



North Carolina Department of Environment and Natural Resources

Michael F. Easley, Governor

William G. Ross Jr., Secretary

July 15, 2003

J.I. Palmer, Jr., Esq.
Regional Administrator
USEPA Region 4
Sam Nunn Federal Center
61 Forsyth Street, SW
Atlanta, Georgia 30303-8960

Dear Mr. Palmer:

Pursuant to the requirements of the federal Clean Air Act and on behalf of Governor Michael F. Easley, I am submitting to you and your colleagues at the U.S. Environmental Protection Agency (EPA) the State of North Carolina's recommendations concerning the boundaries within our State of areas that either attain or do not attain the 8-hour standard for ozone. We are recommending the boundaries which are described in the attached package because we believe that they are the most effective way to achieve the goals of cleaner air, healthier lives, a stronger economy, and more effective conservation of our land and water. We look forward to discussing these recommendations with you after EPA has had the opportunity to review and comment on them.

The federal Clean Air Act requires EPA to designate areas as attainment or nonattainment following promulgation of a new national ambient air quality standard, such as the 8-hour standard. EPA has asked the states for their recommendations for nonattainment boundaries by July 15, 2003.

We understand that EPA will review the recommendations and comment back to each state by October, 2003. Receipt of EPA's comments will trigger a 120-day period during which each state and EPA will have an opportunity to work out any unresolved issues about the boundaries for that state.

We also understand that, during this process, EPA will allow each state to respond to newly available information. For North Carolina, such information will likely include data from the 2003 ozone season, the modifications that have just been made to Metropolitan Statistical Area boundaries, the EPA rule on what states are required to include in their implementation plans, and a report on the steps South Carolina is taking in the SC counties which lie just south of Charlotte and Mecklenburg County, NC, and which are contributing to ambient air quality in the nearby Charlotte/Mecklenburg area. North Carolina intends to evaluate such new information, and we reserve the right to make changes to the boundary recommendations based upon that evaluation. The final decision on boundaries belongs to EPA, and we understand that EPA will make it April 15, 2004.

In developing these recommendations, staff in the Division of Air Quality, NC Department of Environment and Natural Resources (DENR) conducted public meetings in May of this year and sought comments from local officials, metropolitan planning organizations, environmental organizations, and business and industry. DENR also consulted with our Departments of Agriculture and Consumer Services (Agriculture), Commerce (Commerce) and Transportation (DOT) to gather input from these agencies whose programs will be impacted by the nonattainment designations.

Based on our extensive public discussions and research, we are recommending that 11 entire counties and parts of 24 counties be designated as nonattainment for the 8-hour ozone standard. All remaining areas should be

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designated as attainment. Our proposal reflects a regional approach that, we believe, will target areas that need our best efforts in order to achieve the goals listed above.

Ozone pollution is a serious problem in North Carolina and one that we are working hard to solve. When litigation stalled the federal eight-hour ozone standard, our State fought to maintain and defend our own state eight-hour standard because, among other things, we believed that a tighter ozone standard was needed to protect public health. While the federal courts reviewed the national 8-hour standard, DOT, Commerce, DENR and others worked together to implement the N.C. Clean Air Act Amendments of 1999, including on-board diagnostic (OBD) testing of vehicle emissions. As a result of the legislation, the program that tests emissions from vehicles is expanding from 9 to 48 counties over the next three years. North Carolina adopted rules to implement the NOx SIP Call, and is implementing those rules now. Last year, our State enacted the landmark Clean Smokestacks Act. Under the new law, NOx emissions from North Carolina's coal-fired power plants will be cut by approximately 189,000 tons, or 77 percent, by 2009, and SO₂ emissions, by approximately 359,000 tons, or 73 percent, by 2013. We also anticipate important reductions in mercury emissions. All these reductions will play a key role in helping our State meet the tighter ozone standard, reduce pollution from tiny particles, improve visibility and scenic vistas, and otherwise protect public health and the environment.

