



North Carolina Department of Environment and Natural Resources

Division of Air Quality
B. Keith Overcash, P.E.
Director

Beverly Eaves Perdue
Governor

Dee Freeman
Secretary

December 18, 2009

A. Stanley Meiburg
Acting Regional Administrator
USEPA Region 4
Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-8960

Dear Mr. Meiburg:

I am pleased to submit the Redesignation Demonstration and Maintenance Plan for the Hickory and Greensboro/Winston-Salem/High Point, North Carolina annual fine particulate matter (PM_{2.5}) nonattainment areas. Enclosed is one hard copy of the complete package containing the redesignation demonstration and maintenance plan, the supporting documentation as to how the emission estimates were developed, the complete public notice record, and an exact duplicate electronic copy on compact disk.

The opportunity to request a public hearing, in accordance with 40 CFR 51.102, and the public comment period were noticed in the local newspapers on Friday, October 30, 2009. The public comment period was open from Friday, October 30, 2009, through Monday, December 7, 2009. There were no requests for a public hearing; therefore, the hearing scheduled for Monday, December 7, 2009 was cancelled. The cancellation was communicated to the public on Wednesday, December 2, 2009 through the North Carolina Division of Air Quality's (NCDAQ's) website.

The maintenance plan includes three major items. The first is an analysis of the ambient air quality data which demonstrates attainment of the annual PM_{2.5} National Ambient Air Quality Standard (NAAQS). The second is an emissions inventory comparison which shows that the annual PM_{2.5} standard can be maintained for 10 years beyond the approval of the redesignation demonstration and maintenance plan. The third is a list of contingency measures to be implemented in the event of an air quality violation or other indications of an impending violation. Thus, the maintenance plan fulfills the requirements of Section 175A(b) of the Federal Clean Air Act as amended.

The most recent three years of fine particulate monitoring data (2006-2008) for both the Hickory and Triad PM_{2.5} nonattainment areas demonstrate compliance with the annual fine particulate matter NAAQS. The three-year design value at the Hickory monitor is 14.2 micrograms per cubic meter ($\mu\text{g}/\text{m}^3$). In the Triad nonattainment area, the three-year design

value at the Lexington monitor is $14.5 \mu\text{g}/\text{m}^3$ and the three-year design value at the Mendenhall monitor is $12.9 \mu\text{g}/\text{m}^3$. Additionally, annual design values at all three sites are trending downward. The expected 2007-2009 design values based on available data to date are $12.5 \mu\text{g}/\text{m}^3$ for the Hickory monitor, $13.0 \mu\text{g}/\text{m}^3$ for the Lexington monitor and $11.3 \mu\text{g}/\text{m}^3$ for the Mendenhall monitor. Future modeling projections based on implementation of the Clean Air Interstate Rule (CAIR) and other mandated controls show the expected $\text{PM}_{2.5}$ concentrations in 2018 to be in the 10-11 $\mu\text{g}/\text{m}^3$ range.

Nevertheless, in the U.S. Environmental Protection Agency's (USEPA's) comment letter for the pre-hearing draft redesignation demonstration and maintenance plan, it was stated that due to the court remand of CAIR, the USEPA would need additional information which addresses the impact of transport from adjacent states during the maintenance period in order to approve North Carolina's maintenance plan. The comment letter suggests that regulatory uncertainty regarding out-of-state sources (due to the CAIR litigation) mandates further analysis. North Carolina's submission is fully consistent with USEPA guidance and practice. Therefore, no further showing is needed. However, the North Carolina Division of Air Quality (NCDAQ) has determined the following in reviewing the USEPA's Clean Air Markets Division (CAMD) data and from discussions with neighboring states:

- The State of Georgia passed multi-pollutant legislation that will require controls on its coal-fired utilities which will reduce nitrogen oxides (NO_x) and sulfur dioxide (SO_2) emissions from that State.
- As a result of the recent court decision in the State of North Carolina versus Tennessee Valley Authority (TVA), TVA has been mandated to install NO_x and SO_2 controls on those sources the court has determined to be causing a public nuisance in North Carolina.
- In Virginia, Dominion Power and American Electric Power have consent decrees which require controls be installed to reduce NO_x and SO_2 emissions. Additionally, the facilities owned by Cogentrix all operate under Prevention of Significant Deterioration permits and have installed SO_2 and particulate matter controls.
- In South Carolina, three of the coal-fired facilities have SO_2 scrubbers installed based on the CAMD data: Santee Cooper Cross, Santee Cooper Winyah and South Carolina Electric and Gas Cope Station.

On March 19, 2004, North Carolina filed a petition under section 126 of the Clean Air Act showing, among other things, that emissions from out-of-state sources interfere with maintenance of the $\text{PM}_{2.5}$ standard in North Carolina. Resolution of that petition is long overdue. See Judgment, *Sierra Club v. EPA*, 313 Fed. Appx. 331 (D.C. Cir. 2009), in which the USEPA's rule denying North Carolina's petition was remanded to the USEPA at its request, and the court indicated "Consistent with the statute, [USEPA's] reconsideration should be expeditious." Thus, North Carolina has taken the appropriate steps, as established by Congress, to resolve any regulatory uncertainty regarding out-of-state sources that interfere with North Carolina's maintenance of the $\text{PM}_{2.5}$ standard. If the USEPA believes that out-of-state emissions may

increase in the wake of the CAIR litigation, and thus interfere with North Carolina's ability to maintain the annual $PM_{2.5}$ standard, then the USEPA has ample basis to and must grant North Carolina's petition expeditiously. Otherwise, North Carolina's $PM_{2.5}$ nonattainment areas must be redesignated.

I respectfully request that you commence the final federal approval process for the Hickory and Greensboro/Winston-Salem/High Point, North Carolina annual $PM_{2.5}$ nonattainment areas redesignation demonstration and maintenance plan without delay. If you should have any questions, please contact Laura Boothe of my staff at (919) 733-1488 or or by e-mail at laura.boothe@ncdenr.gov. If the USEPA continues to believe that it currently has insufficient information as to the impact of transport from adjacent states during the maintenance period to approve North Carolina's maintenance plan, then it should grant North Carolina's section 126 petition and insure that out-of-state sources do not interfere with that maintenance.

Sincerely,



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B. Keith Overcash, P.E.

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Enclosure

cc: Carol Kemker, USEPA
Dick Schutt, USEPA
Sheila Holman, NCDAQ
Laura Boothe, NCDAQ