

Department of Environmental Conservation

DIVISION OF AIR QUALITY
Director's Office

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Via e-mail

May 17, 2016

Subject: Regulations that Go into Effect after EPA Redesignates the FNSB PM_{2.5} Nontattainment Area

from Moderate to Serious

Dear Elected Official:

As you may know, portions of Fairbanks North Star Borough (FNSB) do not meet the federal health-based air quality standards for fine particulate matter, (PM_{2.5}). PM_{2.5} in the FNSB nonattainment area comes primarily from wood smoke and other combustion sources. Following an extended public comment process, the Department of Environmental Conservation (DEC), in conjunction with the FNSB air quality program, developed and adopted an Air Quality Plan in 2014 to begin addressing the PM_{2.5} air pollution problems. The plan contains contingency measures designed to activate if the area failed to meet the air quality standards and is reclassified to a "serious" status by EPA. These measures include a contingency requirement to remove or replace older, high-emitting wood-fired heating devices when property is sold, leased, or conveyed within the nonattainment area. Another contingency measure in the plan will affect wood sellers within the nonattainment area.

The Clean Air Act (CAA) requires that the Air Quality Plan contain contingency measures, measures that go into effect if the area failed to meet the air quality standards by December 31, 2015. Unfortunately, the FNSB failed to meet the standard by December 31, 2015 and the Environmental Protection Agency (EPA) will redesignate the area from a Moderate Nonattainment Area to a Serious Nonattainment Area. We expect the EPA to issue a federal register notice and finalize this action in June or July of 2016. As a result, the two contingency measures contained in regulation will become 'active.'

Real Estate Transactions

Once the EPA designates the FNSB PM_{2.5} nonattainment area as "serious," 18 AAC 50.077 requires removal or replacement of any wood-fired heating device that does not meet the state's emission criteria before the property may be sold, leased, or conveyed. The contingency measure is designed to help slowly reduce the number of older, uncertified wood-fired heating devices in the nonattainment area by requiring these devices be removed or replaced when the property is sold, leased, or conveyed. Older devices have higher emissions compared to newer devices and reducing their number is expected to have a positive impact on air quality inside the nonattainment area.

This requirement will affect individuals and organizations that sell, lease, convey, or purchase property within the FNSB PM_{2.5} nonattainment area. DEC will be giving advance notice to real estate professionals and plans to work with them to ensure that requirements are met. For the convenience of stakeholders, DEC developed a webpage (http://dec.alaska.gov/air/PM2.5-Real-Estate.htm) that contains specific information such as a

map of the affected area, a link to the regulations, a link to lists of acceptable devices that meet the emission

standards, waiver information and more. DEC maintains approved wood heater lists on this website to assist in determining what devices do not need to be removed or replaced. Simply, if it is on the list, the device may stay.

The following guidance is also being provided to the real estate professionals to assist them in working with their clients to meet the requirements of 18 AAC 50.077:

- For home or property sales, non-compliant wood heaters are to be removed or replaced prior to the close of a sale (closing).
- For leases, non-compliant wood heaters are to be removed or replaced before commencement of the lease term.
- DEC also has provisions for granting a temporary waiver to the requirement, after considering:
 - o financial hardship information provided by the owner or operator;
 - o technical feasibility information provided by the owner or operator;
 - o potential impact to locations with populations sensitive to exposure to PM_{2.5}, such as hospitals, schools, child care facilities, health clinics, long-term care facilities, assisted living homes, and senior centers; and
 - o transitional timing, such as, if a sale occurred prior to the effective date of this requirement but the closing is after the effective date.

Commercial Wood Sellers

When EPA designates the FNSB PM_{2.5} nonattainment area as "serious," 18 AAC 50.076(d) requires all commercial wood sellers to register with DEC in order to sell or provide wood to a person located in the nonattainment area. Registration will be required 60 days after DEC fulfills the public notice requirement in 18 AAC 50.076(d)(3). Commercial wood sellers will be required to provide the moisture content of wood sold to the consumer. DEC will send a separate letter to elected officials and commercial wood sellers with additional details regarding that contingency measure in the near future.

PM_{2.5} may cause health problems when people are exposed to harmful concentrations. PM_{2.5} exposure can lead to increased respiratory symptoms (such as irritation of the airways, coughing, or difficulty breathing), decreased lung function, aggravated asthma, development of chronic bronchitis, irregular heartbeat, nonfatal heart attacks, and premature death in people with heart or lung disease. The contingency measures above are intended to reduce PM_{2.5} concentrations and to benefit public health in the community.

If you have any questions about this letter or the applicable regulations, you can contact Cindy Heil at (907) 269-7579 or via email at <u>cindy.heil@alaska.gov</u>. Alternatively, you can contact me at (907) 269-5105 or via email at <u>denise.koch@alaska.gov</u>.

Sincerely,

Denise Koch, Director Division of Air Quality

cc:

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