

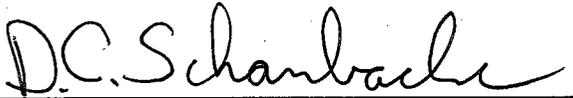
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
AGENDA ITEM REQUEST
for Adoption of a Revision to the State Implementation Plan

AGENDA REQUESTED: November 5, 2008

DATE OF REQUEST: October 17, 2008

NAME & NUMBER OF PERSON TO CONTACT REGARDING CHANGES TO THIS REQUEST, IF NEEDED: Kerry Howard, 239-0556

CAPTION: Docket No. 2008-0926-SIP. Consideration for the adoption of revisions to the State Implementation Plan (SIP) for the Control of Ozone Air Pollution in the Dallas-Fort Worth (DFW) Eight-Hour Ozone Nonattainment Area. This SIP revision identifies control measures and estimated emission reductions to satisfy the United States Environmental Protection Agency's (EPA's) three percent contingency requirement for the DFW 1997 Eight-Hour Ozone Standard Nonattainment Area. (Mary Ann Cook, Terry Salem) (Project No. 2008-016-SIP-NR)



Chief Engineer



Division Director



Agenda Coordinator

Copy to CCC Secretary? NO

Texas Commission on Environmental Quality

INTEROFFICE MEMORANDUM

To: Commissioners **Date:** October 17, 2008
Thru: LaDonna Castañuela, Chief Clerk
Mark R. Vickery, P.G., Executive Director
From: David C. Schanbacher, P.E., Chief Engineer DCS
Chief Engineer's Office
Docket No.: 2008-0926-SIP
Subject: Commission adoption of a revision to the State Implementation Plan (SIP) for the Control of Ozone Air Pollution in the Dallas-Fort Worth (DFW) Eight-Hour Ozone Nonattainment Area

Project No. 2008-016-SIP-NR - Dallas-Fort Worth Attainment Demonstration SIP Revision for the 1997 Eight-Hour Ozone Standard (Contingency Measures Plan)

Reasons for the SIP package:

In June of 2008, the United States Environmental Protection Agency (EPA) proposed a conditional approval of the Dallas-Fort Worth (DFW) Eight-Hour Ozone Attainment Demonstration (AD) SIP Revision for the 1997 eight-hour ozone standard. Final conditional approval of that May 2007 DFW AD SIP is dependent upon the Texas Commission on Environmental Quality's (TCEQ's) submittal of a revised contingency plan for the DFW area. Adoption and submittal of this DFW AD SIP Contingency Plan revision will satisfy the EPA's condition.

This Contingency Plan SIP revision identifies the emission reduction measures needed to provide the EPA-required three percent contingency reduction applicable in the event that the DFW nonattainment area fails to meet the 1997, 0.08 parts per million (ppm) eight-hour ozone standard by the attainment deadline. These measures include: 30 Texas Administrative Code (TAC) Chapter 115, Subchapter E, Offset Lithographic Printing; Subchapter E, De-gassing or Cleaning of Stationary, Marine, and Transport Vessels; and Subchapter E, Petroleum Dry Cleaning. On-road fleet turnover for 2009-2010, which reflects federal engine and fuel standard changes, is the final contingency measure.

Under what authority are we adopting these changes?

The authority to propose and adopt the SIP and revisions is derived from 30 TAC and Texas Health and Safety Code, Texas Clean Air Act (TCAA), § 382.002, which provides that the policy and purpose of the TCAA is to safeguard the state's air resources from pollution; TCAA, § 382.011, which authorizes the commission to control the quality of the state's air; § 382.012, which authorizes the commission to prepare and develop a general, comprehensive plan for the control of the state's air; and TCAA, § 382.0173, which authorizes the commission to adopt SIP and rule requirements relating to this SIP revision.

Is this SIP revision required by federal rule or state statute? Which ones?

Yes - the TCAA, § 172(c)(9) requires that contingency measures be included in the May 2007 DFW AD SIP revision.

Are there any legal deadlines by which these rules must be proposed, adopted, or effective?

Yes - to meet the requirements established by the EPA to finalize the proposed conditional approval of the May 2007 DFW AD SIP, this SIP revision must be submitted to the EPA. If TCEQ does not submit this SIP revision, the EPA will not move forward with its final conditional approval of the May 2007 DFW AD SIP revision.

Re: Docket No. 2008-0926-SIP

What issue(s) or problem(s) are we trying to solve?

We are trying to prevent a possible disapproval of the May 2007 DFW AD SIP revision that was submitted to the EPA in June 2007. To obtain EPA approval, TCEQ must meet conditions that the EPA has identified. One of those conditions is to revise the contingency plan for the May 2007 DFW AD SIP to meet the EPA's three percent emission reduction requirement for the DFW area.

Why is it important that we do this SIP revision?

The EPA requires this SIP revision, which meets the requirements stipulated in the EPA's proposed conditional approval of the May 2007 DFW AD SIP, in order for the EPA to finalize that conditional approval. The TCEQ executive director sent a letter to the EPA dated June 13, 2008, with a commitment to adopt and submit this SIP revision. This SIP revision meets the Contingency Measure Plan requirement identified by the EPA.

Other important background or historical information:

The DFW Eight-Hour Ozone AD SIP revision was adopted by the TCEQ in May 2007 and submitted to the EPA on June 15, 2007. That SIP revision demonstrated attainment of the 1997 eight-hour ozone standard for the DFW nonattainment area by June 15, 2010.

The EPA began reviewing the May 2007 DFW AD SIP revision and associated 30 TAC Chapter 117 rule revisions upon submittal. The TCEQ received a letter from the EPA in March 2008 requesting clarification of some aspects of the May 2007 DFW AD SIP, including the contingency plan. In April 2008, the TCEQ provided supplemental information to the EPA, as requested. The EPA then requested the state's commitment to identify an approvable contingency plan including measures to fulfill a three percent emissions reduction requirement for 2010, applicable in the event that the DFW area fails to meet the 1997 eight-hour ozone standard by the deadline. The TCEQ executive director sent a letter to the EPA dated June 13, 2008, with a commitment to propose the SIP revision for commission consideration.

In July 2008, the EPA proposed conditional approval of the May 2007 DFW AD SIP revision, providing that final conditional approval was contingent upon Texas adopting and submitting to the EPA an approvable contingency plan SIP revision for the DFW area. Subject to commission approval, this DFW AD SIP Contingency Plan SIP revision for the DFW area is anticipated to be submitted to the EPA by November 15, 2008. The Motor Vehicle Emissions Budget (MVEB) for nitrogen oxides (NO_x) and volatile organic compounds (VOC) emissions set in the May 2007 DFW AD SIP Revision is not changed or affected by this supplemental DFW SIP revision.

Scope of the SIP revision:

This SIP revision revises the current DFW area eight-hour ozone contingency plan by identifying and quantifying control measure emissions reductions to satisfy the EPA's contingency requirement.

• Changes required by federal rule:

TCAA, § 172(c)(9) and § 182 require a contingency plan providing for the implementation of specific measures if an area fails to attain the national primary ambient air quality standard by the attainment date. Such measures shall take effect in such case without further action by the state or the EPA Administrator.

• Changes required by state statute:

None

• Staff recommendations that are not expressly required by federal rule or state statute:

None

Re: Docket No. 2008-0926-SIP

Impact on the regulated community:

Who will be affected?

Petroleum dry cleaners; offset lithographic printing facilities; and facilities that degas and clean storage and transport vessels would be affected by the VOC contingency measures if they were triggered.

• Does it create a group of affected persons who were not affected previously? How?

