



6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

**[EPA-R05-OAR-2016-0370; EPA-R05-OAR-2016-0371; FRL-9960-90-
Region 5]**

**Air Plan Approval; Indiana; Base Year Emissions Inventory and
Emissions Statement Rule Certification for Lake and Porter
Counties for the 2008 Ozone Standard**

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving two State Implementation Plan (SIP) submissions from the Indiana Department of Environmental Management (IDEM), both dated June 15, 2016. The first addresses emissions inventory requirements for the Indiana portion of the Chicago-Naperville, Illinois-Indiana-Wisconsin (IL-IN-WI) ozone nonattainment area under the 2008 ozone National Ambient Air Quality Standard (NAAQS). The Clean Air Act (CAA) requires emissions inventories for all ozone nonattainment areas. The documented emissions inventory included in Indiana's June 15, 2016, submission meets this CAA requirement. The second submission provides Indiana's certification that its existing Emissions Reporting Rule, previously approved by EPA under a prior ozone standard,

satisfies the CAA emissions statement rule requirement for Lake and Porter Counties under the 2008 ozone standard.

DATES: This direct final rule will be effective [**insert date 60 days after publication in the Federal Register**], unless EPA receives adverse comments by [**insert date 30 days after publication in the Federal Register**]. If adverse comments are received by EPA, EPA will publish a timely withdrawal of the direct final rule in the Federal Register informing the public that the rule will not take effect.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA-R05-OAR-2016-0370 (Emissions Statement) or by Docket ID No. EPA-R05-OAR-2016-0371 (Emissions Inventory) at <http://www.regulations.gov> or via email to aburano.douglas@epa.gov. For comments submitted at [Regulations.gov](http://www.regulations.gov), follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from [Regulations.gov](http://www.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: Kathleen D'Agostino, Attainment Planning and Maintenance Section, Air Programs Branch (AR-18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, 312-886-1767, Dagostino.Kathleen@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. The 2008 Ozone NAAQS Emissions Inventory and Emissions Statement Rule Requirements
- II. Indiana's Emissions Inventory
- III. Indiana's Emissions Statement Rule Certification
- IV. EPA's Evaluation
- V. Final Action
- VI. Statutory and Executive Order Reviews

I. The 2008 Ozone NAAQS Emissions Inventory and Emissions Statement Rule Requirements

On March 12, 2008, EPA promulgated a revised 8-hour ozone NAAQS of 0.075 parts per million (ppm). See 73 FR 16436 (March 27, 2008). On July 20, 2012, EPA designated nonattainment areas for the 2008 ozone NAAQS (77 FR 30088, May 21, 2012, and 77 FR 34221, June 11, 2012). The Chicago-Naperville, IL-IN-WI area was designated as a marginal nonattainment area for the 2008 ozone NAAQS. The Indiana portion of this ozone nonattainment area consists of Lake and Porter Counties.

A. Emissions Inventories

CAA sections 172(c)(3) and 182(a)(1), 42 U.S.C. 7502(c)(3) and 7511a(a)(1), require states to develop and submit, as SIP revisions, comprehensive, accurate, and complete emissions inventories for all areas designated as nonattainment for the ozone NAAQS. An emissions inventory for ozone is an estimation of actual emissions of air pollutants that contribute to the formation of ozone in an area. Ozone is a gas that is formed by the reaction of Volatile Organic Compounds (VOC) and Oxides of Nitrogen (NO_x) in the atmosphere in the presence of sunlight (VOC and NO_x are referred to as ozone precursors). Therefore, an emissions inventory for ozone covers the emissions of VOC and NO_x within an ozone nonattainment area. VOC is emitted by many types of pollution sources, including power plants, industrial sources, on-road and off-road mobile sources, smaller stationary sources, collectively referred to as area sources, and

biogenic sources¹. NOx is primarily emitted by combustion sources, both stationary and mobile.

The emissions inventory provides emissions data for a variety of air quality planning tasks, including establishing baseline emission levels for calculating emission reduction targets needed to attain the NAAQS and for calculating emission reduction targets needed to meet Reasonable Further Progress (RFP) requirements, determining emission inputs for ozone air quality modeling analyses, and tracking emissions over time to determine progress toward achieving air quality and emission reduction goals. As stated above, the CAA requires the states to submit emissions inventories for areas designated as nonattainment for ozone.

For the 2008 ozone NAAQS, EPA has recommended that states use 2011 as a base year for the emissions estimates (78 FR 34178, 34190, June 6, 2013). However, EPA also allows states to submit base year emissions for other years during a recent ozone standard violation period. States are required to submit estimates of VOC and NOx emissions for four general classes of anthropogenic sources in their emissions inventories: stationary point sources; area sources; on-road mobile sources; and off-road mobile sources.

