this final notice and an effective incorporation by reference of the Federal acid rain program into the State's legislation, EPA believes an extension of the State's commitment to adopt acid rain legislation is appropriate. Existing State legislation allows the State to collect applications for Phase II affected source and allows the State to process these applications and evidences the State's ability to implement the Federal acid rain program in accordance with all Federal regulations. 415 ILCS 5/39.5(17). Until the State officially incorporates the Federal acid rain program by reference, EPA expects the State to use its broad legislative authority for the receipt and processing of phase II applications in accordance with all Federal regulations.

C. Final Action

The EPA is promulgating interim approval of the operating permits program submitted by Illinois on November 15, 1993. The State must make the following changes to receive full approval:

 The State must correct all deficiencies in its insignificant activities regulations (refer to previous discussion of insignificant activities for actual

changes);

2. The State must amend 415 ILCS 5/ 39.5(13)(c)(vi) to require the use of the significant modification procedure to incorporate emission trades into a CAAPP permit;

3. The State must develop regulations defining enhanced NSR for the purposes of implementing 40 CFR 70.7(d)(1)(v);

4. Due to the State's present legislative provisions concerning the Acid Rain program, the State must incorporate by reference the federal regulations for implementation of the

acid rain program.

The scope of Illinois' part 70 program approved in this notice applies to all part 70 sources (as defined in the approved program) within the State of Illinois, except any sources of air pollution over which an Indian Tribe has jurisdiction. See, e.g., 59 FR 55813, 55815-55818 (Nov. 9, 1994). The term "Indian Tribe" is defined under the Act as "any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village, which is Federally recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians." See section 302(r) of the CAA; see also 59 FR 43956, 43962 (Aug. 25, 1994); 58 FR 54364 (Oct. 21, 1993).

This interim approval, which may not be renewed, extends until March 7,

1997. During this interim approval period, the State of Illinois is protected from sanctions, and EPA is not obligated to promulgate, administer and enforce a Federal operating permits program in Illinois. Permits issued under a program with interim approval have full standing with respect to part 70, and the 1-year time period for submittal of permit applications by subject sources begins upon the effective date of this interim approval, as does the 3-year time period for processing the initial permit applications.

If the State of Illinois fails to submit a complete corrective program for full approval by September 9, 1996, EPA will start an 18-month clock for mandatory sanctions. If Illinois then fails to submit a corrective program that EPA finds complete before the expiration of that 18-month period, EPA will be required to apply one of the sanctions in section 179(b) of the Act, which will remain in effect until EPA determines that Illinois has corrected the deficiency by submitting a complete corrective program. Moreover, if the Administrator finds a lack of good faith on the part of the State of Illinois, both sanctions under section 179(b) will apply after the expiration of the 18month period until the Administrator determined that Illinois had come into compliance. In any case, if, six months after application of the first sanction, Illinois still has not submitted a corrective program that EPA has found complete, a second sanction will be required.

Îf EPA disapproves Illinois' complete corrective program, EPA will be required to apply one of the section 179(b) sanctions on the date 18 months after the effective date of the disapproval, unless prior to that date the State of Illinois has submitted a revised program and EPA has determined that it corrected the deficiencies that prompted the disapproval. Moreover, if the Administrator finds a lack of good faith on the part of Illinois, both sanctions under section 179(b) shall apply after the expiration of the 18-month period until the Administrator determines that Illinois has come into compliance. In all cases, if, six months after EPA applies the first sanction, Illinois has not submitted a revised program that EPA has determined corrects the deficiencies, a second sanction is required.

In addition, discretionary sanctions may be applied where warranted any time after the expiration of an interim approval period if Illinois has not timely submitted a complete corrective program or EPA has disapproved its submitted corrective program.

Moreover, if EPA has not granted full approval to the Illinois program by the expiration of this interim approval and that expiration occurs after November 15, 1995, EPA must promulgate, administer and enforce a Federal permits program for Illinois upon interim approval expiration.

Requirements for approval, specified in 40 CFR 70.4(b), encompass section 112(l)(5) requirements for approval of a program for delegation of section 112 standards as promulgated by EPA as they apply to Part 70 sources. Section 112(l)(5) requires that the State's program contain adequate authorities, adequate resources for implementation, and an expeditious compliance schedule, which are also requirements under part 70. Therefore, the EPA is also promulgating approval under section 112(l)(5) and 40 CFR 63.91 of the State's program for receiving delegation of section 112 standards that are unchanged from Federal standards as promulgated. This program for delegations only applies to sources covered by the Part 70 program.

The EPA is also promulgating approval of Illinois' federally enforceable state operating permit program (FESOP) for the purposes of creating federally enforceable limitations on the potential to emit of Hazardous Air Pollutants (HAP) regulated under section 112 of the CAA. The EPA is approving this program as meeting the criteria articulated in the June 28, 1989, Federal Register notice for State operating permit programs to establish limits federally enforceable on potential to emit and the criteria established in section 112(l).

The EPA is also promulgating approval of Illinois's preconstruction permitting program found in 35 Ill. Adm. Code 201–203, under the authority of title V and part 70 solely for the purpose of implementing section 112(g) to the extent necessary during the period between final promulgation of section 112(g) and adoption of any necessary State rules to implement EPA's section 112(g) regulations. However, since the approval is for the single purpose of providing a mechanism to implement section 112(g) during the transition period, the approval itself will be without effect if EPA decides in the final section 112(g) rule that sources are not subject to the requirements of the rule until State regulations are adopted. Although section 112(l) generally provides authority for approval of State air programs to implement section 112(g), title V and section 112(g) provide authority for this limited approval because of the direct linkage between