



**DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON DC**

AFI32-7040_AFGM1

12 July 2012

MEMORANDUM FOR DISTRIBUTION C
MAJCOMs/FOAs/DRUs

FROM: HQ USAF/A4/7

SUBJECT: Air Force Guidance Memorandum to AFI 32-7040, *Air Quality Compliance and Resource Management*

By Order of the Secretary of the Air Force, this AF Guidance Memorandum immediately changes AFI 32-7040. Compliance with this memorandum is mandatory. To the extent its directions are inconsistent with other Air Force publications, the information herein prevails, in accordance with AFI 33-360.

The Attachment to this Memorandum provides guidance to installation commanders on compliance with applicable vehicle inspection and maintenance programs using the Employee Vehicle Certification and Reporting System (ECARS) and prescribes the new AF departmental form for that purpose.

The guidance in this Memorandum becomes void after 180 days have elapsed from the date of this Memorandum or upon incorporation by interim change to, or a rewrite of AFI 32-7040, whichever is earlier.

PATRICIA M. YOUNG, SES
Asst DCS/Logistics, Installations & Mission Support

Attachment
Guidance Changes

ATTACHMENT
Guidance Changes

The below changes to AFI 32-7040, dated 27 August 2007, through Interim Change 1, dated 8 June 2011, are effective immediately.

(Add New) 3.4.2.1. For all AF facilities located in an area with an applicable vehicle I/M program, commanders are required by 42 U.S.C. § 7418(d) to ensure that employees provide proof of compliance with the local (or an equivalent) I/M program for vehicles that the employees operate on the affected facility. An applicable I/M program is one in which the State has either been required, or voluntarily opted, to establish a vehicle I/M program for O₃ or CO as part of the required SIP pursuant to CAA §§ 182 or 187 and EPA has approved that portion of the SIP.

(Add New) 3.4.2.2. All employees assigned to the affected facility for more than 60 days shall certify compliance by digitally signing the AF Form 4434, available in the ECARS module of APIMS. The AF Form 4434 shall be maintained on the ECARS server for a period of five years. Hard copy AF Form 4434 may be used in lieu of the electronic ECARS in situations where government employees are not identified in the AF Personnel System, such as non-AF employees on an AF hosted base.

(Add New) 3.4.2.3. All employee vehicle operators shall maintain documentation of compliance with the applicable I/M program requirements while operating their vehicle on the affected facility, and supply such documentation as required by the facility.

(Add New) 3.4.2.4. All employees assigned to the affected facility must periodically recertify compliance consistent with the requirements of the applicable I/M program.

(Add New) 3.4.2.5. When an AF facility is located in an area that becomes subject to a new applicable I/M program, the commander shall adopt a program which complies with this requirement no later than 90 days after the applicable I/M program becomes effective.

(Add New) Chapter 6 – RECORDS MANAGEMENT

(Add New) 6.1. Records Management. The Employee-Vehicle Certification and Reporting System (ECARS) automated system shall be used by affected facilities to document compliance with this requirement. ECARS is a module of the APIMS system used for preparing facility Air Emission Inventories, as described in paragraph 3.2. The ECARS system sends email certification instructions and reminders to employees, collects the minimum personal information required to document employee compliance on AF Form 4434 in accordance with the Privacy Act Statement, prepares automated reports on employee compliance, and archives the digitally signed employee certification forms on a secure server.

(Add New) 6.2. Prescribed Forms:

AF Form 4434, *Vehicle Inspection and Maintenance (I/M) Program Self-Certification*

**BY ORDER OF THE
SECRETARY OF THE AIR FORCE**



AIR FORCE INSTRUCTION 32-7040

27 AUGUST 2007

Incorporating Change 1, 8 JUNE 2011

Civil Engineering

**AIR QUALITY COMPLIANCE AND
RESOURCE MANAGEMENT**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

ACCESSIBILITY: Publications and forms are available on the e-Publishing website at:
<http://www.e-publishing.af.mil> for downloading or ordering.

RELEASABILITY: There are no releasability restrictions on this publication.

OPR: HQ USAF/A7CAQ

Certified by: HQ USAF/A7CA (Colonel
Liesel Golden)

Supersedes: AFI 32-7040, 9 May 1994

Pages: 36

Air Force Instruction (AFI) 32-7040, Air Quality Compliance And Resource Management, implements Air Force Policy Directive (AFPD) 32-70, *Environmental Quality*. It provides details of the Air Force Air Quality Compliance and Resource Management Program and explains how to assess, attain, and sustain compliance with the Clean Air Act (CAA); other federal, state and local environmental regulations; Final Governing Standards (FGS) or the Overseas Environmental Baseline Guidance Document (OEBGD); applicable international agreements; and related Department of Defense (DoD) and Air Force directives. Guidance on indoor air quality is not addressed in this AFI - see appropriate engineering design manuals or technical letters for design considerations which impact indoor air quality, and AFI 48-145, *Occupational and Environmental Health Program*, for the Bioenvironmental Engineer's role in performing Health Risk Assessments in facilities which may have poor indoor air quality. For DoD components at installations outside the U.S., its territories and possessions (e.g. overseas), implement the applicable portions of this AFI in accordance with international agreements and the applicable FGS or OEBGD. See AFI 32-7006, *Environmental Program in Foreign Countries* for additional environmental guidance for overseas installations. Unless otherwise noted, the guidance and procedures outlined in this instruction apply to all Air Force installations within the U.S., its territories, and in foreign countries. Additionally, this AFI applies to the Air Force Reserves, the Air National Guard, Government Owned-Contractor Operated facilities, and Direct Reporting Units (DRU) and Field Operating Agencies (FOA) not located on Air Force installations. Refer recommended changes and questions about this publication to the Office of Primary Responsibility (OPR) using the AF Information Management Tool (IMT) 847, *Recommendation for Change of Publication*; route AF IMT 847s from the field through Major Command (MAJCOM) publications/forms managers. Ensure that all records created as a result

of processes prescribed in this publication are maintained in accordance with Air Force Manual (AFMAN) 37-123 (will convert to AFMAN 33-363), *Management of Records*, and disposed of in accordance with the Air Force Records Disposition Schedule located at <https://afirms.amc.af.mil>. Any organization may supplement this instruction. MAJCOMs, FOAs, and DRUs send one copy of each supplement to HQ USAF/A7CA; other commands send one copy of each supplement to the next higher headquarters. See **Attachment 1** for a glossary of references and supporting information.

SUMMARY OF CHANGES

This interim change clarifies the SAF/IEE role in Clean Air Act (CAA) conformity analysis; revises the roles of the Air Force Center for Engineering and the Environment (AFCEE) and the Air Force Civil Engineer Support Agency (AFCESA); deletes references to the former Air Force Institute for Operational Health (AFIOH); clarifies the role of the Installation Commander as the responsible official; clarifies that the Air Program Information Management System (APIMS) is the Air Force information system for air quality permit management, air emission inventory, and air emission reporting; clarifies the CAA conformity analysis coordination process and its relationship to the National Environmental Policy Act (NEPA) process; adds information regarding greenhouse gas (GHG) reporting; adds guidance on the CAA Title V permit process; adds guidance on vehicle inspection requirements under CAA Section 118(a); and updates the appendices to include new references.

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Chapter 1

INTRODUCTION

1.1. Background. It is Air Force policy to promote environmental stewardship in all activities to ensure uninterrupted access to the air, land, and water assets needed to conduct the Air Force mission. By focusing on the warfighter's operational requirements while following the regulatory strictures for sustaining resources and protecting human health, the Air Quality Compliance and Resource Management Program will sustain, restore and modernize natural infrastructure assets. The Air Quality Compliance and Resource Management Program identifies essential Air Force requirements and actions to manage Air Force air resource assets in order to maximize their military value and optimize their economic, ecologic, and community value, while attaining and maintaining compliance with the CAA (Title 42, United States Code (U.S.C.) Sections 7401 et seq.) in addition to all applicable federal, state, and local air quality regulations, or for overseas, the FGS or OEBGD, where no FGS exist, and any relevant obligations under a binding international agreement.

1.2. Concept. This instruction establishes a framework for all Commands to use in complying with air quality requirements and AFD 32-70, *Environmental Quality*. All references to Commands in this AFI include the Air National Guard Readiness Center and other agencies that Headquarters, U.S. Air Force designates as "Major Command equivalent." Commands will provide administrative and technical support to ensure installations comply with Air Force policies and regulatory requirements.

1.3. Roles and Responsibilities. The Air Force Civil Engineer (HQ USAF/A7C) implements policy, allocates resources, and oversees execution of the Air Quality Compliance and Resource Management Program throughout the Air Force, including the review of all Air Force CAA Conformity Determinations before submission to SAF/IEE for approval.

1.3.1. The DoD Environmental Executive Agent (EEA) represents DoD in environmental matters to include air quality in the countries in which they are designated (DoDI 4715.5, *Management of Environmental Compliance at Overseas Installations*). The EEA is responsible for determining applicability of new Host Nation (HN) laws, incorporating new laws into the FGS, representing DoD to HN environmental regulators, establishing consistent environmental standards for all DoD components within the particular HN, coordinating with other DoD EEAs to avoid setting precedent within the theater, and providing guidance to installations and other DoD components operating within the HN on regulatory issues to include air quality compliance and resource management.

1.3.2. The Deputy Assistant Secretary of the Air Force for Environment, Safety, and Occupational Health (SAF/IEE) promulgates and oversees policy for air quality compliance and resource management, including:

1.3.2.1. Approving each Air Force CAA General Conformity determination prior to release for public review and prior to finalization.

1.3.2.2. Reviewing all requests for the payment of state punitive fines and penalties assessed under the waiver of federal sovereign immunity under § 118(a) of the CAA.

1.3.3. The Air Force Civil Engineer (HQ USAF/A7C) implements policy, allocates resources, and oversees execution of the Air Quality Compliance and Resource Management Program throughout the Air Force, including the review of all Air Force CAA conformity determinations before submission to SAF/IEE for approval.

