

**Air Quality
State Implementation Plan Revisions Report**

**Submitted to the
Colorado Legislative Council
pursuant to the provisions of C.R.S. 25-7-133**

**Colorado Air Quality Control Commission
January 10, 2012**

INTRODUCTION

Under the Colorado Air Pollution Prevention and Control Act, the Colorado Air Quality Control Commission (AQCC or Commission) is charged with the development of a comprehensive State Implementation Plan (SIP), which will assure attainment and maintenance of National Ambient Air Quality Standards and which must meet all other requirements of the federal Clean Air Act (CAA). This SIP shall be revised when necessary and appropriate and any revisions must be submitted to the United States Environmental Protection Agency (EPA) for review and approval. Under state law, prior to submitting any SIP revisions to EPA, the Commission must submit a report to the legislature by January 15th of each year summarizing any changes or additions to the SIP made in the previous calendar year. See § 25-7-133, C.R.S. Pursuant to this statutory directive the Commission submits the following report describing its revisions to Colorado's SIP.

STATUTORY REQUIREMENT

Section 25-7-133(1), C.R.S. sets forth the requirements governing the AQCC's annual SIP Revisions Report to the legislature as follows:

Notwithstanding any other provision of law but subject to subsection (7) of this section, by January 15 of each year the commission shall certify in a report to the chairperson of the legislative council in summary form any additions or changes to elements of the state implementation plan adopted during the prior year that are to be submitted to the administrator for purposes of federal enforceability. Such report shall be written in plain, nontechnical language using words with common and everyday meaning that are understandable to the average reader. Copies of such report shall be available to the public and shall be made available to each member of the general assembly. The provisions of this section shall not apply to control measures and strategies that have been adopted and implemented by the enacting jurisdiction of a local unit of government if such measures and strategies do not result in mandatory direct costs upon any entity other than the enacting jurisdiction.

STATE IMPLEMENTATION PLAN REVISIONS

The Commission adopted the following revisions/additions to Colorado's State Implementation Plan, which are being submitted for legislative review pursuant to Section 25-7-133(1), C.R.S.:

1. State Implementation Plan Provisions Governing Colorado's Stationary Source Permitting Program

On October 15, 2011, the AQCC adopted revisions to AQCC Regulation Number 3, Parts A, B and D modifying the permitting requirements for stationary sources in Colorado. These revisions primarily incorporate into state regulation changes to the federal New Source Review (NSR) Program related to the National Ambient Air Quality Standards (NAAQS) for fine particulate matter less than 2.5 microns in diameter (PM_{2.5}). Second, the Commission revised the regulation to address several recent EPA actions where past rule revisions adopted by the Commission were disapproved by EPA.

Third, the Commission deferred permitting requirements for biogenic sources of carbon dioxide emissions to ensure consistency with federal greenhouse gas permitting requirements. Colorado's biogenic sources of carbon dioxide emissions (such as landfills, ethanol plants, water treatment facilities, the combustion of forest residues and agricultural materials) were granted a three-year deferral from permitting requirements. Fourth, the Commission made miscellaneous revisions and corrected typographical, grammatical and formatting errors.

Sources affected by this proposal include PM_{2.5} and carbon dioxide emission sources, as well as open burning sources, mobile sources, stationary internal combustion engines, emergency generators, oil and gas surface water impoundments, de-aerator/vacuum pump exhaust, and air curtain destructors. Because these rule revisions were necessary to make Colorado's permitting program consistent with federal requirements, there was no opposition from regulated industries or the general public to this SIP revision.

2. Steamboat Springs PM₁₀ Maintenance Plan

On December 15, 2011, the Commission adopted revisions to the Steamboat Springs fine particulate matter (PM₁₀) Maintenance Plan and Air Quality Standards, Designations and Emission Budgets regulation. (PM₁₀ is defined as fine particulate matter less than 10 microns in diameter). Under the Clean Air Act, areas that were in violation of a NAAQS for a given pollutant, and that subsequently achieved compliance, must demonstrate ongoing compliance with that NAAQS for a period of 20 years. To assure such ongoing compliance, states must develop maintenance plans demonstrating how such ongoing compliance will be achieved. Maintenance plans must then be revised after the first ten-year period.

This revised Steamboat Springs PM₁₀ Maintenance Plan is the required 10-year update for the Steamboat area. The revised plan includes updated PM₁₀ monitoring data showing ongoing compliance with the federal PM₁₀ standard. Given the ongoing compliance, no new control strategies are included in the plan. Updated mobile source emission inventories and a revised emission budget utilized for transportation planning are included in the revised plan. Both the City of Steamboat Springs and Routt County submitted letters endorsing the proposed revisions, and there was no opposition from industry, state agencies or the general public to this SIP revision.

3. Interstate Transport SIP

On December 15, 2011, the Commission adopted revisions to the Interstate Transport SIP that shows that Colorado does not significantly contribute to nonattainment or interfere with maintenance of the 2006 PM_{2.5} NAAQS in other states, in accordance with Clean Air Act Section 110 on interstate transport. The revisions also amend previously-approved chapters of the Interstate Transport SIP to include the 2006 PM_{2.5} standard in the demonstrations for visibility and Prevention of Significant Deterioration. The EPA on June 9, 2010 published a finding that 29 states including Colorado had failed to submit Interstate Transport SIPs for the 2006 PM_{2.5} standard.

This finding of failure established a 2-year deadline for the EPA to promulgate a federal implementation plan, unless Colorado submits and the EPA approves an Interstate Transport SIP prior to the deadline. This proposed plan will satisfy this finding.

As this plan is a positive demonstration of compliance with EPA requirements and no regulatory requirements were adopted, there was no opposition from industry or the general public to this SIP revision.

4. Criteria for Conformity

The Clean Air Act requires federally supported transportation plans, transportation improvement programs, and all regionally significant projects, regardless of funding source, to be consistent with, or “conform to” the purpose of state air quality implementation plans. The Commission adopted revisions to Regulation Number 10 and the Commission’s Procedural Rules that significantly streamline the process for “routine” conformity determinations by allowing the Colorado Air Pollution Control Division (Division) to provide concurrence with routine transportation conformity determinations without the need for a public hearing before the AQCC. If a conformity determination is non-routine because of project size or due to unresolved air quality issues and/or lack of agency agreement regarding a conformity determination, the Division or other parties could request that the Commission conduct a public hearing and either resolve matters or escalate them to the Governor.

This change to the conformity process is allowed for under federal law and will reduce the burden on the Commission, the Division and local transportation planning organizations while ensuring that air quality requirements are met. In addition, the amendments include a number of clarifying provisions necessary to comply with federal requirements and that will help facilitate the implementation of the regulation. There was no opposition from industry or the general public to this SIP revision. State and local transportation planning agencies support this SIP revision as it streamlines the current regulatory process.