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June 29, 2012

Air Docket
Attention: Docket ID No. EPA-HQ-OAR-2010-1059
U.S. Environmental Protection Agency
Mail Code: 6102T
1200 Pennsylvania Avenue NW
Washington, DC 20460

RE: Comments on EPA's Draft White Paper - Implementation of the 2010 Primary 1-Hour SO₂ NAAQS

To Whom It May Concern:

On behalf of the Lake Michigan Air Directors Consortium (LADCO), we offer the following comments on EPA's draft document entitled "*Implementation of the 2010 Primary 1-Hour SO₂ NAAQS*". These consensus comments of our six states are intended to supplement any individual state comment letters. We appreciate this opportunity to provide comments and commend EPA for their considerable efforts to seek input from the states and other stakeholders.

Rulemaking vs. Guidance: We strongly recommend that future implementation requirements for SO₂, and all other National Ambient Air Quality Standards (NAAQS), be based on rulemaking and not guidance. The rulemaking process affords states, environmental groups, affected industries, and other interested members of the public an avenue to provide valuable feedback and results in more effective and efficient regulations. This future rulemaking should clearly articulate the minimum requirements for states to ensure they are meeting the requirements of the SO₂ NAAQS.

Hybrid Approach: We recommend a hybrid and flexible implementation approach, where states may use modeling, monitoring data, or both, to address unclassified areas. Modeling should be conducted to: 1) determine the need for ambient monitoring and identify appropriate monitor locations, or 2) identify and resolve areas of potential violation without the need for monitoring or a nonattainment designation/ State Implementation Plan (SIP) call.

Due to the conservative nature of the modeling, states should be able to use modeling to demonstrate that an unmonitored/unclassifiable area will attain the standard. We do not believe this modeling, if it shows attainment, should have to be repeated year-after-year. However, modeling should not be used for designating areas as nonattainment, absent monitoring data that demonstrates that NAAQS violations are, in fact, occurring. Modeling may be appropriate in some cases for determining boundaries for areas to be designated as nonattainment.

"Actual" Emissions: Modeling should be based on "actual" emissions rates, not on allowable or potential emission rates, so that states can focus their efforts on actual air quality problems. Given the potential uncertainty regarding the determination of 1-hour actual emissions, EPA could potentially

establish a safety margin for comparing modeling results to the NAAQS. However, modeling with actual emissions should not then automatically result in a new permit limit being set at that level.

Emissions Threshold: Evaluation of sources through modeling or monitoring should focus on the largest SO₂-emitting sources to allow states to use available resources to address areas most likely experiencing elevated SO₂ concentrations. EPA should implement a phased approach for evaluating sources, with a higher threshold for the first phase and lower thresholds for subsequent phases, if necessary. A 2,000 ton per year actual reported emissions threshold seems appropriate for the first phase of evaluation, especially since this captures 93 percent of reported emissions nationally. EPA should clearly articulate how many phases there will be and what the emission thresholds will be. States should be afforded the flexibility to consider the Mercury Air Toxics Standards (MATS), the Boiler Maximum Achievable Control Technology (MACT) regulations, the Cross-State Air Pollution Rule (CSAPR), planned shut-downs, and other future emissions reduction commitments in applying thresholds for prioritizing modeling and monitoring activities.

Timing: In implementing a phased approach, the timing for implementing subsequent phases needs to recognize the states' genuine resource constraints. Deadlines for each implementation phase must consider the ability of states to conduct the modeling, identify appropriate monitoring locations, and potentially install multiple monitors. The timing of subsequent implementation phases should also consider the number of monitors that are required in each state, recognizing that not all states will be equally impacted. The timing for compliance in unclassifiable areas should be synchronized with other federal regulations, such as the MATS, the Boiler MACT regulations, and the CSAPR recognizing that many sources will reduce their SO₂ emissions significantly due to these regulations.

States Must Not Pay for the Monitoring: If modeling demonstrates that there is a potential for violations of the NAAQS near a source or group of sources, states should be able to require sources, based on rule, to either resolve the potential violations through new emission limits and modeling, or evaluate ambient air impacts through monitoring (i.e., "the hybrid approach"). Given current economic conditions, EPA should recognize the costs of installation, and on-going operation, and maintenance of the monitoring equipment before setting any subsequent monitoring requirements. Furthermore, the states are concerned that the point of modeled maximum SO₂ concentration for siting a monitor may be potentially off a source's property resulting in potential challenges, such as additional cost, access and security concerns.

Monitoring Data Must Be Publicly Available: Assuming states have performed the necessary steps to ensure data quality, the monitoring data should be accepted as valid and submitted to AQS.

Monitored Nonattainment Question: If an area monitors nonattainment and the culpable source has the highest level of control technology installed, what would EPA require of the state and the affected source?

Summary: Using a hybrid implementation approach, modeling should be conducted using actual emissions for large sources in unclassified areas to determine the need for ambient monitoring. Should the modeling indicate that a source or group of sources is potentially causing a violation of the NAAQS, the states should be allowed to give sources options for resolving the potential violation. Sources could choose to take more stringent emission limits in order to model compliance, or decide to have monitoring conducted near the source(s) in areas of expected maximum impact determined through modeling.

States should be allowed flexibility in determining the number of monitors and their locations. If the modeling shows no air quality problems, or if sources are able to resolve potential problems through modeling and new permit conditions, then states should not be required to revise their SIPs and EPA should designate the unclassified areas to attainment. Similarly, if monitoring data demonstrates that the NAAQS is being attained, then states should not be required to revise their SIPs and EPA should designate the unclassified areas to attainment. If monitoring demonstrates nonattainment, however, then areas should be designated as nonattainment and states should be required to develop attainment SIPs through the normal Clean Air Act process and schedule. If nonattainment is measured, EPA should designate the smallest geographic area possible as nonattainment.

Please direct any questions concerning these comments to any of us, or Rob Kaleel at LADCO.

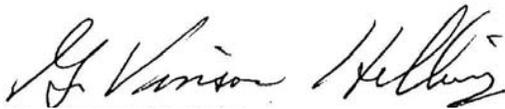
Sincerely,



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