



Terry E. Branstad  
GOVERNOR

## STATE OF IOWA

Kim Reynolds  
LT. GOVERNOR

March 16, 2015

The Honorable Gina McCarthy  
Administrator  
US Environmental Protection Agency (EPA)  
EPA Docket Center (EPA/DC)  
Mail Code 28221T  
Attn: Docket ID No. OAR-2008-0699  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460

Re: State of Iowa coordinated comments on EPA proposed revisions to ozone air quality standards; Docket ID No. EPA-HQ-OAR-2008-0699

Dear Administrator McCarthy:

The Iowa Department of Natural Resources (IDNR), the Iowa Department of Public Health (IDPH), the Iowa Utilities Board (IUB), the Iowa Department of Transportation (IDOT), and the Iowa Economic Development Authority (IEDA), appreciate the opportunity to comment on the proposed rule "National Ambient Air Quality Standards for Ozone" (NAAQS) published in the Federal Register (79 FR 75233) on December 17, 2014. The EPA proposed setting the primary standard range between 65 and 70 parts per billion (ppb). We jointly can support setting a primary standard at 70 ppb. We also write to express concerns about the balance between costs and benefits for any level below that threshold.

A healthy Iowa economy requires a healthy regional and national economy, as the Iowa economy is connected to the Midwestern, national, and world economy. We hope the EPA will listen to the input from states that have completed state-specific analysis of the proposal. We also believe that Federal regulatory policies should not overly burden

American businesses and workers who compete in a dynamic, global economy. In addition, we do not believe that the EPA has adequately and directly communicated potential impacts to elected officials in communities that may fall into non-attainment. Further, we have serious concerns about Federal officials not funding compliance costs which would equate to another unfunded mandate upon the State.

The IDNR implements state and federal laws that protect air, land and water through technical assistance, permitting, monitoring, and compliance programs. IDNR uses authority through state statute and EPA approved state implementation plan (SIP) provisions to implement ozone air quality standards in the State of Iowa.

The IDPH partners with local public health agencies, policymakers, health care providers, businesses and many others to promote and protect the health of Iowans. The IDPH has a vested interest in EPA's conclusions regarding the air quality standards requisite to protect, with an adequate margin of safety, the public health of Iowa's citizens.

The IUB regulates public utilities in Iowa, including electric utilities that own and operate electric generating plants in Iowa. The IUB makes decisions that balance the interests of all parties to ensure that utilities provide adequate, reliable, environmentally responsible, and safe service to Iowa consumers at reasonable prices.


The IDOT is dedicated to moving people and goods efficiently, effectively, and safely. The IDOT partners with the various agencies of the U.S. Department of Transportation and assists Metropolitan Planning Organizations, Regional Planning Affiliations, cities, and counties to ensure the planning, programming, and development of investments to the state's multimodal transportation system. The IDOT has an interest in ozone air quality standards because a reduction in the standard would likely result in large-scale changes to the way the state plans transportation investments at all levels due to transportation conformity.

The IEDA assists economic development projects in the State of Iowa with financial and technical assistance. IEDA oversees job creation programs, business recruitment programs, community development programs, housing programs, workforce training programs, foreign trade programs, tourism programs, and energy programs. IEDA has an interest in ensuring that the regulation of industry is protective of human health without limiting economic growth in the State.

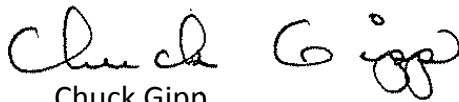
Thank you for the opportunity to comment on the proposed changes to the National Ambient Air Quality Standards for Ozone. Enclosed, please find detailed joint comments of our agencies.

Please let us know if you have any questions or require further information regarding our comments.

