

North Carolina Department of Environment and Natural Resources

Division of Air Quality
Sheila C. Holman
Director

John E. Skvarla, III Secretary

April 12, 2013

Gwendolyn Keyes-Fleming Regional Administrator USEPA Region 4 Atlanta Federal Center 61 Forsyth Street, SW Atlanta, GA 30303-8960

Subject: Supplement to the Maintenance Plan for the 1997 8-hour Ozone Standard for

Greensboro/Winston-Salem/High Point Area

Dear Ms. Fleming:

Pat McCrory

Governor

I am pleased to submit the "Supplement to the Maintenance Plan for the 1997 8-hour Ozone Standard for Greensboro/Winston-Salem/High Point (Triad) 1-Hour Ozone Maintenance Area." Enclosed is one hard copy of the complete package containing the supplement to the maintenance plan, as well as the supporting documentation as to how the emission estimates were developed and an exact duplicate electronic copy on compact disk. The disk also includes the on-road mobile model input and output files.

In this supplement, the North Carolina Division of Air Quality (NCDAQ) is requesting the USEPA relax the current 7.8 pounds per square inch (psi) Reid Vapor Pressure (RVP) requirement for Triad counties subject to June 1 through September 15 gasoline volatility standard contained in 40 CFR 80.27(a)(2). Approval of this request will enable 9.0 psi gasoline to be distributed in the entire Triad area throughout the year. The current requirement of 7.8 psi RVP standard results in higher fuel cost that adversely affects North Carolina businesses and consumers.

The lower RVP requirement was implemented as a control measure to reduce emissions of volatile organic compounds (VOC), a key precursor to ozone formation. Today, we know that controlling ozone throughout North Carolina and much of the Southeast is more effectively done through emissions reductions of nitrogen oxides (NOx). With this scientific understanding, the NCDAQ examined the benefit of relaxing the current RVP fuel requirement. The NCDAQ determined that North Carolina can implement the 9.0 psi gasoline in the Triad maintenance area without interfering with the attainment of National Ambient Air Quality Standards (NAAQS).

The Triad area has continued to attain the 1997 ozone standard and was designated attainment of the 2008 8-hour ozone standard on May 21, 2012. However, due to the extreme heat events that affected most of the country during a two week period in the summer of 2012, ozone monitors in the Triad area have measured exceedances of the 2008 8-hour ozone NAAQS. Due to these violations and the slight increase in emissions resulting from the RVP change, an in-depth photochemical modeling exercise was performed to determine interference with the NAAQS. The NCDAQ applied several layers of conservative estimates to determine the maximum impact of RVP relaxation. The modeling demonstration provided clear evidence that the relaxation of the RVP standard within the Triad region would have no impact on ozone concentrations. Additionally, the planned retirement and conversion of nearby coal-fired electric generating units to natural gas will reduce NOx emissions and result in

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reductions in ozone levels in the Triad area. Based on this review of Clean Air Act Section 110(l) requirements, the NCDAQ has demonstrated that requiring the existing 7.8 psi RVP gasoline standard is unnecessary to maintain the ozone NAAQS in the Triad area, and that the RVP relaxation will not interfere with attainment of other NAAQS.

The NCDAQ issued a public notice announcement indicating that the Supplement to the Maintenance Plan for the 1997 8-hour Ozone Standard for Greensboro/Winston-Salem/High Point (Triad) 1-Hour Ozone Maintenance Area was available for public comment and is posted on the NCDAQ website for review. The comment period opened on Thursday, February 21, 2013 and closed on Monday, March 25, 2013. The public notice announcement was sent to a number of distribution lists managed by the NCDAQ. The distribution lists included numerous stakeholders from industry, environmental groups and transportation partners. The NCDAQ believed that sending the public notice announcement to these groups was more effective than publishing the notices in a few local newspapers and is consistent with the requirements described in the April 6, 2011, memorandum, "Regional Consistency for the Administrative Requirements of State Implementation Plan Submittals and the Use of Letter Notices." Additionally, the NCDAQ website has Rich Site Summary (RSS) feed which regularly delivers changes to the website content to those that have signed up for it.

The public notice announcement also indicated that the public may request a public hearing. The NCDAQ did not receive a request for a public hearing. The USEPA submitted a letter requesting additional clarifications regarding photochemical modeling demonstration. The NCDAQ's responses to these comments are summarized in Appendix D – Public Notice Report. The North Carolina Petroleum and Convenience Marketers (NCPCM) submitted a letter requesting the USEPA to grant the enforcement discretion requested by the NCDAQ – Department of Environment and Natural Resources on behalf of the Governor of North Carolina, citing the need to meet the upcoming gasoline supply schedule. The NCPCM also noted that the price difference between 7.8 and 9.0 psi RVP gasoline has escalated to an average of 9.4 cents per gallon during the past two summers. Copies of letters submitted by the USEPA and NCPCM are provided in Appendix D.

The NCDAQ recognizes the importance of relaxing the RVP standard in the Triad area, and is requesting the USEPA to parallel process the public notices related to the SIP submission and the federal RVP gasoline standard rulemaking. If you should have any questions, please contact Sushma Masemore at (919) 707-8700 or sushma.masemore@ncdenr.gov.

Sincerely,

Sheila C. Holman

Shula C. Holman

SCH/pdi

Attachments

cc: Michael Abraczinskas, NCDAQ

Sushma Masemore, NCDAO

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