1.3.4. The Air Force Center for Engineering and the Environment (AFCEE), upon request, provides technical support, guidance, contracting services, and training related to environmental compliance or air resource management.

1.3.4.1. Maintains expertise to provide technical support to major commands (MAJCOMs) and installations for air emissions inventories, air quality permitting, CAA General Conformity analysis, emissions testing, and other CAA related requirements.

1.3.4.2. AFCEE Regional Environmental Offices (REOs), upon request, represent the Air Force to federal, state and local environmental regulatory agencies, facilitate application of consistent environmental standards across regions, advise and assist MAJCOMs and installations on air quality regulatory issues, and monitor air quality regulatory initiatives developed by the U.S. Environmental Protection Agency (EPA) and state agencies.

1.3.4.3. Serves as the program management office for the APIMS.

1.3.5. AFCESA provides criteria, standards, guidance, and technical support for air emission controls and sources planning, design, construction, operations, maintenance, and contract management services to the Air Staff, MAJCOMs, Direct Reporting Units (DRUs), and installations as requested.

1.3.6. The Air Force Legal Operations Agency, Environmental Law and Litigation Division (AFLOA/JACE), including the Regional Environmental Counsels (AFLOA/JACE-ER; AFLOA/JACE-CR and AFLOA/JACE-WR), provides legal advice to Air Staff and Commands. AFLOA/JACE establishes policy necessary to execute Staff Judge Advocate (SJA) program responsibilities established pursuant to AFI 51-301, *Civil Litigation*, and any subsequent implementing instructions.

1.3.6.1. AFLOA/JACE will ensure coordination with Department of Justice (DoJ), SAF/IEE, and the Secretary of the Air Force, General Counsel, Installations and Environment (SAF/GCN) regarding the payment of CAA penalties. AFLOA/JACE must provide approval before settlement of any administrative action where the terms of the settlement include provision for the payment of fines or supplemental environmental projects. The Regional Counsels will assist in resolving enforcement actions processed against Air Force installations.

1.3.7. DELETED.

1.3.7.1. DELETED.

1.3.8. The Air Force Institute of Technology Civil Engineer and Services School (AFIT/CESS) will provide educational programs in support of the Air Quality Compliance and Resource Management Program.

1.3.9. MAJCOM commanders shall provide oversight of Air Quality Compliance and Resource Management Programs at their installations, including the provision of supplemental policy and program execution guidance to this AFI. MAJCOMs will:

1.3.9.1. Coordinate with HQ USAF/A7CA, AFCEE REOs, and other MAJCOMs to cross-feed and standardize Air Force Air Quality Compliance and Resource Management Programs within states.

1.3.9.2. Validate and allocate resources to enable installation compliance with air quality regulations.

1.3.9.3. Develop procedures that document exempt and clearly de minimis actions for the Air Force under the CAA General Conformity Rule determination process.

1.3.10. MAJCOM SJAs will ensure coordination of all actions as appropriate, to include coordinating with the DoD EEA on any formal settlement agreements overseas that have the potential to set precedent.

1.3.11. Installation Commanders will:

1.3.11.1. Ensure proper air quality compliance and resource management principles are emphasized to appropriate installation personnel.

1.3.11.2. Ensure their installation Air Quality Compliance and Resource Management Program is managed to ensure compliance with all applicable U. S. federal, state, and local requirements (including permits), or for overseas, the FGS or OEBGD, where no FGS exist, and obligations under international agreements; and conforms with applicable MAJCOM Supplements, Instructions, or Standard Operating Procedures, or higher level AF/DoD policies or directives.

1.3.11.3. Ensure enforcement actions or notices of violations are promptly reported, tracked, and managed in accordance with the latest AF/A7CA guidance.

1.3.11.4. As the "Responsible Official" under the CAA, and 40 Code of Federal Regulations (C.F.R.) § 70.2, 40 C.F.R. § 71.2, and applicable state or local regulations, certify compliance with CAA Title V operating permit requirements and sign all CAA Title V permit applications. The duties of the "responsible official" are not delegable.

1.3.11.5. Maintain the authority to shut down any non-compliant air emissions source at the installation as a function of being the Responsible Official charged with ensuring compliance with federal, state, or local permit requirements.

1.3.12. The installation Base Civil Engineer environmental function (MSG/EM for ANG Units) has overall management and execution responsibility of the installation's environmental program (reference AFI 32-70 series) and is the installation commander's organization for ensuring the installation is in compliance with all applicable federal, state, and local requirements. Note; some bases have an environmental management function aligned directly under the wing commander (or center commander in Air Force Materiel Command (AFMC)) with the same authority and responsibility of the Base Civil Engineer environmental function. The environmental function will:

1.3.12.1. Act as the liaison office for air quality compliance and resource management issues with regulatory agencies, and with both internal and external audit or assessment personnel.

- 1.3.12.2. Identify and request needed environmental sampling, analysis, and monitoring to support the Air Quality Compliance and Resource Management Program at its installation.
- 1.3.12.3. Develop and submit funding requests for air quality compliance and resource management requirements, regardless of fund source.
- 1.3.12.4. Establish local procedures and provide technical expertise with regard to air quality compliance and resource management requirements.
- 1.3.12.5. Oversee proper programming, recordkeeping, and reporting procedures, to include timely regulatory notifications of emissions events and response to Air Force data calls.
- 1.3.12.6. Provide education and training, to include Air Management Training, Air Source Operator Training, and shop level training to meet applicable federal, state, and local air quality compliance requirements.
- 1.3.12.7. Review all permits and permitting requirements and potentially applicable federal, state, and local requirements as necessary to ensure compliance conditions are met, for both current mission operations and under projected mission growth.
- 1.3.12.8. Coordinate with the Civil Engineer Squadron, Programs Flight as early as practicable to ensure the MAJCOM project manager and/or construction agent for Military Construction (MILCON) and non-MILCON projects prepare, submit, and fund all necessary environmental permits and related fees with project funds.
- 1.3.12.9. Establish procedures to document compliance with the EPA General Conformity rule, 40 Code of Federal Regulations (C.F.R.) Parts 51 and 93 for those installations located in areas that have been classified as either Nonattainment or Maintenance.
- 1.3.12.10. If applicable, ensure the installation's current actual and potential-to-emit (PTE) emissions contributions are explicitly documented as required, and periodically updated in the air emissions inventory and in the installation's specific State Implementation Plan (SIP) Emission Budget. Maintain the installation's baseline emissions inventory in order to determine if proposed physical or operational changes to stationary sources require "netting" or offset requirements under New Source Review (NSR) and other CAA programs.
- 1.3.12.11. Ensure air quality compliance and resource management-related data are verified and maintained in the AF APIMS.
- 1.3.12.12. Ensure comments on federal, state and local proposed rules, revisions, plans, protocols, permits, and negotiations with federal, state and local regulatory agencies regarding installation-specific issues (e.g., variances, permit limits and operating conditions) are coordinated through the chain-of-command.
- 1.3.12.13. Coordinate permits, Open Enforcement Actions (OEAs), and other applicable documents and actions with the installation SJA.

1.3.12.14. Coordinate with the installation contracting function to ensure the applicable regulatory requirements clauses and other appropriate conditions (Executive Order directives, Air Force requirements, etc.) are included in all contracts.

1.3.12.15. Coordinate with the installation Bioenvironmental Engineer on any air pollution-related episodes or issues that could potentially require an occupational and environmental health risk assessment in accordance with AFI 48-145, *Occupational and Environmental Health Program*, as well as any resulting actions to address unacceptable health hazards identified by those assessments.

1.3.12.16. Inform installation Public Affairs office of any remediation efforts, violations or issues impacting the base populace or local civilian community.

1.3.13. Installation SJAs will:

1.3.13.1. Report all enforcement actions to AFLOA/JACE, the MAJCOM SJA, and the appropriate Environmental function in accordance with the latest AF/A7CA guidance. Advise commanders responding to enforcement actions levied against Air Force facilities.

1.3.13.2. Provide advice for appropriate aspects of the installation Air Quality Compliance and Resource Management Program (to include permits, compliance requirements, and funding), coordinating on all substantive advice with the MAJCOM SJA.

1.3.13.3. Assist in negotiating permit limits and operating performance measures and any other type of air permits and agreements in close coordination with the installation environmental function.

1.3.13.4. Review draft permits and proposed federal, state and local rules and protocols and provide comments to the installation environmental function before submission to regulatory agencies.

1.3.13.5. Request approval through the MAJCOM SJA from AFLOA/JACE for any settlement where the terms include provisions for the payment of fines or supplemental environmental projects.

1.3.14. Installation Bioenvironmental Engineers will coordinate air quality data from Occupational and Environmental Health Site Assessments (OEHSA) prescribed by AFMAN 48-154, *Occupational and Environmental Health Site Assessments* with the installation environmental function.

1.3.15. Installation organizations planning to purchase equipment that will generate air emissions which have potential permitting, authorization or registration requirements (e.g. degreasers, generators, boilers, painting or abrasive equipment, etc.) should first coordinate with the installation environmental function.

1.3.16. Tenant organizations (to include AAFES) and other DoD services on Air Force installations or on joint installations where the Air Force is the lead component will comply with applicable federal, state, local and installation air quality requirements, and coordinate any actions which affect air quality (to include construction activities and installation of applicable equipment) with the installation environmental function.

1.3.16.1. These organizations and services will maintain records to demonstrate compliance with Air Quality Compliance and Resource Management Program requirements.

1.3.16.2. These organizations and services operating in foreign countries are not subject to the provisions of the CAA but must comply with the nation-specific FGS or OEBGD, where no FGS exists, and any obligations under a binding international agreement.

1.4. Environment, Safety, and Occupational Health Management System. Consistent with Executive Order (E.O.) 13423, *Strengthening Federal Environmental, Energy, and Transportation Management*, Air Force installations are directed to have an environmental management system to sustain, restore, and modernize natural and built infrastructure to support mission capability, as part of a larger undertaking toward an Air Force ESOHMS. All Air Force installations and facilities will comply with E.O. 13423 and Air Force ESOHMS guidance. The Air Quality Compliance and Resource Management Program, as a part of the overall ESOHMS, seeks to appropriately plan, implement and operate, check, and review as necessary the management of air resources to ensure mission completion. This AFI is organized to align with that cycle of continual improvement, in chapters for Planning, Implementation and Operation, Checking and Corrective Action, and Management Review.

