR 71612 at 71679, 71699–71700). This requirement was codified in 40 CFR 51.166.

The Phase 2 Rule required that states submit SIP revisions incorporating the requirements of the rule, including these specific NO$_x$ as a precursor to ozone provisions, by June 15, 2007 (see 70 FR 71612 at 71683, November 29, 2005).

EPA approved revisions to Indiana’s PSD SIP reflecting these requirements on July 2, 2014 (see 79 FR 37646, July 2, 2014), and therefore proposes that Indiana has met this set of infrastructure SIP requirements of section 110(a)(2)(C) with respect to the 2012 PM$_{2.5}$ NAAQS.

Sub-Element 3: Identification of Precursors to PM$_{2.5}$ and PM$_{10}$ Condensables in the PSD Program

On May 16, 2008 (see 73 FR 28321), EPA issued the Final Rule on the “Implementation of the New Source Review (NSR) Program for Particulate Matter Less than 2.5 Micrometers (PM$_{2.5}$)” (2008 NSR Rule). The 2008 NSR Rule finalized several new requirements for SIPs to address sources that emit direct PM$_{2.5}$ and other pollutants that contribute to secondary

2 See, e.g., EPA’s final rule on “National Ambient Air Quality Standards for Lead.” 73 FR 66964 at 67084.
PM$_{2.5}$ formation. One of these requirements is for NSR permits to address pollutants responsible for the secondary formation of PM$_{2.5}$ otherwise known as precursors. In the 2008 rule, EPA identified precursors to PM$_{2.5}$ for the PSD program to be SO$_2$ and NOX (unless the state demonstrates to the Administrator’s satisfaction or EPA demonstrates that NOX emissions in an area are not a significant contributor to that area’s ambient PM$_{2.5}$ concentrations). The 2008 NSR Rule also specifies that volatile organic compounds (VOCs) are not considered to be precursors to PM$_{2.5}$ in the PSD program unless the state demonstrates to the Administrator’s satisfaction or EPA demonstrates that emissions of VOCs in an area are significant contributors to that area’s ambient PM$_{2.5}$ concentrations.

The explicit references to SO$_2$, NOX, and VOCs as they pertain to secondary PM$_{2.5}$ formation are codified at 40 CFR 51.166(b)(49)(i)(b) and 40 CFR 52.21(b)(50)(i)(b). As part of identifying pollutants that are precursors to PM$_{2.5}$, the 2008 NSR Rule also required states to revise the definition of “significant” as it relates to a net emissions increase or the potential of a source to emit pollutants. Specifically, 40 CFR 51.166(b)(23)(i) and 40 CFR 52.21(b)(23)(i) define “significant” for PM$_{2.5}$ to mean the following emissions rates: 10 tpy of direct PM$_{2.5}$; 40 tpy of SO$_2$; and 40 tpy of NOX (unless the state demonstrates to the Administrator’s satisfaction or EPA demonstrates that NOX emissions in an area are not a significant contributor to that area’s ambient PM$_{2.5}$ concentrations). The deadline for states to submit SIP revisions to their PSD programs incorporating these changes was May 16, 2011 (see 73 FR 28321 at 28341, May 16, 2008).

The 2008 NSR Rule did not require states to immediately account for gases that could condense to form particulate matter, known as condensables, in PM$_{2.5}$ and PM$_{10}$ emission limits in NSR permits. Instead, EPA determined that states had to account for PM$_{2.5}$ and PM$_{10}$ condensables for applicability determinations and in establishing emissions limitations for PM$_{2.5}$ and PM$_{10}$ in PSD permits beginning on or after January 1, 2011. This requirement is codified in 40 CFR 51.166(b)(49)(ii)(a) and 40 CFR 52.21(b)(50)(ii)(a). Revisions to states’ PSD programs incorporating the inclusion of condensables were required before submittal to EPA by May 16, 2011 (see 73 FR 28321 at 28341, May 16, 2008).

EPA approved revisions to Indiana’s PSD SIP reflecting these requirements on July 2, 2014 (see 79 FR 37646), and therefore proposes that Indiana has met this set of infrastructure SIP requirements of section 110(a)(2)(C) with respect to the 2012 PM$_{2.5}$ NAAQS.

