

Air Quality Committee Meeting Minutes**May 9, 2012**

The Air Quality Committee (AQC) of the Environmental Management Commission (EMC) met on May 9, 2012, in the Ground Floor Hearing Room of the Archdale Building. The AQC members present: Chairman Marion Deerhake, Mr. Christopher Ayers, Mr. Marvin Cavanaugh, Mr. Thomas Cecich, Mr. Les Hall, Dr. Ernest Larkin, Mr. Jeff Morse, Ms. Amy Pickle, Dr. David Peden, and Mr. Stephen Smith. The Deputy Director and staff members of the Division of Air Quality (DAQ), Mr. Frank Crawley of the North Carolina Attorney General's Office, and the general public were also in attendance.

Chairman Deerhake called the meeting to order at approximately 10:00 a.m. Mr. Smith introduced new AQC member, Amy Pickle, who is starting a six year gubernatorial appointment on the EMC and noted her experience and that she is a representative of Duke University.

Agenda Item #1, Call to Order and the State Government Ethics Act, N.C.G.S. §138-A-15(e)

Chairman Deerhake reminded the AQC members of the State Government Ethics Act regarding conflicts of interests or appearance of conflicts of interests.

Agenda Item #2, Review and Approval of the March 2012 AQC Meeting Minutes

Dr. Larkin moved to approve the minutes. Mr. Cavanaugh seconded the motion. The motion to approve the minutes passed.

CONCEPTS**Agenda Item#3, Commercial and Industrial Solid Waste Incinerator (CISWI) rule revisions (508) (Joelle Burleson, DAQ)**

Ms. Burleson said that last Spring, EPA (Environmental Protection Agency) published a series of rules including the CISWI rule under sections 111 and 129 of the Clean Air Act (CAA), an Identification of Non-Hazardous Secondary Materials (NHSM) Rule under the Resource Conservation Recovery Act (RCRA), and the Boiler Maximum Achievable Control Technology (MACT) and the Generally Available Control Technology (GACT) rules. The CISWI requirements, in 40 CFR, part 60, subpart DDDD, applied to existing incinerators, energy recovery units, and kilns that burn solid waste. The guidelines updated standards for pollutants such as particulate matter, sulfur dioxide, hydrogen chloride, oxides of nitrogen, carbon monoxide, lead, cadmium, mercury, dioxins, and dibenzofurans. The NHSM Identification Rule, also known as the Identification Rule, defines what is considered solid waste for purposes of the air emissions guidelines under Section 129 of the CAA. Because some energy recovery units may burn secondary materials, the definition of solid waste that EPA established is integral in determining whether the CISWI or Section 112 boiler requirements apply. Under the emission guidelines, states are required to revise their plans to implement the CISWI requirements; however, when EPA issued these rules, the agency indicated that it would be reconsidering the standards. Later in 2011, EPA

published a stay of the effective date of the rule published in the Spring. In December 2011, EPA published reconsideration proposals. In January 2012, the District Court of Appeals for the DC Circuit vacated EPA's delay of the effective date of the CISWI rule. EPA has continued its reconsideration efforts, which are scheduled to be completed in Spring 2012, but may conclude later. North Carolina's (NC) rules that incorporate CISWI requirements are found in 15A NCAC 2D .1200 and will require updating to reflect the revised emission guidelines and change in definitions that result from EPA's reconsideration process. Depending on the final definition of solid waste resulting from that process, some sources that burn secondary material and are otherwise considered boilers or process heaters regulated under section 112, may become regulated under section 129. The number of facilities impacted will depend on how that definition is finalized. Staff recommends the concept of drafting amendments to the state rules, and DAQ anticipates coming back before the Committee with more details, draft rules, and an economic assessment when more information is available from EPA on their final decisions.

