Fairbanks PM_{2.5} Planning 3rd in a Series: <u>Regulatory Framework</u>

November 3, 2011



- Schedule
- Administrative Requirements for Plan
- Technical Requirements for Plan
- Agency Responsibilities (Borough, State, EPA)
- Non-attainment Requirements
- Control Measure Requirements
- Trends and Control Options

Overview (cont.)

- Series of Assembly Briefings Planned:
 - Overview and emission inventory development (July)
 - Modeling/Source apportionment (August)
 - Regulatory framework (Today)
 - Control Measures
 - Progress towards attainment

Fairbanks PM_{2.5} Air Quality Plan (SIP) Schedule

Task Name			2012 1 .1 .1 A S		2013 J F M A M J J A S		
INVENTORY DEVELOPMENT			1				
SPECIAL STUDIES/DATA ANALYSIS							
Workshop							
Symposium - Prep, Meeting & Summary							
REGULATORY MODELING							
CMAQ			1				
Receptor Modeling							
Dispersion Modeling			i				
Statistical Modeling							
CONTROL MEASURE ANALYSIS				A			
Identify/Assess Preliminary Strategies			1				
Economic Analysis of Fuel Price Shifts			1	5			
Assess Potential Borough Benefits			1				
Stakeholder Interaction			I			I I I I I I	
Public Process			I				
Regulation Development							
SIP DEVELOPMENT			i I				
Background Documentation							
Inventory Documentation							
Modeling Documentation		1					
Initial Regulation Analysis	1						
Final Regulation Analysis							
Weight of Evidence		i i					
Control Measure Documentation	1	i i					
Attainment Documentation							
Public Notice - SIP							
PCC Meetings							
Suggested Meetings							
Assembly Meetings							
Suggested Meetings			•				
State Public Comment and Adoption Process							
Prepare Regulation/Plan for State Public Comment							
State Public Comment Period							
Prepare State Package for Adoption							
Department of Law Review and Subsequent Adoptions							
File Regulations at Lt. Governor							
Transmit SIP to EPA for Approval							

CURRENT DATE

Air Quality Plan Attainment Demonstration Administrative Requirements

- Clean Air Act requires following to implement a plan
 - Adequate funding
 - Adequate personnel
 - Legal authority
- A mix of federal, state, and local programs
 - Some programs require ordinances or regulations
 - All committed programs must be funded and implemented

Air Quality Plan Attainment Demonstration Technical Requirements

- Identification of pollutant(s) to be regulated
 - PM_{2.5} and pre-cursor pollutants (SO₂, NOx, NH₃)
- Prepare estimates of current & projected emissions
- Use modeling to demonstrate attainment with projected emission reductions
- Attainment date must comply with Clean Air Act schedule
- Selected controls must be enforceable
- Demonstrate science supports findings

Non-attainment Area Requirements Failure to Plan or Implement the Plan

- Under the Clean Air Act, State failure to develop, submit or implement a plan, allows EPA to
 - Develop a Federal Implementation Plan
 - Impose sanctions:
 - federal highway funds (local or statewide) and/or
 - require additional emission reductions from new or modified industrial facilities (offsets)
- Clean Air Act allows citizen lawsuits for failure to implement plan.

State Responsibility

- State has lead for air quality under the Clean Air Act
 - Borough agreed to take air quality lead under MOU
 - State responsible for insuring Plan developed by Borough is approvable and implemented
- State is working closely with Borough to develop a Plan
 - Providing technical, regulatory and contractual assistance
 - Assisting inventory development, modeling and control measure analysis
 - Allocating considerable staff time and financial support

State Responsibility (cont.)

