



6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R04-OAR-2015-0161; FRL-9929-47-Region 4]

Approval and Promulgation of Implementation Plans; Georgia:

Changes to Georgia Fuel Rule and Other Miscellaneous Rules

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve the State of Georgia's February 5, 2015, State Implementation Plan (SIP) revision, submitted through the Georgia Environmental Protection Division (GA EPD), to modify the SIP by removing Georgia's Gasoline Marketing Rule and Consumer and Commercial Products Rule, revising the NOx Emissions from Stationary Gas Turbines and Stationary Engines Rule, and adding measures to offset the emissions increases expected from the changes to these rules. This modification to the SIP will affect, in varying ways, the 45 counties in and around the Atlanta, Georgia, metropolitan area covered by the Georgia Gasoline Marketing Rule (hereinafter referred to as the "Georgia Fuel Area"). Additionally, EPA is also proposing to approve structural changes to the NOx Emissions from Stationary Gas Turbines and Stationary Engines Rule included in a SIP revision submitted by GA EPD on September 26, 2006. EPA has preliminarily determined that the portion of Georgia's September 26, 2006 SIP revision addressing changes to the NOx Emissions from Stationary Gas Turbines and Stationary Engines

Rule and the February 5, 2015, SIP revision meet the applicable provisions of the Clean Air Act (CAA or Act).

DATES: Written comments must be received on or before [insert date 30 days after date of publication in the Federal Register].

ADDRESSES: Submit your comments, identified by Docket ID Number EPA-R04-OAR-2015-0161 by one of the following methods:

1. www.regulations.gov: Follow the on-line instructions for submitting comments.
2. E-mail: R4-ARMS@epa.gov.
3. Fax: (404) 562-9019.
4. Mail: EPA-R04-OAR-2015-0161, Air Regulatory Management Section (formerly the Regulatory Development Section), Air Planning and Implementation Branch (formerly the Air Planning Branch), Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960.
5. Hand Delivery or Courier: Ms. Lynorae Benjamin, Chief, Air Regulatory Management Section, Air Planning and Implementation Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960. Such deliveries are only accepted during the Regional Office's normal hours of operation. The Regional Office's official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

Instructions: Direct your comments to Docket ID No. EPA-R04-OAR-2015-0161. EPA's

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or in hard copy at the Air Regulatory Management Section, Air Planning and Implementation Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960. EPA requests that if at all possible, you contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section to schedule your inspection. The Regional Office's official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

FOR FURTHER INFORMATION CONTACT: Richard Wong of the Air Regulatory Management Section, in the Air Planning and Implementation Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960. Mr. Wong may be reached by phone at (404) 562-8726 or via electronic mail at wong.richard@epa.gov.

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I. What is Being Proposed?

This rulemaking proposes to approve Georgia's February 5, 2015, SIP revision, including a technical demonstration that modifying the SIP to remove Georgia Rule 391-3-1-.02(2)(aaa), *Consumer and Commercial Products*,¹ and Georgia Rule 391-3-1-.02(2)(bbb), *Gasoline Marketing* (hereinafter referred to as the "Georgia Fuel Rule"),² and to revise Georgia Rule 391-3-1-.02(2)(mmm), *NOx Emissions from Stationary Gas Turbines and Stationary Engines used to Generate Electricity*,³ will not interfere with attainment or maintenance of any national ambient air quality standards (NAAQS or standard) or with any other applicable requirement of the CAA. Georgia's SIP revision also includes measures to offset the emissions increases expected from the changes to these rules. The aforementioned rules and offset measures are described in Section V, below. Additionally, this rulemaking is proposing to approve structural changes to the NOx Emissions from Stationary Gas Turbines and Stationary Engines Rule included in a SIP revision submitted by GA EPD on September 26, 2006.

¹ The Consumer and Commercial Products Rule applies in the following 13 counties that make up the former Atlanta 1-hour ozone nonattainment area: Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale.

² The Georgia Fuel Area consists of the following 45 counties: Banks, Barrow, Bartow, Butts, Carroll, Chattooga, Cherokee, Clarke, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Floyd, Forsyth, Fulton, Gordon, Gwinnett, Hall, Haralson, Heard, Henry, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Newton, Oconee, Paulding, Pickens, Pike, Polk, Putnam, Rockdale, Spalding, Troup, Walton and Upson. This Area encompasses the 20-county 8-hour Atlanta ozone maintenance area for the 1997 ozone NAAQS and the 15-county 8-hour Atlanta ozone nonattainment area for the 2008 ozone NAAQS. Georgia received a waiver under section 211(c)(4)(C) of the CAA to adopt a state fuel program that is more stringent than that which was federally required for the Atlanta 1-Hour Ozone Area. EPA incorporated the Georgia Fuel Rule into the Georgia SIP effective July 19, 2004. See 69 FR 33862 (June 17, 2004). The Georgia Fuel Rule requires the sale of low sulfur, 7.0 psi RVP gasoline in the Georgia Fuel Area.

