requirement implicates the price cap; and (2) show by a preponderance of the evidence, if the designation is challenged, that the price cap does not apply to the change. The Postal Service also petitioned the Court for review of this final rule.[7]

Shortly after the Commission adopted the final rule in this docket, the Court issued its decision in *United States Postal Serv.* v. *Postal Reg. Comm'n,* 886 F.3d 1253 (D.C. Cir. 2018), vacating the Commission's standard in Order No. 3047. As a result of this decision, the Commission and the Postal Service filed a joint motion to remand the appeal of the final rule back to the Commission for further proceedings.[8] The Commission institutes this NPR in response to the Court's order granting the motion for remand.[9]

As indicated in Order No. 4393, in addition to the reporting requirement, the procedural rule set forth requirements designed to ensure compliance with the price cap based on the Commission's standard articulated in Order No. 3047. Because the substantive standard established in Order No. 3047 was vacated by the Court, the Commission proposes to rescind part of the final rule that relies upon the standard. The Commission intends to develop an appropriate standard and propose other appropriate rules implementing that standard in due course.

III. Description of the Proposed Rule

The proposed rule revises § 3010.23(d)(5). As described above, § 3010.23(d)(5) institutes a reporting requirement whereby the Postal Service must provide published notice of all mail preparation changes in a single source. The Postal Service began complying with the reporting requirement on March 22, 2018.[10] The rule also requires the Postal Service to (1) affirmatively designate whether or not an individual mail preparation change requires compliance with § 3010.23(d)(2) in accordance with the standard set forth in Order No. 3047; and (2) demonstrate by a preponderance of the evidence, in response to a challenge, that a mail preparation change does not require compliance with § 3010.23(d)(2). Both the designation and evidentiary burden parts of the rule require a substantive standard. Because that standard was vacated and a new standard has yet to be developed, the proposed rule revises paragraph (d)(5) and removes the affirmative designation requirement and evidentiary burden. The reporting requirement will remain in the rule and exists independent of any standard as it is necessary to provide standardized, transparent reporting of mail preparation changes.[11]

Although the Commission is instituting a new proceeding to seek comment on an appropriate standard to determine when mail preparation changes are ''changes in rates'' under 39 U.S.C. 3622, the absence of an immediate standard necessitates partial rescission of the rule.

IV. Comments Requested

Interested persons are invited to provide written comments concerning the proposed rule. As the Commission is instituting a separate proceeding for comments on a new standard, the comments should be limited to the revised procedural rule.

Comments are due no later than 30 days after the date of publication of this notice in the **Federal Register**. All comments and suggestions received will be available for review on the Commission's website, *http://www.prc.gov*.

It is ordered:

1. Interested persons may submit comments no later than 30 days from the date of the publication of this notice in the **Federal Register**.

2. Kenneth E. Richardson will continue to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

3. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Stacy L. Ruble,

Secretary.

List of Subjects in 39 CFR Part 3010

Administrative practice and procedure, Postal Service.

For the reasons discussed in the preamble, the Commission proposes to amend chapter III of title 39 of the Code of Federal Regulations as follows:

PART 3010—REGULATION OF RATES FOR MARKET DOMINANT PRODUCTS

■ 1. The authority citation of part 3010 continues to read as follows:

Authority: 39 U.S.C. 503; 3662.

■ 2. Amend § 3010.23 by revising paragraph (d)(5) to read as follows:

§ 3010.23 Calculation of percentage change in rates.

* * * * *

(d) * * *

(5) *Procedures for mail preparation changes.* The Postal Service shall provide published notice of all mail preparation changes in a single, publicly available source. The Postal Service shall file notice with the Commission of the single source it will use to provide published notice of all mail preparation changes.

* * * * *

[FR Doc. 2018–17499 Filed 8–13–18; 8:45 am]

BILLING CODE 7710–FW–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R05–OAR–2017–0700; FRL–9982–10—Region 5]

Air Plan Approval; Indiana; Cross-State Air Pollution Rule

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve a state submission concerning the Cross-State Air Pollution Rule (CSAPR) that was submitted by Indiana on November 27, 2017 as a revision to the Indiana State Implementation Plan (SIP). Under CSAPR, large electricity generating units (EGUs) in Indiana are subject to Federal Implementation Plans (FIPs) requiring the units to participate in CSAPR's Federal trading program for annual emissions of nitrogen oxides (NO_X), one of CSAPR's two Federal trading programs for annual emissions of sulfur dioxide (SO_2), and one of CSAPR's two Federal trading programs for ozone season emissions of NO_X. This action would approve the State's regulations requiring large Indiana EGUs to participate in new CSAPR state trading programs for annual NO_X, annual SO_2, and ozone season NO_X emissions integrated with the CSAPR Federal trading programs, replacing the corresponding FIP requirements. EPA is proposing to approve the SIP revision because the submittal meets the

[7] *See* Petition for Review, *United States Postal Serv.* v. *Postal Reg. Comm'n,* No. 18–1059 (D.C. Cir. February 26, 2018).

[8] *See* Unopposed Motion to Remand Case, *United States Postal Serv.* v. *Postal Reg. Comm'n,* No. 18–1059 (D.C. Cir. May 10, 2018).

[9] *See* Order, *United States Postal Serv.* v. *Postal Reg. Comm'n,* No. 18–1059 (D.C. Cir. May 30, 2018).

[10] *See* Updated Notice Under Rule 3010.23(d)(5), March 22, 2018.

[11] *See* Order No. 4393 at 8–10 (justification for the reporting requirement).

requirements of the Clean Air Act (CAA or Act) and EPA's regulations for approval of a CSAPR full SIP revision replacing the requirements of a CSAPR FIP. Under the CSAPR regulations, approval of the SIP revision would automatically eliminate Indiana's units' requirements under the corresponding CSAPR FIPs addressing Indiana's interstate transport (or ''good neighbor'') obligations for the 1997 fine particulate matter ($PM_{2.5}$) national ambient air quality standard (NAAQS), the 2006 $PM_{2.5}$ NAAQS, the 1997 ozone NAAQS, and the 2008 ozone NAAQS. Like the CSAPR FIP requirements that would be replaced, approval of the SIP revision would fully satisfy Indiana's good neighbor obligations for the 1997 $PM_{2.5}$ NAAQS, the 2006 $PM_{2.5}$ NAAQS, and the 1997 ozone NAAQS and would partially satisfy Indiana's good neighbor obligation for the 2008 ozone NAAQS.

DATES: Comments must be received on or before September 13, 2018.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R05–OAR–2017–0700 at *https://www.regulations.gov,* or via email to *aburano.douglas@epa.gov*. For comments submitted at *Regulations.gov*, follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. For either manner of submission, EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.,* on the web, cloud, or other file sharing system). For additional submission methods, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit *https://www2.epa.gov/dockets/commenting-epa-dockets*.