If the VOC contingency measures are triggered, petroleum dry cleaners and small offset lithographic printing facilities that are not currently affected by 30 TAC Chapter 115 rules would then be affected by the contingency measure rules. Facilities that degas and clean storage and transport vessels that are currently affected by 30 TAC Chapter 115 rules would be subject to additional requirements.

• Will there be a fiscal impact? If so, estimate.

If contingency measures are triggered, there could be fiscal impact on the affected parties.

Impact on the public:

• Who will be affected?

No new impact on the general public is expected from this SIP revision.

• Does it create a group of affected persons who were not affected previously? How?

No.

• Will there be a fiscal impact? If so, estimate.

No fiscal impact to the public is anticipated.

Impact on agency programs:

If the contingency measures are triggered, there would be an impact on the Small Business and Environmental Assistance Division as it would begin outreach efforts to affected parties. Air Quality Planning (AQP) staff would need to update rules adopted over ten years ago and never put into effect. AQP staff would need to reevaluate benefits from the measures, as time has passed since reductions were determined and facilities may have voluntarily implemented changes required by the rules. AQP staff would need to provide notice of the rules triggered, and OCE staff would enforce them.

Stakeholder meetings:

• Have any stakeholder meetings been held?

No; however, if the contingency measures are triggered, SBEA would hold stakeholder meetings.

• With whom?

Affected parties would be notified of stakeholder meetings.

• What were the general sentiments?

N/A

• Were any changes made in response to stakeholder concerns?

N/A

Re: Docket No. 2008-0926-SIP

Policy issues:

- **What policy issues are affected?**

None

- **Are any policies that are not currently based on rule being made into a rule?**

No.

- **What are the consequences if this SIP revision is not approved to go forward?**

Per the EPA, not submitting this SIP revision will lead to disapproval of the May 2007 DFW AD SIP. That disapproval could further lead to federal sanctions, a federal implementation plan, or both.

- **Are there alternatives?**

There is no alternative to providing a Contingency Plan SIP revision. It is required for the EPA to grant final conditional approval of the May 2007 DFW AD SIP. Regarding alternatives to measures used in the Contingency Plan, the three percent contingency requirement could be met entirely with fleet turnover reductions and the VOC measures could be excluded from the plan. Doing so would reduce the benefits available for other programs (ie, DERC). There were no comments received regarding the measures.

Public Comment:

Public hearings for the proposed DFW AD SIP Contingency Plan and DERC Program Revisions and the accompanying 30 TAC Chapter 101 rule revisions were offered on September 9, 2008, in Dallas and on September 10, 2008, in Arlington; however, no oral comments were received at the hearings. During the August 6, 2008, through September 12, 2008, public comment period, no comments regarding the DFW Contingency Plan revision were received.

Significant Changes from proposal:

At the agenda for proposal of the DFW AD SIP Contingency Plan and DERC Program Revisions and the accompanying 30 TAC Chapter 101 rulemaking, the commission elected to accelerate the internal review process for only the contingency plan portion of the proposed SIP revision. This was done to expedite submittal of the revised DFW Contingency Plan to the EPA, as needed for its final action regarding the May 2007 DFW AD SIP Revision. Because adoption considerations for the proposed SIP revisions were set for separate agenda dates, the revision was divided into two separate SIP revisions for adoption consideration. This DFW AD SIP Contingency Plan Revision, scheduled for commission consideration for adoption on November 5, 2008, is the first of these revisions. The second, a DFW AD SIP DERC Program Revision, is scheduled for commission consideration for adoption on December 10, 2008.

Potentially controversial matters:

Possible complaints from businesses that may need to comply with the rules. However, no comments on contingency measures were received during the public comment period for the proposed DFW AD SIP Revision for the 1997 Eight-Hour Ozone Standard (for only the Contingency Measure Plan and Discrete Emissions Reduction Credit (DERC) Program).

Key points in proposed SIP revision schedule:

- **Proposal date:** August 6, 2008
- **Scheduled Public hearing dates:** September 9 and September 10, 2008, in Dallas and Arlington, Texas.
- **Public comment period:** August 8, 2008 – September 12, 2008
- **Anticipated adoption date:** November 5, 2008

Commissioners
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October 17, 2008

Re: Docket No. 2008-0926-SIP

Agency contacts:

Mary Ann Cook, DFW SIP Project Manager, 239-6739, Air Quality Division
Kim Herndon, AQP SIP Team Lead, 239-1421, Air Quality Division
Terry Salem, Staff Attorney, 239-0469, Air Quality Division
Teresa Hurley, Stationary Sources Team (VOC Measures), 239-5316, Air Quality Division
Joyce Spencer, Division Rules/SIP Liaison, 239-5017, Air Quality Division

Attachments

cc: Chief Clerk, 5 copies
Executive Director's Office
David C. Schanbacher, P.E.
Betsy Bird
Daniel Womack
Kevin Patteson
Office of General Counsel
Mary Ann Cook
Joyce Spencer

Texas Commission on Environmental Quality

INTEROFFICE MEMORANDUM

To: Commissioners **Date:** July 18, 2008
Thru: LaDonna Castañuela, Chief Clerk
Mark R. Vickery, P.G., Executive Director
From: David C. Schanbacher, P.E., Chief Engineer *Greg Nuebel*
Chief Engineer's Office *for DCS*

Docket No.: 2008-0926-SIP

Subject: Commission Approval for a Proposed Revision to the State Implementation Plan (SIP) for the Control of Ozone Air Pollution in the Dallas-Fort Worth (DFW) Eight-Hour Ozone Nonattainment Area

Project No. 2008-016-SIP-NR

Reasons for the SIP package:

In June of 2008, the EPA proposed conditional approval of the Dallas-Fort Worth (DFW) Eight-Hour Ozone Attainment Demonstration SIP Revision for the 1997 eight-hour ozone standard (DFW AD SIP). To grant final approval of the DFW AD SIP submitted on June 15, 2007, the U.S. Environmental Protection Agency (EPA) requires that certain conditions be met. The TCEQ can fulfill these conditions through rule and SIP revisions. Along with this proposed SIP revision, a rule change will be proposed to create an enforceable mechanism that allows the executive director to restrict the use of Discrete Emissions Reduction Credits (DERCs) in the DFW eight-hour ozone nonattainment area (DFW area) to a level consistent with the attainment and maintenance of the National Ambient Air Quality Standard (NAAQS). The rule proposal and this SIP proposal will together satisfy the EPA's required implementation of an enforceable mechanism for DERC limitation for the DFW area. This Dallas-Fort Worth Eight-Hour Ozone Attainment Demonstration SIP Revision for the 1997 eight-hour ozone standard (For only the Contingency Measure Plan and Discrete Emissions Reduction Credit (DERC) Program) will also identify measures for a three percent emissions reduction post-2009 contingency plan for the DFW area as required by the EPA.

This SIP package meets the EPA requirements for conditional approval of the DFW AD SIP. This proposed DFW SIP revision:

- Incorporates a rule restricting DERC use in the DFW area;
- Limits DERC use consistent with attainment of the eight-hour ozone standard in the DFW area; and
- Identifies and quantifies measures to meet the EPA's three percent emissions reduction contingency plan requirement for the DFW area. These measures include: federal engine and fuel standards and Chapter 115 VOC rules on Offset Lithographic Printing; De-gassing or Cleaning of Stationary, Marine, and Transport Vessels; and Petroleum Dry Cleaning.

Under what authority are we proposing these changes?

The authority to propose and adopt the SIP is derived from Texas Health and Safety Code, Texas Clean Air Act (TCAA), §382.002, which provides that the policy and purpose of the TCAA is to safeguard the state's air resources from pollution; TCAA, §382.011, which authorizes the commission to control the quality of the state's air; §382.012, which authorizes the commission to prepare and develop a general, comprehensive plan for the control of the state's air; and §382.0173, which authorizes the commission to adopt SIP and rule requirements relating to this SIP revision.