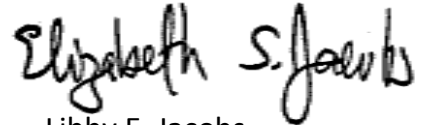
Sincerely,



Debi V. Durham  
Director, Iowa Economic  
Development Authority



Chuck Gipp  
Director, Iowa Department  
of Natural Resources



Libby E. Jacobs  
Chair, Iowa Utilities  
Board



Paul Trombino III  
Director, Iowa Department  
of Transportation



Gerd Clabaugh  
Director, Iowa Department  
of Public Health

## **Coordinated State of Iowa Input on Proposed NAAQS for Ozone**

### **Comments on the Level of the Primary Standard**

The State of Iowa supports lowering the 8 hour primary ozone standard from the current level of 75 parts per billion to 70 parts per billion (ppb). Setting the level at 70 parts per billion would serve the goal of improved public health without unnecessarily limiting economic growth in Iowa.<sup>1</sup> However, a primary standard below 70 ppb could negatively impact future economic growth in important industry sectors by creating additional nonattainment areas within the State of Iowa —such a scenario would limit opportunities for future family income growth and to nurture the overall health of the Iowa, regional, and national economy. Iowa recognizes that a proposed standard between 65 and 70 ppb would protect more of the U.S. population, but believes that the incremental benefits of setting the standard within that range do not outweigh the economic costs of creating more nonattainment areas. Setting the primary standard below 70 ppb would create a disconnection between regulatory costs and benefits. Iowa considers a primary standard level of 65 ppb or lower to be clearly burdensome to industry and not justified by the marginal increase in benefits accruing from such a burdensome standard.<sup>2</sup> In addition, it is important to recognize the significant reductions in NOx emissions over the last 25 years -- as the EPA has acknowledged national NOx emissions have been reduced substantially, from about 25.2 million tons in 1990 to 12.9 million tons in 2013 and the EPA currently projects that U.S. NOx emissions will be further reduced by existing rules and regulations to 8.2 million tons by 2025.<sup>3</sup> Further, there remain too many scientific uncertainties – including impact of other current and proposed rules for marginal attainment area modeling -- that remain unanswered to justify setting the standard below 70 ppb at this time. We have also heard concerns that setting the threshold below 70 ppb could have the unintended consequence in freezing investments and thus advancements in more environmentally-friendly systems, manufacturing facilities, appliances and vehicles. In short, a primary standard below 70 ppb would not clearly place regulatory benefits above costs.

### **Comments on the Secondary Standard**

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<sup>1</sup> Our analysis is based on impacts for the State of Iowa and we recognize that the proposed rule's impacts on other states may be more significant. Because the Iowa economy is integrally connected to the health of our sister states, the EPA should listen intently to state feedback.

<sup>2</sup> A study commissioned by the National Association of Manufacturers, which represents many of America's job creators, indicates that a primary standard of 65 ppb could cost the economy \$140 billion per year and place over one million jobs at risk and would equate to the most expensive regulation in U.S. history. See study information at:<http://www.nam.org/Issues/Ozone-Regulations/#sthash.Pk9dbFqy.dpuf>

<sup>3</sup> EPA, National Emissions Inventory (NEI) Air Pollutant Emissions Trends Data, February 2014

Iowa supports EPA's proposal to set the secondary ozone standard equal to the primary standard. This proposal will make implementation of the secondary standard much less complex in comparison to implementation of a distinct W126-based standard, while at the same time providing for an equivalent level of public welfare protection.

### **Implementation Concerns**

With this rulemaking, EPA has proposed a significant reduction in the primary National Ambient Air Quality Standards (NAAQS) for ozone based on the most recent health-effects data. The magnitude of reduction is likely to have important implications for Iowa.

EPA has proposed a range from 65-70 parts per billion (ppb) for the level of the ozone NAAQS.<sup>4</sup> Based on ozone trends in Iowa and current ozone data, if the level of the standard is set at 70 ppb, all Iowa sites would attain the NAAQS. If the level of the NAAQS is set below 70 ppb, a significant number of Iowa monitors would be expected to violate the NAAQS (see table below). Further, additional areas not currently monitored would possibly fall into non-attainment status.

A preliminary review of the potential for ozone nonattainment in Iowa, associated with EPA's proposed ranges of the primary and secondary standards, reveals EPA's proposed ranges could result in at least five nonattainment areas in Iowa depending upon the final level selected by EPA. The decisions that EPA will make regarding the ozone standards could impact the State of Iowa's ability to drive economic growth in several communities across the State, and more practically, to implement the air program.

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<sup>4</sup> See 79 FR 75233 (p. 75396) available at: <http://www.gpo.gov/fdsys/pkg/FR-2014-12-17/pdf/2014-28674.pdf>

AQS ID	Site	Design Value (ppb)		
		3-Year Period		
		'09-'11	'10-'12	'11-'13
190170011	Waverly Airport	63	65	64
190450021	Clinton, Rainbow Park	64	68	68
190850007	Pisgah, Forestry Office	64	68	68
190851101	Pisgah, Highway Shed	65	69	69
191130028	Cedar Rapids, Kirkwood College	62	66	65
191130033	Coggon, Coggon Elementary	63	65	64
191130040	Cedar Rapids, Public Health	61	64	63
191370002	Viking Lake State Park	64	67	65
191471002	Emmetsburg, Iowa Lakes College	65	68	67
191530030	Des Moines, Health Dept.	57	61	61
191630014	Scott County Park	63	N/A	N/A
191630015	Davenport, Jefferson School	65	67	66
191690011	Slater, City Hall	60	62	62
191770006	Lake Sugema	63	68	66
191810022	Lake Ahquabi	62	65	64

Note: Shaded cells indicate sites that violate a 65 ppb NAAQS. Design values are based on certified data.

