

**My State is a NO<sub>x</sub> SIP Call state, and, as part of its compliance strategy, large non-EGUs (i.e., non-EGU boilers and combustion turbines with a maximum design heat input greater than 250 MMBTU/hr and, in New York, certain cement kilns) were brought into the CAIR NO<sub>x</sub> Ozone Season trading program. These units cannot be brought into the Transport Rule trading programs. Are these "large non-EGU boilers and combustion turbines" (which phrase should be read hereinafter to include, for New York, the relevant cement kilns) still required to comply with the NO<sub>x</sub> SIP Call?**

CSAPR does not preempt or replace the requirements of the NO<sub>x</sub> SIP Call. There are several options available to NO<sub>x</sub> SIP Call states to show continued compliance with NO<sub>x</sub> SIP Call requirements.

**What options does my State have for meeting NO<sub>x</sub> SIP Call requirements with regard to large non-EGUs?**

There are a number of acceptable approaches to address NO<sub>x</sub> SIP Call requirements where large non-EGUs were included in the CAIR NO<sub>x</sub> Ozone Season Trading Program but will not be included in the Transport Rule NO<sub>x</sub> Ozone Season Trading Program. The following provides information on some acceptable options for showing that NO<sub>x</sub> SIP Call requirements are being met, but states may submit other approaches, which EPA will evaluate on a case-by-case basis. Acceptable options for a state include the following demonstrations (provided to EPA in a submission supporting the State's SIP):

**Option 1:** Streamlined demonstration. Demonstrate that total ozone-season NO<sub>x</sub> emissions from large non-EGU boilers and combustion turbines in the State that were included in the NO<sub>x</sub> Budget Trading Program but will not be included in the TR ozone-season trading program could not exceed the large non-EGU budget imposed by the NO<sub>x</sub> SIP Call even if these units were to operate every hour of the ozone season. This demonstration should include a determination -- for each of these large non-EGUs -- of the average actual hourly ozone season NO<sub>x</sub> emission rate (i.e., total actual NO<sub>x</sub> emissions divided by actual operating hours) for the most recent ozone season of representative operation of the large non-EGU sector in the State, multiplied by the total number of hours in the ozone season (3,672). If the sum of the resulting NO<sub>x</sub> mass emissions for all of these large non-EGUs is less than the large non-EGU portion of the NO<sub>x</sub> SIP Call budget, then the NO<sub>x</sub> SIP Call requirements are satisfied for these sources.

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**Option 2:** Demonstrate that the NO<sub>x</sub> SIP Call reduction obligations for these large non-EGU boilers and combustion turbines are being met through alternative limits on these non-EGUs. As explained in 40 CFR 51.121(f)(2)(i), these alternatives include:

- Imposing a NO<sub>x</sub> mass emissions cap on each source;
- Imposing a NO<sub>x</sub> emissions rate limit on each source and assuming maximum operating capacity for every such source for purposes of estimating NO<sub>x</sub> mass emissions; or
- Imposing other regulatory requirements that the State has demonstrated to EPA provide equivalent or greater assurance that the State will comply with its ozone season NO<sub>x</sub> budget for large non-EGU boilers and combustion turbines.

**Option 3:** Demonstrate that additional ozone season NO<sub>x</sub> emission reductions from other sources covered by the NO<sub>x</sub> SIP Call have achieved extra reductions, over and above any required for those other sources by the NO<sub>x</sub> SIP Call, to the degree that overall reduction requirements of the NO<sub>x</sub> SIP Call have been achieved without any reductions from large non-EGUs.

**Demonstrations of emissions or reductions by large non-EGU boilers and combustion turbines must take into account both existing and new large non-EGUs. What approach should a state take to ensure that new large non-EGU boilers and combustion turbines would not lead to the non-EGU budget being exceeded in the future?**

When a new large non-EGU is permitted in the State, the State should revise the demonstration to take the new unit into account. That is, the State should confirm that emissions remain below the budget, taking emissions from the new large non-EGU into account in the calculation.

**Must my State retain for large non-EGUs the 40 CFR Part 75 monitoring, record keeping, and reporting requirements?**

Yes. If the State chooses option 1 or 2 as described above the State must also retain Part 75 monitoring, record keeping, and reporting requirements for large non-EGUs that were included in the NO<sub>x</sub> Budget Trading Program but will not be included in the TR ozone-season trading program. Further, even if the State chooses an option, such as option 3 above, that demonstrates that the NO<sub>x</sub> SIP Call requirements have been achieved without any reductions from large non-EGUs, EPA recommends that the requirements for monitoring, record keeping, and reporting using Part 75 be retained for all existing and new large non-EGUs. This monitoring and reporting provides useful information on on-going large non-EGU operations.

**What is my State's NO<sub>x</sub> SIP Call budget for large non-EGUs?**

Large Non-EGU Budget by State <sup>1</sup>	
STATE	TONS
Alabama	2,328
Indiana	9,777
Kentucky	64
Michigan	2,209
Missouri	59
North Carolina	2,443
New York	10,459
Ohio	4,030
South Carolina	3,479
Tennessee	5,666
Virginia	4,104
West Virginia	2,184

<sup>1</sup>The District of Columbia, Delaware, Illinois, Maryland, New Jersey, and Pennsylvania did not choose to include large non-EGUs in the CAIR NO<sub>x</sub> Ozone Season Trading Program. Remaining NO<sub>x</sub> SIP Call requirements in those states have been addressed separately.