FOR FURTHER INFORMATION CONTACT: Sarah Arra, Environmental Scientist, Attainment Planning and Maintenance Section, Air Programs Branch (AR–18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886–9401, *arra.sarah@epa.gov*.

SUPPLEMENTARY INFORMATION: Throughout this document whenever ''we,'' ''us,'' or ''our'' is used, we mean EPA. This **SUPPLEMENTARY INFORMATION** section is arranged as follows:

I. Overview
II. Background on CSAPR and CSAPR-Related SIP Revisions
III. Conditions for Approval of CSAPR-Related SIP Revisions
IV. Indiana's SIP Submittal and EPA's Analysis
V. What action is EPA taking?
VI. Incorporation by Reference
VII. Statutory and Executive Order Reviews

I. Overview

EPA is proposing to approve the November 27, 2017 submittal as a revision to the Indiana SIP to include CSAPR [1] state trading programs for annual emissions of NO_X and SO_2 and ozone season emissions of NO_X. Large EGUs in Indiana are subject to CSAPR FIPs that require the units to participate in the Federal CSAPR NO_X Annual Trading Program, the Federal CSAPR SO_2 Group 1 Trading Program, and the Federal CSAPR NO_X Ozone Season Group 2 Trading Program. CSAPR also provides a process for the submission and approval of SIP revisions to replace the requirements of CSAPR FIPs with SIP requirements under which a state's units participate in CSAPR state trading programs that are integrated with and, with certain permissible exceptions, substantively identical to the CSAPR Federal trading programs.

The SIP revision proposed for approval would incorporate into Indiana's SIP state trading program regulations for annual NO_X, annual SO_2, and ozone season NO_X emissions that would replace EPA's Federal trading program regulations for those emissions from Indiana units. EPA is proposing to approve the SIP revision because it meets the requirements of the CAA and EPA's regulations for approval of a CSAPR full SIP revision replacing a Federal trading program with a state trading program that is integrated with and substantively identical to the Federal trading program. Under the CSAPR regulations, approval of the SIP revision would automatically eliminate the obligations of large EGUs in Indiana to participate in CSAPR's Federal trading programs for annual NO_X, annual SO_2, and ozone season NO_X emissions under the corresponding CSAPR FIPs. EPA proposes to find that approval of the SIP revision would fully satisfy Indiana's obligations pursuant to the ''good neighbor'' provisions of CAA section 110(a)(2)(D)(i)(I) to prohibit emissions which will significantly contribute to nonattainment or interfere with maintenance of the 1997 $PM_{2.5}$ NAAQS, the 2006 $PM_{2.5}$ NAAQS, and the 1997 ozone NAAQS in any other state and would partially satisfy Indiana's corresponding obligation with respect to the 2008 ozone NAAQS.[2]

II. Background on CSAPR and CSAPR-Related SIP Revisions

EPA issued CSAPR in July 2011 to address the requirements of CAA section 110(a)(2)(D)(i)(I) concerning interstate transport of air pollution. As amended (including the 2016 CSAPR Update [3]), CSAPR requires 27 Eastern states to limit their statewide emissions of SO_2 and/or NO_X in order to mitigate transported air pollution unlawfully impacting other states' ability to attain or maintain four NAAQS: The 1997 $PM_{2.5}$ NAAQS, the 2006 $PM_{2.5}$ NAAQS, the 1997 ozone NAAQS, and the 2008 ozone NAAQS. The CSAPR emissions limitations are defined in terms of maximum statewide ''budgets'' for emissions of annual SO_2, annual NO_X, and/or ozone season NO_X by each covered state's large EGUs. The CSAPR state budgets are implemented in two phases of generally increasing stringency, with the Phase 1 budgets applying to emissions in 2015 and 2016 and the Phase 2 (and CSAPR Update) budgets applying to emissions in 2017 and later years. As a mechanism for achieving compliance with the emissions limitations, CSAPR establishes five Federal emissions

[1] Federal Implementation Plans; Interstate Transport of Fine Particulate Matter and Ozone and Correction of SIP Approvals, 76 FR 48208 (August 8, 2011) (codified as amended at 40 CFR 52.38 and 52.39 and subparts AAAAA through EEEEE of 40 CFR part 97).

[2] In a separate action, EPA has proposed to determine that the emission reductions required under the FIPs promulgated in the CSAPR Update (see the next footnote) fully address the respective states' good neighbor obligations with respect to the 2008 ozone NAAQS. 83 FR 31915 (July 10, 2018). If that separate action is finalized as proposed, approval of Indiana's SIP replacing the CSAPR Update FIP for the state's sources as proposed in this action would fully address Indiana's good neighbor obligation with respect to the 2008 ozone NAAQS.

[3] *See* 81 FR 74504 (October 26, 2016). The CSAPR Update was promulgated to address interstate pollution with respect to the 2008 ozone NAAQS and to address a judicial remand of certain original CSAPR ozone season NO_X budgets promulgated with respect to the 1997 ozone NAAQS. *See* 81 FR at 74505. The CSAPR Update established new emission reduction requirements addressing the more recent NAAQS and coordinated them with the remaining emission reduction requirements addressing the older ozone NAAQS, so that starting in 2017, CSAPR includes two geographically separate trading programs for ozone season NO_X emissions covering EGUs in a total of 23 states. *See* 40 CFR 52.38(b)(1)–(2).

trading programs: A program for annual NO_X emissions, two geographically separate programs for annual SO_2 emissions, and two geographically separate programs for ozone-season NO_X emissions. CSAPR also establishes FIP requirements applicable to the large EGUs in each covered state.[4] Currently, the CSAPR FIP provisions require each state's units to participate in up to three of the five CSAPR trading programs.

CSAPR includes provisions under which states may submit and EPA will approve SIP revisions to modify or replace the CSAPR FIP requirements while allowing states to continue to meet their transport-related obligations using either CSAPR's Federal emissions trading programs or state emissions trading programs integrated with the Federal programs, provided that the SIP revisions meet all relevant criteria.[5] Through such a SIP revision, a state may replace EPA's default provisions for allocating emission allowances among the state's units, employing any state-selected methodology to allocate or auction the allowances, subject to timing conditions and limits on overall allowance quantities. In the case of CSAPR's Federal trading programs for ozone season NO_X emissions (or an integrated state trading program), a state may also expand trading program applicability to include certain smaller EGUs.[6] If a state wants to replace CSAPR FIP requirements with SIP requirements under which the state's units participate in a state trading program that is integrated with and identical to the Federal trading program even as to the allocation and applicability provisions, the state may submit a SIP revision for that purpose as well. However, no emissions budget increases or other substantive changes to the trading program provisions are allowed. A state whose units are subject to multiple CSAPR FIPs and Federal trading programs may submit SIP revisions to modify or replace either some or all of those FIP requirements.

