



**Manisha Patel**

05/07/02 05:37 PM

To: Howard Hoffman/DC/USEPA/US@EPA, Ron Evans/RTP/USEPA/US@EPA  
cc: Kendra Sagoff/DC/USEPA/US@EPA, Kevin McLean/DC/USEPA/US@EPA, Ragan Tate/R6/USEPA/US@EPA, Lucinda Watson/R6/USEPA/US@EPA  
Subject: Louisiana Inter-pollutant trading

Hi -

Region 6 is frenetically reviewing the Baton Rouge SIP (ours is a situation similar to St. Louis' last year). I am trying to make sure that important legal issues don't slip through the cracks. Here's some information on the Louisiana inter-pollutant trading rule. I don't really know enough about this stuff to know if we've any legal issues, but it's my understanding from the program that we've approved less technically supported program in the Northeast. Help?? Thanks.

-Manisha Patel

**Ron Evans**

05/08/02 08:47 AM

To: Eric Crump/RTP/USEPA/US@EPA  
cc: Nancy Mayer/RTP/USEPA/US@EPA, Carey Fitzmaurice/DC/USEPA/US@EPA  
Subject: Louisiana Inter-pollutant trading

Is there going to be a problem with the HAP framework on this? They have a NOx problem so they are talking about trading NOx decreases for VOC increases. It is only dealing with offsets I believe



**Eric Crump**

05/08/02 12:23 PM

To: Ron Evans/RTP/USEPA/US@EPA  
cc: Carey Fitzmaurice/DC/USEPA/US@EPA, Nancy Mayer/RTP/USEPA/US@EPA  
Subject: Re: Louisiana Inter-pollutant trading

I would certainly think there'd be a problem - what VOCs are involved? What increases? Where would they occur, and who would be impacted? It would be prudent for someone to ask these questions, methinks.

Ron Evans

**Ron Evans**

05/09/02 11:09 AM

To: Eric Crump/RTP/USEPA/US@EPA  
cc: Carey Fitzmaurice/DC/USEPA/US@EPA, Nancy Mayer/RTP/USEPA/US@EPA  
Subject: Re: Louisiana Inter-pollutant trading

Again, lets focus down to the fact that this is offsets for NSR. Does that all us to wall it off?  
Eric Crump



**Eric Crump**  
05/09/02 11:19 AM

To: Ron Evans/RTP/USEPA/US@EPA  
cc: Carey Fitzmaurice/DC/USEPA/US@EPA, Nancy Mayer/RTP/USEPA/US@EPA  
Subject: Re: Louisiana Inter-pollutant trading

My gut response - why would we want to?

More thoughtful response: I suppose you could argue that since it's NSR offsets, it's not an EIP (as described in section 2.1 of the guidance), the HAP framework doesn't apply. The track record of the parties involved should also be considered. And I'm not sure we can comfortably say it's a different program, so the environmental effects don't matter.

**Ron Evans**  
05/09/02 11:48 AM

To: Manisha Patel/R6/USEPA/US@EPA  
cc: Howard Hoffman/DC/USEPA/US@EPA, Kendra Sagoff/DC/USEPA/US@EPA, Kevin McLean/DC/USEPA/US@EPA, Lucinda Watson/R6/USEPA/US@EPA, Ragan Tate/R6/USEPA/US@EPA, Lydia Wegman/RTP/USEPA/US@EPA, Carey Fitzmaurice/DC/USEPA/US@EPA, Nancy Mayer/RTP/USEPA/US@EPA, Eric Crump/RTP/USEPA/US@EPA, Karen Blanchard/RTP/USEPA/US@EPA  
Subject: Re: Louisiana Inter-pollutant trading

I have taken a quick scan of this e-mail series. Since you are dealing with NSR offsets here I do not see concerns with our EIP Guidance.

Ron Evans  
Innovative Strategies and Economics Group  
US Environmental Protection Agency  
919-541-5488  
919-541-0839 (fax)




**Nancy Mayer**  
05/09/02 02:09 PM

To: Ron Evans/RTP/USEPA/US@EPA  
cc: Carey Fitzmaurice/DC/USEPA/US@EPA, Eric Crump/RTP/USEPA/US@EPA, Howard Hoffman/DC/USEPA/US@EPA, Karen Blanchard/RTP/USEPA/US@EPA, Kendra Sagoff/DC/USEPA/US@EPA, Kevin McLean/DC/USEPA/US@EPA, Lucinda Watson/R6/USEPA/US@EPA, Lydia Wegman/RTP/USEPA/US@EPA, Manisha Patel/R6/USEPA/US@EPA, Ragan Tate/R6/USEPA/US@EPA  
Subject: Re: Louisiana Inter-pollutant trading

Wait a minute everyone -- we have always said that EJ concerns apply in NSR offsets --and the only guidance we have is the HAP framework -- so it applies as guidance -- saying it doesn't apply is not at all what we've said -- when NSR is silent then the EIP can provide guidance -- and this is the situation here -- Do not say the HAP frame work does not apply for this reason -- Nancy

**Ron Evans**

05/09/02 03:07 PM

To: Nancy Mayer/RTP/USEPA/US@EPA  
cc: Carey Fitzmaurice/DC/USEPA/US@EPA, Eric  
Crump/RTP/USEPA/US@EPA, Howard  
Hoffman/DC/USEPA/US@EPA, Karen  
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Subject: Re: Louisiana Inter-pollutant trading 

Please ignore the following e-mail from Nancy as regards to how the EIP Guidance applies in this case. She and I had a misunderstanding of the question which I was addressing. Should a question be raised about the EJ considerations of this approach to NSR offsets, I would point people to consider the issues in the HAP framework in the EIP Guidance. However, the EIP Guidance itself does not apply to NSR-offset programs that do not have economic incentives components.

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Nancy Mayer