



ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R03-OAR-2008-0603; FRL-9824-6]

Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Philadelphia County Reasonably Available Control Technology under the 1997 8-Hour Ozone National Ambient Air Quality Standard; Withdrawal and New Issuance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule; withdrawal and new issuance.

SUMMARY: On August 26, 2008, EPA published a proposed rule to approve a revision to the Commonwealth of Pennsylvania (Pennsylvania) State Implementation Plan (SIP) submitted by the Pennsylvania Department of Environmental Protection (PADEP) on behalf of Philadelphia Air Management Services (AMS). The SIP revision, submitted to EPA on September 29, 2006 (the 2006 SIP revision), consists of a demonstration that Philadelphia County is meeting the requirements of reasonably available control technology (RACT) of the Clean Air Act (CAA) for nitrogen oxides (NO_x) and volatile organic compounds (VOC) under the 1997 8-hour ozone national ambient air quality standard (NAAQS). EPA has determined that it cannot proceed with the final approval of the 2006 SIP revision. In light of the decision of the United States Court of Appeals for the District of Columbia (the Court) regarding EPA's Phase 2 Ozone Implementation Rule, EPA cannot approve that compliance with a cap-and-trade program satisfies the NO_x RACT requirement for electric generating units (EGUs) in Philadelphia County, as presumed in the 2006 SIP revision. In addition, upon further review, EPA has determined that the 2006 SIP revision does not adequately address the RACT requirements under the 1997 8-hour ozone NAAQS for the major sources of VOC and NO_x for which EPA has previously approved source-specific RACT determinations under the 1-hour ozone NAAQS.

Therefore, EPA is withdrawing its August 26, 2008 proposed rule to approve Philadelphia County's 1997 8-hour RACT demonstration. On June 22, 2010, PADEP submitted another SIP revision (the 2010 SIP revision) that consists of AMS regulations to address specific RACT requirements for Philadelphia County. EPA is proposing conditional approval of Philadelphia County 1997 8-hour ozone RACT demonstration provided in the 2006 and 2010 SIP revisions, based upon AMS' commitment to submit additional SIP revisions addressing source-specific RACT controls for major sources of VOC and NO_x in Philadelphia County. This proposed action and the withdrawal action are being taken under the Clean Air Act (CAA).

DATES: The proposed rule published on August 26, 2008 (73 FR 50270) is withdrawn as of [insert date 30 days from date of publication]. Written comments on EPA's proposed conditional approval action must be received on or before [insert date 30 days from date of publication].

ADDRESSES: Submit your comments, identified by Docket ID Number **EPA-R03-OAR-2008-0603** by one of the following methods:

- A. www.regulations.gov. Follow the on-line instructions for submitting comments.
- B. E-mail: fernandez.cristina@epa.gov.
- C. Mail: **EPA-R03-OAR-2008-0603**, Cristina Fernandez, Associate Director, Office of Air Program Planning, Mailcode 3AP30, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103.
- D. Hand Delivery: At the previously-listed EPA Region III address. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. **EPA-R03-OAR-2008-0603**. EPA's policy is that all comments received will be included in the public docket without change, and may be made available online at www.regulations.gov, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through www.regulations.gov or e-mail. The www.regulations.gov website is an “anonymous access” system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment directly to EPA without going through www.regulations.gov, your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD-ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

Docket: All documents in the electronic docket are listed in the www.regulations.gov index. Although listed in the index, some information is not publicly available, i.e., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically in www.regulations.gov or

in hard copy during normal business hours at the Air Protection Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103. Copies of the State submittal are available at the Department of Public Health, Air Management Services, 321 University Avenue, Philadelphia, Pennsylvania 19104. Copies are also available at Pennsylvania Department of Environmental Protection, Bureau of Air Quality Control, P.O. Box 8468, 400 Market Street, Harrisburg, Pennsylvania 17105.

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SUPPLEMENTARY INFORMATION: On September 29, 2006, and on June 22, 2010, PADEP submitted on behalf of AMS two SIP revisions for Philadelphia County addressing the requirements of RACT under the 1997 8-hour ozone NAAQS.

I. Background

Ozone is formed in the atmosphere by photochemical reactions between VOC, NO_x, and carbon monoxide (CO) in the presence of sunlight. In order to reduce ozone concentrations in the ambient air, the CAA requires all nonattainment areas to apply controls on VOC and NO_x emission sources to achieve emission reductions. Among effective control measures, RACT controls are a major group for reducing VOC and NO_x emissions from stationary sources.