States can submit two basic forms of CSAPR-related SIP revisions effective for emissions control periods in 2017 or later years.[7] Specific conditions for approval of each form of SIP revision are set forth in the CSAPR regulations, as described in section III below. Under the first alternative—an ''abbreviated'' SIP revision—a state may submit a SIP revision that upon approval replaces the default allowance allocation and/or applicability provisions of a CSAPR Federal trading program for the state.[8] Approval of an abbreviated SIP revision leaves the corresponding CSAPR FIP and all other provisions of the relevant Federal trading program in place for the state's units.

Under the second alternative—a ''full'' SIP revision—a state may submit a SIP revision that upon approval replaces a CSAPR Federal trading program for the state with a state trading program integrated with the Federal trading program, so long as the state trading program is substantively identical to the Federal trading program or does not substantively differ from the Federal trading program except as discussed above with regard to the allowance allocation and/or applicability provisions.[9] For purposes of a full SIP revision, a state may either adopt state rules with complete trading program language, incorporate the Federal trading program language into its state rules by reference (with appropriate conforming changes), or employ a combination of these approaches.

The CSAPR regulations identify several important consequences and limitations associated with approval of a full SIP revision. First, upon EPA's approval of a full SIP revision as correcting the deficiency in the state's implementation plan that was the basis for a particular set of CSAPR FIP requirements, the obligation to participate in the corresponding CSAPR Federal trading program is automatically eliminated for units subject to the state's jurisdiction without the need for a separate EPA withdrawal action, so long as EPA's approval of the SIP is full and unconditional.[10] Second, approval of a full SIP revision does not terminate the obligation to participate in the corresponding CSAPR Federal trading program for any units located in any Indian country within the borders of the state, and if and when a unit is located in Indian country within a state's borders, EPA may modify the SIP approval to exclude from the SIP, and include in the surviving CSAPR FIP instead, certain trading program provisions that apply jointly to units in the state and to units in Indian country within the state's borders.[11] Finally, if at the time a full SIP revision is approved EPA has already started recording allocations of allowances for a given control period to a state's units, the Federal trading program provisions authorizing EPA to complete the process of allocating and recording allowances for that control period to those units will continue to apply, unless EPA's approval of the SIP revision provides otherwise.[12]

III. Conditions for Approval of CSAPR-Related SIP Revisions

Each CSAPR-related abbreviated or full SIP revision must meet the following general submittal conditions:

• *Timeliness and completeness of SIP submittal.* The SIP submittal completeness criteria in section 2.1 of appendix V to 40 CFR part 51 apply. In addition, if a state wants to replace the default allowance allocation or applicability provisions of a CSAPR Federal trading program, the complete SIP revision must be submitted to EPA by December 1 of the year before the deadlines described below for submitting allocation or auction amounts to EPA for the first control period for which the state wants to replace the default allocation and/or applicability provisions.[13] This SIP submission deadline is inoperative in the case of a SIP revision that seeks only to replace a CSAPR FIP and Federal trading program with a SIP and a substantively identical state trading program integrated with the Federal trading program.

In addition to the general submittal conditions, a CSAPR-related abbreviated or full SIP seeking to address the allocation or auction of emission allowances must meet the following further conditions:

• *Methodology covering all allowances potentially requiring allocation.* For each Federal trading program addressed by a SIP revision, the SIP revision's allowance allocation or auction methodology must replace

[4] States must submit good neighbor SIPs within three years (or less, if the Administrator so prescribes) after a NAAQS is promulgated. CAA section 110(a)(1) and (2). Where EPA finds that a state fails to submit a required SIP or disapproves a SIP, EPA is obligated to promulgate a FIP addressing the deficiency. CAA section 110(c).

[5] *See* 40 CFR 52.38, 52.39. States also retain the ability to submit SIP revisions to meet their transport-related obligations using mechanisms other than the CSAPR Federal trading programs or integrated state trading programs.

[6] States covered by both the CSAPR Update and the NO_X SIP Call have the additional option to expand applicability under the CSAPR NO_X Ozone Season Group 2 Trading Program to include non-EGUs that would have participated in the former NO_X Budget Trading Program.

[7] CSAPR also provides for a third, more streamlined form of SIP revision that is effective only for control periods in 2016 or 2018 (depending on the trading program) and is not relevant here. *See* 40 CFR 52.38(a)(3), (b)(3), (b)(7); 52.39(d), (g).

[8] 40 CFR 52.38(a)(4), (b)(4), (b)(8); 52.39(e), (h).

[9] 40 CFR 52.38(a)(5), (b)(5), (b)(9); 52.39(f), (i).

[10] 40 CFR 52.38(a)(6), (b)(10)(i); 52.39(j).

[11] 40 CFR 52.38(a)(5)(iv)–(v), (a)(6), (b)(5)(v)–(vi), (b)(9)(vi)–(vii), (b)(10)(i); 52.39(f)(4)–(5), (i)(4)–(5), (j).

[12] 40 CFR 52.38(a)(7), (b)(11)(i); 52.39(k).

[13] 40 CFR 52.38(a)(4)(ii), (a)(5)(vi), (b)(4)(iii), (b)(5)(vii), (b)(8)(iv), (b)(9)(viii); 52.39(e)(2), (f)(6), (h)(2), (i)(6).

both the Federal program's default allocations to existing units [14] at 40 CFR 97.411(a), 97.511(a), 97.611(a), 97.711(a), or 97.811(a) as applicable, and the Federal trading program's provisions for allocating allowances from the new unit set-aside (NUSA) for the state at 40 CFR 97.411(b)(1) and 97.412(a), 97.511(b)(1) and 97.512(a), 97.611(b)(1) and 97.612(a), 97.711(b)(1) and 97.712(a), or 97.811(b)(1) and 97.812(a), as applicable.[15] In the case of a state with Indian country within its borders, while the SIP revision may neither alter nor assume the Federal program's provisions for administering the Indian country NUSA for the state, the SIP revision must include procedures addressing the disposition of any otherwise unallocated allowances from an Indian country NUSA that may be made available for allocation by the state after EPA has carried out the Indian country NUSA allocation procedures.[16]

• *Assurance that total allocations will not exceed the state budget.* For each Federal trading program addressed by a SIP revision, the total amount of allowances auctioned or allocated for each control period under the SIP revision (prior to the addition by EPA of any unallocated allowances from any Indian country NUSA for the state) generally may not exceed the state's emissions budget for the control period less the sum of the amount of any Indian country NUSA for the state for the control period and any allowances already allocated to the state's units for the control period and recorded by EPA.[17] Under its SIP revision, a state is free to not allocate allowances to some or all potentially affected units, to allocate or auction allowances to entities other than potentially affected units, or to allocate or auction fewer than the maximum permissible quantity of allowances and retire the remainder. Under the CSAPR NO_X Ozone Season Group 2 Trading Program only, additional allowances may be allocated if the state elects to expand applicability to non-EGUs that would have been subject to the NO_X Budget Trading Program established for compliance with the NO_X SIP Call.[18]

• *Timely submission of state-determined allocations to EPA.* The SIP revision must require the state to submit to EPA the amounts of any allowances allocated or auctioned to each unit for each control period (other than allowances initially set aside in the state's allocation or auction process and later allocated or auctioned to such units from the set-aside amount) by the following deadlines.[19] Note that the submission deadlines differ for amounts allocated or auctioned to units considered existing units for CSAPR purposes and amounts allocated or auctioned to other units.