- State Implementation Plan must be updated to
 - Address PM_{2.5} standard
 - Integrate PM_{2.5} into air permitting program
 - Integrate Fairbanks PM_{2.5} Plan
 - Implement selected State PM_{2.5} control measures
- Once State Plan is approved by EPA, Fairbanks Plan becomes enforceable at the state and federal levels

Borough Responsibility

- Preparing approvable PM_{2.5} Plan
- Working with DEC & EPA to develop Plan
- Selecting controls needed to attain PM_{2.5} standard
- Demonstrating selected controls attain PM_{2.5} standard
- Allocating resources to fulfill Borough responsibilities
 - Funding
 - Personnel
 - Ordinances
 - Enforcement

EPA Responsibility

- Oversight
- Coordinates with Borough & DEC on Plan development
 - Technical assistance
 - Guidance interpreting federal requirements
- Evaluates and takes actions on Plan
 - Approved plan is federally enforceable
- If state fails to develop or implement approvable Plan, takes remedy actions
 - Federal Implementation Plan
 - Sanctions

Non-attainment Area Requirements Conformity

- All federally funded/approved projects in CO & PM_{2.5} nonattainment areas subject to Clean Air Act Section 176
- Federal actions must conform to Plan(s)
 - Projects cannot cause or contribute to non-attainment
 - Air quality analysis required before projects can proceed
- Transportation conformity rules apply to
 - FHWA/FTA funded projects
- General conformity rules apply to
 - All projects not funded by FHWA/FTA

Non-attainment Area Requirements Control Measures

- Clean Air Act requires emission reductions that are
 - Surplus
 - Enforceable
 - Quantifiable
 - Permanent
 - Anti-backsliding
- Limited emission reductions allowed for voluntary controls
- Borough has long experience implementing CO controls
 I/M
 - Plug-in electrification
 - Wood-burning ban

Options to Reduce Air Pollution Existing Programs

Local

- Wood stove change out
- Limit locations where new OWBs can be installed
- Burn dry wood
- Public education
- Open burn requirements

State

- Current wood-fired heating device regulations
- Open burn requirements
- Air permit requirements

Federal

motor vehicle and stationary engine fuel and emission standards

Additional Options to Reduce Air Pollution

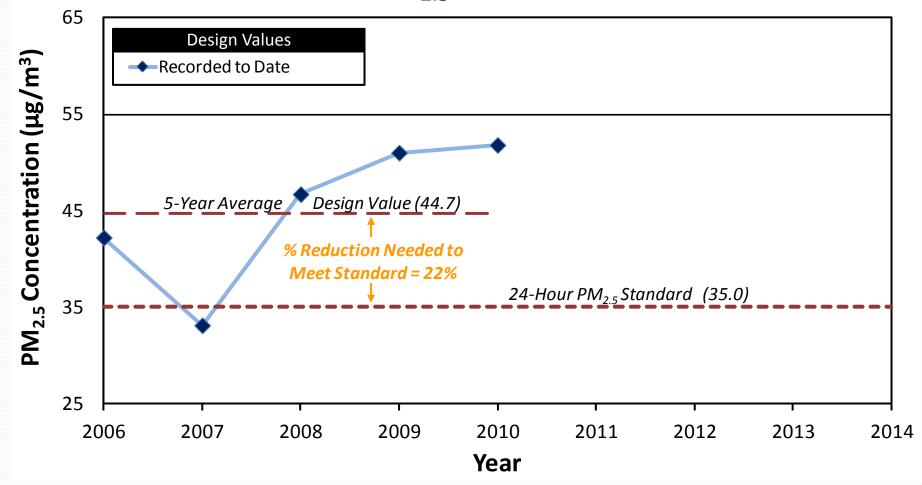
- Local options
 - Wood burning limits (sale of dry wood, etc.)
 - Shift to #1 heating oil as Borough has
 - Diesel retrofits
- State options
 - Wood burning limits (curtailment during episodes)
 - OWB standards
 - Limit wood cutting on public lands to only taking split wood
 - Permitted industrial facility emission controls
 - Large scale natural gas availability (e.g., pipeline)