Chapter 2

PLANNING

2.1. General Planning Guidelines. It is critical that the Air Quality Compliance and Resource Management Program be proactively developed to ensure air assets necessary to support (and protect) the mission will be available for all present and future operations. Planning should be focused on maximizing the military value of air resources, and optimizing their environmental, economic, ecological and community value, while assessing, attaining and maintaining compliance with applicable air quality laws and regulations. As a minimum, installation environmental functions shall perform the following planning actions:

2.1.1. As early as practicable, coordinate closely as appropriate with all applicable organizations (MAJCOM Air Program Manager, Civil Engineer Flights, Bioenvironmental Engineering, logistics functions, federal, state and local regulatory authorities, Metropolitan Planning Organizations, etc.) on plans for new construction, modification or replacement of emissions-related equipment, and on other requirements which will impact the installation's air emissions.

2.1.2. Actively compare the installation Air Emissions Inventory (AEI) and upcoming changes in installation emission levels against regulatory thresholds and emerging regulatory requirements to assure uninterrupted mission capability and continued compliance.

2.1.3. Maintain an updated summary of all permit requirements, with a comparison to the regulatory requirements and schedules. Identify and document insignificant/exempt sources not subject to permitting program requirements.

2.1.4. Track and assess new or emerging regulatory requirements for their potential impact on installation operations. Ensure any such requirements are incorporated into appropriate program elements, and report identified impacts through the chain of command.

2.2. Pollution Prevention in Planning. In accordance with E.O. 13423, *Strengthening Federal Environmental, Energy, and Transportation Management*, it is Air Force policy to prevent and reduce pollution by minimizing or eliminating the use of hazardous materials, and by minimizing the release of pollutants into the air and other environmental media (i.e., soil and water) as much as is technically and economically feasible. Air pollution prevention planning should be integrated with air emission mitigation strategies, and should include an assessment of the viability of obtaining emission offsets or emission reduction credits (ERCs) for quantifiable, permanent, and surplus criteria pollutant emission reductions. See Section 2.7, Utilizing Air Emission Reduction Credits in Planning, and Attachment 3 for additional information. Further information on the pollution prevention environmental management hierarchy, requirements and guidelines is outlined in AFI 32-7080, *Pollution Prevention Program*.

2.3. Emissions Control Technology. New major sources located in areas designated as attaining National Ambient Air Quality Standards (NAAQS) require utilization of Best Available Control Technology (BACT). Maximum Achievable Control Technology (MACT) Standards are technology-based air emission standards established to reduce emissions of hazardous air pollutants (HAPs); the standards for smaller (area) sources are called Generally Available Control Technology (GACT). Lowest Achievable Emission Rate (LAER) is required on new or modified major sources in nonattainment areas. Reasonably Available Control Technology

(RACT) is required for existing sources in nonattainment areas, and in most cases, is less stringent than New Source Performance Standards (NSPS) or BACT. Perform value engineering for each project requiring specification or installation of equipment for control of regulated air pollutants. These analyses will ensure that the proposed control technology meets air quality compliance requirements, does not create an unacceptable health or safety risk, and is cost effective to the extent allowed by law.

2.4. Conformity Planning.

2.4.1. The CAA, Section 176(c)(1), requires all federal actions in nonattainment and maintenance areas to “conform” to approved State Implementation Plan (SIP) requirements. 40 C.F.R. Part 93 Subpart B (or a state, tribal or local conformity rule approved in accordance with 40 C.F.R. § 51.851) applies to federal activities during the interim period before the state revises and EPA approves the SIP. Under the EPA General Conformity Rule and any analogous state regulation the proponent shall analyze planned Air Force actions for conformity with the applicable SIP. As part of the planning process, the proponent will complete a General Conformity applicability analysis, as well as any required General Conformity determination, before completion of the Environmental Impact Analysis Process (EIAP) to allow incorporation of its information into the EIAP (32 C.F.R. Section 989.30). If the proposed action being considered in an EIAP document triggers the need to prepare a conformity determination, then the positive conformity determination must be issued prior to approval of the EIAP document by appropriate authority. [Note: See Section 2.5 and AFI 32-7061 for EIAP information, and refer to the “United States Air Force Conformity Guide, August 2010” for further details on General Conformity.]

2.4.2. Before implementing any federal action in an air quality nonattainment or maintenance area, the action must be reviewed to determine any adverse impacts to the applicable SIP. The action is not allowed to proceed if it negatively affects the implementation or goals of the SIP. In other words, air emissions must not violate any emission limitations established in the SIP for any year with a specified emission goal. The emissions are to include both direct and indirect mobile and stationary sources. The conformity determination must be approved before the EIAP process is completed.

2.4.2.1. Proponents shall prepare required conformity documents in coordination with the installation and MAJCOM air quality program managers for the proposed location. The MAJCOM air quality program manager will transmit the draft conformity determination via electronic staff summary sheet to AF/A7CAN for higher HQ coordination and SAF/IEE approval prior to release for public review.

2.4.2.2. Failure to complete public review of the draft conformity determination before any required EIAP public comment process will result in a delay of the EIAP process, as the EIAP must include valid CAA conformity analysis. The public comment periods can be run concurrently only if the draft conformity determination is issued at the same time as any draft EIAP document requiring a public comment period.

2.4.3. Only designated officials have the authority to make a General Conformity determination that the proposed action conforms with the SIP. SAF/IEE is currently the lowest level of signature authority for a General Conformity determination.

2.5. National Environmental Policy Act and Environmental Impact Analysis Process Planning. Section 102(c) of the National Environmental Policy Act (NEPA) (42 U.S.C. Section 4332(C)) requires the responsible federal official to consult with and obtain the comments of any federal agency that has jurisdiction by law or special expertise with respect to any environmental impact. Further, it requires the comments and views of the appropriate federal, state, and local agencies be made available to the President, the Council on Environmental Quality (CEQ), as well as the public, and they accompany the proposal through the existing agency review processes. General Conformity applicability analyses and General Conformity determinations are managed in conjunction with the Air Force's EIAP outlined in AFI 32-7061, as promulgated at 32 C.F.R. Section 989.30 (Air Quality), of that regulation requires all EIAP documents to address General Conformity and the status of compliance. It also requires General Conformity applicability analyses, as well as any required general conformity determination, to be developed in parallel with EIAP documents, although they are separate and distinct requirements that must be documented separately as well. The analyses, as well as any required determination, should be completed prior to the completion of the EIAP in order to allow incorporation of the information into the EIAP and allow for the agency and public review required under the NEPA statute and the CEQ's implementing regulations at 40 C.F.R. Part 1503.

2.5.1. NEPA Air Quality Impacts Analysis (AQIA) Planning. In addition to the parallel development, documentation, and incorporation requirement for General Conformity analyses and determinations for nonattainment or maintenance criteria pollutants, the NEPA documentation must analyze and disclose all of the ambient air impacts and any permit requirements involving any attainment criteria pollutant emissions, HAP emissions, and emissions of any other regulated pollutants under the CAA, such as Ozone Depleting Substances (ODS), that will result from the proposed action.

2.6. Preconstruction Review. Under a process known as New Source Review (NSR) (40 C.F.R. Part 51, Requirements for Preparation, Adoption and Submittal of Implementation Plans current edition, and Part 52, Approval and Promulgation of Implementation Plans current edition), new stationary sources of air pollution and major modifications to existing stationary sources are required to undergo preconstruction review to determine if the source's PTE is equal to or greater than applicable regulated pollutant thresholds, and obtain a permit before commencement of construction or modification activities. A facility is classified as a major source if its PTE is equal to or greater than applicable regulated pollutant thresholds under the act.

2.6.1. There are three types of permits that can be issued under NSR for either new or modified sources: Prevention of Significant Deterioration (PSD) program permits for attainment areas, nonattainment area major NSR program permits, and minor new source permits.

2.6.1.1. PSD permits apply to new major sources or major modifications at existing sources in areas designated attainment or unclassifiable for a particular NAAQS. For specific source categories a new major source has a PTE of 100 tons per year or more for at least one of the NAAQS, otherwise the threshold is set at 250 tons per year. Thresholds for modifications at existing major sources vary according to the regulated pollutant. For example, the significance threshold for ODSs at existing major sources is zero, while the

significance threshold for Nitrous Oxides (NO_x) is 40 tons/year. Application of BACT is required to control emissions.

2.6.1.2. Nonattainment area NSR permits apply to new major sources or major modifications to existing sources in areas designated nonattainment or maintenance for the NAAQS. Thresholds for new major sources and major modifications vary from 10 tons/year to 100 tons/year, depending on the area's classification or severity of nonattainment. Application of the LAER technology is required to control emissions.

2.6.1.3. Minor source NSR permits apply to stationary sources that do not require PSD or nonattainment area permits. They may contain enforceable conditions that limit emissions or operating conditions in order to create "synthetic minor" sources that are not subject to PSD or nonattainment NSR requirements.

2.6.2. Installations shall comply with appropriate NSR preconstruction review and permitting procedures before commencing construction or modification activities. Using installation AEI data, a "netting" analysis shall be conducted to ensure that all emissions changes (i.e. both increases and decreases) are considered when determining whether the proposed project triggers NSR thresholds or emissions offset requirements. For MILCON activities associated with new or modified emissions units, coordinate NSR applicability with the installation environmental function.

2.7. Utilizing Air Emission Reduction Credits in Planning. The CAA allows EPA and the states to develop economic incentive programs (EIPs) to control and reduce air emissions. Emission trading programs are one example of regulatory programs that, once final and approved by EPA, govern the "generation", "buying", "selling", "banking" and "trading" of ERCs, depending on the program. ERCs are generated when a source voluntarily reduces its emissions below required levels of control, and requests permission from the regulatory authority to emit pollutants in an amount equal to the quantity specified when the ERC was generated. Credits created under approved programs can be traded to another source to achieve emission reductions requirements in lieu of on-site reductions, used to reduce program compliance costs, or banked for future use as emission offsets in nonattainment areas. ERCs are treated as federal personal property and disposed of in accordance with appropriate federal personal property disposal regulations. More detailed information on Air Force generation, use and disposition of ERCs is provided in [Attachment 3](#).

