DEPARTMENT OF ENERGY CLEAN AIR WORK GROUP (CAWG)

Call Notes

DATE:	February 2, 2012
TIME:	1:00 to 2:30 PM EDT
CALL-IN NUMBER:	U.S. 303.248.0285
	Passcode: 5863657
WEBSITE:	https://cc.readytalk.com/r/vvgs4l2eq22u
PLACE:	DOE/FORS- Room 6B-104
CHAIR:	Larry Stirling, Office of Sustainable Environmental Stewardship and Radiation Protection (HS-21)
PARTICIPANTS:	Members of the CAWG; Andrew Shroads, SC&A

- I. Climate Change / Greenhouse Gases (GHGs)
 - A. Mandatory Reporting Rule Deadlines
 - 1. For facilities that are subject only to Greenhouse Gas (GHG) Mandatory Reporting Rule (MRR) Subpart(s) issued in calendar year (CY) 2009, the CY 2011 GHG Annual Report is due on March 31, 2012.
 - 2. For facilities that are subject only to GHG MRR Subpart(s) issued in CY 2010, the CY 2011 GHG Annual Report is due September 28, 2012. The list of Subpart issued in CY 2020 are as follows:
 - I: Electronics Mfg.
 - L: Fluorinated Gas Production
 - T: Mg Production
 - W: Petro. & Natural Gas Systems
 - DD: Electric Transmission & Distribution Equipment
 - FF: Underground Coal Mines
 - II: Industrial Wastewater Treatment
 - QQ: Imports/Exports of Fluorinated Pre-charged Equipment and Closed-cell Foams
 - RR: CO₂ Geologic Sequestration
 - SS: Electric Transmission & Distribution Equipment Mfg.
 - TT: Industrial Waste Landfills and,
 - UU: CO₂ Injection
 - 3. A caveat to the above is that for facilities that are subject to GHG MRR Subparts issued in both CY 2010 and 2011, you must notify EPA by March 31, 2012 that you will be delaying your CY 2011 GHG emissions report due date until September 28, 2012. So for facilities that are subject to MRR subparts issued in both calendar years, you merely notify EPA that you will be delaying your report until September 2012.
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- II. National Emissions Standards for Hazardous Air Pollutants (NESHAP)
 - A. Once-In/Always-In

There has been no change to EPA's Once In, Always In (OIAI) Policy. A 2007 proposed rule would have modified OIAI Policy to allow certain major sources to exempt out of major NESHAP requirements; however, a final rule was never issued. EPA has no current plans to modify OIAI Policy. The Policy states that sources subject to major

Department of Energy Clean Air Work Group Conference Call Notes

NESHAP requirements by the first compliance date must remain major NESHAP sources for the life of the source. If you are an area source you can become a major source if there is an increase in potential HAP emissions, but a major source cannot revert to an area source, even if there is a decrease in emissions. The OIAI policy can be overruled by a NESHAP. Several NESHAPs (e.g. printing) have options for major sources to exempt down to area sources after first compliance date.

B. Boiler NESHAP Reconsideration

EPA has issued proposed rules regarding their reconsideration of both the major and area source boiler and process heater NESHAPs. A summary of the proposed changes follows. Major Sources

- EPA has proposed a new compliance date 3 years after the final new rule.
- Exemptions for residential boilers and boilers used as control devices for other NESHAPs were added. Revised emissions limits: removed dioxin/furan limits; added alternative total selected metals (TSM) limits for solid and gas 2 units; many existing source revised limits lower; many new source revised limits higher Modified tune-up frequency: 5 years for all limited use, and gas/light liquid fired <5 million British thermal units per hour (MMBtu/hr); biennially for ≤10 MMBtu/hr; annually for >10 MM Btu/hr. In addition, the Agency has clarified the definition of energy assessment.

See <u>http://www.gpo.gov/fdsys/pkg/FR-2011-12-23/pdf/2011-31667.pdf</u> for more information.

Area Sources

- The EPA has changed the changed deadline for initial tune-ups to 3/21/13
- Exemptions for temporary, residential, and electric boilers and electric utility steam generators were added.
- Modified emissions limits: less stringent Hg and CO limits for coal boilers. The agency has also changed tune-up frequency: 5 years for seasonal & oil-fired boilers ≤5MMBtu/hr; all coal-fired ≥10 MMBtu/hr exempted; biennial tune-up for remaining.
- Noteworthy is the fact that EPA may have to stay existing area NESHAP rule as it requires tune-ups by 3/21/12. Other requirements compliance date remains 3/21/14.

See <u>http://www.gpo.gov/fdsys/pkg/FR-2011-12-23/pdf/2011-31644.pdf</u> for more information.

