

February 8, 2000.

Arthur Levitt

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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### 24 CFR Part 990

[Docket No. FR-4425-N-10]

#### Negotiated Rulemaking Committee on Operating Fund Allocation; Meeting

**AGENCY:** Office of the Assistant Secretary for Public and Indian Housing, HUD.

**ACTION:** Negotiated Rulemaking Committee Meetings.

**SUMMARY:** This document announces a meeting of the Negotiated Rulemaking Committee on Operating Fund Allocation. These meetings are sponsored by HUD for the purpose of discussing and negotiating a proposed rule that would change the current method of determining the payment of operating subsidies to public housing agencies (PHAs).

**DATES:** The committee meeting will be held on March 7 and March 8, 2000. On March 7, 2000, the meeting will begin at approximately 9:30 am and end at approximately 5:30 pm. On March 8, 2000, the meeting will begin at approximately 9 am and end at approximately 4 pm.

**ADDRESSES:** The committee meeting will take place at the Channel Inn, 650 Water Street, SW, Washington, DC 20024; telephone 1-800-368-5668.

**FOR FURTHER INFORMATION CONTACT:** Steve Sprague, Funding and Financial Management Division, Office of Public and Indian Housing, Room 4216, U.S. Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410-0500; telephone (202) 708-1872 (this telephone number is not toll-free). Hearing or speech-impaired individuals may access this number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

The Secretary of HUD has established the Negotiated Rulemaking Committee on Operating Fund Allocation to negotiate and develop a proposal that would change the current method of determining the payment of operating subsidies to public housing agencies (PHAs). The establishment of the

committee is required by the Quality Housing and Work Responsibility Act of 1998 (Pub.L. 105-276, approved October 21, 1998) (the "Public Housing Reform Act"). The Public Housing Reform Act makes extensive changes to HUD's public and assisted housing programs. These changes include the establishment of an Operating Fund for the purpose of making assistance available to PHAs for the operation and management of public housing. The Public Housing Reform Act requires that the assistance to be made available from the new Operating Fund be determined using a formula developed through negotiated rulemaking procedures.

#### II. Negotiated Rulemaking Committee Meeting

This document announces a meeting of the Negotiated Rulemaking Committee on Operating Fund Allocation. The next committee meeting will take place as described in the **DATES** and **ADDRESSES** section of this document.

The agenda planned for the committee meeting includes the development and review of draft regulatory and preamble language; and the scheduling of future meetings, if necessary.

The meeting will be open to the public without advance registration. Public attendance may be limited to the space available. Members of the public may make statements during the meeting, to the extent time permits, and file written statements with the committee for its consideration. Written statements should be submitted to the address listed in the **FOR FURTHER INFORMATION** section of this notice. Summaries of committee meetings will be available for public inspection and copying at the address in the same section.

Dated: February 29, 2000.

**Harold Lucas,**

*Assistant Secretary for Public and Indian Housing.*

[FR Doc. 00-5294 Filed 3-1-00; 11:30 am]

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## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

[IL164-1a; FRL-6546-7]

#### Approval and Promulgation of Air Quality Plans; Illinois; Post-1996 Rate of Progress Plan for the Chicago Ozone Nonattainment Area

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The EPA is proposing to approve, through parallel processing, a proposed Post-1996 Rate-Of-Progress (ROP) Plan submitted by the State of Illinois for the Chicago Ozone Nonattainment Area. Illinois originally submitted a Post-1996 ROP Plan on December 18, 1997, as a requested revision the State Implementation Plan (SIP) for ozone. A Post-1996 ROP Plan is required for the Chicago Ozone Nonattainment Area under the Clean Air Act (Act). The State submitted proposed amendments to the plan on December 17, 1999, January 14, 2000, and January 21, 2000, with a request for EPA to parallel process a rulemaking on the proposed plan as amended. The purpose of the Post-1996 ROP Plan is to reduce ground-level ozone (smog) pollution in the Chicago Metropolitan Area. The submitted proposed plan shows that Illinois reduced emissions of ozone-forming pollutants by 9% by November 15, 1999. These pollutants include emissions of Volatile Organic Compounds (VOC), and Oxides of Nitrogen (NO<sub>x</sub>). The submittal also includes a demonstration that the Chicago Area has achieved a sufficient emission reduction needed to meet contingency measure requirements under the Act. In addition, EPA is proposing in this rulemaking to approve as a revision to the SIP certain Transportation Control Measures (TCM) included in the plan. EPA will take final rulemaking action once Illinois adopts and submits the final Post-1996 ROP Plan. If the final adopted plan is significantly different from the proposed plan, which is the basis of this parallel proposed rulemaking, EPA will repropose its rulemaking.

**DATES:** Written comments must be received on or before April 3, 2000.

**ADDRESSES:** You should address written comments to: J. Elmer Bortzer, Chief, Regulation Development Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.

You can access copies of the SIP revision request and Technical Support Document (TSD) for this rulemaking action at the following address:

U.S. Environmental Protection Agency, Region 5, Air and Radiation Division, 77 West Jackson Boulevard, Chicago, Illinois 60604. (We recommend that you telephone Mark J. Palermo at (312) 886-6082 before visiting the Region 5 Office).

**FOR FURTHER INFORMATION CONTACT:**

Mark J. Palermo, Environmental Protection Specialist, at (312) 886-6082.

**SUPPLEMENTARY INFORMATION:**

Throughout this document, wherever "we," "us," or "our" are used, we mean EPA.

The supplemental information is organized in the following order:

- I. What is EPA proposing to approve in this action?
- II. The Post-1996 ROP Plan.
  - What is a Post-1996 ROP Plan?
  - What is the contingency measure requirement?
  - What environmental benefits does the Post-1996 ROP Plan provide?
  - What counties are in the Chicago Ozone Nonattainment Area?
  - Who is affected by the proposed Illinois Post-1996 ROP Plan?
  - What public review opportunities were provided?
  - What criteria must a Post-1996 ROP Plan meet to be approved?
  - What are the special requirements for claiming NO<sub>x</sub> reductions?
- III. Illinois' Calculation of the Needed ROP Reduction.
  - How does Illinois demonstrate that it meets the requirements for claiming NO<sub>x</sub> reductions?
  - How did Illinois calculate the needed ROP and contingency measure reduction?
    - A. Proportion of VOC to NO<sub>x</sub> Emission Reduction.
    - B. Emission Baselines.
    - C. 1999 Emission Target Level to Meet 9% Reduction.
    - D. 1999 Projected Growth Level.
    - E. Emission Reduction Needed for 9% Reduction Net-Of-Growth.
    - F. Calculation of the Needed Contingency Measure Reduction.
- IV. The proposed Illinois Post-1996 ROP Plan Control Strategies.
  - What are the criteria for acceptable control strategies?
  - What are the control strategies under the proposed Illinois Post-1996 ROP Plan?
    - A. Point/Area Sources.
      1. Title IV Acid Rain Power Plant Controls.
      2. 1999 Cold Cleaning Degreasing.
      3. Stepan Batch Processes.
      4. Municipal Solid Waste Landfills.
      5. Coke Oven By-Product Plants.
    - B. Mobile/Nonroad Sources.
      1. Enhanced I/M Program.
      2. Phase I Reformulated Gasoline.
      3. Post-1994 Tier 1 Vehicle Emission Rates.
      4. 1992 Vehicle I/M Program Amendments.
      5. Federal Gasoline Detergent Additive.

6. Federal Non-Road Small Engine Standards.
7. Federal Non-Road Heavy-Duty Engine Standards.
8. Clean-Fuel Fleet Vehicle Program.
9. Energy Policy Act.
10. TCMs.

What are the **Federal Register** citations for the federal approval or promulgation of the control measures?

How were the emission reductions to be achieved through the control strategies calculated?

What are the emission reductions to be achieved through the control strategies?

- V. EPA's approval of the TCMs in the Post-1996 ROP Plan.

What are TCMs?

What are the TCMs submitted with the Illinois Post-1996 ROP Plan?

How do TCMs become approvable as revisions to the SIP?

Are the Chicago Area 1996-1999 TCMs approvable?

- VI. EPA review of the proposed Illinois Post-1996 ROP Plan.