2.8. Planning for Military-Unique Sources. Where military-unique sources exist, obtain the most recent information on EPA, DoD, and Air Force policy and guidelines regarding air resource management strategies for these sources.

2.9. Risk Management Planning. Owners or operators of stationary sources that have more than a threshold quantity of regulated hazardous or extremely hazardous substance must have a Risk Management Plan (RMP) under 40 C.F.R. Part 68 or applicable State law. States may establish thresholds that are lower than the federal minimum. Regardless, all stationary sources are subject to a "general duty" to plan for, prevent, and minimize the consequences of any accidental releases of extremely hazardous chemicals under § 112(r)(1) of the CAA.

2.10. Episode Planning. Where required, develop and implement a contingency plan for air pollution emergency episodes. Identify all actions that can reasonably be taken without compromising essential services and mission responsibilities.

2.11. Emergency Planning. Follow AFI 10-2501, *Air Force Emergency Management (EM) Program Planning and Operations* for emergency planning and response to major accidents; natural disasters; terrorist use of weapons of mass destruction; and nuclear, biological, chemical and conventional warfare.

Chapter 3

IMPLEMENTATION AND OPERATION

3.1. General Program Guidelines. In order to assure uninterrupted mission accomplishment at an installation, an Air Quality Compliance and Resource Management Program governing the operation of all stationary and mobile sources of air pollution must be developed and implemented at all Air Force installations to assess, attain, and maintain compliance with all applicable federal, state, and local air quality regulations and permits. As a minimum, the program will include establishing robust recordkeeping, reporting and monitoring processes, maintaining and actively using emissions inventories, and identification and documentation of trivial, de minimis and otherwise insignificant or exempt sources.

3.2. Air Emissions Inventory (AEI). Prepare and periodically update an AEI of all installation stationary and Air Force owned or operated mobile sources at the frequency required by federal, state and local regulations, via APIMS. If no periodic emission inventory requirements apply, it is recommended that APIMS be updated no less frequently than every three years to accurately reflect current emissions. Overseas installations shall conduct AEIs in accordance with Foreign Governing Standards or Host Nation agreements. Mandatory emissions reports will be provided to federal, state and local (including Metropolitan Planning Organization or other regional) regulatory agencies as required. GHG reporting mandated by Executive Order (E.O.) 13514, *Federal Leadership in Environmental, Energy, and Economic Performance*, will be accomplished at the SAF/HAF level. GHG reporting mandated by Title 40, Code of Federal Regulations, Part 98, *Mandatory Reporting of Greenhouse Gases* shall be accomplished by the affected installations. Installation AEI data stored in APIMS are available for use as needed by AFCEE and higher headquarters.

3.3. Title V and State Operating Permits. The goal of the Title V Operating Permit Program is to ensure compliance of major stationary sources of air pollution by consolidating all applicable air pollution control requirements into a single comprehensive operating permit. Some states were issuing operating permits before Title V was enacted, continue to issue such permits, and may require permits for certain minor sources. After the effective date of an approved Title V permit, it is unlawful to violate any requirement of the permit.

3.3.1. Major source designations are determined after a review of installation AEIs and other applicable documents. A facility is classified as a major source if its PTE is equal to or greater than the applicable criteria pollutant and HAP thresholds. The general rule is that, except as expressly provided otherwise, a major source is any source that has PTE of 100 tons per year or more of any regulated pollutant. A PTE of 100 tons per year or more is the typical criteria pollutant threshold -- except in certain ozone, carbon monoxide, and particulate matter nonattainment areas. The major source threshold for HAPs is 10 tons per year or more of any individual HAP, or 25 tons per year or more of any combination of HAPs. For a description of the express exceptions to the general rule, see the definition for "Major Stationary Source & Major Emitting Facility" in [Attachment 1](#).

3.3.1.1. In determining major source status, focus on existing records. During the application process ensure each requirement has a clearly defined and feasible

compliance demonstration and evaluate emission and throughput limits, versus material restrictions.

3.3.1.2. To determine industrial groupings, review the EPA guidance memorandum, *Major Source Determinations for Military Installations under the Air Toxics, New Source Review, and Title V Operating Permit Programs of the Clean Air Act*, John Seitz, 2 August 96. Installations must first obtain approval from the permitting authority prior to applying the EPA memorandum to their operations.

3.3.2. If an installation can bring itself under major source emission thresholds by accepting self-imposed federally enforceable limits on PTE without negatively impacting the mission, the installation may want to consider the pros and cons of applying for a synthetic minor permit instead of a Title V operating permit.

3.3.3. The federal Title V program may be operated and enforced at the federal, state or local air district level. Permits issued under Title V or other state permit programs include explicit conditions under which a particular emission unit or group of emission units will be required to operate. In many cases, the state or local regulatory agency (including MPOs) will have been delegated authority by EPA to administer federal rules and regulations under Title V; state or local regulatory agencies administer state-specific program regulations.

3.3.4. Title V permits include explicit conditions under which a particular emission unit or group of emission units will be required to operate. While permit conditions are often taken directly from federal, state, and local regulations, they may also be more stringent to address installation-specific conditions and state and local rules. Such rules may include, but are not limited to, visible emissions (or opacity), odor, nuisance emissions and equipment malfunction. Generally, state and local regulatory requirements are included as conditions only when they have been approved by EPA as part of the SIP, i.e., federally applicable and enforceable requirements. Air Force installations shall operate all sources subject to approved Title V permits and state-specific operating permits in full compliance with permit terms and conditions.

3.3.5. CAA Title V permits are typically issued to cover all applicable federal requirements for stationary sources of air emissions under common control of a single owner or operator entity at a military installation. When applying for or renewing a Title V permit installations should review the 1996 guidance, referenced in paragraph 3.3.1.2, and consult with the permitting authority to ensure proper application of the guidance. Common control may be determined, with approval of the state or local regulatory agency, at the military service level within DoD. Installations should periodically review permits to ensure their accuracy, and carefully consider the benefits and liabilities of including tenant activities, except as required (e.g., 50% support test), under the installation's Title V permit.

3.3.6. It is recommended that all federal and state air permits be maintained as digital files, and that as they are updated these digital files should be sent to AFCEE as a reference for interested Air Force organizations (MAJCOMs, REOs, etc.) and installations.

3.4. Mobile Sources. Ensure that motorized Air Force vehicles and portable equipment are operated, refueled, and maintained in accordance with all applicable federal, state and local requirements. Important mobile source requirements include, but are not limited to vehicle inspection and maintenance (I/M) and refueling provisions.

3.4.1. Vehicle Inspection and Maintenance (I/M) programs typically apply in areas that do not meet federal ozone (O₃) or carbon monoxide (CO) standards. Installations must ensure that either Air Force fleet vehicles, or privately owned vehicles (POVs) operated on the installation, or both, comply with non-discriminatory motor vehicle I/M programs that apply under § 118(a) of the CAA, with the terms of any Memorandum of Agreement (MOA) between the Department of Defense (DoD) and the State (e.g., California), or with any final regulations promulgated by EPA that implement the requirements of §§ 118(c) or (d) of the CAA.

3.4.2. Installation Commanders must ensure that if § 118(d) requires that employee owned vehicles comply with I/M requirements, then a program consistent with § 118(d) is established to ensure all employees comply with the I/M program applicable to the installation. The program must ensure that all employees vehicles meet the applicable I/M requirements, regardless of where the employee's vehicle is registered, and that the facility retains records indicating that all employees have supplied proof of compliance to the installation. Additionally, the program must contain elements which ensure that compliance is maintained.

3.4.3. Employees operating Air Force vehicles and equipment in areas subject to EPA or California clean, reformulated, oxygenated or ultra low sulfur fuel requirements, and Stage II vapor recovery programs, must ensure that compliant fuels and equipment are used during vehicle refueling operations, and that fuel pumps are labeled in accordance with the requirements of 40 C.F.R. 80.570.

3.4.4. E.O. 13423, *Strengthening Federal Environmental, Energy, and Transportation Management*, establishes federal agency goals for reducing GHG emissions and the consumption of petroleum-based fuels in fleet vehicles. Relative to fiscal year 2005 baselines, agencies are required to reduce the consumption of petroleum-based fuels by 2% annually through 2015; increase the consumption of non-petroleum-based fuels by 10% annually; and acquire and use plug-in hybrid (PIH) technology vehicles when they are commercially available at a life-cycle cost that is reasonably comparable to non-PIH vehicles. Installations are directed to begin establishing sustainable environmental, energy and transportation practices that will assist the Air Force in meeting the federal goals of E.O. 13423 through the implementation or expansion of initiatives such as carpooling, use of public transportation, trip reduction techniques, and wider use of alternative fuels in fleet vehicles.

3.4.5. E.O. 13514, *Federal Leadership in Environmental, Energy, and Economic Performance* goes beyond E.O. 13423 with regard to mobile source emission reductions. It identifies the Federal Government role as leading by example. Relative to fiscal year 2008 baselines, federal agencies are required to measure, manage, and reduce GHG emissions toward agency defined targets; and reduce vehicle fleet petroleum use by 30%. Examples of mobile GHG sources include vehicles and equipment, employee business travel, and employee commuting. Although all GHG emissions sources must be reported in accordance with E.O. 13514, it defines the category of "excluded vehicles and equipment" which are not subject to the agency reduction targets. Examples of "excluded vehicles" are vehicles or aircraft or non-road equipment owned or operated by an agency that are used in combat support, tactical operations, training for such operations, federal law enforcement, or emergency response; or spaceflight vehicles or associated ground-support equipment.

