## Department of Environmental Conservation



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Via e-mail

May 12, 2017

Subject: EPA Redesignated the FNSB PM<sub>2.5</sub> Nontattainment Area from Moderate to Serious Effective June 9, 2017 - Regulations that Will Go into Effect

GOVERNOR BILL WALKER

Dear Elected Official:

Portions of Fairbanks North Star Borough (FNSB) do not meet the federal health-based air quality standards for fine particulate matter, (PM<sub>2.5</sub>). PM<sub>2.5</sub> may cause health problems when people are exposed to harmful concentrations. PM<sub>2.5</sub> 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.

PM<sub>2.5</sub> 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<sub>2.5</sub> air pollution problems. The plan contains 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 requirement to remove or replace older, high-emitting wood-fired heating devices when property is sold, leased, or conveyed within the nonattainment area. Another measure in the plan will affect wood sellers within the nonattainment area.

The Clean Air Act (CAA) requires that the Air Quality Plan contain 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. In a federal register notice issued by the Environmental Protection Agency (EPA) on May 10, 2017,<sup>1</sup> EPA has re-classified the area from a moderate nonattainment area to a serious nonattainment area effective June 9, 2017. As a result, the two measures established in exisiting regulation will become 'active.'

## **Real Estate Transactions**

Upon the effective date of, June 9, 2017, 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 measure is designed to help slowly reduce the number of older, uncertified wood-fired heating devices in the nonattainment area. 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.

<sup>&</sup>lt;sup>1</sup> Federal Register/Vol. 82, No.89/Wednesday May 10, 2017 (<u>https://www.gpo.gov/fdsys/pkg/FR-2017-05-10/pdf/2017-09391.pdf</u>)

This requirement will affect individuals and organizations that sell, lease, convey, or purchase property within the FNSB PM<sub>2.5</sub> nonattainment area. DEC began outreach to real estate professionals in May 2016 and plans to continue to work with them as this measure takes effect. For the convenience of stakeholders, DEC developed a webpage (<u>http://dec.alaska.gov/air/PM2.5-Real-Estate.htm</u>) 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 put, 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;
  - potential impact to locations with populations sensitive to exposure to PM<sub>2.5</sub>, such as hospitals, schools, child care facilities, health clinics, long-term care facilities, assisted living homes, and senior centers; and
  - 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**

With the classification of the FNSB PM<sub>2.5</sub> 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 measure in the near future. This measure will not impact individual's ability to harvest wood for personal use.

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,

Jemise Hally

Denise Koch, Director Division of Air Quality

cc: Cindy Heil, DEC/NPMS, Anchorage Molly Birnbaum, DEC/NPMS, Anchorage Alida Bus, DEC/Legislative Liason, Juneau Alice Edwards, DEC/Deputy Commissioner, Juneau Larry Hartig, DEC/Commissioner, Anchorage