³ Georgia Rule 391-3-1-.02(2)(mmm) only applies in the Georgia Fuel Area.

II. What is the Background of the Atlanta Area?

a. Ozone

On November 16, 1991, EPA designated and classified the following counties in Georgia, either in their entirety or portions thereof, as a serious ozone nonattainment area for the 1-hour ozone NAAQS (hereinafter referred to as the “Atlanta 1-Hour Ozone Area”): Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale. The designations were based on the Atlanta 1-Hour Ozone Area’s design values for the 1987-1989 three-year period.

Among the requirements applicable to the nonattainment area for the 1-hour ozone NAAQS was the requirement to meet certain volatility standards (known as Reid Vapor Pressure or RVP) for gasoline sold commercially. *See* 55 FR 23658 (June 11, 1990). As discussed in section III, below, a Federal 7.8 pounds per square inch (psi) RVP requirement first applied to the Atlanta 1-Hour Ozone Area during the high ozone season (June 1 to September 15) given its status as a serious nonattainment area for the 1-hour ozone NAAQS. Subsequently, in order to comply with the 1-hour ozone NAAQS, Georgia opted to implement the Georgia Fuel Rule, which requires the sale of low sulfur, 7.0 RVP gasoline in the 45-county Georgia Fuel Area during the high ozone season. EPA incorporated the Georgia Fuel Rule into the Georgia SIP on July 19, 2004. *See* 69 FR 33862 (June 17, 2004).

Because the Atlanta 1-Hour Ozone Area failed to attain the 1-hour ozone NAAQS by November 15, 1999, EPA issued a final rulemaking action on September 26, 2003, to reclassify or “bump up,” the Atlanta 1-Hour Ozone Area to a severe ozone nonattainment area. This reclassification became effective on January 1, 2004. *See* 68 FR 55469.

Subsequently, on February 1, 2005, GA EPD submitted to EPA a request to redesignate the Atlanta 1-Hour Ozone Area to attainment along with an associated maintenance plan. This request was based on three years of ambient data (2002, 2003, and 2004) showing no violation of the 1-hour ozone NAAQS. EPA approved the plan and redesignation request effective June 14, 2005 (70 FR 34660) (June 15, 2005). Georgia's 1-hour ozone redesignation request did not include a request to remove the Georgia Fuel Rule from the SIP nor a request to relax the Federal 7.8 psi RVP requirement for the Atlanta 1-Hour Ozone Area.⁴

On April 30, 2004 (69 FR 23858), EPA designated the following 20 counties as a marginal ozone nonattainment area for the 1997 8-hour ozone NAAQS (hereinafter referred to as the "Atlanta 1997 8-Hour Ozone Area"): Barrow, Bartow, Carroll, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Hall, Henry, Newton, Paulding, Rockdale, Spalding, and Walton. EPA reclassified the Atlanta 1997 8-Hour Ozone Area as a moderate ozone nonattainment area on March 6, 2008 (73 FR 12013), when the Area failed to attain the NAAQS by the attainment date of June 15, 2007. As a result of the reclassification, the new attainment date for the area was June 15, 2010. On November 30, 2010, EPA approved a one-year extension to the attainment date for the Atlanta 1997 8-hour Ozone Area from June 15, 2010, to June 15, 2011. *See* 75 FR 73969. The Atlanta 1997 8-Hour Ozone Area subsequently attained the 1997 8-hour ozone NAAQS by June 15, 2011. On March 7, 2012 (77 FR 13491), EPA determined that the Atlanta 1997 8-Hour Ozone Area had attained the 1997 8-hour ozone NAAQS by the attainment date, and on December 2, 2013, redesignated the Area to attainment. *See* 78 FR 72040. Georgia's redesignation request for the Atlanta 1997 8-Hour

⁴ Section 211(h) of the CAA requires the sale of gasoline with a maximum 7.8 psi RVP in the Atlanta 1-Hour Ozone Area during the high ozone season. Removal of the Georgia Fuel Rule from the SIP would revert the RVP requirement for the Atlanta 1-Hour Ozone Area to the Federal 7.8 psi RVP requirement. See section III of this proposed rulemaking for more explanation on the Federal RVP requirements.