Since the 1970's, EPA has consistently interpreted RACT to mean the lowest emission limit that a particular source is capable of meeting by the application of the control technology that is reasonably available considering technological and economic feasibility (*See* 72 FR 20586 at 20610, April 25, 2007). Section 172(c)(1) of the CAA provides that SIPs for nonattainment areas must include reasonably available control measures (RACM) for attainment of the NAAQS, including emissions reductions from existing sources through adoption of RACT. Section 182(a)(2)(A) of the CAA referred to as RACT fix-up requires the correction of RACT rules for which EPA identified deficiencies before the CAA was amended in 1990. Philadelphia County has no deficiencies to correct under this section of the CAA.

Section 182(b)(2) and (f) of the CAA requires that moderate (or worse) ozone nonattainment areas, as well as marginal and attainment areas in the ozone transport region (OTR) established pursuant to section 184 of the CAA, implement RACT controls on all major VOC and NO_x emission sources (point sources) and on all sources and source categories covered by a control technique guideline (CTG) issued by EPA. A major source in a nonattainment area is defined as any stationary source that emits or has the potential to emit NO_x and VOC emissions above a certain applicability threshold that is based on the ozone nonattainment classification of the area: marginal, moderate, serious, or severe. (*See* "major stationary source" in 40 CFR 51.165).

Philadelphia County was designated under the 1-hour ozone NAAQS as part of the Philadelphia-Wilmington-Trenton severe ozone nonattainment area. *See* 56 FR 56694, at 56822 (November 6, 1991). The entire Commonwealth of Pennsylvania is also part of the OTR established under

section 184 of the CAA. Therefore, Philadelphia County was subject to the CAA RACT requirements under the 1-hour ozone NAAQS. As a result, PADEP and AMS implemented numerous RACT controls applicable in Philadelphia County to meet the RACT requirements.

On July 18, 1997 (62 FR 38856), EPA promulgated an 8-hour ozone NAAQS. On April 30, 2004, Philadelphia County was designated under the 1997 8-hour ozone NAAQS as part of the Philadelphia-Wilmington-Atlantic City moderate ozone nonattainment area. *See* 69 FR 23858, at 23931 (April 30, 2004). Therefore, PADEP is required to submit to EPA, on behalf of AMS, a SIP revision that addresses how Philadelphia County meets the RACT requirements under the 1997 8-hour ozone standard. Implementation of RACT controls is required in Philadelphia County for each category of VOC sources covered by a CTG document issued by EPA and all other major stationary sources of NO_x and VOC.

On November 29, 2005 (70 FR 71612), EPA published an ozone implementation rule to address nonattainment SIP requirements for the 1997 8-hour ozone NAAQS (the Phase 2 Ozone Implementation Rule). This rule addressed various statutory requirements, including the requirement for RACT level controls for sources located within nonattainment areas generally, and controls for NO_x emissions from EGUs in particular. In the Phase 2 Ozone Implementation Rule, EPA specifically required that states meet the RACT requirements under the 1997 8-hour ozone NAAQS, either through a certification that previously adopted RACT controls in their SIP revisions approved by EPA under the 1-hour ozone NAAQS continue to represent adequate RACT control levels for 8-hour attainment purposes, or through the adoption of new or more

stringent regulations that represent RACT control levels. *See* 70 FR 71655 (November 29, 2005).

As set forth in the preamble to the Phase 2 Ozone Implementation Rule, a certification must be accompanied by appropriate supporting information such as consideration of information received during the public comment period and consideration of new data. This information may supplement existing RACT guidance documents that were developed for the 1-hour standard, such that the state's SIP accurately reflects RACT for the 1997 8-hour ozone standard based on the current availability of technically and economically feasible controls. Adoption of new RACT regulations will occur when states have new stationary sources not covered by existing RACT regulations, or when new data or technical information indicates that a previously adopted RACT measure does not represent a newly available RACT control level. Another 1997 8-hour ozone NAAQS requirement for RACT is to submit a negative declaration if there are no CTG major sources of VOC and NO_x emissions within the nonattainment area in lieu of or in addition to a certification.

