

enforce its requirements. (See section 307(b)(2).)

#### List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements.

Dated: March 5, 2003.

Thomas C. Voltaggio,  
Acting Regional Administrator, Region III.

■ 40 CFR part 52 is amended as follows:

#### PART 52—[AMENDED]

■ 1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

#### Subpart NN—Pennsylvania

■ 2. Section 52.2020 is amended by adding paragraph (c)(196) to read as follows:

##### § 52.2020 Identification of plan.

\* \* \* \* \*

(c) \* \* \*

(196) Revisions pertaining to NO<sub>x</sub> RACT for major sources submitted on December 21, 2001.

(i) Incorporation by reference.

(A) Letter submitted on December 21, 2001 by the Pennsylvania Department of Environmental Protection transmitting source-specific VOC and/or NO<sub>x</sub> RACT determinations, in the form of plan approvals or operating permits.

(B) Plan approval (PA); Operating permit (OP):

(1) Lafarge Corporation, Lehigh County, OP-39-0011B, effective May 19, 1997.

(2) The Peoples Natural Gas Company, Cambria County, OP-11-000-356, effective November 23, 1994.

(3) Horsehead Resource Development Company, Inc., Carbon County, OP-13-0001, effective May 16, 1995.

(4) Williams Generation Company, Hazleton, Luzerne County, OP-40-0031A, effective March 10, 2000.

(5) Pennsylvania Power and Light Company, Holtwood Steam Electric Station, Lancaster County, PA-36-2016, effective May 25, 1995.

(ii) Additional Material.

(A) Letter of October 15, 2002 from the Pennsylvania Department of Environmental Protection to EPA transmitting materials related to the RACT permits listed in paragraph (c)(196)(i) of this section.

(B) Other materials submitted by the Commonwealth of Pennsylvania in support of and pertaining to the RACT

determinations for the sources listed in paragraph (c)(196)(i) of this section.

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BILLING CODE 6560-50-P

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

[IN214-1a; FRL-7470-7]

### Approval and Promulgation of Implementation Plans; Indiana

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

**SUMMARY:** On August 8, 2001, the Indiana Department of Environmental Management (IDEM) submitted a request that EPA approve a revision to its shipbuilding and ship repair volatile organic compound (VOC) rules into the Indiana State Implementation Plan. The State submitted additional information on October 1, 2002. This revision changes exemption levels and compliance, recordkeeping and reporting requirements. EPA is approving these revisions because they are enforceable and, in some cases, more stringent than the existing rules.

**DATES:** This rule is effective on June 2, 2003, unless EPA receives relevant adverse written comments by May 1, 2003. If adverse comment is received, EPA will publish a timely withdrawal of the rule in the **Federal Register** and inform the public that the rule will not take effect.

**ADDRESSES:** You should send written comments to: J. Elmer Bortzer, Chief, Regulation Development Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604.

You may inspect copies of the State submittal and EPA's analysis of it at:

Regulation Development Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604.

**FOR FURTHER INFORMATION CONTACT:** Steven Rosenthal, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886-6052.

**SUPPLEMENTARY INFORMATION:** Throughout this document wherever "we", "us", or "our" are used we mean EPA. "You" means the reader of this document.

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- I. Background
- II. What changes did the state include in this SIP Revision Request and what is EPA's analysis of these revisions?
- III. Rulemaking action
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### I. Background

Shipbuilding and ship repair companies in Clark, Floyd, Lake, and Porter counties are required to comply with the VOC requirements in 326 Indiana Administrative Code (IAC) 8-12 and the national emission standards for hazardous air pollutants (NESHAPS) in title 40, part 63, subpart II.

IDEM states, in an October 1, 2002, letter from IDEM to EPA that it has identified one source in Clark County, Jeffboat, that is subject to both the NESHAPS and the VOC rule for shipbuilding and ship repair. In an effort to streamline some of the overlapping requirements between the NESHAPS and the VOC rule, IDEM revised its VOC rule to eliminate certain inconsistent requirements. This letter includes IDEM's interpretation of certain points in its rule as well as a table for use in determining the allowable thinning ratio (that is, the amount of generally 100% VOC solvent that can be added to a coating without it exceeding the allowable VOC content).

### II. What Changes Did the State Include in This SIP Revision Request and What Is EPA's Analysis of These Revisions?

Indiana revised several sections in 326 IAC 8-12, its VOC rule for Shipbuilding and Ship Repair coating operations. A description of these revisions and EPA's evaluation of these revisions follows:

#### A. 326 IAC 8-12-2(1) Exemptions

Indiana increased the exemption level of any coating from 20 to 25 gallons per year, and reduced the total volume of all exempt coatings from 400 to 264 gallons per year. This revision is approvable because the total allowable annual volume of exempt coatings is reduced and the cutoffs are less than those in the NESHAPS.

#### B. 326 IAC 8-12-4(2) VOC Emission Limiting Requirements

This section has been revised to require that the general use coating emission limit be in effect for the entire year, instead of only May 1 through September 30. This revision is approvable because it extends the applicability of the general use coating limitation, and will limit VOC emissions from October through April.