Re: Docket No. 2008-0926-SIP

Is this SIP revision required by federal rule or state statute? Which ones?

Yes - the Federal Clean Air Act, § 172(c)(9) requires that contingency measures be included in the SIP Revision.

Are there any legal deadlines by which these rules must be proposed, adopted, or effective?

Yes - to meet the requirements established by the EPA for approval of the DFW AD SIP to be finalized, this SIP revision must be submitted to the EPA by March 1, 2009. If TCEQ does not submit this SIP revision to EPA, EPA will not move forward with a final approval of the DFW AD SIP revision.

What issue(s) or problem(s) are we trying to solve?

We are trying to prevent a possible disapproval of the DFW AD SIP revision that was submitted to the EPA in June 2007. To obtain EPA approval of that SIP, we must meet conditions that EPA has identified as requirements for their conditional approval of the DFW AD SIP revision that was submitted to EPA in June 2007. Those conditions are to implement an enforceable mechanism to restrict DERC usage in the DFW area and to revise the contingency plan for the DFW AD SIP to meet the EPA's three percent emission reduction requirement for the DFW area.

• **Why is it important that we do this SIP revision?**

This SIP revision is required in order for the EPA to grant final approval of the DFW AD SIP that was submitted to EPA in June 2007. The EPA requires the DERC rule revision to be effective by March 1, 2009, the DFW contingency plan revised to meet requirements, and a SIP revision incorporating those changes to be submitted by March 1, 2009. The TCEQ executive director sent a letter to the EPA dated June 13, 2008, with a commitment to propose these rule and SIP revisions for the commission's consideration.

• **Other important background or historical information.**

The DFW Eight-Hour Ozone AD SIP was adopted by the TCEQ in May 2007, and submitted to the EPA on June 15, 2007. That SIP revision introduced control strategies for nitrogen oxides (NO_x) and volatile organic compounds (VOC) in the DFW area. The DFW AD SIP revision demonstrates that ozone measurements in the DFW area will be compliant with the National Ambient Air Quality Standards by June 15, 2010. The attainment demonstration is based on photochemical modeling that included new control strategies along with evaluation of additional corroborative evidence. The DFW AD SIP revision relies on a weight of evidence argument and control measures that are not explicitly accounted for in the photochemical modeling. The weight of evidence argument includes analyses of ozone reduction trends and supplementary data to help demonstrate that the DFW nine-county nonattainment area will attain the 1997 eight-hour ozone standard.

Re: Docket No. 2008-0926-SIP

The TCEQ received a letter from the EPA in March 2008, requesting specific supplemental and clarifying information related to the DFW AD SIP. In an April 2008 response, the TCEQ sent a letter to the EPA providing the information requested. Upon review of the DFW AD SIP supplemental information, the EPA requested a commitment from the TCEQ to propose rulemaking restricting DERC use in the DFW nonattainment area. Additionally, the EPA requested a commitment from the TCEQ to propose another DFW SIP revision that will set DERC use limits for the DFW area and identify contingency measures to fulfill a three percent emissions reduction requirement. This proposed SIP revision incorporates the DERC rule revision requested by the EPA, and sets a limit on DERC use for the DFW area consistent with the DFW area attainment of the 1997 eight-hour ozone standard and future standards for which an attainment demonstration is submitted. Furthermore, this proposed SIP revision identifies measures to satisfy the EPA's three percent emissions reduction contingency requirement for the DFW area.

Scope of the SIP revision:

This SIP revision implements an enforceable mechanism for restricting DERC use by incorporating a proposed revision to the 30 Texas Administrative Code Chapter §101, Subchapter H, Division 4, Banking and Trading rule. This SIP revision also corrects the current DFW area eight-hour ozone contingency plan by identifying and quantifying control measure emissions reductions to satisfy the EPA's three percent contingency requirement.

The Motor Vehicle Emissions Budget (MVEB) for NO_x and VOC emissions set in the DFW Eight-Hour Ozone AD SIP Revision is not changed or affected by this supplemental DFW SIP revision.

• **Changes required by federal rule:**

Section § 172(c)(9) of the Federal Clean Air Act requires that a contingency plan providing for the implementation of specific measures to be undertaken if an area fails to attain the national primary ambient air quality standard by the attainment date applicable must be included in the SIP Revision. Such measures shall take effect in any such case without further action by the State or the Administrator.

• **Changes required by state statute:**

None

• **Staff recommendations that are not expressly required by federal rule or state statute:**

None

Impact on the regulated community:

• **Who will be affected?**

All Electric Generating Units within the DFW eight-hour ozone nonattainment area have the potential to voluntarily reduce emissions that can be banked as emission credits. DFW industries that own DERCs or want to utilize DERCs as an alternative compliance mechanism will be affected.

• **Does it create a group of affected persons who were not affected previously? How?**

No.

• **Will there be a fiscal impact? If so, estimate.**

Re: Docket No. 2008-0926-SIP

There could be fiscal impact to regulated entities that own or want to use banked DERCs. Impact would vary depending on market conditions.

Impact on the public:

- **Who will be affected?**
No new impact on the general public is expected from this SIP revision.
- **Does it create a group of affected persons who were not affected previously? How?**
No.
- **Will there be a fiscal impact? If so, estimate.**
No fiscal impact to the public is anticipated.

Impact on agency programs:

- The proposed DFW SIP revision will affect the following agency offices: the Emissions Banking and Trading Program within the Chief Engineer's Office.

Stakeholder meetings:

- **Have any stakeholder meetings been held?**
No. There was insufficient time for large stakeholder meetings, and meetings were not needed to support the rulemaking required by this proposed DFW SIP revision because of the small group of entities that own banked DERCs. However, interested parties were made aware of the rule revision in meetings with TCEQ.
- **With whom?**
Meetings were held with the two current owners of DERCs in the DFW eight-hour ozone nonattainment area.
- **What were the general sentiments?**
One owner of DERCs in the DFW eight-hour ozone nonattainment area expressed concern about how the rule proposal may impact their ability to use DERCs in the future.
- **Were any changes made in response to stakeholder concerns?**
No.

Policy issues:

- **What policy issues are affected?**
Since inception of the program, DERC use in the DFW area has been limited only as to credits contained in the bank. Upon adoption of the DERC rule and this SIP revision, DERC use will be further limited to a level that is consistent with the applicable Attainment Demonstration SIP for the area, effective March 1, 2009. Policies affected are those related to DERC use and those related to determination of DERC limits, such as a new annual review and report requirement.
- **Are any policies that are not currently based on rule being made into a rule?**
No.

Re: Docket No. 2008-0926-SIP

- **What are the consequences if this rulemaking is not approved to go forward?**
Per the EPA, not submitting this SIP revision will lead to disapproval of the DFW AD SIP for the 1997 eight-hour ozone standard. That disapproval could further lead to federal sanctions, a Federal Implementation Plan, or both.
- **Are there alternatives?**
No. The EPA has stated that approval of the DFW SIP submitted to EPA in 2007 will not occur without adoption of the DERC rule and this SIP revision.

Potentially controversial matters:

There is high interest from local governments, the EPA, environmental groups, and the regulated community (DERC generators). The proposed rulemaking to be incorporated into this SIP revision and the SIP limitations on DERC usage for 2009 may invoke comments from industry representatives concerned about reduced program flexibility and/or reduced viability of the DERC market. Future litigation related to this DFW SIP revision is possible.

