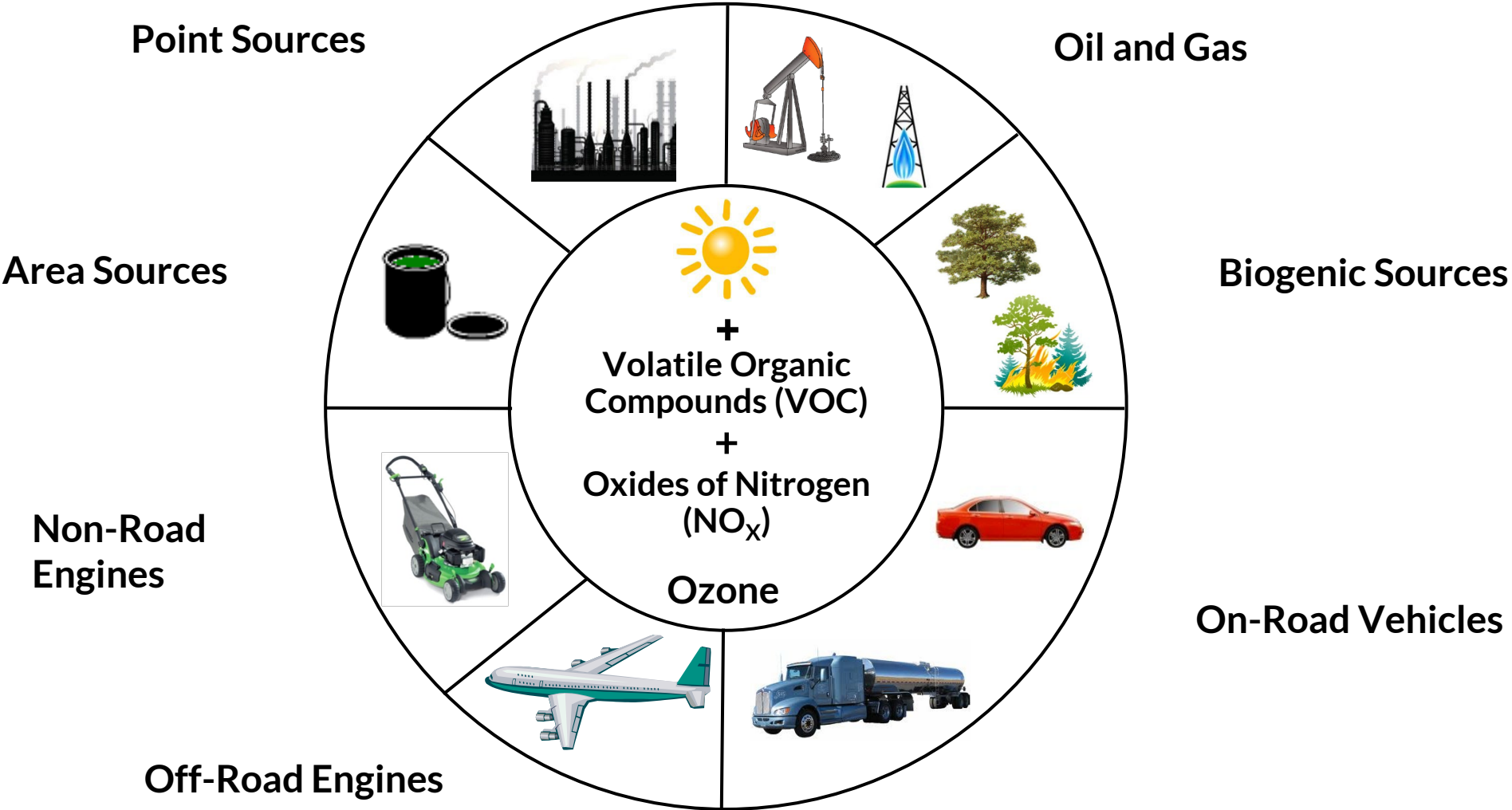


# State Implementation Plan and Section 185 Fee Requirements

NCTCOG Public Meeting • March 13, 2023

Nick Van Haasen, Air Quality Planner