Ozone Area did not include a request to remove the Georgia Fuel Rule from the SIP nor a request to relax the Federal 7.8 psi RVP requirement.

On May 21, 2012 (77 FR 30088), EPA published a final rule designating the following 15 counties as a marginal ozone nonattainment area for the 2008 8-hour ozone NAAQS (hereinafter referred to as the “Atlanta 2008 8-Hour Ozone Area”): Bartow, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, and Rockdale.

b. Fine Particulate Matter

Fine particulate matter (PM_{2.5}) can be emitted directly or formed secondarily in the atmosphere. The main precursors of secondary PM_{2.5} are sulfur dioxide (SO₂), nitrogen oxides (NO_x), ammonia, and volatile organic compounds (VOC). *See* 72 FR 20586 at 20589 (April 25, 2007). Sulfates are a type of secondary particle formed from SO₂ emissions of power plants and industrial facilities. Nitrates, another common type of secondary particle, are formed from NO_x emissions of power plants, automobiles, and other combustion sources.

On July 18, 1997, EPA promulgated the first air quality standards for PM_{2.5}. EPA promulgated primary and secondary annual standards at a level of 15 micrograms per cubic meter (µg/m³), based on a 3-year average of annual mean PM_{2.5} concentrations. In the same rulemaking, EPA promulgated primary and secondary 24-hour standards of 65 µg/m³, based on a 3-year average of the 98th percentile of 24-hour concentrations. On October 17, 2006, EPA retained the annual average NAAQS at 15 µg/m³ but revised the 24-hour NAAQS to 35 µg/m³, based again on the 3-year average of the 98th percentile of 24-hour concentrations. *See* 71 FR 61144. Under EPA regulations at 40 CFR part 50, the primary and secondary 1997 Annual

PM_{2.5} NAAQS are attained when the annual arithmetic mean concentration, as determined in accordance with 40 CFR part 50, Appendix N, is less than or equal to 15.0 µg/m³ at all relevant monitoring sites in the subject area over a 3-year period.

On January 5, 2005, and supplemented on April 14, 2005, EPA designated the following counties as a nonattainment area for the 1997 PM_{2.5} NAAQS (hereinafter referred to as the “Atlanta 1997 PM_{2.5} Area”): Barrow, Bartow, Carroll, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Hall, Henry, Newton, Paulding, Rockdale, Spalding, Walton, and portions of Heard and Putnam Counties in Georgia. *See* 70 FR 944 and 70 FR 19844, respectively. On November 13, 2009, EPA promulgated designations for the 24-hour PM_{2.5} NAAQS established in 2006, designating the counties in the Atlanta 1997 PM_{2.5} Area as unclassifiable/attainment for this NAAQS. *See* 74 FR 58688. EPA did not promulgate designations for the 2006 Annual PM_{2.5} NAAQS because that NAAQS was essentially identical to the 1997 Annual PM_{2.5} NAAQS. The November 13, 2009, action clarified that all counties in the Atlanta 1997 PM_{2.5} Area were designated unclassifiable/attainment for the 1997 24-hour PM_{2.5} NAAQS through the designations promulgated on January 5, 2005.

III. What are the Federal RVP Requirements?

On August 19, 1987 (52 FR 31274), EPA determined that gasoline nationwide had become increasingly volatile, causing an increase in evaporative emissions from gasoline-powered vehicles and equipment. Evaporative emissions from gasoline, referred to as VOC, are precursors to the formation of tropospheric ozone and contribute to the nation’s ground-level ozone problem. Exposure to ground-level ozone can reduce lung function (thereby aggravating

asthma or other respiratory conditions), increase susceptibility to respiratory infection, and may contribute to premature death in people with heart and lung disease.

The most common measure of fuel volatility that is useful in evaluating gasoline evaporative emissions is RVP. Under section 211(c) of CAA, EPA promulgated regulations on March 22, 1989 (54 FR 11868), that set maximum limits for the RVP of gasoline sold during the high ozone season. These regulations constituted Phase I of a two-phase nationwide program, which was designed to reduce the volatility of commercial gasoline during the summer ozone control season. On June 11, 1990 (55 FR 23658), EPA promulgated more stringent volatility controls as Phase II of the volatility control program. These requirements established maximum RVP standards of 9.0 psi or 7.8 psi (depending on the State, the month, and the area's initial ozone attainment designation with respect to the 1-hour ozone NAAQS during the high ozone season).