Sub-Element 4: PM$_{2.5}$ Increments in the PSD Program

On October 20, 2010, EPA issued the final rule on the “Prevention of Significant Deterioration (PSD) for Particulate Matter Less Than 2.5 Micrometers (PM$_{2.5}$)—Increments, Significant Impact Levels (SILs) and Significant Monitoring Concentration (SMC)” (2010 NSR Rule). This rule established several components for making PSD permitting determinations for PM$_{2.5}$, including a system of “increments” which is the mechanism used to estimate significant deterioration of ambient air quality for a pollutant. These increments are codified in 40 CFR 51.166(c) and 40 CFR 52.21(c), and are included in the table below.

<table>
<thead>
<tr>
<th>Subelement</th>
<th>Description</th>
<th>Annual arithmetic mean</th>
<th>24-Hour max</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class I</td>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Class II</td>
<td></td>
<td>4</td>
<td>9</td>
</tr>
</tbody>
</table>

The 2010 NSR Rule also established a new “major source baseline date” for PM$_{2.5}$ as October 20, 2010, and a new trigger date for PM$_{2.5}$ as October 20, 2011. These revisions are codified in 40 CFR 51.166(b)(14)(i)(c) and (b)(14)(ii)(c), and 40 CFR 52.21(b)(14)(i)(c) and (b)(14)(ii)(c). Lastly, the 2010 NSR Rule revised the definition of “baseline area” to include a level of significance of 0.3 micrograms per cubic meter, annual average, for PM$_{2.5}$. This change is codified in 40 CFR 51.166(b)(15)(i) and 40 CFR 52.21(b)(15)(i).

On July 12, 2012, and supplemented on December 12, 2012, IDEM submitted revisions intended to address the increments established by the 2010 NSR Rule for incorporation into the SIP, as well as the revised major source baseline date, trigger date, and baseline area level of significance for PM$_{2.5}$. IDEM also requested that these revisions satisfy any applicable infrastructure SIP requirements related to PSD. Specifically, revisions to 326 IAC 2–2–6(b) contain the Federal increments for PM$_{2.5}$. 326 IAC 2–2–1(i)(a)(3) contains the new major source baseline date for PM$_{2.5}$ of October 20, 2010, 326 IAC 2–2–1(i)(a) contains the new trigger date for PM$_{2.5}$ of October 20, 2011, and 326 IAC 2–2–1(i)(a) contains the new baseline area level of significance for PM$_{2.5}$. It should be noted that Indiana’s submitted revisions explicitly include only the PM$_{2.5}$ increments as they apply to Class II areas, and not the PM$_{2.5}$ increments as they apply to Class I or Class III areas. However, Indiana’s requested revisions specify that if areas in the state are classified as Class I or III in the future, it would require that, pursuant to 40 CFR 52.21, those PSD increments be adhered to.

On August 11, 2014 (79 FR 46709), EPA finalized approval of the applicable infrastructure SIP PSD revisions; therefore, we are proposing that Indiana has met this set of infrastructure SIP requirements of section 110(a)(2)(C) with respect to the 2012 PM$_{2.5}$ NAAQS.

Sub-Element 5: GHG Permitting and the “Tailoring Rule”

With respect to the requirements of section 110(a)(2)(C) as well as section 110(a)(2)(F), EPA interprets the CAA to...
require each state to make an infrastructure SIP submission for a new or revised NAAQS that demonstrates that the state has a complete PSD permitting program meeting the current requirements for all regulated NSR pollutants. The requirements of element D(i)(II) may also be satisfied by demonstrating the air agency has a complete PSD permitting program correctly addressing all regulated NSR pollutants. Indiana has shown that it currently has a PSD program in place that covers all regulated NSR pollutants, including GHGs.

On June 23, 2014, the United States Supreme Court issued a decision addressing the application of PSD permitting requirements to GHG emissions. Utility Air Regulatory Group v. Environmental Protection Agency, 134 S.Ct. 2427. The Supreme Court said that the EPA may not treat GHGs as an air pollutant for purposes of determining whether a source is a major source required to obtain a PSD permit. The Court also said that the EPA could continue to require that PSD permits, otherwise required based on emissions of pollutants other than GHGs, contain limitations on GHG emissions based on the application of Best Available Control Technology (BACT).

