2. Carbon Monoxide Nonattainment Areas

The State of Utah has three CO nonattainment areas: Salt Lake City, currently not classified, Ogden, currently classified as moderate with a design value less than 12.7 parts per million (ppm), and Provo, currently classified as moderate with a design value greater than 12.7 ppm. (See 40 CFR 81.345 for Utah's CO nonattainment area designations.)

For both not classified and moderate CO nonattainment areas, States must submit the following NSR provisions, in addition to provisions meeting the general NSR requirements in sections 172 and 173 of the Act discussed above:

A definition of the term "major stationary source" that reflects the section 302(j) 100 tpy CO threshold, and a 100 tpy significance level for defining major modifications of CO consistent with the significance level in 40 CFR 51.165(a)(1)(x).

In the applicable definition of "major source" in UACR R307–1–1, the State has established a 100 tpy threshold for sources of CO locating in a CO nonattainment area. In addition, the State has established a 100 tpy significance threshold for CO in the definition of "significant" in R307–1–1. Therefore, EPA finds that the State's NSR rules meets the requirements for all of its CO nonattainment areas.

3. PM-10 Nonattainment Areas

The State of Utah has two PM–10 nonattainment areas, both of which are currently classified as moderate: Salt Lake County and Utah County. (See 40 CFR 81.345 for Utah's PM–10 nonattainment area designations.) For moderate PM–10 nonattainment areas, States must submit the following NSR provisions, in addition to provisions meeting the general NSR requirements in sections 172 and 173 of the Act discussed above:

a. A definition of the term "major stationary source" that reflects the section 302(j) 100 tpy PM–10 threshold, and a 15 tpy significance level for defining major modifications of PM–10, consistent with the significance level in 40 CFR part 51.

b. Section 189(e) of the amended Act requires that the control requirements applicable to major stationary sources of PM–10 must also apply to major stationary sources of PM–10 precursors, except where the Administrator of EPA has determined that such sources do not contribute significantly to PM–10 levels which exceed the standard in the area. PM–10 precursors may include VOCs, which form secondary organic compounds, sulfur dioxide (SO₂), which forms sulfate compounds, and NO_X, which form nitrate compounds. Thus, unless the EPA Administrator finds otherwise, States must submit rules applying all of the NSR provisions mentioned above to sources of PM–10 precursors, including the 100 tpy threshold for defining major stationary sources and the current significance level thresholds in 40 CFR 51.165(a)(1)(x) for each PM–10 precursor pollutant for defining major modifications.

EPA has not made a finding under section 189(e) that sources of PM-10 precursors do not contribute significantly in Utah's PM-10 nonattainment areas. In EPA's notice of proposed approval of the Salt Lake and Utah County PM-10 SIPs, EPA stated that PM-10 violations in both counties were attributable to sources of both SO₂ and NO_X (see 57 FR 60152, December 18, 1992). Approval of these PM-10 SIPs was promulgated on July 8, 1994 (59 FR 35036). Thus, in accordance with section 189(e), Utah is required to regulate new and modified major sources of SO₂ and NO_X as precursors to PM-10 in its NSR permitting rules.

In the applicable definition of "major source" in UACR R307-1-1, the State has established a 100 tpy threshold for any source of PM-10 or a PM-10 precursor located in a PM-10 nonattainment area or a lesser amount if required in part D of the Act. "PM-10 precursor" is defined in UACR R307-1-1 as including SO₂ and NO_X. In addition, the definition of "major modification" in UACR R307-1-1 provides that a modification that is significant for a PM-10 precursor shall be considered significant for PM-10. The State has established a 15 tpy significance level for PM-10 and 40 tpy significance levels for both SO₂ and NO_X in the definition of "significant" in R307-1-1

In UACR R307-1-3.3.3.B., the State has adopted an additional provision requiring emission offsets for new and modified sources of PM-10 and PM-10 precursors that may not normally be subject to the nonattainment NSR permitting requirements. Specifically, this provision requires new sources or modifications to existing sources with total combined net emissions increases of PM–10, SO₂, and NO_X of greater than or equal to 25 tpy to obtain emission offsets. For sources or modifications between 25 and 50 tpy, the emission offset ratio required is 1:1, and for sources or modifications equal to or greater than 50 tpy, the emission offset ratio required is 1.2:1. For these offset determinations, the State rule provides

that PM-10, SO₂, and NO_X will be treated on an equal basis.

This provision was originally submitted as a Group I PM-10 control measure for these areas before nonattainment NSR rules for PM-10 were required. This measure was continued as a control measure in the PM-10 SIP submittal for the Salt Lake and Utah County nonattainment areas, which EPA approved on July 8, 1994 (59 FR 35036). The basis for this measure, according to Section 9.A.7. of the Utah SIP, was to ensure new growth did not increase the cap on industrial emissions. Since the State now has adopted nonattainment NSR rules for new and modified major sources of PM-10 or PM-10 precursors (i.e., new sources greater than 100 tpy of PM-10 or a PM-10 precursor) in accordance with the requirements of the amended Act, EPA interprets UACR R307-1-3.3.3.B. to apply only to those new and modified sources which would not otherwise be subject to the major source/major modification nonattainment NSR provisions in R307-1 - 3.

It is necessary to make this distinction because, in determining applicability to the major source nonattainment NSR requirements, EPA only allows a source to consider reductions in the same pollutant when calculating the potential to emit of a new source or the net emissions increase from a modification. Also, in meeting the emission offset requirement of the nonattainment NSR provisions once it is determined that a source is subject to the nonattainment NSR provisions, EPA currently only allows restricted interpollutant trading between PM-10 and PM-10 precursors. Specifically, new major sources or major modifications of a PM-10 precursor are allowed to obtain offsets from reductions in PM-10. Otherwise, new major sources and major modifications must obtain offsets from reductions in the same pollutant.

As discussed above under "Applicability of Utah's Nonattainment NSR Provisions," UACR R307-1-3.1.8.B. specifically provides that the Executive Secretary may only issue a permit if it is determined to be in accord with the "new source review requirements for nonattainment areas under the Federal Clean Air Act." Thus, in order for the State to comply with this provision, the State must interpret its regulations as stated in the above paragraph. Consequently, the State's provision in UACR R307-1-3.3.3.B. applies to new sources or modifications which would have combined emissions of PM-10 and PM-10 precursors greater than or equal to 25 tpy, but this