

**Attachment A**

**Public Notice Announcement**



**NORTH CAROLINA DEPARTMENT OF ENVIRONMENT & NATURAL RESOURCES  
PUBLIC NOTICE**

**PURPOSE:** The North Carolina Department of Environment and Natural Resources, Division of Air Quality (DAQ), hereby gives notice regarding a Pre-Hearing Draft Revision to the North Carolina State Implementation Plan (SIP) - Nitrogen Oxides (NOx) SIP Call Transition Requirements for Large Non Electrical Generating Units. This SIP revision demonstrates that North Carolina meets the NOx SIP Call transition requirements for large non-EGUs consistent with Option 3 of EPA guidance on the subject. Persons wishing to submit comments or request a public hearing are invited to do so.

**COMMENT PROCEDURES:** Any person wishing to comment may submit a written statement for inclusion in the record of proceedings regarding the Revision to the NOx SIP Call Transition Requirements SIP. Written comments should be received by no later than October 5, 2015.

**REQUESTS FOR A PUBLIC HEARING:** Requests for a public hearing must be in writing and include a statement supporting the need for such a hearing, an indication of your interest in the subject, and a brief summary of the information intended to be offered at such hearing. A public hearing will be scheduled if requested. A separate notice will be announced for the hearing including the date, time and location. Written requests for a public hearing should be received no later than October 5, 2015, and addressed to Sushma Masemore, Division of Air Quality, 1641 Mail Service Center, Raleigh, North Carolina 27699-1641.

**INFORMATION:** Copies of the Pre-Hearing Draft Revision to NOx SIP Call Transition Requirements may be downloaded from the DAQ website at [http://www.ncair.org/planning/nc\\_sip.shtml](http://www.ncair.org/planning/nc_sip.shtml).

Comments can be submitted electronically to:  
daq.publiccomments@ncdenr.gov  
(Please type "Non-EGU Transition" in the subject line)

Comments can be mailed or faxed to:  
Sushma Masemore  
NC Division of Air Quality  
1641 Mail Service Center  
Raleigh, NC 27699-1641  
Fax: (919) 707-8715

The Pre-Hearing Draft Revision to the NOx SIP Call Transition Requirements may be reviewed in person during normal business hours at the following North Carolina Department of Environment and Natural Resources, Division of Air Quality offices:

Raleigh Central Office, Planning Section	(919) 707-8700
Asheville Regional Office	(828) 296-4500
Fayetteville Regional Office	(910) 433-3300
Mooreville Regional Office	(704) 663-1699
Raleigh Regional Office	(919) 791-4200
Washington Regional Office	(252) 946-6481
Wilmington Regional Office	(910) 796-7215
Winston-Salem Regional Office	(336) 771-5000

Date: 9/2/15

  
Sheila C. Holman, Director

*for S.H.*



**Attachment B**  
**EPA Comments**





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

October 5, 2015

Ms. Sheila C. Holman, Director  
Division of Air Quality  
North Carolina Department of  
Environment and Natural Resources  
1641 Mail Service Center  
Raleigh, North Carolina 27699-1641

Dear Ms. Holman:

Thank you for your letter dated September 2, 2015, transmitting a prehearing package regarding the North Carolina Nitrogen Oxides (NOx) SIP Call Transition Requirements for Large Non Electrical Generating Units (Non-EGUs) Excluded in the Cross-State Air Pollution Rule (CSAPR). These revisions are the subject of a public comment period beginning September 2, 2015, with written comments due by the close of business on October 5, 2015. We have completed our review of the submittal and have included our preliminary comments as an enclosure to this letter.

We appreciate your transmittal of this package for our consideration and look forward to continuing to work with you and your staff. If you have any questions, please contact Lynorae Benjamin at (404) 562-9040, or have your staff contact Nacosta Ward of the U.S. Environmental Protection Agency's Region 4 staff at (404) 562-9140.

Sincerely,

A handwritten signature in blue ink that reads "R. Scott Davis".

R. Scott Davis  
Chief  
Air Planning and Implementation Branch

Enclosure

**EPA Comments on  
Prehearing Draft Revision to the North Carolina SIP  
NO<sub>x</sub> SIP Call Transition Requirements for Large Non-EGUs Excluded in the CSAPR**

**Key Comments**

- North Carolina's demonstration appears to rely on an EGU CSAPR ozone season NO<sub>x</sub> Federal Implementation Plan (FIP) budget that was recently remanded to the U.S. Environmental Protection Agency by the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit). *See EME Homer City Generation, L.P. v. EPA*, 795 F.3d 118 (D.C. Cir. 2015). Because the ozone-season NO<sub>x</sub> budget currently codified in North Carolina's CSAPR FIP has been held invalid and must be reconsidered, it would not be appropriate for the State to rely on that budget (as part of the budget comparison (Table 2)) to fulfill its ongoing NO<sub>x</sub> SIP Call obligations with respect to non-EGUs. The EPA is available to engage in further discussion on the D.C. Circuit court decision as it relates to this demonstration reliance on the CSAPR FIP.
- The budget comparison in Table 2 appears to contain data errors, the most important of which is the non-EGU reduction amount. In order to replace non-EGU reductions with reductions from other sources, the additional reduction amount must be covered. In the data tables, the State seems to base the proposed demonstration on an assumed non-EGU allocation amount of 2,330 tons. Instead, the basis for the demonstration should be the non-EGU reduction amount, or 3,665 tons.
- The proposed demonstration does not appear to show that the emission reductions are over and above those already required, resulting in possible double-counting of non-EGU emission reductions. NO<sub>x</sub> SIP Call reductions are approved into the North Carolina SIP and therefore reflected as such in the CSAPR baseline. Absent a clearer demonstration than has been proposed, a SIP revision to replace the NO<sub>x</sub> SIP Call non-EGU emission reduction obligations therefore needs to establish equivalent enforceable reductions through another SIP requirement.
- The prehearing draft SIP submission does not clearly demonstrate the basis for a non-interference determination under section 110(l) of the Clean Air Act which requires North Carolina to demonstrate that removing from the SIP the NO<sub>x</sub> SIP Call requirements for non-EGU sources will not "interfere with any applicable requirement concerning attainment or reasonable further progress ... or any other applicable requirement of this chapter." This proposed demonstration does not appear to show that the non-EGU requirements proposed for removal are not in fact needed for any criteria pollutant including the currently effective 2008 and the new 2015 ozone national ambient air quality standards.

**General Comment**

- The State continues to have the option of making a demonstration that the NO<sub>x</sub> SIP Call non-EGU budget has not been exceeded considering the streamlined demonstration provided on EPA's at website at <http://www3.epa.gov/airtransport/CSAPR/faqs.html>. As the State acknowledges, this option would necessitate large non-EGUs comply with the NO<sub>x</sub> SIP Call obligations including part 75 monitoring, record keeping and reporting requirements.