The 1990 CAA Amendments established a new section, 211(h), to address fuel volatility. Section 211(h) requires EPA to promulgate regulations making it unlawful to sell, offer for sale, dispense, supply, offer for supply, transport, or introduce into commerce gasoline with an RVP level in excess of 9.0 psi during the high ozone season. Section 211(h) prohibits EPA from establishing a volatility standard more stringent than 9.0 psi in an attainment area, except that EPA may impose a lower (more stringent) standard in any former ozone nonattainment area redesignated to attainment.

On December 12, 1991 (56 FR 64704), EPA modified the Phase II volatility regulations to be consistent with section 211(h) of the CAA. The modified regulations prohibited the sale of gasoline with an RVP above 9.0 psi in all areas designated attainment for ozone, beginning in

1992. For areas designated as nonattainment, the regulations retained the original Phase II standards published on June 11, 1990 (55 FR 23658).

As stated in the preamble to the Phase II volatility controls rule and reiterated in the proposed change to the volatility standards published in 1991, EPA will rely on states to initiate changes to EPA's volatility program that they believe will enhance local air quality and/or increase the economic efficiency of the program within the statutory limits. In those rulemakings, EPA explained that the governor of a state may petition EPA to set a volatility standard less stringent than 7.8 psi for some month or months in a nonattainment area. The petition must demonstrate such a change is appropriate because of a particular local economic impact and that sufficient alternative programs are available to achieve attainment and maintenance of the 1-hour ozone NAAQS. A current listing of the RVP requirements for states can be found on EPA's Web site at:

<http://www.epa.gov/otaq/fuels/gasolinefuels/volatility/standards.htm>.

At this time, Georgia is not requesting a relaxation or removal of the Federal 7.8 psi RVP requirement that applies in the original 13-county Atlanta 1-Hour Ozone Area; rather, Georgia is requesting a removal of the Georgia Fuel Rule that applies a more stringent low sulfur, 7.0 psi RVP requirement in the 45-county Georgia Fuel Area. There is a separate process, not contemplated through today's proposed action, to remove Federal RVP requirements.

IV. What are the Section 110(l) Requirements?

The State must demonstrate that the requested changes to the Georgia SIP satisfy section 110(l) of the CAA. Section 110(l) requires that a revision to the SIP not interfere with any applicable requirement concerning attainment and reasonable further progress (as defined in

section 171), or any other applicable requirement of the Act. EPA's criterion for determining the approvability of Georgia's SIP revisions is whether the noninterference demonstration associated with the relaxation request satisfies section 110(l).

EPA evaluates each section 110(l) noninterference demonstration on a case-by-case basis considering the circumstances of each SIP revision. EPA interprets 110(l) as applying to SIP revisions for all areas of the country, whether attainment, nonattainment, unclassifiable, or maintenance for one or more of the six criteria pollutants. EPA also interprets section 110(l) to require a demonstration addressing all criteria pollutants whose emissions and/or ambient concentrations may change as a result of the SIP revision. The degree of analysis focused on any particular NAAQS varies depending on the nature of the emissions associated with the proposed SIP revision. GA EPD's analysis focuses on emissions of NO_x and VOC because these are the pollutants affected by Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb).⁵ As discussed in more detail below, GA EPD opted to obtain NO_x reductions to offset the estimated emissions increases in NO_x and VOC (as a NO_x equivalent) from the aforementioned changes to Georgia SIP.⁶

In the absence of an attainment demonstration, to demonstrate no interference with any applicable NAAQS or requirement of the CAA under section 110(l), EPA believes it is

⁵ Currently, counties in and around metropolitan Atlanta are not designated nonattainment for the SO₂, CO, NO₂, or lead NAAQS. Although the modification to Georgia Rule 391-3-1-.02(2)(mmm) proposed in the State's February 5, 2015, submission may impact emissions of carbon monoxide (CO), NO_x (including NO₂), and sulfur dioxide (SO₂), EPA does not expect any potential increase in emissions to interfere with maintenance of the CO, NO₂, or SO₂ NAAQS.

⁶ Although VOC is one of the precursors for fine particulate matter formation, studies have indicated that, in the southeast, emissions of direct PM_{2.5} and the precursor sulfur oxides are more significant to ambient summertime PM_{2.5} concentrations than emissions of nitrogen oxides and anthropogenic VOC. *See, e.g., Journal of Environmental Engineering- Quantifying the sources of ozone, fine particulate matter, and regional haze in the Southeastern United States* (June 24, 2009), <http://www.journals.elsevier.com/journal-of-environmental-management>.

appropriate to allow states to substitute equivalent emissions reductions to compensate for any change to a SIP-approved program, as long as actual emissions in the air are not increased.

