

**DEPARTMENT OF ENERGY  
CLEAN AIR WORK GROUP (CAWG)**

Conference Call Notes

**DATE:** April 7, 2011  
**TIME:** 1:00 to 2:30 PM EDT  
**CALL-IN NUMBER:** (303) 248-0285 | Access Code: 5863657  
**PLACE:** DOE/FORS- Room 6B-104  
**CHAIR:** Larry Stirling, Office of Environmental Policy and Assistance, HS-22

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**1:00 Welcome and Introduction** – Larry Stirling

**1:10 Updates**

I. Climate Change

A. Greenhouse Gas (GHG) Inventory Data Collection – Josh Silverman

DOE GHG Inventory Data Collection results were submitted in January. Stationary combustion makes up about 20% of the department-wide total for GHG emissions. There was about a 5% reduction in total GHG fugitive emissions primarily due to better control of SF<sub>6</sub>. Since DOE has undertaken better management and control of SF<sub>6</sub>, it saw the most dramatic emissions reduction. Hopefully, we can develop other methods and synergies to reduce GHG emissions in other categories; there is a group in the Sustainability Program Office (SPO) that is focusing on GHG reductions specifically. Josh invited all interested parties to join the fugitive emissions working group.

Q: One site had different GHG emissions than they had sent up to HQ, probably because of better data quality for the 2010 baseline, and wondered what they could do about this.

A: Josh will make sure the associated field office is put in contact with the GHG group in the SPO about the data discrepancy.

B. GHG Mandatory Reporting Rule Delay – Andrew D. Shroads

EPA could not get the e-GGRT program ready by the 3/31/11 deadline for the 2010 GHG emissions report; therefore, 2010 GHG reporting is delayed until 9/30/11 and the e-GGRT registration deadline is delayed until 8/1/11. Rule amendment in 40 CFR Part 98 was published as a direct final in Volume 76 of the Federal Register, Number 53, pag 14818. Since the due date was changed, GHG monitoring plans should be updated to reflect the new due date. Also, completion of GHG monitoring plans for the new 2011 reporting categories was required by April 1, 2011, (for Subparts I, L, T, W, II, TT, DD, QQ, RR, SS, UU).

C. Biomass GHG Permitting Deferral – ADS

EPA has issued a proposed rule deferring CO<sub>2</sub> emissions and permitting requirements from biomass (biogenic sources other than fossil fuels). Biomass sources would still have to go through the prevention of significant deterioration (PSD) process, although CO<sub>2</sub> emissions would not be included. EPA will examine the science of biomass combustion to develop a final PSD rule. The focus is on accounting for the CO<sub>2</sub> emissions to better regulate them.

D. Congress v EPA on GHG Regulations – ADS

The House Science & Technology Committee has heard testimony from both climate change supporters and detractors. Senate and House are both voting on limiting EPA GHG permitting

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and emissions regulations and the House of Representatives has not yet approved funding for GHG Title V and PSD permitting. Some of the focus is on Richard Muller (UC Berkeley) who is reviewing historical weather station data to determine the accuracy of the three main climate-change models. Sites should proceed under current EPA GHG guidance. EPA released an updated GHG permitting guidance document:

[www.epa.gov/nsr/ghgdocs/ghgpermittingguidance.pdf](http://www.epa.gov/nsr/ghgdocs/ghgpermittingguidance.pdf).

### II. National Emissions Standards for Hazardous Air Pollutants

#### A. Reciprocating Internal Combustion Engine (RICE) Update – ADS

EPA issued a clarifying rule addressing some errors in the December RICE NESHAP for Spark Ignition engines: continuous parameter monitoring systems (CPMS) must be operated at all times when the unit is in operation, except during periods of malfunction, repair, and quality assurance. Also, three-hour block averaging in §63.6625(b) was replaced with one-hour averaging and a four-hour rolling average. EPA is providing an additional 180 days for CPMS compliance for existing sources. The language: “Temperature measurement calibration check” was replaced with “system accuracy audit,” to ensure temperature measurements are accurate annually, (no longer quarterly), and the spark ignition definition now includes “with a spark plug”.

#### B. Gasoline Dispensing Facilities Update – ADS

Gasoline dispensing facilities (GDFs) that only load gasoline into fuel tanks (rather than motor vehicles) are now applicable to the NESHAP. “Gasoline” means any petroleum distillate or petroleum distillate/alcohol blend having a Reid vapor pressure (RVP) of 27.6 kilopascals or greater that is used as a fuel for internal combustion engines. Denatured ethanol and transmix are not “gasoline” due to RVP and non-use in motor vehicles, but E85 would be considered a gasoline. Throughput levels (<10K/month, ≥10K/month & <100K/month, and ≥100k/month) are unaffected.