Agencies are also required to develop and maintain Strategic Sustainability Performance Plans (SSPPs). The DoD SSPP includes all E.O. 13514 related goals and indicators. The DoD SSPP tracks performance of the Services against DoD mobile source GHG reduction goals such as reducing use of petroleum products by vehicle fleets, reducing GHG emissions from employee business travel, and reducing GHG emissions from employee commuting by teleworking.

Chapter 4

CHECKING AND CORRECTIVE ACTION

4.1. General Program Guidelines. The effectiveness of installation Air Quality Compliance and Resource Management Programs is measured by the latest metrics established by the Deputy Under Secretary of Defense (Installations & Environment) and presented by HQ USAF/A7CA.

4.2. Environment, Safety, and Occupational Health Compliance Assessment and Management Program. Use the Environment, Safety and Occupational Health Compliance Assessment and Management Program (ESOHCAMP) as a tool for assessing and monitoring Air Force compliance, and identifying and prioritizing recommended corrective actions as necessary. The ESOHCAMP includes a protocol for air emissions and resource management, the cornerstone of which is the internal self-evaluation. Complete ESOHCAMP requirements are established pursuant to AFD 90-8, *Environment, Safety, and Occupational Health*, and any subsequent implementing instructions.

4.3. Data Management. Federal laws, Presidential directives, and DoD and Air Force policies require a change in how data are stored, disseminated, and used. The Air Force is integrating all Civil Engineer environmental data into one system for management, tracking and reporting activities. The Air Force-approved Management Information System provides a standardized, integrated tool and methodology to track, manage, and report all data related to Air Force environmental programs. The installation environmental function will ensure the air quality compliance and resource management data are accurately maintained in APIMS in a timely manner including data related to the installation air emission inventory, operating permits, and other pertinent air resource management information to ensure full mission support through effective management of natural infrastructure assets.

4.4. Payment of Fines and Penalties. The installation SJA, after coordinating with MAJCOM and appropriate Regional Counsel and gaining authority from AFLOA/JACE, will authorize installation personnel to commence any negotiations with state or local regulators concerning a CAA enforcement action or other CAA compliance matter. The installation SJA will remain informed or involved in all significant aspects of the negotiations and will continue to coordinate with MAJCOM and appropriate Regional Counsel.

4.4.1. When settling a state or local CAA case that includes a penalty, the settlement must be memorialized in a written agreement. The written agreement must be forwarded through MAJCOM to AFLOA/JACE. AFLOA/JACE will coordinate with SAF/GCN and DoJ, as required by current policy.

4.4.2. No consent order with state or local regulators will be entered into that provides for any penalty or the payment of any amount without written authorization from AFLOA/JACE.

Chapter 5

MANAGEMENT REVIEW

5.1. Regulatory Agency Noncompliance Actions. The installation environmental function will review management action plans to ensure that outstanding OEAs are resolved within the required time frames. Review the response to regulatory agency inspection findings to ensure process owners take timely corrective actions, and ensure reporting timelines outlined in the latest AF/A7CA guidance are followed.

5.2. Automated Civil Engineer System-Program Management. Use the Automated Civil Engineer System-Program Management (ACES-PM) to plan, program, and budget requirements for air quality compliance and resource management. Environmental managers are reminded it is the Air Force's policy to always pursue a feasible pollution prevention solution first in order to meet a compliance requirement (AFI 32-7080, *Pollution Prevention Program*).

5.3. Environment, Safety and Occupational Health Councils. Installation Environment, Safety and Occupational Health Councils (ESOHCs) are the appropriate forum for coordinating air quality compliance and resource management program corrective actions that require cross-functional review, deliberation and approval. ESOHCs will conduct management reviews to ensure air planning goals are met, implementation and recordkeeping procedures are followed, and assessment findings are tracked and completed. The ESOHC also ensures program goals are appropriate and produce actions to fully support current and future mission requirements with adequate air assets. See AFI 90-801, *Environment, Safety, and Occupational Health Councils* for further information.

KEVIN J. SULLIVAN, Lt Gen, USAF
DCS/Logistics, Installations & Mission Support

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

- 40 C.F.R. Part 98, *Mandatory Reporting of Greenhouse Gases*
- AFCEE Emissions Factor Guide to Air Force Mobile Sources, December 2009 at <https://afkm.wpafb.af.mil/DocView.asp?DocID=7808690>
- AFCEE Emissions Factor Guide to Air Force Stationary Sources, December 2009 at <https://afkm.wpafb.af.mil/DocView.asp?DocID=8692790>
- E.O. 13514, *Federal Leadership in Environmental, Energy, and Economic Performance*
- E.O. 12088, *Federal Compliance with Pollution Control Standards*
- E.O. 13423, *Strengthening Federal Environmental, Energy, and Transportation Management*
- 42 U.S.C. 7401 - 7671q, *Clean Air Act*
- 42 U.S.C. 11001 - 11050, *Emergency Planning and Community Right-to-Know Act*
- 42 U.S.C. 4321 - 4370f, *National Environmental Policy Act*
- 42 U.S.C. 11001 - 11050, *Superfund Amendments and Reauthorization Act*
- 32 C.F.R. Part 989.30, *Air Quality*
- 40 C.F.R. Part 51, *Requirements for Preparation, Adoption, and Submittal of Implementation Plans*
- 40 C.F.R. Part 51, Subpart I, *Review of New Sources and Modifications*
- 40 C.F.R. Part 51, Subpart S, *Inspection/Maintenance Program Requirements*
- 40 C.F.R. Part 60, *Standards of Performance for New Stationary Sources*
- 40 C.F.R. Part 61, *National Emission Standards for Hazardous Air Pollutants*
- 40 C.F.R. Part 63, *National Emission Standards for Hazardous Air Pollutants for Source Categories*
- 40 C.F.R. Part 68, *Chemical Accident Prevention Provisions*
- 40 C.F.R. Part 70, *State Operating Permit Programs*
- 40 C.F.R. Part 71, *Federal Operating Permit Programs*
- 40 C.F.R. Part 80, *Regulation of Fuels and Fuel Additives*
- 40 C.F.R. Part 81, *Designation of Areas for Air Quality Planning Purposes*
- 40 C.F.R. Part 82, *Protection of Stratospheric Ozone*
- 40 C.F.R. Part 86, *Control of Air Pollution from New and In-Use Motor Vehicles and New and In-Use Motor Vehicle Engines; Certification and Test Procedures*
- 40 C.F.R. Part 88, *Clean Fuel Vehicles*

40 C.F.R. Part 93, Subpart B, *Determining Conformity of General Federal Actions to State or Federal Implementation Plans* (Conformity Rule)

48 FAR Subpart 23.7, *Contracting for Environmentally Preferable Products and Services*

EPA, *Major Source Determinations for Military Installations under the Air Toxics, New Source Review, and Title V Operating Permit Programs of the CAA*, 2 Aug 96

DoDI 4715.5, *Management of Environmental Compliance at Overseas Installations*

DoDI 4715.6, *Environmental Compliance*

DoDI 5000.64, *Defense Property Accountability*

DoD 4715.5-G, *Overseas Environmental Baseline Guidance Document (OEBGD)*

AFI 10-2501, *Air Force Emergency Management (EM) Program Planning and Operations*

AFPD 32-70, *Environmental Quality*

AFPD 32-90, *Real Property Management*

AFPD 90-8, *Environment, Safety, and Occupational Health*

AFI 90-801, *Environment, Safety, and Occupational Health Councils*

AFPD 48-1, *Aerospace Medical Program*

AFI 32-7006, *Environmental Program in Foreign Countries*

AFI 32-7045, *Environmental Compliance Assessment and Management Program (ECAMP)*

AFI 32-7047, *Environmental Compliance Tracking and Reporting*

AFI 32-7061, *The Environmental Impact Analysis Process*

AFI 32-7080, *Pollution Prevention Program*

AFI 32-7086, *Hazardous Materials Management*

AFI 48-145, *Occupational and Environmental Health Program*

AFI 51-301, *Civil Litigation*

AFMAN 37-123, *Management of Records*

AFMAN 48-153, *Health Risk Assessment*

AFMAN 48-154, *Occupational and Environmental Health Site Assessment*

AF Form 847, *Recommendation for Change of Publication*

United States Air Force Conformity Guide, August 2010

Abbreviations and Acronyms

AAFES—Army and Air Force Exchange Service

ACES-PM—Automated Civil Engineer System-Program Management

AEI—Air Emissions Inventory

AFCEE—Air Force Center for Engineering and the Environment

AFCESA—Air Force Civil Engineer Support Agency

AFI—Air Force Instruction

AFIOH—Air Force Institute for Operational Health

AFIT/CESS—Air Force Institute of Technology Civil Engineer and Services School

AFLOA/JACE—Air Force Legal Operations Agency/Environmental Law and Litigation Division

AFMAN—Air Force Manual

AFPD—Air Force Policy Directive

AFRPA—Air Force Real Property Agency

AQIA—Air Quality Impact Analysis

AQCR—Air Quality Control Region

BACT—Best Available Control Technology

CAA—Clean Air Act

CAAA—Clean Air Act Amendments

CEQ—Council on Environmental Quality

C.F.R.—Code of Federal Regulations

CO—Carbon Monoxide

CONUS—Continental United States

DERC—Discrete Emission Reduction Credit

DoD—Department of Defense

DoDI—Department of Defense Instruction

DoJ—Department of Justice

DRU—Direct Reporting Unit

EEA—Environmental Executive Agent

EIAP—Environmental Impact Analysis Process

EIP—Economic Incentive Program

E.O.—Executive Order

EPA—United States Environmental Protection Agency

EPCRA—Emergency Planning and Community Right-to-Know Act

ERC—Emission Reduction Credit

ESOHC—Environment, Safety and Occupational Health Council

ESOHCAMP—Environment, Safety, and Occupational Health Compliance Assessment and Management Program

ESOHMS—Environment, Safety and Occupational Health Management System

FFCA—Federal Facilities Compliance Act

FGS—Final Governing Standards

FOA—Field Operating Agency

GACT—Generally Available Control Technology

GSA—General Services Administration

HAP—Hazardous Air Pollutant

HQ USAF/A7C—Headquarters, United States Air Force, Office of the Civil Engineer

HQ USAF/A7CA—Headquarters, United States Air Force, Office of the Civil Engineer, Asset Management & Operations Division