For addressing interstate transport of ozone pollution, EPA determined in the Phase 2 Ozone Implementation Rule that the regional NO_x emissions reductions that result from either the NO_x SIP Call or the Clean Air Interstate Rule (CAIR) would meet the NO_x RACT requirement for EGUs located in states included within the respective geographic regions. Thus, EPA concluded that the states need not perform a NO_x RACT analysis for sources subject to the state's emission cap-and-trade program where the cap-and-trade program has been adopted by the state and

approved by EPA as meeting the NO_x SIP Call requirements or, in states achieving the CAIR reductions solely from EGUs, the CAIR NO_x requirements.

In November 2008, several parties challenged EPA's Phase 2 Ozone Implementation Rule. In particular, EPA's determination that compliance with the NO_x SIP Call could satisfy NO_x RACT requirements for EGUs in nonattainment areas was challenged. As a result of this litigation, the Court decided that the provisions in the Phase 2 Ozone Implementation Rule providing that a state need not perform (or submit) a NO_x RACT analysis for EGU sources subject to a cap-and-trade program in accordance with the NO_x SIP Call were inconsistent with the statutory requirements of section 172(c)(1) of the CAA. Because regionwide RACT-level reductions in emissions do not meet the statutory requirement that the reductions be from sources in the nonattainment area, the Court found that EPA has not shown that compliance with the NO_x SIP Call will result in at least RACT-level reductions in emissions from sources within each nonattainment area. *See NRDC v. EPA*, 571 F.3d 1245 (D.C. Cir. 2009).

II. EPA's Rationale for Withdrawal of Proposed Approval and Proposal of Conditional Approval

On September 29, 2006, PADEP submitted on behalf of AMS a SIP revision for Philadelphia County to meet the RACT requirements for the 1997 8-hour ozone NAAQS. The 2006 SIP revision consists of a demonstration that Philadelphia County has met the RACT requirements for NO_x and VOC, and includes: (1) A certification that previously adopted RACT controls in Pennsylvania's SIP that were approved by EPA for Philadelphia County under the 1-hour ozone

NAAQS are based on the currently available technically and economically feasible controls, and continue to represent RACT for the 8-hour implementation purposes; (2) the adoption of federally enforceable permits that represent RACT control levels for four major VOC sources; and (3) a negative declaration that certain VOC sources do not exist in Philadelphia County.

On August 26, 2008 (73 FR 50270), EPA published a notice of proposed rulemaking (NPR) proposing approval of the 2006 SIP revision. However, the 2006 SIP revision relies on the NO_x SIP Call to meet the NO_x RACT requirements for EGUs. In light of the Court decision regarding the Phase 2 Ozone Implementation Rule, EPA has determined it cannot approve the presumption in the 2006 SIP submittal that the NO_x SIP Call constitutes RACT for EGU sources in Philadelphia County. Thus, AMS needs to perform a NO_x RACT analysis for sources that in the 2006 SIP revision relied on the NO_x SIP Call to satisfy Philadelphia County's NO_x RACT requirements.

Upon further review, EPA also determined that the 2006 SIP revision does not specifically and sufficiently address if the source-specific RACT controls for 46 major sources in Philadelphia County that were previously approved in the SIP under the 1-hour ozone NAAQS continue to represent RACT under the 1997 8-hour ozone NAAQS. Therefore, to satisfy the major source RACT requirement for the 1997 8-hour ozone NAAQS, AMS needs to either: (1) Provide a certification that previously adopted source-specific RACT controls approved by EPA in Pennsylvania's SIP under the 1-hour ozone NAAQS for major sources in Philadelphia County (as listed in 40 CFR 52.2020(d)(1)) continue to adequately represent RACT for the 1997 8-hour

ozone NAAQS, or (2) perform a source-specific RACT analysis for each source which controls are not currently adequately representing RACT under the 1997 8-hour ozone standard.

On June 22, 2010, PADEP submitted another SIP revision addressing Philadelphia County's RACT requirements under the 1997 8-hour ozone standard. The 2010 SIP revision consists of: (1) The adoption of two regulations to meet CTG RACT requirements, and (2) a negative declaration for a CTG source category.

Since the 2006 SIP revision relies on the NO_x SIP Call to meet the NO_x RACT requirements for EGUs and it does not specifically and sufficiently address the source-specific RACT determinations for 46 major sources that were previously approved under the 1-hour ozone standard, EPA has determined that it cannot proceed with the final approval of this SIP revision. Therefore, EPA is withdrawing its August 26, 2008 proposed rule (73 FR 50270) to approve the 2006 SIP revision.

