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New PM2.5 Designations Could Shape Economic Development Across the West



Emily Schilling

Partner
801.799.5753
Salt Lake City
ecschilling@hollandhart.com



Andrew Wheeler

Partner and Head of Federal Affairs
202.654.6936
Washington, DC
arwheeler@hollandhart.com



Aaron Tucker

Partner
303.295.8369
Denver, Santa Fe
abtucker@hollandhart.com

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On Tuesday, October 6, 2026, the U.S. Environmental Protection Agency (EPA) released for public comment its intended approach for area designations under the 2024 primary annual PM2.5 National Ambient Air Quality Standard (NAAQS). Comments are due November 5, 2026.

Key Takeaways

- Despite its planned reconsideration of the 2024 standard and a pending appeal, EPA is proceeding with designations under a court-ordered February 6, 2027, deadline.
- High PM2.5 background levels and an increase in wildfire-related PM2.5 are anticipated to have a substantial impact on the number of areas that are designated as nonattainment.
- Designation of an area as nonattainment will have severe implication for companies operating in these areas. Companies in the industrial, technology, mining and energy sectors, as well as state and local governments, should assess whether their operations fall in likely nonattainment areas and consider weighing in during the 30-day window.

Background

EPA lowered the standard from 12 micrograms per cubic meter (µg/m3) to 9.0 µg/m3 under the Biden Administration; EPA announced its intention to revisit the PM2.5 NAAQS in March 2025, stating that the Biden Administration's 2024 reconsideration of the PM2.5 NAAQS was not grounded in statutory authority and was “a major obstacle to permitting” that deters the expansion of American manufacturing and economic growth. EPA also noted that states across the country had expressed “serious concerns” with the 2024 reconsideration, including in the West where background levels of PM2.5 already are approaching the standard.

EPA delayed proposing area designations pending litigation over the 2024 reconsideration of the PM2.5 NAAQS; petitions for review were denied by the D.C. Circuit and several states and industry groups have filed petitions for certiorari with the U.S. Supreme Court.

On July 17, 2026, however, the the U.S. District Court for the Northern District of California ordered EPA to promulgate final designations for all areas under the 2024 PM2.5 NAAQS no later than February 6, 2027. Notably, EPA's October 6 notice does not address EPA's planned



Jake Tyner

Of Counsel & Senior Director of Federal Affairs
202.289.3480
Washington, DC
JMTyner@hollandhart.com

reconsideration, and EPA is proceeding with designations under the 2024 standard while the reconsideration remains pending.

Comments are due on or before **November 5, 2026**.

EPA's Approach

In evaluating designations, EPA considered both the 2021-2023 monitored design values (DVs) on which states based their initial designations and the more recent 2023-2025 DVs, along with other "available technical information pertinent to these designations." EPA intends to rely on the 2023-2025 DVs to promulgate final designations.

These DVs are affected by substantial wildfire activity. States' application of the exceptional events policy to wildfire-related exceedances will be critical to avoiding designation of nonattainment, particularly in the western U.S. Areas ultimately designated as nonattainment face severe consequences. Under the Clean Air Act, construction and expansion of large industrial sources would be subject to strict permitting at lower emission levels, including stringent emission controls and offsetting emission reductions elsewhere at the source or at other sources. Even existing large sources that do not undergo a major modification would be subject to additional control.

Where a state's initial designation recommendation was "attainment" and EPA concurs, EPA plans to designate the area "attainment/unclassifiable." This change is unlikely to have any meaningful impact, as the statutory and regulatory requirements applicable to "attainment" areas are identical to those for "attainment/unclassifiable" areas.

In addition, on or about October 2, 2026, EPA notified all states, the District of Columbia, territories, and certain tribes whether it intends to modify their respective initial area designations. These "120-day letters" requested that states provide any additional information within 30 days of receipt.

Next Steps

EPA's notice reflects its intent to comply with the court's order and complete the designations while its appeal is pending. EPA is soliciting public input during the 30-day comment period, making this a critical window for companies in the industrial, technology, and energy sectors to weigh in before final designations are promulgated. Holland & Hart's environmental and federal affairs teams help clients navigate regulatory developments, including compliance with Clean Air Act permitting and air quality rules and regulations.

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