# TCEQ LogoNational Comments

# Executive Review Summary

**TCEQ Proposed Comments On:** United States Environmental Protection Agency (EPA); Promulgation of Air Quality Implementation Plans; State of Texas; Regional Haze and Interstate Visibility Transport Federal Implementation Plan (FIP); Proposed Rule; Docket ID No. EPA-R06-OAR-2016-0611

**Overview of Proposal:**

On January 4, 2017, the EPA proposed a rule to implement a FIP in Texas regarding the Texas Regional Haze State Implementation Plan (SIP), specifically regarding Best Available Retrofit Technology (BART) and visibility transport requirements. The proposed FIP applies to certain BART-eligible electric generating units (EGU) that burn coal, natural gas, or natural gas with periodic use of fuel oil. Eighteen coal-fired EGUs, four natural gas-fired only EGUs, and seven natural gas-fired EGUs that periodically fire fuel oil would be subject to emission control requirements under the proposed FIP. The EPA proposed to rely on the ozone season nitrogen oxides (NOX) program requirements of the Cross State Air Pollution Rule (CSAPR) to satisfy NOX BART requirements for the affected units. Affected coal-fired EGUs would be subject to unit-specific sulfur dioxide (SO2) pound per million British thermal unit (lb/MMBtu) emission standards and a general 0.030 lb/MMBtu filterable particulate matter (PM) emission standard. Affected EGUs that burn only natural gas would be limited to only pipeline grade natural gas and affected natural gas-fired EGUs that periodically burn fuel oil would be limited to 0.7% sulfur content fuel oil or pipeline grade natural gas. Coal-fired EGUs that need to install new flue gas desulfurization (FGD) scrubbers would have five years from the final rule to comply with the SO2 standards. Coal-fired EGUs with existing FGD scrubbers that need to be upgraded would have three years to comply with the SO2 standards, except for the Fayette facility, which would only have one year but is expected to already meet its proposed SO2 standards. All affected EGUs would be required to comply with the PM standards and fuel requirements immediately upon finalization of the rule. Finally, the EPA is also proposing disapproval of portions of Texas’ Regional Haze SIP and several other SIP revisions related to interstate visibility transport. The EPA also proposed that the FIP would satisfy Texas’ interstate visibility transport for the six National Ambient Air Quality Standards (NAAQS).

**Summary of Comments:**

* The TCEQ and Public Utility Commission of Texas (PUCT) disagree with the EPA’s interpretation regarding the consideration of energy impacts of compliance in BART analyses.
* **The EPA should consider the potential impacts of the proposed FIP on the reliability of the electrical grid in Texas regardless of how the EPA interprets BART analyses.**
* The EPA’s proposed SO2 controls for the BART-affected coal-fired power plants represents more control than is necessary to satisfy BART. The EPA should consider an alternate control approach for these BART-affected units using source or system caps comparable to the CSAPR.
* A state should be able to independently rely on EPA’s CSAPR-is-better-than-BART determination if the state can demonstrate that a state-only program for EGUs is more stringent than CSAPR.
* **The EPA’s determination that the SO2 BART controls are economically feasible and will not result in shutdowns at coal-fired EGUs is contradicted by the EPA’s own Integrated Planning Model results.**
* The SO2 BART control levels proposed for Texas’ EGUs are inconsistent with and more stringent than SO2 BART controls implemented or approved by other EPA regions and are not supported by the data the EPA used in determining the control levels, particularly with regard to lignite-fired units.
* The retrofit SO2 BART control levels proposed for Texas’ EGUs are more stringent than the EPA’s recent New Source Performance Standard (NSPS) for new coal-fired EGUs in 40 Code of Federal Regulations (CFR) Part 60, Subpart Da.
* The EPA did not properly evaluate the emission standards with regard to applying the standards at all times including startup and shutdown operations.
* The EPA should reconsider its evaluation of dry sorbent injection (DSI) technology for SO2 control in the BART analysis.
* The EPA’s selection of 30 years as the remaining useful life of the BART affected units is arbitrary and overestimated for the affected coal-fired EGUs in Texas. The EPA’s overestimated remaining useful life grossly biases the EPA’s cost effectiveness calculations for certain emission controls.
* Averaging times for compliance for the proposed SO2 and PM emission limits for coal-fired EGUs should be specified in the rule. The EPA should also clarify the methodology for averaging emissions for compliance.
* The proposed continuous emissions monitoring system (CEMS) requirements in §52.2287(e)(2) are incomplete and inconsistent with both 40 CFR Part 60, Subpart Da and 40 CFR Part 75 requirements. The EPA should just incorporate by reference the applicable CEMS requirements from either 40 CFR Part 60, Subpart Da or 40 CFR Part 75.
* The TCEQ and PUCT disagree with the EPA’s assertion that the PM screening analysis for EGUs in the 2009 Regional Haze SIP is “no longer reliable or accurate” because CSAPR can no longer be relied upon as an alternative to source-by-source BART for SO2 and NOX. (82 FR p. 917(3)) The EPA should approve of the TCEQ’s PM screen modeling for EGUs, as it proposed to do on December 14, 2015.
* The EPA should document and justify the source of the range of cost-effectiveness estimates that the EPA is claiming to be acceptable for the proposed BART FIP.
* The EPA has not provided sufficient technical justification for the use of CALPUFF beyond its acceptable range.
* The EPA should have screened out the Newman facility based on CALPUFF modeling or used CAMx modeling to quantify the visibility impacts and BART applicability of Newman.
* The natural conditions estimates used by the EPA potentially overestimate the impact of facilities identified as subject to BART and therefore, potentially overstate the estimated benefits of the proposed FIP requirements.

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**Deadline (Submittal Due Date):** May 5, 2017