“Equivalent” emissions reductions are reductions that are equal to or greater than those reductions achieved by the control measure approved in the SIP. To show that compensating emissions reductions are equivalent, adequate justification must be provided. The compensating, equivalent reductions must represent actual emissions reductions achieved in a contemporaneous time frame to the change of the existing SIP control measure in order to preserve the status quo level of emission in the air. If the status quo is preserved, noninterference is demonstrated. In addition to being contemporaneous, the equivalent emissions reductions must also be permanent, enforceable, quantifiable, and surplus.

As discussed above, Georgia’s February 5, 2015, SIP revision contains a section 110(l) noninterference demonstration that modifying the SIP to remove Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb), and to revise Georgia Rule 391-3-1-.02(2)(mmm) will not interfere with attainment or maintenance of any NAAQS or with any other applicable requirement of the CAA. To support this demonstration, Georgia’s February 5, 2015, SIP revision includes measures to offset the emissions increases expected from the changes to these rules. EPA’s analysis of Georgia’s February 5, 2015, SIP revision pursuant to section 110(l) is provided below. EPA notes that the proposed changes to Georgia Rule 391-3-1-.02(2)(mmm) in Georgia’s September 26, 2006, SIP submission are structural in nature and therefore do not impact emissions.

V. What is EPA’s Analysis of Georgia’s Submittals?

a. Georgia Rule 391-3-1-.02(2)(bbb), Gasoline Marketing

The Georgia Fuel Rule was implemented for 45 counties (inclusive of the 20-county Atlanta 1997 8-Hour Ozone Area, the 15-county Atlanta 2008 8-Hour Ozone Area, and additional counties that are designated as unclassifiable/attainment for the relevant ozone NAAQS). This Rule requires the sale of gasoline, also known as Georgia Gas, in the Georgia Fuel Area during the high ozone season that is specially formulated to contain low sulfur, which provides NO_x reductions, and an RVP not to exceed 7.0 psi. Georgia's noninterference analysis utilized EPA's 2010b Motor Vehicle Emissions Simulator (MOVES) emission modeling system to estimate mobile source emissions increases associated with the removal of the Georgia Fuel Rule from the SIP.⁷ The change to 7.8 RVP fuel in the Atlanta 1-Hour Ozone Area and to 9.0 psi RVP fuel for the remainder of the Georgia Fuel Area is estimated to increase daily mobile source VOC and NO_x emissions by approximately 4.61 tons and 1.66 tons, respectively, in the Georgia Fuel Area during the 2015 high ozone season.⁸ GA EPD converted the VOC emissions increase to a NO_x equivalent using the ozone sensitivity analysis discussed in Section V.d and calculated a total NO_x emissions increase (direct NO_x and equivalent NO_x) of 200.43 tons during the high ozone season.

b. Georgia Rule 391-3-1-.02(2)(aaa), Consumer and Commercial Products

Georgia's Consumer and Commercial Products Rule restricts the sale of windshield wiper fluid to no more than eight percent VOC content in the Atlanta 1-Hour Ozone Area. In its

⁷ The 2010b MOVES model was the latest EPA mobile source model available to the State at the time that it developed its SIP revision. GA EPD's modeling using 2010b MOVES conforms with EPA's modeling guidance at that time.

⁸ See Section 3.0 of Georgia's SIP submission for a detailed discussion of the methodology used to estimate the emissions increase associated with the proposed removal of the Georgia Fuel Rule.

technical demonstration, the State estimated that increasing the VOC content from eight percent to 35 percent yields an increase daily VOC emissions by approximately 0.17 ton per day (tpd). Although Georgia notes that the washer fluid used in the Southeast typically has a VOC content of between eight to ten percent in the summer and 30 percent in the winter, it used the 35 percent VOC content limit for automotive windshield washer fluid in 40 CFR part 59, subpart C. Georgia estimated daily VOC emissions using 2010 census data and the EPA per-person usage factor for windshield washer fluid.⁹ GA EPD then subtracted the VOC emissions associated with 8 percent VOC content washer fluid from the VOC emissions associated with 35 percent VOC content washer fluid to calculate the emission increase. GA EPD converted the resulting 0.17 tpd VOC increase to a NO_x equivalent using the ozone sensitivity analysis discussed in Section V.d, below. Using this sensitivity analysis, GA EPD concluded that the 0.17 tpd VOC increase equates to a 0.0079 tpd increase in NO_x emissions, or 1.92 tons of NO_x during the ozone season.¹⁰

c. Georgia Rule 391-3-1-.02(2)(mmm), NO_x Emissions from Stationary Gas Turbines and Stationary Engines used to Generate Electricity

Georgia Rule 391-3-1-.02(2)(mmm) reduces emissions from stationary, peak performing engines that tend to operate during high electricity demand days in the 45-county Georgia Fuel

⁹ Per Capita Emissions for windshield washer fluids is 0.611 lb of VOC per year. More information can be found at <http://www.epa.gov/ttnchie1/eiip/techreport/volume03/iii05.pdf>.