#### C. Process Heaters / Boilers Update – ADS

The final rule was published March 21, 2011 and is effective May 20, 2011 for major and area sources. On the same day, EPA published a notice of reconsideration of the following rules:

- Major Source Industrial, Commercial, and Institutional Boilers and Process Heaters NESHAP;
- Area Source Industrial, Commercial, and Institutional Boilers NESHAP;
- New Commercial and Industrial Solid Waste Incineration Units NSPS (also published 3/21); and
- Existing Commercial and Industrial Solid Waste Incineration Units NSPS (also published 3/21)

EPA is reconsidering:

- Major source boiler subcategories
- Allowing major, gas-fired units not firing natural gas to be regulated like natural gas units
- Work practice standards for some major source boilers
- Biomass and oil area source GACT standards
- Revisions to the proposed dioxin emission limit and testing requirement for major source boilers
- Establishing a full-load stack test requirement for CO and continuous O<sub>2</sub> monitoring for major source boilers

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- GACT PM standards for oil-fired area source boilers.
- Applicability of Title V to area source boilers

### D. Coal & Oil-Fired Electric Utility Steam Generating Units – ADS

The proposed NESHAP was signed March 16, 2011 and regulates the following metals: mercury, arsenic, nickel, cadmium, chromium, lead, and selenium, and acid gases hydrogen chloride and hydrogen fluoride. EPA has issued the proposed rule and plans to finish the final rule by November 2011, per consent decree. The rule will be applicable to coal- and oil-fired sources  $\geq 25$  megawatts that produce electricity for sale and applicable sources automatically considered major.

### III. New Source Performance Standards

#### A. Fossil-Fuel-Fired Electric Utility, Industrial-Commercial-Institutional, and Small Industrial-Commercial-Institutional Steam Generating Units – ADS

The proposed NSPS was signed March 16, 2011 and modifies 40 CFR, Part 60, Subparts D, Da, Db, and Dc. It has not yet been published in the federal register.

- D: Fossil-Fuel-Fired Steam Generators
- Da: Electric Utility Steam Generators  $>250$  MMBtu/hr
- Db: Heat recovery steam generators, fuel heaters, etc. capable of combusting  $\geq 100$  MMBtu/hr heat input
- Dc: Heat recovery steam generators, fuel heaters, etc. capable of combusting  $\geq 10$  MMBtu/hr but  $\leq 100$  MMBtu/hr heat input

This modification is only applicable to units modified, constructed, or reconstructed after its publication date. It limits PM and SO<sub>2</sub>; optimizes total CO and NO<sub>x</sub> emissions.

Q: Is the NSPS limiting PM 2.5 or 10 or both?

A: All filterable particulates are considered in the current proposed rule. Neither PM 2.5 nor condensables were specified, but they may be added.

Q: Is subpart Dc in effect or is it just a proposed rule?

A: The NSPS subparts (D, Da, Db, and Dc) already exist but EPA is going back and reviewing regulations with NESHAP. All Subparts D will be modified, primarily for oil burning units. Remember that sources are applicable to the NSPS only if they modify, reconstruct, or install a new source. If you already have 40 CFR, Part 60, Subpart Dc in a permit, there won't be any retroactive changes, but any new sources would have to comply with a new NSPS.

### IV. National Environmental Policy Act & GHG

Lesson Learned: Consider NEPA analysis in all federal actions and consult with NEPA compliance officers early and often.

Story: The U.S. Department of Agriculture provided a loan guarantee for a proposed, rural coal-fired power plant. The permit was issued 3 weeks before EPA's GHG Tailoring Rule took effect and the permit does not reference GHG. Neither Sunflower Electric Power Corp. nor USDA completed an environmental impact review of the project. USDA argued that the project was not a "major federal action," but the U.S. District Court ruled against USDA in *Sierra Club v. U.S. Department of Agriculture et al*, U.S. District Court, District of Columbia, No. 1:07-cv01860. The Sierra Club wants an EIS to delay the permit long enough so a new permit application would be needed, with GHG emissions limitations.

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### **V. Fugitive Emissions & PSD**

EPA is reconsidering a rule issued at the end of the last Administration about PSD sources & fugitive emissions. The new rule says fugitive emissions are not counted towards a PSD major modification, whereas the old rule says fugitive emissions are counted towards a PSD major modification. The confusion stems from the 1977 Clean Air Act that stated fugitive emissions are counted for certain PSD source categories, but are ignored from all other sources. EPA interpreted the CAA ambiguity regarding fugitive emissions to require consideration of fugitive emissions only from modifications in the old rule. EPA reviewed the rule and decided to go back to the old rule that counted fugitive emissions towards a PSD major modification; however, EPA has formed a task force to discuss this rule.

Andrew suggested that during EPA's discussion of the rule, if a facility has to look at PSD, it should probably look at fugitive emissions. If a facility does not have to look at PSD, then fugitive emissions also do not have to be examined. It was noted that EPA has been more inclusive rather than restrictive when determining what to regulate under the CAA.

### **Helpful Links**

EFCOG's Environmental Safety and Health Working Group's Environmental Subgroup Website:  
[http://www.efcog.org/wg/esh\\_env/index.htm](http://www.efcog.org/wg/esh_env/index.htm)

EPA's unofficial Internet copy of the proposed National Emissions Standards for Hazardous Air Pollutants (NESHAP) and New Source Performance Standards (NSPS) for Electric Generating Utilities and Steam Generators is here: <http://www.epa.gov/ttn/atw/utility/pro/proposal.pdf>

*Warning: It is 946 pages long.*

The above document will be removed from the EPA website after the official version is published in the *Federal Register*. You will be able to find an updated link to the official version here: <http://www.epa.gov/ttn/atw/utility/utilitypg.html>

### **Next Meeting**

June 2, 1:00 PM to 2:30 PM Eastern Daylight Saving Time