Key points in proposed rulemaking schedule:

- **Anticipated proposal date:** August 6, 2008
- **Anticipated *Texas Register* publication date:** August 22, 2008
- **Public hearing date (if any):** September 9 and September 10, 2008, to be held in Dallas and Arlington, Texas
- **Public comment period:** Closes September 12, 2008
- **Anticipated adoption date:** December 10, 2008

Agency contacts:

Mary Ann Cook, DFW SIP Project Manager, 239-6739, Air Quality Division
Kathy Singleton, DFW SIP Project Manager, 239-6098, Air Quality Division
Jay Tonne, DERC Rule Project Manager, 239-1453, Air Quality Division
Terry Salem, Staff Attorney, 239-0469

Attachments

cc: Chief Clerk, 5 copies
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Kevin Patteson
Office of General Counsel
Mary Ann Cook
Kathy Singleton
Joyce Spencer

REVISION TO THE STATE IMPLEMENTATION PLAN
FOR THE CONTROL OF OZONE AIR POLLUTION

DALLAS-FORT WORTH 1997 EIGHT-HOUR OZONE STANDARD
NONATTAINMENT AREA



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
P.O. BOX 13087
AUSTIN, TEXAS 78711-3087

Dallas-Fort Worth Attainment Demonstration SIP Revision for the
1997 Eight-Hour Ozone Standard (Contingency Measures Plan)

PROJECT NO. 2008-016-SIP-NR

Adopted
November 5, 2008

EXECUTIVE SUMMARY

The Dallas-Fort Worth (DFW) Attainment Demonstration (AD) State Implementation Plan (SIP) Revision for the 1997 Eight-Hour Ozone Standard was adopted by the Texas Commission on Environmental Quality (TCEQ) in May 2007 and submitted to the United States Environmental Protection Agency (EPA) in June 2007. That May 2007 DFW AD SIP Revision introduced control strategies for nitrogen oxides (NO_x) and volatile organic compounds (VOC) in the DFW area, and demonstrated attainment of the National Ambient Air Quality Standard (NAAQS) for ozone in the DFW nine-county 1997 eight-hour ozone nonattainment area (DFW area) by June 15, 2010.

The May 2007 DFW AD SIP Revision was based on the evaluation of corroborative evidence in addition to results from the photochemical modeling exercise that incorporated new control strategies. In addition to the control strategies, the attainment demonstration relied on weight of evidence (WoE) arguments related to emission reductions from additional control measures not quantified or included in the photochemical modeling. The WoE arguments included an analysis of ozone reduction trends and other supplementary data supporting the DFW area's demonstration of attainment for the 1997, 0.08 parts per million (ppm) eight-hour ozone standard.

The EPA began reviewing the May 2007 DFW AD SIP Revision and the associated 30 Texas Administrative Code (TAC) Chapter 117 rule revisions upon submittal. The TCEQ received a letter from the EPA in March 2008 requesting clarification of some aspects of the May 2007 DFW AD SIP, including the contingency plan. In April 2008, the TCEQ provided supplemental information to the EPA, as requested. The EPA then requested the state's commitment to identify an approvable contingency plan including measures to fulfill a three percent emissions reduction requirement for 2010, applicable in the event that the DFW area fails to meet the 1997 eight-hour ozone standard by the deadline. The TCEQ agreed to that commitment.

In July 2008, the EPA proposed conditional approval of the May 2007 DFW AD SIP Revision, providing that final conditional approval was contingent upon the State of Texas adopting, and submitting to the EPA, an approvable contingency plan SIP revision for the DFW area. This DFW AD SIP Contingency Plan Revision satisfies the TCEQ's contingency plan commitment to the EPA, and identifies measures to satisfy the EPA's three percent emissions reduction requirement. The TCEQ intends to submit this DFW AD SIP Contingency Plan Revision to the EPA by November 15, 2008.

The Motor Vehicle Emissions Budget (MVEB) for NO_x and VOC emissions set in the May 2007 DFW AD SIP Revision, is not changed or affected by this DFW AD SIP Contingency Plan Revision.

SECTION V: LEGAL AUTHORITY

A. General

The Texas Commission on Environmental Quality (TCEQ) has the legal authority to implement, maintain, and enforce the National Ambient Air Quality Standards (NAAQS) and to control the quality of the state's air, including maintaining adequate visibility.

The first air pollution control act, known as the Clean Air Act of Texas, was passed by the Texas Legislature in 1965. In 1967, the Clean Air Act of Texas was superseded by a more comprehensive statute, the Texas Clean Air Act (TCAA), found in Article 4477-5, Vernon's Texas Civil Statutes. The legislature amended the TCAA in 1969, 1971, 1973, 1979, 1985, 1987, 1989, 1991, 1993, 1995, 1997, 1999, 2001, 2003, 2005, and 2007. In 1989, the TCAA was codified as Chapter 382 of the Texas Health & Safety Code.

Originally, the TCAA stated that the Texas Air Control Board (TACB) is the state air pollution control agency and is principal authority in the state on matters relating to the quality of air resources. In 1991, the legislature abolished the TACB effective September 1, 1993, and its powers, duties, responsibilities, and functions were transferred to the Texas Natural Resource Conservation Commission (TNRCC). With the creation of the TNRCC, the authority over air quality is found in both the Texas Water Code and the TCAA. Specifically, the authority of the TNRCC is found in Chapters 5 and 7. Chapter 5, Subchapters A - F, H - J, and L, include the general provisions, organization, and general powers and duties of the TNRCC, and the responsibilities and authority of the executive director. This chapter also authorizes the TNRCC to implement action when emergency conditions arise, and to conduct hearings. Chapter 7 gives the TNRCC enforcement authority. In 2001, the 77th Texas Legislature continued the existence of the TNRCC until September 1, 2013, and changed the name of the TNRCC to the Texas Commission on Environmental Quality (TCEQ).

The TCAA specifically authorizes the TCEQ to establish the level of quality to be maintained in the state's air and to control the quality of the state's air by preparing and developing a general, comprehensive plan. The TCAA, Subchapters A - D, also authorize the TCEQ to collect information to enable the commission to develop an inventory of emissions; to conduct research and investigations; to enter property and examine records; to prescribe monitoring requirements; to institute enforcement proceedings; to enter into contracts and execute instruments; to formulate rules; to issue orders taking into consideration factors bearing upon health, welfare, social and economic factors, and practicability and reasonableness; to conduct hearings; to establish air quality control regions; to encourage cooperation with citizens' groups and other agencies and political subdivisions of the state as well as with industries and the federal government; and to establish and operate a system of permits for construction or modification of facilities.

Local government authority is found in Subchapter E of the TCAA. Local governments have the same power as the TCEQ to enter property and make inspections. They also may make recommendations to the Commission concerning any action of the TCEQ that affects their territorial jurisdiction, may bring enforcement actions, and may execute cooperative agreements with the TCEQ or other local governments. In addition, a city or town may enact and enforce ordinances for the control and abatement of air pollution not inconsistent with the provisions of the TCAA and the rules or orders of the Commission.

Subchapters G and H of the TCAA authorize the TCEQ to establish vehicle inspection and maintenance programs in certain areas of the state, consistent with the requirements of the federal Clean Air Act; coordinate with federal, state, and local transportation planning agencies to develop and implement transportation programs and measures necessary to attain and maintain the NAAQS; establish gasoline volatility and low emission diesel standards; and fund and authorize participating counties to implement vehicle repair assistance, retrofit, and accelerated vehicle retirement programs.

B. Applicable Law

The following statutes and rules provide necessary authority to adopt and implement the State Implementation Plan (SIP). The rules listed below have previously been submitted as part of the SIP.

Statutes

TEXAS HEALTH & SAFETY CODE, Chapter 382	September 1, 2007
TEXAS WATER CODE	September 1, 2007

All sections of each subchapter are included, unless otherwise noted.

