



July 2, 2021

Henry Perillo
US Environmental Protection Agency
Office of Air Quality Planning and Standards
109 T.W. Alexander Drive
RTP, NC 27711

Re: Air Emissions Reporting Rule Comments

Dear Mr. Perillo,

Thank you for taking the time to discuss, consider, and respond to the Western States' issues and concerns regarding the Air Emissions Reporting Rule (AERR). The discussions have been helpful for WESTAR to better understand EPA's perspectives on emissions reporting and inventories. Hopefully, our discussions have been valuable to your process of evaluating the AERR for potential changes as well. As per our discussions, WESTAR is submitting these written comments and recommendations to help with your evaluation.

WESTAR states have raised issues in several key areas. While we understand that not all these issues can be resolved through revisions to the AERR, we think it is important to consider the broader context of emissions reporting and inventory when discussing such revisions. WESTAR's comments fall into five general areas of collaboration, timing, rule requirements versus options, control pathway reporting, and the emissions estimate models.

Collaboration

WESTAR acknowledges EPA's collaboration with states to prepare emissions inventories and stresses the benefits of consistency and completeness toward a national emissions inventory compiled by EPA. Strengthening that partnership by accepting and applying state-provided data is vital to improving emissions inventories usable for reporting, tracking, and air quality management and planning by different jurisdictions. When calculating emissions for source sectors such as fires, airports, railroads, and other area sources, states often use local activity data that is more accurate than default data used in EPA's models. While EPA states a preference to use local data and generally accepts what states submit, they acknowledge that it is not always possible. EPA indicated that there are two instances when it is not possible to use state data. The first instance is when there is not enough time to verify a state's data sources. Second, if EPA determines that a state's collection or calculation methodology appears suspect. States are "urged" to follow the guidance from the Emission Inventory Improvement Program (EIIP), but the EIIP is out of date. In fact, EPA doesn't reference it anymore in guidance. States need additional dialogue, resources, and training from EPA in state-of-the-art approaches to generate state-specific data.

However, state-of-the-art approaches are poorly defined in EPA guidance, making this option even more of a hurdle for use. It is possible that EPA will reject a state's method even after they've completed the work to refine the method, which disincentivizes state's pursuit of generating state-specific data. WESTAR agrees with EPA that every effort should be given to use data generated by states, locals and tribes. When unrepresentative, generic, and/or out-of-date emissions factors and activity data are used, it can be difficult to justify using the resulting emissions inventory in subsequent assessments and modeling studies. Many sources are increasingly difficult to characterize with traditional engineering assumptions that multiply source activity rates by emissions factors. EPA must also clearly define the process and timing by which states can use local data and methodologies to submit inventories.

In addition to using state data more fully, some states express concern that they don't know whether EPA used their data until the National Emissions Inventory (NEI) is published. This puts states at a disadvantage in planning when they use the NEI for attainment demonstrations. For example, one state found that after submitting refined data or review comments on their inventories that EPA didn't update the inventory or notify the state as to why they were not incorporating the state's review comments. In this case, some key emissions were omitted (primarily international airports and fire). It would be helpful if EPA reported back to states when they incorporate state data, and when they don't, why the state data was rejected prior to publishing the NEI.

Along with collaboration on collection and processing emissions, WESTAR requests that EPA assist states with training on emissions reporting requirements and emissions modeling. States rely on these models to calculate emissions from mobile, nonpoint, wildfire, and other sources. However, when models are updated or new versions released, states need training so that state staff can properly utilize the models. Additionally, some states must train facilities to use the survey tools so that they sync up with EPA requirements. This elevates the need for states to understand reporting requirements and models.

Timing

According to §51.30 in the current AERR, the triennial inventory is due "12 months after the end of the inventory year." There are two issues that make submitting data by this deadline difficult. First, when changes to emission factors and other inputs happen while states are actively calculating their emissions, it makes it difficult for states to submit inventories on time because they are required to recalculate emissions for sources and/or collect additional data. This is primarily an issue with nonpoint sources. While updating emissions factors for nonpoint sources is important, it would be best if such revisions occur as early in the process as possible. Changes could be made during the inventory year, but not during the 12-month period when the inventory is being calculated.

The second issue that can make it difficult for states to meet the 12-month deadline is that some nonpoint related activity data for the NEI year are not available in time to meet the submission deadline, so states are left waiting until the last minute to submit inventories, or in some cases submit inventories late in order to include those data. The State Energy Data System (SEDS) data for example, is not available until one-and-a-half years after the inventory year. Additionally, some activity data are available at intervals that differ from EPA's triennial NEI. For example, the Census of Agriculture uses a five-year reporting interval. Currently, the latest data available is from 2017 and the next census will be in 2022. This means that states will either use the older 2017 data or submit their inventory very late. Extending the 12-month deadline to submit inventories to 18 months would make it possible for states to include more recent activity data.

