



6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R04-OAR-2017-0356; FRL-9966-01-Region 4]

Air Plan Approval; KY;

Miscellaneous Source Specific Revisions for Jefferson County

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve revisions to the Kentucky State Implementation Plan (SIP), submitted by the Commonwealth of Kentucky, through the Kentucky Division for Air Quality (KDAQ), on March 21, 2011, October 29, 2013, October 28, 2016, and March 24, 2017. The proposed revisions were submitted by KDAQ on behalf of the Louisville Metro Air Pollution Control District (District), which has jurisdiction over Jefferson County, Kentucky. The revisions include changes to Jefferson County Regulations regarding Reasonably Available Control Technology (RACT) for two major sources of nitrogen oxides (NO_x) and the removal of a volatile organic compounds (VOC) bubble rule.

DATES: 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 No. EPA-R04-OAR-2017-0356 at <http://www.regulations.gov>. Follow the online instructions for submitting comments.

Once submitted, comments cannot be edited or removed from regulations.gov. 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, 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: Joel Huey, 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 or Andres Febres, 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. Mr. Huey can be reached by telephone at (404) 562-9104 or via electronic mail at huey.joel@epa.gov. Mr. Febres can be reached by telephone at (404) 562-8966 or via electronic mail at febres-martinez.andres@epa.gov.

SUPPLEMENTARY INFORMATION:

I. What action is EPA proposing?

EPA is proposing to approve changes to the Jefferson County portion of the Kentucky SIP that were received by EPA on March 21, 2011. Approval of Kentucky's March 21, 2011, submission would: (1) make several changes to Regulation 6.29, *Standard of Performance for*

Graphic Arts Facilities Using Rotogravure or Flexographic Printing; (2) remove Regulation 7.57, *Standard of Performance for New Graphic Arts Facilities Using Rotogravure or Flexographic Printing*; (3) incorporate Amendment 4 to the Louisville Medical Steam Plant NOx RACT Board Order into the Jefferson County portion of the Kentucky SIP; (4) incorporate Amendment 3 to the Texas Gas Transmission NOx RACT Board Order into the Jefferson County portion of the Kentucky SIP; and (5) remove a VOC bubble rule for the General Electric plant in Louisville, Kentucky. This action also proposes to approve three SIP revisions received by EPA on October 29, 2013, October 28, 2016, and March 24, 2017, which modify the March 21, 2011, submittal as discussed below.

II. What is the background and EPA’s analysis for the proposed actions?

On March 21, 2011, the Louisville Metro Air Pollution Control District,¹ through KDAQ, submitted a SIP revision with five separate parts. The following paragraphs discuss the background and EPA’s assessment of each part of that submittal as well as the three subsequent submittals that revised the third and fourth parts (the NOx RACT Board Orders for the Louisville Medical Steam Plant and the Texas Gas Transmission facility, respectively).

(1) *Regulation 6.29, Standard of Performance for Graphic Arts Facilities Using Rotogravure or Flexographic Printing.*

Jefferson County Air Quality Regulation 6.29 applies to each printing line for packaging rotogravure, publication rotogravure, specialty rotogravure, and/or flexographic printing that

¹ In 2003, the City of Louisville and Jefferson County governments merged and the “Jefferson County Air Pollution Control District” was renamed the “Louisville Metro Air Pollution Control District.” However, each of the regulations in the Jefferson County portion of the Kentucky SIP still has the subheading “Air Pollution Control District of Jefferson County.” Thus, to be consistent with the terminology used in the SIP, we refer throughout this notice to regulations contained in the Jefferson County portion of the Kentucky SIP as the “Jefferson County” regulations.

commenced operation before February 4, 1981. Kentucky's March 21, 2011, revision adds a new Section 3.2, which specifies that compliance with the VOC limits shall be based upon materials used during a calendar-day averaging period, but that the "District may specifically authorize compliance to be based upon a longer averaging period that shall not exceed one calendar month." Although the existing SIP-approved rule does not specify the averaging time for compliance determination, EPA understands it to be 24 hours (based upon the daily recordkeeping requirement of Section 7.1). EPA believes that the proposed averaging times for compliance determination for up to one month would not result in any change in pollutant emissions because such allowances would be authorized only for facilities that generally use materials having little variation in VOC content. In addition, EPA notes that the approach of compliance determination based on averaging periods of up to one month is consistent with EPA's federal rules regulating this industry, including the New Source Performance Standards (NSPS) for the Graphic Arts Industry (Publication Rotogravure Printing) at 40 CFR part 60, subpart QQ, and the National Emission Standards for Hazardous Air Pollutants (NESHAPs) for the Printing and Publishing Industry at 40 CFR part 63, subpart KK. *See, e.g.*, 40 CFR 60.434(a)(1) and 40 CFR 63.825(b)(2).