In order to act consistently with its understanding of the Court’s decision pending further judicial action to effectuate the decision, the EPA is not continuing to apply EPA regulations that would require that SIPs include permitting requirements that the Supreme Court found impermissible. Specifically, EPA is not applying the requirement that a state’s SIP-approved PSD program require that sources obtain PSD permits when GHGs are the only pollutant (i) that the source emits or has the potential to emit above the major source thresholds, or (ii) for which there is a significant emissions increase and a significant net emissions increase from a modification (e.g., 40 CFR 51.166(b)(48)(v)).

EPA anticipates a need to revise Federal PSD rules in light of the Supreme Court opinion. In addition, EPA anticipates that many states will revise their existing SIP-approved PSD programs in light of the Supreme Court’s decision. The timing and content of subsequent EPA actions with respect to the EPA regulations and state PSD program approvals are expected to be informed by additional legal process before the United States Court of Appeals for the District of Columbia Circuit. At this juncture, EPA is not expecting to have revised their PSD programs for purposes of infrastructure SIP submissions and is only evaluating such submissions to assure that the state’s program correctly addresses GHGs consistent with the Supreme Court’s decision.

The Court also said that the EPA could continue to require that PSD permits that EPA does not consider necessary at this time in light of the Supreme Court decision.

For the purposes of the 2012 PM2.5 NAAQS infrastructure SIPs, EPA reiterates that NSR reform regulations are not within the scope of these actions. Therefore, we are not taking action on existing NSR reform regulations for Indiana. EPA approved Indiana’s minor NSR program on October 7, 1994 (see 59 FR 51108), and most recently approved revisions to the program on March 16, 2015 (see 80 FR 13493). IDEM and EPA rely on the minor NSR program to ensure that new and modified sources not captured by the major NSR permitting programs do not interfere with attainment and maintenance of the 2012 PM2.5 NAAQS.

Certain sub-elements in this section overlap with elements of section 110(a)(2)(D)(i), section 110(a)(2)(E) and section 110(a)(2)(J). These links will be discussed in the appropriate areas below.

D. Section 110(a)(2)(D)— Interstate Transport

Section 110(a)(2)(D)(i)(II) requires SIPs to include provisions prohibiting any source or other type of emissions activity in one state from interfering with measures required to prevent significant deterioration of air quality or to protect visibility in another state.

EPA notes that Indiana’s satisfaction of the applicable infrastructure SIP PSD requirements for the 2012 PM2.5 NAAQS has been detailed in the section addressing section 110(a)(2)(C). EPA further notes that the proposed actions in that section related to PSD are consistent with the proposed actions related to PSD for section 110(a)(2)(D)(i)(II), and they are reiterated below.

EPA has previously approved revisions to Indiana’s SIP that incorporate the PM2.5 increments and the associated implementation regulations including the major source baseline date, trigger date, and level of significance for PM2.5 per the 2010 NSR Rule. EPA is proposing that Indiana’s SIP contains provisions that adequately address the 2012 PM2.5 NAAQS.

States also have an obligation to ensure that sources and programs within nonattainment areas do not interfere with a neighboring state’s PSD program. One way that this requirement can be satisfied is through an NNSR program consistent with the CAA that addresses any pollutants for which there is a designated nonattainment area within the state.

Indiana’s EPA-approved NNSR regulations are contained in 326 IAC 2–3, and are consistent with 40 CFR 51.165. Therefore, EPA proposes that Indiana has met all of the applicable PSD requirements for the 2012 PM2.5 NAAQS related to section 110(a)(2)(D)(i)(II).

With regard to the applicable requirements for visibility protection of section 110(a)(2)(D)(i)(II), states are subject to visibility and regional haze program requirements under part C of the CAA (which includes sections 169A and 169B). The 2013 Memo states that these requirements can be satisfied by an approved SIP addressing reasonably attributable visibility impairment, if required, or an approved SIP addressing regional haze. In this rulemaking, EPA is not proposing to approve or disapprove Indiana’s satisfaction of the
visibility protection requirements of section 110(a)(2)(D)(i)(II) for the 2012 PM2.5 NAAQS. Instead, EPA will evaluate Indiana’s compliance with these requirements in a separate rulemaking.7 Section 110(a)(2)(D)(ii) requires each SIP to contain adequate provisions requiring compliance with the applicable requirements of section 126 and section 115 (relating to interstate and international pollution abatement, respectively).

