

Minor Permit Modifications as well. The permit shield cannot apply to Minor Permit Modifications, and the rule must state this clearly. See § 70.7(e)(2)(vi).

(2) Add a provision for sending the final permit to EPA, as required by § 70.8(a)(1). Mojave's Rule 1203(B)(1)(c) only provides for sending the proposed permit to EPA.

(3) Adopt Rule 1210 (Acid Rain Provisions of Federal Operating Permits).

(4) Rule 1206(A)(1)(i) must amend the provision that no reopening is required if the effective date of the additional applicable requirement is later than the date on which the permit is due to expire. If the original permit or any of its terms and conditions are extended pursuant to § 70.4(b)(10), the permit *must* be reopened to include a new applicable requirement, and a statement must be made to this effect in Mojave's rule (§ 70.7(f)(1)(i)).

(5) Clarify in Rule 1203(G)(3)(B) that the permit shield shall not limit liability for violations which occurred prior to *or* at the time of the issuance of the federal operating permit, by adding the underlined words. This is important to clarify that violations which are continuing at the time of permit issuance will not be shielded against.

(6) Lower the cutoff levels for criteria pollutants in Rule 219 (Equipment not Requiring a Permit) or, alternatively, demonstrate that Mojave Desert's levels are insignificant compared to the level of emissions from and types of units that are required to be permitted or are subject to applicable requirements.

(7) Add "and" at the end of sections (b) and (c) in Rule 219(B)(2), in order to clarify that the four gatekeepers must all apply in order for equipment to be exempt from getting a federal operating permit.

(8) Add to Rule 1203(D)(1)(e)(i) a reference to the requirement for the clear identification of all deviations with respect to reporting (§ 70.6(a)(3)(iii)(A)).

(9) Add to Rule 1203(D)(1)(e)(ii) a reference to the requirement to specify the probable cause and corrective actions or preventive measures taken with regard to reporting a deviation (§ 70.6(a)(3)(iii)(B)).

b. Legislative Source Category-Limited Interim Approval Issue—In addition to the District-specific issues arising from Mojave Desert's program submittal and locally adopted regulations, California State law currently exempts agricultural production sources from permit requirements. Because of this exemption, California programs are only eligible for source category-limited interim approval. 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.

c. Implications of Interim Approval—The above described program and legislative deficiencies must be corrected before Mojave Desert can receive full program approval. For additional information, please refer to the Technical Support Document, which contains a detailed analysis of Mojave Desert's operating permits program, and California's enabling legislation.

Interim approval, which may not be renewed, would extend for a period of 2 years. During the interim approval period, the District would be protected from sanctions, and EPA would not be obligated to promulgate a federal permits program in the Mojave Desert. Permits issued under a program with interim approval would have full standing with respect to part 70, and the 1-year time period for submittal of permit applications by subject sources would begin upon EPA's final rulemaking granting interim approval, as would the 3-year time period for processing initial permit applications.

Following final interim approval, if Mojave Desert should fail to submit a complete corrective program for full approval by the date 6 months before expiration of the interim approval, EPA would start an 18-month clock for mandatory sanctions. Then, if Mojave Desert should fail to submit a corrective program that EPA found complete before the expiration of that 18-month period, EPA would be required to apply one of the sanctions in section 179(b) of the Act, which would remain in effect until EPA determined that the District corrected the deficiency by submitting a complete corrective program. If, six months after application of the first sanction, the Mojave Desert still had not submitted a corrective program that EPA found complete, a second sanction would be required.

If, following final interim approval, EPA were to disapprove Mojave Desert's complete corrective program, EPA would 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 District submitted a revised program and EPA determined that it corrected the deficiencies that prompted the disapproval. Again, if, six months after EPA applied the first sanction, Mojave Desert had not submitted a revised program that EPA determined corrected

the deficiencies, a second sanction would be required. In addition, discretionary sanctions may be applied where warranted any time after the end of an interim approval period if a state or district has not submitted a timely and complete corrective program or EPA has disapproved a submitted corrective program. Moreover, if EPA has not granted full approval to a state or district program by the expiration of an interim approval and that expiration occurs after November 15, 1995, EPA must promulgate, administer and enforce a federal permits program for that state or district upon interim approval expiration.

2. Section 112(g) Implementation

EPA has decided that it is not reasonable to expect the states and districts to implement section 112(g) before a rule is issued. EPA therefore published an interpretive notice in the **Federal Register** regarding section 112(g) of the Act: 60 FR 8333 (February 14, 1995). This notice outlines EPA's revised interpretation of 112(g) applicability prior to EPA's issuing the final 112(g) rule. The notice states that major source modifications, constructions, and reconstructions will not be subject to 112(g) requirements until the final rule is promulgated. EPA expects to issue the 112(g) final rule in September 1995.

The notice further explains that EPA is considering whether the effective date of section 112(g) should be delayed beyond the date of promulgation of the Federal rule so as to allow States and Districts time to adopt rules implementing the Federal rule, and that EPA will provide for any such additional delay in the final section 112(g) rulemaking. Unless and until EPA provides for such an additional postponement of section 112(g), Mojave Desert must be able to implement section 112(g) during the period between promulgation of the Federal section 112(g) rule and adoption of implementing District regulations.

For this reason, EPA is proposing to approve the use of Mojave Desert's preconstruction review programs as a mechanism to implement section 112(g) during the transition period between promulgation of the section 112(g) rule and adoption by the nineteen districts of rules specifically designed to implement section 112(g). However, since approval is intended solely to confirm that Mojave Desert has 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 there will be no transition period. The EPA is