

standards and plan requirements for nonattainment areas.

DATES: This rule is effective on October 19, 1998 without further notice, unless EPA receives relevant adverse comments by September 17, 1998. If EPA receives such comment, then it will publish a timely withdrawal in the **Federal Register** informing the public that this rule will not take effect.

ADDRESSES: Comments must be submitted to Andrew Steckel at the Region IX office listed below. Copies of the rule revisions and EPA's evaluation report for each rule are available for public inspection at EPA's Region IX office during normal business hours. Copies of the submitted rule revisions are available for inspection at the following locations:

Rulemaking Office (AIR-4), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105

Environmental Protection Agency, Air Docket (6102), 401 "M" Street, SW, Washington, D.C. 20460

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 2020 "L" Street, Sacramento, CA 92123-1095

Mojave Desert Air Quality Management District, 15428 Civic Drive, Suite 200, Victorville, CA 92392

South Coast Air Quality Management District, 218 East Copley Drive, Diamond Bar, CA 91765

FOR FURTHER INFORMATION CONTACT:

Jerald S. Wamsley, Rulemaking Office, AIR-4, Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105, Telephone: (415) 744-1226.

SUPPLEMENTARY INFORMATION:

I. Applicability

The rules being approved into the California SIP include: MDAQMD, Rule 1114—Wood Product Coating Operations and SCAQMD, Rule 1136—Wood Product Coatings. These rules were submitted by the California Air Resource Board to EPA on March 3, 1997 and August 28, 1996, respectively.

II. Background

On March 3, 1978, EPA promulgated a list of ozone nonattainment areas under the provisions of the Clean Air Act (CAA), as amended in 1977 (1977 Act or pre-amended Act), that included the Mojave Desert (or San Bernardino County) and the South Coast, 43 FR 8964, 40 CFR 81.305. On May 26, 1988, EPA notified the Governor of California, pursuant to section 110(a)(2)(H) of the

1977 Act, that the above districts' portions of the California SIP were inadequate to attain and maintain the ozone standard and requested that deficiencies in the existing SIP be corrected (EPA's SIP-Call). On November 15, 1990, the Clean Air Act Amendments of 1990 were enacted. Pub. L. 101-549, 104 Stat. 2399, codified at 42 U.S.C. 7401-7671q. In amended section 182(a)(2)(A) of the CAA, Congress statutorily adopted the requirement that nonattainment areas fix their deficient reasonably available control technology (RACT) rules for ozone and established a deadline of May 15, 1991 for states to submit corrections of those deficiencies.

Section 182(a)(2)(A) applies to areas designated as nonattainment prior to enactment of the amendments and classified as marginal or above as of the date of enactment. It requires such areas to adopt and correct RACT rules pursuant to pre-amended section 172 (b) as interpreted in pre-amendment guidance.¹ EPA's SIP-Call used that guidance to indicate the necessary corrections for specific nonattainment areas. Mojave Desert and South Coast nonattainment areas are classified as severe and extreme, respectively;² therefore, these areas were subject to the RACT fix-up requirement and the May 15, 1991 deadline.

The State of California submitted many revised RACT rules for incorporation into its SIP on March 3, 1997 and August 28, 1996, including the rules being acted on in this document. This document addresses EPA's direct-final action for MDAQMD, Rule 1114—Wood Product Coating Operations and SCAQMD, Rule 1136—Wood Product Coatings. MDAQMD adopted Rule 1114 on November 25, 1996. This submitted rule was found to be complete on August 12, 1997, pursuant to EPA's completeness criteria that are set forth in 40 CFR part 51, Appendix V.³ SCAQMD adopted Rule 1136 on June

¹ Among other things, the pre-amendment guidance consists of those portions of the proposed Post-1987 ozone and carbon monoxide policy that concern RACT, 52 FR 45044 (November 24, 1987); "Issues Relating to VOC Regulation Cutpoints, Deficiencies, and Deviations, Clarification to Appendix D of November 24, 1987 **Federal Register** Notice" (Blue Book) (notice of availability was published in the **Federal Register** on May 25, 1988); and the existing control technique guidelines (CTGs).