Section 126(a) requires new or modified sources to notify neighboring states of potential impacts from the source. The statute does not specify the method by which the source should provide the notification. States with SIP-approved PSD programs must have a provision requiring such notification by new or modified sources. A lack of such a requirement in state rules would be grounds for disapproval of this element. Indiana has provisions in its EPA-approved PSD program in 326 IAC 2–2–2 requiring new or modified sources to notify neighboring states of potential negative air quality impacts, and has referenced this program as having adequate provisions to meet the requirements of section 126(a). EPA is proposing that Indiana has met the infrastructure SIP requirements of section 126(a) with respect to the 2012 PM2.5 NAAQS.

Sub-Element 2: State Board Requirements Under Section 128 of the CAA

Section 110(a)(2)(E) also requires each SIP to contain provisions that comply with the state board requirements of section 128 of the CAA. That provision contains two explicit requirements: (i) That any board or body which approves permits or enforcement orders under this chapter shall have at least a majority of members who represent the public interest and do not derive any significant portion of their income from persons subject to permits and enforcement orders under this chapter, and (ii) that any potential conflicts of interest by members of such board or body or the head of an executive agency with similar powers be adequately disclosed.

On November 29, 2012, IDEM submitted rules regarding its Environmental Rules Board at IC 13–13–8 for incorporation into the SIP, pursuant to section 128 of the CAA.

E. Section 110(a)(2)(E)—Adequate Resources

This section requires each state to provide for adequate personnel, funding, and legal authority under state law to carry out its SIP, and related issues. Section 110(a)(2)(E)(ii) also requires each state to comply with the requirements respecting state boards under section 128.

Sub-Element 1: Adequate Personnel, Funding, and Legal Authority Under State Law To Carry Out Its SIP, and Related Issues

Indiana’s biennial budget and its environmental performance partnership agreement with EPA document funding and personnel levels for IDEM every two years. As discussed in earlier

sections, IC 13–14–1–12 provides the Commissioner of IDEM with the authority to enforce air pollution control laws. Furthermore, IC 13–14–8, IC 13–17–3–11, and IC 13–17–3–14 contain the authority for IDEM to adopt air emissions standards and compliance schedules. EPA proposes that Indiana has met the infrastructure SIP requirements of this portion of section 110(a)(2)(E) with respect to the 2012 PM2.5 NAAQS.

F. Section 110(a)(2)(F)—Stationary Source Monitoring System

States must establish a system to monitor emissions from stationary sources and submit periodic emissions reports. Each plan shall also require the installation, maintenance, and replacement of equipment, and the implementation of other necessary steps, by owners or operators of stationary sources to monitor emissions from such sources. The state plan shall also require periodic reports on the nature and amounts of emissions and emissions-related data from such sources, and correlation of such reports by each state agency with any emission limitations or standards established pursuant to this chapter. Lastly, the reports shall be available at reasonable times for public inspection.

The Indiana state rules for monitoring requirements are contained in 326 IAC 3. Additional emissions reporting requirements are found in 326 IAC 2–6. Emission reports are available upon request by EPA or other interested parties. EPA proposes that Indiana has satisfied the infrastructure SIP requirements of section 110(a)(2)(F) with respect to the 2012 PM2.5 NAAQS.

G. Section 110(a)(2)(G)—Emergency Powers

This section requires that a plan provide for authority that is analogous to what is provided in section 303 of the CAA, and adequate contingency plans to implement such authority. The 2013 Memo states that infrastructure SIP submissions should specify authority, rested in an appropriate official, to restrain any source from causing or contributing to emissions which present an imminent and substantial endangerment to public health or welfare, or the environment.

