



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

FEB 16 2016

REPLY TO THE ATTENTION OF:

The Honorable Michael R. Pence
Governor of Indiana
200 W. Washington St., Rm. 206
Indianapolis, IN 46204

Dear Governor Pence:

Thank you for your recommendations dated September 16, 2015 on air quality designations for the State of Indiana for the 2010 revision to the primary National Ambient Air Quality Standard (NAAQS) for sulfur dioxide (SO₂). Reducing levels of SO₂ pollution is an important part of the U.S. Environmental Protection Agency's commitment to a clean, healthy environment. Exposure to SO₂ can cause a range of adverse health effects, including narrowing of the airways which can cause difficulty breathing and increased asthma symptoms. This letter is to notify you of EPA's preliminary intentions regarding your recommended designations.

On June 3, 2010, EPA strengthened the health-based or "primary" standard for SO₂ by establishing a standard for 1-hour average SO₂ concentrations at a level of 75 parts per billion. Within one year after a new or revised standard is established, the Clean Air Act requires the Governor of each state to submit to EPA a list of all areas in the state, with recommendations for whether each area meets the standard. Through an interactive process, EPA considers the recommendations and then promulgates designations for all areas across the country. On July 25, 2013, EPA designated 29 areas in 16 states as nonattainment based on monitored violations, but did not at that time designate other areas. Pursuant to a March 2, 2015, court-ordered schedule,¹ EPA must complete the remaining SO₂ designations by three specific deadlines: July 2, 2016, December 31, 2017, and December 31, 2020.

This current round of designations, to be completed by July 2, 2016, addresses two groups of areas: (1) areas that have newly monitored violations of the 2010 SO₂ NAAQS based on the most recent three calendar years of certified monitored ambient air quality data, and (2) areas that contain any stationary source that had not been announced as of March 2, 2015, for retirement and that according to EPA's Air Markets Database emitted in 2012 either (i) more than 16,000 tons of SO₂ or (ii) more than 2,600 tons of SO₂ with an annual average emission rate of at least 0.45 pounds of SO₂/MMBTU.

¹ *Sierra Club v. McCarthy*, No. 3-13-cv-3953 (SI) (N.D. Cal. Mar. 2, 2015).

After carefully considering Indiana's recommendations and other available technical information, EPA intends to designate as nonattainment or unclassifiable/attainment the following areas, including the following counties or portions of counties:

Intended Nonattainment Area

Jefferson County*

Posey County*

Intended Nonattainment Counties

Jefferson County (p)*

Posey County (p)*

Intended Unclassifiable/Attainment Area

Gibson County

LaPorte County

Spencer County

Intended Unclassifiable/Attainment Area Counties

Gibson County

LaPorte County

Spencer County (p)*

The asterisk (*) indicates a modification to the designation that you have recommended. The (p) indicates only a portion of the county will be designated.

In the case of Jefferson and Posey Counties, we have been working with your staff toward establishing federally enforceable emission limits that would support designations of unclassifiable/attainment for relevant portions of these counties. The commissioner of Indiana's Department of Environmental Management issued orders imposing state enforceable limits on the pertinent sources, issued on January 11, 2016 and February 1, 2016. We have been working with the Department toward EPA approval of these orders, so that they may be creditable for our final designation. The enclosed Technical Support Document (TSD) concludes that if these orders become federally enforceable in a timely fashion, EPA anticipates that it would designate suitable portions of these counties as unclassifiable/attainment. While our present intent is to designate one township in each of these counties as nonattainment, we believe federal enforceability of the orders would support designating more substantial portions of these counties as unclassifiable/attainment, as detailed in the enclosed TSD.

The enclosed TSD provides a detailed analysis that supports our intended designation decisions. If your state has additional information that EPA should consider prior to finalizing these designations, please submit it to us by April 19, 2016. We also will be publishing a notice in the *Federal Register* announcing a 30-day period for the public to provide input on EPA's intended designation decisions. We will promulgate the designations for these areas by July 2, 2016. We will designate all other previously undesignated areas in the state on a schedule consistent with the prescribed timing of the court order, i.e., by December 31, 2017, or December 31, 2020.

We look forward to a continued dialogue with you and your staff as we work together to complete the area designations and implement the 2010 primary SO₂ standard. For additional information regarding

designations under the SO₂ standard, please visit our website at www.epa.gov/so2designations. Should you have any questions, please do not hesitate to call me, or have your staff contact me at 312-886-3000, or George Czerniak, Director, Air and Radiation Division, at 312-353-2212 or czerniak.george@epa.gov.

Sincerely,



Robert A. Kaplan
Acting Regional Administrator

Enclosure

cc: Carol S. Comer, Commissioner
Indiana Department of Environmental Management

Keith Baugues, Deputy Assistant Commissioner
Office of Air Quality
Indiana Department of Environmental Management