

ENVIRONMENTAL PROTECTION AGENCY**40 CFR Part 52****[CT-068-7225b; A-1-FRL-7440-9]****Approval and Promulgation of Air Quality Implementation Plans; Connecticut; New Source Review/Prevention of Significant Deterioration Revision****AGENCY:** Environmental Protection Agency (EPA).**ACTION:** Proposed rule.

SUMMARY: EPA is proposing to approve State Implementation Plan (SIP) revisions submitted by the Connecticut Department of Environmental Protection (DEP). The revisions include new provisions that implement the core requirements of 1990 Clean Air Act Amendments (CAAA) regarding nonattainment New Source Review (NSR) in areas that have not attained the National Ambient Air Quality Standards (NAAQS). In addition, the changes amend the applicability requirements and certain other requirements of the Prevention of Significant Protection (PSD) program and NSR rules. Finally, the changes provide a definition for "Practicably Enforceable" that would allow sources a streamlined approach to limit potential to emit for PSD/NSR applicability purposes. In aggregate, these revisions will substantially strengthen the DEP's air permitting rules.

This action proposes to approve the revisions to section 22a-174-1, "Definitions," section 22a-174-2a, "Procedural Requirements for New Source Review and Title V Permitting," and section 22a-174-3a, "Permit to Construct and Operate Stationary Sources." This action is being taken in accordance with the Clean Air Act (CAA or Act).

DATES: Comments must be received on or before February 11, 2003.

ADDRESSES: Comments may be mailed to Steven A. Rapp, Manager, Air Permits, Toxics and Indoor Programs, Office of Ecosystem Protection (mail code CAP), U.S. Environmental Protection Agency, EPA-New England, 1 Congress Street—Suite 1100, Boston, MA 02114-2023. Copies of the documents relevant to this action are available for public inspection during normal business hours, by appointment at the Office of Ecosystem Protection, U.S. Environmental Protection Agency, Region I, One Congress Street, 11th floor, Boston, MA; Air and Radiation Docket and Information Center, U.S.

Environmental Protection Agency, Room B-108 West, 1301 Constitution Avenue, NW., Washington DC and the Bureau of Air Management, Department of Environmental Protection, State Office Building, 79 Elm Street, Hartford, CT 06106-1630.

FOR FURTHER INFORMATION CONTACT: Brendan McCahill, (617) 918-1652; email at McCahill.Brendan@EPA.GOV.

SUPPLEMENTARY INFORMATION: On May 23, 1994, the DEP formally submitted revisions to its SIP for the purposes of meeting the 1990 CAAA requirements for nonattainment NSR. Due to various issues with these revisions and the pre-existing state rules, EPA did not take action on this SIP submittal. On June 14, 2002, after completing a top to bottom review of its entire state permitting program, the DEP formally withdrew the May 23, 1994 submittal and submitted new revisions to its SIP.

EPA has recently promulgated revisions to certain portions of the federal PSD and nonattainment NSR regulations (67 FR 80244 (Dec. 31, 2002)). These rules have an effective date of March 3, 2003. With respect to Connecticut's rules relating to new source review, EPA has determined that Connecticut's rules meet the requirements of 40 CFR part 51, subpart I, as currently in effect, and is taking no position on whether Connecticut will need to make changes to its new source review rules to meet requirements that EPA has promulgated, but are not yet effective, as part of new source review reform.

The rule revisions proposed for approval today are the product of a comprehensive, multi-year, stakeholder process intended to increase the effectiveness of Connecticut's program. The rules proposed for approval include important flexibility provisions discussed below, including provisions that provide a framework for establishing "practicably enforceable" limits on "potential to emit" and provisions allow sources to consider decreases in emissions as well as increases in determining applicability. Not only do the rules proposed for approval increase flexibility, but they also enhance the enforceability of the state program. Therefore, EPA believes it is appropriate to propose approval of these rules under the rules that are currently in effect in order to significantly strengthen the state program.

I. Revisions to the Nonattainment NSR Rules**A. What Is Nonattainment NSR?**

The CAA requires new major sources and major modifications to existing major sources to obtain an air pollution permit before commencing construction. The nonattainment NSR rules are the set of regulations specifying the minimum permit requirements for new major sources or major modifications in areas that are in nonattainment of the NAAQS. The nonattainment NSR rules include two major elements: (1) Requirements that subjected sources obtain emission reductions ("offsets") from existing sources to ensure a progression toward achieving the NAAQS and; (2) requirements that sources apply controls that achieve Lowest Achievable Emission Rate (LAER) to ensure emissions are controlled to the greatest degree possible.

B. Why Does Connecticut Need To Revise Its Rules?

In 1990, Congress revised the CAA to include new general requirements that apply to all nonattainment areas and additional requirements that apply to ozone nonattainment areas. In particular, the amended provisions for NSR in ozone nonattainment areas require substantially more stringent applicability and offset requirements over the pre-1990 NSR requirements. All portions of Connecticut are currently designated as nonattainment areas for ozone.

C. Where Can One Locate Additional Information on the General Requirements for Nonattainment NSR?

The air quality planning requirements for nonattainment NSR are set out in part D of subchapter I of the CAA. The EPA has issued a "General Preamble" describing EPA's preliminary views on how EPA intends to review SIPs and SIP revisions submitted under part D, including those state submittals containing nonattainment area NSR SIP requirements (see 57 FR 13498 (April 16, 1992) and 57 FR 18070 (April 28, 1992)). Because this notice describes EPA's interpretations only in broad terms, the reader should refer to the General Preamble for a more detailed discussion of the interpretations of part D advanced in today's proposal and the supporting rationale.

D. How Did Connecticut Satisfy the General NSR Requirements?

The general nonattainment NSR requirements are found in sections 172 and 173 of part D of subchapter I of the