Mr. Cecich asked if there was any indication of relative impact of the number of facilities that might be subject to the Boiler MACT rules presently but could potentially be subject to the CISWI. Ms. Burleson explained that the number will depend largely on EPA's final definition of solid waste. Under traditional incinerator rules, there are not very many facilities that would be affected and one of those facilities shut down last August. She said that NC does have various energy recovery units that burn other materials such as resinated wood and under current NC rules, would fall under a heat recovery exemption and would not be considered incinerators. That is an element that will need to be reconciled with the state rule. When EPA published the emissions guidelines, they also published new source performance standards, so any new sources that have begun to burn new materials are required to be reviewed on a case by case basis. Mr. Cecich asked if a facility would be subject to the boiler rule or potentially be subject to the CISWI rule if it were burning biomass. Ms. Burleson said that the CISWI has a definition of biomass units and requirements specific to particular biomass units depending upon the amount of biomass burned relative to solid waste fuel. Currently, it is uncertain which rule such a facility would be subject to and would depend in part on the type of unit and the amount burned. Ms. Burleson noted that the citation for EPA's reconsideration proposal is 76 FR 80542 published in the December 23, 2011, *Federal Register*.

Chairman Deerhake asked how significant this change would be and about comments received and if EPA made a formal request for information. Ms. Burleson said she does not have any insight in regards to the comments EPA has received, the comment period ended in February 2012, and she didn't see anything separate from the standard request for comment on the reconsideration proposal. Chairman Deerhake asked whether it would be optional to the state whether or not to adopt the federal rule for this particular rule. Ms. Burleson said that the only other option would be related to whether or not the state would take delegation versus addressing the requirements in state rule provisions. The Committee's consensus was for staff to proceed with rule drafting.

DRAFT RULES

None

Chairman Deerhake welcomed Mike Abraczinskas, Deputy Director of the DAQ, who sat in for Director Sheila Holman.

MAY EMC AGENDA ITEMS

Agenda Item #4*, Hearing Officer's Report on Permanent Rule Amendment to Defer Carbon Dioxide Emissions from Biomass from Prevention of Significant Deterioration Requirements (496) (Chris Ayers)

Agenda Item #5*, Request to Proceed to Hearing on Clarification of 2Q.0102 Permitting Exemption (509) Patrick Knowlson, DAQ)

Agenda items #4 & #5 were not discussed.

INFORMATION ITEMS

Agenda Item #6, Overview of Utility Mercury and Air Toxics Standards (Steve Schliesser, DAQ)

SEE HANDOUT

The final EPA Mercury and Air Toxics (MATS) rule for Electrical Generating Units (EGUs) is largely unchanged from proposal. The effective date of the rule is April 16, 2012, and the compliance date is April 16, 2015. Permitting authorities can also grant an additional year as needed, as EPA expects this option to be broadly available. The final rule establishes power plant emission standards for mercury, acid gases, and non-mercury metallic toxic pollutants which will result in the following emission reductions:

- preventing **90 percent** of the mercury in coal burned being emitted;
- reducing **88 percent** of acid gas emissions; and
- reducing **41 percent** of sulfur dioxide emissions beyond the reductions expected from the Cross State Air Pollution Rule.

The rule also requires new continuous emission monitors for mercury and particulate matter. Most of the largest North Carolina EGUs equipped with suitable nitrogen oxides and acid gas controls in response to the Clean Smokestack Act currently meet the EGU emission limits on a non-continuous basis. Evaluations of relatively minor performance improvements are underway at the largest EGUs to assure continuous compliance with the EPA mercury emission limits. Those smaller EGUs without suitable controls and emission performance have been retired or will be retired by the 2015 MATS compliance date.

Dr. Larkin asked for clarification regarding which units would be retired. Mr. Schliesser answered that it is the smaller units that would be retired by 2015. He said that there are fourteen stations operated by Duke Energy and Progress Energy and seven of those are small stations and most of those will be retired by 2015. He said that those facilities would still have gas-fired units, but their coal-fired units will be shut down.

Mr. Cecich asked for clarification regarding the designation CS and HS. Mr. Schliesser explained that CS stands for cold-side electrostatic precipitator and HS stands for hot-side electrostatic precipitator. Mr.