326 IAC 1–5 establishes air pollution episode levels based on concentrations of criteria pollutants. This rule requires that emergency reduction plans be submitted to the Commissioner of IDEM by major air pollution sources, and

---

7 Indiana does have an approved regional haze plan for non-ECUs. Indiana’s plan for ECUs relied on the Clean Air Interstate Rule that has been recently superseded by the Cross State Air Pollution Rule to which Indiana EGU sources are also subject.
these plans must include actions that will be taken when each episode level is declared, to reduce or eliminate emissions of the appropriate air pollutants. Similarly, under IC 13–17–4, Indiana also has the ability to declare an air pollution emergency and order all persons causing or contributing to the conditions warranting the air pollution emergency to immediately reduce or discontinue emission of air contaminants. EPA proposes that Indiana has met the applicable infrastructure SIP requirements of section 110(a)(2)(G) related to authority to implement measures to restrain sources from causing or contributing to emissions which present an imminent and substantial endangerment to public health or welfare, or the environment with respect to the 2012 PM$_{2.5}$ NAAQS.

H. Section 110(a)(2)(H)—Future SIP Revisions

This section requires states to have the authority to revise their SIPs in response to changes in the NAAQS, availability of improved methods for attaining the NAAQS, or to an EPA finding that the SIP is substantially inadequate.

IDEM continues to update and implement needed revisions to Indiana’s SIP as necessary to meet ambient air quality standards. As discussed in previous sections, authority to adopt emissions standards and compliance schedules is found at IC 13–4–8, IC 13–17–3–4, IC 13–17–3–11, and IC 13–17–3–14. EPA proposes that Indiana has met the infrastructure SIP requirements of section 110(a)(2)(H) with respect to the 2012 PM$_{2.5}$ NAAQS.

I. Section 110(a)(2)(I)—Nonattainment Area Plan or Plan Revisions Under Part D

The CAA requires that each plan or plan revision for an area designated as a nonattainment area meet the applicable requirements of part D of the CAA. Part D relates to nonattainment areas.

EPA has determined that section 110(a)(2)(I) is not applicable to the infrastructure SIP process. Instead, EPA notes that the proposed actions for those sections are consistent with the proposed actions for this portion of section 110(a)(2)(I).

Therefore, EPA proposes that Indiana has met all of the infrastructure SIP requirements for PSD associated with section 110(a)(2)(D)(J) for the 2012 PM$_{2.5}$ NAAQS.

Sub-Element 4: Visibility Protection

With regard to the applicable requirements for visibility protection, states are subject to visibility and regional haze program requirements under part C of the CAA (which includes sections 169A and 169B). In the event of the establishment of a new NAAQS, however, the visibility and regional haze program requirements under part C do not change. Thus, we find that there is no new visibility obligation “triggered” under section 110(a)(2)(J) when a new NAAQS becomes effective. In other words, the visibility protection requirements of section 110(a)(2)(J) are not germane to infrastructure SIPs for the 2012 PM$_{2.5}$ NAAQS.

K. Section 110(a)(2)(K)—Air Quality Modeling/Data

SIPs must provide for performing air quality modeling for predicting effects on air quality of emissions from any NAAQS pollutant and submission of such data to EPA upon request.

IDEM continues to review the potential impact of all major and some minor new and modified sources using computer models. Indiana’s rules regarding air quality modeling are contained in 326 IAC 2–2–4, 326 IAC 2–2–5, 326 IAC 2–2–6, and 326 IAC 2–2–7. These modeling data are available to EPA or other interested parties upon request. EPA proposes that Indiana has met the infrastructure SIP requirements of section 110(a)(2)(K) with respect to the 2012 PM$_{2.5}$ NAAQS.

L. Section 110(a)(2)(L)—Permitting Fees

This section requires SIPs to mandate each major stationary source to pay permitting fees to cover the cost of reviewing, approving, implementing, and enforcing a permit.

IDEM implements and operates the title V permit program, which EPA approved on December 4, 2001 (66 FR 62969); revisions to the program were approved on August 13, 2002 (67 FR 52615). In addition to the title V permit program, IDEM’s EPA-approved PSD program, specifically contained in 326 IAC 2–1–07, contains the provisions, requirements, and structures associated with the costs for reviewing, approving, implementing, and enforcing various types of permits. EPA proposes that Indiana has met the infrastructure SIP requirements of section 110(a)(2)(L) with respect to the 2012 PM$_{2.5}$ NAAQS.
M. Section 110(a)(2)(M)—Consultation/Participation by Affected Local Entities

States must consult with and allow participation from local political subdivisions affected by the SIP. Any IDEM rulemaking procedure contained in IC 13–14–9 requires public participation in the SIP development process. In addition, IDEM ensures that the public hearing requirements of 40 CFR 51.102 are satisfied during the SIP development process. EPA proposes that Indiana has met the infrastructure SIP requirements of section 110(a)(2)(M) with respect to the 2012 PM$_{2.5}$ NAAQS.

