

Francis Steitz, NJ
Chair
Stationary and Area Sources Committee





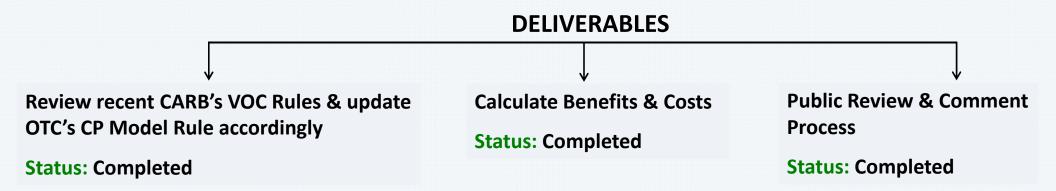
OZONE TRANSPORT COMMISSION

Stationary & Area Sources Committee

2018 SAS Charges – Products & Progress from:

- Consumer Products Workgroup
- Largest Contributors Workgroup
- Control Measures Subgroup

Standing Charge: Update existing OTC Model Rule on Consumer Products based on CARB Rule to include any product categories or standards adopted by CARB



OTC Model Rule for Consumer Products - Phase V

Summary of Proposed Updates:

- Based on latest CARB rule, amended as appropriate for the OTR, with the addition of 14 new product categories, revised (more stringent) VOC limits for ~20 existing product categories, & revised definition language
- Includes limits in CA with an effective date of January 1, 2017 or earlier in CA
- Does not include limits with future effective dates in CA or reactivity-based limits
- Includes provision for optional (defined/unlimited) sell-through period

Phase V Consumer Products Model Rule – Benefits & Costs

BENEFITS

* Reductions based on CARB's at the time of proposal in CA, adjusted for population

Total Emission Reductions in the OTR	Categories with Highest Reductions
29 tons per day VOC*	General Purpose Cleaners
7% of Consumer Products VOC Inventory	Air Fresheners
3% of Area Source VOC Inventory	Lubricants
	General Purpose Degreasers

COSTS

Total Average Cost Effectiveness for Categories: \$5,613/ton or \$2.81/lb VOC reduced (conservative estimates based on CARB's at the time of proposal in CA; include one time R&D and reformulation costs)

Categories with Highest Cost per Ton of VOC Reduced	Categories with Highest Annualized Costs	Categories with Lowest Cost per Ton of VOC Reduced	
Spot Removers	Personal Fragrances	Fabric Softeners	
Sealant or Caulking Compounds	Sealant or Caulking Compounds	Metal Polishes or Cleansers	
Glass Cleaners, aerosol	Lubricants	Glass Cleaners, nonaerosol	
Personal Fragrances	Spot Removers	Air Fresheners	

Phase V Consumer Products Model Rule – Public Comment

Stakeholder Comment	Resolution
Remove optional 3 year sell through period: excessive burden on industry to conduct a recall for no environmental benefit	Leave in the Rule as optional for states to choose
Concerns with inconsistency in Northeast: differences in adoption of previous OTC model rules	Continue with update and finalize
Lubricants: don't include specialty lubricants because they are mostly for industrial use	Compliant products exist, leave Rule consistent with CARB
Sealants: create specialty category for a particular sealant needed for application in extreme weather conditions	Compliant products exist, leave Rule consistent with CARB
Artist's Solvent: change exemption from 1 liter to 1 gallon, waste of packaging	Leave Rule consistent with CARB due to toxicity level concerns
Windshield Wiper Fluids: could have freezing issues, safety concerns	Do not propose CARB limit; make Rule consistent with previous OTC Model Rule and Federal rule

Charge completed - Model Rule will be Posted on OTC Website

2018 SAS Charge

Charge: ...perform technical analyses to help OTC states pursue legally supportable cost-effective strategies to achieve reductions of ozone-forming pollutants and satisfy CAA requirements.