Cecich asked if there was any difference in efficiency between the cold-side and the hot side electrostatic precipitators. Mr. Schliesser said there is clearly a difference for mercury. He explained that the cold side electrostatic precipitators were noticeably more efficient than the hot side units on mercury control. He further explained that there is a 400 degree temperature difference between the two types of operations and there is a combustion and preheater integral with the power plants. Mr. Cecich asked whether the cold-side precipitators are considered MACT. Mr. Schliesser said that emission performance is considered independent of the technologies that are responsible for those emission limits.

Chairman Deerhake asked if Mr. Schliesser's presentation is available on the AQC meeting agenda on the website. Mr. Schliesser confirmed.

Mr. Morse said that he is dealing with a similar topic with the Water Quality Committee. He said the Committee has been told that the challenges with mercury are mostly atmospheric with only 2% deriving from point sources and 98% from other sources. He asked whether the calculations of these savings have been included in discussions concerning coordinating the balance of the total mercury issue. Mr. Schliesser answered that those calculations are not directly included. He said that in a couple of months, DAQ would come before the Committee and talk about the mercury report as part of the 15A NCAC 2D .2509(b) rule requirement to perform a comprehensive study on issues related to mercury control.

Chairman Deerhake asked whether the benefits estimate in the presentation is for human health benefits and not ecological benefits. Mr. Schliesser confirmed that they are human health benefits estimates. Chairman Deerhake asked if the residual risk analysis would occur in eight years. Mr. Schliesser confirmed. She asked Mr. Schliesser whether the rule would be effective immediately. Mr. Schliesser said that the notification was effective recently. He said that the compliance date is in April 2015 with a one year extension available for new equipment installation. Chairman Deerhake asked when the residual risk clock begins. Mr. Schliesser said it started eight years after promulgation of the rule, which would be in 2020. Chairman Deerhake advised the Committee that the residual risk is intended to consider whether or not the standard as promulgated achieves the level of protection needed or if additional measures are necessary to further protect risks. Typically health risks are considered but EPA is being encouraged to also consider ecological risks. Chairman Deerhake disclosed that her employer, RTI, was the contractor for support of the mercury rule; however, she has not been involved in any aspects of the rule.

Dr. Larkin commented on the health care cost and savings derived from the significant health and economic benefits of this concept. Dr. Larkin said it is worth considering because we would be paying for health care instead of sick care and funding preventive medicine.

Mr. Cecich said that because of the Clean Smokestacks Act (CSA) and many other changes that have occurred, the standard would not have much impact in NC. He asked about the impact on surrounding states on NC. He asked whether this EPA regulation would alleviate concerns of court actions regarding NO_x and mercury transport. He asked if a review had been done. Mr. Schliesser said that the rule would affect emissions from other states. Ms. Burleson said that with respect to the TMDL report, DAQ considered EPA's modeling of air emissions of mercury including impacts on MATS and other rules, and have incorporated those impacts in the materials that DAQ and DWQ (Division of Water Quality) developed. Mr. Schliesser said that the mercury report that would be presented in a couple of months will

show rather sizeable emission reductions through 2025 because of the mercury controls that the EGUs (Electric Generating Units) are installing as well as the closing of several facilities.

Agenda Item #7, Inspection and Maintenance Study Report (Laura Boothe, DAQ)

SEE HANDOUT

Laura Boothe, the Attainment Planning Branch Supervisor with DAQ, summarized the study of potential impacts from exempting motor vehicles from emissions inspection (I/M). Session Law 2011-145 required the Division of Motor Vehicles (DMV) and DAQ to examine exempting the three newest model years and all vehicles from the I/M program. Specifically, the agencies were to determine if: NC would be in jeopardy of receiving a findings of failure to implement a State Implementation Plan (SIP) from EPA, if National Ambient Air Quality Standards (NAAQS) would be violated, if there would be transportation conformity implications if the I/M program changed, what new or amended rules would be needed, what the fiscal impacts would be and any other issues the agencies identified.