Why is the proposed Illinois Post-1996 ROP Plan approvable?

Why is the contingency measure portion of the plan approvable?

- VII. Transportation Conformity Mobile Source Budget.

- VIII. Proposed Rulemaking Action.

- IX. Administrative Requirements.

A. Executive Order 12866.

B. Executive Order 13132.

C. Executive Order 13045.

D. Executive Order 13084.

E. Regulatory Flexibility Act.

F. Unfunded Mandates.

G. Submission to Congress and the Comptroller General.

H. National Technology Transfer and Advancement Act.

**I. What is EPA Proposing to Approve in This Action?**

We are proposing to approve the following:

1. The proposed Post-1996 ROP Plan for the Illinois portion of the Chicago Ozone Nonattainment Area;
2. The proposed contingency measure plan for this area; and,
3. TCMs implemented between 1996 and 1999 in the area.

On December 18, 1997, the State of Illinois submitted the Post-1996 ROP Plan for the Chicago Ozone Nonattainment Area as a requested SIP revision. The plan was submitted to meet the Act's requirement that the State demonstrate a 9% reduction of ozone producing emissions in the Chicago Ozone Nonattainment Area between 1996 and 1999. The State submitted proposed amendments to the plan on December 17, 1999, and January 14, 2000, with a request for EPA to parallel process, pursuant to the provisions of 40 CFR part 51, appendix V, its rulemaking on the proposed plan as amended. On January 21, 2000,

Illinois EPA transmitted changes to the December 17, 1999, proposed plan in response to public comments received at the State's January 18, 2000, public hearing on the proposed plan. Our proposed rulemaking is based upon the Illinois proposed plan as amended January 21, 2000.

We are proposing to approve the proposed plan because it adequately demonstrates a 9% emission reduction has occurred in the Chicago Area. We will take final rulemaking action once Illinois adopts and submits the final Post-1996 ROP Plan. If the final adopted plan is significantly different from the proposed plan, we will repropose rulemaking on the plan.

The State also submitted with the proposed Post-1996 ROP Plan a proposed demonstration that the Chicago Area meets the contingency measure requirements of the Act. We are proposing approval of the proposed contingency measure demonstration because it adequately shows a 3% reduction in emissions beyond that which is necessary to meet the 9% ROP plan requirement. As we will do with the Post-1996 ROP plan, once we receive the final adopted demonstration that the State has met its contingency measure requirement for the Post-1996 ROP plan, we will take final rulemaking action, provided that the final demonstration is not significantly different from the proposed demonstration.

We are also proposing to approve certain TCMs submitted with the proposed Post-1996 ROP Plan as a revision to the SIP. The plan relies on these TCMs as part of the overall strategy to meet the 9% emission reduction requirement. To be creditable, the TCMs must be incorporated into the SIP.

**II. The Post-1996 ROP Plan**

*What is a Post-1996 ROP Plan?*

An ROP plan is a strategy to achieve timely periodic reductions of emissions that produce ground-level ozone (smog) in areas that are not attaining the ozone National Ambient Air Quality Standards (NAAQS). A Post-1996 ROP Plan demonstrates how ozone-forming emissions affecting an area will be reduced by 9% between 1996 and 1999.

ROP plans are a requirement of the Act under section 182. Section 182(c)(2)(B) requires State ozone nonattainment areas classified serious and above to adopt and implement plans to achieve periodic reductions in ozone precursors (VOC and NO<sub>x</sub>) after 1996. The requirement is intended to ensure that an area makes progress

toward achieving attainment of the ozone NAAQS.

The Post-1996 ROP reductions are to occur at a rate of 9%, net of emission growth, averaged over a three-year period. The States must achieve the first three-year 9% milestone, called the "Post-1996 ROP Plan," by November 15, 1999. Because the Chicago Ozone Nonattainment Area is classified as severe, the area is subject to the Post-1996 ROP requirement.

The plan contains: (1) Documentation showing how the State calculated the emission reduction needed on a daily basis to achieve a 9% reduction; (2) a description of the control measures used to achieve the emission reduction; and (3) a description of how the State has determined the emission reduction from each control measure.

On December 18, 1997, we approved a 15% ROP plan for the Chicago Area which showed a 15% VOC emission reduction between 1990 and 1996, as required under section 182(b)(1) of the Act (see 62 FR 66279). This 15% reduction is a measure of progress toward achieving attainment. However, the Chicago nonattainment area has not yet reached attainment of the 1-hour ozone NAAQS through the 15% reduction alone. The Post-1996 ROP Plan will assure continued progress toward achieving attainment by the Act's mandated date of 2007.

#### *What is the Contingency Measure Requirement?*

In addition to the Post-1996 ROP Plan, the Illinois submittal also addresses contingency measures required under the Act.

Section 172(c)(9) of the Act requires States with ozone nonattainment areas classified as moderate and above to adopt contingency measures by November 15, 1993. Such measures must provide for the implementation of specific emission control measures if an ozone nonattainment area fails to achieve ROP or to attain the NAAQS within the time-frames specified under the Act.

Section 182(c)(9) of the Act requires that, in addition to the contingency measures required under section 172(c)(9), the contingency measure SIP revision for serious and above ozone nonattainment areas must also provide for the implementation of specific measures if the area fails to meet any applicable milestone in the Act.

As provided by these sections of the Act, the contingency measures must take effect without further action by the State or by the EPA Administrator upon failure by the State to: meet ROP emission reduction milestones;

attainment of the NAAQS by the required deadline; or other applicable milestones of the Act.

Our policy, as provided in the April 16, 1992, "General Preamble for the Implementation of Title I of the Clean Air Act Amendments of 1990" (General Preamble) (57 FR 13498), states that the contingency measures, in total, must generally be able to provide for 3% reduction of 1990 baseline emissions beyond the reduction required for a particular milestone year.

While all contingency measures must be fully adopted rules or measures, States can use the measures in two different ways. A State can choose to implement contingency measures before the milestone deadline. Alternatively, a State may decide not to implement a contingency measure until an area has actually failed to achieve a ROP or attainment milestone. In the latter situation, the contingency measure emission reduction must be achieved within one year following identification of a milestone failure.

In the December 18, 1997, rulemaking approving the 15% ROP Plan for the Chicago Area, we indicated that the 15% ROP Plan had enough emission reductions to provide a 3% reduction beyond the 15% reduction required for 1996. The General Preamble indicates that the 3% reduction "buffer" must be maintained through each ROP milestone. Therefore, Illinois must demonstrate that the Chicago Area has enough contingency measure reductions in addition to the reductions claimed for the Post-1996 ROP Plan. Because of this requirement, Illinois' proposed Post-1996 ROP Plan identifies, for contingency purposes, an emission reduction beyond the reduction required for ROP.

#### *What Environmental Benefits Does the Post-1996 ROP Plan Provide?*

The proposed Illinois Post-1996 ROP Plan shows reductions of both Volatile Organic Compound (VOC) and Oxides of Nitrogen (NO<sub>x</sub>) emissions. VOC and NO<sub>x</sub> contribute to the formation of ground-level ozone in the atmosphere.

The reactivity of ozone causes health problems because it damages lung tissue, reduces lung function and sensitizes the lungs to other irritants. When inhaled, even at low levels, ozone can:

- Cause acute respiratory problems such as shortness of breath, chest pain, wheezing, and coughing;
- Aggravate asthma;
- Cause significant temporary decreases in lung capacity;
- Cause inflammation of lung tissue;

- Lead to hospital admissions and emergency room visits; and,
  - Impair the body's immune system defenses, making people more susceptible to respiratory illness, including bronchitis and pneumonia.
- Repeated exposure to ozone pollution for several months may cause permanent structural damage to the lungs.

Because ozone pollution usually forms in hot weather, anyone who spends time outdoors in the summer is at risk, particularly children, moderate exercisers, and outdoor workers. Children are at greatest risk from exposure to ozone because their respiratory systems are still developing and are more susceptible to environmental threats. Children also breathe more air per pound of body weight than adults, thus increasing their exposure.

People with existing lung disease, including asthma, chronic bronchitis, and emphysema, are at particular risk from high ozone levels. Since they already suffer from reduced ability to breathe, these individuals are often greatly affected by the increased impairment that can result from exposure to ozone.