² Mojave Desert and the South Coast retained their designation of nonattainment and were classified by operation of law pursuant to sections 107(d) and 181(a) upon the date of enactment of the CAA. See 56 FR 56694 (November 6, 1991).

³ EPA adopted the completeness criteria on February 16, 1990 (55 FR 5830) and, pursuant to section 110(k)(1)(A) of the CAA, revised the criteria on August 26, 1991 (56 FR 42216).

14, 1996. This submitted rule was found to be complete on February 28, 1997, pursuant to EPA's completeness criteria and by operation of law.

Both MDAQMD Rule 1114 and SCAQMD Rule 1136 are rules designed to reduce volatile organic compound (VOC) emissions at industrial sites engaged in preparing and coating wood products such as furniture, cabinets, shutters, frames, and art objects. VOCs contribute to the production of ground level ozone and smog. These rules were originally adopted as part of MDAQMD and SCAQMD effort to achieve the National Ambient Air Quality Standard (NAAQS) for ozone and in response to EPA's SIP-Call and the section 182(a)(2)(A) CAA requirement. The following is EPA's evaluation and final action for this rule.

III. EPA Evaluation and Action

In determining the approvability of a VOC rule, EPA must evaluate the rule for consistency with the requirements of the CAA and EPA regulations, as found in section 110 and part D of the CAA and 40 CFR part 51 (Requirements for Preparation, Adoption, and Submittal of Implementation Plans). The EPA interpretation of these requirements, which forms the basis for today's action, appears in the various EPA policy guidance documents listed in footnote 1. Among those provisions is the requirement that a VOC rule must, at a minimum, provide for the implementation of RACT for stationary sources of VOC emissions. This requirement was carried forth from the pre-amended Act.

For the purpose of assisting state and local agencies in developing RACT rules, EPA prepared a series of Control Technique Guideline (CTG) documents. The CTGs are based on the underlying requirements of the Act and specify the presumptive norms for what is RACT for specific source categories. Under the CAA, Congress ratified EPA's use of these documents, as well as other Agency policy, for requiring States to "fix-up" their RACT rules. See section 182(a)(2)(A). The CTG applicable to both of these rules is entitled, "Guideline Series: Control of Volatile Organic Compound Emissions from Wood Furniture Manufacturing Operations," USEPA, April, 1996. Further interpretations of EPA policy are found in the Blue Book, referred to in footnote 1. In general, these guidance documents have been set forth to ensure that VOC rules are fully enforceable and strengthen or maintain the SIP.

On April 30, 1996, EPA approved into the SIP a version of Rule 1114—Wood Product Coating Operations that had

been adopted by MDAQMD on February 22, 1995. MDAQMD's submitted Rule 1114—Wood Product Coating Operations includes the following significant changes from the current SIP:

- Updated definitions including those concerning exempt compounds;
- Modified the VOC content limits and compliance dates;
- A revised VOC content limit format;
- Provided exemptions for billiard table manufacturing, production of replica furniture, touch-up, repair, and stencil coatings, and sources using very low VOC coatings; and,
- Revised record keeping requirements to allow monthly record keeping by sources using compliant coatings.

The modified VOC content limits and compliance dates in the submitted Rule 1114 do not interfere with reasonable further progress or attainment of NAAQS. In this instance, MDAQMD did not assign the emission reductions attributed to Rule 1114 to either their 15% VOC Reductions Plan, or their 1994 Attainment Plan. Thus, EPA did not make the emission reductions attributed to Rule 1114 part of the SIP's progress or attainment requirements (see 62 FR 1182, January 8, 1997.)