The March 21, 2011, revision also amends Regulation 6.29 to allow material usage recordkeeping requirements to reflect the approved averaging period rather than the daily recordkeeping requirement of the existing SIP-approved rule. The inks and coatings used during a longer time period would be prorated to the appropriate compliance period based upon a measured parameter, such as linear feet of substrate printed. In addition, while the current SIP-approved rule requires the owner or operator to keep records of materials used for the most

recent two-year period, the revised rule would require that records be maintained for the most recent five-year period (*revised* Section 6.1).

Regulation 6.29 has also been revised such that it applies to all rotogravure and flexographic printing lines operating within the District. Section 1 (*Applicability*) of the current SIP-approved rule provides that the regulation applies to each affected facility that commenced operation before February 4, 1981. “Affected facility” is defined in the current SIP-approved rule as “a printing line for packaging rotogravure, publication rotogravure, specialty rotogravure, or flexographic printing.” Under the revised rule, the *Applicability* section is moved to Section 2 and provides that the rule applies to each printing line for packaging rotogravure, publication rotogravure, specialty rotogravure, or flexographic printing (regardless of commencement date²) and that new or modified affected facilities shall comply with all standards of the rule upon commencing operation.

Another change to Regulation 6.29 is that Section 5, “*Exemption*,” has been deleted, and the ink and coating VOC content specifications of that section have been relocated to Section 3, *Standard for Volatile Organic Compounds*, such that they are recognized as material usage limits rather than exemptions to compliance requirements. Finally, several non-substantive language changes have been made to Regulation 6.29 for consistency with other current Jefferson County regulations. EPA has evaluated these requested changes believes they will not interfere with the Louisville Area’s ability to attain and maintain the national ambient air quality standards (NAAQS). Therefore, EPA proposes to approve these changes to Regulation 6.29.

² New printing lines of these types are currently regulated pursuant to Regulation 7.57, the proposed removal of which is discussed in Section II.(2) below.

(2) *Regulation 7.57, Standard of Performance for New Graphic Arts Facilities Using Rotogravure or Flexographic Printing.*

Regulation 7.57 applies to the same type of printing lines as Regulation 6.29, but it applies to “new” units, defined as those that commenced operation on or after February 4, 1981. Kentucky’s March 21, 2011, submittal proposes to remove Regulation 7.57 from the SIP. As noted above, Regulation 6.29 has been revised such that it applies to all rotogravure and flexographic printing lines, regardless of their date of operational commencement. EPA has reviewed the revised Regulation 6.29 and has preliminarily determined that it regulates the sources with the same stringency as Regulation 7.57. Therefore, because Regulation 6.29 as revised will apply to all subject printing lines within the District’s jurisdiction, Regulation 7.57 would be duplicative and unnecessary. EPA proposes to approve the removal of Regulation 7.57 from the SIP.

(3) *Louisville Medical Center Steam Plant - NOx RACT Board Order.*

Jefferson County Air Quality Regulation 6.42 (Reasonably Available Control Technology Requirements for Major Volatile Organic Compound- and Nitrogen Oxides-Emitting Facilities) requires the establishment and implementation of RACT for certain affected facilities that are located at a major stationary source for NOx. Section 4.4 of Regulation 6.42 requires that each determination of RACT approved by the District be submitted to EPA as a site-specific revision of the Kentucky SIP. The Louisville Medical Center Steam Plant (Medical Center) operates six boilers that provide heat to buildings associated with the downtown hospital medical complex and is subject to a title V operating permit issued by the District. The initial

Medical Center NO_x RACT Board Order was approved by the Air Pollution Control Board of Jefferson County (APC Board-JC) on November 8, 1999, and submitted to EPA by KDAQ on November 12, 1999, as a site-specific revision of the Kentucky SIP. Amendment 1 to the Medical Center Board Order, issued on February 21, 2001, was submitted to EPA and approved into the SIP on October 23, 2001. *See* 66 FR 53685.