¹⁰ The ozone season in Georgia runs from March 1 through October 31 of each year.

Area. The State enacted this rule as an ozone control measure, and it limits the amount of NO_x output from stationary gas turbines and stationary engines with nameplate capacity greater than or equal to 100 kilowatts and less than or equal to 25 megawatts of capacity from May 1 through September 30 of each year. The rule currently incorporated into the SIP exempts emergency standby stationary gas turbines and stationary engines, defined as any stationary gas turbine or stationary engine that operates only when electric power from the local utility is not available and which operates less than 200 hours per year, from the rule's requirements. The September 26, 2006, SIP revision would make a structural change to the SIP-approved version of the regulation, pulling the emergency engine exemption into a new paragraph (Paragraph 7) and limiting the exemption to the emission limits in Paragraph 1 of the rule.

Emergency generators at data centers are subject to the exemption but have different operational needs, mainly the need for an uninterruptible power supply in the event of outages, than emergency generators at other facilities. Data centers are equipped with uninterruptible power supplies, and during a power outage, the data centers receive power from these power supplies and not from the emergency generators. These generators operate only when the uninterruptible power supplies fail or become unreliable and need to be operated for routine testing and maintenance to ensure reliability. Therefore, the State's February 5, 2015, submission would modify the rule to exempt stationary engines at data centers from the rule's NO_x emission limits provided that the engines operate for less than 500 hours per year and only for routine testing and maintenance, when electric power from the local utility is not available, or during internal system failures. The rule change would also limit routine testing and maintenance of these engines during the high ozone season to the hours of 10 p.m. to 4 a.m. to reduce the possibility of ozone formation due to these emissions. Ground-level ozone is formed

primarily from photochemical reactions between two major classes of air pollutants, VOC and NOx. These reactions have traditionally been viewed as depending upon the presence of heat and sunlight, resulting in higher ambient ozone concentrations in summer months. Given the nature of the exempted engines and the conditions necessary to qualify for the exemptions, any emissions increase is likely negligible.

d. Emissions Offsets from School Bus Replacements and Locomotive Retrofits

As discussed above, the State must demonstrate that any offset measures result in equivalent or greater emissions reductions that are permanent, enforceable, quantifiable, surplus, and contemporaneous. GA EPD used information provided by the SouthEastern Modeling, Analysis and Planning (SEMAP)¹¹ project to examine the sensitivity of daily ozone concentrations to reductions in NOx and VOC emissions at ten ozone monitors in the Atlanta 2008 8-Hour Ozone Area. The State then used the resulting average sensitivities for NOx and VOC from the SEMAP project and the estimated VOC emissions increases identified above to calculate NOx equivalent emissions increases.¹² Georgia added these NOx equivalent emissions increases to the projected NOx emissions increases associated with the removal of the Georgia Fuel Rule and Consumer and Commercial Products Rule from the SIP to determine the amount of NOx emissions reductions that would be needed from offset measures to maintain the status

¹¹ Additional information of the SEMAP study is located in Appendix D of Georgia's SIP submittal.

¹² Although the removal of Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb) is expected to increase VOC emissions as described in sections V.a and V.b, above, Georgia is opting to substitute NOx reductions for these estimated increases for VOC. The metropolitan Atlanta area is NOx limited (i.e., VOC emissions have little effect on ozone formation) due to the biogenic nature of VOC emissions in Georgia. Therefore, implemented control measures in the Area have focused on the control of NOx emissions.

quo in air quality. Table 1, below, identifies these estimated total NOx equivalent emissions increases.