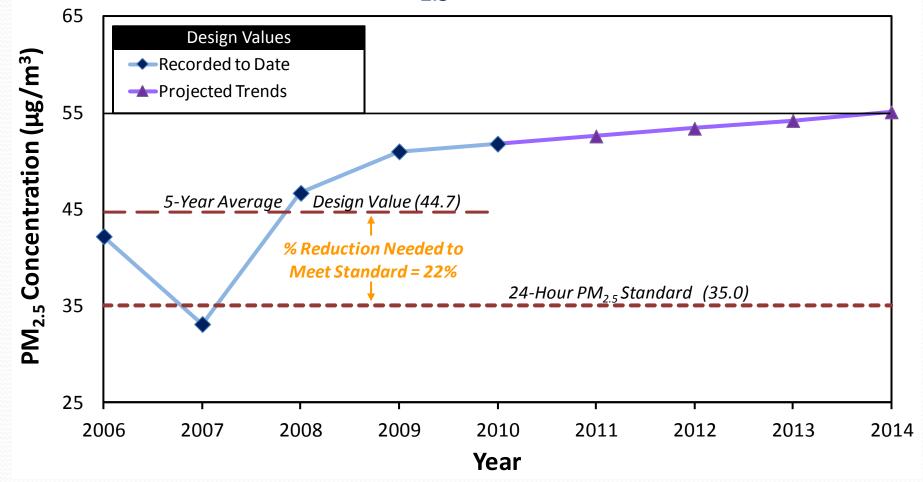
Additional Options to Reduce Air Pollution (cont.)

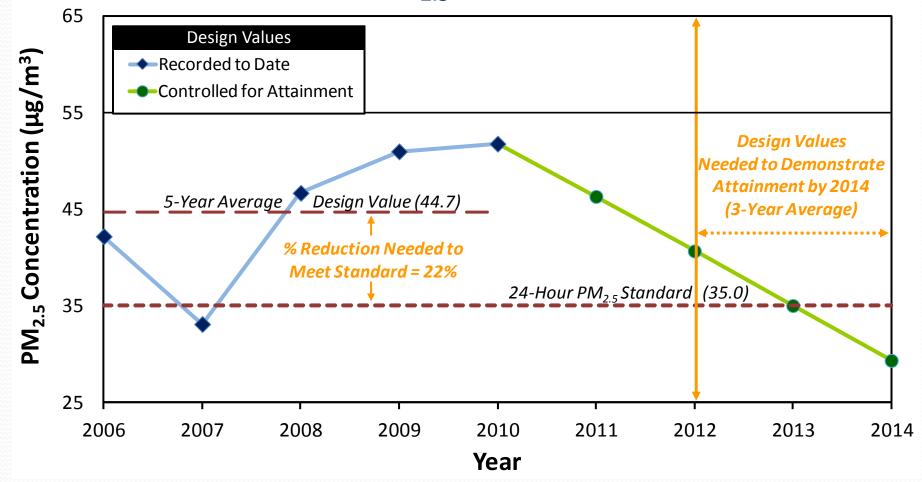
- Federal options
 - Tighter wood stove standards (technology forcing)
 - National standards on fuels & equipment