Ozone also affects vegetation and ecosystems, leading to reductions in agricultural and commercial forest yields, reduced growth and survivability of tree seedlings, and increased plant susceptibility to disease, pests, and other environmental stresses (e.g., harsh weather). In long-lived species, these effects may become evident only after several years or even decades, thus having the potential for long-term effects on forest ecosystems. Ground-level ozone damage to the foliage of trees and other plants also can decrease the aesthetic value of ornamental species as well as the natural beauty of our national parks and recreation areas.

The overall 9% ROP reduction includes VOC emissions reductions from sources (industries, vehicles, etc.) within the Chicago Ozone Nonattainment Area, and NO<sub>x</sub> emission reductions from sources within the State boundaries, but outside the Chicago Ozone Nonattainment Area.

Although the proposed plan's NO<sub>x</sub> reductions come from outside the nonattainment area, the reductions are nonetheless creditable toward meeting the overall required ROP reduction. (See "What are the special requirements for claiming NO<sub>x</sub> reductions?" below). This is because downstate NO<sub>x</sub> emissions contribute to ozone formation in the Chicago Ozone Nonattainment Area, and reducing such emissions

helps the Chicago Area achieve attainment of the ozone NAAQS.

It should be noted that the Illinois ROP plan documentation refers to the term "Volatile Organic Material" (VOM) rather than VOC. The State's definition of VOM is equivalent to EPA's definition of VOC. The two terms are interchangeable when discussing volatile organic emissions. For consistency with the Act and EPA policy, we are using the term VOC in this rulemaking.

#### *What Counties are in the Chicago Ozone Nonattainment Area?*

The Illinois portion of the Chicago Ozone Nonattainment Area includes the counties of Cook, DuPage, Kane, Lake, McHenry, and Will, and the townships of Aux Sable and Goose Lake in Grundy County, and Oswego in Kendall County.

#### *Who is Affected by the Proposed Illinois Post-1996 ROP Plan?*

The proposed Post-1996 ROP Plan does not create any new control requirements. Rather, it is a demonstration that existing regulations and control programs will achieve a 9% emission reduction.

The proposed Post-1996 ROP Plan refers to various emission control regulations that have contributed to achieving the 9% emission reduction for the Chicago Area. These regulations, both federal and State, affect a variety of industries, businesses, and, through the vehicle inspection and maintenance program, motor vehicle owners. However, these regulations are already federally enforceable through SIP revision or EPA promulgation.

The TCMs submitted with the proposed Post-1996 ROP Plan are the only State ROP measures that are not already part of the federally approved SIP. We are proposing to approve these TCMs in this rulemaking action, and we discuss the TCM proposed approval in part V of this document.

#### *What Public Review Opportunities Were Provided?*

The Illinois Environmental Protection Agency (Illinois EPA) held a public hearing on October 24, 1997, in Chicago, Illinois, to receive public comment on the proposed plan. The State held an additional public hearing for amendments to the proposed plan on January 18, 2000, in Chicago, Illinois. The State's comment period closed on February 8, 2000. Illinois EPA will formally respond to the comments, and will submit a Responsiveness Summary to us when it submits its final Post-1996 ROP Plan.

#### *What Criteria Must a Post-1996 ROP Plan Meet to be Approved?*

Section 182(c)(2)(B) establishes certain elements a Post-1996 ROP Plan must satisfy for approval. These elements are: (1) Emission baseline; (2) emission target level; (3) accounting for growth projections; and (4) emission reduction estimates from plan control measures. Through these elements, the plan must show that the nonattainment area will achieve a 9% emission reduction by November 15, 1999.

We have issued several guidance documents for States to use in developing approvable Post-1996 ROP Plans. These documents address such topics as: (1) The relationship of ROP plans to other SIP elements required by the Act; (2) calculation of baseline and emission target level; (3) procedures for projecting emission growth; and (4) methodology for determining emission reduction estimates for various control measures, including federal emission control measures.

Our January 1994, guidance document, *Guidance on the Post-1996 Rate-Of-Progress Plan and the Attainment Demonstration*, provides States with the appropriate methods to calculate the emission reductions needed to meet the 9% ROP requirement. A complete list of ROP guidance documents is provided in the TSD for this rulemaking, which can be obtained from the Region 5 office at the address indicated above.

#### *What are the Special Requirements for Claiming NO<sub>x</sub> Reductions?*

If a Post-1996 ROP Plan relies on NO<sub>x</sub> reductions, it is subject to certain requirements. Under section 182(c)(2)(C) of the Act, a plan can substitute NO<sub>x</sub> reductions for VOC if the resulting ozone reduction is at least equivalent to the ozone reduction that would occur under a plan that relies only on VOC reductions. As required by section 182(c)(2)(C), we issued guidance concerning the conditions for demonstrating equivalency. Our guidance provides that the NO<sub>x</sub> substitution strategy must show that the sum of the creditable VOC and NO<sub>x</sub> reductions equal a 9% reduction from 1990 baseline emissions. Moreover, the State must provide technical justification that the NO<sub>x</sub> reductions will reduce ozone concentrations within the area.

On December 29, 1997, we issued a policy memorandum entitled, "Guidance for Implementing the 1-Hour Ozone and Pre-Existing PM<sub>10</sub> NAAQS." The policy provides that States included in the core part of the Ozone Transport

Assessment Group (OTAG) domain can claim credit for NO<sub>x</sub> reductions that occur within the State's boundaries. (For more information on OTAG, see <http://www.epa.gov/ttn/rto/otag>). Illinois is within the core OTAG domain. Consequently, the State can claim NO<sub>x</sub> reductions from outside the Chicago Ozone Nonattainment Area, but within the State's boundaries, for its Post-1996 ROP Plan, provided the State submits a technical analysis showing that NO<sub>x</sub> reductions will reduce ozone concentrations in the nonattainment area.

The December 1997 policy also states that a nonattainment area which has been granted a NO<sub>x</sub> waiver can still claim NO<sub>x</sub> reductions from outside the nonattainment area, but within the State's boundaries, if such reductions will reduce ozone concentrations within the nonattainment area. We granted a NO<sub>x</sub> waiver for the Chicago Ozone Nonattainment Area on January 26, 1996 (61 FR 2428). NO<sub>x</sub> waivers are allowed under section 182(f) of the Act. A State can obtain a waiver to exempt an area from local NO<sub>x</sub> control requirements if it can show that local NO<sub>x</sub> reductions are not beneficial for attainment of the ozone NAAQS. Illinois made this demonstration for the Chicago Ozone Nonattainment Area, and a NO<sub>x</sub> waiver was granted. However, OTAG modeling has shown that several NO<sub>x</sub> waiver areas actually benefit from NO<sub>x</sub> reductions downwind. Therefore, under the December 1997 policy, a State can credit NO<sub>x</sub> reductions outside a NO<sub>x</sub> waiver area, but within the State's boundaries, if the State provides a technical analysis showing the reductions will lower ozone concentrations within the nonattainment area.

### **III. Illinois' Calculation of the Needed ROP Reduction**

#### *How Does Illinois Demonstrate That It Meets the Requirements for Claiming NO<sub>x</sub> Reductions?*

To justify claiming attainment area NO<sub>x</sub> reductions for ROP, Illinois submitted results of both the OTAG regional ozone modeling study, and ozone modeling done in January 1999 by the Lake Michigan Air Directors Consortium. The modeling results show that downstate NO<sub>x</sub> reductions contribute to a reduction of ozone background concentrations in the Chicago Area. Illinois, therefore, satisfies the requirement set forth in the December 1997 policy that NO<sub>x</sub> reductions outside the nonattainment area must reduce ozone concentrations

within the nonattainment area to be creditable as ROP reductions.

*How Did Illinois Calculate the Needed ROP and Contingency Measure Reduction?*

The following tables summarize the State's Post-1996 ROP calculations for

determining the needed 9% ROP and 3% contingency measure emission reductions.

