**Ødvrpc** September 2012

Alert is a monthly update on transportation and air quality planning activities in the Delaware Valley.



## **Air Quality Regulations**

Court Blocks EPA's Cross-State Air Pollution Rule

On August 21, 2012, the D.C. Circuit Court of Appeals (Court) blocked the U.S. Environmental Protection Agency's (EPA's) Cross-State Air Pollution Rule (CSAPR), stating that the rule overstepped the agency's legal authority by "mandating massive emissions reductions in upwind states without regards for legal limits."

The EPA proposed the CSAPR to replace the Clean Air Interstate Rule (CAIR) which the court invalidated in 2008. Both rules were directed at controlling emissions from states where air quality meets the federal healthbased standards, but whose refineries, power plants, and industry emit sulfur dioxide and nitrogen dioxides that prevent downwind states from meeting the standards. The CAIR was invalidated because it considered the costs of reducing emissions to industry in the rule, which is outside of EPA's authority. The court ruled that the CAIR requirements would remain in place until the EPA corrected the rule's deficiencies.

The Court recognized that EPA had been authorized to set rules that would require upwind states to bear responsibility for their fair share of pollution affecting downwind states but ruled against the CSAPR because of the mechanisms the EPA used to control emissions. In the CSAPR, EPA required emissions reductions in locations where the costs of reducing sulfur or nitrogen dioxides was the lowest and created a trading system where states could buy and sell pollution credits in an attempt to encourage cost effective pollution control. According to the Court, this control strategy required some states to reduce emissions by more than their own significant contribution to downwind state's nonattainment of the air quality standards.

The Court also ruled that EPA must first allow states to develop plans to reduce emissions within their borders, before imposing a federal reduction plan on the states.

Industry leaders are hailing the Court ruling as a victory for domestic fossil fuels, such as coal, since the rule would have required coal fired power plants to invest in improvements that would reduce emissions.

Environmental advocacy groups, leading Congressional Democrats, and politicians from Mid-Atlantic and New England states have encouraged the Obama Administration to appeal the Court's decision, citing the magnitude of impact that upwind states have on the air quality and public health of downwind states. The administration has not announced plans to address the Court's ruling.

For more information on the EPA's efforts to reduce interstate transport of air pollution, please visit: <u>http://www.epa.gov/airtransport/</u>

Save the Date

Monday, September 17, 2012 Philadelphia Diesel Difference Working Group 10:00 am Location of Meeting: DVRPC Conference Center 8<sup>th</sup> Floor 6<sup>th</sup> and Race Streets Philadelphia, PA

Tuesday, September 25, 2012 Air Quality Partnership Board Meeting 10:00 am Location of Meeting: New Jersey Conference Room 8<sup>th</sup> Floor 6<sup>th</sup> and Race Streets Philadelphia, PA



### Conformity

### **US EPA Approves Pennsylvania Attainment Plan for Fine Particle Pollution**

On August 28, 2012, the U.S. Environmental Protection Agency (EPA) published its approval of the Pennsylvania State Implementation Plan (SIP) Attainment Demonstration for the Pennsylvania portion of the Philadelphia-Wilmington Nonattainment Area for the 1997 Annual Fine Particulate Matter ( $PM_{2.5}$ ) Standard in the Congressional Federal Register. This Attainment Plan was first submitted to EPA in 2010 and outlined the measures that the state would take to meet the federal health based standards for  $PM_{2.5}$  by the designated attainment date of April 2010.

This attainment plan had not been approved in the intervening time period because the plan relied on emissions reductions established by the Clean Air Interstate Rule (CAIR) to meet emissions targets that were expected to be necessary for the region to attain the  $PM_{2.5}$  air quality standards. Since the CAIR was rejected by the DC Court of Appeals (Court) in 2008 and its implementation was in question, EPA would not approve a plan that relied on the reductions called for in the CAIR. This situation was remedied by a 2011 Court decision requiring the EPA to administer the CAIR until a replacement rule was implemented.

The approval of this plan does not change the designation of the Philadelphia-Wilmington PM<sub>2.5</sub> Nonattainment area to a Maintenance or Attainment Area. The states of Pennsylvania, Delaware, and New Jersey (the states in the nonattainment area) would need to submit, and EPA would need to approve, redesignation requests for this to occur. Approval of this attainment plan does, however, establish Motor Vehicle Emissions Budgets (MVEBS) for the DVRPC counties to use in Transportation Conformity Demonstrations and relieves DVRPC of the requirement to coordinate conformity demonstrations with the Wilmington Area Planning Council.

The New Jersey Department of Environmental Protection (DEP) submitted Attainment and Maintenance Plans for the DVRPC New Jersey Counties in 2009. MVEBS for these plans were found adequate for conformity purposes in 2010 but the New Jersey Attainment Plan for the Burlington, Camden, and Gloucester Counties has not yet been approved by EPA. New Jersey DEP is scheduled to submit a redesignation request and Maintenance Plan to EPA in 2012.

Cumulatively these plans demonstrate improvements to air quality in the Delaware Valley region



# Information

#### **Obama Administration Finalizes 54.5 MPG Fuel Efficiency Standards**

On August 28, 2012, President Obama announced fuel efficiency standards that would require cars and light duty trucks to reach the equivalent of 54.5 miles per gallon (mpg) by model year 2025. The new fuel efficiency standards were developed with the support of major automakers (Ford, GM, Chrysler, BMW, Hyundai, Jaguar, Kia, Mazda, Mitsubishi, Nissan, Toyota, and Volvo), the United Auto Workers, state of California, consumer, and environmental advocates, and other stakeholders. These automakers represent over 90% of the vehicles sold in the United States.

According to the White House press release, the new standards provide manufacturers with flexibility and long term regulatory stability that will allow automakers to invest in clean innovative technologies to attain the fleet average 54.5 mpg goal. The fuel efficiency program does include incentives for electric, hybrid, and fuel cell vehicles as well as incentives for natural gas vehicles for large pick-ups. These emerging technologies are expected to augment existing technologies, such as lower tire rolling resistance, vehicle weight reductions, and improved aerodynamics, to help automakers meet the new standards.

When fully implemented, the new fuel economy standards are expected to save consumers \$1.7trillion at the gas pump and reduce oil imports by 2 million barrels a day.

For more information on the new fuel standards for cars and light duty trucks, please visit: http://fastlane.dot.gov



DVRPC, 8th Floor 190 N. Independence Mall West Philadelphia, PA 19106-1520 Phone: 215.592.1800 | Fax: 215.592.9125 | Web: www.dvrpc.org

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