<u>MEMORANDUM</u>

SUBJECT: Credit for the 15 Percent Rate-of-Progress Plans for

Reductions from the Architectural and Industrial Maintenance (AIM) Coating Rule and the Autobody

Refininshing Rule

FROM: John S. Seitz, Director

Office of Air Quality Planning and Standards (MD-10)

TO: Director, Air Pesticides and Toxics

Management Division, Regions I and IV

Director, Air and Waste Management Division,

Region II

Director, Air, Radiation and Toxics Division,

Region III

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Region V

Director, Air, Pesticides and Toxics Division,

Region VI

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AIM Coatings

This memorandum supplements my memorandum of December 9, 1993 concerning State credit for reductions from the forthcoming Federal AIM coating rule. In that memorandum, we provided conditions that States must meet in order to take credit for the AIM coating rule. The conditions were for States to submit a commitment by April 1994 to adopt and submit a State rule by March 1995 if EPA does not promulgate a national rule by February 1995. It is our expectation that EPA will not promulgate a national rule until May 1996, with an effective date of August 1996.

We now anticipate that this rule will reduce AIM emissions in unregulated areas by approximately 15 percent by the end of 1996. This estimated reduction was determined using 1990 baseline VOC levels, incorporates growth, and includes accounting

for rule effectiveness and rule penetration. Reductions in years beyond 1996 are expected, and additional guidance may be issued for these reductions in the future.

Because a number of States have indicated that reductions from this source category are crucial to their 15 percent rate-of-progress plans, and that there is concern that some States may not be able to adopt their own rule before March 1995, we find the following two amendments to our previous conditions acceptable:

- 1. States that are adopting their own rule may now have until July 1995 to complete the rule.
- 2. States that are having difficulties adopting their own rule may take credit for the 15 percent reduction described above without adopting or committing to adopt back-up measures.

We encourage States that take the 15 percent credit for AIM to develop backup measures in case the national rule is delayed beyond 1996. If EPA's rule does not provide a 15 percent reduction by the end of 1996, the State will be responsible for developing control measures to make up the shortfall. If the State fails to do so, EPA will have to disapprove the 15 percent rate-of-progress plan. Fifteen percent rate-of-progress plans that assume a 15 percent reduction for the AIM coating rule may be found complete if all other completeness criteria are met.

Autobody Refinishing

In addition to the above credit for the 15 percent rate-of-progress plans, EPA finds it acceptable to allow a 37 percent reduction from current emissions for autobody refinishing. The national rule for autobody refinishing is expected to be proposed in July 1995 and promulgated in February 1996, with an effective date of August 1996. Because of the limited number of manufacturers that this rule affects, States may assume 100 percent rule effectiveness presuming the instructions on how to apply the coatings are followed. In addition, rule penetration does not apply because the rule affects all sources within the category. We encourage States to develop backup measures in this case as well because the same approval restrictions will apply.

If you have any questions or comments concerning this approach, please contact Kimber Scavo at (919) 541-3354, or Laurel Schultz at (919) 541-5511. Any questions regarding the status of the AIM rule may be directed to Ellen Ducey at (919) 541-5408. Any questions regarding the status of the autobody

refinishing rule may be directed to Mark Morris at (919) 541-5416.

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This response has been coordinated with Ellen Ducey and Mark

Morris (ESD) and Howard Hoffman (OGC).