Consequently, the emission limit changes will not affect either plan's estimate of progress or attainment. Regarding VOC emission increases, the relaxed emission limits and exemptions in the submitted rule amount to approximately 0.03% of the 1994 VOC emissions inventory for the nonattainment area. For these reasons, the changes within submitted Rule 1114 are consistent with the requirements of Section 110(l) of the CAA.

EPA has evaluated submitted Rule 1114 and has determined that it is consistent with the CAA, EPA regulations, and EPA policy. Therefore, MDAQMD, Rule 1114—Wood Product Coating Operations is being approved under section 110(k)(3) of the CAA as meeting the requirements of section 110(a) and part D. Although the VOC emissions increases due to Rule 1114 can be considered a *de minimis* amount by themselves, MDAQMD should address the cumulative effects of such emission increases in future attainment plan revisions.

On October 31, 1995, EPA approved into the SIP a version of Rule 1136—Wood Product Coatings that had been adopted by SCAQMD on September 8, 1995. SCAQMD submitted Rule 1136—Wood Product Coatings includes the following significant changes from the current SIP:

- Modified VOC content limits and compliance dates;

- A revised VOC content limit format;
- Moved and modified emissions averaging provisions;
- Revised the record keeping requirements;
- Modified reference ASTM test method for determining dry film thickness;
- Added a requirement to submit a progress report; and
- Added a requirement for SCAQMD staff to complete a technology audit of the rule by July 1, 2003.

The modified VOC content limits and compliance dates in the submitted Rule 1136 do not interfere with reasonable further progress or attainment of the NAAQS. Considering progress requirements, enough surplus emission reductions exist between 1996 and 2005 in the EPA approved ozone attainment plan to allow a delay in emission reductions from 1136 while still meeting the CAA's progress requirements (see 62 FR 1181, January 8, 1997.) Regarding attainment of the NAAQS in 2010, the relaxed emission limits in the submitted rule add less than 0.1% to the EPA approved 2010 VOC emissions budget. For these reasons, the changes within submitted Rule 1136 are consistent with the requirements of Section 110(l) of the CAA.

EPA has evaluated the submitted Rule 1136 and has determined that it is consistent with the CAA, EPA regulations, and EPA policy. Therefore, SCAQMD Rule 1136—Wood Product Coatings is being approved under section 110(k)(3) of the CAA as meeting the requirements of section 110(a) and part D. Although the VOC emissions increases due to Rule 1136 can be considered a *de minimis* amount by themselves, SCAQMD should account for the cumulative effect of such emission increases in future attainment plan revisions.

Nothing in this action should be construed as permitting, allowing, or establishing a precedent for any future implementation plan. Each request for revision to the state implementation plan shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

EPA has promulgated a regulation concerning the release of volatile hazardous air pollutants (VOHAPs) (see 40 CFR, Part 63, Subpart JJ) from existing and new sources engaged in wood furniture manufacturing. This National Emission Standard for Hazardous Air Pollutants (NESHAP) lists emission limits for wood coating operations that are also major sources of

toxic air pollutants. Should a source be subject to either SIP Rules MDAQMD—1114, or SCAQMD—1136 as well as the NESHAP (40 CFR, Part 63, Subpart JJ), and if the emission limits within either SIP Rule MDAQMD 1114, or SCAQMD 1136 differ from the NESHAP, the more stringent emissions limit will apply to the source.

EPA is publishing this rule without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. However, in the proposed rules section of this **Federal Register** publication, EPA is publishing a separate document that will serve as the proposal to approve the SIP revision should relevant adverse comments be filed. This rule will be effective October 19, 1998 without further notice unless the Agency receives relevant adverse comments by September 17, 1998.

If the EPA received such comments, then EPA will publish a timely withdrawal of the direct final rule informing the public that the rule will not take effect. All public comments received will then be addressed in a subsequent final rule based on the proposed rule. The EPA will not institute a second comment period on this rule. Any parties interested in commenting on this rule should do so at this time. If no such comments are received, the public is advised that this rule will be effective on October 19, 1998 and no further action will be taken on the proposed rule.