Calculate & document emissions reductions inside & outside of the OTR for the recommended SAS GN SIP strategies as formalized in the <u>GN SIP Resolution</u> for use in photochemical modeling & develop recommendations for additional strategies for consideration.

GN SIP Resolution

- 1. Optimize use of existing SCR or SNCR NOx control technology on coal-fired EGUs each day of ozone season Largest Contributors Workgroup
- 2. Install SCR or SNCR control technology on uncontrolled coal-fired EGUs & optimize use of such technology each day of the ozone season Largest Contributors Workgroup
- 3. Adopt OTC model rule for natural gas pipeline compressor prime movers Control Measures Workgroup

Charge: GN SIP NOx Control Strategies for Coal-Fired EGUs

DELIVERABLES

Quantify Emissions Reduction

Status: Modeling underway

Poorly Controlled EGUs: Optimize use of existing SCR / SNCR on each day of OS

OTC Modeling Committee → 2023 CAMx contribution modeling analysis

Uncontrolled EGUs: Install SCR / SNCR & optimize their use each day of ozone season

Ran ERTAC EGU tool with hourly control rates of 0.064 (SCR) & 0.125 (SNCR) lb NOx/MMBtu → Results post-processed → UMD's photochemical modeling nearing completion

Calculate Control Costs

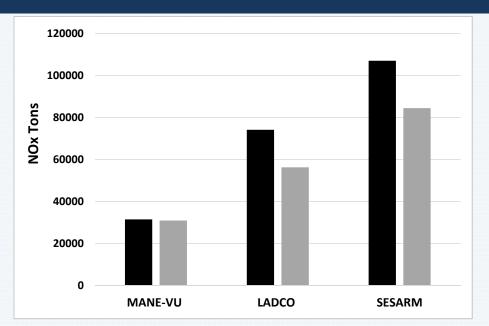
Status: Developing estimates

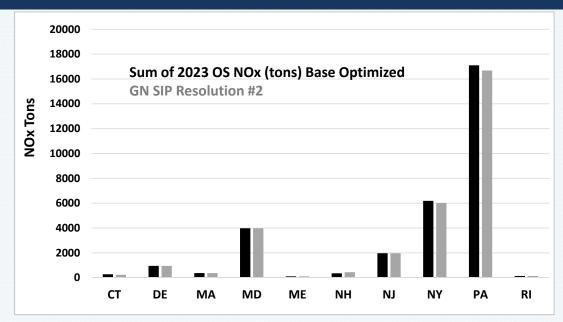
Estimates developed using Sargent and Lundy Method

Document Process & Results

Status: In progress

Uncontrolled Coal-Fired EGUs: Costs & Benefits from Implementing GN SIP Strategy





Estimated SCR & SNCR Retrofit Control Costs for 2017 Ozone Season (OS) using Sargent & Lundy Method:

Reduction	Est. OS Total NOx Reduction		Est. OS Total NOx Reduction Overall Annualized Capital		# Units with Cost Effectiveness	
Technology	(tons) (%)		Cost (\$/ton NOx removed) Cost (\$/ton NOx removed) <\$10,000/t		<\$10,000/ton	
SNCR	23,653 22		4,011	3,608 - 11,896,287	57	
SCR	68,020	63	20,486	7,594 - 9,745,272	6	

Notes: All data (from CAMD/AMPD for Cross-State Air Pollution Rule Update (CSAPRU) & OTC states) & estimates only for OS; Costs in 2012 dollars; Annualized capital costs include only capital components, no O&M costs; Unit-specific OS costs include both capital & O&M costs

Assumptions: Limit (lbs NOx/MM Btu): 0.125 (SNCR), 0.064 (SCR); Per Unit Control Efficiency 30% (SNCR), 90% (SCR)

