



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TX 75202-2733

MAY 9 2001

Mr. Jeffery A. Saitas, P.E.
Executive Director
Texas Natural Resource Conservation Commission
P. O. Box 13087
Austin, TX 78711

Dear Mr. Saitas:

In light of the new motor vehicle budgets in the December 2000 Houston-Galveston (HGA) Attainment Demonstration SIP, we believe that proceeding with the transportation budget in the 1999 Attainment Demonstration SIP would not lead to achievement of our mutual clean air goals, and thus is not the appropriate transportation budget to use as the basis for transportation planning. Specifically, we believe these budgets are inadequate because HGA will not be able to demonstrate attainment with these budgets. This inadequacy determination today, effective upon signature of this letter, will prevent a conformity lapse in HGA. Our inadequacy determination will stop the current transportation conformity clock scheduled to expire on May 12, 2001. A new transportation conformity clock will start a new 18 months time frame at such time as the HGA attainment SIP is approved. In the mean time, the 1999 Rate-Of-Progress (ROP) transportation budgets will apply until replaced.

We determined the 2007 budgets included in the November 1999 HGA Attainment Demonstration SIP to be adequate on June 14, 2000 (65 FR 37368) for transportation conformity purposes. The Attainment SIP contained the 2007 budgets for VOC (79.00 tons/day) and NOx (195.00 tons/day) for the HGA ozone nonattainment area. Adequacy findings were made pursuant to 40 CFR Part 93, Subpart A, Section 93.118(e)(4) of the Transportation Conformity Rule.

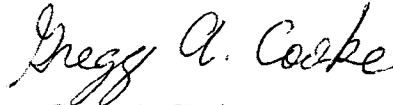
As mentioned, our inadequacy determination of the budgets will stop the 40 CFR 93.104(e)(2) 18-month clock that was triggered by the November 1999 submission of the 2007 attainment demonstration SIP as explained in detail in the Office of Transportation and Air Quality guidance memorandum entitled "Application of 40 CFR 93.104(e) to Houston Attainment SIP", dated May 9, 2001. Furthermore as explained in that memorandum, the 1999 ROP budgets are considered the applicable budgets for subsequent conformity determinations until replaced by subsequent budgets in accordance with 40 CFR 93.118. In addition, this determination that the budgets are not adequate does not have any adverse implications on the conformity process or the current conforming transportation Plan and program.

As mentioned above, this determination is effective on the date of this letter. EPA does not believe it is necessary to provide an opportunity for advance notice or comment on this inadequacy determination because the Agency believes it is clear that the budgets can no longer be considered adequate and consistent with the attainment demonstration. There is also good cause to act expeditiously in order to protect the public interest, given the potential May 12, 2001 conformity lapse date.

We will announce our determination that the budgets are not adequate in the Federal Register. Also, we will post this decision on the EPA conformity web site at <http://www.epa.gov/oms/traq>.

We are hopeful that today's action by EPA will help you and the local community as we move forward to finalize plans for clean air in the Houston-Galveston area. If you have any questions concerning this subject, please contact me or Ms. Becky Weber of my staff at (214) 665-6656.

Sincerely yours,



Gregg A. Cooke
Regional Administrator

cc: Jack Steele
Houston-Galveston Area Council

C. D. Reagan
Federal Highway Administration

Peggy Crist
Federal Transit Administration