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 23, 2013

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 each year summarizing any changes or additions to the SIP made in the previous calendar year. <u>See</u> § 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 AQQC'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. Lamar PM10 Maintenance Plan

On December 20, 2012, the Commission adopted revisions to the Lamar fine particulate matter (PM10) Maintenance Plan and the AQCC's 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 National Ambient Air Quality Standard (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 PM10 Maintenance Plan is the required 10-year update for the Lamar 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. The City of Lamar submitted a letter endorsing the proposed revisions, and there was no opposition from industry, state agencies or the general public to this SIP revision.

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

On December 20, 2012, the Commission adopted revisions to AQCC Regulation Number 3, Parts A, B, C and D that corrected and clarified existing provisions to ensure consistency with federal regulations and Colorado's implementation of these rules, streamlined the permit issuance process, and corrected typographical, grammatical, and formatting errors. Of special note, the Commission revised the Permit Processing Fees, Section VI.B.5., to streamline construction permit issuance by allowing the Division to issue a construction permit prior to receiving full payment for the assessed permit processing fees. This revision will not negatively impact permit applicants who pay their permit processing fees on time.

Numerous stationary sources throughout Colorado are affected by these rule revisions. Because these rule revisions were necessary to make Colorado's permitting program consistent with federal requirements and to streamline the permitting process without increasing emissions from stationary sources, there was no opposition from regulated industries or the general public to this SIP revision.

3. State Implementation Plan Provisions Governing Oil and Gas Operations in Colorado

On December 20, 2012, the Commission adopted revisions to AQCC Regulation Number 7 to address regulatory provisions for oil and gas operations that EPA did not previously approve for inclusion into Colorado's SIP. The more significant revisions 1) remove the sunset date for the system-wide condensate storage tank control requirement applicable in the Denver/North Front Range ozone nonattainment area, 2) clarify that federally enforceable monitoring requirements cannot be replaced by state-only options, and 3) clarify that the first 90 day controls on condensate tanks are state-only requirements. The Commission does not intend that the adopted revisions add or strengthen emissions control measures at this time. Rather, these revisions address those provisions that EPA previously disapproved.

Numerous oil and gas operations throughout Colorado are affected by these rule revisions. Because these rule revisions were necessary to make Colorado's oil and gas regulatory program consistent with federal requirements, there was no opposition from regulated industries or the general public to this SIP revision.

4. Significant Revisions to the Vehicle I/M Program

On December 20, 2012, the AQCC adopted revisions to AQCC Regulation Number 11, Parts A, B, C, D, E, F and H, modifying the motor vehicle emissions inspection program to increase model year exemptions from four to seven model years and to implement an on-board diagnostics testing program for model years' eight through eleven. Additionally, the regulation no longer require visual inspections of emission control systems on 1996 model-year and newer vehicles, requires retesting after failing gas cap integrity test, deletes obsolete language, and revise typographical, grammatical, and formatting errors. This modified program takes effect on January 1, 2015.

The revision of the rule is to lessen the regulatory burden on the motoring public through expanding the new vehicle exemption period to seven years and the introduction of OBD inspection to select vehicles, among other measures, while maintaining the current air quality benefits received from the program, in a cost effective manner, at similar or reduced costs to the current program.

Sources affected by these revisions include all gasoline-powered passenger vehicles and light-, medium- and heavy duty trucks registered in the AIR program area within in Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, Larimer and Weld Counties. Because these rule revisions make the I/M program more convenient and less costly without losing emissions reductions credits, there was no opposition from the general public to this SIP revision.