### ***Minimize the impact of the proposal on state agency workloads***

Iowa recommends that EPA propose an implementation rule for the revised ozone standard at the same time it issues the final revised standard. Iowa also recommends that EPA finalize the implementation rule and related guidance within one year following proposal of that rule.

To minimize the adverse impact on workloads from the possible addition of several new nonattainment areas, it will be important for EPA to propose an implementation rule for the revised ozone standards at the same time it issues the final revised standards. The potential for the revised standards to generate several new and diverse nonattainment areas including predominantly rural locations adds additional urgency to the need for timely guidance and rule issuance. For newly designated nonattainment areas additional workload challenges will have to be addressed by the State prior to SIP development. States not previously engaged in extensive ozone nonattainment planning will have new burdens of:

- Engaging in expansive public, private, and governmental outreach, education and discussion;
- Acquiring and training additional engineers, planners and modelers;
- Building technical expertise;
- Refinement and development of comprehensive emissions inventories;
- Addressing the challenges and requirements of transportation conformity;
- Forging coordinated partnerships and activities in new multi-state nonattainment areas;
- Assessing the specific mechanisms, sources, and transport regions contributing to elevated ozone concentrations; and
- Developing programs and regulations to effectively reduce ozone concentrations.

***Provide adequate funding to implement the revised standards***

Further, a primary standard reduction should only advance if the EPA and the U.S. Congress adequately fund such implementation costs. The EPA must provide the adequate funding to implement its new rules and requirements. State budgets should not be burdened by unfunded federal mandates – this aspect is too often ignored by Federal policymakers.

Meeting SIP submittal schedules for several nonattainment areas would be an extremely difficult task given stagnant federal grant funding and tight state budgets. As discussed above, states with newly designated ozone nonattainment areas will face numerous implementation challenges. Accordingly, EPA should adequately fund compliance and training costs for states to aid in the development and implementation of state plans.

***Clearly communicate with communities and businesses that will be impacted***

The State of Iowa does not believe that the EPA has adequately informed communities that could be impacted by a primary standard in the proposed range. EPA should extend the comment period to complete adequate notification to communities that would fall into non-attainment and communities that fall within reason of falling into non-attainment, if the

primary standard is lowered below the current threshold based on current monitoring data. Further, before finalizing the proposed rule, the EPA should notify media publications in every county that would fall into non-attainment. The EPA has not been fully transparent with detailed potential non-attainment data with potentially impacted communities.

***Address whether marginal nonattainment areas will meet the standard by 2020***

EPA should update their technical analysis to specifically show whether the implementation of current and proposed federal rules will be adequate to attain the proposed range of ozone levels in marginal nonattainment areas by 2020.

EPA's technical analysis indicates that most counties, including all counties in Iowa, would meet the range of ozone levels in EPA's proposal by 2025. It is not clear from EPA's analysis whether implementation of current and proposed federal rules will be adequate to allow marginal nonattainment areas to meet the proposed range of ozone levels by 2020 (the attainment date assuming 2017 designations).

From a transportation perspective, it is believed that a significant contributor to the predicted downward trends in ozone concentrations is the implementation of current and future CAFE (Corporate Average Fuel Economy) standards. These standards aim to improve the fuel economy of cars and light trucks. The standards also reduce emissions of ozone precursor pollutants including nitrogen oxides and volatile organic compounds which in turn reduce the potential for regional concentrations of ozone. Over time, as the fleet transitions to more vehicles meeting these higher CAFE standards, a reduction in transportation related emissions will be realized. However, while the transportation sector is making progress in reducing emissions, the fleet turnover takes time. This may impact how effective new vehicle standards will be in helping some nonattainment areas to meet the proposed range of ozone levels.

It is extremely important that states know early in the nonattainment planning process whether "on-the books" regulations are likely sufficient for marginal nonattainment areas to attain the standard within 3 years of designation. Without this data, states may erroneously expect to meet their attainment date. We urge EPA to conduct an air quality modeling assessment for the attainment year applicable to marginal nonattainment to assist states with their designations and planning activities.