Our municipal and county governments are working with us and EPA to reduce air pollution. As you know, we have four Early Action Compact areas in the State: Fayetteville, Mountain, Triad, and Unifour. The communities involved in these EACs are currently evaluating the measures they want to consider to ensure that they take appropriate action, reduce emissions and attain the eight-hour ozone standard early. Another important regional initiative is the Charlotte regional air quality project known as Sustainable Environment for Quality of Life, or SEQL. SEQL encompasses 15 counties and includes a like number of major municipalities in North Carolina and South Carolina. Although the currently designated Charlotte maintenance area is not eligible for an Early Action Compact because of monitored exceedances of the 1-hour ozone standard in 2002, SEQL will involve implementation of a comprehensive regional environmental action plan. Both the SC Department of Health and Environmental Control and the NC Department of Environment and Natural Resources have participated, and have agreed to continue to participate, fully and actively, in SEQL. Also, Charlotte and Mecklenburg County are making major investments in transit, and the Triangle and Triad are planning regional transit systems.

Although they lie outside our State and therefore outside the geographic area with respect to which the Clean Air Act calls on our State to make recommendations, the South Carolina counties of York, Lancaster, and Chester, which are located just south of Charlotte and Gastonia, North Carolina, contribute to ambient air quality in the nearby Charlotte region. While York County's ozone monitor has registered just under the threshold that would trigger a nonattainment designation if the county were considered alone, air quality modeling and other evidence demonstrate that York County and its residents "contribute to ambient air quality in a nearby area that does not meet the standard," in this case, the Charlotte/Mecklenburg nonattainment area.

What happens in those South Carolina counties will have an important impact on the ambient air quality in Charlotte and the region around it. South Carolina's view is that cleaner air sooner can best be achieved in the region if York and three other SC counties are allowed to remain in an EAC and if South Carolina carries out its commitments to implement appropriate controls needed for attainment in the Charlotte region. The City of Charlotte and other governmental organizations in the vicinity have urged me to comment to you that Charlotte's ability to meet the more stringent air quality standards will be dependent on ensuring that at least a portion of

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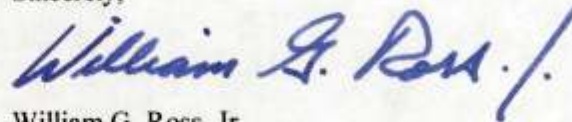
York County is held to the same mandatory requirements for action and coordination that nonattainment designation will bring on the rest of the Charlotte region. Furthermore, they are concerned that excluding York County from nonattainment designation will negatively impact Charlotte's ability to competitively attract and retain new economic development.

North Carolina does not wish to undercut the ability of South Carolina and counties like York to participate in a process with the potential to yield regional air quality improvements ahead of EPA's deadlines. We support cooperative and voluntary efforts to resolve interstate transport problems if those efforts are effective. We urge EPA to perform a careful evaluation of the effectiveness of the steps that South Carolina and the SC counties that affect the Charlotte region's air quality are taking to achieve more rapid progress in emissions reductions than would result under the requirements that follow from nonattainment designation. We will be happy to support that process in any way we can. At the same time, because of the significant and direct impact of York County pollution on the Charlotte region's air, it is vital that EPA's designation process require appropriate pollution reductions in the event that South Carolina's and York County's other efforts and commitments do not meet their intended goals.

North Carolina is committed to protecting the health of our citizens, our environment, and our economy. Solving our ozone and other air quality problems is critical to achieving those goals. We believe that improving air quality is critical to the health of our citizens and that our future growth, prosperity and quality of life will be threatened if we do not remain diligent. We look forward to continuing to work with EPA and others to attain the eight-hour ozone standard and to establish appropriate boundaries for nonattainment areas.

I have attached more detailed information and supporting data. Also included are background documents relevant to the Charlotte/York County issue. Thank you for consideration of these recommendations.

Sincerely,



William G. Ross, Jr.

WGR:np

attachments

cc: The Honorable Michael F. Easley
The Honorable Lewis Shaw
The Honorable W. Britt Cobb, Jr.
The Honorable James Fain, III
The Honorable Lyndo Tippet