In discussions with EPA, DAQ determined that before changes to the I/M program could be implemented, the I/M SIP would need to be revised to demonstrate that the revised program still met the performance standards outlined in the federal rules. Additionally, attainment demonstration and maintenance SIPs may need to be revised to address any emission increases from revising the I/M program.

The model runs performed by DAQ, determined that by exempting the three newest model years there was an increase of nitrogen oxides (NOx) emissions of 26 tons per year, of volatile organic compounds (VOC) of 4 tons per year and of carbon monoxide (CO) of 729 tons per year in the 48 counties subject to the emissions inspection program. Elimination of the program resulted in an increase of 8,100 tons/year of NOx, ~4,000 tons/year of VOC and over 72,000 tons/year of CO. To compensate for the emission increases from exempting the three newest model years, the DAQ reviewed the compliance rate data. The current I/M SIP has a compliance rate of 92%, which was the rate used in estimating the emissions above. The DAQ reviewed the DMV data and determined since the emission inspection is now tied to vehicle registration that a compliance rate of 95% would account for the emission increases initially seen by exempting the three newest model years. With a compliance rate of 95%, the model predicted an emissions decrease of 237 tons/year of NOx, 126 tons/year of VOC and ~1,600 tons/year of CO.

If the program was eliminated, then the emissions increases would have to be compensated by emission reductions in the region where the I/M program was eliminated. DAQ focused on NOx emissions since ozone is the pollutant of most concern and North Carolina requires reduction in NOx emissions in order to reduce ozone levels. DAQ determined that on-road mobile sources and stationary point sources comprise the majority of the NOx emissions in North Carolina. Example control measures were presented for these two source categories. Each region would have to be reviewed to determine the specific sources located in that region and the level of control already implemented at these sources.

Ms. Boothe stated that in order for the State to avoid losing any federal transportation funding, any SIP that established motor vehicle emission limits used in transportation conformity that would be impacted by the elimination of the I/M program would have to be revised and approved. It could take 9-12 months for the State to revise and submit the plan to EPA and it can take 12-18 months before EPA approves the SIP revision.

Ms. Boothe stated the DAQ did not expect program changes to result in violations of the CO, lead, fine particulate matter, coarse particulate matter or sulfur dioxide NAAQS. However, increases in NOx emissions could result in potential violations of ozone and the nitrogen dioxide standards. Ms. Boothe discussed the expected revision to the ozone standard in 2014 and how based on current data many areas would violate the standard if it were lowered to 70 parts per billion (ppb) or 60 ppb.

Ms. Boothe explained that transportation conformity requires emissions from transportation projects be less than or equal to the on-road mobile source emission limits set in the SIP. If an area cannot demonstrate conformity due to loss of emission reductions from the change in the I/M program, a lapse could occur. During a lapse, federal actions cannot proceed in nonattainment or maintenance areas. This would only be an issue if the I/M program was totally eliminated.

With respect to any new or amended rules that would be required, the General Statutes and 15A NCAC 2D .1000 "Motor Vehicle Emission Control Standard" would have to be amended and rulemaking could take a year.

DAQ and DMV reviewed what the fiscal impacts would be from either exempting the three newest model years or eliminating the program. If the three newest model years were exempt from the I/M program, it was determined that: vehicle owners would save \$16.40 per vehicle per year in years 2 and 3, inspection stations would see a combined revenue loss of over \$10 million per year, DMV would lose over \$2 million per year and DAQ lose over \$280,000 per year. If the program was eliminated, the fiscal impacts would be: consumer savings of \$16.40/year, inspection stations would see a loss of \$118 million/year, DAQ would lose \$3.2 million/year and DMV would lose ~\$23.5 million/year.

Other issues related the three newest model years being exempt that were identified included leased vehicles will benefit the most since most leases are for three years, permanent plated vehicles are required to be inspected annually, consumer protection concerns for repairs related to emission controls that are out of warranty at first inspection. Other issues related to program elimination identified by DMV included potential employment impacts with almost 4,400 inspection stations going out of business and over 31,000 technicians potentially out of work. These potential job losses and station closings are based on program elimination.