The March 21, 2011, submittal includes the District's second amendment to the Medical Center Board Order and requests withdrawal of Amendment 1. However, on October 29, 2013, the District submitted a third amendment to the Medical Center Board Order and requested withdrawal of the second one, and on April 4, 2017, the District submitted a fourth amendment to the Medical Center Board Order and requested withdrawal of the third one. No federal approval action has been taken on the second or third amendments to the Medical Center Board Order.

On March 19, 2008, the APC-JC Board adopted Amendment 2 to the Medical Center Board Order. Amendment 2 changed the fuel for Boiler #1 from coal to natural gas, removed the 10 percent "seasonal capacity factor" and added a 0.10 pound per million British thermal unit (lb/MMBtu) heat input limit for that boiler. On August 21, 2013, the Louisville Metro Air Pollution Control Board (LMAPC Board; formerly, the APC-JC Board) adopted Amendment 3 to the Medical Center Board Order. Amendment 3 removed the 10 percent seasonal capacity factor for Boiler #3 (since the coal stoker was removed and replaced with a low NO_x burner) and added a 0.20 lb/MMBtu heat input limit for that boiler.

On January 18, 2017, the LMAPC Board adopted Amendment 4 to the Medical Center Board Order. Amendment 4 replaces the emission rate limits for Boiler #1 and Boiler #3 (0.10

and 0.20 lb/MMBtu, respectively) with new limits on total NOx emissions (a 32.8 tons annual NOx limit and a 4.0 tons ozone season NOx limit for both boilers). As shown in the District's supporting documentation included in the submittal, the new ozone season NOx limit of 4.0 tons is more conservative than the potential to emit of 4.04 tons during ozone season (based on the previous 10 percent seasonal capacity factor), and the new annual NOx limit of 32.8 tons is the same as the potential to emit of 32.8 tons per year (based on the previous 10 percent seasonal capacity factor). Thus, the Medical Center Board Order changes between Amendment 1 (the version currently approved in the SIP) and Amendment 4 for Boilers #1 and #3 result in a potential emissions reduction of 0.04 tons of NOx per boiler during the ozone season. Other changes included in Amendment 4 are clarification of the averaging period for the NOx emission limits as a 30-day rolling average; the addition of annual performance testing and record of non-routine boiler maintenance activities for Boilers #1 and #3; elimination of an obsolete requirement for the Medical Center to submit a report of daily activities and procedures by April 1, 2001; and elimination of obsolete requirements related to compliance and recordkeeping on seasonal capacity factors, which originally applied only to Boilers #1 and #3 but no longer apply.

EPA preliminarily agrees with the District that the Amendment 4 to Medical Center Board Order achieves at least the same level of NOx emission reductions as the previously approved Amendment 1. Therefore, EPA proposes to approve the April 4, 2017, revision as Amendment 4 to the Medical Center Board Order.

(4) *Texas Gas Transmission - NOx RACT Board Order.*

As discussed above, Jefferson County Air Quality Regulation 6.42 requires the establishment and implementation of RACT for certain affected facilities that are located at a

major stationary source for NO_x. The initial Texas Gas Transmission (Texas Gas) NO_x RACT Board Order was approved by the APC-JC Board on November 8, 1999, and submitted to EPA by KDAQ on November 12, 1999, as a site-specific revision of the Kentucky SIP. Amendment 1 to the Texas Gas Board Order, issued on December 20, 2000, was submitted to EPA and approved into the SIP on October 23, 2001. *See* 66 FR 53685.

The March 21, 2011, submittal includes the District's second amendment to the Texas Gas Board Order and requests withdrawal of Amendment 1. However, on October 28, 2016, the District submitted a third amendment to the Texas Gas Board Order and requested withdrawal of second one. No federal approval action has been taken on the second amendment to the Texas Gas Board Order.

On June 17, 2009, the APC-JC Board adopted Amendment 2 to the Texas Gas Board Order. Amendment 2 removed the compressor turbine T-1 emission requirements due to the removal of the unit from the facility in 2005, added emission requirements for new compressor turbine E-22, and added a requirement that combustion performance modifications performed on the nine reciprocating internal combustion engine compressors remain in place to ensure NO_x emission limits are achieved.

