permits programs (see 57 FR 32250 (July 21, 1992)). These rules are codified at 40 Code of Federal Regulations (CFR) part 70. Title V requires states to develop, and submit to EPA, programs for issuing these operating permits to all major stationary sources and to certain other sources.

The Act requires that states develop and submit these programs to EPA by November 15, 1993, and that EPA act to approve or disapprove each program within one year after receiving the submittal. The EPA's program review occurs pursuant to section 502 of the Act and the part 70 regulations, which outline criteria for approval or disapproval. Where a program substantially, but not fully, meets the requirements of part 70, EPA may grant the program interim approval for a period of up to two years. If EPA has not fully approved a program by two years after the November 15, 1993, date, or by the end of an interim program, it must establish and implement a Federal program.

## **II. Proposed Action and Implications**

A. Analysis of Submission by State Authority

Introduction. What follows are brief explanations indicating how the submittal meets the requirements of Part 70. The reader may consult the technical support document (TSD) for a more detailed explanation of these topics.

## 1. Support Materials

a. Governor's Letter. The state of Iowa's submittal includes a request for approval in a cover letter by the Governor. This request also states that the entire geography of Iowa will be covered by this program. The letter further indicates that the state will not administer the program on any Indian lands. Therefore, EPA will retain jurisdiction over any Indian lands.

b. Regulations. The state of Iowa has submitted regulations which comprise the Title V program in Iowa, Administrative Code (IAC) 567–22.100– 116. The regulations are analyzed in detail under various topics of the TSD.

Although some rule changes are required by the state as outlined in other portions of this notice, the submittal does not identify any provisions which restrict the operation of the program and that would, therefore, prevent proposal of interim approval of the program by the EPA. The Iowa Attorney General's opinion does note, however, some areas in which the regulations may not fully match the Title V requirements. EPA has analyzed those provisions which do not clearly match the Title V requirements, and has provided its rationale in the TSD for determining that they are not sufficient to prevent EPA from proposing interim approval of the program.

Iowa has submitted evidence, consistent with the applicable part 70 requirements, that the regulations comprising the program were properly adopted by the Environmental Protection Commission. The submittal includes a discussion of the public review and hearing process which the commission followed in adopting the rules.

c. Attorney General's Legal Opinion. The opinion of the Attorney General contains the elements required by 40 CFR 70.4(b)(3) and states there is adequate authority to meet all of the Title V and Part 70 requirements.

## 2. Implementation

a. Program Description. A comprehensive plan for implementing the Title V program is included in the submittal. This plan includes program authority, agency organization, and staffing. As noted elsewhere in this notice, EPA's concerns with the state's uncertainty about the exact amount of personnel and operating permit fees have resulted in a recommendation for interim approval.

In other matters related to the program description, it is noted that an implementation agreement was not included in Iowa's submittal, but the EPA and the Iowa Department of Natural Resources (IDNR) are pursuing its development in anticipation of interim approval.

Iowa intends to defer for five years sources that are not major, except for affected sources and solid waste incineration units. The state intends to use a voluntary SIP-based operating permit program that will capture some of these non-Title V sources.

The state has elected not to use the presumptive minimum for its operating permit fee. Instead, Iowa's Title V rules require a flat (without Consumer Price Index adjustment) \$24 to fund the operating permit program. Thus, a fee demonstration was submitted by the state which demonstrates the adequacy of the proposed \$24 fee to cover the costs of the program.

Since adoption of the rule requiring \$24, the state has elected to collect only one-half of this amount and will subsequently determine if the total amount is necessary to implement the program and, if so, will collect the balance of the fee at a later time.

Finally, the state will fund two local programs (Linn County and Polk

County) to prepare draft Title V permits and assist in inspections and compliance activities in their respective jurisdictions. The IDNR will fund the programs through a 28E interagency agreement.

b. Program Implementation. Iowa's submittal includes requirements for permit content, procedures for permit issuance, renewal, reopenings, revisions, and for payment of fees by sources. It further identifies two local agencies which will participate in the operating permit program, and contains a description of the annual compliance inspections.

The state describes how one-third of all permit applications will be reviewed each year for the first three years of the program. A description of the computerized permit tracking database and data management in general is also provided.

The submittal also indicates that the guidance outlined for the state concerning annual inspections, stack tests, and other compliance measures will be issued to the two local agencies in implementing the Title V program.

c. Personnel. In its original submission of November 15, 1993, Iowa provided a workload analysis projecting the need for 73 FTE in the state's air bureau, with additional Title V personnel augmenting the program from the local permitting agencies. EPA's analysis of the state's workload verified that this estimate was adequate to successfully implement the operating permit program.

However, in a supplemental letter dated December 6, 1994 (herein referenced as "supplemental letter"), the state described a decision to hire only 10 additional personnel in FY–95, 15 in FY–96, and more personnel in later years. Since the state's air bureau currently has approximately 21 personnel, the current staffing plus modified projections would result in a total of 46 personnel in contrast to the 73 originally projected.

Since modifying the original projection in its supplemental letter, the state has not officially demonstrated to the EPA that a fully adequate number of personnel will be hired to implement the program. The IDNR has presented a proposal to the Environmental Protection Commission to increase the amount of personnel to 61 FTE (instead of 46), although this has not yet been approved or officially submitted to EPA for consideration.

For EPA to propose full approval of the program when the interim period expires, the state must either hire additional personnel to fulfill its original workload analysis or