**Required Emission Reduction by 1999 for the Chicago Area**

ROP based on NO<sub>x</sub> Substitution in the Ozone Attainment Area

**NEEDED VOC REDUCTION BY 1999**

	Tons VOC/day
<b>Calculation of the VOC Target Level for 1999</b>	
1990 Chicago Area Total VOC Emissions .....	1,363.40
1990 ROP VOC Emissions (Anthropogenic only) .....	1,216.56
1990-99 Noncreditable Reductions .....	179.57
1990 Adjusted Base Year Emissions (1990 ROP Emissions minus Noncreditable Reductions) .....	1,036.99
2% of Adjusted Base Year Emissions .....	20.74
1999 Fleet Turnover Correction Factor .....	28.46
1996 Target Level (From 15% ROP Plan) .....	857.02
1999 Target Level (1996 Target Level minus 2% Reductions minus Fleet Turnover Correction Factor) .....	807.82
<b>Calculation of the Needed VOC Reduction Net-of-Growth</b>	
1996 VOC Emissions with 15% ROP Plan Measures .....	835.81
1999 Projected VOC Emissions (1996 VOC Emissions Grown to 1999 plus Noncreditable Emission Reductions Only) .....	929.61
VOC Creditable Reduction Needs by 1999 Net-of-Growth (1999 Projected Emissions minus 1999 Target Level) .....	121.79
Contingency Measure Requirement (3% of Adjusted Base Year Emissions) .....	31.11
<b>TOTAL VOC EMISSION REDUCTIONS REQUIRED .....</b>	<b>152.90</b>

**NEEDED NO<sub>x</sub> REDUCTION BY 1999**

	Tons NO <sub>x</sub> /day
<b>Calculation of the NO<sub>x</sub> Target Level for 1999</b>	
1990 Attainment Area Total NO <sub>x</sub> Emissions .....	2085.80
1990 ROP NO <sub>x</sub> Emissions (Anthropogenic only) .....	2085.80
1990-99 Noncreditable Reductions .....	128.26
1990 Adjusted Base Year Emissions (1990 ROP Emissions minus Noncreditable Reductions) .....	1957.54
7% of Adjusted Base Year Emissions .....	137.03
1999 Target Level (1990 Adjusted Base Year Emissions minus 7% Reductions) .....	1820.51
<b>Calculation of the Needed NO<sub>x</sub> Reduction Net-of-Growth</b>	
1999 Projected NO <sub>x</sub> Emissions (1996 NO <sub>x</sub> Emissions Grown to 1999 plus Noncreditable Emission Reductions Only) .....	2063.03
Creditable Reduction Needs by 1999 Net-of-Growth (1999 Projected Emissions minus 1999 Target Level) .....	242.52
Contingency Measure Requirement (All Contingency Coming From VOC Portion of ROP Plan) .....	0
<b>TOTAL NO<sub>x</sub> EMISSION REDUCTION REQUIRED .....</b>	<b>242.52</b>

Using EPA guidance, Illinois calculated the needed emissions reduction by taking the following steps:

- A. Determine what proportion of the 9% reduction is VOC and what proportion is NO<sub>x</sub>.
- B. Establish the emission baselines for both VOC and NO<sub>x</sub>.
- C. Calculate the emission target levels to meet the overall 9% reduction by 1999.
- D. Estimate the projected emission growth that would occur if no 9% emission reduction takes place.
- E. Subtract the projected emission level from the emission target to determine

the VOC and NO<sub>x</sub> emission reduction needed, net of growth.

- F. Calculate the needed contingency measure reduction.

The State obtained data for developing the plan from the Chicago Ozone Nonattainment Area 15% ROP Plan, EPA guidance documents, and information received from industry and public agencies.

- A. Proportion of VOC to NO<sub>x</sub> Emission Reduction

Illinois' proposed Post-1996 ROP Plan relies on both VOC and NO<sub>x</sub> reductions to meet the 9% reduction in ozone precursors. Under Illinois' proposed

plan, 2% of the required ROP reductions are VOC reductions in the Chicago Ozone Nonattainment Area, and 7% are NO<sub>x</sub> reductions from within the State, but outside the ozone nonattainment area.

- B. Emission Baselines

Under our Post-1996 policy, plans that rely on both VOC and NO<sub>x</sub> reductions should have separate emission baselines for each pollutant. The Act requires baselines to represent 1990 anthropogenic emissions on a peak ozone season weekday basis. Peak ozone season weekday emissions represent the average daily emissions of weekdays

that occur during the peak 3-month ozone period of June through August.

Illinois used the Chicago Area's 1990 base year emission inventory as the basis for the VOC baseline. We approved the Chicago Area 1990 inventory as a SIP revision on March 14, 1995 (see 60 FR 13631). dddd

For the NO<sub>x</sub> baseline, Illinois used the 1990 statewide NO<sub>x</sub> emission inventory it submitted to EPA in response to the NO<sub>x</sub> SIP Call (see **Federal Register** 63 FR 57356, October 27, 1998). The NO<sub>x</sub> baseline consists of the 1990 emissions which occurred statewide, but excluding emissions from the Chicago and Metro-East St. Louis ozone nonattainment areas. The State excluded the nonattainment area emissions from the baseline because the State is relying on NO<sub>x</sub> reductions only from the State's ozone attainment area, and because the State has an approved waiver from NO<sub>x</sub> emission controls in the Chicago Ozone Nonattainment Area. Illinois EPA's technical analysis for supporting NO<sub>x</sub> substitution shows that NO<sub>x</sub> reductions which occur in the attainment area reduces ozone concentrations in the Chicago Ozone Nonattainment Area. Therefore, Illinois' NO<sub>x</sub> baseline is consistent with the technical analysis Illinois submitted for justifying NO<sub>x</sub> substitution in the Chicago Ozone Nonattainment Area.

The Act requires that the ROP baseline be "adjusted" to exclude emissions eliminated by the Federal Motor Vehicle Control Program (FMVCP) and Federal Reid Vapor Pressure (RVP) regulations promulgated before November 15, 1990. Because these regulations were promulgated before the 1990 amendments to the Act, the Act prohibits States from claiming ROP reductions from these regulations. To achieve an accurate ROP target, however, the State must subtract the noncreditable reductions from the baseline to reflect the impact of these reductions on 1999 emissions. The resulting inventory is called the "adjusted base year inventory."

The adjusted base year inventory under the proposed Illinois Post-1996 ROP Plan is different than the adjusted inventory used under the 15% ROP Plan. This is because the emission reduction associated with the FMVCP program change over time as fleet turnover occurs, *i.e.*, old vehicles in an area are replaced with new vehicles. Illinois EPA determined the emission reduction associated with the noncreditable FMVCP and RVP programs by using our MOBILE emission factors program.

#### C. 1999 Emission Target Level To Meet 9% Reduction

After the State establishes the adjusted base year emission inventories, the next step is to calculate the VOC and NO<sub>x</sub> emission target levels for 1999. The January 1994 EPA policy document, *Guidance on the Post-1996 Rate-Of-Progress Plan and the Attainment Demonstration*, provides the method for calculating target levels. To calculate the VOC target, the State first identified the previous milestone target, which in this case is the 1996 target level under the 15% plan. From the 1996 target level, the State subtracted (1) the percent reduction required to meet the ROP requirement, and (2) the fleet turnover correction factor.

The State obtained the 1996 VOC target level from the 15% ROP Plan. The percent reduction used is 2% of the adjusted base year inventory. The fleet turnover correction factor represents the emission reduction that has occurred under the pre-1990 Act FMVCP and RVP regulations between consecutive milestone years, *i.e.*, 1996 to 1999. Since the 1996 target level and the 2% ROP reduction do not factor in these reductions, the fleet turnover correction factor is necessary to accurately calculate the emission level that must be achieved by 1999.

For NO<sub>x</sub>, a 1996 target level from a 15% plan does not exist. Therefore, the State needs only to subtract the 7% adjusted emission inventory reductions, and the noncreditable NO<sub>x</sub> reductions from the pre-1990 Act FMVCP program, from the 1990 adjusted base year emission inventory. No fleet correction factor is necessary when calculating the NO<sub>x</sub> target this way.

#### D. 1999 Projected Growth Level

To account for source emission growth between 1990 and 1999, the State must develop a projected emission inventory for both VOC and NO<sub>x</sub>. The projected emission inventory represents what emissions would be in 1999 if no control measure claimed for credit in the Post-1996 ROP Plan had occurred.