The VOC emission limits for each coating category require that each coating (with no averaging between coatings) must comply with the limits on an as-applied (that is, including any thinner added) basis. This requirement is reinforced in IDEM's October 1, 2002, letter.

#### *C. 326 IAC 8-12-5 Compliance Requirements*

The compliance requirements in this section were replaced by the NESHAPS requirements in 40 CFR 63.784 and 40 CFR 63.785. These requirements include an equation to determine the maximum allowable thinning ratio. The emission limit, in units of grams VOC/liter of solids (as opposed to the pounds VOC/gallon units in Indiana's rule), is one of the terms in this equation. IDEM's October 1, 2002, letter includes a table that specifies the limits for each coating category in terms of grams VOC/liter of solids, thus facilitating use of this equation. This revision, therefore, improves the effectiveness of this rule by explicitly establishing how much thinner can be added to a coating without exceeding the applicable emission limit.

#### *D. 326 IAC 8-12-6 Test Methods and Procedures*

The test methods and procedures in this section were replaced by the NESHAPS requirements in 40 CFR 63.786. The NESHAPS test methods include the use of EPA's Method 24 for determining VOC content and are therefore approvable.

#### *E. Recordkeeping, Notification and Reporting Requirements*

This section replaces the previous requirements with the NESHAPS requirements in 40 CFR 63.787 and 40 CFR 63.788. This results in a change from daily to monthly recordkeeping. Although going from daily to monthly recordkeeping may sometimes constitute a relaxation, it is not in this case. As discussed previously, Indiana's rules were changed from allowing compliance to be determined on a daily average to requiring that each coating comply on an as-applied basis without averaging. Monthly recordkeeping does not interfere with enforceability of these emission limits because it is only necessary for the VOC content of the coatings to be identified without consideration of any averaging.

### **III. Rulemaking Action**

EPA is approving, through direct final rulemaking, revisions to the VOC rules for the shipbuilding and ship repair industry. This rule applies to the

coating operations carried out by the shipbuilding and ship repair industries in Clark, Floyd, Lake, and Porter counties of Indiana. This revision amends 326 IAC 8-12. EPA is approving: Increasing of the individual coating exemptions from 20 gallons per year to 25 gallons per year in 326 IAC 8-12-2; the decreasing of the amount of total allowable exempt coatings from 400 gallons per year to 264 gallons per year in 326 IAC 8-12-2; the changing of the wording of 326 IAC 8-12-4 by moving the words, "from May 1 through September 30," from 8-12-4(a)(2) to 8-12-4(a)(2)(B); the replacing of portions of the VOC rules, sections 326 IAC 8-12-5 through 326 IAC 8-12-7, dealing with compliance requirements, test methods and procedures, recordkeeping requirements, notification requirements, and reporting requirements with the Federal National Emission Standards for Hazardous Air Pollutants (NESHAP) requirements in sections 40 CFR 63.784 through 40 CFR 63.788.

We are publishing this action without a prior proposal because we view these as noncontroversial revisions and anticipate no adverse comments. However, in the "Proposed Rules" section of today's **Federal Register**, we are publishing a separate document that will serve as the proposal to approve the SIP revision if adverse comments are filed. This rule will be effective on June 2, 2003, without further notice unless we receive relevant adverse written comment by May 1, 2003. If the EPA receives adverse written comment, we will publish a final rule informing the public that this rule will not take effect. We will address all public comments in a subsequent final rule based on the proposed rule. The EPA does not intend to institute a second comment period on this action. Any parties interested in commenting on these actions must do so at this time.

### **IV. Statutory and Executive Order Reviews**

Under Executive Order 12866 (58 FR 51735, October 4, 1993), this action is not a "significant regulatory action" and therefore is not subject to review by the Office of Management and Budget. For this reason, this action is also not subject to Executive Order 13211, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use" (66 FR 28355, May 22, 2001). This action merely approves state law as meeting Federal requirements and imposes no additional requirements beyond those imposed by state law. Accordingly, the Administrator certifies that this rule will not have a significant economic

impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). Because this rule approves pre-existing requirements under state law and does not impose any additional enforceable duty beyond that required by state law, it does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4).

This rule also does not have tribal implications because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal government and Indian tribes, or on the distribution of power and responsibilities between the Federal government and Indian tribes, as specified by Executive Order 13175 (65 FR 67249, November 9, 2000). This action also does not have federalism implications because it does not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132 (64 FR 43255, August 10, 1999). This action merely approves a state rule implementing a Federal standard, and does not alter the relationship or the distribution of power and responsibilities established in the Clean Air Act. This rule also is not subject to Executive Order 13045 "Protection of Children from Environmental Health Risks and Safety Risks" (62 FR 19885, April 23, 1997), because it is not economically significant.

In reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the Clean Air Act. In this context, in the absence of a prior existing requirement for the State to use voluntary consensus standards (VCS), EPA has no authority to disapprove a SIP submission for failure to use VCS. It would thus be inconsistent with applicable law for EPA, when it reviews a SIP submission, to use VCS in place of a SIP submission that otherwise satisfies the provisions of the Clean Air Act. Thus, the requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) do not apply. This rule does not impose an information collection burden under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides

that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a "major rule" as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by June 2, 2003. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

#### List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: March 4, 2003.

**Bharat Mathur,**

*Acting Regional Administrator, Region 5.*

■ For the reasons stated in the preamble, part 52, chapter I, title 40 of the Code of Federal Regulations is amended as follows:

#### PART 52—[AMENDED]

■ 1. The authority citation for part 52 continues to read as follows:

**Authority:** 42 U.S.C. 7401 *et seq.*

#### Subpart P—Indiana

■ 2. Section 52.770 is amended by adding paragraph (c)(154) to read as follows:

##### § 52.770 Identification of plan.

\* \* \* \* \*

(c) \* \* \*

(154) On August 08, 2001, Indiana submitted revised volatile organic compound control requirements for certain facilities in the Indiana shipbuilding and ship repair industry. This submittal changes the individual

and plantwide coating exemption levels and makes revisions to the compliance requirements, test methods and recordkeeping requirements. On October 1, 2002, Indiana submitted a letter providing its interpretation of certain of the above requirements.

(i) Incorporation by reference.

(A) Indiana Administrative Code Title 326: Air Pollution Control Board, Article 8: Volatile Organic Compounds, Rule 12: Shipbuilding or Ship Repair Operations in Clark, Floyd, Lake, and Porter Counties, Section 2: Exemptions, Section 4: Volatile organic compound emissions limiting requirements, Section 5: Compliance requirements, Section 6: Test methods and procedures, Section 7: Recordkeeping, notification, and reporting requirements. Adopted by the Indiana Air Pollution Control Board on February 7, 2001. Filed with the Secretary of State June 15, 2001, effective July 15, 2001.

(B) An October 1, 2002, letter from the Indiana Department of Environmental Management which provides background information on its shipbuilding and ship repair rule revisions and its interpretation of certain of these requirements.

[FR Doc. 03-7643 Filed 3-31-03; 8:45 am]

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## DEPARTMENT OF HOMELAND SECURITY

### Federal Emergency Management Agency

#### 44 CFR Chapter I and Part 61

RIN 1660-AA25

#### National Flood Insurance Program (NFIP); Increased Rates for Flood Coverage

**AGENCY:** Federal Emergency Management Agency (FEMA), Emergency Preparedness and Response Directorate, Homeland Security.

**ACTION:** Final rule.

**SUMMARY:** We (the Mitigation Division of the Emergency Preparedness and Response Directorate of DHS) are changing the way premiums are calculated for policyholders who purchase flood insurance coverage under the NFIP for "Pre-FIRM" buildings in Special Flood Hazard Areas (SFHAs). (The term "Pre-FIRM buildings" means buildings whose construction began on or before December 31, 1974, or before the effective date of the community's Flood Insurance Rate Map (FIRM), whichever

date is later. Pre-FIRM buildings and their contents are eligible for subsidized rates under the NFIP.)

These increased flood insurance rates will be implemented in coordination with the elimination of the Expense Constant, a flat charge that the policyholder previously paid to defray certain expenses of the Federal Government related to flood insurance. As a result of this change, the same amount of premium revenue will still be collected to cover those expenses previously paid for by the Expense Constant; however, policyholders will pay for those expenses through premiums that vary by the amount of insurance that they purchase, instead of a flat charge per policy. The end result will be revenue neutral. In addition, we are revising the CFR chapter heading for our rules to reflect the Homeland Security Act.

**EFFECTIVE DATE:** May 1, 2003, except for the revision of the heading of 44 CFR chapter I, which is effective March 1, 2003.

#### FOR FURTHER INFORMATION CONTACT:

Thomas Hayes, DHS, Mitigation Division, 500 C Street SW., Washington, DC 20472, 202-646-3419, (facsimile) 202-646-7970, or (e-mail) [Thomas.Hayes@fema.gov](mailto:Thomas.Hayes@fema.gov).

#### SUPPLEMENTARY INFORMATION:

##### Summary of Comments

On February 3, 2003, we published at 68 FR 5264 a proposed rule to change the way premiums are calculated for policyholders who purchase flood insurance coverage under the NFIP for "Pre-FIRM" buildings in Special Flood Hazard Areas (SFHAs). (The term "Pre-FIRM buildings" means buildings whose construction began on or before December 31, 1974, or before the effective date of the community's Flood Insurance Rate Map (FIRM), whichever date is later.)

During the comment period, we received three sets of comments. All were in support of this change. These comments came from the Association of State Floodplain Managers (ASFP), the Florida Division of Emergency Management, and an insurance company that participates in the NFIP's Write Your Own program.

The following comment by the ASFP is indicative of the other responses as well:

We view this to be a positive effort by FIMA to encourage growth in the Program:

- The change will be revenue neutral.
- It will remove a perceived barrier to the sale of flood insurance—which may help the NFIP increase its policy base and increase revenue.