

submit their implementation plans to comply with Phase I of the strategy by October 30, 2000.

On February 22, 2002 (67 FR 8396), EPA published a proposed rulemaking in response to the March 3, 2000 D.C. Circuit ruling. This proposed rulemaking addresses Phase II of the NO_x SIP Call, responding to the issues the court remanded back to the EPA. Two of the four remanded issues affect the NO_x budgets for Connecticut, Massachusetts and Rhode Island: The rulings that the EPA failed to provide adequate notice of the change in the definition of EGU as applied to cogeneration units; and that EPA failed to provide adequate notice of the change in control level assumed for large stationary internal combustion engines.

The Phase II notice includes proposed Phase II NO_x budgets based on two different levels of control for internal combustion engines, 82 and 91 percent. The revised NO_x budgets submitted by Connecticut, Massachusetts and Rhode Island are more stringent than they would be using the 91 percent control level for internal combustion engines. Furthermore, the revised NO_x budgets collectively meet both the Phase I and proposed Phase II budgets of EPA's NO_x SIP Call. It should be noted that the Phase II budgets included in the February 22, 2002 notice for Connecticut, Massachusetts and Rhode Island are not adjusted to account for the reallocation of the EGU budgets according to the MOU (see discussion in section IV below).

In today's action, EPA is approving the SIP revisions from Connecticut, Massachusetts and Rhode Island as fully

meeting the NO_x SIP Call requirements including both the Phase I and Phase II statewide NO_x emissions budgets. The EPA recognizes that its Phase II rulemaking has not been completed but fully expects that the final statewide budgets promulgated in that rulemaking will be no more stringent than the NO_x budgets submitted by the three states. However, once EPA finalizes the Phase II rule, should the Connecticut, Massachusetts or Rhode Island 2007 NO_x emissions budgets being approved today exceed the EPA's final Phase II budgets, EPA will take appropriate action.

IV. What Did the States Submit?

On August 1, 2002, Connecticut submitted a SIP revision to revise the state's NO_x SIP Call emissions budget for the non-EGU and highway mobile source categories (See Table 2). The revision was submitted, as requested by EPA, to make Connecticut's non-EGU and highway mobile emissions budgets consistent with EPA's March 2, 2000 technical revision to the NO_x SIP Call budgets. The budget revisions affect only the SIP narrative material "Connecticut SIP Revision to Implement the NO_x SIP Call," dated September 30, 1999, and originally submitted to EPA for approval on September 30, 1999. The revisions to the narrative material do not affect the regulatory program, which was also approved by EPA on December 27, 2000 (65 FR 81743) along with the SIP narrative material.

On August 10, 2002, Massachusetts submitted a SIP revision to revise the State's NO_x SIP Call emissions budget for the non-EGU and highway mobile

source categories (See Table 2). The revision was submitted, as requested by EPA, to make Massachusetts' non-EGU and highway mobile emissions budgets consistent with EPA's March 2, 2000 technical revision to the NO_x SIP Call budgets. The budget revisions affect only the SIP narrative material "Background Document and Technical Support for Public Hearings on the Proposed Revisions to State Implementation Plan for Ozone," dated July 1999, and originally submitted to EPA for approval on November 19, 1999. The revisions to the narrative material do not effect the regulatory program, which was also approved by EPA on December 27, 2000 (65 FR 81743) along with the SIP narrative material.

On September 20, 2001, Rhode Island submitted a SIP revision to revise the State's NO_x SIP Call emissions budget for the non-EGU and highway mobile source categories (See Table 2). The revision was submitted, as requested by EPA, to make Rhode Island's non-EGU and highway mobile emissions budgets consistent with EPA's March 2, 2000 technical revision to the NO_x SIP Call budgets. The budget revisions affect only the SIP narrative material "NO_x State Implementation Plan (SIP) Call Narrative," dated September 22, 1999, and originally submitted to EPA for approval on October 1, 1999. The revisions to the narrative material do not effect the regulatory program, which was also approved by EPA on December 27, 2000 (65 FR 81743) along with the SIP narrative material.

TABLE 2.—STATE NO_x BUDGETS FOR CT, MA AND RI WITH REVISED NO_x BUDGETS FOR THE NON-EGU AND HIGHWAY MOBILE SOURCE CATEGORIES

State NO _x budgets	EGU point sources	Non-EGU point sources	Area sources	Non-road mobile sources	Highway mobile sources	Total
CT	4,564	5,216	4,821	10,736	19,424	44,761
MA	23,492*		11,048	20,166	28,190	82,896
RI	985	1,635	448	2,455	3,843	9,366

*Massachusetts combines the EGU and Non-EGU sectors and the revised budget reflects the EPA's March 2, 2000 revision to the Non-EGU budget increasing it from 10,296 to 10,298.

V. Why Are We Approving the NO_x SIP Call Submittals From Connecticut, Massachusetts and Rhode Island Together?

As discussed in our December 27, 2000 approval notice, Connecticut, Massachusetts, Rhode Island, and EPA signed a memorandum of understanding agreeing to redistribute the EGU portions of the three states' NO_x budgets amongst themselves. Therefore, it is

necessary to consider the adopted 2007 NO_x emission budgets and adopted NO_x reducing measures in the three states together to approve any individual state SIP submittal as meeting the NO_x SIP Call.

Under the MOU, the combined 2007 controlled emission levels did not change for the three states, only the individual state EGU allocations were redistributed to provide additional flexibility and consistency with existing

programs among these three states. EPA supports this concept because such a redistribution is no different than the effects of trading. For a detailed discussion of why EPA supports the concept that states can collectively redistribute their NO_x SIP Call budgets, see the proposed notice dated, September 15, 1999 (64 FR 49989).

As indicated in Table 3, the budget revisions submitted by the states collectively achieve at least the same