Nevertheless, in this rulemaking action, EPA is proposing conditional approval of Philadelphia County's 1997 8-hour ozone RACT demonstration provided in the 2006 and 2010 SIP revisions, based upon a commitment from AMS to submit additional SIP revisions to provide source-specific RACT determinations for certain major sources of VOC and NO_x in Philadelphia County, and a certification that previously adopted source-specific RACT controls approved by EPA in the Pennsylvania's SIP under the 1-hour ozone NAAQS for the remaining sources in Philadelphia County (as listed in 40 CFR 52.2020(d)(1)) continue to adequately represent RACT

for the 1997 8-hour ozone NAAQS. Pursuant to section 110(k)(4) of the CAA, on April 26, 2013, PADEP submitted on behalf of AMS a letter committing to submit SIP revisions to address source-specific RACT controls under the 1997 8-hour ozone standard for Philadelphia County.

III. Summary of SIP revisions

A. CTG RACT Controls and Negative Declarations

In the 2006 SIP revision, in lieu of adopting regulations to address VOC CTG RACT requirements, Federally-enforceable permits were included for the following four major VOC sources in Philadelphia County: (1) Philadelphia Gas Works- Richmond Station, (2) Philadelphia Energy Solutions Refinery (formerly Sunoco Philadelphia Refinery), (3) Aker Philadelphia Shipyard, and (4) Sunoco Chemicals. In Section 4 of the 2006 SIP revision, AMS certified that these permits established RACT controls that are as stringent as EPA's presumptive RACT provided in the applicable CTG documents for the specific source categories. Table 1 identifies the four major VOC sources and the applicable CTG RACT requirements covered by these permits.

Table 1. Affected VOC Sources and CTG RACT Requirements

RACT Basis	Affected Sources in Philadelphia County
CTG: Control of Volatile Organic Equipment Leaks from Natural Gas/Gasoline Processing Plants, EPA-450/2-83-007, December 1983	- Philadelphia Gas Works- Richmond Station - Philadelphia Energy Solutions Refinery (formerly Sunoco Philadelphia Refinery)

CTG: Control Techniques Guidelines for Shipbuilding and Ship Repair Operations (Surface Coating), 61 FR 44050, August 27, 1996 ACT: Surface Coating Operations at Shipbuilding and Ship Repair Facilities, EPA-453/R-94-032, April 1994	- Aker Philadelphia Shipyard
CTG: Control of Volatile Organic Compound Emissions from Air Oxidation Processes in Synthetic Organic Chemical Manufacturing Industry (SOCMI), EPA-450/3-84-015, December 1984	- Sunoco Chemicals
Control of Volatile Organic Compound Emissions from Reactor Processes and Distillation Operations Processes in the Synthetic Organic Chemical Manufacturing Industry (SOCMI), EPA-450/4-91-031, August 1993	- Sunoco Chemicals

However, in the 2006 SIP revision, Philadelphia Gas Works- Richmond Station and Philadelphia Energy Solutions Refinery (formerly Sunoco Philadelphia Refinery) were erroneously defined as natural gas processing plants under EPA’s CTG “Control of Volatile Organic Equipment Leaks from Natural Gas/Gasoline Processing Plants,” (EPA-450/2-83-007, December 1983).

Subsequently, as part of the 2010 SIP revision, AMS submitted a negative declaration demonstrating that no sources exist in Philadelphia County for this CTG source category.

In addition, the 2010 SIP revision adopts VOC RACT rules that address the following CTGs: (1) “Control Techniques Guidelines for Shipbuilding and Ship Repair Operations (Surface Coating” (61 FR 44050, August 27, 1996), (2) “Control of Volatile Organic Compound Emissions from Air Oxidation Processes in Synthetic Organic Chemical Manufacturing Industry” (EPA-450/3-84-015, December 1984), and (3) “Control of Volatile Organic Compound Emissions from

Reactor Processes and Distillation Operations in Synthetic Organic Chemical Manufacturing Industry” (EPA-450/4-91-031, August 1993). Therefore, the 2010 SIP revisions addresses each of the CTG requirements listed in Table 1 and it supersedes Section 4 of the 2006 SIP revision addressing these CTG RACT requirements.