# Ozone Formation

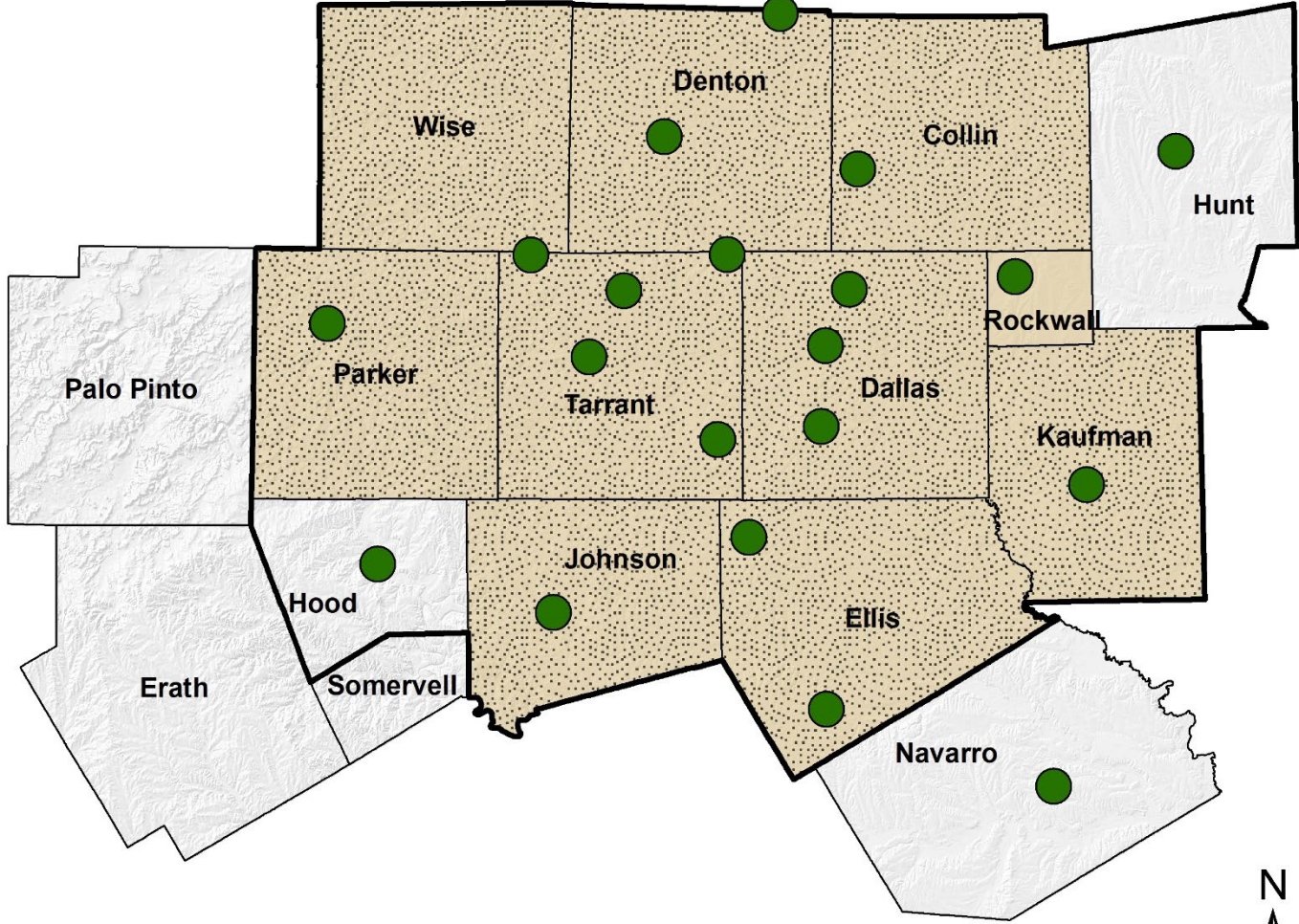


Optimum conditions for the formation of ozone include high temperatures and low winds. Sections are not to scale and are for illustrative purposes only.