Based on the language of §51.35, one could surmise that the purpose of triennial inventories is to calculate the most current emissions available rather than the emissions for the specific inventory year. EPA should clarify the purpose of the inventories and set a cutoff date for data availability. WESTAR understands that, for some purposes, it is important to collect and use data from the inventory year. For example, it would be useful to have 2020 data for use in research projects addressing the impacts of COVID-19. This type of specific year inventory should have a separate process and methodology that differs from the triennial NEI data collection so that it does not slow that process down.

Rule Requirements vs. Options

Currently, some elements of the AERR are optional, such as submitting emissions for wildfire and prescribed wildland fires or submitting activity data rather than emissions for nonpoint sources (see §51.15 of the AERR). In general, if optional elements of the AERR were to be required under revisions to the rule, WESTAR requests the requirement be clearly stated as such, and that states are given enough resources and time to implement the new requirement. Changes to EPA's rules often necessitate regulation revisions at the state level to harmonize them with the new federal requirements. This process generally takes two years with some variation depending on a state's regulatory development procedures. Reporting Hazardous Air Pollutants (HAPs) is optional right now under federal rules. If EPA revises the rule to make reporting HAPs a requirement, it could be difficult for some states to collect and report these data immediately. Some state regulations do not allow states to ask sources for HAPs emissions data but, depending on state statute, may be able to request the data if it is part of a federal requirement. In addition to the regulatory procedures for potential changes to requirements, WESTAR is concerned that if submitting input files becomes mandatory, it will hinder the states' ability to use their own emissions calculation methodologies. WESTAR recommends that EPA maintain the option of submitting activity data or calculated emissions for nonpoint, nonroad mobile, and onroad mobile sources.

Control Pathway reporting

The new Consolidated Emissions Reporting Schema (CERS) requirement for pathway reporting being adopted by EPA for the EIS is more difficult and increasingly complex than previous controls reporting. Previously, controls were tied to a process and a pollutant. Now they are represented as a control path to the release point. This makes reporting more complicated. With the introduction of tracking multiple controlled emission pathways instead of just looking at pollutant emissions, states are now having to adjust and re-think how these controls/pollutants/emissions are connected in database systems and how to best set up the database to report them. When there are no control pathways or a single control pathway, the process has been relatively easy and straight forward. With the addition of the multiple control pathways, the process has become more complicated. Because there is a benefit to tracking control pathway emissions, such as better understanding the effectiveness of emission controls, WESTAR recommends that EPA allow states additional time to adjust for the changes. We also request that updates to the CERS be reflected in the AERR.

Emissions Estimate Models

EPA employs many models to develop emissions inventories. These models are highly useful for states, especially for those with more limited staff and resources as they allow states to submit partial inventories then rely on EPA to use their emissions models and EPA-derived activity data to fill in the gaps. For states that calculate their own inventories, EPA's models are not always customizable enough to account

for the diverse needs of these states. The Wagon Wheel Tool is one of these models. Here are a few of the issues that states have with the Wagon Wheel Tool and the implementation of the tool by EPA:

- The tool has common use tables where an agency can enter data that is common for multiple source sectors and then have the tool calculate the emissions for those sectors. There are tables used under “Edit Assumptions” that can be updated with state/local/tribal (S/L/T) input data. Some states have other inputs, but the tables where these inputs should go, are not editable in the “Edit Assumptions” tables and need to be searched out and edited manually, a time-consuming process.
- EPA sometimes changes parts of the Wagon Wheel Tool while states are gathering data and calculating emissions, which interferes with the state submittal process.
- EPA is proposing three releases of the 2020 NEI Wagon Wheel Tool with additional categories completed and one more release long after the submittal window closes to capture updated activity data. The reality is that many states will not be able to use the most recent version of the tool after the second release in late September as there won’t be time to make changes to calculations in the yet to be released categories before the final submittal.
- The tool releases should include the Technical Support Document for the categories being released.

Other models that should allow more customization for states are the Motor Vehicle Emission Simulator (MOVES) and the Oil and Gas model. MOVES works well but must be customized by states, sometimes beyond what EPA intended. For example, in Alaska there are nonregistered vehicles in native communities and very few roads. MOVES is not configured to account for these vehicles. The Oil and Gas tool relies on EPA modelled emissions from Texas and Oklahoma. Some states find that the tool assigns emissions for equipment not used in their states. Both models should allow for additional customization as needed.

WESTAR appreciates EPA’s collaborative efforts with states both in preparing emissions inventories and soliciting feedback on the effectiveness of rules such as the AERR. If you have any questions about the issues raised in this letter and would like to continue your collaboration with the states, please contact Jay Baker from the WESTAR staff at jbaker@westar.org or 435-757-9868. We look forward to our continued work with EPA to improve our nation’s air quality with better emissions inventories.

Sincerely,

Marianne Rossio, President
Western States Air Resources Council