CSAPR NO_X Annual, CSAPR NO_X Ozone Season Group 1, CSAPR SO_2 Group 1, and CSAPR SO_2 Group 2 Trading Programs

Units	Year of the control period	Deadline for submission to EPA of allocations or auction results
Existing	2017 and 2018	June 1, 2016.
	2019 and 2020	June 1, 2017.
	2021 and 2022	June 1, 2018.
	2023 and later years	June 1 of the fourth year before the year of the control period.
Other	All years	July 1 of the year of the control period.

CSAPR NO_X Ozone Season Group 2 Trading Program

Units	Year of the control period	Deadline for submission to EPA of allocations or auction results
Existing	2019 and 2020	June 1, 2018.
	2021 and 2022	June 1, 2019.
	2023 and 2024	June 1, 2020.
	2025 and later years	June 1 of the fourth year before the year of the control period.
Other	All years	July 1 of the year of the control period.

• *No changes to allocations already submitted to EPA or recorded.* The SIP revision must not provide for any change to the amounts of allowances allocated or auctioned to any unit after those amounts are submitted to EPA or any change to any allowance allocation determined and recorded by EPA under the Federal trading program regulations.[20]

• *No other substantive changes to Federal trading program provisions.* The SIP revision may not substantively change any other trading program provisions, except in the case of a SIP revision that also expands program applicability as described below.[21] Any new definitions adopted in the SIP revision (in addition to the Federal trading program's definitions) may apply only for purposes of the SIP revision's allocation or auction provisions.[22]

[14] In the context of the approval conditions for CSAPR-related SIP revisions, an ''existing unit'' is a unit for which EPA has determined default allowance allocations (which could be allocations of zero allowances) in the rulemakings establishing and amending CSAPR.

[15] 40 CFR 52.38(a)(4)(i), (a)(5)(i), (b)(4)(ii), (b)(5)(ii), (b)(8)(iii), (b)(9)(iii); 52.39(e)(1), (f)(1), (h)(1), (i)(1).

[16] *See* 40 CFR 97.412(b)(10)(ii), 97.512(b)(10)(ii), 97.612(b)(10)(ii), 97.712(b)(10)(ii), 97.812(b)(10)(ii).

[17] 40 CFR 52.38(a)(4)(i)(A), (a)(5)(i)(A), (b)(4)(ii)(A), (b)(5)(ii)(A), (b)(8)(iii)(A), (b)(9)(iii)(A); 52.39(e)(1)(i), (f)(1)(i), (h)(1)(i), (i)(1)(i).

[18] 40 CFR 52.38(b)(8)(iii)(A), (b)(9)(iii)(A).

[19] 40 CFR 52.38(a)(4)(i)(B)–(C), (a)(5)(i)(B)–(C), (b)(4)(ii)(B)–(C), (b)(5)(ii)(B)–(C), (b)(8)(iii)(B)–(C), (b)(9)(iii)(B)–(C); 52.39(e)(1)(ii)–(iii), (f)(1)(ii)–(iii), (h)(1)(ii)–(iii), (i)(1)(ii)–(iii).

[20] 40 CFR 52.38(a)(4)(i)(D), (a)(5)(i)(D), (b)(4)(ii)(D), (b)(5)(ii)(D), (b)(8)(iii)(D), (b)(9)(iii)(D); 52.39(e)(1)(iv), (f)(1)(iv), (h)(1)(iv), (i)(1)(iv).

[21] 40 CFR 52.38(a)(4), (a)(5), (b)(4), (b)(5), (b)(8), (b)(9); 52.39(e), (f), (h), (i).

[22] 40 CFR 52.38(a)(4)(i), (a)(5)(ii), (b)(4)(ii), (b)(5)(iii), (b)(8)(iii), (b)(9)(iv); 52.39(e)(1), (f)(2), (h)(1), (i)(2).

In addition to the general submittal conditions, a CSAPR-related abbreviated or full SIP revision seeking to expand applicability under the CSAPR NO_X Ozone Season Group 1 or CSAPR NO_X Ozone Season Group 2 Trading Programs (or an integrated state trading program) must meet the following further conditions:

• *Only electricity generating units with nameplate capacity of at least 15 MWe.* The SIP revision may expand applicability only to additional fossil fuel-fired boilers or combustion turbines serving generators producing electricity for sale, and only by lowering the generator nameplate capacity threshold used to determine whether a particular boiler or combustion turbine serving a particular generator is a potentially affected unit. The nameplate capacity threshold adopted in the SIP revision may not be less than 15 MWe.[23] In addition or alternatively, applicability under the CSAPR NO_X Ozone Season Group 2 Trading Program may be expanded to non-EGUs that would have been subject to the NO_X Budget Trading Program established for compliance with the NO_X SIP Call.[24]

• *No other substantive changes to Federal trading program provisions.* The SIP revision may not substantively change any other trading program provisions, except in the case of a SIP revision that also addresses the allocation or auction of emission allowances as described above.[25]

In addition to the general submittal conditions and the other applicable conditions described above, a CSAPR-related full SIP revision must meet the following further conditions:

• *Complete, substantively identical trading program provisions.* The SIP revision must adopt complete state trading program regulations substantively identical to the complete Federal trading program regulations at 40 CFR 97.402 through 97.435, 97.502 through 97.535, 97.602 through 97.635, 97.702 through 97.735, or 97.802 through 97.835, as applicable, except as described above in the case of a SIP revision that seeks to replace the default allowance allocation and/or applicability provisions.[26]

• *Only non-substantive substitutions for the term ''State.''* The SIP revision may substitute the name of the state for the term ''State'' as used in the Federal trading program regulations, but only to the extent that EPA determines that the substitutions do not substantively change the trading program regulations.[27]

• *Exclusion of provisions addressing units in Indian country.* The SIP revision may not impose requirements on any unit in any Indian country within the state's borders and must not include the Federal trading program provisions governing allocation of allowances from any Indian country NUSA for the state.[28]

IV. Indiana's SIP Submittal and EPA's Analysis

A. Indiana's SIP Submittal

In the CSAPR rulemaking, EPA determined that air pollution transported from EGUs in Indiana would unlawfully affect other states' ability to attain or maintain the 1997 Ozone NAAQS, the 1997 $PM_{2.5}$ NAAQS, and the 2006 $PM_{2.5}$ NAAQS, and included Indiana in the CSAPR ozone season NO_X trading program and the annual SO_2 and NO_X trading programs.[29] In the CSAPR Update rulemaking, EPA determined that air pollution transported from EGUs in Indiana would unlawfully affect other states' ability to attain or maintain the 2008 Ozone NAAQS.[30] Indiana's units meeting the CSAPR applicability criteria are consequently currently subject to CSAPR FIPs that require participation in the CSAPR NO_X Annual Trading Program, the CSAPR SO_2 Group 1 Trading Program, and the CSAPR NO_X Ozone Season Group 2 Trading Program.[31]