Table 1 – NOx Emissions Increases/Offsets Required from Removing Georgia Rules (aaa) and (bbb) in tons for the 2015 ozone season

Offsets Needed from Georgia Rule (aaa)	Offsets Needed from Georgia Rule (bbb)	Total Offsets Needed
1.92	200.43	202.35

Georgia’s SIP revision includes two offset measures – school bus replacements and rail locomotive conversions – to obtain the necessary emissions reductions. The State’s school bus replacement program permanently replaced 60 older school buses (model years between 1994 to 2003) in DeKalb, Fayette, Henry, and Madison Counties with the newer and cleaner 2015 model year buses and was not necessary to satisfy any federal requirement. In the February 5, 2015, SIP submittal, GA EPD calculated the bus replacement NOx emissions reductions using the Diesel Emissions Quantifier (DEQ). EPA requested that the State recalculate these emissions reductions because the DEQ is not an appropriate methodology to calculate emissions reductions for incorporation into a SIP. On April 7, 2015, GA EPD submitted a correction to the school bus NOx emissions calculation using EPA certification data and school bus mileage.¹³ GA EPD quantified the NOx reductions by taking the difference in the emissions of the old and new buses, as summarized in Appendix C of the April 7, 2015 correction. The school bus replacement was completed in October 2014. The State has not previously relied on these emissions reductions to satisfy any CAA requirement.

¹³ This correction is located in the docket for today’s action.

The Locomotive Conversion Program consists of two components: 1) the conversion of 28 locomotives from Norfolk Southern Railway Company and CSX Transportation to EPA Tier 3 switch duty, Tier 3 Line-Haul, and Tier 2 Switch emissions standards,¹⁴ and 2) the installation of an electric layover system at the Norfolk Southern Atlanta Terminal. The contracts have been executed between GA EPD and Norfolk Southern Railway, and GA EPD and CSX Transportation; the scopes of work from these contracts are being proposed for incorporation into the Georgia SIP and will become federally enforceable once approved into the SIP.¹⁵ The converted low-emissions locomotives are required in the assigned operating areas within the Georgia Fuel Area.¹⁶ GA EPD quantified the NOx emissions reductions using estimated fuel usage of 1,000 gallons per week per traditional switcher locomotives and subtracting it from the manufacturer's estimated fuel usage of the newly converted locomotives. The locomotive retrofits will be phased in over a period from November 2014 through August 2016. To date, one locomotive conversion has been completed, 22 locomotives are in various phases of the conversions process and are scheduled to be converted by the end of 2015, and the remaining five locomotives will start the conversion process by October 2015. The locomotive conversion project also includes the installation of an electric layover heating system for locomotives. The electric layover heating system will reduce idle time, and therefore reduce emissions, by providing electric heat and battery charge to the locomotive engines. The State has not

¹⁴ GA EPD entered into contracts with Norfolk Southern Railway on April 29, 2014, and November 25, 2014, and with CSX Transportation on August 19, 2014, to complete the program.

¹⁵ These scopes of work are found at Appendix E to Georgia's February 5, 2015, SIP revision and in supplemental information provided by GA EPD on May 26, 2015.

¹⁶ Pursuant to the contracts, Norfolk Southern Railway Company and CSX Transportation are required to operate the converted locomotives in the Atlanta and Rome Railyards at least 80 percent of each converted locomotive's operating hours.

previously relied on the emissions reductions from the Locomotive Conversion Program to satisfy any CAA requirement.

Table 2, below, shows the expected emissions reductions from the school bus replacement and locomotive conversion offset measures.

Table 2 – NOx Emissions Offsets (tons/year)

Locomotive Retrofits	School Bus Replacements	Total Offsets	Total Offsets Needed
197.38	6.42	203.80	202.35

The estimated NOx emissions reductions associated with the school bus replacement and locomotive retrofit measures are more than sufficient to offset the emissions increases expected to result from modifying the SIP to remove Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb) and to revise Georgia Rule 391-3-1-.02(2)(mmm).

e. Emissions Offset Contingency Measure

Georgia’s SIP revision includes a contingency offset measure in the event that the locomotive conversion program cannot be fully completed. The contingency measure would obtain NOx offsets from the permanent retirement of Unit 3 at Georgia Power’s Eugene A. Yates Steam-Electric Generating Plant (hereinafter referred to as “Power Plant Yates”), located in Newnan, Georgia, in the amount of any shortfall due to incomplete implementation of the locomotive conversion program. Plant Yates is located 45 miles from Atlanta, Georgia, in Coweta County within the Georgia Fuel Area. There are a total of seven units at Plant Yates; Units 6 and 7 were converted to operate at 100 percent natural gas and Units 1 thru 5 retired in

April 2015 per Condition 3.2.6 of Title V permit amendment 4911-077-0001-V-03-5, issued August 29, 2014. The shutdown of the five units will result in a decrease in NOx emissions. EPA is proposing to allow GA EPD to use the permanent retirement of Unit 3 and the associated NOx emissions reductions as a contingency measure for NOx offsets. The shutdown of Yates Unit 3 is not necessary to satisfy any CAA requirement, and the resulting emissions reductions have not been relied upon in any attainment plan or demonstration or credited in any RFP demonstration.