For Philadelphia Gas Works- Richmond Station and Philadelphia Energy Solutions (formerly Sunoco Refinery), which were erroneously defined as natural gas processing plants in the 2006 SIP revision, EPA approved source-specific RACT evaluations under the 1-hour ozone standard. *See* 66 FR 54947 and 66 FR 54942 (October 31, 2001). The 2006 and 2010 SIP revisions do not address how Philadelphia meets the “major source” RACT requirement under the 1997 8-hour ozone standard for those sources for which EPA had previously approved source-specific RACT determinations under the 1-hour ozone NAAQS. However, AMS has committed to submit additional SIP revisions to address this RACT requirement.

In addition to the 2010 SIP revision’s negative declaration, the 2006 SIP revision includes a negative declaration for the VOC source category defined under EPA’s CTG “Control of Volatile Organic Emissions from Existing Stationary Sources, Volume VII: Factory Surface Coating of Flat Wood Paneling” (EPA-450/2-78-032, June 1978). Table 2 below lists the negative declarations submitted by AMS in the 2006 and 2010 SIP revisions, which EPA is proposing to conditionally approve. AMS certified that these VOC CTG source categories do not exist in Philadelphia County. Therefore, AMS does not need to adopt regulations addressing the applicable CTGs for these source categories.

Table 2. Philadelphia County's Negative Declaration List for VOC CTG Sources

CTG Source Category	RACT Basis
Coating of Flat Wood Paneling	Control of Volatile Organic Emissions from Existing Stationary Sources, Volume VII: Factory Surface Coating of Flat Wood Paneling, EPA-450/2-78-032, June 1978.
Equipment Leaks from Natural Gas and Gasoline Processing Plants	Control of Volatile Organic Equipment Leaks from Natural Gas/Gasoline Processing Plants, EPA-450/2-83-007, December 1983.

B. VOC RACT Controls

AMS Regulation (AMR) V ("Control of Emissions of Organic Substances From Stationary Sources") and PADEP Regulation Title 25, Chapter 129 contain the CTG and non-CTG VOC RACT controls that were implemented and approved in Philadelphia County SIP under the 1-hour ozone NAAQS. The 2006 SIP revision identifies Philadelphia County's VOC RACT regulations for which AMS has provided the required evaluation and is certifying as currently representing RACT under the 1997 8-hour ozone NAAQS. Although alternative control technology documents (ACTs) are not regulatory documents and have no legal effect on state regulations, EPA requires that states verify that ACTs have been considered in the RACT program development process. Therefore, Philadelphia County included ACTs in their review of applicable RACT requirements in the 2006 SIP revision. Further details of Philadelphia County's RACT determination for the 1997 8-hour ozone NAAQS can be found in the technical support document (TSD) prepared for this rulemaking action.

The 2010 SIP revision adopts the following regulations to meet CTG RACT requirements: (1)

AMR V, section XV “Control of Volatile Organic Compounds (VOC) from Marine Vessel Coating Operations” and (2) AMR V, section XVI “Synthetic Organic Manufacturing Industry (SOCMI) Air Oxidation, Distillation, and Reactor Processes.” These regulations are in accordance with EPA’s presumptive RACT provided in the following CTGs: (1) “Control Techniques Guidelines for Shipbuilding and Ship Repair Operations (Surface Coating)” (61 FR 44050, August 27, 1996), (2) “Control of Volatile Organic Compound Emissions from Air Oxidation Processes in Synthetic Organic Chemical Manufacturing Industry” (EPA-450/3-84-015, December 1984), and (3) “Control of Volatile Organic Compound Emissions from Reactor Processes and Distillation Operations in Synthetic Organic Chemical Manufacturing Industry” (EPA-450/4-91-031, August 1993). The 2010 SIP revision also amends AMR V, section I “Definitions” for incorporating various definitions applicable to the adopted provisions in Sections XV and XVI. These definitions are in accordance with EPA’s recommendations in the applicable CTGs. These amendments to AMR V were adopted by AMS on April 26, 2010 and became effective upon adoption.

1. Marine Vessel Coating Operations

AMR V, section XV is applicable to marine vessel coating operations at a facility at which the total potential VOC emissions equal or exceed 25 tons (22.75 metric tons) per year; or the actual VOC emissions from all marine vessel coating operations exceed 15 pounds (7 kilograms) per day or 2.7 tons (2,455 kilograms) per year. The regulation establishes VOC emissions limits from general use coatings and from various specialty coatings. The limits, provided in Table 3 below, are expressed in two sets of equivalent units: grams/liter coating (minus water and

exempt compounds) or grams/liter of solids. The limits are identical to those recommended in the corresponding CTG document, except that the cold-weather was specified to a period of every year, November 1st through March 31st. Further, for any coating used in a marine vessel coating operation for which the regulation does not provide an emissions standard, AMR V, section XV establishes a maximum VOC content limit of 340 grams/liter (minus water and exempt solvents) or 571 grams per liter solids.