Indiana's November 27, 2017 SIP submittal would incorporate into the SIP CSAPR state trading program regulations that would replace the CSAPR Federal trading program regulations with regard to Indiana units' SO_2 and NO_X emissions. The SIP submittal includes Indiana Rules 326 IAC 24–5, 24–6, and 24–7. In general, each of Indiana's CSAPR state trading program rules is designed to replace the corresponding Federal trading program regulations. For example, Indiana Rule 326 IAC 24–5, NO_X Annual Trading Program, is designed to replace subpart AAAAA of 40 CFR part 97 (*i.e.,* 40 CFR 97.401 through 97.435).

With regard to form, some of the individual rules for each Indiana CSAPR state trading program are set forth as full regulatory text—notably the rules governing allocation of the state trading budgets among the state's EGUs—but most of the rules incorporate the corresponding Federal trading program section or sections by reference.

With regard to substance, the rules for each Indiana CSAPR state trading program differ from the corresponding CSAPR Federal trading program regulations in two main ways. First, the Indiana rules omit some Federal trading program provisions not applicable to Indiana's state trading programs, including provisions setting forth the amounts of emissions budgets, NUSAs, Indian country NUSAs, and variability limits for other states and provisions relating to EPA's administration of Indian country NUSAs. Second, the Indiana rules contain provisions that replace the default allowance allocation methodology and process from the FIPs with Indiana's own state-administered process. Indiana's methodology for determining allocations to existing units generally provides for allocations based on each unit's historical heat input subject to caps based on each unit's historical maximum emissions. Indiana's methodology for allocating NUSA allowances provides for allocations to new units based on each unit's recent historical emissions followed by allocations to existing units of any allowances not allocated to new units. These methodologies are similar to the methodologies used by EPA to determine the default allocations to existing units and to annually allocate NUSA allowances under the Federal trading programs. However, while EPA's default allocations to existing units are fixed for all future control periods, Indiana's methodology calls for allocations for each successive control period to be calculated using more recent data on the units' historical heat input and maximum emissions.

The Indiana rules adopt the Phase 2 NO_X Annual, SO_2 Group 1, and NO_X Ozone Season Group 2 budgets found at 40 CFR 97.410(a)(4)(iv), 97.610(a)(2)(iv), and 97.810(a)(5)(i), respectively. Accordingly, EPA will evaluate the approvability of the Indiana SIP submission consistent with these budgets.

B. EPA's Analysis of Indiana's SIP Submittal

1. Timeliness and Completeness of SIP Submittal

Indiana is seeking to replace EPA-determined allowance allocations with state-determined allocations starting with the 2021 control periods for all three CSAPR trading programs. For the

[23] 40 CFR 52.38(b)(4)(i), (b)(5)(i), (b)(8)(i), (b)(9)(i).

[24] 40 CFR 52.38(b)(8)(ii), (b)(9)(ii).

[25] 40 CFR 52.38(b)(4), (b)(5), (b)(8), (b)(9).

[26] 40 CFR 52.38(a)(5), (b)(5), (b)(9); 52.39(f), (i).

[27] 40 CFR 52.38(a)(5)(iii), (b)(5)(iv), (b)(9)(v); 52.39(f)(3), (i)(3).

[28] 40 CFR 52.38(a)(5)(iv), (b)(5)(v), (b)(9)(vi); 52.39(f)(4), (i)(4).

[29] 76 FR 48208, 48213 (August 8, 2011).

[30] 81 FR 74504, 74506 (October 26, 2016).

[31] 40 CFR 52.38(a)(2), (b)(2); 52.39(b); 52.789(a), (b); 52.790.

NO_X Annual and SO_2 Group 1 trading programs, under 40 CFR 52.38(a)(5)(i)(B) and 52.39(f)(1)(ii), the deadline for submission of state-determined allocations for the 2021 control periods is June 1, 2018, triggering a December 1, 2017 SIP submittal deadline for these programs under 40 CFR 52.38(a)(5)(vi) and 52.39(f)(6). For the NO_X Ozone Season Group 2 trading program, under 40 CFR 52.38(b)(9)(iii)(B), the allocation submission deadline for the 2021 control period is June 1, 2019, triggering a December 1, 2018 SIP submittal deadline for this program under 40 CFR 52.38(b)(9)(viii). Indiana submitted its SIP revision to EPA on November 27, 2017, and EPA has determined that the submittal complies with the applicable minimum completeness criteria in section 2.1 of appendix V to 40 CFR part 51. Indiana has therefore met the requirements for timeliness and completeness of its CSAPR SIP submittal for all three programs.

2. Methodology Covering All Allowances Potentially Requiring Allocation

In the rules for each Indiana trading program, section 2 adopts the full amount of the state's budget under the corresponding Federal program, sections 4 and 5 contain provisions replacing the corresponding Federal program's default allocations to existing units, and sections 6 and 7 contain provisions replacing the corresponding Federal program's provisions for allocating allowances from the NUSAs. There are no Indian country NUSAs for Indiana, making it unnecessary for Indiana's rules to contain provisions addressing the disposition of otherwise unallocated allowances from an Indian country NUSA after EPA has carried out the Indiana country NUSA allocation procedures. Indiana's rules therefore meet the condition under 40 CFR 52.38(a)(5)(i), 52.38(b)(9)(iii), and 52.39(f)(1) that the state's allocation methodology must cover all allowances potentially requiring allocation by the state.

3. Assurance That Total Allocations Will Not Exceed the State Budget

Indiana's rules provide for allocation of total amounts of allowances equal to the emissions budgets set for Indiana for the control periods in 2017 and subsequent years under the three CSAPR trading programs. Indiana's NO_X Annual trading budget is incorporated by reference in 326 IAC 24–5–2(a), Indiana's NO_X Ozone Season Group 2 budget is incorporated in 326 IAC 24–6–2(a), and Indiana's SO_2 Group 1 budget is incorporated by reference in 326 IAC 24–7–2(a). Because there are no Indian country NUSAs for Indiana, there is no possibility that additional allowances will be made available for allocation under the state's methodology, and EPA has not yet allocated or recorded CSAPR allowances for the control periods in 2021 or later years for Indiana units. Indiana's rules therefore meet the condition under 40 CFR 52.38(a)(5)(i)(A), 52.38(b)(9)(iii)(A), and 52.39(f)(1)(i) that, for each trading program, the total amount of allowances allocated under the SIP revision (before the addition of any otherwise unallocated allowances from an Indian country NUSA) may not exceed the state's budget for the control period less the amount of the Indian country NUSA for the state and any allowances already allocated and recorded by EPA.