Top 25 NO_x Emitters - CSAPR States, 2017 Ozone Season

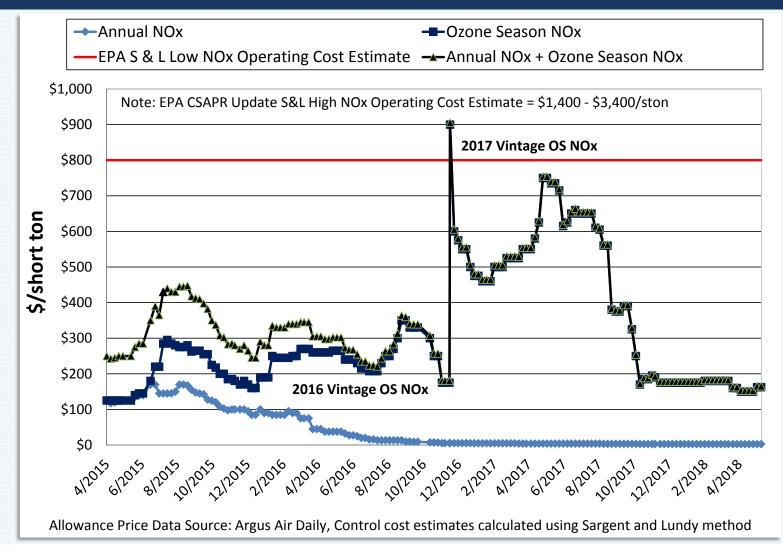
				Avg. NOx Rate	NO _x		Best Observed Rate		2017	
	State	Facility Name	Facility - Unit ID	(lb/MMBtu)	(tons)	SCR?	(lb/mmBTU)	Year	Allocations	• 5 SCR units in Top 25
1	AR	White Bluff	6009-1	0.296	3,748				2,116	sub-optimal
2	IN	Rockport	6166-MB2	0.203	3,421				1,858	operation although
3	AR	Independence	6641-2	0.245	3,009				2,017	Gavin &
4	ОН	W H Zimmer Generating Station	6019-1	0.191	2,972	Yes	0.056	2006	1,325	Mountaineer are still
5	WV	Fort Martin Power Station	3943-2	0.312	2,584				875	
6	ОН	Killen Station	6031-2	0.267	2,561	Yes	0.089	2005	719	quite good.
7	IA	Walter Scott Jr. Energy Center	1082-3	0.221	2,499				1,517	 Others have LNB,
8	KY	Paradise	1378-3	0.231	2,425	Yes	0.100	2005	1,303	OFA, etc. but no
9	TX	Limestone	298-LM2	0.185	2,373				1,329	SNCR
10	LA	Ninemile Point	1403-5	0.276	2,037				994	Siver
11	WV	Fort Martin Power Station	3943-1	0.302	1,870				912	Rockport MB1 (#20)
12	TX	Limestone	298-LM1	0.168	1,850				1,206	installed SCR as of
13	MI	Belle River	6034-2	0.221	1,825				926	7/26/17, but still
14	IA	Louisa	6664-101	0.191	1,817				1,523	doing some testing
15	ОН	Gen J M Gavin	8102-1	0.105	1,806	Yes	0.069	2004	1,517	& did not have a full
16	ОК	Muskogee	2952-6	0.269	1,778				624	season of use
17	WV	Mountaineer (1301)	6264-1	0.099	1,773	Yes	0.039	2007	1,979	season or use
18	TX	Martin Lake	6146-1	0.160	1,714				1,166	 Overall there is
19	IN	IPL - Petersburg Generating Station	994-4	0.237	1,696				750	tremendous fleet
20	IN	Rockport	6166-MB1	0.176	1,673				1,823	improvement over
21	AR	Independence	6641-1	0.240	1,671				1,840	the past couple
22	TX	Martin Lake	6146-2	0.160	1,631				1,126	
23	LA	Ninemile Point	1403-4	0.237	1,618				877	years.
24	MI	Belle River	6034-1	0.197	1,608				875	0
25	TX	H W Pirkey Power Plant	7902-1	0.166	1 598				1.090	8