Table 3. VOC Emissions Limits for Marine Coatings in AMR V, section XV

Coating Category	VOC limits ^{a,b,e}		
	Grams per liter of coating (minus water and except compounds)	Grams/liter solids ^c	
		April 1 st through October 31 st	November 1 st through March 31 ^{st d}
General Use	340	571	728
Specialty:			
Air flask	340	571	728
Antenna	530	1,439	1,439
Antifoulant	400	765	971
Heat resistant	420	841	1,069
High-gloss	420	841	1,069
High-temperature	500	1,237	1,597
Inorganic zinc high-build	340	571	728
Military exterior	340	571	728
Mist	610	2,235	2,235
Navigational aids	550	1,597	1,597
Nonskid	340	571	728
Nuclear	420	841	1,069
Organic zinc	360	630	802
Pretreatment wash primer	780	11,095	11,095
Repair and maintenance of thermoplastics	550	1,597	1,597
Rubber camouflage	340	571	728
Sealant for thermal spray aluminum	610	2,235	2,235
Special marking	490	1,178	1,178

Specialty interior	340	571	728
Tack coat	610	2,235	2,235
Undersea weapon systems	340	571	728
Weld-through preconstruction primer	650	2,885	2,885

^a The above limits are expressed in two sets of equivalent units, grams/liter coating (minus water and exempt compounds) or grams/liter solids.

^b To convert from grams/liter (g/L) to pounds/gallon (lb/gal), multiply by (3,785 L/gal)(1/453.6 lb/g) or 1/120. For compliance purposes, metric units define the standards.

^c VOC limits expressed in units of mass of VOC per volume of solids were derived from the VOC limits expressed in units of mass of VOC per volume of coating assuming the coatings contain no water or exempt compounds and that the volumes of all components within a coating are additive.

^d These limits apply during the period November 1st through March 31st. During this period of time, allowances are not given to coating categories that permit less than 40 percent solids (non-volatiles) content by volume. Such coatings are subject to the same limits regardless of weather conditions.

^e VOC limits from EPA's CTG for Ship Building, (61 FR 44050, August 27, 1996).

AMR V, section XV also specifies as RACT the following cleanup requirements to minimize VOC emissions: (1) Storing all waste materials containing VOC, including cloth and paper, in closed containers; (2) maintaining lids on any VOC-bearing materials when not in use; and (3) using enclosed containers or VOC recycling equipment to clean spray gun equipment.

2. Synthetic Organic Chemical Manufacturing Industry

AMR V, section XVI applies to a vent stream from an air oxidation unit processes, distillation operations, or reactor processes in the SOCMI. The regulation is limited to vent streams from reactor processes and distillation operations producing one or more of the chemicals listed in Appendix A of "Control of Volatile Organic Compound Emissions from Reactor Processes and Distillation Operations in Synthetic Organic Chemical Manufacturing Industry (SOCMI) for Reactor and Distillation CTG" (EPA-450/4-91-031, August 1993) and vent streams from an air oxidation unit process producing one or more of the chemicals listed in 40 CFR 60.617.

The owner or operator of an affected source subject to AMR V, section XVI is required to comply with the New Source Performance Standards (NSPS) requirements found in 40 CFR part 60, subpart III, subpart NNN, and/or subpart RRR, with some exceptions listed. The NSPS requirements for SOCMIs are essentially identical to those recommendations in the applicable CTGs, and therefore are as stringent as EPA's presumptive RACT. An air oxidation unit process, a distillation operation or reactor process in SOCMIs subject to AMR V, section XVI must comply with either one of the following standards: (1) Reduction of emissions of total organic compounds (TOC) (minus methane and ethane) by 98 weight-percent, or to a TOC (minus methane and ethane) concentration of 20 ppmv on a dry basis corrected to 3 percent oxygen, whichever is less stringent; (2) combustion of the emissions in a flare that meets the requirements of 40 CFR 60.18; or (3) maintenance of a total resource effectiveness (TRE) index value greater than 1.0 without use of VOC emission control devices.