The recommendations made by DAQ and DMV were to: 1) exempt the three newest model years from emission inspections, 2) adjust the compliance rate in the I/M SIP, 3) allow enough time for SIP revisions to be submitted to EPA, and 4) allow DMV time to change software to reflect changes to program. The suggested effective date was January 1, 2014.

Chairman Deerhake asked what the motivation was for the study. Deputy Director, Mike Abraczinskas said that the general idea is to help consumers save money. He said that the newer cars are cleaner, more reliable, and not deteriorating as quickly and that is part of the motivation. He said that other states have similar exemptions and that analysis was included in DAQ's study and that also helped motivate the study.

Chairman Deerhake asked whether the recommendation by the DAQ is based strictly on air quality and if the impact of station closings and the loss of 31,000 jobs were considered. Ms. Boothe explained that the loss of jobs would only occur if the entire program is eliminated. She explained that DAQ worked with

the Division of Motor Vehicles (DMV) to develop a joint report. Air quality issues were taken into consideration as well as the impacts to job loss and business closures. The recommendation was based on new vehicles being cleaner. Only 26 tons per year (tpy) of NO_x is being emitted statewide across 48 counties annually. Since there is a much higher compliance rate because of the registration being tied to the inspection, NC can afford to change its program and not impact the air quality. Deputy Director Abraczinskas added that the study specifically asked DAQ to analyze the two options and provide recommendations and of the two options, this was the recommendation. He said that there really isn't an emissions disbenefit when the compliance rates are updated in all the plans.

Mr. Cecich asked a clarification question regarding whether the recommendation only applies to the emissions testing and not the safety inspection. Ms. Boothe confirmed and said that DAQ was only asked to consider the emissions program. Mr. Cecich asked whether the safety program is on the table for consideration because if eliminating all inspections for three years is being considered, then there is an argument that it has positive environmental effect because of eliminating people driving to the inspection stations. He said that if a safety inspection is still required, those gains would not be attained. Ms. Boothe said she is not certain what will be considered by the General Assembly.

Ms. Pickle asked a question regarding the compliance rate. Ms. Boothe answered that the compliance rate in the SIP (State Implementation Plan) is 92%. Ms. Pickle asked what the actual compliance rate is. Ms. Boothe said that DMV's numbers show that it is about 99%, but there was concern whether that number was accurately reflected relative to audits and remote tracking that indicated that the compliance rate may not be quite 99%. DAQ chose a number that would address emissions increases and meet performance standards. Ms. Pickle asked if the compliance rate has changed for economic reasons. i.e., if a lower compliance rate would be achieved anyway during an economic stressed time. Ms. Boothe explained that when the inspection and registration were not tied together, there was the concern that people would not get their vehicles inspected, but would get their vehicles registered. Since currently a vehicle has to pass an inspection before being registered, there is definitely a higher compliance rate as a result.

Dr. Larkin asked whether the population's health was considered in this study. Ms. Boothe said that health was not included primarily because DAQ are not health experts and does not have the background to feel comfortable stating what the benefits would have been. Dr. Larkin said that protecting the population's health is one of the major objectives of protecting the environment. Ms. Boothe said that DAQ health impacts are considered relative to violating standards, but DAQ was not comfortable with providing a specific number. Deputy Director Abraczinskas commented that DAQ has conservatively set limits in its plans that led to attaining and maintaining the standards. He said that if elimination of the program was considered, there would be an ability to calculate health impacts because of the emissions increases that would result.

Chairman Deerhake asked whether staff considered developing an outreach program to the public so that when their vehicle reached age four, they would be aware that they need to get an inspection. Ms. Boothe said it was taken into consideration that it could be confusing to the public and DAQ talked about including a notification with the vehicle registration that would inform the consumer when it was time to start getting their vehicle inspected. Chairman Deerhake asked how much effort and how many hours of

labor it took to develop this report. Ms. Boothe explained that the new mobile model “MOVES” (Motor Vehicle Emissions Simulator) that EPA uses runs much slower and is much more complicated to run. Combined with the other work that staff worked on, it took several months to complete the runs and to distribute among various computers. Ms. Boothe said she is not certain of the exact number of staff hours, but it took at least two months to complete the runs.

