

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) UPDATE JULY 26, 2016 SET PMTC MEETING

Public Hearing - 30 Texas Administrative Code (TAC) Chapter 114 Clean-up and Repeal of Voluntary Accelerated Vehicle Retirement Program (VAVR) Program

On July 6, 2016, the commissioners approved the proposed rulemaking to amend 30 TAC Chapter 114, Subchapters D, F, and H to remove the VAVR regulations and update references to obsolete testing methods (Rule Project No. 2016-010-114-AI). A public hearing is scheduled for August 18, 2016 at TCEQ headquarters in Austin. The comment period closes on August 22, 2016. Project Manager: Mike Regan, Mike.Regan@tceq.texas.gov, 512-239-2988. Documents are available on the [Rule Proposals](#) Web page (<http://www.tceq.texas.gov/rules/prop.html>).

Emissions Banking and Trading (ETB) Meetings

Meetings to discuss and seek input on issues for consideration during upcoming revisions to the EBT rules in 30 TAC Chapter 101, Subchapter H, Divisions 1 and 4 were held in Houston on July 20, 2016, Arlington on July 21, 2016, and Austin on July 25, 2016. The meetings focused specifically on potential rule amendments regarding the generation and use of emission credits from area and mobile sources.

The current EBT rules allow an area or mobile source to generate emission reduction credits (ERCs) from emission reductions that are demonstrated to be real, quantifiable, permanent, enforceable, and surplus to the state implementation plan (SIP) and all applicable rules, and discrete emission reduction credits (DERCs) from reductions that are real, quantifiable, and surplus to the SIP and all applicable rules. To address implementation issues associated with generation and use of area and mobile credits and how the United States Environmental Protection Agency (EPA) and Federal Clean Air Act (FCAA) requirements are met, the TCEQ is considering potential new requirements related to:

- the types of sources that would be eligible to generate credits;
- the quantity of credits that could be generated by area and mobile sources;
- the timeframe for credit generation; and
- recordkeeping and reporting.

Comments regarding these meetings on Generating Emissions Credits from Area and Mobile Sources are due no later than August 12, 2016. Please submit comments and/or any questions to Guy.Hoffman@tceq.texas.gov/512-239-1981 or Daphne.McMurrer@tceq.texas.gov/512-239-5920).

Houston-Galveston-Brazoria (HGB) Redesignation Substitute for the One-Hour Ozone National Ambient Air Quality Standard (NAAQS)

The EPA published its final approval of the Redesignation Substitute for the revoked one-hour ozone NAAQS on October 20, 2015.

HGB Redesignation Substitute for the 1997 Eight-Hour Ozone NAAQS

On May 25, 2016, the EPA published its proposed approval of the Redesignation Substitute for the revoked 1997 eight-hour ozone NAAQS that the TCEQ submitted to the EPA on August 18, 2015 by letter and attached report. The EPA's comment period closed on June 24, 2016. The TCEQ also developed a redesignation substitute SIP revision, which the

commissioners adopted on April 27, 2016. Contact: Lola Brown, lola.brown@tceq.texas.gov, 512-239-0348.

All redesignation substitute documents are available on the [HGB: Latest Ozone Planning Activities](http://www.tceq.texas.gov/airquality/sip/hgb/hgb-latest-ozone) Web page (<http://www.tceq.texas.gov/airquality/sip/hgb/hgb-latest-ozone>).

2008 Eight-Hour Ozone NAAQS

On May 4, 2016, the EPA published its final rule granting a one-year attainment date extension for the HGB 2008 eight-hour ozone marginal nonattainment area to July 20, 2016. Based on certified 2015 monitoring data, the HGB area is not attaining the 2008 eight-hour ozone NAAQS for a marginal nonattainment area. If the HGB area is reclassified by the EPA as expected, it would be subject to the moderate nonattainment requirements in FCAA, §182(b), which include an attainment demonstration (AD) and a reasonable further progress plan.

On May 9, 2016, the TCEQ executive director approved staff to start working on a new ozone AD plan and related requirements for the HGB area to meet federal obligations for the 2008 eight-hour ozone NAAQS for a moderate nonattainment area with a July 20, 2018 attainment deadline and a 2017 attainment year.