# Monitor Locations

**Legend**

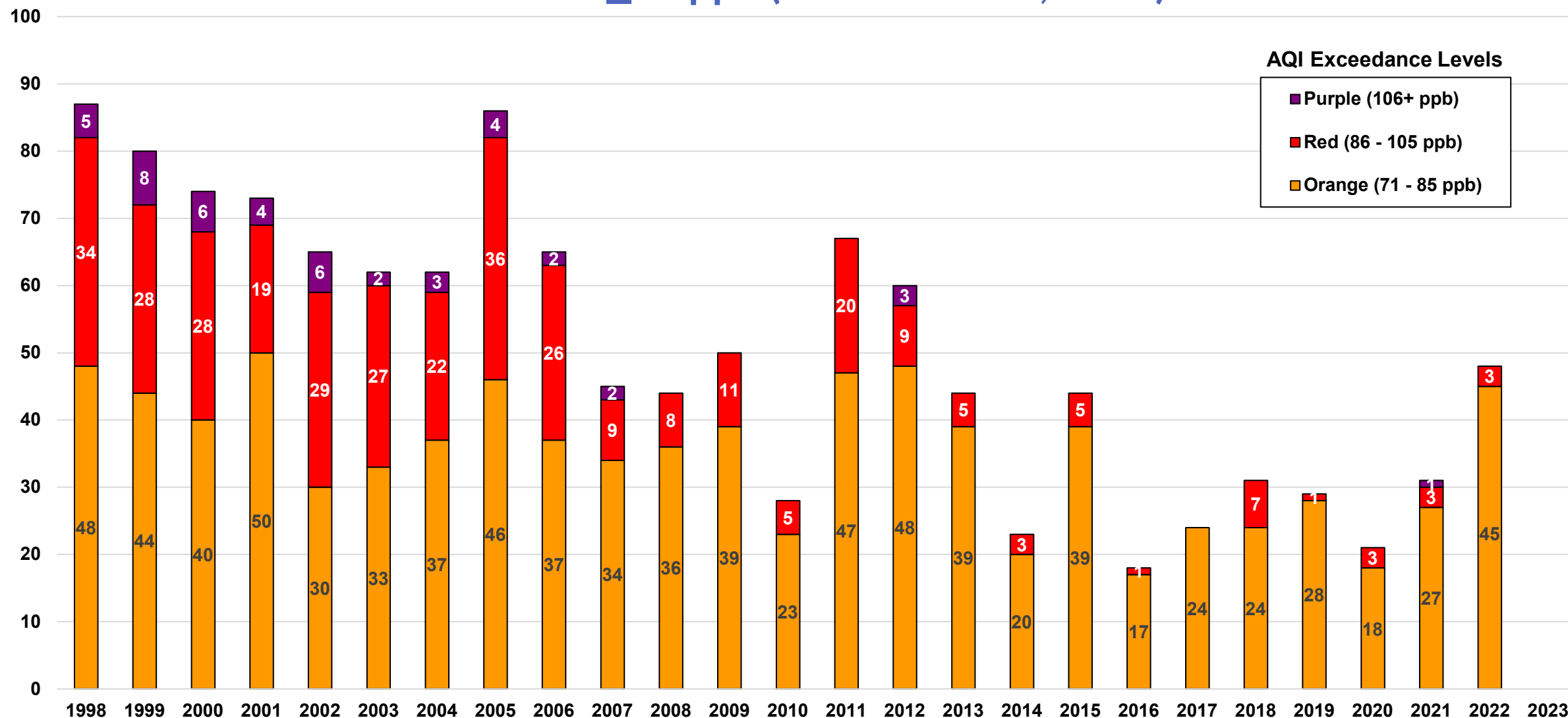
- Counties Designated Nonattainment Under 2015 8-Hour Ozone NAAQS
- Metropolitan Planning Area
- Counties Designated Nonattainment Under 2008 8-Hour Ozone NAAQS
- Ozone Monitoring Sites



