

## MASSACHUSETTS SIP STEERING COMMITTEE

Meeting Summary

April 4, 2009

### **In Attendance:**

Rich Rothstein, Km Chng Environmental  
Robert McConnell, EPA Region 1  
Alison Simcox, EPA Region 1  
Shawn Konary, Mirant  
Paula Hamel, Dominion  
Don DiCristofaro, Blue Sky Environmental  
Keith Beasley, Massport  
Seth Pickering, ESS Group Inc.  
Beverly Woods, NMCOG/MARPA  
John Quinn, Mass Petroleum Council

### *Mass DEP Staff:*

Eileen Hiney  
Marc Wolman  
Christine Kirby  
Will Space  
Azin Kavian  
Richard Fields  
Kenneth Santlal  
Patricio Silva  
Aimee Powelka

Please note that all materials distributed or presented at the April 4, 2009 meeting are available at <http://www.mass.gov/dep/public/committee/daqcpu11.htm>.

### **Diesel Emissions Reduction Act and Stimulus Funds** (*Christine Kirby*)

The Diesel Emissions Reduction Act (DERA) was funded at \$300 million in the recent federal stimulus act; 30% of these funds are available in direct grants to states. Massachusetts will receive \$1.73M for projects that were included in a grant application submitted to EPA on 3/20/09. Awards are expected on 4/17/09 and the funds must be spent by 9/30/10. Therefore, MassDEP has concentrated on projects that can be rapidly implemented, including: repowering of MBTA locomotive engines, completing the electrification of the Massport fish pier, diesel retrofits of waste haulers' trash and recycling trucks, and funding a NESCAUM project to convert municipal and private fleet diesel trucks to hybrid vehicles.

Additionally, 70% of the DERA funding is being awarded through EPA via competitive grants. Applications for these grants are due 4/28/09, awards are expected in May/June 2009, and funds must be spent by 9/30/10. Eligible entities include state, local, and non-profits working on air and/or transportation.

### **Court Updates**

- **CAIR Reinstatement/Remand** (*Eileen Hiney and Alison Simcox*)

On December 23, 2008, the D.C. Circuit Court reversed its July, 2008 decision to vacate EPA's Clean Air Interstate Rule (CAIR). CAIR capped NOx and SO2 emissions from power plants in 28 states beginning in 2009, replacing the NOx budget program. The December Court decision remands CAIR to EPA to address the numerous flaws the court previously identified, but leaves the rule in place. Thus, the CAIR program is currently in effect and MassDEP has dropped its proposed reinstatement of the NOx Budget Program and revocation of MassCAIR, 310 CMR 7.32.

EPA will address the flaws the Court identified in the CAIR program by proposing a replacement rule within approximately two years. EPA is currently holding stakeholder calls with national, state, and regional air organizations, EGUs, ICI boilers, and environmental groups to inform this new rule. Although some states have entered allowances past 2011 which EPA has recorded, EPA cautions that there is no guarantee these allowances will be usable in any CAIR replacement rule.

- **PM2.5 NAAQS** (*Eileen Hiney & Alison Simcox*)

EPA revised the PM2.5 and PM10 National Ambient Air Quality Standards (NAAQS) in 2006. It lowered the daily PM2.5 standard from 65 to 35 ug /m<sup>3</sup>; left the annual PM2.5 standard unchanged at 15 ug / m<sup>3</sup>; revoked the PM10 annual standard; and set the secondary PM2.5 standard at the same level as the primary PM2.5 standard.

Massachusetts meets the new stricter daily PM2.5 standard and recommended to EPA that it be designated as an attainment area under the 2006 NAAQS. EPA has not yet approved that recommendation. Multiple parties filed petitions for review of the 2006 PM<sub>2.5</sub> and PM<sub>10</sub> standards. In February 2009, the U.S. District of Columbia Circuit Court of Appeals ruled on the petitions for review, remanding both the primary and secondary annual PM<sub>2.5</sub> standards to EPA for reconsideration. The Court held that EPA did not adequately explain how public health was protected with retention of the existing annual primary PM2.5 standard. . The Court also ruled that setting the secondary standard at the same level as the primary standard was not adequate to protect the public welfare (vs. public health) from impacts on visibility. Both 2006 standards remain in place during EPA's review.

### **2008 Ozone NAAQS**

- **Recommended Designations** (*Eileen Hiney - presentation*)

In March, 2008, EPA issued a new ozone standard of 0.075 parts per million (ppm). Massachusetts recommended that it be designated non-attainment statewide with two non-attainment areas: Eastern Massachusetts and Western Massachusetts. These non-attainment areas are the same as the non-attainment areas for the prior ozone standard, but differ from EPA's guidance recommending the use of a Combined Statistical Area (CSA) as the presumptive non-attainment area boundary. The CSA that includes Eastern Massachusetts also includes portions of New Hampshire and Rhode Island. Each of the three states prefers to have its non-attainment area boundaries within its own borders. Massachusetts believes that its participation in the Ozone Transport Commission fulfills EPA's goals of consistent controls and collaborative planning across the CSA. EPA has one year to make final designations. The attainment year will be based on Massachusetts' attainment classification under EPA's classification scheme, which has not yet been issued. SIPs will be due 3 years after final designations (2013).

- **OTC Planning** (*Eileen Hiney*)

OTC planning has begun for the next round of SIPs to comply with the 2008 ozone standard. Inventory coordination efforts are being led by MARAMA, the regional air planning organization for the Mid-Atlantic States, to ensure consistency across the OTC region. Issues under discussion include whether to use 2007 or 2008 as the base year, how to incorporate High-Energy Demand Days (HEDD) into the inventory, and whether EPA's new Mobile model will be issued in time to use it in the OTC regional modeling efforts.

