

MAR 22 1995

*(updated 3/6/96)*MEMORANDUM

SUBJECT: Credit for the 15 Percent Rate-of-Progress Plans for Reductions from the Architectural and Industrial Maintenance (AIM) Coating Rule **ORIGINAL SIGNED**

FROM: John S. Seitz, Director **BY JOHN S. SEITZ**
Office of Air Quality Planning and Standards (MD-10)

TO: Director, Air, Pesticides and Toxics Management-Division, Regions I and IV
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Director, Air, Radiation and Toxics Division, Region III
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Director, Air and Toxics Division, Regions VII, VIII, IX, and X

This memorandum supplements my memorandum of November 29, 1994 concerning State credit for reductions from the forthcoming Federal AIM coating rule. In response to comments received to revisit our decision to use an 80 percent rule effectiveness for this national regulation, we have decided to increase the assumed rule effectiveness to 95 percent. Five percent is assumed to be lost due to the uncertainty involved in allowing manufacturers and importers the option to pay an exceedance fee to manufacture coatings with volatile organic compound (VOC) contents above the standards. In addition, in response to industry comments about our reduction calculation procedure, we have slightly modified our calculation assumptions for reductions achieved from one of the regulated categories. This modification increases the reduction estimate slightly. The combined effect of these two changes increases the overall reduction estimate to 20 percent in unregulated areas by November 1996. Reductions in years beyond 1996 are expected, and additional guidance may be issued for these reductions in the future.

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States that are having difficulties adopting their own rule may take credit for the 20 percent reduction described above without adopting or committing to backup measures. However, if EPA's rule does not provide a 20 percent reduction by the end of 1996, the State will be responsible for developing control measures to make up the shortfall.

If you have any questions or comments concerning this approach, please contact Laurel Schultz at (919) 541-5511. Any questions regarding the status of the AIM rule may be directed to Ellen Ducey at (919) 541-5408.

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