The TRE index is a measure of the supplemental total resource requirement per unit of VOC reduction, associated with VOC control by a flare or incinerator. The TRE index value can be determined for each vent stream for which the off-gas characteristics are known, including: flow rate, hourly VOC emissions, corrosion properties, and net heating value. AMR V, section XVI provides two equations for calculating the TRE index value: (1) For a vent stream controlled by a flare, and (2) a vent stream controlled by an incinerator. For purposes of complying with maintaining a TRE index value greater than 1.0 without the use of VOC emission control devices, the owner or operator of a facility affected should calculate the TRE index value of the vent stream using the equation for incineration. The TRE index value of a non-halogenated vent

stream is determined by calculating values using both the incinerator equation and the flare equation, and selecting the lower of the two values.

EPA finds that the provisions adopted in AMR V, sections XV and XVI and the amendments of AMR V, section I are consistent with the CTG documents issued by EPA and that they represent RACT under the 1997 8-hour ozone standard for these VOC source categories in Philadelphia County. Thus, EPA is proposing conditional approval of the 2010 SIP revision as part of Philadelphia County's RACT demonstration for the 1997 8-hour ozone NAAQS.

C. NO_x RACT Controls

The 2006 SIP revision demonstrates that AMR VII ("Control of Emissions of Nitrogen Oxides From Stationary Sources") and PADEP Regulation Title 25, Chapter 129 ("Standards for Sources") contain NO_x RACT controls that were implemented and approved in Philadelphia County SIP under the 1-hour ozone NAAQS. Table 4 lists Philadelphia County's NO_x RACT controls for which AMS has provided the required evaluation and is certifying as currently representing RACT for the 1997 8-hour ozone NAAQS.

Table 4. Philadelphia County's NO_x RACT Controls under the 1997 8-hour Ozone NAAQS

Regulation	SIP Approval by EPA	RACT Rule Applicability and Requirements
AMR VII, section II- <i>Fuel Burning</i>	1/14/87; 52 FR 1456	This section applies to fuel burning equipment greater than or

<i>Equipment</i>		equal to 250,000 BTU/hr.
AMR VII, section III- <i>Nitric Acid Plants</i>	5/14/73; 38 FR 12696	This section applies to nitric acid plants in excess of three pounds per ton of acid produced on a two hour average.
AMR VII, section IV- <i>Emissions Monitoring</i>	5/14/73; 38 FR 12696	This section requires instrument(s) for continuously monitoring and recording emissions of nitrogen oxides be well maintained.
25 Pa. Code sections 129.91-129.95- <i>Control of major sources of NOx and VOCs</i>	7/20/01; 66 FR 37908	This regulation applies to all major sources of NOx and VOC not subject to any other RACT regulations. Section 129.92 establishes requirements for source-specific RACT determinations for certain major NOx and VOC sources. Section 129.93 establishes presumptive RACT limitations for certain classes of combustion units: coal-fired combustion units rated equal or greater than 100 MMBtu, combustion units rated equal or greater than 20 MMBtu and less than 50 MMBtu.

In the 2006 SIP revision, AMS also certifies that PADEP's interstate pollution transport regulations currently represent NOx RACT under the 1997 8-hour ozone NAAQS. These provisions rely on the NOx SIP Call and are found in the following PADEP regulations: 25 Pa. Code sections 145.1-145.100 ("NOx Budget Trading Program"), 25 Pa. Code sections 145.111-

145.113 (“Emissions of NO_x from Stationary Internal Combustion Engines”), and 25 Pa. Code sections 145.141-144 (“Emissions of NO_x from Cement Manufacturing”). In light of the Court decision regarding the Phase 2 Ozone Implementation Rule, EPA has determined it cannot approve AMS’ presumption that the NO_x SIP Call constitutes RACT for EGU sources in Philadelphia County. There are five EGUs in Philadelphia County that relied on emissions reductions under the NO_x SIP Call as RACT: (1) Exelon – Delaware Station, (2) Exelon – Richmond Station, (3) Exelon – Schuylkill Station, (4) Veolia – Edison Station (formerly Trigen- Edison Station), and (5) Veolia – Schuylkill Station (formerly Trigen- Schuylkill Station). These EGUs are all major sources of NO_x. AMS has committed to submit additional SIP revisions to address RACT for these five sources in Philadelphia County by providing source-specific RACT determinations.