- **OTC Control Measures Review** (*Marc Wolman*)

The OTC Commissioners met in November and charged the OTC committees with identifying controls that will be needed for OTC states to meet the 2008 ozone standard requirements. The OTC Stationary and Area Source Committee (SAS) met on February 2, 2009 to discuss potential control measures with stakeholders. Measures under discussion include possible NO<sub>x</sub> controls on ICI boilers, mobile source controls, and a number of measures to reduce VOC emissions. More details on each of the measures under discussion can be found at: <http://www.otcair.org/document.asp?fview=meeting>.

- **Multi-State Collaborative** (*Eileen Hiney - handout*)

18 states in the OTC, LADCO (Great Lakes) and southeast regions are collaborating to create a framework for states in the CAIR region to develop a multi-pollutant strategy to address both ozone and PM2.5. The group is using modeling to develop recommendations for contribution and control levels from EGUs and other sectors such as ICI boilers.

## Climate Change

- **RGGI Auction Update** (*Will Space - presentation*)

The Regional Greenhouse Gas Registry held its third auction for CO2 allowances in March 2009 with ten states offering allowances for sale. Allowances cleared for \$3.51, with 31.5 million allowances sold. The three auctions were fairly consistent in the allowance price and in the number of qualified and winning bidders. Currently, offset applications are under development. The RGGI states through RGGI, Inc. have hired ICF consulting to develop application forms and guidance for the documentation and verification of RGGI-approved offsets. This guidance is expected sometime in mid-2009.

- **MassDEP Mandatory GHG Reporting Regulation** (*Will Space - presentation*)

A major provision of the Massachusetts Global Warming Solutions Act states that MassDEP “shall adopt regulations to require the reporting and verification of statewide greenhouse gas (GHG) emissions.” To comply with this requirement, the emergency regulation 310 CMR 7.71 was promulgated on December 29, 2008. It became effective immediately and was made final in March 2009. The regulation requires reporting by sources holding a Massachusetts Appendix C permit or exceeding a threshold of 5,000 tons per year of CO2 equivalents or a source. It also requires reporting in accordance with The Climate Registry’s General Reporting Protocol to a regional registry. Amendments to this regulation are being proposed which address voluntary reporting, reporting by retail sellers of electricity, and third party verification on a three-year, staggered cycle. The public hearing is scheduled for April 30 and the public comment period closes on May 11. For more information, see: <http://www.mass.gov/dep/public/hearings/ghgrmtgs.htm>

- **Proposed EPA Mandatory GHG Reporting Rule** (*Bob McConnell*)

EPA has released a proposed mandatory GHG reporting rule and expects it to be published in the Federal Register around April 10, 2009. Reporting is required for suppliers of fossil fuels or industrial GHG, manufacturers of vehicles and engines, and facilities that emit 25,000 metric tons or more of CO2 equivalents per year. EPA estimates that this rule will include approximately 13,000 facilities nationwide and account for about 85% of total U.S. GHG emissions. The first annual report would be submitted to EPA in 2011 for calendar year 2010 and EPA would be responsible for verifying the data. The reporting methods are based upon existing GHG reporting programs and guidance. For more information, see: <http://www.epa.gov/climatechange/emissions/ghgrulemaking.html>

## Regulation Updates

### **Mercury monitoring regulation** (*Patricio Silva*)

Massachusetts will propose replacement mercury monitoring regulations for power plants in amendments to 310 CMR 7.29 and a proposed new 310 CMR 7.00: Appendix D. Prepublication drafts of Appendix D have been circulated to interested parties for review. The draft amendments are expected to be issued for public hearing and comment in the near future. The revisions are in response to the vacatur of EPA’s Clean Air Mercury Rule (CAMR) earlier this year which eliminated 40 CFR Part 75 monitoring requirements incorporated by reference into 310 CMR 7.29.

In late 2007, the Northeast states through the New England Interstate Water Pollution Control Commission (NEIWPCC) received EPA approval for a total maximum daily load (TMDL) for mercury. The TMDL identifies how much a pollutant must be reduced in order for water quality standards to be met. The predominant nonpoint source of mercury in the region is atmospheric deposition. In order to address mercury sources outside of the region, NEIWPCC filed a Clean Water Act Section 319(g) petition. This petition requires the EPA Administrator to convene “a management conference of all states which contribute significant pollution...to develop an agreement among such states to reduce the level of pollution.” The intention is that each petitioning state’s water quality standards will be met as a result of implementing, under Section 112(d) of the Clean Air Act, limits on how much mercury any source can emit, based on the maximum achievable control technology (MACT). A

NESCAUM study has identified the contributing states, with just under half of the U.S. contributing sources being outside the NEIWPC region.

**Solvents/Consumer Products Regulations** (*Eileen Hiney*)

As part of its 8-hour ozone attainment SIP, Massachusetts committed to VOC reductions from solvents and consumer products. Amendments to the solvents and consumer products regulation 310 CMR 7.18 became final on March 6, 2009.

**Lowell CO Monitor Proposed Closure** (*Eileen Hiney – presentation*)

Massachusetts currently has four carbon monoxide (CO) monitors, located in Boston, Worcester, Springfield and Lowell to assure compliance with the 9 ppm 8 hour and 35 ppm 1 hour CO NAAQS. Levels of CO have declined dramatically and have not been within 30% of either standard since at least 1990. Massachusetts therefore has proposed to close one CO monitor in Lowell and to use the Worcester CO monitor as a surrogate for this area. EPA agrees with this proposed closure.

Citizens and public officials in neighboring towns have submitted comments opposing the closure, with many of them expressing concerns about increases in CO from new and proposed power plants. MassDEP is preparing a response to comments, which will address these concerns.

**Next SIP Steering Committee Meeting:** Thursday, July 16, 2009 at 10:00 a.m.