The State established the projected emission inventories for point, and nonroad source categories by taking the 1990 emission inventories and applying either EPA growth factors, or State justified growth factors. Projected vehicle emissions were established using the MOBILE model. The projected emission inventory for NO<sub>x</sub> is consistent with the emission inventory data which the State submitted to us in response to the NO<sub>x</sub> SIP call.

#### E. Emission Reduction Needed for 9% Reduction Net-Of-Growth

According to the State's calculations, a 152.90 TPD VOC emission reduction is needed in the Chicago Ozone Nonattainment Area, and a 242.52 TPD NO<sub>x</sub> emission reduction is needed in the Illinois Ozone Attainment Area to meet the 9% ROP requirement.

#### F. Calculation of the Needed Contingency Measure Reduction

Consistent with guidance provided in the General Preamble, Illinois determined the needed contingency measure reduction by multiplying 3% of the 1990 adjusted base year emissions. Based on this calculation, the needed contingency measure reduction for the Chicago Area is 31.11 TPD of VOC.

### IV. The Proposed Illinois Post-1996 ROP Plan Control Strategies

#### What Are the Criteria for Acceptable Control Strategies?

Under section 182(b)(1)(C) of the Act, emission reductions claimed for ROP must be creditable to the extent that the reductions have actually occurred before the applicable ROP milestone date, *i.e.*, November 15, 1999.

To meet this requirement, our policy provides that all credited emission reductions must be real, permanent, and enforceable. In addition, the plan's control measures must be adopted and implemented before November 15, 1999.

Post-1996 plans must also adequately document the methods used to calculate the emission reduction for each control measure. Our policy under the "General Preamble" (see 57 FR 13567) provides that, at a minimum, the methods should follow the following four principles: (1) Emission reductions from control measures must be quantifiable; (2) control measures must be enforceable; (3) interpretation of the control measures must be replicable; and (4) control measures must be accountable.

Section 182(b)(1)(D) of the Act places limits on what control measures States can include in ROP plans. All permanent and enforceable control measures occurring after 1990 are creditable with the following exceptions: (1) FMVCP requirements promulgated by January 1, 1990; (2) RVP regulations promulgated by November 15, 1990; (3) Reasonably Available Control Technology (RACT) "Fix-Up" regulations required under section 182(a)(2)(A) of the Act; and (4) Inspection and Maintenance (I/M) program "Fix-Ups" as required under section 182(a)(2)(B) of the Act.

*What Are the Control Strategies Under the Proposed Illinois Post-1996 ROP Plan?*

**A. Point/Area Sources**

**1. Title IV Acid Rain Power Plant Controls**

This federal regulation requires certain power plants to limit NO<sub>x</sub>

emissions to reduce acid rain. These NO<sub>x</sub> reductions, in turn, benefit the Chicago Area in dealing with its ozone nonattainment problem.

Phase I of the acid rain regulation began on January 1, 1996, and Phase II began January 2000. Illinois is claiming credit for only those NO<sub>x</sub> control measures that certain power plants have

implemented to meet the Federal acid rain rules.

The power plants that Illinois is claiming NO<sub>x</sub> reductions from are the following:

Plant name	Unit(s)	Control technology	Emission reduction NO <sub>x</sub> TPD
Illinois Power .....	Baldwin 1 .....	Selective Catalytic Reduction .....	50.00
Illinois Power .....	Baldwin 2 .....	Selective Catalytic Reduction .....	44.85
Illinois Power .....	Baldwin 3 .....	Low NO <sub>x</sub> Burner .....	16.10
Illinois Power .....	Vermillion 1-2 .....	Low NO <sub>x</sub> Burner .....	5.48
Illinois Power .....	Hennepin 1-2 .....	Boiler Tuning Modifications .....	3.78
Electric Energy .....	Joppa 1-6 .....	Low NO <sub>x</sub> Burner .....	51.85
Commonwealth Edison .....	Powerton 5-6 .....	Change to Low-Sulfur Coal .....	14.30
Dominion Energy .....	Kincaid 1-2 .....	Change to Low-Sulfur Coal .....	18.39
Cilco .....	Edwards 2-3 .....	Low NO <sub>x</sub> Burner .....	17.18

Baldwin 3, Vermillion 1-2, Hennepin 2, and Joppa 1-6 are subject to Phase I NO<sub>x</sub> emission rates under the acid rain rule. Powerton 5-6 and Kincaid 1-2 were required to change to low-sulfur coal to meet sulfur dioxide limitations under the acid rain rules; low-sulfur coal has reduced NO<sub>x</sub> emission rates at these plants.

Baldwin 1-2, and Edwards 2-3 are subject to the acid rain Phase II NO<sub>x</sub> emission limitations, which take effect January 2000. NO<sub>x</sub> reductions from these sources are creditable because the sources implemented control measures to meet the Phase II acid rain requirements prior to November 15, 1999. The State determined emission reductions using OTAG data, as well as data from Continuous Emission Monitors (CEM) at the plants.

**2. 1999 Cold Cleaning Degreasing**

This rule establishes vapor pressure standards for cold cleaning degreasing solvents sold or used in the Chicago Ozone Nonattainment Area. Cold cleaning degreasing takes place at auto repair shops, car dealerships, machine shops and other metal fabrication, and manufacturing businesses. Cold cleaning degreasers typically consist of a holding tank containing solvent, connecting hoses, and a small vat where components are sprayed and brushed clean. The rule regulates both the suppliers and users of cold cleaning degreasing solvents in the nonattainment area. Beginning March 15, 1999, the rule limits the vapor pressure of solvent to 2.0 millimeters of mercury (0.038 pounds per square inch) measured at 20 degrees Celsius (68 degrees Fahrenheit).

**3. Stepan Batch Processes**

On April 2, 1996, we approved Illinois' batch process RACT rule as a revision to the SIP. Under the rule, the process vents at batch operations must be controlled with a reduction efficiency of 90 percent (or down to a VOC concentration of no more than 20 parts per million volume). Illinois had claimed credit for the rule under the 15% plan. However, at the time of rulemaking on the 15% plan, we did not allow credit for controls at Stepan Company's Milldale facility, because of the uncertainty whether the controls were implemented before or after 1990. As part of the December 17, 1999, Post-1996 ROP amended submittal, Illinois submitted documentation showing that the controls were implemented after 1990. Therefore, we are proposing to approve credit for the emission reductions which occurred at Stepan Company.

**4. Municipal Solid Waste Landfills**

On November 23, 1998 (63 FR 64628), we approved Illinois' section 111(d)/129 State Plan for municipal solid waste landfills. The State Plan includes regulations requiring the control of Non-Methane Organic Compound (NMOC) emissions at existing landfills that have a design capacity threshold of equal to or above 2.5 million megagrams (Mg) measured in mass units and 2.5 million cubic meters (m<sup>3</sup>) measured in volume units, and have an annual emissions equal to or above 50 Mg/year of NMOC gases. The rule adopts our March 12, 1996, Emission Guidelines for this source category (see 61 FR 9905). Subject landfills must install a well-designed and well-operated collection

and control system to reduce NMOC gases. A portion of NMOC is VOC, and therefore landfill controls are creditable toward the ROP plan. In the Chicago Ozone Nonattainment Area, there are twelve landfills which have installed and are operating the required gas collection and control systems pursuant to construction permits.

**5. Coke Oven By-Product Plants**

This Federal NESHAP applies to all furnace and foundry coke oven by-product recovery plants. The NESHAP requires that process vessels and tar storage tanks in furnace and foundry coke by-product recovery plants be enclosed and emissions ducted to an enclosed point in the by-product recovery process where they will be recovered or destroyed. This requirement is based on the use of a gas blanketing system. The same requirement also applies to storage tanks for benzene, benzene-toluene-xylene mixtures, and light-oil in furnace coke by-product recovery plants. The standard also calls for visual inspections and monitoring (leak detection and repair) as well as annual maintenance inspections.

It should be noted that Illinois originally claimed credit in the December 18, 1997, submitted Post-1996 ROP Plan for the Emission Reduction Marketing System (ERMS), a new State regulation establishing a VOC cap and trade requirement for Chicago Area stationary sources. However, the ERMS program has been delayed beyond November 15, 1999. Therefore, Illinois is not claiming credit in the proposed Post-1996 ROP Plan for ERMS.