Georgia quantified the amount of emissions reductions available as offsets using the baseline approach in 40 CFR part 51, Appendix S established to determine the offsets available for the construction of a new major source or major modification in a nonattainment area. Georgia calculated the baseline emissions using 2012 and 2013 actual annual operating hours obtained from the EPA's Clean Air Markets Data website. GA EPD calculated the monthly NOx emissions for calendar year 2012 and 2013 to obtain the annual average NOx baseline emissions of 688 tons and 632 tons for 2012 and 2013, respectively, resulting in an average baseline for 2012-2013 of 660 tons of NOx.¹⁷ Upon a determination that sufficient offsets will not be achieved within one year from the date of EPA's final action on Georgia's February 5, 2015, SIP submission, GA EPD will revise Georgia Rule 391-3-1-.02(12)(f), Clean Air Interstate Rule NOx Annual Trading Program, for the purposes of retiring or reducing the appropriate New Source Set Asides and submit that rule revision, along with the Title V permit condition that requires the shutdown of Unit 3, as a SIP revision. GA EPD will use the necessary substitute

¹⁷ GA EPD estimated the emissions increase resulting from the removal of Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb), and the revision to Georgia Rule 391-3-1-.02(2)(mmm) on a ton per year basis. However, some of the NOx emissions limitations that applied to Unit 3 during its operation are on a 30-day rolling average basis. GA EPD carried out the analysis based on an annual emissions rate and, where a 30-day rolling average applies, a monthly emissions rate.

emissions reductions to replace any emissions shortfall in the event the locomotive conversions are not completed. EPA has initially determined that the State has successfully demonstrated that 660 tons of NO_x offset is available through implementation of the contingency measure in the event the locomotive conversion program is not completed and that the measures will be permanent, enforceable, quantifiable, contemporaneous, surplus, and equivalent.

f. Conclusion Regarding the Noninterference Analysis

EPA believes that the emissions reductions from the offset measures included in the SIP revision are greater than those needed to maintain the status quo in air quality and are permanent, enforceable, quantifiable, surplus, contemporaneous and equivalent. Therefore, EPA has preliminarily determined that the SIP revision adequately demonstrates that modifying the SIP to remove Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb), and to revise Georgia Rule 391-3-1-.02(2)(mmm) will not interfere with attainment or maintenance of any NAAQS or with any other applicable requirement of the CAA.

VI. 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 Georgia Rule 391-3-1-.02(2)(mmm), *NO_x Emissions from Stationary Gas Turbines and Stationary Engines used to Generate Electricity*. EPA has made, and will continue to make, these documents generally available electronically through www.regulations.gov and/or in hard copy at the appropriate EPA office (see the ADDRESSES section of this preamble for more information).

VII. Proposed Action

EPA is proposing to approve the State of Georgia's February 5, 2015, SIP revision, including the section 110(l) demonstration that modifying the SIP to remove Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb) and revise Georgia Rule 391-3-1-.02(2)(mmm) will not interfere with attainment or maintenance of any NAAQS or with any other applicable requirement of the CAA. EPA is also proposing to approve a structural change to Georgia Rule 391-3-1-.02(2)(mmm) submitted on September 26, 2006. EPA has preliminarily determined that the removal of Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb), and the revision to Georgia Rule 391-3-1-.02(2)(mmm), are approvable because the SIP revision includes offset measures that provide emissions reductions that are greater than the estimated emissions increases associated with the changes to the aforementioned rules. Furthermore, in the event that the locomotive conversion program is not fully completed, the SIP revision includes a contingency measure to ensure that all necessary offsets are secured. Approval of the State's February 5, 2015, SIP revision would modify the SIP to remove Georgia Rules 391-3-1-.02(2)(aaa) and 391-3-1-.02(2)(bbb), revise Georgia Rule 391-3-1-.02(2)(mmm), and include the school bus replacement and locomotive conversion program offset measures as well as the offset contingency provisions.

VIII. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submittal that complies with the provisions of the Act and applicable federal regulations. *See* 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 proposed action merely proposes to approve state law as meeting Federal requirements and does not propose to 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 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 (Public Law 104-4);
- does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, October 7, 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 demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000) nor will it impose substantial direct costs on tribal governments or preempt tribal law.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements and Volatile organic compounds.

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

Dated: June 11, 2015

Heather McTeer Toney
Regional Administrator,
Region 4.

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