D. Source-Specific RACT

AMS is implementing PADEP’s regulation 25 Pa. Code sections 129.91 through 129.95 as RACT for the 1997 8-hour ozone standard for all major sources of NO_x and VOC not subject to any other RACT rules. The regulation requires the owners or operators of the applicable sources to provide a case-by-case evaluation to determine RACT for each source (25 Pa. Code section 129.92) or to alternatively comply with presumptive NO_x standards (25 Pa. Code section 129.93).

Under the 1-hour ozone NAAQS, EPA previously approved into Pennsylvania’s SIP source-specific RACT determinations for 46 major sources of VOC and NO_x in Philadelphia County

See 40 CFR 52.2020(d)(1). EPA has found that the 2006 and 2010 SIP revisions do not address how AMS is currently meeting the source-specific RACT requirement under the 1997 8-hour ozone NAAQS for these 46 major sources. AMS has also identified five sources that since the approval of the 1-hour ozone source-specific RACT determinations have adopted or will adopt additional controls that represent RACT under the 1997 8-hour ozone NAAQS: (1) Philadelphia Energy Solutions Refinery (formerly Sunoco Refinery), (2) Kraft Nabisco (formerly Nabisco Biscuit Co), (3) Temple University- Health Sciences Center, (4) GATX Terminals Corporation, and (5) Honeywell International (formerly Sunoco Chemicals – Frankford Plant). AMS has committed to submit additional SIP revisions to address RACT for these major sources of NO_x and VOC in Philadelphia County.

IV. Withdrawal of Proposed Action and Proposed Action

In this rulemaking action, EPA is withdrawing its August 26, 2008 NPR (73 FR 50270), which proposed to approve the 2006 SIP revision submitted by PADEP on behalf of AMS as Philadelphia County's 1997 8-hour ozone RACT demonstration in accordance with the Court's Opinion in *NRDC v. EPA*. *See* 571 F.3d 1245. EPA is also proposing to conditionally approve Philadelphia County's RACT demonstration under the 1997 8-hour ozone NAAQS, as provided in the 2006 and the 2010 SIP revisions. Pursuant to section 110(k)(4) of the CAA, this conditional approval is based upon a letter from PADEP on behalf of AMS dated April 26, 2013 committing to submit to EPA, no later than twelve months from EPA's final conditional approval of Philadelphia County's 1997 8-hour ozone RACT demonstration, additional SIP revisions to address the deficiencies in the current RACT demonstration for Philadelphia

County. The SIP revisions, to be submitted by PADEP on behalf of AMS, will address source-specific RACT determinations for the following major sources in Philadelphia County: (1) Exelon – Delaware Station, (2) Exelon – Richmond Station, (3) Exelon – Schuylkill Station, (4) Veolia – Edison Station (formerly Trigen- Edison Station), (5) Veolia – Schuylkill Station (formerly Trigen- Schuylkill Station), (6) Philadelphia Energy Solutions Refinery (formerly Sunoco Refinery), (7) Kraft Nabisco (formerly Nabisco Biscuit Company), (8) Temple University, Health Sciences Center, (9) GATX Terminals Corporation, and (10) Honeywell (formerly Sunoco Chemicals, Frankford Plant); and will include a certification that previously adopted source-specific RACT controls approved by EPA in the Commonwealth of Pennsylvania’s SIP under the 1-hour ozone NAAQS for the remaining sources in Philadelphia County (as listed in 40 CFR 52.2020(d)(1)) continue to adequately represent RACT for the 1997 8-hour ozone NAAQS.

Once EPA has determined that AMS has satisfied this condition, EPA shall remove the conditional nature of its approval and Philadelphia County’s 1997 8-hour ozone RACT demonstration will, at that time, receive a full approval status. Should AMS fail to meet the condition specified above, the final conditional approval of Philadelphia County’s 1997 8-hour ozone RACT demonstration will convert to a disapproval. EPA is soliciting public comments on the issues discussed in this document. These comments will be considered before taking final action.

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 Clean Air Act. Accordingly, this action merely proposes to approve state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this proposed action:

- is not a "significant regulatory action" subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- 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 (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, this proposed rule, pertaining to Philadelphia County's RACT under the 1997 8-hour ozone NAAQS, does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country located in the state, and EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Authority: 42 U.S.C. 7401 et seq.

Dated: June 3, 2013

W. C. Early, Acting
Regional Administrator,
Region III.

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