Chapter 5: Texas Natural Resource Conservation Commission

- Subchapter A: General Provisions
- Subchapter B: Organization of the Texas Natural Resource Conservation Commission
- Subchapter C: Texas Natural Resource Conservation Commission
- Subchapter D: General Powers and Duties of the Commission
- Subchapter E: Administrative Provisions for Commission
- Subchapter F: Executive Director (except §§ 5.225, 5.226, 5.227, 5.2275, 5.231, 5.232, and 5.236)
- Subchapter H: Delegation of Hearings
- Subchapter I: Judicial Review
- Subchapter J: Consolidated Permit Processing
- Subchapter L: Emergency and Temporary Orders (§§ 5.514, 5.5145, and 5.515 only)

Chapter 7: Enforcement

- Subchapter A: General Provisions (§§ 7.001, 7.002, 7.0025, 7.004, and 7.005 only)
- Subchapter B: Corrective Action and Injunctive Relief (§ 7.032 only)
- Subchapter C: Administrative Penalties
- Subchapter D: Civil Penalties (except §7.109)
- Subchapter E: Criminal Offenses and Penalties: §§ 7.177, 7.179-7.183

Rules

All of the following rules are found in 30, Texas Administrative Code, as of the following effective dates:

- | | |
|--|---------------|
| Chapter 7, Memoranda of Understanding, §§ 7.110 and 7.119 | May 2, 2002 |
| Chapter 19, Electronic Reporting | March 1, 2007 |
| Chapter 35, Subchapters A-C, K: Emergency and Temporary Orders and Permits; Temporary Suspension or Amendment of Permit Conditions | July 20, 2006 |

Chapter 39, Public Notice, §§ 39.201; 39.401; 39.403(a) and (b)(8)-(10); 39.405(f)(1) and (g); 39.409; 39.411 (a), (b)(1)-(6), and (8)-(10) and (c)(1)-(6) and (d); 39.413(9), (11), (12), and (14); 39.418(a) and (b)(3) and (4); 39.419(a), (b), (d), and (e); 39.420(a), (b) and (c)(3) and (4); 39.423 (a) and (b); 39.601-39.605	March 29, 2006
Chapter 55, Requests for Reconsideration and Contested Case Hearings; Public Comment, §§ 55.1; 55.21(a) - (d), (e)(2), (3), and (12), (f) and (g); 55.101(a), (b), and (c)(6) - (8); 55.103; 55.150; 55.152(a)(1), (2), and (6) and (b); 55.154; 55.156; 55.200; 55.201(a) - (h); 55.203; 55.205; 55.209, and 55.211	July 5, 2006
Chapter 101: General Air Quality Rules	August 16, 2007
Chapter 106: Permits by Rule, Subchapter A	June 30, 2004
Chapter 111: Control of Air Pollution from Visible Emissions and Particulate Matter	July 19, 2006
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- K. Clean Air Interstate Rule (No change)
- L. Transport (No change)
- M. Regional Haze (No change)

LIST OF ACRONYMS

ACT -- Alternative Control Techniques
AD -- Attainment Demonstration
AF -- Air-to-Fuel
APU -- Auxiliary Power Units
ARPDB -- Acid Rain Program Data Base
ATCM -- Airborne Toxic Control Measure
auto-GC -- Automated Gas Chromatograph
BACT -- Best Available Control Technology
BCCA-AG -- Business Coalition for Clean Air-Appeal Group
BMP -- Best Management Practices
BPA -- Beaumont-Port Arthur
Btu/hr -- British Thermal Units per Hour
Btu/scf -- British Thermal Units per Standard Cubic Feet
CAE -- Cetane Additive Enhanced Diesel Fuel
CAIR -- Clean Air Interstate Rule
CAMx -- Comprehensive Air Model with Extensions
CARB -- California Air Resources Board
CBD -- Houston's Central Business District
CFR -- Code of Federal Regulations
CMAQ -- Congestion Mitigation and Air Quality
CO -- Carbon Monoxide
CTG -- Control Technique Guidelines
DECS -- Diesel Emission Control Strategy
DERC -- Discrete Emissions Reduction Credits
DFW -- Dallas-Fort Worth
DFW AD SIP -- DFW Attainment Demonstration SIP Revision
DPM -- Diesel Particulate Matter
DRRP -- Diesel Risk Reduction Program
DV -- Design Value
DVc -- Current Design Value
DVf -- Future Design Value
EAC -- Early Action Compact
EDMS -- Emissions and Dispersion Modeling System
E-GRID-2007 -- Emissions and Generation Resource Integrated Database
EE/RE -- Energy Efficiency/Renewable Energy
EGAS -- Economic Growth Analysis System
EGF -- Electric Generating Facilities
EGU -- Electric Generating Units
EI -- Emissions Inventory
EPA -- United States Environmental Protection Agency
EPS3 -- Emissions Processing System, version 3
ERC -- Emission Reduction Credits
ERCOT -- Electric Reliability Council of Texas
ESAD -- Emission Specification for Attainment Demonstration
ESL -- Energy Systems Laboratory, the Texas A&M University System
F -- Fahrenheit

FAA -- Federal Aviation Administration
FCAA -- Federal Clean Air Act
FCV -- Fuel Cell Vehicle
FGR -- Flue Gas Recirculation
FHWA -- Federal Highway Administration
FR -- Federal Register
FT -- Fischer-Tropsch Diesel Fuel
GIS -- Geographic Information System
GloBEIS -- Global Biosphere Emissions and Interactions System
gpm -- Gallons per Minute
GTM -- Gross Ton Mile
HAP -- Hazardous Air Pollutant
HARC -- Houston Advanced Research Center
HDT -- Heavy-Duty Truck
HECT -- Highly Reactive Volatile Organic Compound Emissions Cap and Trade Program
HGB -- Houston-Galveston-Brazoria
H-GAC -- Houston-Galveston Area Council
HOV -- High Occupancy Vehicle
hp -- Horsepower
HPMS -- Highway Performance Monitoring System
HRVOC -- Highly Reactive Volatile Organic Compound
HSC -- Houston Ship Channel
IC -- Internal Combustion
ICI -- Industrial, Commercial, and Institutional
IECC -- International Energy Conservation Code
I/M -- Inspection and Maintenance
km -- Kilometer
K_{vs} -- Vertical Exchange Coefficient
LAER -- Lowest Achievable Emission Rate
lb/MMBtu -- Pound per Million British Thermal Units
LDAR -- Leak Detection and Repair
LIDIR -- Light Detection and Ranging
LDEQ -- Louisiana Department of Environmental Quality
LDGV -- Light-Duty Gasoline Vehicle
LDT -- Light-Duty Truck
LDV -- Light-Duty Vehicle
LED -- Low Emission Diesel
LEV -- Low Emission Vehicle
LEV II -- California's Low Emission Vehicle II Program
LIRAP -- Low Income Repair and Assistance Program
LNB -- Low Nitrogen Oxides (NO_x) Burners
LNC -- Low Nitrogen Oxides (NO_x) Combustors
LNG -- Liquefied Natural Gas
LTO -- Landing and Take-Off
MACT -- Maximum Achievable Control Technology
Mcf -- Thousand Cubic Feet
MCR -- Mid-Course Review
MDPV -- Medium-Duty Passenger Vehicle
MECT -- Mass Emissions Cap and Trade Program
MM5 -- Fifth Generation Meteorological Model