Chairman Deerhake asked if the \$200,000 loss to DAQ was considered significant. Deputy Director Abraczinskas said that if that option comes to fruition, DAQ would have to respond and make some program cuts. He thanked Ms. Boothe and her staff and also Brian Phillips and his staff for all their work. He acknowledged that there is a significant amount of technical work necessary to do this, a lot of time and effort to consider policy options and ramifications, and a lot of coordination with EPA. He added that there is a draft proposal online that came out of the House Transportation Subcommittee on Appropriations that follows through on the recommended option that DOT (Department of Transportation) and DENR (Department of Environment and Natural Resources) recommended.

Agenda Item #8, Overview of Transportation Conformity (Heather Hildebrandt, DAQ)

SEE HANDOUT

Transportation conformity helps ensure that Federal funding and approval goes only to transportation projects that are consistent with air quality goals. It is required by the Clean Air Act in areas that do not meet or previously did not meet air quality standards for ozone, carbon monoxide, particulate matter, or nitrogen dioxide (non-attainment and maintenance areas, respectively). Transportation conformity applies to transportation plans, transportation improvement programs (TIPs), and projects funded or approved by the Federal Highway Administration (FHWA) or the Federal Transit Administration (FTA).

North Carolina's non-attainment/maintenance areas for ozone include the following counties: Gaston, Mecklenburg, Cabarrus, part of Iredell, Lincoln, Rowan, Union, Durham, Granville, Wake, part of Chatham, Franklin, Johnston, Orange, Person, Edgecombe, Nash, and the Great Smoky Mountain National Park. Durham, Forsyth, Mecklenburg, and Wake counties are maintenance for carbon monoxide. Catawba, Davidson, and Guilford counties are maintenance for fine particulate matter (PM_{2.5}).

Mr. Smith asked why Catawba, Davidson, and Guilford counties are the only problem areas for PM_{2.5}. Deputy Director Abraczinskas explained that those areas are now well below the standard and have been designated as attainment. He said that possibly the particular monitors in those areas were slightly above the standard and the monitors in the more urban areas were slightly below the standard and there wasn't a great variation between the values at that time. Those monitors may have been at the right distance downwind from particular sources that had gases that would later form into particles.

Mr. Smith asked why there was a problem with Rocky Mount pertaining to ozone. Deputy Director Abraczinskas said that situation is highly correlated to the Triangle. He said that when the Triangle had exceedances, transport winds from the west would trigger the monitors in Rocky Mount to exceed and a few hours later, exceedances would be observed in the Triangle.

Mr. Morse asked a clarification question regarding whether Catawba County was in attainment. Ms. Hildebrandt explained that the process for an area being designated under a NAAQS (National Ambient Air Quality Standard) provides an area that has been designated as nonattainment a period of time to show attainment. Once the area has shown attainment, it is considered a maintenance area. Currently, NC does not have any nonattainment areas, based on monitoring data, but that does not eliminate the requirement for transportation conformity because transportation conformity is required in both nonattainment and maintenance areas. Ms. Hildebrandt said that Catawba County is considered maintenance and is attaining the standard, but transportation conformity is still required for twenty years.

Chairman Deerhake asked about the implementation of transportation project plans. Ms. Hildebrandt referred to the diagram on page one of the presentation hand-out that shows the 4-year STIP/TIP approved by federal government. She said it is a seven year plan and it is updated at least every two years. She said those projects are being funded and the 4-Year STIP/TIP gives a snapshot of which projects are going to be built. She said that projects can shift as was observed with the funding that was received with the stimulus package. Ms. Hildebrandt said the minimum requirement for DAQ is to consider the TIP changes every two years. She said that DAQ has a good working relationship with the Federal Highway Administration and NCDOT partners and are made aware of changes and can respond.