- C. Reciprocating Internal Combustion Engine (RICE) NESHAP
 - EPA has issued a settlement agreement to increase emergency demand response (EDR) use for emergency RICE from 15 hours/year to the lesser of 60 hours/year or the amount required by an energy provider, (see <u>http://www.gpo.gov/fdsys/pkg/FR-2012-01-04/pdf/2011-33758.pdf</u> for more information). EPA intends to publish a draft rule in April, with a final rule following in December. DOE intends to comment on the proposed rule, to follow up on the work of the Ad Hoc EDR working group consisting of DOE HQ, DOE Argonne and DOE Los Alamos.
 - EPA Region I and the EPA's Air Pollution Training Institute (APTI) authored and provided RICE Training via a webinar. Some of the items discussed include:

The RICE NESHAP is complex for both the regulated community and the EPA. Partly this is because it was issued in 3 stages:

1. 2004: All >500 HP at major sources

Department of Energy Clean Air Work Group Conference Call Notes

2. 2008: New \leq 500 HP at major sources & all new area sources

3. 2010: Existing \leq 500 HP at major sources, all existing area sources, existing nonemergency compression ignition (CI) and existing 4-stroke rich burn spark ignition (SI) engines at major sources

Note: existing lean burn (SI) >500 HP at major sources are exempt from emissions standards in the 2004 RICE NESHAP and have not yet been addressed. EPA has included compliance information in the RICE Combustion Portal:

http://www.combustionportal.org/rice.cfm.

RICE NESHAP Dates:

- August 31, 2010: Initial notification of applicability for all existing CI RICE
- February 16, 2011: Initial notification of applicability for all existing SI RICE EPA Region I believes a majority of the required initial notifications have not been submitted. Only a fraction of possible regulated universe actually notified EPA that they had RICE units.
- 2012 EPA will issue a RICE NESHAP Reconsideration.
- Also in 2012, DOE HQ will issue the RICE Technical Assistance Tool.
- May 3, 2013 is the compliance date for existing CI RICE >500 HP at major sources.
- October 19, 2013 is the compliance date for existing SI RICE ≤500 HP at major sources and all area sources.

Please note that the reconsideration noted above could push back the compliance date. EPA estimates for retrofit of RICE with pollution control equipment, (e.g. catalytic converter), can range from \$16,300 for a 500kW RICE to \$98,325 for a 2,000 kW RICE.

D. Defense Land Systems and Miscellaneous Equipment (DLSME) NESHAP Defense Land Systems and Miscellaneous Equipment (DLSME) is stuck, again. The Department of Defense (DoD) asked for a NESHAP to apply to all "military operations," rather than complying with multiple NESHAPs. The DoD has reviewed a draft of DLSME, but EPA does not seem to have the ability to issue it as a proposed rule. There is no statutory deadline for issuing DLSME, as it is a voluntary NESHAP. Since sources were exempted from other NESHAP to be included in DLSME, there are unregulated sources at certain governmental facilities. If EPA does not issue DLSME, some states (mainly in New England) are investigating using CAA 112(j) - "hammer clause" - to issue standards to DLSME sources.

III. National Ambient Air Quality Standards (NAAQS)

A. 2008 Ozone Standard Determinations

The EPA has responded to state and local air agency determinations for non-attainment areas under the 2008 ozone standard. Determinations and recommendations can be found at the follow links:

- <u>http://www.gpo.gov/fdsys/pkg/FR-2011-12-20/pdf/2011-32557.pdf</u>
- <u>http://www.epa.gov/ozonedesignations/2008standards/state.htm</u>
- B. 2008 Lead Standard Designations

EPA has issued the final non-attainment area designations for the 2008 Lead standard. Determinations and recommendations can be found at the following links:

- <u>http://www.gpo.gov/fdsys/pkg/FR-2011-11-22/pdf/2011-29460.pdf</u>
- http://www.epa.gov/leaddesignations/2008standards/state.html

Department of Energy Clean Air Work Group Conference Call Notes

IV. Other Air Quality Concerns

A. Ozone Depleting Substances (ODS)

EPA has updated the Significant New Alternatives Program (SNAP) for Ozone Depleting Substances (ODS) to include: Isobutane (R-600a) and R-441a for CFC-12 & HCFC-22 Propane (R-290) for CFC-12, HCFC-22, & R-502. These substances mainly apply to refrigerators and freezers. More information is available at: http://www.gpo.gov/fdsys/pkg/FR-2011-12-20/pdf/2011-32175.pdf

DoD has reported that R-40 is being sold as counterfeit R-134a refrigerant. All instances have occurred overseas using small, disposable containers (<30 lbs). R-40 is an explosion hazard as it reacts with aluminum in the presence of air or water.

EPA has extended the laboratory and analytical use exemption for production/import of Class I ozone depleting substances (ODS) through December 31, 2014. More information is available at: <u>http://www.gpo.gov/fdsys/pkg/FR-2011-12-15/pdf/2011-32179.pdf</u>

B. Information Collection Requests

EPA has extended an information collection request (ICR) for two programs: ODS & Title V. The ODS ICR is applicable to producers, importers, and distributors of Class I ODS, and research institutions using such substances (see previous section about the extension to research institutions). More information is available at: http://www.gpo.gov/fdsys/pkg/FR-2011-11-30/pdf/2011-30855.pdf

The Title V ICR is applicable to Title V major sources and agencies issuing Title V permits. This Title V ICR will be used to determine effectiveness of Flexible Air Permits Rule and Greenhouse Gas Tailoring Rule. More information is available: http://www.gpo.gov/fdsys/pkg/FR-2011-12-14/pdf/2011-32062.pdf.

Next Meeting

April 5, 2012, 1:00 PM to 2:30 PM Eastern Daylight Savings Time