

state notice to tribes upon their filing for state status (i.e., prior to Monterey's adopting affected state notice rules).

(13) Revise section 3.7.1 to require that the permit *shall* be reopened under the circumstances listed in sections 3.7.1.1 to 3.7.1.3. (§ 70.7(f)(1))

(14) Revise section 3.8.2 to provide, consistent with § 70.7(e)(2)(iv), that the District shall take action on a minor permit modification application within 90 days of receipt of the application or 15 days after the end of the 45-day EPA review period, whichever is later. Currently, the District rule provides that the permit be issued within 90 days after the application is deemed complete (section 3.3.2 provides 30 days from receipt for a completeness determination) or 60 days after written notice and concurrence from EPA, whichever is later. The EPA will not necessarily provide written notice and concurrence on minor permit modifications and the District rule does not address what action is taken should EPA not provide written notice. (§ 70.7(e)(2)(iv))

(15) Revise section 3.8.2 to provide that the action taken on a minor permit modification application in the timeframes discussed above in (14) shall be one of the following:

- (a) Issue the permit modification as proposed;
- (b) Deny the permit modification application;
- (c) Determine that the requested modification does not meet the minor permit modification criteria and should be reviewed under the significant modification procedures; or
- (d) Revise the draft permit modification and transmit to the Administrator the new proposed permit modification.

The current District rule states that the minor permit modification shall be completed within the timeframes discussed above in (14), but does not specify that the District must take one of the actions listed above. (§ 70.7(e)(2)(iv))

## 2. California Enabling Legislation—Legislative Source Category Limited Interim Approval Issue

Because California State law currently exempts agricultural production sources from permit requirements, the California Air Resources Board had requested source category-limited interim approval for all California districts. The May 16, 1995 proposed interim approval included a proposal to grant source category-limited interim approval to Monterey. The EPA is finalizing this source category-limited interim approval. In order for this

program to receive full approval (and to avoid a disapproval upon the expiration of this interim approval), the California Legislature must revise the Health and Safety Code to eliminate the exemption of agricultural production sources from the requirement to obtain a permit.

The above described program and legislative deficiencies must be corrected before Monterey can receive full program approval.

The scope of Monterey's part 70 program approved in this notice applies to all part 70 sources (as defined in the approved program) within the District, except any sources of air pollution over which an Indian Tribe has jurisdiction. See, e.g., 59 FR 55813, 55815–18 (Nov. 9, 1994). The term "Indian Tribe" is defined under the Act as "any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village, which is federally recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians." See section 302(r) of the CAA; see also 59 FR 43956, 43962 (Aug. 25, 1994); 58 FR 54364 (Oct. 21, 1993).

This interim approval, which may not be renewed, extends until November 6, 1997. During this interim approval period, Monterey is protected from sanctions, and EPA is not obligated to promulgate, administer and enforce a federal operating permits program in the District. Permits issued under a program with interim approval have full standing with respect to part 70, and the 1-year time period for submittal of permit applications by subject sources begins upon the effective date of this interim approval, as does the 3-year time period for processing the initial permit applications.

If Monterey fails to submit a complete corrective program for full approval by May 6, 1997, EPA will start an 18-month clock for mandatory sanctions. If Monterey then fails to submit a corrective program that EPA finds complete before the expiration of that 18-month period, EPA will be required to apply one of the sanctions in section 179(b) of the Act, which will remain in effect until EPA determines that the District has corrected the deficiency by submitting a complete corrective program. Moreover, if the Administrator finds a lack of good faith on the part of Monterey, both sanctions under section 179(b) will apply after the expiration of the 18-month period until the Administrator determined that the District had come into compliance. In any case, if, six months after application of the first sanction, the District still has not submitted a corrective program that

EPA has found complete, a second sanction will be required.

If EPA disapproves Monterey's complete corrective program, EPA will be required to apply one of the section 179(b) sanctions on the date 18 months after the effective date of the disapproval, unless prior to that date the District has submitted a revised program and EPA has determined that it corrected the deficiencies that prompted the disapproval. Moreover, if the Administrator finds a lack of good faith on the part of the District, both sanctions under section 179(b) shall apply after the expiration of the 18-month period until the Administrator determines that Monterey has come into compliance. In all cases, if, six months after EPA applies the first sanction, Monterey has not submitted a revised program that EPA has determined corrects the deficiencies, a second sanction is required.

In addition, discretionary sanctions may be applied where warranted any time after the expiration of an interim approval period if Monterey has not timely submitted a complete corrective program or EPA has disapproved its submitted corrective program. Moreover, if EPA has not granted full approval to the District program by the expiration of this interim approval and that expiration occurs after November 15, 1995, EPA must promulgate, administer and enforce a federal permits program for Monterey upon interim approval expiration.

## 3. District Preconstruction Permit Program Implementing Section 112(g)

The EPA is approving the use of Monterey's preconstruction review program as a mechanism to implement section 112(g) during the transition period between promulgation of EPA's section 112(g) rule and adoption by Monterey of rules specifically designed to implement section 112(g). The EPA is limiting the duration of this approval to 12 months following promulgation by EPA of the section 112(g) rule.

## 4. Program for Delegation of Section 112 Standards as Promulgated

Requirements for approval, specified in 40 CFR 70.4(b), encompass section 112(l)(5) requirements for approval of a program for delegation of section 112 standards as promulgated by EPA as they apply to Part 70 sources. Section 112(l)(5) requires that the state's program contain adequate authorities, adequate resources for implementation, and an expeditious compliance schedule, which are also requirements under part 70. Therefore, EPA is also promulgating approval under section