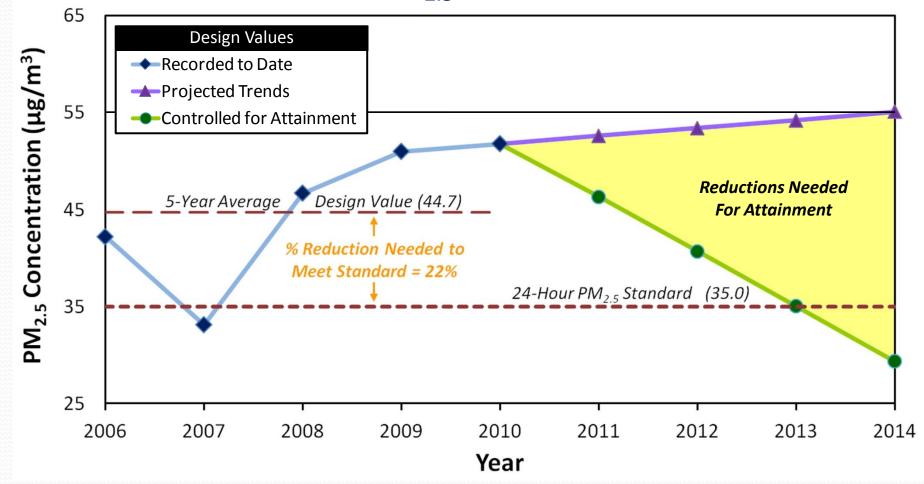
Additional funds for local programs

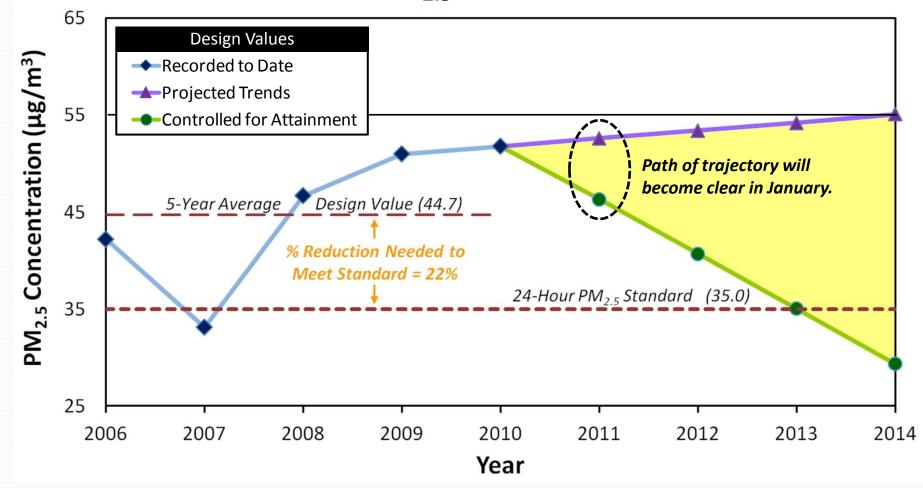
Have to work together to assemble a mix of acceptable measures











Design Value Summary

- Annual values reflect the net of three independent activities
 - Meteorology
 - Owner response to shifting space heating fuel prices
 - Borough/State efforts to reduce emissions
- While shifting weather patterns can influence year-to-year trends, they are not the cause of a long-term trajectory
- Owners have responded to increasing fuel prices by shifting to lower cost, dirtier fuels
- Efforts to reduce emissions and design values need to more than offset the combined effects of weather and owner responses to changing fuel prices

Borough: Where Are We in Preparing a Plan?

- Implementing programs not restricted by Prop A (wood/coal change out, plug-ins, public education)
- Exploring performance/benefits of ClearStack retrofits
- Digesting conflicting public viewpoints on acceptable solid fuel controls
- Working with State/EPA on
 - Monitoring/data analysis
 - Investigating science issues
 - Defining analytical framework
 - Operation of alternate air quality models
 - Development of control measure options
- Waiting on results to assess baseline model performance
- Briefing Assembly on issues needed to work with State in selecting acceptable controls and developing an approvable Plan

State: Where Are We in Preparing a Plan?

- Implementing existing programs (public education, nuisance enforcement, industrial source permitting, open burning, wood burning visible emissions)
- Developing and adopting statewide regulations for the PM_{2.5} air quality standard, identification of non-attainment areas, permit program PM_{2.5} requirements, etc.
- Working with Borough/EPA on all items listed above
- Waiting on results to assess baseline model performance
- Participating in Assembly briefings
- Tracking Borough planning efforts and public debate on controls

EPA: Where Are We in Preparing a Plan?

- Providing technical support to Borough/State on SIP development
- Providing regulatory interpretation guidance
- Participating in Assembly briefings
- Tracking design value trends
- Tracking Borough regulatory decisions

Review of Key Dates

- Tentative Schedule for Plan Development/Approval
 - January 19th Briefing Control Measures
 - February 16th Briefing Progress Towards Attainment
 - February/March Public Outreach/PCC
 - April Briefing Preliminary Control Proposal
 - June Briefing Revised Control Proposal
 - July Hearing Resolution on Final Plan