Top 25 NO_x Emitters Without SCR - CSAPR States, 2017 Ozone Season

				Avg. NOx Rate	NO _x		2017
	State	Facility Name	Facility - Unit ID	(lb/MMBtu)	(tons)	SCR?	Allocations
1	AR	White Bluff	6009-1	0.296	3,748	No	2,116
2	IN	Rockport	6166-MB2	0.203	3,421	No	1,858
3	AR	Independence	6641-2	0.245	3,009	No	2,017
4	WV	Fort Martin Power Station	3943-2	0.312	2,584	No	875
5	IA	Walter Scott Jr. Energy Center	1082-3	0.221	2,499	No	1,517
6	TX	Limestone	298-LM2	0.185	2,373	No	1,329
7	LA	Ninemile Point	1403-5	0.276	2,037	No	994
8	WV	Fort Martin Power Station	3943-1	0.302	1,870	No	912
9	TX	Limestone	298-LM1	0.168	1,850	No	1,206
10	MI	Belle River	6034-2	0.221	1,825	No	926
11	IA	Louisa	6664-101	0.191	1,817	No	1,523
12	OK	Muskogee	2952-6	0.269	1,778	No	624
13	TX	Martin Lake	6146-1	0.160	1,714	No	1,166
14	IN	IPL - Petersburg Generating Station	994-4	0.237	1,696	No	750
15	AR	Independence	6641-1	0.240	1,671	No	1,840
16	TX	Martin Lake	6146-2	0.160	1,631	No	1,126
17	LA	Ninemile Point	1403-4	0.237	1,618	No	877
18	MI	Belle River	6034-1	0.197	1,608	No	875
19	TX	H W Pirkey Power Plant	7902-1	0.166	1,598	No	1,090
20	TX	Oklaunion Power Station	127-1	0.246	1,572	No	918
21	TX	Monticello	6147-3	0.138	1,549	No	1,055
22	LA	Little Gypsy	1402-3	0.251	1,493	No	520
23	TX	Welsh Power Plant	6139-1	0.178	1,489	No	651
24	IA	Ottumwa	6254-1	0.138	1,469	No	1,361
25	MO	Sioux	2107-1	0.215	1,402	No	554

- 3 LA Units NG
- 1 TX Unit coal, SNCR
- all others have LNB, OFA, etc. but no PCC except for TX- Monticello.

CSAPR Allowance Prices (4/17/15 - 5/25/18)



Still Cheaper to Buy Allowances than to Run Controls in most cases!

Charge: GN SIP NOx Control Strategy for NG Pipeline Compressor Prime Movers *

DELIVERABLES

Quantify Emissions Reduction

Status: Still parsing inventory

Extract point & nonpoint emissions in 2023 Gamma inventory of Eastern Modeling Domain minus partial states

Match permit data for individual facilities with inventory data

Compare Model Rule limits with permitted limits

Address data gaps (e.g. design capacity missing for many units

difficult to apply model rule limits)

Develop EMF control packet to simulate NOx reductions from Model Rule limits)

Perform GN SIP air quality modeling (2011 platform with 2023 future year projection)