MMBtu/hr -- Million British Thermal Units per Hour
MMcf -- Million Cubic Feet
MMS -- Minerals Management Service
MOA -- Memorandum of Agreement
MON -- Miscellaneous Organic National Emission Standards for Hazardous Air Pollutants (NESHAP)
mph -- miles per hour
MVEB -- Motor Vehicle Emissions Budget
MW -- Megawatts
MY -- Model Year
NAAQS -- National Ambient Air Quality Standard
NCTCOG -- North Central Texas Council of Governments
NEGF -- Non-Electric Generating Facility
NEI -- National Emissions Inventory
NESHAP -- National Emission Standards for Hazardous Air Pollutants
ng/J -- Nanogram per Joule
NMIM -- National Mobile Inventory Model
NOAA -- National Oceanic and Atmospheric Administration
Non-EGU -- non-Electric Generating Unit
NO_x -- Nitrogen Oxides
NO_y -- Nitrogen Species
NSCR -- Non-Selective Catalytic Reduction
NTRD -- New Technology Research and Development Program
O₃ -- Ozone
OGV -- Ocean-Going Vessel
PAYD -- Pay As You Drive
PBL -- Planetary Boundary Layer
PEI -- Periodic Emissions Inventory
PERP -- Portable Engine Registration Program
PiG -- Plume-in-Grid
PM -- Particulate Matter
PM_{2.5} -- Particulate Matter 2.5 microns and less
ppb -- Parts Per Billion
ppbC -- Parts Per Billion Carbon
ppbv -- Parts Per Billion by Volume
ppm -- Parts Per Million
PSCF -- Potential Source Contribution Factors
PSDB -- Point Source Database
psia -- Pounds per Square Inch Absolute
PUC -- Public Utility Commission
RACT -- Reasonably Available Control Technology
RACM -- Reasonably Available Control Measure
RFP -- Reasonable Further Progress
RMSE -- Root Mean Square Error
ROP -- Rate-of-Progress
RRF -- Relative Reduction Factor
SB -- Senate Bill
SCAQMD -- South Coast Air Quality Management District
scfm -- Standard Cubic Feet per Minute
SCR -- Selective Catalytic Reduction

SEP -- Supplemental Environmental Programs
SETPMTC -- Southeast Texas Photochemical Modeling Technical Committee
SIC -- Standard Industrial Classification
SIP -- State Implementation Plan
SNCR -- Selective Non-Catalytic Reduction
SOV -- Single Occupancy Vehicle
STP -- Surface Transportation Program
SWCV -- Solid Waste Collection Vehicle
TAC -- Texas Administrative Code
TACB -- Texas Air Control Board
TCAA -- Texas Clean Air Act
TCEQ -- Texas Commission on Environmental Quality (commission)
TCM -- Transportation Control Measure
TDM -- Travel Demand Model
TERP -- Texas Emission Reduction Plan
TexAQS 2000 -- Texas Air Quality Study 2000
TexAQS II -- Texas Air Quality Study 2006
TKE -- Turbulent Kinetic Energy
TNMHC -- Total Non-methane Hydrocarbon
TNRCC -- Texas Natural Resource Conservation Commission
tpd -- tons per day
tpy -- tons per year
TSE -- Truck Stop Electrification
TTI -- Texas Transportation Institute
TUC -- Texas Utility Code
TxDOT -- Texas Department of Transportation
TxLED -- Texas Low Emission Diesel
USC -- United States Code
VMEP -- Voluntary Mobile Source Emissions Reduction Program
VMT -- Vehicle Miles Traveled
VOC -- Volatile Organic Compound
VRU -- Vapor Recovery Unit
ZEB -- Zero Emission Bus
ZEV -- Zero Emissions Vehicle

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CHAPTER 1. BACKGROUND AND INTRODUCTION

1.1. GENERAL

“The History of the Texas State Implementation Plan (SIP),” a comprehensive overview of the SIP revisions submitted to the United States Environmental Protection Agency (EPA) by the State of Texas may be viewed on the Texas Commission on Environmental Quality’s (TCEQ) Web site, at: <http://www.tceq.state.tx.us/implementation/air/sip/sipintro.html#History>.

The Dallas-Fort Worth (DFW) Eight-Hour Ozone Attainment Demonstration (AD) SIP Revision for the 1997 Eight-Hour Ozone Standard (May 2007 DFW AD SIP Revision) was adopted by the commission on May 23, 2007, and submitted to the EPA on June 15, 2007, along with the associated adopted 30 Texas Administrative Code (TAC) Chapter 117 nitrogen oxides (NO_x) rules. That May 2007 DFW AD SIP Revision demonstrated attainment of the 1997 eight-hour ozone standard by June 15, 2010, supported by photochemical modeling and weight of evidence (WoE) arguments. The associated 30 TAC Chapter 117 rule revisions, applicable to Major Industrial, Commercial, and Institutional (ICI) Sources, minor sources, electric generating units (EGU), cement kilns, and East Texas combustion sources, were included as control measures in that May 2007 DFW AD SIP Revision. Except for the East Texas combustion rule, which is applicable to specific counties in northeast Texas located outside of the current DFW 1997 eight-hour ozone nonattainment area, the associated 30 TAC Chapter 117 rule revisions apply only within the nine-county DFW nonattainment area.

NO_x reductions from EGUs, cement kilns, and certain major and minor sources affected by the rule revisions will begin no later than 2009. Further NO_x reductions that will result from rule revisions on other major and minor sources and on East Texas combustion engines will begin no later than 2010. The May 2007 DFW AD SIP Revision included local commitments to reduce NO_x emissions by a total of 4.16 tons per day (tpd) by the 2009 attainment year from the North Central Texas Council of Governments (NCTCOG).

Upon submittal by the TCEQ, the EPA began reviewing the May 2007 DFW AD SIP Revision and the associated 30 TAC Chapter 117 rule revisions. On March 7, 2008, the EPA requested specific clarifications and supplemental information regarding that SIP revision. The TCEQ provided the information to the EPA on April 23, 2008. The EPA then requested commitments from the TCEQ to submit a revised DFW area contingency plan SIP revision for 2010, and to submit rule and SIP revisions restricting Discrete Emissions Reduction Credits (DERC) use in the DFW area. On June 13, 2008, the TCEQ Executive Director agreed to recommend to the commission the proposal and adoption of an approvable contingency plan meeting the EPA’s three percent emissions reduction requirement. The plan would identify contingency measures that would be triggered if the DFW area fails to meet the June 15, 2010, deadline for attaining the 1997 eight-hour ozone standard.

In July 2008, the EPA proposed conditional approval of the May 2007 DFW AD SIP Revision, providing that final conditional approval was contingent upon the State of Texas adopting, and submitting to the EPA, an approvable contingency plan SIP revision for the DFW area. This DFW AD SIP Contingency Plan Revision satisfies the TCEQ’s contingency plan commitment to the EPA and identifies measures to satisfy the EPA’s three percent emissions reduction requirement.

On August 6, 2008, the TCEQ proposed the Dallas-Fort Worth Attainment Demonstration SIP Revision for the 1997 Eight-Hour Ozone Standard (for only the Contingency Measure Plan and Discrete Emissions Reduction Credits (DERC) Program). Because EPA Region 6 staff requested expedited submittal of a revised contingency plan, the commission elected to accelerate the internal review process for the contingency plan portion of the proposed DFW AD SIP Contingency Plan and DERC Program Revisions to expedite the delivery of the SIP revision to EPA for completion of its review and final action regarding the May 2007 DFW AD SIP Revision.

The scheduled time period for taking public comment on the DFW AD SIP Contingency Plan and DERC Program Revisions and the 30 TAC Chapter 101 DERC rule revisions proposals was not altered, and the commission elected to proceed as scheduled for the proposed 30 TAC Chapter 101 DERC rulemaking internal review process. Because adoption considerations for the proposed revised contingency plan and 30 TAC Chapter 101 DERC rule revisions were set for separate agenda dates, the proposed SIP revision was divided into two separate revisions for adoption consideration. This DFW AD SIP Contingency Plan Revision is the first of these revisions. The second, a DFW AD SIP DERC Program Revision, is scheduled for commission consideration for adoption on December 10, 2008.