IV. Administrative Requirements

A. Executive Orders 12866 and 13045

The Office of Management and Budget (OMB) has exempted this regulatory action from E.O. 12866 review.

The final rule is not subject to E.O. 13045, entitled "Protection of Children from Environmental Health Risks and Safety Risks," because it is not an "economically significant" action under E.O. 12866.

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act, 5 U.S.C. 600 *et seq.*, EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000.

SIP approvals under section 110 and subchapter I, part D of the Clean Air Act

do not create any new requirements, but simply approve requirements that the State is already imposing. Therefore, because the Federal SIP approval does not impose any new requirements, the Administrator certifies that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the Federal-State relationship under the CAA, preparation of a flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The Clean Air Act forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co. v. U.S. EPA*, 427 U.S. 246, 255-66 (1976); 42 U.S.C. 7410(a)(2).

C. Unfunded Mandates

Under Section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to State, local, or tribal governments in the aggregate; or to private sector, of \$100 million or more. Under Section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the approval action promulgated does not include a Federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements under State or local law, and imposes no new Federal requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

D. Submission to Congress and the General Accounting Office

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate,

the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This rule is not a "major" rule as defined by 5 U.S.C. 804(2).

E. Petitions for Judicial Review

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by October 19, 1998. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Hydrocarbons, Incorporation by reference, Intergovernmental relations, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Note: Incorporation by reference of the State Implementation Plan for the State of California was approved by the Director of the Federal Register on July 1, 1982.

Date Signed: July 28, 1998.

Nora L. McGee,

Acting Regional Administrator, Region 9.

Part 52, chapter I, title 40 of the Code of Federal Regulations is amended as follows:

PART 52—[AMENDED]

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart F—California

2. Section 52.220 is amended by adding paragraphs (c)(240)(j)(A)(5) and (c)(244)(i)(C) to read as follows:

§ 52.220 Identification of plan.

- * * * * *
- (c) * * *
- (240) * * *
- (i) * * *
- (A) * * *
- (5) Rule 1136 adopted on September 16, 1983 and amended on June 14, 1996.
- * * * * *
- (c) * * *
- (244) * * *
- (j) * * *
- (C) Mojave Desert Air Quality Management District.

(J) Rule 1114 adopted on March 2, 1992 and amended on November 25, 1996.

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[FR Doc. 98-21896 Filed 8-17-98; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 63

[AD-FRL-6145-5]

RIN 2060-A100

National Emission Standards for Hazardous Air Pollutants: Petroleum Refineries

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule amendments.

SUMMARY: This action revises monitoring, recordkeeping, and reporting requirements of the "National Emission Standards for Hazardous Air Pollutants: Petroleum Refineries" which was issued as a final rule August 18, 1995. This rule is commonly known as the Petroleum Refineries NESHAP.

EFFECTIVE DATE: August 18, 1998.

FOR FURTHER INFORMATION CONTACT: Mr. James Durham, Waste and Chemical Processes Group, Emission Standards Division (MD-13), U.S. Environmental Protection Agency, Research Triangle Park, North Carolina, 27711, telephone number (919) 541-5672.

SUPPLEMENTARY INFORMATION: On August 18, 1995, the EPA promulgated the "National Emission Standards for Hazardous Air Pollutants: Petroleum Refineries" (the "Petroleum Refineries NESHAP"). The NESHAP regulates hazardous air pollutants (HAP) emitted from new and existing refineries that are major sources of HAP emissions. The regulated category and entities affected by this action include:

Category	Examples of regulated entities
Industry	Petroleum Refineries (Standard Industrial Classification Code 2911)

This table is not intended to be exhaustive but, rather, provides a guide for readers regarding entities likely to be interested in the revisions to the regulation affected by this action. To determine whether your facility is regulated by this action, you should carefully examine all of the applicability criteria in 40 CFR 63.640. If you have questions regarding the applicability of this action to a particular entity, consult