HQ USAF/A7CAQ—Headquarters, United States Air Force, Office of the Civil Engineer, Asset Management & Operations Division, Environmental Quality Branch

HN—Host Nation

I/M—Inspection and Maintenance

IMT— **Information Management Tool**

LAER—Lowest Achievable Emission Rate

MACT—Maximum Achievable Control Technology

MAJCOM—Major Command

MILCON—Military Construction

MOA—Memorandum of Agreement

MPO—Metropolitan Planning Organization

NAAQS—National Ambient Air Quality Standards

NEPA—National Environmental Policy Act

NESHAP—National Emission Standard for Hazardous Air Pollutants

NSPS—New Source Performance Standards

NO₂—Nitrogen Dioxide

NO_x—Nitrogen Oxides

NSR—New Source Review

O₃—Ozone

OCONUS—Outside Continental United States

ODS—Ozone-Depleting Substances

OEA—Open Enforcement Action

OEBGD—Overseas Environmental Baseline Guidance Document

OEHSA—Occupational and Environmental Health Site Assessment

OTR—Ozone Transport Region

Pb—Lead

PIH—Plug-in Hybrid

PM—Particulate Matter with an Aerodynamic Diameter Equal or Less than 10 Microns (**PM₁₀**) and Equal or Less than 2.5 Microns (**PM_{2.5}**)

POVs—Privately Owned Vehicles

PSD—Prevention of Significant Deterioration

PTE—Potential To Emit

RACT—Reasonably Available Control Technology

REO—Regional Environmental Office

RMP—Risk Management Plan

SAF/IEE—Deputy Assistant Secretary of the Air Force for Environment, Safety, and Occupational Health

SAF/GCN—Secretary of the Air Force, General Counsel, Installations and Environment

SARA—Superfund Amendments and Reauthorization Act

SIP—State Implementation Plan

SJA—Staff Judge Advocate

SO₂—Sulfur Dioxide

USAF—United States Air Force

VOC—Volatile Organic Compound

U.S.—United States

U.S.C.—United States Code

Terms

Air Pollutant—Any air pollution agent or combination of such agents, including any physical, chemical, biological, radioactive (including source material, special nuclear material and byproduct material) substances or matter which emitted into or otherwise enters the ambient air. Such term includes any precursors to the formation of any air pollutant, to the extent the Administrator has identified such precursor or precursors for the particular purpose for which the term “air pollutant” is used.

Air Pollution—The presence of contaminant or pollutant substances in concentrations that interfere with human health or welfare or produce other harmful environmental effects.

Air Quality Standards—As prescribed by regulations, the level of pollutants that may not be exceeded during a specific time in a defined area.

Attainment Area—An area considered to have air quality as good as or better than the NAAQS as defined in the CAA. An area may be an attainment area for one pollutant and a nonattainment area for others.

Class I, II, and III Areas—Under the CAA, clean air areas are divided into three classes. Very little pollution increase is allowed in Class I areas, some increase is allowed in Class II areas and even more of an increase is allowed in Class III areas. National parks, national monuments, and wilderness areas receive mandatory Class I protection. All other areas start out as Class II. States can reclassify Class II areas as either Class I or Class III, subject to Federal requirements.

Conformity—Conformity is the multi-step process used to determine and document whether a proposed federal action meets the requirements of the General Conformity rule. There are two main components to the overall process: an applicability analysis to determine whether a conformity determination is required and, if it is, a Conformity determination to determine whether the action conforms to the SIP.

Criteria Pollutant—Air pollutants for which NAAQS have been established. Criteria pollutants include PM₁₀ and PM_{2.5}, CO, SO₂, NO₂, O₃, and Pb.

Emission—An emission is any release into the atmosphere of an air pollutant as defined in the CAA Amendments of 1990 Section 302 (g). Emissions can be released from boilers, generators, motor vehicles and air fleet, degreasing operations, woodworking and welding, repainting and surface coating operations, etc.

Emissions Inventory—A detailed listing, by source and type, of the quantity of air pollutants emitted into the atmosphere.

Emission Reduction Credit—Emission reduction credits are a novel form of property for emissions trading purposes. ERCs only exist when created in accordance with a system to establish, bank, and trade the ERCs under a state or local (including MPO or other regional) implementation plan.

Enforcement Action—Actions taken by regulators to obtain compliance with environmental laws, rules, regulations, or agreements and/or obtain penalties for violations.

Hazardous Air Pollutants—Those substances listed by EPA or states that have been identified as serious threats to human health or the environment.

Installation Commander—The host unit commander who discharges the duties directed by United States statutes or Air Force directives.

Maintenance Area—Any geographic region of the United States previously designated nonattainment pursuant to the CAA Amendments of 1990 and subsequently redesignated to attainment subject to the requirement to develop a maintenance plan under Section 175A of the CAA, as amended.

Major Stationary Source & Major Emitting Facility—Except as otherwise expressly provided, both terms mean sources that emit 100 tons per year or more of any air pollutant. The exceptions are:

- 1) 250 tons per year of any regulated pollutant from any source in an attainment area other than one of the twenty-eight listed sources in 42 U.S.C. Section 7479;
- 2) 50 tons per year/ 25 tons per year/ 10 tons per year of Volatile Organic Compounds (VOCs) or NOx in serious, severe, and extreme O₃ nonattainment areas, respectively;
- 3) Five (5) tons per year of VOCs or NOx in moderate O₃ nonattainment areas if state opted out of the 15% reduction provision of 42 U.S.C. Section 7511a(b)(1);
- 4) 50 tons per year of VOCs for any source within an Ozone Transport Region (OTR) per 42 U.S.C. Section 7511c(b)(2), except such sources in severe or extreme nonattainment areas within the OTR;
- 5) 50 tons per year of CO in serious CO nonattainment areas;
- 6) 70 tons per year of whose aerodynamic diameter is less than or equal to 10 microns (PM₁₀) in nonattainment areas; or
- 7) 10 tons per year of any single HAP or 25 tons per year of all HAPs in the aggregate.

Mobile Source—Any non-stationary source of air pollution, such as cars, trucks, buses, planes, trains, motorcycles and gasoline-powered lawn mowers. Mobile sources are typically classified as being either “on-road” or “non-road” in nature. Examples of on-road sources include cars, trucks and buses, while examples of non-road sources include construction equipment, aircraft, aircraft ground support equipment, and other tactical equipment used in combat or combat support operations.

Monitoring—Periodic or continuous surveillance or testing to determine the level of compliance with statutory requirements and/or pollutant levels in various media or in humans, animals, and other living things.

National Ambient Air Quality Standards—Standards established by the EPA for six criteria air pollutants that are commonly found in ambient air throughout the country. Two types of NAAQS have been established. Primary standards set limits to protect public health, while secondary standards set limits to protect public welfare. Areas with good air quality are referred to as being in “attainment” with the NAAQS, while areas with poor air quality are referred to as being “nonattainment” with the NAAQS.

New Source—Any stationary source that is built or modified after publication of final or proposed regulations that prescribe a standard of performance intended to apply to that type of emission source.

New Source Performance Standards—Uniform national air emission standards established by EPA that limit the amount of pollution allowed from new or existing sources that have been modified. NSPS are found in 40 C.F.R. Part 60.

Nonattainment Area—Geographic area with measured air quality that does not meet one or more of the NAAQS for the criteria pollutants designated through the CAA.

Operational Needs Requirement ERC—ERCs in an air quality district where an installation is closing that the Air Force would justifiably need to acquire to fulfill its operations at another Air Force facility in the same air quality district, or in any other air quality district that would accept transfer of the credits. Operational needs requirement ERCs include all ERCs needed for the Installation Restoration Program.

Personal Property—Any property including military equipment, but excluding real property, consumable items, component parts of a higher assembly, or items that lose their individual identity through use.

Potential to Emit—The maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation is enforceable by the EPA.

Precursors of a Criteria Pollutant—Precursors are those pollutants that contribute to the formation of a criteria pollutant. For O₃, precursors are NO_x (unless an area is exempted from NO_x requirements under the CAA, Section 182(f)), and VOCs; and for PM₁₀, precursors are those pollutants described in the applicable nonattainment area SIP as significant contributors to PM₁₀ levels. For PM_{2.5}, the scientifically recognized precursors are ammonia, SO₂, NO_x, and VOCs per EPA's proposed implementation rule at 70 Federal Register 65983 (November 1, 2005). As of this writing it is uncertain which, if any, of these will actually be regulated as precursors for purposes of NSR, General Conformity, or other SIP rules.

Prevention of Significant Deterioration—The EPA program in which federal and/or state permits restrict emissions for new or modified sources in places where air quality is already better than required to meet the NAAQS.

Related Personal Property ERC—Available ERCs, the removal of which would significantly diminish the value of the property if not transferred with the real property. The Air Force will consider development plans of the reuse groups and determine which ERCs will be available for transfer as related personal property after Air Force “operational needs requirement” ERCs are addressed.

Responsible Official—The installation commander for purposes of signing Title V Operating Permit applications, amendments, supplements, or corrections and for certifying Title V Operating Permit deviation reports, monitoring reports, compliance certifications, or any other document that requires certification by a “Responsible Official” under the applicable regulations. The responsibility to certify the federal agency Responsible Official may not be delegated. Section 70.2 of the Title V Operating Permit regulations defines a Responsible Official as follows: “For a municipality, State, Federal, or other public agency: either a principal executive officer or ranking elected official. For the purposes of this part, a principal executive of a Federal agency includes the chief executive officer having responsibility for the overall operations of a principal geographic unit of the agency (e.g., a Regional Administrator of EPA).”

Risk Management—The process of evaluating alternative regulatory and nonregulatory responses to risk and selecting among them. The selection process requires consideration of impact to human health and the environment, legal, economic, military and social factors.