This DFW AD SIP Contingency Plan Revision satisfies the TCEQ's commitment to develop a revised approvable contingency plan for the DFW area. The revision incorporates contingency measures for 2010 that provide a cumulative three percent emissions reduction, based upon the 1999 base year emissions inventory that was used in development of the May 2007 DFW AD SIP Revision. Those measures become effective in the event that the DFW area fails to attain the 1997, 0.08 parts per million (ppm) eight-hour ozone standard by the June 15, 2010, deadline. Additional information is provided in Chapter 4, Section 4-6 of this SIP revision.

1.2. HEALTH EFFECTS

(NO CHANGE)

1.3. PUBLIC/STAKEHOLDER PARTICIPATION

The commission held hearings to receive public comments on the Dallas-Fort Worth Eight-Hour Ozone Attainment Demonstration SIP Revision for the 1997 Eight-Hour Ozone Standard (for only the Contingency Measure Plan and Discrete Emissions Reduction Credits (DERC) Program), and on the 30 TAC Chapter 101 DERC rule revisions, which were proposed together on August 6, 2008. One hearing was held on September 9, 2008, at 6:30 p.m., at the J. Erik Jonsson Central Library Auditorium located at 1515 Young Street in Dallas, Texas. A second hearing was held on September 10, 2008, at 10:00 a.m., at the City of Arlington City Council Chambers, located at 101 W. Abram Street in Arlington, Texas. Commission staff members were available to provide information and discuss the proposals informally for at least thirty minutes prior to the hearing. There were no comments or testimony related to the contingency plan received during the public comment period or at the hearings.

1.4. SOCIAL AND ECONOMIC CONSIDERATIONS

There are no proposed rule packages accompanying this SIP revision. For a detailed explanation of the social and economic issues involved with any contingency measure included in this SIP revision, please refer to preamble(s) preceding applicable adopted 30 TAC Chapter 115 volatile

organic compound (VOC) rules, which may be accessed from the Texas Register index on the Texas Secretary of State's Web site, located at <http://www.sos.state.tx.us/texreg/index.shtml>.

1. Offset Lithographic Printing, as in 30 TAC §115.449(c).
Source Note: The provisions of this §115.449 adopted to be effective December 3, 1993, 18 TexReg 8538; amended to be effective May 27, 1994, 19 TexReg 3703; amended to be effective May 22, 1997, 22 TexReg 4213; amended to be effective March 21, 1999, 24 TexReg 1777; amended to be effective January 18, 2001, 26 TexReg 493; amended to be effective December 7, 2006, 31 TexReg 9840.
2. Degassing or Cleaning of Stationary, Marine, and Transport Vessels, as in 30 TAC §115.549(b).
Source Note: The provisions of this §115.549 adopted to be effective December 3, 1993, 18 TexReg 8538; amended to be effective May 27, 1994, 19 TexReg 3703; amended to be effective March 7, 1996, 21 TexReg 1548; amended to be effective May 16, 2002, 27 TexReg 4113; amended to be effective June 14, 2007, 32 TexReg 3178.
3. Petroleum Dry Cleaning, as in 30 TAC §115.559(a).
Source Note: The provisions of this §115.559 adopted to be effective May 27, 1994, 19 TexReg 3703; amended to be effective May 22, 1997, 22 TexReg 4213; amended to be effective May 16, 2002, 27 TexReg 4113.

1.5. FISCAL AND MANPOWER RESOURCES

The state has determined that its fiscal and manpower resources are adequate and will not be adversely affected through the implementation of this plan.

CHAPTER 2. PHOTOCHEMICAL MODELING

(NO CHANGE)

CHAPTER 3. CORROBORATIVE ANALYSIS

(NO CHANGE)

CHAPTER 4. REQUIRED CONTROL STRATEGY ELEMENTS

4.1. - 4.5

(NO CHANGE)

4.6. CONTINGENCY MEASURES

The Dallas-Fort Worth (DFW) Eight-Hour Ozone Attainment Demonstration (AD) State Implementation Plan (SIP) Revision for the 1997 Eight-Hour Ozone Standard, or May 2007 DFW AD SIP Revision, was adopted by the commission in May 2007 and submitted to the United States Environmental Protection Agency (EPA) in June 2007, along with the associated adopted 30 Texas Administrative Code (TAC) Chapter 117 nitrogen oxides (NO_x) rules. In the event that DFW area ambient ozone levels anticipated in that attainment demonstration plan are not realized within the timeframe specified, the implementation of a contingency plan for 2010 will be required. The EPA requires the DFW area attainment demonstration to include a contingency plan identifying measures that provide for a three percent reduction of the area's 1999 adjusted base year emissions inventory. In the May 2007 DFW AD SIP Revision, Appendix B: *Emissions Inventory Development* references 754.56 tons per day (tpd) of NO_x and 520.08 tpd of volatile organic compounds (VOC) in the 1999 base case emissions inventory from all anthropogenic sources in the DFW nine-county nonattainment area. Table 4-1: *DFW Area 1999 Base Year Emissions Inventory* provides a breakdown of that 1999 emissions inventory.

Table 4-1: DFW Area 1999 Base Year Emissions Inventory

DFW 1999 Base Year Emissions Inventor Sources:	Weekday Emissions (tpd)	
	VOC	NO _x
On-road	183.58	438.86
Non-road	69.50	148.90
Point source	37.70	131.80
Area source	229.30	35.00
<i>DFW area total emissions inventory</i>	<i>520.08</i>	<i>754.56</i>

Table 4-2: *Required Three Percent VOC and/or NO_x Emission Reductions for DFW* shows that this DFW AD SIP Contingency Plan Revision provides a 1.28 percent reduction from the DFW area 1999 baseline VOC emissions inventory, and a 1.72 percent reduction from the corresponding NO_x emissions inventory. Following EPA's NO_x substitution guidance to calculate the contingency plan reductions, the 1.28 (percent VOC reduction) is added to the 1.72 (percent NO_x reduction) to equal the required 3.00 (percent total VOC and/or NO_x emissions reductions). This contingency plan identifies both regulatory and non-regulatory measures to provide the required reductions, which total 6.66 tpd VOC and 12.98 tpd NO_x, as also shown in Table 4-2: *Required Three Percent VOC and/or NO_x Emission Reductions for DFW*. The 12.98 tpd NO_x commitment consists of NO_x reductions from 2009-2010 fleet turnover only. However, the 6.66 tpd VOC commitment consists of VOC reductions resulting from both fleet turnover and from regulatory measures identified in this plan.

Table 4-2: Required Three Percent VOC and/or NO_x Emission Reductions for DFW

DFW Nine-County Nonattainment Area Emissions	VOC	NO_x
Total Inventory (tpd Weekday Emissions)	520.08	754.56
Total tpd Reductions to Inventory from all Contingency Plan Measures	6.66	12.98
Total Percentage of Reductions to Inventory from all Contingency Plan	1.28%	1.72%
Total Reductions from Contingency Plan, as required (percentage)	3.00%	

The regulatory measures committed in this plan are three current State of Texas VOC contingency measure rules. These VOC rules were identified in the DFW one-hour ozone attainment demonstration contingency plan, and because they were not triggered, remained in place for the May 2007 DFW AD SIP Revision. Those rules apply to (1) Offset Lithographic Printing, as in 30 TAC §115.449(c); (2) Degassing or Cleaning of Stationary, Marine, and Transport Vessels, as in 30 TAC §115.549(b); and (3) Petroleum Dry Cleaning, as in 30 TAC §115.559(a). These VOC contingency measures provide a cumulative total of 1.80 tpd VOC emissions reduction, as detailed in Table 4-3: *Emission Reductions from State VOC Contingency Measure Rules* and as further described below.