4. Timely Submission of State-Determined Allocations to EPA

In the rules for each trading program, section 3 sets out the dates by which the state will submit state-determined allowance allocations to EPA. For existing units, by June 1, 2018, the state will submit allocations for the control periods in 2021 and 2022, and then, starting in 2019, by June 1 of every second year the state will submit allocations for the two control periods that are four and five years after the year of the submittal (for example, the submittal due by June 1, 2019 will include allocations for the 2023 and 2024 control periods). For NUSA allowances, for each control period the state will submit first-round allocations by July 1 of the year of the control period and second-round allocations by February 6 of the year after the control period. These dates match or precede the applicable deadlines for submittal of existing unit allocations in 40 CFR 52.38(a)(5)(i)(B), 52.38(b)(9)(iii)(B), and 52.39(f)(1)(ii) and the applicable deadlines for submittal of NUSA allocations in 40 CFR 52.38(a)(5)(i)(C), 52.38(b)(9)(iii)(C), and 52.39(f)(1)(iii), thereby meeting the conditions requiring allocations to be submitted before these deadlines.

5. No Changes to Allocations Already Submitted to EPA or Recorded

The Indiana rules do not include any provisions allowing alteration of allocations after the allocation amounts have been provided to EPA and no provisions allowing alteration of any allocations made and recorded by EPA under the Federal trading program regulations, thereby meeting the condition under 40 CFR 52.38(a)(5)(i)(D), 52.38(b)(9)(iii)(D), and 52.39(f)(1)(iv).

6. No Other Substantive Changes to Federal Trading Program Provisions

As discussed above, Indiana's rules generally incorporate by reference the corresponding provisions (including the definitions) of the Federal trading programs, except for the default Federal provisions addressing allowance allocations. The state has broad discretion to adopt any allowance allocation methodology, subject to limits on the total quantities of allowances allocated and the timing of submissions of allocation information to EPA. EPA believes that Indiana intends for the allocation provisions in its rules to adhere to the limits just noted, but EPA also identified several issues concerning provisions of the state rules that may not accurately reflect the state's intent in adopting the provisions, as discussed below. By letter to EPA dated June 11, 2018, the state has clarified its interpretation of these rule provisions.[32] EPA has confirmed that, as clarified, the only substantive changes in Indiana's rules concern allowance allocations, and that these changes do not exceed the state's broad discretion with regard to allowance allocations.

The first issue concerns instances where the text of two of Indiana's CSAPR rules indicates that references to the rules' allocation provisions should be substituted for certain references to the default Federal allocation provisions, but the state rule text does not accurately identify the default Federal provisions being replaced. Indiana has clarified that, in the state's NO_X Ozone Season Group 2 rule at 326 IAC 24–6–1(d)(3), the state interprets the rule text as replacing a reference to the default Federal allocation provisions at ''40 CFR 97.811(a)(2) and (b) and 97.812'', not ''40 CFR 97.811(a)(2) and (b) 97.812'' as currently written in the rule text, and that in the state's SO_2 Group 1 rule at 326 IAC 24–7–1(d)(3), the state interprets the rule text as replacing the default Federal allocation provisions at ''40 CFR 97.611(a)(2) and (b) and 97.612'', not ''40 CFR 97.611(a)(2) and 97.611(b)'' as currently written in the rule text. EPA agrees that the meaning of the rule text, as interpreted by the state, is clear from context.

The second issue concerns an inaccurate terminology definition that appears in all three of Indiana's CSAPR rules. In the nomenclature for the

[32] See the June 11, 2018 letter from Assistant Commissioner Keith Bauges to Regional Administrator Cathy Stepp, available in the docket.

equation to calculate second-round NUSA allocations at 326 IAC 24.5.7(a)(2)(B), 326 IAC 24.6.7(a)(2)(B), and 326 IAC 24.7.7(a)(2)(B), the rule text defines the term ''sum'' as ''the total amount of allocations under this subdivision''. In context, the definition of ''sum'' as written cannot be correct because it is circular with the term ''unit allowance'' in the same equation, and if the definition were correct, the only situation in which the two sides of the equation could be equal—*i.e.,* where the total number of allowances available for second-round NUSA allocations equals the sum of the eligible units' historical emissions less the sum of the eligible units' first-round NUSA allocations—is a situation in which the equation is not supposed to be used. In its letter, Indiana has clarified that the state interprets the term ''sum'' instead to mean ''the sum under this subdivision''—that is, subdivision (2)—which elsewhere in subdivision (2) is further defined as the ''the sum of the positive differences determined under subdivision (1)''. EPA agrees that the state's interpretation of the rule text is reasonable in context and notes that it causes the equation to allocate allowances in the same manner as EPA's default NUSA allocation methodology would allocate allowances in an analogous situation.

The third issue also arises in all three of Indiana's CSAPR rules and concerns a potential conflict between two requirements of the state's allocation methodology. The first requirement, set forth at 326 IAC 24–5–5(d)(3) and (e)(1), 326 IAC 24–6–5(d)(3) and (e)(1), and 326 IAC 24–7–5(d)(3) and (e)(1), caps the allocation from the state's ''existing unit budget'' to each individual existing unit at an amount based on the unit's historical emissions. The second requirement, set forth at 326 IAC 24–5–5(e)(3), 326 IAC 24–6–5(e)(3), and 326 IAC 24–7–5(e)(3), directs the state to repeat its allocation calculations ''until the entire existing unit budget is allocated.'' Under Indiana's allocation methodology, unlike EPA's default allocation methodology, the set of historical emissions data used to determine the caps on individual units' allocations is periodically updated, creating the possibility that for some future control period, the sum of the individual units' applicable caps will be less than the total amount of the existing unit budget, causing a conflict between these two requirements. In the clarification letter, Indiana acknowledges the potential for the conflict of the two requirements, however did not find this to be an issue for the 2021 and 2022 allocation cycles. Indiana will watch for this issue with future allocation cycles and will revise the SIP in a timely matter if it becomes necessary. This would include the possibility of an emergency rule if the normal rule process was not expeditious enough. EPA agrees that this is a reasonable approach if this becomes an issue in future allocation cycles.

EPA concludes that the state's allocation methodology, as clarified above, does not exceed the state's broad discretion regarding allowance allocations and that the state's rules make no other substantive changes to the Federal trading program provisions, thereby meeting the condition in 40 CFR 52.38(a)(5), 52.39(f), and 52.38(b)(9).

7. Complete, Substantively Identical Trading Program Provisions

As discussed above, the Indiana SIP revision adopts state budgets identical to the Phase 2 budgets for Indiana under the Federal trading programs and adopts almost all of the provisions of the Federal CSAPR NO_X Annual Trading Program, CSAPR SO_2 Group 1 Trading Program, and CSAPR NO_X Ozone Season Group 2 Trading Program, with the exception of differences in the allocation methodology. Under the state's rules, Indiana will determine allowance allocations beginning with the 2021 control periods.

