

in 40 CFR 93.118(e)(4) of the conformity rule were satisfied. As a result of our adequacy finding, the Metropolitan Transportation Commission and the Federal Highway Administration are required to use these budgets in conformity analyses.

Upon further review, EPA has confirmed its preliminary determination that the submitted plan demonstrates attainment in the Bay Area by 2006 and that the motor vehicle emissions budgets are consistent with the plan. The budgets were derived using the most accurate and up-to-date planning assumptions and emissions model available at the time of the plan submittal. We are therefore proposing to approve the 2006 motor vehicle emissions budgets.

The co-lead agencies and CARB have committed to completing a mid-course review of the plan by December 15, 2003 and to submit a revised plan by April 15, 2004. In order to be approvable, the new plan must derive its inventory and motor vehicle emissions budgets using EMFAC2002, which is an updated and improved revision to EMFAC2000 that was recently approved and is now available for SIP planning (68 FR 15720, April 1, 2003).

Because EMFAC2000 has certain technical limitations, EPA approved it only for use in development of ozone motor vehicle emissions factors for SIP development and future conformity determinations in the San Francisco Bay Area. It was superior to prior models available for use in the area and the improved EMFAC 2002 was not yet available.

EPA is proposing to approve the EMFAC2000-derived motor vehicle emission budgets in the Bay Area ozone SIP only until new budgets developed with the new model are submitted pursuant to commitments in the SIP and found adequate for conformity purposes. See 67 FR 1464, January 11, 2002. Normally, new budgets cannot replace existing budgets in approved plans if they are for the same Clean Air Act requirement and year until the new budgets are approved as part of the SIP (see 40 CFR 93.118(e)). In this case, our approval of the budgets in the 2001 Plan will expire upon EPA's determination that the new budgets, which will be developed using EMFAC2002 and are scheduled to be submitted in April 2004, are adequate. We have taken this approach because budgets developed with EMFAC2002 will be more accurate than those developed using EMFAC2000. An adequacy determination can usually be made within a few months of plan

submission. Therefore, by limiting the duration of our approval of the EMFAC2000-derived budgets to the point when the updated budgets are found to be adequate, the updated budgets may be in place within a few months of their submission, rather than when the SIP is finally approved, which could take as long as 18 months.

### III. Mid-Course Review and 2004 Plan

The co-lead agencies and CARB have made an enforceable commitment to perform a mid-course review by December 15, 2003 that will include an evaluation of the modeling from the CCOS and the latest technical information (e.g., inventory and monitoring data) to determine the level of emission reductions needed to attain the ozone standard. The co-lead agencies have also committed to adopt a SIP revision by March 2004 that includes a revised attainment target and new control measures as needed to attain by 2006. In addition, the co-lead agencies and CARB committed to submit a revised ozone attainment plan by April 15, 2004 that will include new control measures as needed to attain by 2006. As discussed in section II.D. above, EPA is proposing to approve these commitments as part of the attainment assessment under CAA section 172(c)(1).

The commitments have been adopted by CARB and the co-lead agencies for several reasons. As noted in Section II.D. above, the 2001 Plan's modeling assessment has its limitations, which are the direct result of the shortage of key input data. This lack of input data has resulted in some uncertainty regarding the amount of emissions reductions that will be necessary to attain the 1-hour ozone standard. However, the CCOS will provide a more comprehensive and reliable data base for future ozone analyses. The modeling for the 2004 Plan will use recent episodes from 1999 and 2000 and will be supported by more extensive field measurements.<sup>19</sup> It will also rely on improved emission inventory modeling and meteorological inputs. This information should result in a more reliable determination of whether the amount of emissions reductions required in the 2001 Plan will be sufficient for the Bay Area to attain the ozone standard. The information will be used to establish revised attainment targets, if necessary, in the 2004 plan. In addition, the CCOS should illuminate

the contribution that pollution generated in the Bay Area makes to air quality in downwind areas.

The mid-course review and 2004 plan revision will also provide the co-lead agencies an opportunity to update key information in the plan that is currently being refined by additional study. As noted above, EPA recently approved EMFAC2002, California's new motor vehicle emissions model. Use of EMFAC2002 will improve the accuracy of the motor vehicle emissions inventory, which will allow planners to better forecast the impact of transportation projects on air quality and to adjust the motor vehicle emissions budgets. In addition, the co-lead agencies and CARB have committed to study specified measures to determine whether significant additional emission reductions can be achieved and whether implementation is feasible. As noted in section II.B. above, EPA is proposing to approve this commitment. The MTC's and BAAQMD's ongoing work on their further study measures is providing new information, particularly with regard to refinery and marine vessel loading emissions, that will result in inventory corrections and should lead to the adoption of new control measures. The information generated by the further study measures and work being done in other areas of the country will also enable the co-lead agencies to update their RACM analysis. The progress that has been made in all of these areas, both locally and nationally, should enable the co-lead agencies and CARB to submit a more technically advanced plan in 2004.

### IV. Summary of Proposed Action

Because EPA has determined that these plan elements meet the requirements of CAA section 172(c), the Agency is proposing to approve the emissions inventory and the RACM demonstration. EPA is also proposing to approve, as meeting the requirements of section 172(c)(1), the attainment assessment and associated motor vehicle emissions budgets, and commitments to (1) adopt 13 new stationary, area, mobile source, and transportation control measures; (2) conduct a mid-course review by December 15, 2003 that will include an evaluation of the modeling from the Central California Ozone Study and the latest technical information (inventory data, monitoring, etc.) to determine whether the level of emission reductions in the 2001 Plan is sufficient to attain the 1-hour ozone standard; (3) to adopt a SIP revision by March 2004 that includes a revised attainment target

<sup>19</sup> An overview of the photochemical modeling for the Bay Area's 2004 ozone attainment plan is available on line at <http://www.baaqmd.gov/planning/2004sip/modelpg.htm>.