March 2023

# 8-Hour Ozone National Ambient Air Quality Standards Exceedance Trends

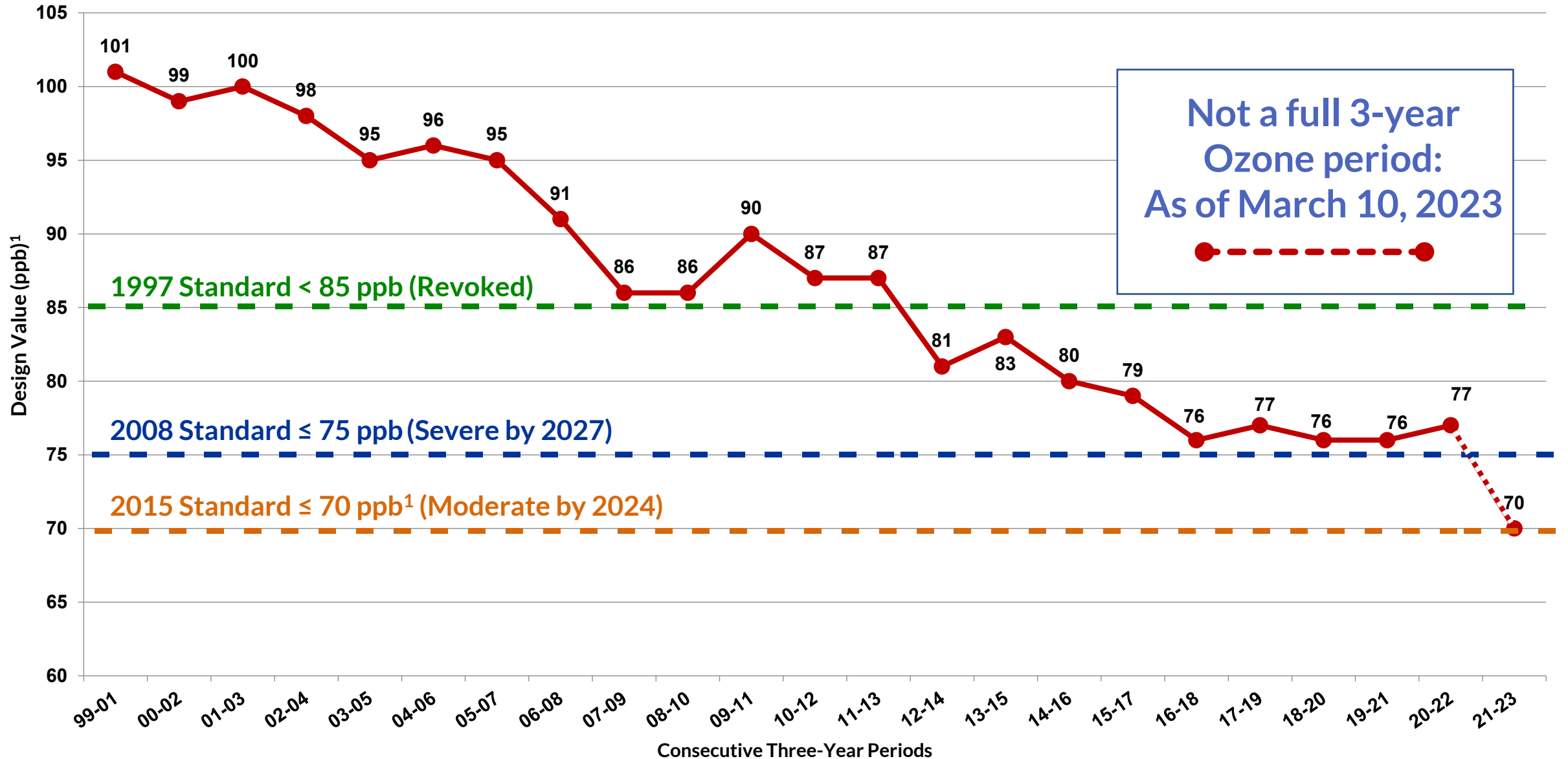
Based on  $\leq 70$  ppb (As of March 8, 2023)



Exceedance Level indicates daily maximum eight-hour average ozone concentration.  
 Exceedance Levels are based on Air Quality Index (AQI) thresholds established by the EPA for the revised ozone standard of 70 ppb.

Source: TCEQ, [http://www.tceq.state.tx.us/cgi-bin/compliance/monops/8hr\\_monthly.pl](http://www.tceq.state.tx.us/cgi-bin/compliance/monops/8hr_monthly.pl)  
 ppb = parts per billion

# Ozone Design Value Trends



<sup>1</sup>Attainment Goal - According to the US EPA National Ambient Air Quality Standards, attainment is reached when, at each monitor, the *Design Value* (three-year average of the annual fourth-highest daily maximum eight-hour average ozone concentration) is equal to or less than 70 parts per billion (ppb).