IV. What action is EPA taking?

EPA is proposing to approve most elements of a submission from Indiana certifying that its current SIP is sufficient to meet the required infrastructure elements under sections 110(a)(1) and (2) for the 2012 PM$_{2.5}$ NAAQS. EPA’s proposed actions for the state’s satisfaction of infrastructure SIP requirements, by element of section 110(a)(2) are contained in the table below.

<table>
<thead>
<tr>
<th>Element</th>
<th>2012 PM$_{2.5}$</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A)—Emission limits and other control measures</td>
<td>A</td>
</tr>
<tr>
<td>(B)—Ambient air quality monitoring/data system</td>
<td>A</td>
</tr>
<tr>
<td>(C1)—Program for enforcement of control measures</td>
<td>A</td>
</tr>
<tr>
<td>(C2)—PSD</td>
<td>A</td>
</tr>
<tr>
<td>(D1)—I Prong 1: Interstate transport—significant contribution</td>
<td>NA</td>
</tr>
<tr>
<td>(D2)—I Prong 2: Interstate transport—interstate highway maintenance</td>
<td>NA</td>
</tr>
<tr>
<td>(D3)—II Prong 3: Interstate transport—prevention of significant deterioration</td>
<td>NA</td>
</tr>
<tr>
<td>(D4)—II Prong 4: Interstate transport—protect visibility</td>
<td>NA</td>
</tr>
<tr>
<td>(D5)—Interstate and international pollution abatement</td>
<td>NA</td>
</tr>
<tr>
<td>(E1)—Adequate resources</td>
<td>A</td>
</tr>
<tr>
<td>(E2)—State board requirements</td>
<td>A</td>
</tr>
<tr>
<td>(F)—Stationary source monitoring system</td>
<td>A</td>
</tr>
<tr>
<td>(G)—Emergency power</td>
<td>A</td>
</tr>
<tr>
<td>(H)—Future SIP revisions</td>
<td>A</td>
</tr>
<tr>
<td>(I)—Nonattainment planning requirements of part D</td>
<td>A</td>
</tr>
<tr>
<td>(J1)—Consultation with government officials</td>
<td>A</td>
</tr>
<tr>
<td>(J2)—Public notification</td>
<td>A</td>
</tr>
<tr>
<td>(J3)—PSD</td>
<td>A</td>
</tr>
<tr>
<td>(J4)—Visibility protection</td>
<td>A</td>
</tr>
<tr>
<td>(K)—Air quality modeling/data</td>
<td>A</td>
</tr>
<tr>
<td>(L)—Permitting fees</td>
<td>A</td>
</tr>
<tr>
<td>(M)—Consultation and participation by affected local entities</td>
<td>A</td>
</tr>
</tbody>
</table>

In the above table, the key is as follows:

A Approve. No Action/Seperate Rulemaking. NA No germane to infrastructure SIP.

V. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

• Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
• Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.);
• Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.);
• Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
• Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
• Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
• Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
• Is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
• Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Particulate matter, Reporting and recordkeeping requirements.


Robert A. Kaplan, Acting Regional Administrator, Region 9.

[FR Doc. 2017–18503 Filed 8–30–17; 8:45 am]
BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52


Approval of Nevada Air Plan Revisions, Washoe Oxygenated Fuels Program

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve a revision to the Nevada State Implementation Plan (SIP). This revision concerns emissions of carbon monoxide (CO) from passenger vehicles. We are proposing to approve the suspension of a local rule that regulated these emission sources under the Clean Air Act (CAA or the Act). We are taking comments on this proposal and plan to follow with a final action.

DATES: Any comments must arrive by October 2, 2017.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R09– OAR–2017–0154 at http://www.regulations.gov, or via email to Buss.Jeffrey@epa.gov. For comments submitted at Regulations.gov, follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from Regulations.gov. For either manner of submission, the EPA may publish any comment received in its public docket. Do not submit electronically any information you consider to be