Risk Management Plan—A plan that documents the actions a facility that stores, transports or uses regulated hazardous substances at levels exceeding established thresholds will take to prevent and mitigate their accidental release, and reduce the severity of releases that do occur. RMP requirements are found at 40 C.F.R. Part 68.

Sovereign Immunity—The legal principal that the federal government can not be subjected to state penalties or judgments of state courts except where Congress has expressly waived such immunity in the CAA or other statute.

State Implementation Plans—SIPs are state plans for the establishment, regulation, and enforcement of air pollution standards. SIPs approved by the EPA are federally enforceable.

Stationary Source—A fixed, non-moving producer of pollution, such as power plants and other facilities using industrial combustion processes, paint spray booths, fuel storage tanks, and solvent cleaning facilities.

Synthetic Minor—A facility or stationary source that has voluntarily limited its PTE by means of a federally enforceable order, rule, or permit condition to ensure its emissions do not exceed major source thresholds.

Volatile Organic Compounds—Any organic compound that participates in atmospheric photochemical reactions, except for those designated by EPA as having negligible photochemical reactivity.

Attachment 2

AIR QUALITY COMPLIANCE AND RESOURCE MANAGEMENT REGULATIONS, EXECUTIVE ORDERS, AND DOD DIRECTIVES

A2.1. Regulatory Sources. This attachment briefly describes key elements of the regulatory framework governing the air quality compliance and resource management responsibilities of all Air Force organizations.

A2.1.1. Air Quality Regulatory Authorities. Within the Continental United States (CONUS), the U.S. Environmental Protection Agency (EPA) develops regulations, programs, policies and enforcement strategies for compliance with Clean Air Act (CAA) air quality standards. Of particular importance is EPA's role in adopting CAA regulations which set minimum air quality requirements that state and local regulatory authorities must meet through their air programs and regulations. The Air Force complies with all EPA-adopted CAA regulations, found in 40 C.F.R. Part 50 - 99. In addition, EPA-adopted CAA policies and guidance on how CAA provisions should be applied by the regulated community should be generally followed in circumstances where applicable. EPA-proposed regulations and draft policies/guidance should generally not be followed but may be considered for informational purposes. However, major new or reconstructed sources of hazardous air pollutants (HAPs) that begin construction or reconstruction after promulgation of applicable proposed standard, limitation, or regulation, should follow the proposed rule because (if operating) they must be in compliance with the proposed standards on the effective date of the rule.

States have primary authority and responsibility to achieve and maintain air quality, and play major roles in implementation of the minimum requirements of the CAA through the preparation and adoption of State Implementation Plans (SIPs) and issuance of Title V permits. See, for example Sections 101(a)(3), 107(a), 112(r)(11), 116, and 304(e) of the CAA. States may adopt their own more stringent or additional air quality regulations according to the terms of their own state air quality statutes, unless Congress has expressly preempted such laws and regulations (e.g., regulation of new motor vehicles, nonroad engines, and fuels, except in California, as well as aircraft or engines in any state). The Air Force complies with all applicable state-adopted air quality laws and regulations in the same manner and to the same extent required for any nongovernmental entity. Section 118(a) of the CAA waives federal sovereign immunity for compliance with such requirements in the same manner and to the same extent as any nongovernmental entity, including the payment of fees. However, as discussed above the payment of punitive fines and penalties for wholly past violations of such state or local requirements requires coordination in advance with AFLOA/JACE via the activity's legal chain of command. States are not required to apply EPA CAA guidance in making determinations concerning installation compliance with the CAA or other air quality statutes or regulations. Accordingly, installations interested in applying EPA guidance in connection with their CAA permits or related compliance activities must coordinate with their respective states to receive approval of applying the EPA guidance in that context. While state-adopted air quality policies and guidance should be generally followed by installations in that state in circumstances where applicable, state-proposed air quality regulations and draft air quality policies and guidance should generally not be followed, but may be considered for informational purposes.

As political subdivisions of states, local regulatory authorities (including Metropolitan Planning Organizations (MPOs) and other regional authorities) also have primary authority and responsibility for air pollution control and abatement per Section 101(a)(3) and Section 116 of the CAA. The Air Force complies with all applicable, duly adopted local and regional laws and regulations in the same manner and to the same extent as required of any nongovernmental entity.

Air Force components at installations operating in foreign countries) shall implement relevant portions of this instruction in accordance with DoD and AF policies, the country-specific Final Governing Standards (FGS), or Overseas Environmental Baseline Guidance Document (OEBGD), if no FGS exists, or any obligations under a binding international agreement. Additional direction, guidance and information may be obtained from AFCEE, AFCEA, AFIOH, and MAJCOM and installation Staff Judge Advocates (SJAs) as appropriate.

A2.1.2. Air Quality Regulatory Information. Primary sources of regulatory information are EPA-adopted CAA regulations and applicable state air quality statutes and regulations. New and updated information regarding air quality compliance may be obtained from the Defense Environmental Network & Information eXchange (DENIX), the Air Force Federal CAA Toolbox and State CAA Toolbox available from AFCEE, and HQ USAF/A7CA. Other important sources of additional direction, guidance and information may be obtained from AFCEE, AFCEA, AFIOH, MAJCOM and installation SJAs, and from the DoD Services Steering Committee for Clean Air Act Implementation which facilitates compliance with and implementation of the CAA within DoD Components. After first utilizing the information sources described above, installations can consult with EPA, state and local (including MPO or other regional) authorities as appropriate to meet their regulatory obligations.

A2.2. Clean Air Act. (CAA Sections 101 - 618, 42 U.S.C. 7401 - 7671q) The CAA is the primary statute for the control of air pollution through the regulation of air emissions from stationary and mobile sources within the United States, its territories, and possessions including the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. The CAA has historically regulated air quality through prohibitions on pollution emissions from new and existing sources of air pollution that cause the exceedance of ambient air quality levels in SIPs; more stringent control technology and permitting requirements are provided for new sources of air pollution; and provisions to address specific air quality problems and visibility impairment. The 1990 CAA Amendments (Pub. L. No. 101-549, November 15, 1990) were the most recent and most substantial revision of historic CAA coverage. The 1990 Amendments to the CAA contained six Titles. Titles I-III amended Subchapters I-III of the existing CAA and Titles IV-VI contained major additions to the Act. The 1990 Amendments introduced sweeping changes including, but certainly not limited to, requirements for a comprehensive operating permit program. The CAA is presently organized into six Subchapters: Subchapter I—Programs and Activities; Subchapter II—Emission Standards for Moving Sources; Subchapter III—General Provisions; Subchapter IV—Noise Pollution; Subchapter IVa—Acid Deposition Control; Subchapter V—Permits; and Subchapter VI—Stratospheric Ozone Protection. The following provides brief descriptions of major CAA statutory requirements.

A2.2.1. National Ambient Air Quality Standards for Criteria Pollutants. (CAA Subchapter I, Section 109, 42 U.S.C. 7409) Subchapter I of the CAA establishes national ambient air

quality standards (NAAQS) for six major pollutants called criteria pollutants. For each criteria pollutant, primary NAAQS standards are set at levels sufficient to protect public health with an adequate margin of safety, and secondary NAAQS standards are set at levels to promote the public welfare (i.e., for non-human health-related concerns.)

A2.2.2. State Implementation Plans. (CAA Subchapter I, Section 110, 42 U.S.C. 7410) Under Subchapter I of the CAA, each state must develop and adopt a SIP, which must be approved by EPA before it is fully enforceable. SIPs provide for implementation, maintenance, and enforcement of the NAAQS in each air quality control region (AQCR) for stationary and mobile sources.

A2.2.3. Standards of Performance for New Stationary Sources. (CAA Subchapter I, Section 111, 42 U.S.C. 7411) Stationary sources are categorized as either major or minor based on their potential to emit regulated air pollutants. The determinations of “major” sources on military installations are essentially the same as for non-military industrial and commercial facilities. EPA guidance concerning major sources at military installations includes *Major Source Determinations for Military Installations under the Air Toxics, New Source Review, and Title V Operating Permit Programs of the Clean Air Act*, 2 August 96.

A2.2.4. Hazardous Air Pollutants. (Subchapter I, Section 112, 42 U.S.C. 7412) At present, there are 186 CAA HAPs. Changes in the listing of HAPs are found in 40 C.F.R. Part 63, Subpart C. EPA promulgates National Emission Standards for Hazardous Air Pollutants (NESHAP) to eliminate the adverse health effects caused by HAP emissions into the atmosphere. NESHAP standards typically apply to Air Force installations classified as major sources of HAPs that are involved in the manufacture or rework (including maintenance and repair) of commercial, civil, or military aerospace vehicles or components, or military-unique equipment and processes.

A2.2.5. Control of Pollution from Federal Facilities. (Subchapter I, Section 118, 42 U.S.C. 7418) Federal agencies are to comply with all federal, state, interstate and local requirements in the same manner and to the same extent as any nongovernmental entity.

A2.2.6. Prevention of Significant Deterioration of Air Quality. (CAA Subchapter I, Part C, Sections 160 - 169B, 42 U.S.C. 7470 - 7492) Prevention of Significant Deterioration (PSD) requirements (40 C.F.R. Part 51.166 and 52.21) apply to major sources located in areas designated as attainment for the NAAQS.

A2.2.7. Plan Requirements for Nonattainment Areas. (CAA Subchapter I, Part D, Sections 171 - 193, 42 U.S.C. 7501 - 7515) Nonattainment New Source Review (NSR) requirements (40 C.F.R. Part 51.165(a) and (b); 40 C.F.R. Part 51 Appendix S; 40 C.F.R. Part 52.24) apply in areas where an established NAAQS for a CAA pollutant is not being met (nonattainment areas).

A2.2.8. National Emissions Standards for Moving Sources. (CAA Subchapter II, Part A and C, Sections 201 - 219, 241 - 250, 42 U.S.C. 7521 - 7554) The National Emissions Standards consists of the following programs: (1) Mobile Source Emissions; (2) Inspection and Maintenance (I/M) Program; and (3) Alternative Fuel Programs. Air Force facilities must ensure that their vehicle fleets and POVs registered at the facility comply with applicable mobile source rules, including but not limited to I/M programs and where necessary clean fuel and alternative fuel programs.