2014/2015 Emissions Inventory Revisions for Sites in the HGB Ozone Nonattainment Area

If the HGB AD SIP revision for the 2008 eight-hour ozone is adopted, SIP emissions for emissions credit generation projects will be:

- the state's 2015 emissions inventory (EI) data for electric generating units with emissions recorded in the EPA's 2015 Air Markets Program Data (EGUs), and
- the 2014 EI data for all other stationary point sources (non-EGUs).

Revisions to previously submitted 2014 non-EGU EIs and 2015 EGU EIs for sources in the HGB ozone nonattainment area must be submitted to the TCEQ by **August 1, 2016** to ensure necessary changes are accounted for in the new HGB AD SIP modeling. For questions on submitting a revised inventory, contact Danielle Nesvacil at danielle.nesvacil@tceq.texas.gov or 512-239-2102.

Designation Recommendations for the 2015 Ozone NAAQS

On August 3, 2016, the commission will consider approval of designation recommendations for the 2015 ozone NAAQS (Non-Rule Project No. 2016-009-SIP-NR). If approved, the recommendation will be submitted to the governor's office for consideration. State designation recommendations are due to the EPA by October 1, 2016. For additional information, please visit the [State Ozone Designation Recommendation](https://www.tceq.texas.gov/airquality/sip/eighthour.html) Web page (<https://www.tceq.texas.gov/airquality/sip/eighthour.html>).

EPA's Round 2 Designations for the 2010 Sulfur Dioxide (SO₂) Primary One-Hour NAAQS

The EPA identified 12 facilities in Texas with SO₂ emissions meeting court-ordered consent decree criteria for designation by July 2, 2016. On June 30, 2016, [the EPA notified the governor](#) that it is designating Atascosa, Fort Bend, Goliad, Lamb, Limestone, McLennan, and Robertson Counties as unclassifiable/attainment and Potter County as unclassifiable. The designations were published in the *Federal Register* on July 12, 2016 ([81 FR 45039](#)). Designations for Freestone, Anderson, Milam, Rusk, Gregg, Panola, and Titus counties [have been delayed](#).

Air Quality Characterization of Identified Sources under the EPA's SO₂ Data Requirements Rule

Per the August 2015 SO₂ NAAQS Data Requirements Rule, the TCEQ identified 25 sources in Texas with emissions greater than 2,000 tons per year, and [notified the EPA on January 15, 2016](#). On April 22, 2016, the TCEQ [requested revision of the list down to 24 sources](#), and the [EPA concurred](#) on May 4, 2016. By July 1, 2016, Texas was required to identify the characterization approach planned for each identified source: modeling, monitoring, or enforceable emissions limits. For any source to be evaluated with modeling, states must submit a modeling protocol by July 1, 2016, a modeling analysis by January 13, 2017, and annual reports thereafter, to the EPA. For sources to be monitored, the SO₂ monitors must be operating by January 1, 2017. Any enforceable emissions limits agreed to must be adopted and effective by January 13, 2017. On June 29, 2016, the TCEQ submitted an [air quality characterization plan and modeling protocol](#) for identified sources. Information about the planned SO₂ monitoring sites was submitted to the EPA as part of the TCEQ's annual monitoring network plan. Additional information is available on the [Air Pollution from Sulfur Dioxide](#) Web page (<http://www.tceq.texas.gov/airquality/sip/criteria-pollutants/sip-so2>).

Dallas-Fort Worth (DFW) AD SIP Revision for the 2008 Ozone NAAQS

On July 6, 2016, the commission adopted the DFW 2008 Eight-Hour Ozone Nonattainment Area AD SIP Revision for the 2017 Attainment Year (Non-Rule Project No. 2015-014-SIP-NR). This SIP revision includes a photochemical modeling analysis, a weight of evidence analysis, and a reasonably available control measures analysis that reflect a D.C. Circuit Court decision that changed the moderate area attainment deadline for the 2008 eight-hour ozone NAAQS to July 20, 2018 with a 2017 attainment year. For additional information, please visit the [Dallas-Fort Worth: Latest Ozone Planning Activities](#) Web page (<https://www.tceq.texas.gov/airquality/sip/dfw/dfw-latest-ozone>).