parts C and D of the Act that are not prohibited by an existing part 70 permit. Except in the above circumstances, a source is not allowed to operate the proposed change until the permitting authority has revised the source's part 70 permit. (§ 70.5(a)(1)(ii))

(8) In minor permit modification procedures, eliminate the extended review period (2–6–414.2) that is inconsistent with 2–6–410.2 and § 70.7(e)(2)(iv). This extension inappropriately lengthens the time that the source can operate under new conditions without a formal permit revision.

(9) Revise 2–6–412.1 to include notice ''by other means if necessary to assure adequate notice to the affected public.'' (§ 70.7(h)(1))

(10) Add a provision to the Manual of Procedures (section 4.1) stating that only alternative emission control plans that have been approved into the SIP may be incorporated into the federally enforceable portion of the permit. (§ 70.6(a)(1)(iii))

(11) Add emissions trading provisions consistent with § 70.6(a)(10), which requires that trading must be allowed where an applicable requirement provides for trading increases and decreases without a case-by-case approval.

(12) Add a requirement to Regulation 2–6 that any document required by a part 70 permit must be certified by a responsible official. (§ 70.6(c)(1))

(13) Revise 2–6–224 and 2–6–409.10 to specify that all progress reports must include: (1) Dates when activities, milestones, or compliance required in the schedule of compliance were achieved; and (2) an explanation of why any dates in the schedule of compliance were not or will not be met and any preventive or corrective measures adopted. (§ 70.6(c)(4) (i) and (ii))

(14) Revise section 4.5 of the MOP and add a provision to 2–6–409 to require that compliance certifications be submitted more frequently than annually if specified in an underlying applicable requirement. (§ 70.6(c)(4))

(15) Bay Area has indicated in its program description that it intends to process new units that do not affect any federally enforceable permit condition ''off-permit'' (Section II, p. 21 and Staff Report, pp. 3–4). However, Regulation 2–6 does not include any of the off-permit provisions required by §§ 70.4(b)(14) and (15). The part 70 off-permit provisions provide several safeguards such as notice to EPA and recordkeeping requirements that must be incorporated into Bay Area's program. In order to receive full approval in this regard, Bay Area may submit a letter revising its program description to indicate that it will not process new units ''off-permit'' or it may revise its rule to include the part 70 off-permit provisions.

(16) Revise 2–6–222 defining ''regulated air pollutant'' to be consistent with the federal definition (§ 70.2) and include pollutants subject to *any requirement* established under section 112 of the Act, including sections 112 (g), (j), and (r).

(17) In addition to the District-specific issues arising from Bay Area's program submittal and locally adopted regulations, California state law currently exempts agricultural production sources from permit requirements. In order for this program to receive full approval (and avoid a disapproval upon the expiration of this interim approval), the California Legislature must revise the Health and Safety Code to eliminate the exemption of agricultural production sources from the requirement to obtain a permit.

The scope of the Bay Area's part 70 program approved in this notice applies to all part 70 sources (as defined in the approved program) within the Bay Area, California, except any sources of air pollution over which an Indian tribe has jurisdiction. *See, e.g.*, 59 FR 55813, 55815–18 (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 Act; *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 July 23, 1997. During this interim approval period, the Bay Area is protected from sanctions, and EPA is not obligated to promulgate, administer and enforce a federal operating permits program in the Bay Area. 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 Bay Area fails to submit a complete corrective program for full approval by January 23, 1997, EPA will start an 18-month clock for mandatory sanctions. If the Bay Area 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 the Bay Area 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 Bay Area, both sanctions under section 179(b) will apply after the expiration of the 18-month period until the Administrator determines that the Bay Area has come into compliance. In any case, if, six months after application of the first sanction, the Bay Area still has not submitted a corrective program that EPA has found complete, a second sanction will be required.

If EPA disapproves the Bay Area's 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 Bay Area 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 the Bay Area, both sanctions under section 179(b) shall apply after the expiration of the 18-month period until the Administrator determines that the Bay Area has come into compliance. In all cases, if, six months after EPA applies the first sanction, the Bay Area 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 the Bay Area has not submitted a timely and complete corrective program or EPA has disapproved its submitted corrective program. Moreover, if EPA has not granted full approval to the Bay Area 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 the Bay Area upon interim approval expiration.

2. District Preconstruction Permit Program Implementing Section 112(g)

EPA is approving the use of Bay Area's preconstruction review program found in Regulation 2, Rule 2 as a mechanism to implement section 112(g) during the transition period between promulgation of EPA's section 112(g) rule and adoption by the Bay Area of rules specifically designed to implement section 112(g). EPA is limiting the