However, Illinois EPA plans to rely on the ERMS program in future ROP plans.

## B. Mobile/Nonroad Sources

### 1. Enhanced I/M Program

The Act requires Illinois to establish an enhanced vehicle I/M program in the Chicago Area to achieve a higher emission reduction than the State's original I/M program. Enhanced I/M covers more vehicles in operation in the fleet and employs more effective techniques for finding high emitting vehicles. The new program also has additional features to ensure that all vehicles are tested properly and are effectively repaired.

We approved the Illinois' enhanced I/M program for the Chicago Ozone Nonattainment Area on February 22, 1999 (64 FR 8517). The State began testing vehicles under the new program on February 1, 1999.

A single contractor, Envirotest, Inc., operates a test-only centralized network for inspections and re-inspection. The I/M contractor has constructed or retrofitted all the emission test sites required under the State I/M contract.

The Illinois I/M program requires coverage of all 1968 and newer gasoline-powered light-duty passenger cars and light-duty trucks up to 8,500 pounds Gross Vehicle Weight Rating (GVWR). The program requires all applicable 1981 and newer vehicles to meet an IM240 exhaust test (a test that simulates actual driving conditions using a dynamometer). These vehicles must also undergo a gas cap check to reduce evaporative emissions. All applicable 1968 through 1980 vehicles will be subject to a basic idle emission exhaust test. The frequency of the test is biennial, with the first four years of a new vehicle excluded.

Due to the delay in implementation of the enhanced I/M program, we requested Illinois EPA to revise its original estimate from 30.10 TPD to 15 TPD emission reduction, which represents only the level of emission reduction that occurred between February 1, 1999, and November 15, 1999. Since the 15 TPD reduction does not represent the Illinois' program full cutpoints, additional emission reduction credit will be available for use in future ROP plans.

### 2. Phase I Reformulated Gasoline

Beginning January 1, 1995, EPA regulations require only reformulated gasoline to be sold in the Chicago Ozone Nonattainment Area. Reformulated gasoline is specially designed to result in less VOC emissions occurring from motor vehicle operation and gasoline

evaporation. Illinois ran our MOBILE model and determined that Phase I of the reformulated gasoline requirement achieved 65.5 TPD of reductions in the Chicago Area in 1999.

### 3. Post-1994 Tier 1 Vehicle Emission Rates

Pursuant to section 202 of the Act, we promulgated new standards that tighten emission control requirements for passenger cars and light-duty trucks, called "Tier I" standards. The standards, fully effective in 1996, are approximately twice as stringent as pre-1990 vehicle standards.

Tier I standards require both VOC and NO<sub>x</sub> reduction. Illinois is claiming VOC reductions from Tier I that occur within the Chicago Ozone Nonattainment Area, and NO<sub>x</sub> reductions that occur within the Illinois Ozone Attainment Area.

### 4. 1992 Vehicle I/M Program Amendments

In 1992, Illinois added improvements to its original I/M program as a result of an agreement resolving a lawsuit between Wisconsin and EPA. Illinois added a tamper check and two-speed idle test to the basic I/M program in the Chicago metropolitan area. The State also increased the coverage of the program over the Chicago metropolitan area. Illinois fully implemented these changes to the I/M program in 1992.

### 5. Federal Gasoline Detergent Additive

Beginning January 1, 1995, federal regulations require that gasoline sold nationwide must contain additives to prevent accumulation of deposits in engines and fuel systems. Preventing such deposits maintains the efficiency of engine systems and reduces VOC emissions resulting from engine efficiency degradation.

### 6. Federal Non-Road Small Engine Standards

Illinois is claiming emission reduction credit from two federal rules which affect gasoline nonroad engines, the 1995 federal emission standards for nonroad engines at 25 horsepower (hp) and below, and the 1996 marine gasoline engine standards.

The nonroad engine standards, beginning in model year 1997, primarily affects two stroke and four stroke lawn and garden equipment, and light commercial, construction, and logging equipment. The marine engine rule applies to marine spark-ignition engines for outboards, personal watercraft, and jet boats, beginning in model year 1998.

The State estimated the emission reduction for these standards through using our guidance document, "Future

Nonroad Emission Reduction Credits for Court-Ordered Nonroad Standards," dated November 28, 1994.

The State also claimed an emission reduction for the impact the reformulated gasoline program has on nonroad engines. Our guidance document, "VOC Emission Benefits for Nonroad Equipment with the Use of Federal Phase I Reformulated Gasoline," dated August 18, 1993, provides the methodology for determining the emission reduction impact of reformulated gasoline on nonroad engines.

### 7. Federal Non-Road Heavy-Duty Engine Standards

In 1994, we promulgated national NO<sub>x</sub> emission standards for large nonroad Compression Ignition (CI) engines at 50 hp and above. Such engines include farm tractors, bulldozers, and forklifts. This standard is the "Tier 1" standard for CI engines at or above 50 hp. Implementation of the standard began January 1, 1996. Illinois is claiming credit for the NO<sub>x</sub> reductions this regulation achieves in the Illinois Ozone Attainment Area.

### 8. Clean-Fuel Fleet (CFF) Vehicle Program

The State has a CFF rule which requires certain vehicle fleets in the Chicago Ozone Nonattainment Area to purchase vehicles with tighter emission standards than conventional vehicles. The program affects fleets with ten or more vehicles which can be centrally fueled. Beginning with model year 1999, these fleets must ensure that a certain percentage of new vehicle acquisitions are certified to meet EPA's Low Emission Vehicle (LEV) emission standards. In model year 1999, 30% of new light-duty vehicle acquisitions, and 50% of heavy-duty vehicle acquisitions made by covered fleets must be certified LEVs.

### 9. Energy Policy Act

The National Energy Policy Act (EPAAct) was enacted in October 1992. EPAAct mandates implementation (use) of Alternative Fueled Vehicles (AFVs) in federal, State, and utility fleets. EPAAct requires that 25% of new vehicle purchases by federal fleets, 10% of new vehicle purchases by State fleets, and 30% of new vehicle purchases by utility fleets must be AFVs beginning in 1996. Illinois EPA estimated that, by 1996, 2,000 AFVs were operating in the Chicago Area.

### 10. TCMs

See part V of this rulemaking action, "EPA's approval of the TCMs in the



Post-1996 ROP Plan," for a description of the TCMS for which Illinois is

claiming credit to meet the 9% reduction requirement.

*What Are the Federal Register Citations for the Federal Approval or Promulgation of the Control Measures?*

#### FEDERAL APPROVAL OR PROMULGATION OF CONTROL MEASURES

Control measure	Date of EPA approval or promulgation
Title IV Acid Rain Power Plant Controls .....	Federal Regulation, 40 CFR 72-78, April 13, 1995 (60 FR 18761).
1999 Cold Cleaning Degreasing .....	November 26, 1997 (62 FR 6295).
Batch Process Rule .....	April 2, 1996 (61 FR 14484).
Municipal Solid Waste Landfills .....	November 23, 1998 (63 FR 64628).
Coke Oven By-Products Recovery NESHAP .....	Federal Regulation, 40 CFR 61 Subpart L, September 14, 1989 (54 FR 38047).
Enhanced Vehicle I/M Program .....	February 22, 1999 (64 FR 8517).
Reformulated Gasoline .....	Federal Regulation, 40 CFR 80, Subpart D, February 16, 1994 (59 FR 7716).
Post-1994 Tier 1 Vehicle Emission Rates .....	Federal Regulation, 40 CFR 86, June 5, 1991 (56 FR 25724).
1992 Vehicle I/M Program Amendments .....	April 9, 1996 (61 FR 15715).
Federal Gasoline Detergent Additive .....	Federal Regulation, 40 CFR 80, Subpart G, November 1, 1994 (59 FR 54706).
TCMS .....	EPA is proposing approval today. Final rulemaking action will occur on date of final rulemaking action on the Post-1996 ROP Plan.
1992 EPA Act .....	Federal Regulation, 10 CFR 490, March 14, 1996 (61 FR 10621).
Federal Nonroad Small Gasoline Engine Standards.	Federal Regulation, 40 CFR 90, July 3, 1995 (60 FR 34582).
Federal Marine Spark-Ignition Engine Standard	Federal Regulation, 40 CFR 91, October 4, 1996 (61 FR 52087).
Federal Nonroad Large Diesel Engine Standards.	Federal Regulation, 40 CFR 89, June 17, 1994 (59 FR 31306).
CFF Vehicle Program .....	March 19, 1996 (61 FR 11139).

