



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

REGION 4

ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

January 20, 2010

B. Keith Overcash, Director  
Division of Air Quality  
Department of Environment  
and Natural Resources  
1601 Mail Service Center  
Raleigh, North Carolina 27699

Dear Mr. Overcash:

The Environmental Protection Agency (EPA) has reviewed the Hickory, North Carolina, 1997 Particulate Matter (PM<sub>2.5</sub>) attainment demonstration and direct PM<sub>2.5</sub> insignificance finding, dated August 21, 2009, pursuant to section 93.118(e)(4) of the Transportation Conformity Rule (40 C.F.R. Part 93, Subpart A). The Transportation Conformity Rule identifies limited technical and administrative criteria that must be used in determining adequacy of a submitted State Implementation Plan (SIP) motor vehicle emissions budget (MVEB) for transportation conformity purposes. We have determined that the Hickory, North Carolina 1997 PM<sub>2.5</sub> nitrogen oxides (NO<sub>x</sub>) MVEB is adequate and we find that the submitted PM<sub>2.5</sub> SIP demonstrates that direct PM<sub>2.5</sub> emissions are an insignificant contributor to the PM<sub>2.5</sub> air quality problem.

The Hickory, North Carolina 1997 PM<sub>2.5</sub> attainment demonstration has a MVEB for NO<sub>x</sub> for 2009 and an insignificance finding for direct PM<sub>2.5</sub>. The MVEB is 2,887,955 kilograms per day for NO<sub>x</sub>. This MVEB meets the standard requirement that any MVEB must meet before it can be used to determine conformity for a transportation improvement program or long range transportation plan. This adequacy finding does not relate to the merits of the SIP submittal nor does it indicate whether the submittal meets the requirements for approval.

The Transportation Conformity Rule in Section 93.109(k) states that a regional emissions analysis is no longer necessary for specific pollutants or precursors if EPA finds through the adequacy or approval process that a SIP demonstrates that regional motor vehicle emissions are an insignificant contributor to the air quality problem for that pollutant/precursor. A finding of insignificance does not change the requirement for a regional analysis for other pollutants or precursors and does not change the requirement for a hot spot analysis. EPA opened a comment period on the adequacy of the NO<sub>x</sub> MVEB and the PM<sub>2.5</sub> insignificance finding contained in the Hickory, North Carolina PM<sub>2.5</sub> attainment demonstration by posting it on our website on September 8, 2009 (See [www.epa.gov/otaq/transp/conform/adequacy.htm](http://www.epa.gov/otaq/transp/conform/adequacy.htm)). The comment period closed on October 8, 2009. No comments were received during EPA's adequacy comment period.

EPA notes that the D.C. Circuit issued a decision on July 11, 2008, vacating the Clean Air Interstate Rule (CAIR). North Carolina v. EPA, 531 F.3d 896 (D.C. Cir. 2008). On September 24, 2008, EPA and other parties in the case filed motions for rehearing asking the D.C. Circuit to reconsider its decision in the case. On December 23, 2008, the court granted EPA's motion for rehearing to the extent it agreed to remand CAIR without vacating it. However, the court made no other changes to the July 11 opinion, remanding the case to EPA for further rulemaking consistent with this opinion. Therefore, the CAIR rule remains in place, but EPA must promulgate another rule consistent with the court's July 11 opinion. EPA has reviewed the submittal and the insignificance demonstration in light of the remand of the CAIR rule and concluded that the submittal and the insignificance demonstration meets the conformity rule's criteria found at 40 CFR 93.118(e)(4) and 93.109(k), respectively. In particular, the submitted SIP demonstrates that it would be unreasonable to expect that this area would experience enough motor vehicle emissions growth such that a violation of the 1997 annual PM<sub>2.5</sub> national ambient air quality standards would occur. EPA bases this conclusion on the overall emissions from all sources in the nonattainment area, the low percentage of mobile source emissions contributing to the total emissions in the area, and the current state of air quality.

More information on SIPs and adequacy reviews is available on the EPA web site. EPA will soon publish a notice in the Federal Register announcing this adequacy finding. The Federal Register will also announce the date that the adequacy finding becomes effective. The 2009 NOx MVEB will be available for use on the effective date. If you have any questions, please feel free to call Amanetta Somerville of the EPA Region 4 staff at (404) 562-9025 or me at (404) 562-8570.

Sincerely,

A handwritten signature in blue ink that reads "Carol G. Kemberger".

Kenneth R. Lapierre  
Acting Director  
Air, Pesticides, and Toxics  
Management Division