A2.2.9. Title V Operating Permits. (Subchapter V, Sections 501 - 507, 42 U.S.C. 7661c - 7661g) Subchapter V of the CAA (Title V of the 1990 CAA Amendments, Pub. L. No. 101-549, November 15, 1990) and the related implementing regulations (40 C.F.R. Part 70, State Operating Programs current edition and 40 C.F.R. Part 71, Federal Operating Permit Programs current edition) require EPA to establish a national, federally enforceable operating permit program. The goal of the Title V Operating Permit Program is to ensure compliance of major stationary sources of air pollution by consolidating all applicable air pollution control requirements into a single comprehensive operating permit.

A2.2.10. Stratospheric Ozone Protection. (Subchapter VI, Sections 601 - 618, 42 U.S.C. 7671 - 7671q) The Ozone Depleting Substance (ODS) regulations in 40 C.F.R. Part 82 implement the *Montreal Protocol on Substances that Deplete the Ozone Layer* and related provisions of the CAA.

A2.3. Other Federal Regulations. Although the CAA is the primary legislation for the control of air pollution, other legislation contains requirements for air quality compliance, including:

A2.3.1. Federal Facilities Compliance Act (FFCA) Public Law 102-386, Statute 1505) waives immunity with respect to substantive and procedural requirements for federal facilities.

A2.3.2. Resource Conservation and Recovery Act (42 U.S.C. 6901 et. seq) regulates hazardous waste from the “cradle-to-grave” and mandates compliance with the CAA. The regulations implementing RCRA are contained in 40 C.F.R. Part 260 - 299.

A2.3.3. Part C of the Safe Drinking Water Act (42 U.S.C. 300f - 300j-11) regulates underground injection. The regulations implementing the Safe Drinking Water Act are contained in 40 C.F.R. Part 141 - 149.

A2.3.4. Emergency Planning and Community Right-to-Know Act (EPCRA), also known as Title III of the Superfund Amendments and Reauthorization Act (SARA), or SARA Title III, 42 U.S.C. 11001 - 11050. Certain chemicals subject to the HAPs and risk management provisions of CAA Section 112 are also subject to EPCRA requirements. The regulations implementing EPCRA are contained in 40 C.F.R. Part 350 - 372.

A2.3.5. National Environmental Policy Act (NEPA) (42 U.S.C. 4321 - 4370f) requires the Air Force to make a parallel air quality conformity determination for major actions that needs to be managed through the EIAP (32 C.F.R. Part 989.30).

A2.4. Executive Order 12088. E.O. 12088, *Federal Compliance with Pollution Control Standards*, requires the Air Force to take all necessary actions to prevent, control, and abate environmental pollution at all Air Force installations; and comply with applicable pollution control standards including, but not limited to, those established pursuant to the various federal environmental statutes listed in the E.O. A previous requirement to request sufficient funds for environmental compliance and prompt correction of noncompliance was subsequently repealed by E.O. 13148.

A2.5. Executive Order 13327. E.O. 13327, *Federal Real Property Asset Management*, requires agencies promote the efficient and economic use of federal real property resources in accordance with their value as national assets. The effectiveness of federal real property management is determined by a variety of performance measures, such as consideration of the environmental

costs associated with agency ownership of real property, including the costs of environmental restoration and compliance activities.

A2.6. Executive Order 13423. E.O. 13423, *Strengthening Federal Environmental, Energy, and Transportation Management*, requires the Air Force to conduct its environmental, transportation, and energy-related activities in support of its mission in an environmentally, economically, and fiscally sound, integrated, continuously improving, efficient, and sustainable manner.

A2.7. Department of Defense Instruction 4715.5. DoDI 4715.5, *Management of Environmental Compliance at Overseas Installations*, establishes the framework of policies, procedures and responsibilities as well as environmental “standards” that all permanent U.S. installations operating in foreign countries must comply with. The OEBGD provides the minimum environmental criteria and management practices to protect human health and the environment. The FGS are a comprehensive set of country-specific substantive provisions, typically technical in nature, derived from a comparative analysis of the OEBGD and Host Nation (HN) standards. The more protective of the two standards are incorporated into the FGS as determined to be applicable and appropriate in accordance with international agreements (e.g., Status of Forces Agreement).

A2.8. Executive Order 13514. E.O. 13514, *Federal Leadership in Environmental, Energy, and Economic Performance* orders that the Federal Government will lead by example in establishing an integrated national strategy for sustainability. Using fiscal year 2008 baselines federal agencies are directed to measure, manage, and reduce GHG emissions by 2020; reduce vehicle fleet petroleum use by 30% by 2020; achieve 50% recycling and waste diversion by 2015; meet sustainability requirements in 95% of applicable contracts; implement the 2030 net-zero-energy building requirement; implement the stormwater provisions of the Energy Independence and Security Act of 2007; and develop guidance for sustainable buildings.

Attachment 3

AIR EMISSION REDUCTION CREDITS

A3.1. Air Emission Reduction Credits. The Clean Air Act (CAA) allows the Environmental Protection Agency (EPA) and the states to develop economic incentive programs to control and reduce air emissions. Such programs allow sources to “generate”, “buy”, “sell”, “bank”, or “trade” emissions reduction credits (ERCs). ERCs are authorized and created by appropriate state or local authorities, and will vary from location to location pursuant to applicable EPA rules. ERC programs need to be approved by EPA in a State Implementation Plan (SIP) to become effective. Credits earned by any source that permanently reduces emissions beyond its reduction requirements can be traded to another source that could use such credits, in lieu of on-site reductions, to meet its reduction obligations. ERCs may also be banked for future use as offsets for nonattainment area New Source Review (NSR) or General Conformity determinations. ERCs are treated as federal personal property and disposed of according to the appropriate federal property disposal regulations. Flying operations shall not be reduced for the sole purpose of obtaining ERCs; however, installations should ensure that emissions from aircraft flying operations are accounted for in comprehensive emissions inventories and memorialized in any applicable SIP emissions budget for the installation.

A3.2. Emission Reduction Credit Identification. ERCs can be created as a result of operational changes or installation closure. They can be obtained by removing pollutant-emitting equipment from service or reducing emissions from equipment, if the applicable air quality district allows. Planning for ERC utilization should include a determination of the applicable requirements for generation as soon as possible to avoid inadvertent loss of ERCs due to missed requirements. For example, some local rules require submission of an application for ERCs along with supporting documentation prior to any shutdown of the emissions source while other local rules require submission of the application within 90 days of permanent shutdown. In addition, some states may have laws that expressly apply to various aspects of ERC generation and disposition involving military base closures and realignments, such as the Cannella Bill in California, AB 3204 (1994), codified at Health and Safety Code Section 40709.7.

A3.3. Emission Reduction Credit Inventory and Classification. Within one year, or as early as possible, prior to the departure of the active mission from a currently announced installation closure or realignment (immediately at installations where the active mission has departed or equipment emitting air emissions are discontinued, or within six months of an installation closure announcement for future closures), the environmental function will complete an inventory of all existing/potential sources of ERCs and associated emissions, and have a legal review prepared summarizing the applicable air quality district regulations on ERCs. Copies of the applicable ERC regulation will be included when facility ERCs are identified and any limitations on the disposition of the ERCs will be noted in the legal review. Such limitations may include prohibitions on the use of ERCs at closing facilities and if there are any restrictions on the leasing of ERCs. Forward the inventory, legal review, and appropriate regulations governing the use of these ERCs through the MAJCOM environmental function to the appropriate AFCEE REO. The ERCs will be initially classified as “related personal property ERCs”, “operational needs requirement ERCs”, or “personal property ERCs” on the inventory. The REO will circulate the inventory to other MAJCOMs and installations in the same air quality district who will identify ERCs they might need. The REO will then validate the list and forward it with

comments back to the appropriate MAJCOM. MAJCOMs will review/validate the ERCs/categories, coordinate with HQ USAF/A7C, and submit to SAF/IEE for final approval.

A3.4. Emission Reduction Credit Application. The CAA allows sources in nonattainment areas with EPA-approved ERC programs to “trade” ERCs. Installations must follow regulatory agency procedures to apply for and obtain ERCs if interested in obtaining ERCs and if they have adequate funds for the associated fees. Installation realignment and closure funds may be used to conduct the emission reduction credit inventory and to pay for application fees for installations slated for closure. MAJCOMs must submit their requirements to the Air Force Real Property Agency (AFRPA) in accordance with AFRPA programming procedures. MAJCOMs receiving ERCs from closure installations will reimburse the installation realignment and closure account for its proportionate share of the costs of the inventory and application fees. Reimbursement is not required if the receiving installation is an installation realignment and closure site.

A3.5. Emission Reduction Credit Disposition. Once an air quality district issues ERCs, and SAF/IEE has approved their use, ERCs can be disposed in the following manner.

A3.5.1. “Operational needs requirement ERCs” can be banked for the requirements of the originating installation or can be transferred to another Air Force organization that would need to buy the credits.

A3.5.2. “Related personal property ERCs” will be disposed of in the same manner as the real property on the inventory to which they are “related.”

A3.5.3. “Personal property ERCs” will be screened with other DoD and other federal agencies. Thereafter, the installation will transfer any remaining ERCs as surplus property to the General Services Administration (GSA) for disposal under GSA regulations.

SAF/IEE will resolve any disputes over disposition of ERCs.

A3.6. Emission Reduction Credit Use. ERCs can only be used in the same air quality control district/region in which they are generated, except where state or local laws and regulations provide otherwise. For example, the Discrete Emission Reduction Credit (DERC) regulations in Texas allow stationary and mobile DERCs generated within the state, with certain limitations, to be used anywhere within the state. In addition, and under certain circumstances, DERCs created outside the state may also be used within the state. In California, Section 40709.6 of the Health and Safety Code permits the inter-basin transfer of emission offsets or ERCs from an upwind to downwind sources, even though they may be in different air quality control areas.