#### *How Were the Emission Reductions To Be Achieved Through the Control Strategies Calculated?*

We have issued several policy documents, listed in the TSD, which provide assumptions for States to use in quantifying emission reductions. We have also developed the MOBILE model for the States to calculate emission reductions from mobile sources.

The State appropriately used our policy documents and MOBILE model for calculating emission reductions. Illinois obtained the necessary data for quantifying the source baselines and emission reductions from its 1990 emission inventory, OTAG documentation submittal, CEM data (for acid rain reductions), permit information, and from surveying affected industries. Where Illinois had to develop its own assumptions

regarding emission reductions, the assumptions were adequately justified based on existing data.

It should be noted that Illinois is claiming Post-1996 ROP credit for mobile and nonroad source measures that were part of the 15% ROP Plan, including Tier 1, I/M expansion, Phase I reformulated gasoline, nonroad small engine standards, federal detergent additive, and EPA Act. However, no double-counting of emission reductions has occurred, because, unlike other 15% control measures, the State did not consider these measures when calculating the 1999 projected growth inventory. The State treated these reductions separately because the impact of these measures change over time due to fleet turnover.

As noted in part III of this **Federal Register** document, the State calculated

the projected growth in emissions assuming no 9% ROP reductions in place, and subtracted the 1999 target from the projected emissions to find the needed reduction net-of-growth. The impact on the plan would be the same if Illinois factored in the above control measures in the 1999 projected growth inventory and had not treated these measures as creditable Post-1996 ROP reductions. Consequently, Illinois can claim reductions from these measures as legitimate Post-1996 ROP reductions.

#### *What Are the Emission Reductions To Be Achieved Through the Control Strategies?*

The following tables summarize the State's VOC and NO<sub>x</sub> reduction claims for the Post-1996 ROP control measures, and the amount of reductions we find acceptable.

Control measure	VOC reduction state claimed tons/day	VOC reduction credit accepted tons/day
<b>Mobile Source Measures</b>		
Post-1994 Tier 1 Vehicle Emission Rates .....	16.80	16.80
Phase I Reformulated Gasoline .....	65.50	65.50
Federal Detergent Additive Gasoline .....	2.20	2.20
1992 I/M Program Improvements .....	7.00	7.00
Enhanced I/M Program .....	30.10	15.00
Conventional TCMS .....	2.00	2.00
National Energy Policy Act of 1992 .....	0.20	0.20
Federal Non-Road Small Engine Standards .....	23.43	23.43
National Low Emission Vehicle Program .....	(1)	(1)
Clean Fuel Fleet Vehicle Program .....	0.30	0.30
Subtotal .....	147.53	132.43
<b>Industrial Source Measure</b>		
ERMS .....	(1)	(1)

Control measure	VOC reduction state claimed tons/day	VOC reduction credit accept- ed tons/day
Stepan Batch Process Rule Credit .....	9.40	9.40
Municipal Solid Waste Landfill .....	1.06	1.06
Coke Oven By-Product NESHAP .....	2.65	2.65
Subtotal .....	13.11	13.11
<b>Area Source Measures</b>		
1999 Cold Cleaning Degreasing Limits .....	11.35	11.35
Total 1999 Creditable VOC Reductions .....	171.99	156.89

<sup>1</sup> Deferred.

Control measure	NO <sub>x</sub> reduction state claimed tons/day	NO <sub>x</sub> reduction credit accept- ed tons/day
<b>Mobile Source Measures</b>		
Post-1994 Tier 1 Vehicle Emission Rates .....	24.30	24.30
Federal Heavy-Duty Non-Road Engine Standards .....	15.75	15.75
Subtotal .....	40.05	40.05
<b>Industrial Source Measures</b>		
Title IV Acid Rain Controls .....	221.92	221.92
Total 1999 Creditable NO <sub>x</sub> Reductions .....	261.97	261.97

## V. EPA's Approval of the TCMs in the Post-1996 ROP Plan

### What Are TCMs?

TCMs are programs that encompass elements of transportation system management and/or transportation demand management. Transportation system management strategies are typically low capital intensive transportation improvements that increase the efficiency of transportation facilities and services. Transportation demand management involves policies, programs, and actions directed toward increasing the use of high occupancy vehicles (transit, carpooling, and vanpooling), and the use of bicycling and walking.

The Chicago Area Transportation Study (CATS), a Metropolitan Planning Organization (MPO), implements TCMs in the Chicago Area. CATS implements a number of TCM projects to both reduce Vehicle Miles Traveled (VMT) and VOC emissions per VMT. The projects have been programmed and funded through the areas' Transportation Improvement Programs (TIP) under the federal Congestion Mitigation and Air Quality Improvement Program (CMAQ).

The proposed Post-1996 ROP Plan claims emission reduction credit for TCMs implemented between 1990 and 1996 which were not included in the 15% plan, and TCMs implemented between 1996 and 1999.

### What Are the TCMs Submitted With the Illinois Post-1996 ROP Plan?

CATS has documented TCM implementation and estimated emission reductions in the following documents:

- (1) "Transportation Control Measures Committal to the State Implementation Plan," November 5, 1992;
- (2) "Transportation Control Measures Contribution to the 15% Rate of Progress State Implementation Plan," December 9, 1993;
- (3) "Transportation Control Measures Contribution to the Control Strategy State Implementation Plan," March 9, 1995;
- (4) "Transportation Control Measures Contribution to the Post-1996 Rate-Of-Progress State Implementation Plan," March 22, 1996;
- (5) "Transportation Control Measures Contribution to the 9% Control Strategy State Implementation Plan," June 11, 1998; and,
- (6) "1999 Transportation Control Measures Contribution to the 9% Rate of Progress Control Strategy State Implementation Plan," December 9, 1999.

The November 5, 1992, document provides a comprehensive discussion of the TCM planning and implementation process in the Chicago region. Illinois submitted the December 9, 1993, and March 9, 1995, documents with the Chicago Area VMT Offset SIP revision, and provided the basis for emission

reductions claimed as part of the 15% ROP Plan.

On September 21, 1995, we incorporated into the SIP 127 TCMs when we approved the Illinois' Vehicle Miles Traveled (VMT) Offset SIP (60 FR 48896). As indicated in the September 21, 1995, rulemaking, the combined emission reduction from these TCMs is 2.78 TPD by 1996. Of this reduction, the State claimed 2 TPD in the 15% plan, which leaves 0.78 TPD for use in the 9% ROP plan.

The 1995, 1996, 1998, and 2000 TCM documents demonstrate an additional 1.22 TPD from TCMs which have been implemented by November 15, 1999. These TCMs include:

- (1) Improved public transportation, such as fixed guideway transit and rail station infrastructure improvements;
- (2) Traffic flow improvements, such as traffic signalization and intersection and road widening;
- (3) Increased park and ride service, parking at major transit stations, and fringe parking to serve major highway facilities; and,
- (4) Bicycle and pedestrian programs, including increased bicycle lanes and paths, racks and storage facilities, and sidewalks and walkways.

### How Do TCMs Become Approvable as Revisions to the SIP?

States can take credit for TCMs that we have approved as revisions to the

SIP. Our requirements for TCMs are summarized in the June 1993, guidance document, "Guidance on Preparing Enforceable Regulations and Compliance Programs for the 15 Percent Rate-of-Progress Plans," dated June 1993.

The required elements are:

(1) A complete description of the measure, and, if possible, its estimated emission reduction benefits;

(2) Evidence that the measure was properly adopted by a jurisdiction(s) with legal authority to execute the measure;

(3) Evidence that funding will be available to implement the measure;

(4) Evidence that all necessary approvals have been obtained from all appropriate government offices;

(5) Evidence that the implementing agencies have adopted a complete schedule to plan, implement, and enforce the measure; and

(6) A description of any monitoring program to evaluate the measure's effectiveness and to allow for necessary in-place corrections or alterations.