Calculate Control Costs

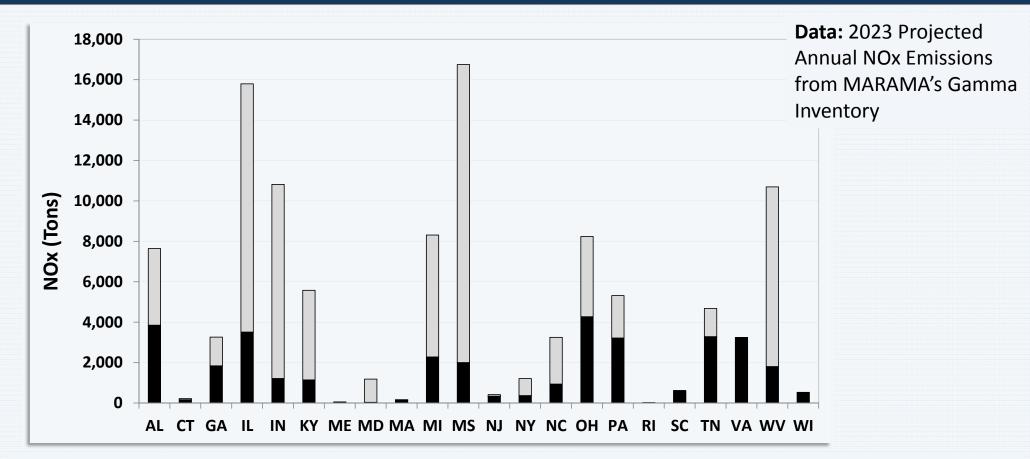
Status: Developing estimates

Reviewing "Mojave Desert AQMD IC Engine NOx RACT Staff Paper" & cost information from other states Document Process & Results

Status: In progress

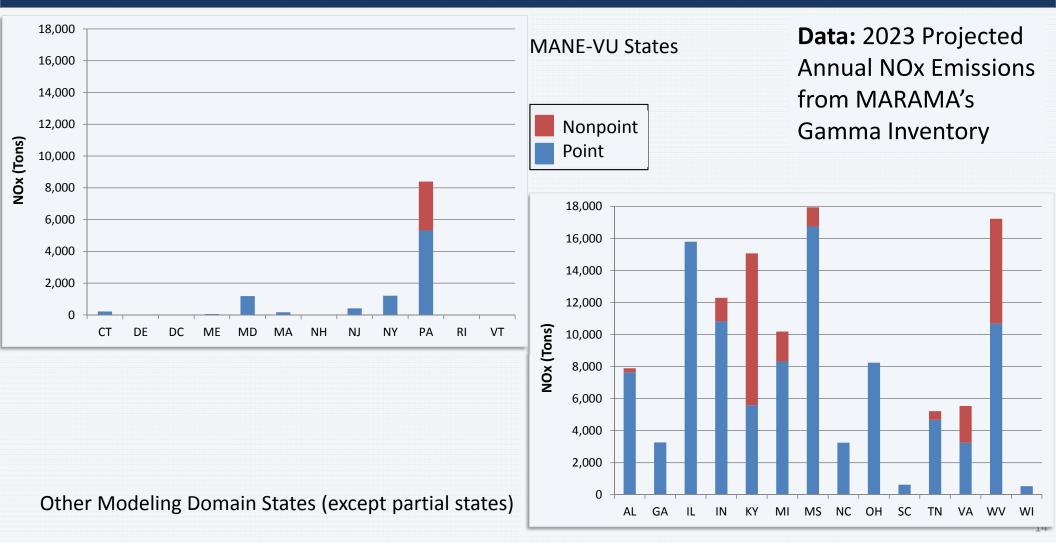
^{*} Estimation of potential emissions reduction & costs of implementing limits in the 2017 OTC Model Rule on Natural Gas Pipeline Compressor Fuel-Fired Prime Movers

NOx Emissions from NG Pipeline Compressor Prime Movers (Point)



- Matched = emissions from units where a corresponding permit limit (or default value, e.g. based on AP-42) was available to compare with applicable model rule limit with confidence
- Unmatched = emissions where permit data has not been collected/is not available & a direct comparison cannot be made

NOx Emissions from NG Pipeline Compressor Prime Movers



OTC Model Rule on Natural Gas Pipeline Compressor Fuel-Fired Prime Movers

Four-Stroke Rich Burn ICE					
Nameplate Rating in HP	NOx Rate in g/BHP-hr (% Reduction)				
200 - 499	1.5 (90)				
500 - 1999	1.5 (90)				
≥2000	1.0 (95)				