With a few exceptions, the rules comprising Indiana's CSAPR state trading program for annual NO_X emissions either incorporate by reference or adopt full-text replacements for all of the provisions of 40 CFR 97.402 through 97.435; the rules comprising Indiana's CSAPR state trading program for NO_X ozone season emissions either incorporate by reference or adopt full-text replacements for all of the provisions of 40 CFR 97.802 through 97.835; and the rules comprising Indiana's CSAPR state trading program for SO_2 emissions either incorporate by reference or adopt full-text replacements for all of the provisions of 40 CFR 97.602 through 97.635. The major exception, which as discussed above is a permissible substantive change, is that Indiana has adopted rule provisions for a state-administered allocation methodology replacing the default EPA-administered allocation methodology. The additional minor exceptions discussed below are likewise either permissible or required.

The first additional exception is that the Indiana rules do not incorporate the provisions of 40 CFR 97.410(a) and (b), 97.810(a) and (b), and 97.610(a) and (b) setting forth the amounts of the Phase 1 emissions budgets, NUSAs, and variability limits for Indiana and the amounts of the Phase 1 and Phase 2 emissions budgets, NUSAs, Indian country NUSAs, and variability limits for other states. Omission of the Indiana Phase 1 emissions budget, NUSA, and variability limit amounts is appropriate because Indiana's state trading programs do not apply to emissions occurring in Phase 1 of CSAPR. Omission of the Phase 1 and Phase 2 budget, NUSA, Indian country NUSA, and variability limit amounts for other states from state trading programs in which only Indiana units participate does not undermine the completeness of Indiana's state trading programs. Indiana's rules incorporate or include full-text replacement provisions for the remaining provisions of 40 CFR 97.410, 97.810, and 97.610 that are relevant to trading programs applicable only to Indiana units during the control periods in 2021 and later years.

The second additional exception is that the Indiana rules do not incorporate 40 CFR 97.421(a) through (d), 97.821(a) through (c), and 97.621(a) through (d) setting forth the recordation schedules for allowance allocations for control periods in years before 2021. Omission of these provisions is non-substantive because Indiana's rules apply only to allocations for control periods in 2021 and later years.

The third additional exception is that the Indiana rules do not incorporate certain provisions of the Federal program regulations concerning EPA's administration of Indian country NUSAs. Omission of these provisions from Indiana's state trading program rules is required, as discussed below.

None of the omissions undermines the completeness of Indiana's state trading programs, and EPA has preliminarily determined that Indiana's SIP revision makes no substantive changes to the provisions of the Federal trading program regulations. Thus, Indiana's SIP revision meets the condition under 40 CFR 52.38(a)(5), 52.38(b)(9), and 52.39(f) that the SIP revision must adopt complete state trading program regulations substantively identical to the complete Federal trading program regulations at 40 CFR 97.402 through 97.435, 97.802 through 97.835, and 97.602 through 97.635, respectively, except to the extent permitted in the case of a SIP revision that seeks to replace the default allowance allocation and/or applicability provisions.

8. Only Non-Substantive Substitutions for the Term ''State''

Indiana's CSAPR program rules do not make any substitutions for the term

''State,'' rendering moot the condition in 40 CFR 52.38(a)(5)(iii), 52.38(b)(9)(v), and 52.39(f)(3) that any such substitutions must be non-substantive.

9. Exclusion of Provisions Addressing Units in Indian Country

Indiana Rules 326 IAC 24–5–1(a), 326 IAC 24–6–1(a), and 326 IAC 24–7–1(a) incorporate by reference the applicability provisions of the Federal trading program rules at 40 CFR 97.404, 97.804, and 97.604, respectively. There is no Indian country (as defined for purposes of CSAPR) within Indiana's borders, so the applicability provisions of the Indiana rules necessarily do not extend to any units in Indian country. In addition, Indiana's SIP revision excludes the Federal trading program provisions related to EPA's process for allocating and recording allowances from Indian country NUSAs (*i.e.,* 40 CFR 97.411(b)(2), 97.411(c)(5)(iii), 97.412(b), 97.421(h), and 97.421(j) for the NO_X Annual program; 40 CFR 97.811(b)(2), 97.811(c)(5)(iii), 97.812(b), 97.821(h), and 97.821(j) for the NO_X Ozone Season Group 2 program; and 40 CFR 97.611(b)(2), 97.611(c)(5)(iii), 97.612(b), 97.621(h), and 97.621(j) for the SO_2 Group 1 program). Indiana's SIP revision therefore meets the conditions under 52.38(a)(5)(iv), 52.38(b)(9)(vi), and 52.39(f)(4) that a SIP submittal must not impose any requirement on any unit in Indian country within the borders of the State and must exclude certain provisions related to administration of Indian country NUSAs.

V. What action is EPA taking?

EPA is proposing to approve Indiana's November 27, 2017, submittal, incorporating Indiana CSAPR rules in 326 IAC 24–5, 24–6, and 24–7, as a revision to Indiana's SIP. These state rules establish Indiana CSAPR state trading programs for annual NO_X, ozone season NO_X, and annual SO_2 emissions for units in the state. The Indiana CSAPR state trading programs would be integrated with the Federal CSAPR NO_X Annual Trading Program, the Federal CSAPR NO_X Ozone Season Group 2 Trading Program, and the Federal CSAPR SO_2 Group 1 Trading Program, respectively, and would be substantively identical to the Federal trading programs except for the allowance allocation provisions. If EPA approves the SIP revision, Indiana units would generally be required to meet requirements under Indiana's CSAPR state trading programs equivalent to the requirements the units otherwise would have been required to meet under the corresponding CSAPR Federal trading programs. This proposed approval also includes the repeal of Indiana CAIR rules which have been replaced by CSAPR for applicable EGUs. The rules being repealed from the SIP are 326 IAC 24–1, 24–2, and 24–3 (except 3–1, 3–2, 3–4, and 3–11). EPA is proposing to approve the SIP revision because it meets the requirements of the CAA and EPA's regulations for approval of a CSAPR full SIP revision replacing a Federal trading program with a state trading program that is integrated with and substantively identical to the Federal trading program except for permissible differences, as discussed in section IV above.