*Are the Chicago Area 1996-1999 TCMs Approvable?*

The TCM documents cited above provide the necessary documentation to incorporate into the SIP the TCMs implemented between 1996 and 1999 in the Chicago Ozone Nonattainment Area.

#### **VI. EPA Review of the Proposed Illinois Post-1996 ROP Plan**

*Why Is the Proposed Illinois Post-1996 ROP Plan Approvable?*

We reviewed the documentation submitted with the proposed Post-1996 ROP Plan. From this review, we find that the proposed plan is approvable.

The State provided sufficient justification that the attainment area NO<sub>x</sub> reductions will reduce ozone concentrations in the Chicago Ozone Nonattainment Area. Illinois also correctly calculated, following our guidance documents, the emission reduction needed to meet the 9% ROP reduction requirement.

The proposed plan's control measures are creditable because the emissions reductions achieved are real, permanent, and enforceable. All claimed emission reductions from the plan's control measures occurred by November 15, 1999, the Act's deadline by which creditable reductions are to occur.

The State's emission reduction estimates for the control strategies follow our guidance documents, where applicable, and are adequately documented with acceptable emission control assumptions.

Finally, the proposed Post-1996 ROP Plan shows that it will achieve a 9% reduction of ozone precursor emissions affecting the Chicago Ozone Nonattainment Area.

#### **COMPARISON OF NEEDED AND CREDITABLE EMISSION REDUCTIONS**

VOC Reduction Needed to Meet 2% ROP.	121.79 TPD
VOC Reduction Needed to Meet 3% Contingency.	31.11 TPD
VOC Reduction Needed for ROP and Contingency.	152.90 TPD
Total Creditable VOC Reduction.	156.89 TPD
NO <sub>x</sub> Reduction Needed to Meet 7% ROP.	242.52 TPD
Total Creditable NO <sub>x</sub> Reduction.	261.97 TPD

For these reasons, we are proposing to approve Illinois' proposed Chicago Area Post-1996 ROP Plan, under our parallel processing regulations at 40 CFR part 51, appendix V. We will take final rulemaking action once the final adopted plan is submitted, provided that the final submitted plan is not significantly different from the proposed plan.

*Why Is the Contingency Measure Portion of the Plan Approvable?*

The proposed Post-1996 ROP Plan achieves, in addition to a 9% ozone precursor reduction, a 3% reduction in VOC through creditable control measures. For this reason, the contingency measure portion of the proposed Post-1996 ROP Plan satisfies the contingency measure requirements of the Act. We therefore propose to approve the contingency measure portion of the plan.

#### **VII. Transportation Conformity Mobile Source Budget**

In Illinois' December 17, 1999, supplemental submittal, the State clearly identified in the proposed Post-1996 ROP Plan the establishment of the 1999 motor vehicle emissions budget of 279.3 TPD of VOC. The 1999 budget in the supplemental submittal is a revision to the budget in the earlier ROP submission. The revisions in the credit granted for the control strategies resulted in a change to the 1999 on-road mobile source emissions total. This emissions level serves as the emissions budget for determining transportation conformity. This **Federal Register** approval will also approve the 1999 on-road mobile source budget of 279.3 TPD of VOC.

#### **VIII. Proposed Rulemaking Action**

In this rulemaking action, we are proposing to approve, through parallel processing, the proposed Illinois SIP revision, submitted on December 18, 1997, December 17, 1999, January 14, 2000, and January 21, 2000, establishing the proposed Post-1996 ROP Plan and contingency measures for the Chicago Ozone Nonattainment Area. We are also proposing to approve certain TCMs which were submitted with the Post-1996 ROP Plan and were implemented between 1996 and 1999. We are taking this action pursuant to parallel processing regulations under 40 CFR part 51, appendix V.

#### **IX. Administrative Requirements**

##### *A. Executive Order 12866*

The Office of Management and Budget (OMB) has exempted this regulatory action from Executive Order 12866, entitled "Regulatory Planning and Review."

##### *B. Executive Order 13132*

Federalism (64 FR 43255, August 10, 1999) revokes and replaces Executive Order 12612 (Federalism) and Executive Order 12875 (Enhancing the Intergovernmental Partnership). Executive Order 13132 requires EPA to develop an accountable process to ensure "meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications." "Policies that have federalism implications" is defined in the Executive Order to include regulations that have "substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government." Under Executive Order 13132, EPA may not issue a regulation that has federalism implications, that imposes substantial direct compliance costs, and that is not required by statute, unless the Federal government provides the funds necessary to pay the direct compliance costs incurred by State and local governments, or EPA consults with State and local officials early in the process of developing the proposed regulation. EPA also may not issue a regulation that has federalism implications and that preempts State law unless the Agency consults with State and local officials early in the process of developing the proposed regulation.

This final rule will not have substantial direct effects on the States, on the relationship between the national

government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132. Thus, the requirements of section 6 of the Executive Order do not apply to this rule.

#### C. Executive Order 13045

*Protection of Children from Environmental Health Risks and Safety Risks* (62 FR 19885, April 23, 1997), applies to any rule that: (1) is determined to be "economically significant" as defined under Executive Order 12866, and (2) concerns an environmental health or safety risk that EPA has reason to believe may have a disproportionate effect on children. If the regulatory action meets both criteria, the Agency must evaluate the environmental health or safety effects of the planned rule on children, and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the Agency.

This rule is not subject to Executive Order 13045 because it does not involve decisions intended to mitigate environmental health or safety risks.

#### D. Executive Order 13084

Under Executive Order 13084, EPA may not issue a regulation that is not required by statute, that significantly affects or uniquely affects the communities of Indian tribal governments, and that imposes substantial direct compliance costs on those communities, unless the Federal government provides the funds necessary to pay the direct compliance costs incurred by the tribal governments. If the mandate is unfunded, EPA must provide to the Office of Management and Budget, in a separately identified section of the preamble to the rule, a description of the extent of EPA's prior consultation with representatives of affected tribal governments, a summary of the nature of their concerns, and a statement supporting the need to issue the regulation.

In addition, Executive Order 13084 requires EPA to develop an effective process permitting elected and other representatives of Indian tribal governments "to provide meaningful and timely input in the development of regulatory policies on matters that significantly or uniquely affect their communities." Today's rule does not significantly or uniquely affect the communities of Indian tribal governments. Accordingly, the requirements of section 3(b) of

Executive Order 13084 do not apply to this rule.

#### E. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and small governmental jurisdictions.

This final rule will not have a significant impact on a substantial number of small entities because SIP approvals under section 110 and subchapter I, part D of the Clean Air Act do not create any new requirements but simply approve requirements that the State is already imposing. Therefore, because the Federal SIP approval does not create any new requirements, I certify that this action will not have a significant economic impact on a substantial number of small entities.

Moreover, due to the nature of the Federal-State relationship under the Clean Air Act, preparation of flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The Clean Air Act forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co., v. U.S. EPA*, 427 U.S. 246, 255-66 (1976); 42 U.S.C. 7410(a)(2).

#### F. Unfunded Mandates

Under section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated annual costs to State, local, or tribal governments in the aggregate; or to private sector, of \$100 million or more. Under section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the approval action promulgated does not include a Federal mandate that may result in estimated annual costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements

under State or local law, and imposes no new requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

#### G. Submission to Congress and the Comptroller General

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This rule is not a "major" rule as defined by 5 U.S.C. 804(2).

#### H. National Technology Transfer and Advancement Act

Section 12 of the National Technology Transfer and Advancement Act (NTTAA) of 1995 requires Federal agencies to evaluate existing technical standards when developing a new regulation. To comply with NTTAA, EPA must consider and use "voluntary consensus standards" (VCS) if available and applicable when developing programs and policies unless doing so would be inconsistent with applicable law or otherwise impractical.

The EPA believes that VCS are inapplicable to this action. Today's action does not require the public to perform activities conducive to the use of VCS.

#### List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Nitrogen Oxides, Ozone, Volatile Organic Compounds.

Dated: February 24, 2000.

**David A. Ullrich,**

*Acting Regional Administrator, Region 5.*  
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