B. Emissions Statement Rules

Section 182(a)(3)(B) of the CAA requires states with ozone nonattainment areas to submit revisions to their SIP to require the owner or operator of each major stationary source of NOx or VOC to

¹ Biogenic emissions are produced by living organisms and are typically not included in the base year emission inventories, but are considered in ozone modeling analyses, which must consider all emissions in a modeled area.

provide the state with an annual statement documenting the actual emissions of NO_x and VOC from their source. Under section 182(a)(3)(B)(ii), a state may waive the emissions statement requirement for any class or category of stationary sources which emits less than 25 tons per year of VOC or NO_x if the state, in its base year emissions inventory, provides an inventory of emissions from such class or category of sources. States and EPA have generally interpreted this waiver provision to apply to sources (without specification of a specific source class or source category) emitting less than 25 tons per year of VOC or NO_x.

Many states adopted these emissions statement rules for the 1-hour ozone NAAQS. For these states, EPA is accepting certifications that their previously adopted emissions statement rules remain in place and are adequate to meet the emissions statement rule requirement under the 2008 ozone standard.

II. Indiana's Emissions Inventory

On June 15, 2016, IDEM submitted an ozone redesignation request for Lake and Porter Counties for the 2008 ozone NAAQS. Included in this request was documentation of a 2011 VOC and NO_x base year emissions inventory for Lake and Porter Counties intended to meet the emissions inventory requirement of CAA section 182(a)(1). Preliminary monitoring data for 2016 indicates that the Chicago-Naperville, IL-IN-WI area is violating the 2008 ozone standard with 2014-2016 data. Therefore, EPA is not taking action on the ozone redesignation

request portion of this June 15, 2016, submittal at this time. We are, however, proceeding with rulemaking on the base year VOC and NO_x emissions inventory portion of the submittal.

Table 1 summarizes the 2011 VOC and NO_x emissions for Lake and Porter Counties in units of tons of emissions per ozone season² day documented in Indiana's submittal.

**Table 1. Lake and Porter Counties 2011 Emissions Inventory
(tons per ozone season day)**

| County | Source Category | NO_x | VOC |
|---------------|--------------------------------|-----------------------|--------------|
| Lake | Electric Generating Unit (EGU) | 24.62 | 0.44 |
| Lake | Non-EGU Point Source | 43.10 | 15.39 |
| Lake | Area Source | 5.80 | 12.54 |
| Lake | On-Road Mobile | 24.01 | 8.89 |
| Lake | Non-Road Mobile | 8.07 | 7.55 |
| Porter | EGU | 5.53 | 0.19 |
| Porter | Non-EGU Point Source | 23.36 | 1.68 |
| Porter | Area Source | 3.89 | 5.53 |
| Porter | On-Road Mobile | 10.02 | 3.71 |
| Porter | Non-Road Mobile | 4.62 | 6.64 |
| Totals | | 153.02 | 62.56 |

Indiana estimated emissions for all source categories, except on-road mobile sources, using annual emissions data contained in EPA's 2011 National Emissions Inventory (NEI) database. To document the derivation of these emissions data, IDEM included EPA's "Technical Support Document (TSD) Preparation of Emissions Inventories for the Version 6.2 2011 Emissions Modeling Platform" (August 2015) in the June 15, 2016, submittal. The Ozone NAAQS Emissions Modeling Platform

² The ozone season is the portion of the year in which high ozone concentrations may be expected in a given area. For Lake and Porter Counties, the ozone season is March through October.

(2011v6.2) was used by EPA to collect or estimate emissions data for the 2011 NEI.

For point sources (EGUs and non-EGUs), IDEM calculates and stores emissions data annually in the state's Emissions Inventory Tracking System (EMITS) and annually collects such data through Indiana's Emissions Statement program. The point source data for 2011 were submitted through the Emissions Inventory System (EIS) gateway to the 2011 NEI. The EPA has supplemented the point source data in the 2011 NEI using emissions data from other databases, such as the Clean Air Markets emissions database.

The area source emissions in the 2011 NEI were developed by the EPA, with comments provided by the states.

Non-road mobile source emissions data were developed by the EPA using the National Mobile Inventory Model (NMIM).

On-road mobile source emissions were supplied by the Northwest Indiana Regional Planning Commission (NIRPC) and were developed using EPA's Motor Vehicle Emission Simulator, version 2014 (MOVES2014), emissions model and traffic data provided by the Indiana Department of Transportation (INDOT).

All annual emissions data were temporally allocated to ozone season days using temporal files found in EPA's Modeling Clearinghouse, <http://www3.epa.gov/ttn/chief/emch/index.html>.

It is noted that, in addition to documenting county emissions totals, IDEM has also listed VOC and NOx emissions by Source Classification Code (SCC) and emissions from specific major source facilities (point sources).

III. Indiana's Emissions Statement Rule Certification

On June 15, 2016, through a separate submittal, IDEM submitted a certification letter confirming that Indiana's existing Emissions Reporting Rule is currently being implemented and is adequate to meet the CAA section 182(a)(3)(B) emissions reporting requirement. IDEM noted that the Emissions Reporting Rule, 326 Indiana Administrative Code (IAC) 2-6, was adopted by Indiana's Air Pollution Control Board (APCB) on December 3, 2003. This rule is part of Indiana's SIP. The rule requires sources located in Lake and Porter Counties that emit either NOx or VOC equal to or greater than 25 tons per year to annually report their actual emissions to IDEM.