EPA promulgated FIPs requiring Indiana units to participate in the Federal CSAPR NO_X Annual Trading Program, the Federal CSAPR SO_2 Group 1 Trading Program, and the Federal CSAPR NO_X Ozone Season Group 2 Trading Program in order to address Indiana's obligations under CAA section 110(a)(2)(D)(i)(I) with respect to the 1997 $PM_{2.5}$ NAAQS, the 2006 $PM_{2.5}$ NAAQS, the 1997 ozone NAAQS, and the 2008 ozone NAAQS in the absence of SIP provisions addressing those requirements. Approval of Indiana's SIP submittal adopting CSAPR state trading program rules for annual NO_X, annual SO_2, and ozone season NO_X substantively identical to the corresponding CSAPR Federal trading program regulations (or differing only with respect to the allowance allocation methodology) would fully satisfy Indiana's obligation pursuant to CAA section 110(a)(2)(D)(i)(I) to prohibit emissions which will significantly contribute to nonattainment or interfere with maintenance of the 1997 $PM_{2.5}$ NAAQS, the 2006 $PM_{2.5}$ NAAQS, and the 1997 ozone NAAQS in any other state and partially satisfy Indiana's corresponding obligation with respect to the 2008 ozone NAAQS.[33] Approval of the SIP submittal therefore would correct the same deficiency in the SIP that otherwise would be corrected by those CSAPR FIPs. Under the CSAPR regulations, upon EPA's full and unconditional approval of a SIP revision as correcting the SIP's deficiency that is the basis for a particular CSAPR FIP, the requirement to participate in the corresponding CSAPR Federal trading program is automatically eliminated for units subject to the state's jurisdiction (but not for any units located in any Indian country within the state's borders).[34] Approval of Indiana's SIP submittal establishing CSAPR state trading program rules for annual NO_X, annual SO_2, and ozone season NO_X emissions therefore would result in automatic termination of the requirements of Indiana units to participate in the Federal CSAPR NO_X Annual Trading Program, the Federal CSAPR SO_2 Group 1 Trading Program, and the Federal CSAPR NO_X Ozone Season Group 2 Trading Program.

In the SIP submittal, IDEM also requested approval of a revision to 326 IAC 26–1–5 replacing reliance on CAIR in the state's Regional Haze program with reliance on CSAPR. EPA will act on this request in a separate rulemaking.

VI. Incorporation by Reference

In this document, EPA is proposing to include in a final EPA rule regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is proposing to incorporate by reference Indiana rules 326 IAC 24–5, 326 IAC 24–6, and 326 IAC 24–7, effective November 24, 2017. EPA has made, and will continue to make, these materials generally available through *www.regulations.gov* and at the EPA Region 5 office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information).

VII. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Is not an Executive Order 13771 (82 FR 9339, February 2, 2017) regulatory action because SIP approvals are exempted under Executive Order 12866;
- Does not impose an information collection burden under the provisions

[33] As noted in footnote 2 above, in a separate action EPA has proposed to make a determination that, if finalized, would cause approval of this SIP revision to also fully satisfy Indiana's good neighbor obligation with respect to the 2008 ozone NAAQS.

[34] 40 CFR 52.38(a)(6), (b)(10)(i), 52.39(j); *see also* 52.789(a)(1), 52.789(b)(2); 52.790(a).

of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);

• Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);

• Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);

• Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);

• Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);

• Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);

• Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and

• Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides.

Dated: July 30, 2018.

Cathy Stepp,

Regional Administrator, Region 5.

[FR Doc. 2018–17357 Filed 8–13–18; 8:45 am]

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 216

[Docket No. 170908881–8680–01]

RIN 0648–BH25

Subsistence Taking of Northern Fur Seals on the Pribilof Islands

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Proposed rule; request for comments.

SUMMARY: NMFS proposes to modify the subsistence use regulations for the Eastern Pacific stock of northern fur seals (*Callorhinus ursinus*) in response to a petition from the Aleut Community of St. Paul Island, Tribal Government (ACSPI). The Fur Seal Act (FSA) prohibits all taking of northern fur seals except in accordance with regulations authorizing Alaska Natives who reside on the Pribilof Islands (Pribilovians) to take northern fur seals for subsistence uses in compliance with a number of explicit regulatory restrictions. The proposed rule would simplify the existing regulations and would enable Pribilovians on St. Paul Island to resume traditional cultural practices that are prohibited by existing regulations, with no adverse consequences to northern fur seals at the population level. The proposed rule would streamline and simplify the regulations and otherwise eliminate several duplicative and unnecessary regulations governing St. Paul and St. George Islands.

DATES: Comments must be received no later than September 13, 2018.

ADDRESSES: You may submit comments on this document, identified by NOAA–NMFS–2017–0117 by either of the following methods:

• *Electronic Submission:* Submit all electronic public comments via the Federal e-Rulemaking Portal. Go to *www.regulations.gov/#!docketDetail;D=NOAA-NMFS-2017-0117,* click the ''Comment Now!'' icon, complete the required fields, and enter or attach your comments.

• *Mail:* Submit written comments to Jon Kurland, Assistant Regional Administrator for Protected Resources, Alaska Region NMFS, Attn: Ellen Sebastian. Mail comments to P.O. Box 21668, Juneau, AK 99802–1668.

Instructions: Comments sent by any other method, to any other address or individual, or received after the end of the comment period may not be considered by NMFS. All comments received are a part of the public record and will generally be posted for public viewing on *www.regulations.gov* without change. All personal identifying information (*e.g.,* name, address), confidential business information, or otherwise sensitive information submitted voluntarily by the sender will be publicly accessible. NMFS will accept anonymous comments (enter ''N/A'' in the required fields if you wish to remain anonymous).

A 2005 Final Environmental Impact Statement for Setting Annual Subsistence Harvest of Northern Fur Seals on the Pribilof Islands (EIS), 2014 Final Supplemental EIS for Management of Subsistence Harvest of Northern Fur Seals on St. George Island (SEIS), and 2017 Draft Supplemental EIS for Management of Subsistence Harvest of Northern Fur Seals on St. Paul Island (DSEIS) are available on the internet at the following address under the NEPA Analyses tab: *https://alaskafisheries.noaa.gov/pr/fur-seal.*

Electronic copies of the Regulatory Impact Review (RIR) prepared for this proposed action are available at: *https://alaskafisheries.noaa.gov/pr/fur-seal.*

A list of all the references cited in this proposed rule may be found on *www.alaskafisheries.noaa.gov/protectedresources/seals/fur.htm.*

Written comments regarding the burden-hour estimates or other aspects of the collection-of-information requirements contained in this proposed rule may be submitted to NMFS at the above address and by email to Error! Hyperlink reference not valid.*OIRA_Submission@omb.eop.gov,* or fax to (202) 395–5806.

FOR FURTHER INFORMATION CONTACT: Michael Williams, NMFS Alaska Region, (907) 271–5117, *michael.williams@noaa.gov.*

SUPPLEMENTARY INFORMATION:

Background

St. Paul Island and St. George Island are remote islands located in the Bering Sea populated by Alaska Native residents who rely upon marine mammals as a major food source and cornerstone of their culture. The taking of North Pacific fur seals (northern fur seals) is prohibited by the FSA unless expressly authorized by the Secretary of Commerce through regulation. Pursuant to the FSA (16 U.S.C. 1151–1175), it is unlawful, except as provided in the chapter or by regulation of the Secretary of Commerce, for any person or vessel subject to the jurisdiction of the United