Four-Stroke Lean Burn ICE					
Nameplate Rating in HP	NOx Rate in g/BHP-hr (% Reduction)				
200 - 499	1.5 (90)				
500 - 1999	1.5 (90)				
≥2000	1.5 (90)				

Two-Stroke Lean Burn ICE				
Nameplate Rating in HP	NOx Rate in g/BHP-hr (% Reduction)			
200 - 499	2.0 (80)			
500 - 1999	1.5 (80)			
≥2000	1.5 (90)			

Combustion Turbines					
Nameplate Rating in HP (MW)	NOx Rate in ppmvd @ 15% O ₂ (lb/MWhr)				
≤2000 (1.5)	150.0 (6.0)				
2000 - 4999 (1.5 - 3.7)	50.0 (2.0)				
≥5000 (3.7)	25.0 (1.0)				

Addendum to 2018 SAS Charge

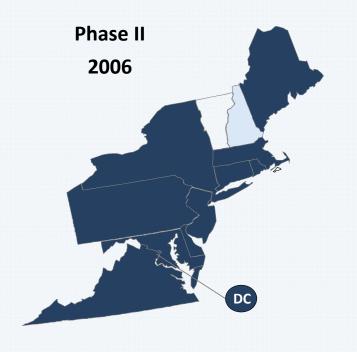
OTC SAS Committee to perform technical analysis of potential strategies identified below to assist OTC states in developing cost-effective strategies to reduce ozone-forming pollutants as required by the CAA:

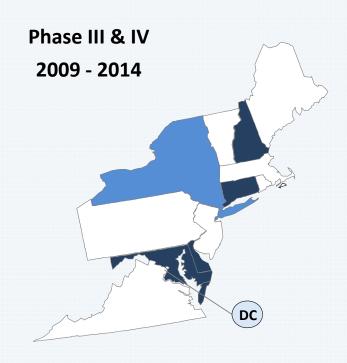
- Information from the separate analyses recently conducted by CT, DE, MD, ME, and NJ
- Data needed to perform episodic modeling run(s) on the impact of 2017 daily NOx
 emissions from EGUs that report to EPA's Clean Air Markets Division and are located in
 the CSAPR U and the OTC states.
- Evaluation of a new cost effectiveness metric based on the ratio of the Daily Emissions Reduction (tons/day) to the Annualized Cost (in million \$).

The analysis must be completed and presented to the Air Directors by the 2018 Fall OTC Air Directors' Meeting.

BONUS SLIDES

Adoption of OTC Model Rules on Consumer Products (As of Jan. 2018)





- Adopted /Similar Rule
- To be adopted soon
- Under review /development

Phase V Consumer Products Model Rule - Product Categories

New

- Astringent/Toner
- Anti-seize Lubricant
- Cutting or Tapping Oil
- Gear, Chain or Wire Lubricant
- Fabric Softener
- Floor Maintenance Product
- Insect Repellent
- Motor Vehicle Wash
- Multi-purpose Solvent & Paint Thinner, Aerosol
- Personal Fragrance Product
- Pressurized Gas Duster
- Tire or Wheel Cleaner
- Windshield Water Repellent
- Dual Purpose Air Freshener/Disinfectant

Amended

- Adhesives, Aerosol
- Air Freshener, Double Phase
- Automotive Windshield Washer Fluid
- Carpet/Upholstery Cleaners
- Dusting Aid
- Fabric Protectant
- Floor Polish or Wax
- Furniture Maintenance Product
- General Purpose Cleaner
- General Purpose Degreaser
- Glass Cleaner
- Heavy-duty Hand Cleaner or Soap
- Insecticide

- Insect Repellant Aerosol
- Multi-purpose Lubricants
- Metal Polish or Cleanser
- Odor Remover/Eliminator
- Penetrant
- Sealant or Caulking Compound
- Spot Remover