Chairman Deerhake asked if the Metropolitan Planning Organizations (MPOs) are obligated to notify the DAQ if changes occur. Ms. Hildebrandt said MPOs are obligated through the funding resources, such as FHWA (Federal Highway Administration), and the funding resource notifies DAQ. She said the federal funding is only for four years. If it is a project is changing twenty years from now, DAQ is not necessarily notified because the changes will be captured in the next iteration of the conformity plan review. She said there are lots of opportunities to look at those projects and insure that those projects are on task, are being reviewed, and are meeting air quality goals.

Chairman Deerhake commented on a story in the paper about DOT and a project in Monroe where there was a question whether or not the DOT accurately accounted for some of the scenarios in their environmental impact statement (EIS). She asked if any of those scenarios involved air quality. Ms. Hildebrandt said that DAQ is involved in the EIS for projects of that nature. She said regarding transportation conformity, typically the most preferred scenario is considered and the EIS process considers project level conformity where multiple scenarios are considered to determine the environmental impacts of a single project.

Chairman Deerhake asked Ms. Hildebrandt to remind the Committee where regulations that are under the authority of the Environmental Management Commission (EMC) can be located. Ms. Boothe commented that one of the conformity rules requires DAQ to develop memorandums of agreements with the process. There is the transportation conformity SIP which states the expectations. Ms. Burleson answered that those regulations can be found in 15 NCAC 2D .2000.

Chairman Deerhake asked whether the Committee found this transportation conformity discussion useful and if they would like to discuss it in the future. The Committee confirmed.

Agenda Item #9, Director's Remarks (Deputy Director, Mike Abraczinskas, DAQ)

Deputy Director Abraczinskas provided an update regarding the 2008 ozone standard. He said that on May 1, 2012, EPA released its final designations for the 2008 ozone standard. DAQ had recommended a portion of the Metrolina area as nonattainment which is the only area in the state that is currently violating that 2008 ozone standard. EPA agreed with the state's boundary recommendation to designate all of Mecklenburg County and parts of Cabarrus, Gaston, Iredell, Lincoln, Rowan, and Union counties as nonattainment. As part of this action, EPA also released their classification scheme and the Metrolina area will be classified as marginal, which puts the area on a three year clock to attain the standard by December 21, 2015. DAQ is not required to develop comprehensive plans with the new classification scheme. Typical requirements apply which include transportation conformity and nonattainment new source review. He said it is noteworthy to mention that under the old standard, the Metrolina area was classified as moderate which imposed an additional set of federal regulations and requirements that applied that do not apply under this new standard because the area is designated as marginal.

Chairman Deerhake commented that she has observed in the news a lot of discussion about monitoring versus modeling for sulfur dioxide (SO₂). Deputy Director Abraczinskas said that in April 2012, EPA announced that they are moving forward with designations for the SO₂ standard and DAQ requested that the Wilmington area or a small portion of New Hanover County be designated as nonattainment if they could not defer the designation for that area. That deferral was requested because the ambient air quality data at that monitor has not shown a violation since December 2010 and DAQ believes that it is linked to a particular source of SO₂ emissions located near the monitoring site that has shut down and has relinquished their air permit to operate at that site. DAQ believes that action insures that the area will attain that standard by the end of 2012 in Wilmington. Deputy Director Abraczinskas said that DAQ has also taken other permit actions in the Wilmington area with particular sources that had SO₂ emissions that impacted that monitor.

Regarding the modeling versus monitoring, Deputy Director Abraczinskas said that is a topic being discussed at a national meeting later in the week and will be discussed in RTP (Research Triangle Park) later in the month. DAQ will be there to share thoughts and ideas on how to best implement the new SO₂ standard and to develop a common sense approach that balances modeling and monitoring to insure that all areas in the state are attaining the new ambient standard.

Chairman Deerhake adjourned the meeting and reminded the Committee that the next meeting is scheduled for July.