On May 18, 2016, the LMAPC Board adopted Amendment 3 to the Texas Gas Board Order. Amendment 3 introduces the emission limits and work practice standards for engine E28 to bring it up to date with EPA's NESHAP for Stationary Reciprocating Internal Combustion Engines (40 CFR 63, subpart ZZZZ) as revised in 2013 (*see* 78 FR 6674); modifies the emission testing schedule for Compressor Engines E1 - E9 and Turbine E22; and more clearly specifies the

emission limits and testing, recordkeeping, and reporting requirements for each of the covered sources.

Regarding the performance testing schedule for Compressor Engines E1 – E6, Amendment 3 requires the same 6-year testing period for each engine as the approved Amendment 1. For Compressor Engines E7 – E9, Amendment 3 also requires a 6-year testing period for each engine, although these engines are required to be tested every three years under the approved Amendment 1. EPA believes the reduced testing frequency for Compressor Engines E7 – E9 is appropriate because these units are of the same type as Compressor Engines E1 – E6, which have a six-year testing requirement, and the revised schedule requires performance testing of all nine of the facility’s compressor engines within each 6-year period. For Turbine E22, the performance testing schedule is reduced from every two years to every six years. EPA believes this reduced testing frequency is appropriate because new condition 7 of Amendment 3 requires the owner or operator to continuously monitor and record appropriate parameters to demonstrate that the unit is operating in low-NOx mode, as required under 40 CFR 60.334(f)(2), thus minimizing NOx emissions. Further, if any of these units, E1 – E9 and E22, fails to demonstrate compliance with standards at any time, a new provision under condition 15 of Amendment 3 requires that the unit be taken out of service until maintenance has been performed and the unit has been re-tested and has demonstrated compliance. In addition, the LMAPC Board notes that units E1 – E9 and E22 have shown historical emission levels are significantly less than the regulatory limits.

EPA preliminarily agrees with the District that Amendment 3 to the Texas Gas Board Order achieves the same level of NOx emission reductions as the previously approved

Amendment 1. Therefore, EPA proposes to approve the October 28, 2016, revision as Amendment 3 to the Texas Gas Board Order.

(5) ***General Electric - Remove the Bubble Action approved on January 12, 1982.***

In 1982, EPA approved a revision to the Kentucky SIP that allowed an alternative emission reduction plan in the form of a “bubble rule” for the General Electric plant in Louisville, Kentucky. *See* 47 FR 1291 (January 12, 1982). The sources affected by that SIP revision were the Koch Plastisol Prime System and the Koch Wire Rack Prime System. The revision allowed the plant to achieve compliance with Kentucky and Jefferson County VOC regulations for existing large appliance surface coating operations. Kentucky’s March 21, 2011, submittal requests removal of this bubble rule for the General Electric plant because the subject equipment has been disabled and the associated permits have been voided for the facility. EPA proposes to approve the removal of the “Bubble action at General Electric in Louisville” from the Kentucky SIP.

III. Incorporation by Reference

In this rule, EPA is proposing regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is proposing the incorporation by reference of Jefferson County’s Regulation 6.29, *Standard of Performance for Graphic Arts Facilities Using Rotogravure or Flexographic Printing, effective August 21, 2013*; “Board Order Texas Gas Transmission” NOx RACT Plan, effective May 18, 2016; and “Board Order Louisville Medical Center Steam Plant” NOx RACT Plan, effective January 18, 2017. EPA has made, and will continue to make, these materials generally available through www.regulations.gov and/or at the

EPA Region 4 Office (please contact the person identified in the “For Further Information Contact” section of this preamble for more information).

IV. Proposed Actions

EPA is proposing to approve changes to the Jefferson County Air Quality Regulations portion of the Kentucky SIP. The requested revisions were provided by KDAQ to EPA on March 21, 2011, October 29, 2013, October 28, 2016, and March 24, 2017. The changes proposed for approval would: (1) modify Regulation 6.29, (2) remove Regulation 7.57, (3) incorporate Amendment 4 to the NO_x RACT Board Order for the Louisville Medical Center Steam Plant into the Jefferson County portion of the Kentucky SIP, (4) incorporate Amendment 3 to NO_x RACT Board Order for the Texas Gas Transmission facility into the Kentucky SIP, and (5) remove the VOC bubble rule for the General Electric plant in Louisville, Kentucky. EPA believes these changes are consistent with the requirements of the CAA.

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 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 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, 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).

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, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

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

Dated: July 28, 2017.

V. Anne Heard
Acting Regional Administrator,
Region 4.

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