IDEM has certified in its June 15, 2016, letter that 326 IAC 2-6 satisfies CAA section 182(a)(3)(B) emissions reporting requirements for Lake and Porter Counties for the 2008 ozone NAAQS. Included with the certification letter is a copy of rule 326 IAC 2-6.

IV. EPA's Evaluation

A. Emissions Inventory

In accordance with sections 172(c)(3) and 182(a)(1) of the CAA, Indiana's submittal contains a comprehensive, accurate, and current inventory of actual VOC and NOx emissions for all relevant sources in Lake and Porter Counties. The state documented the general procedures used to estimate the ozone season day emissions for each of the major source categories and for SCCs and point source facilities. IDEM provided detailed model input data used to derive on-road emissions. The documentation of the emissions estimation procedures and data sources has been determined to be adequate.

IDEM has submitted evidence that it provided the public with an opportunity to request a public hearing and to comment on the material contained in the June 15, 2016, submittal. A public hearing was not requested and IDEM received no comments on the submission. Therefore, the state has complied with public notice and review requirements of the CAA.

Based on the adequacy of the emissions inventories documentation and on the evidence that the public has been given an opportunity to comment on the emissions inventories, the base year emissions inventories are approvable.

B. Emissions Statement Rule

EPA approved Indiana's emissions statement rule, 326 IAC 2-6, into the Indiana SIP on March 27, 2007 (72 FR 14678), and it is currently being implemented. The rule requires sources of

VOC and NOx in Lake and Porter Counties to annually report these emissions to the state if the sources emit VOC or NOx equaling or exceeding 25 tons per year. In addition, it is noted that Indiana typically reports point source emissions to the NEI with source cutoffs well below 25 tons per year, covering VOC and NOx emissions from sources that are not required to submit annual emissions statements. Therefore, Indiana's rule 326 IAC 2-6 meets the requirements of CAA section 182(a)(3)(B) and is approvable.

V. Final Action

EPA is approving the emissions inventory submitted by Indiana and specified in Table 1 above as meeting the requirements of sections 172(c)(3) and 182(a)(1) of the CAA for Lake and Porter Counties for the 2008 ozone NAAQS. We are also approving Indiana's certification that the state has an emissions statement rule in its SIP for VOC and NOx stationary sources in Lake and Porter Counties, in accordance with the CAA section 182(a)(3)(B).

We are publishing this action without prior proposal because we view this as a noncontroversial amendment and anticipate no adverse comments. However, in the proposed rules section of this Federal Register publication, we are publishing a separate document that will serve as the proposal to approve the state plan if relevant adverse written comments are filed.

This rule will be effective **[insert date 60 days after the date of publication in the Federal Register]** without further notice unless we receive relevant adverse written comments by **[insert date 30 days after the date of publication in the Federal Register]**. If we receive such comments, we will withdraw this action before the effective date by publishing a subsequent document that will withdraw the final action. All public comments received will then be addressed in a subsequent final rule based on the proposed action. EPA will not institute a second comment period. Any parties interested in commenting on this action should do so at this time. Please note that, if EPA receives adverse comment on an amendment, paragraph, or section of this rule and if that provision may be severed from the remainder of the rule, EPA may adopt as final those provisions of the rule that are not the subject of an adverse comment. If we do not receive any comments, this action will be effective **[insert date 60 days after the date of publication in the Federal Register]**.

VI. 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 (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 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 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).

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will

submit a report containing this action and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the Federal Register. A major rule cannot take effect until 60 days after it is published in the Federal Register. This action is not a "major rule" as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by **[insert date 60 days after date of publication in the Federal Register]**. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. Parties with objections to this direct final rule are encouraged to file a comment in response to the parallel notice of proposed rulemaking for this action published in the proposed rules section of today's Federal Register, rather than file an immediate petition for judicial review of this direct final rule, so that EPA can withdraw this direct final rule and address the comment in the proposed rulemaking. This action may not be challenged later in proceedings to enforce its

requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

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

Dated: March 21, 2017.

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

40 CFR part 52 is amended as follows:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

1. The authority citation for part 52 continues to read as follows:

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

2. Section 52.777 is amended by adding paragraphs (vv) and (ww) to read as follows:

§ 52.777 Control strategy: photochemical oxidants (hydrocarbons) .

* * * * *

(vv) On June 15, 2016, Indiana submitted 2011 volatile organic compounds and oxides of nitrogen emissions inventories for the Indiana portion of the Chicago-Naperville, Illinois-Indiana-Wisconsin nonattainment area for the 2008 ozone national ambient air quality standard as a revision of the Indiana state implementation plan. The documented emissions inventories are approved as a revision of the state's implementation plan.

(ww) On June 15, 2016, Indiana submitted a certification that sources of volatile organic compounds or oxides of nitrogen located in Lake and Porter Counties are required to annually submit statements documenting these emissions to the state. This certification is approved as a revision to the state's implementation plan.