have to demonstrate that they conform, although projects that had begun because of the exemption would be allowed to go forward. See "Conformity; General Preamble for Exemption from Nitrogen Oxides Provisions," 59 FR 31238 (June 17, 1994).

If EPA grants a petition for an exemption from the section 182(f) NO_x requirements, a State may impose NO_x restrictions for other reasons. If, however, the EPA grants the petition based upon a finding that NO_x reductions are counterproductive, the State must justify how the SIP continues to be adequate for achieving ozone attainment given its NO_x reductions. Although a section 182(f) petition may determine the applicability of SIP requirements pertaining to NO_x emission reductions and controls, the petition is not a SIP, nor is it a revision to a SIP. Therefore, a petition is not required to undergo a public hearing, nor must a petition be submitted by a Governor of a State or his designee. See "Conformity; General Preamble for Exemption from Nitrogen Oxides Provisions," 59 FR 31238 (June 17, 1994).

II. Summary of Submittal

The LMOS is a regional modeling project that was initiated by the States of Illinois, Indiana, Michigan, and Wisconsin, with assistance from the EPA, to deal with the ozone problem in the Lake Michigan air basin as a whole. A major goal of the study is to develop a comprehensive modeling system that the four States would use to support a regional control strategy that would be implemented through revisions to their ozone attainment SIPs. The Lake Michigan air basin, which constitutes the LMOS modeling domain, contains a number of generally contiguous nonattainment areas including several major urban nonattainment areas, including Chicago, Milwaukee, and Grand Rapids, and many smaller, lessdense nonattainment areas generally downwind of the large urban centers. The entire domain is affected by ozone concentrations that are transported into the area. These ozone concentrations are estimated to be as high as 80-100 parts per billion (ppb). Additionally, within the domain itself, ozone precursor emissions generated in the urban centers upwind travel downwind, resulting in significant downwind ozone levels. It is because of these meteorological characteristics that the ozone problem in the Lake Michigan area is considered to be a very broad regional phenomenon requiring a regional solution. Consequently, the preliminary control strategy simulations

pursued in the ozone study consisted of an approach that assumed across-theboard reductions in VOC and NO_x emissions throughout the region as a whole in order to provide information on the most effective control path to pursue toward attainment.

The petition, which is part of a July 13, 1994 submittal from LADCo to the EPA, seeks to exempt major stationary sources of NO_x within ozone nonattainment areas classified as marginal and above in the LMOS modeling domain from the RACT requirements of section 182(b)(2) and the NSR requirements under section 182(a)(2)(C). The petition for an exemption from NOx RACT and NSR applies to the following counties: (1) Within Illinois, the Counties of Cook, DuPage, Grundy (Aux Sable and Gooselake Townships), Kane, Kendall (Oswego Township), Lake, McHenry, and Will; (2) within Indiana, the Counties of Elkhart, Lake, Porter, and St. Joseph; (3) within Michigan, the Counties of Kent, Muskegon, and Ottawa; and (4) within Wisconsin, the Counties of Door, Kenosha, Kewaunee, Manitowoc, Milwaukee, Ozaukee, Racine, Sheboygan, Walworth, Washington, and Waukesha.

Pursuant to 40 CFR part 93, subpart A; 40 CFR part 51, subpart T; 40 CFR part 93, subpart B; and 40 CFR part 51, subpart W, the petition seeks an exemption from the transportation and general conformity requirements for NO_x in all ozone nonattainment areas within the LMOS modeling domain. The areas include the above Counties as well as the following Michigan Counties: Allegan, Barry, Bay, Berrien, Branch, Calhoun, Cass, Clinton, Eaton, Gratiot, Genesee, Hillside, Ingham, Ionia, Jackson, Kalamazoo, Lenawee, Midland, Montcalm, St. Joseph, Saginaw, Shiawasse, and Van Buren.

Pursuant to 40 CFR part 51, subpart S, an approved petition allows for an exemption from the NO_x requirements of the basic I/M requirements for moderate ozone nonattainment areas. These Counties include: (1) Within Indiana, the Counties of Elkhart, and St. Joseph; (2) within Michigan, the Counties of Kent, Muskegon, and Ottawa; and (3) within Wisconsin, the Counties of Door, Kewaunee, Manitowoc, Sheboygan, Walworth, Washington, and Waukesha. Also pursuant to subpart S, an approved petition allows for an exemption from the NO_x requirements of the enhanced I/M requirements for serious and above ozone nonattainment areas. These Counties include: (1) Within Illinois, the Counties of Cook, DuPage, Grundy (Aux Sable and Gooselake Townships), Kane,

Kendall (Oswego Township), Lake, McHenry, and Will; (2) within Indiana, the Counties of Lake and Porter; and (3) within Wisconsin, the Counties of Kenosha, Milwaukee, Ozaukee, Racine, Washington, and Waukesha.

The December 1993 Office of Air Quality Planning and Standards guidance document, "Guideline for Determining the Applicability of Nitrogen Oxide Requirements under Section 182(f)," (Guideline), recommends the use of photochemical grid modeling for testing the contribution of NO_x emission reductions to attainment of the ozone standard. This approach simulates conditions over the modeling domain that may be expected at the attainment deadline for three emission reduction scenarios: (1) Substantial VOC reductions; (2) substantial NO_x reductions; and (3) both VOC and NO_x reductions. If the areawide predicted maximum one-hour ozone concentration for each day modeled under scenario (1) is less than or equal to those from scenarios (2) and (3) for the corresponding days, the section 182(f) NO_x emissions reduction

requirements may not apply.

As noted above, section 182(f)(1) of the Act provides that the new NO_x requirements of subpart 2 of part D of the Act shall not apply for the ozone nonattainment areas within the LMOS modeling domain if, among other tests, EPA determines that additional NO_x emission reductions would not contribute to attainment of the ozone standard in the ozone nonattainment areas covered by the petition. The States' have utilized the Urban Airshed Model (UAM-V), a photochemical grid model approved by EPA for LADCo's section 182(f) and attainment demonstrations, to demonstrate that NO_x emission reductions would not contribute to attainment. To conduct the modeling analysis, LADCo followed these steps: (a) Emissions were projected to the year 1996 (the attainment deadline for the moderate nonattainment areas) and to the year 2007 (the attainment deadline for the severe nonattainment areas) from the 1990 base year; (b) a 40 percent VOC emission reduction beyond that achieved as a result of emission controls mandated by the Act was assumed to be necessary to attain the ozone standard in the LMOS modeling domain; (c) a 40 percent NO_x emission reduction beyond the projected emission levels was assumed for all anthropogenic NO_x emissions; (d) a 40 percent VOC emission reduction and a 40 percent NO_x reduction beyond projected emission levels were assumed for all anthropogenic VOC and NO_x emissions;