# Severe Classification and Section 185 Fees

**WHO:** Texas Commission on Environmental Quality

**WHY:** Environmental Protection Agency (EPA) reclassified Dallas-Fort Worth ozone nonattainment area from **serious to severe** on November 7, 2022 with a **July 20, 2027 attainment deadline**

**WHAT:** The Federal Clean Air Act (FCAA) 185 fee is an annual penalty imposed if an area fails to meet its severe attainment deadline

If the Texas Commission on Environmental Quality (TCEQ) does not impose fee, the EPA will impose the fee with interest; revenue is not returned to the state

Estimated Section 185 fee obligation for region could be as much as \$45 million in 2028

**WHERE:** The annual fee applies to major sources of ozone precursor emissions located in the ozone nonattainment area

**WHEN:** Section 185 fee program plan due to EPA by November 7, 2025

Fees tentatively starting in 2028 until attainment is met



# What are Point Sources?

Typically includes large, stationary (non-mobile), emission sources such as power plants, cement kilns, boilers, etc

TCEQ point source emission inventory consists of all reporting sources defined in 30 Texas Administrative Code Section 101.10

Major Stationary Source: Defined in 30 Texas Administrative Code Section 116.12 based on actual or potential emissions

## DFW 10-County Nonattainment Area Point Sources: Nitrogen Oxides (NOX)

County	Number of Point Source Facilities				Emission Totals (TPY)	Total Percent of 10-County Point Emissions
	Cement, Hydraulic (Kilns)	Electric Services (EGUs)	Crude Petroleum & Nat. Gas	Other (82 Source Types)		
Collin	-	1	-	9	79	1%
Dallas	-	2	-	67	869	8%
Denton	-	2	11	14	278	3%
Ellis	3	2	1	20	4332	42%
Johnson	-	1	17	13	1116	11%
Kaufman	-	1	-	5	1165	11%
Parker	-	-	5	17	251	2%
Rockwall	-	-	-	3	13	0%
Tarrant	-	1	17	47	784	8%
Wise	-	1	51	7	1485	14%
<b>Total</b>	<b>3</b>	<b>11</b>	<b>102</b>	<b>202</b>	<b>10,372</b>	<b>100%</b>

# Initiatives Beneficial to Dallas-Fort Worth Air Quality

## RTC Management, Operations, Air Quality, and Safety Program

\$150 Million in 2024-2026

## Federal Implementation Plan

Transport Rule

NO<sub>x</sub> limitations for stationary sources in 23 states

## New EPA Diesel Engine Emission Standards

Ramp up to 2026

## Bipartisan Infrastructure Law (BIL)

[BIL Guidebook PDF](#) pages 155-225 for all programs

[BIL Grant Programs](#) for all grant programs under the BIL

## Inflation Reduction Act (IRA)

[IRA Guidebook Programs List](#) for all programs

[IRA Tax Credits](#) for all tax credits available under the IRA

## NCTCOG Funding and Resources

[www.nctcog.org/AQfunding](http://www.nctcog.org/AQfunding)

## Federal Highway Administration (FHWA) Climate Reduction Plan

\$281 Million

Similar to Congestion Mitigation and Air Quality Program (CMAQ)

2024-2033

## [Energy Efficiency and Conservation Block Grant \(EECBG\)](#)

Transportation and Stationary Sources

**Funds:** Energy efficiency and conservation, electric vehicles and electric vehicle infrastructure

## [New Technology Implementation Grant \(NTIG\)](#)

Stationary Sources

**Funds:** New technology for stationary sources, oil and gas projects, and electricity storage to offset the incremental cost of the implementation of existing technologies that reduce the emission of pollutants from facilities and other stationary sources in Texas.



# SUMMARY

**Take advantage of funding opportunities to reduce emissions**

**[www.nctcog.org/AQfunding](http://www.nctcog.org/AQfunding)**

**Provide feedback to the TCEQ on development of their Section 185 Fee Plan**

**<https://www.tceq.texas.gov/airquality/sip/dfw>**

# FOR MORE INFORMATION

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