**Comments on Monitoring Revisions**



***Proposed Expansion in the photochemical assessment monitoring station (PAMs) network (79 FR 75233, p. 75410-75411)***

The draft rule proposes an increase in the number of monitors in the PAMs network. Unless this expansion is adequately funded by the Federal government, we cannot support this proposal. We are afraid this will be another unfunded mandate on the State. PAMS monitoring does not generate data that can be compared to the NAAQS, and for this reason, we believe it should have a lower priority than monitoring for compliance with the ozone NAAQS. We would favor a funding scenario where funding for PAMs monitoring is made available more broadly from Community Scale air toxics grants. Utilizing this competitive grant program, awards may be directed toward areas where regional ozone levels near the proposed PAMs site are predominantly VOC limited.

***Tightening the water interference specification from 20 ppb to 5 ppb for FRM/FEM Ozone monitors (79 FR 75233, p. 75404 (Table B-1))***

To the extent that the proposed NO-CL ozone FRM requires removal of water vapor from the inlet stream to avoid quenching of chemiluminescence light (See Figure 1, page 75400 of the draft rule), we recommend that EPA modify Part 50 and Part 53 in the final rule to allow the sampling line inlet to incorporate Nafion® dryer, with the stipulation that the vendor of the dryer demonstrates that the addition of the dryer results in negligible loss of ozone for each ozone analyzer design approved under Part 53. EPA should also clarify whether the ozone NAAQS standard is meant to be a “dry” or “wet” standard, as a Nafion® dryer that works by removal of water from the inlet stream will increase the measured ozone concentration, unless a relative humidity correction is applied to convert the dry ozone concentration recorded by the analyzer to the wet ozone concentration in the sample line upstream the dryer. Performing this correction would require at least one relative humidity/temperature sensor upstream of the Nafion® dryer.<sup>5</sup> In our view, the SL-UV technology tested by EPA appears to have the most promise as an ozone FRM, because it does not require dry inlet air, and incorporates the same measurement principle as the UV FEM that is in wide use, except that it has a better (interference free) technique for generating ozone free air for the reference cycle of the instrument.

***Revisions to the Air Quality Index to reflect the level of the proposed NAAQS (79 FR 75233, p. 75310-75311)***

The proposed rule contains changes in ozone breakpoints in Table 2 of Appendix G of Part 58 to conform to the new level of the 8-hour ozone NAAQS. We support these changes.

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<sup>5</sup>See: page 21 of: <http://www.epa.gov/ttn/amtic/files/2014conference/wedqaollison.pdf>

In addition, we feel that the formulation of the ozone AQI is clearest if it contains only one averaging period (the eight-hour averaging period associated with the NAAQS) without references to a one-hour averaging period related to old NAAQS standards or outdated Significant Harm Levels. In particular, we recommend that the paragraph below in Appendix G be eliminated, along with all breakpoints associated with a one-hour ozone AQI in Table 2.

*However, there are a small number of areas where an AQI based on 1-hour ozone values would be more precautionary. In these cases, in addition to calculating the 8-hour ozone index value, the 1-hour ozone index value may be calculated, and the maximum of the two values reported.*

Real time reporting of the AQI requires computation of a surrogate for an eight-hour ozone average ozone data. To avoid confusion, we believe that the algorithm used for computing these surrogates warrants inclusion in Appendix G.<sup>6</sup>

***Precision of Raw Data Used for NAAQS Computations (79 FR 75233, p. 75403)***

We request that the data handling rules in Part 50 include a requirement that hourly ozone data is loaded to EPA's air quality system AQS to a precision of 0.1 ppb. This is consistent with proposed changes to the audit levels in Part 58<sup>7</sup>, and more accurately reflects the precision of current ozone monitors.

***Proposed rules for combining data from multiple ozone monitors at a monitoring site in order to improve data completeness (79 FR 75233, p. 75402)***

We support EPA's proposal to allow combination of the data records from multiple ozone monitors at a monitoring site. For ozone, 40 CFR Part 50 requires a 90% data capture rate over 3 years. In the event of a missing data from one monitor, it is important to allow substitution of data from the backup monitor (provided it meets the same quality assurance requirements as the primary monitor) in order to meet data capture requirements and compute the best design value.

Thank you for the opportunity to provide these comments.

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<sup>6</sup> See: <http://airnow.supportportal.com/link/portal/23002/23002/Article/16115/How-are-your-ozone-maps-calculated>

<sup>7</sup> <http://www.gpo.gov/fdsys/pkg/FR-2014-09-11/pdf/2014-19758.pdf>