1. A VOC reduction of 0.24 tpd will be made through offset lithographic printing controls. In Collin, Dallas, Denton, and Tarrant Counties, all offset lithographic printing presses on a property that, when uncontrolled, emit a combined weight of VOC less than 50 tons per calendar year, must be in compliance with [30 TAC, Chapter 115, Subchapter E, Division 4, \(relating to Offset Lithographic Printing\)](#), as soon as practicable, but no later than one year after notification is published in the *Texas Register* of the commission's determination that this contingency rule is necessary as a result of failure to attain the 1997 National Ambient Air Quality Standard (NAAQS) for ozone by the attainment deadline or failure to demonstrate reasonable further progress as set forth in the 1990 Amendments to the federal Clean Air Act (FCAA), §172(c)(9). The commission will submit notification to the *Texas Register* for publication within 60 days after the EPA notifies the state of its failure through publication of a final action in the *Federal Register*.
2. A VOC reduction of 0.18 tpd will be made through controls on the degassing or cleaning process of stationary, marine, and transport vessels. All affected persons in Collin, Dallas, Denton, and Tarrant Counties must be in compliance with [30 TAC, Chapter 115, Subchapter F, Division 3 \(relating to Degassing or Cleaning of Stationary, Marine, and Transport Vessels\)](#) as soon as practicable, but no later than one year, after notification is published in the *Texas Register* of the commission's determination that this contingency rule is necessary as a result of failure to attain the 1997 NAAQS for ozone by the attainment deadline or failure to demonstrate reasonable further progress as set forth in the 1990 Amendments to the FCAA, §172(c)(9). The commission will submit notification to the *Texas Register* for publication within 60 days after the EPA notifies the state of its failure through publication of a final action in the *Federal Register*.
3. A VOC reduction of 1.38 tpd will be made through controls on petroleum-based dry cleaning businesses. All affected petroleum solvent dry cleaning facilities in Collin, Dallas, Denton, and Tarrant Counties must be in compliance with [30 TAC, Chapter 115, Subchapter F, Division 4 \(relating to Petroleum Dry Cleaning Systems\)](#) as soon as

practicable, but no later than one year, after notification is published in the *Texas Register* of the commission’s determination that this contingency rule is necessary as a result of failure to attain the 1997 NAAQS for ozone by the attainment deadline or failure to demonstrate reasonable further progress as set forth in the 1990 Amendments to FCAA, §172(c)(9). The commission will submit notification to the *Texas Register* for publication within 60 days after the EPA notifies the state of its failure through publication of a final action in the *Federal Register*.

Table 4-3: Emission Reductions from State VOC Contingency Measure Rules

State VOC Contingency Measure Rule:	VOC Reductions (tpd Weekday Emissions)
Offset Lithographic Printing*	0.24
Degassing or Cleaning of Stationary, Marine, and Transport Vessels*	0.18
Petroleum Dry Cleaning*	1.38
Total Reductions	1.80

*applicable in Collin, Dallas, Denton, and Tarrant Counties only

In addition to the regulatory contingency measures previously committed, this DFW AD SIP Contingency Plan Revision identifies a non-regulatory measure, 2009-2010 on-road mobile fleet turnover, to provide the remaining reductions needed to satisfy the EPA’s three percent requirement. As shown in Table 4-4: *2009-2010 Fleet Turnover Reductions for Contingency or Surplus* the occurrence of fleet turnover from 2009-2010 is predicted to result in an estimated 4.86 tpd less VOC and 20.78 tpd less NO_x in the 2010 on-road mobile emissions inventory. The 4.86 tpd VOC reduction from this fleet turnover contingency measure is entirely committed to the contingency plan. However, because the 20.78 tpd NO_x reduction from this fleet turnover measure provides surplus reductions not needed to supplement the committed VOC reductions, only 12.98 tpd NO_x (out of that 20.78 tpd NO_x reduction) is dedicated to complete this DFW area contingency plan. Table 4-4: *2009-2010 Fleet Turnover Reductions for Contingency or Surplus* also shows the NO_x and VOC reduction amounts from 2009-2010 fleet turnover that are committed for the contingency plan, and the NO_x reduction amount that is surplus and available for other SIP-related purposes.

Table 4-4: 2009-2010 Fleet Turnover Reductions for Contingency or Surplus

2009-2010 Fleet Turnover Reductions*	Tons Per Day	
	VOC	NO _x
Total reductions from 2009-2010 Fleet Turnover	4.86	20.78
Fleet Turnover reductions needed for Contingency Plan	- 4.86	- 12.98
Surplus reductions available for other SIP-related purposes	0.00	7.80

*from the nine-county DFW nonattainment area

If the DFW area does not attain the 1997 eight-hour ozone NAAQS by the deadline, the contingency measures will be triggered. This revised plan satisfies the TCEQ’s commitment to the EPA, meets the three percent reduction requirement, and provides an approvable replacement contingency plan for the DFW area’s demonstration of attainment for the 1997 eight-hour ozone standard by June 15, 2010.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



ORDER ADOPTING REVISION TO THE STATE IMPLEMENTATION PLAN

Docket No. 2008-0926-SIP

On November 5, 2008, the Texas Commission on Environmental Quality (Commission), during a public meeting, considered the adoption of a revision to the state implementation plan (SIP) for the Dallas-Fort Worth (DFW) Eight-Hour Ozone Standard Nonattainment Area to identify emission reductions to satisfy the United States Environmental Protection Agency's (EPA) three percent contingency requirement. The Commission adopts the revision to the SIP. This SIP revision specifies the calculation of the three percent contingency requirement and the emission reduction measures that will satisfy the three percent contingency requirement. Under Tex. Health & Safety Code Ann. §§ 382.011, 382.012, and 382.023 (Vernon 2001), the Commission has the authority to control the quality of the state's air and to issue orders consistent with the policies and purposes of the Texas Clean Air Act, Chapter 382 of the Tex. Health & Safety Code. Notice of the proposed revision to the SIP and public hearing was published in the August 22, 2008, issue of the *Texas Register* (33 TexReg 7043).

Pursuant to 40 Code of Federal Regulations § 51.102 and after proper notice, the Commission conducted public hearings to consider the revision to the SIP. Proper notice included prominent advertisement in the areas affected at least 30 days prior to the dates of the hearings. Public hearings were held in Dallas, Texas, on September 9, 2008, and in Arlington, Texas on September 10, 2008.

The Commission circulated hearing notices of its intended action to the public, including interested persons, the Regional Administrator of the EPA, and all applicable local air pollution control agencies. The public was invited to submit data, views, and recommendations on the SIP revision, either orally or in writing, at the hearings or during the comment period. Prior to the scheduled hearings, copies of the proposed SIP revision were available for public inspection at the Commission's central office and on the Commission's Web site.

IT IS THEREFORE ORDERED BY THE COMMISSION that the revision to the SIP incorporated by reference to this Order is hereby adopted. The adopted revision to the SIP is incorporated by reference in this Order as if set forth at length verbatim in this Order.

IT IS FURTHER ORDERED BY THE COMMISSION that on behalf of the Commission, the Chairman should transmit a copy of this Order, together with the adopted revision to the SIP, to the Regional Administrator of the EPA as a proposed revision to the Texas SIP pursuant to the Federal Clean Air Act, codified at 42 U.S. Code Ann., §§ 7401 - 7671q, as amended.

If any portion of this Order is for any reason held to be invalid by a court of competent jurisdiction, the invalidity of any portion shall not affect the validity of the remaining portions.

Date issued:

TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

Buddy Garcia, Chairman