Not in CARB: Automotive Windshield Cleaner @ 35% VOC

Provisions:

- Defined Sell-through Period vs Unlimited Sell-through
- Optional prohibition for MeCl/Perc/TCE in Brake Cleaner

Uncontrolled Coal-Fired EGUs: NOx Reduction from Implementing GN SIP Strategy

State	Sum of 2023 OS NOx (tons) Base Optimized	GN SIP Resolution #2	OS NOx Reduction (tons)
СТ	277.39	232.04	45.35
DE	955.38	955.38	0.00
MA	378.20	378.20	0.00
MD	3,980.38	3,980.38	0.00
ME	110.61	110.61	0.00
NH	352.95	445.82	-92.87
NJ	1,969.02	1,969.02	0.00
NY	6,193.01	6,016.49	176.52
PA	17,096.81	16,682.15	414.67
RI	142.59	142.59	0.00
VT	0.00	0.00	0.00
MANE-VU Total	31,456.33	30,912.67	543.66
LADCO Total	74,115.70	56,229.49	17,886.21
SESARM Total	106,962.25	84,436.25	4,755.59

Results from Eastern
Regional Technical
Advisory Committee
(ERTAC) Run – now
being used in modeling

IL, IN, MI, MN, OH, WI
AL, FL, GA, KY, MS, NC, SC, TN, VA

GN SIP Resolution #2: Emissions reduction from installing & optimizing control technologies on uncontrolled coal-fired EGUs

Results from ERTAC Run – ready for modeling			State	Sum of 2023 OS NOx (tons) Base Optimized	GN SIP Resolution #2	OS NOx Reduction (tons)		
	Sum of 2023 OS NOx (tons)	GN SIP	OS NOx	AL	7,373.60	6,888.63	484.97	
State	Base	Resolution	Reduction (tons)		FL	15,738.33	13,918.09	1,820.24
	Optimized	#2		GA	9,831.84	9,403.68	428.16	
IL	14,443.29	11,804.24	2,639.06	KY	21,399.47	10,826.78	10,572.68	
IN	18,503.31	14,521.31	3,982.00	MS	9,077.48	5,097.75	3,979.73	
MI	12,354.57	7,858.69	4,495.88	NC	13,193.81	13,193.81	0.00	
MN	6,592.19	4,158.46	2,433.73	SC	4,428.52	4,428.52	0.00	
ОН	15,288.56	12,010.83	3,277.72	TN	4,805.63	4,805.63	0.00	
WI	6,933.79	5,875.97	1,057.82	VA	5,320.50	4,835.87	484.62	
LADCO Total	74,115.70	56,229.49	17,886.21	SESARM Total	106,962.25	84,436.25	4,755.59	

Uncontrolled Coal-Fired EGUs: Costs & Benefits from Implementing GN SIP Strategy

Estimated SCR & SNCR Retrofit Control Costs for 2017 Ozone Season (OS) using Sargent & Lundy Method:

Reduction Technology	Est. OS Total NOx Reduction (tons)	Est. OS Total NOx Reduction (%)	Overall Annualized Capital Cost (\$/ton NOx removed)	Range of Unit-Specific NOx Control Cost (\$/ton NOx removed)	No. of Units with Cost Effectiveness <\$10,000/ton
SNCR	23,653	22	4,011	3,608 - 11,896,287	57
SCR	68,020	63	20,486	7,594 – 9,745, 272	6

- All data (from CAMD/AMPD for CSAPRU & OTC states) & estimates only for OS
- Costs in 2012 dollars
- Annualized capital costs include only capital components, no O&M costs
- Unit-specific OS costs include both capital & O&M costs
- Assumptions:

	SNCR	SCR
Limit (lbs NOx/MM Btu)	0.125	0.064
Per Unit Control Efficiency	30%	90%

CSAPRU = Cross-State Air Pollution Rule Update

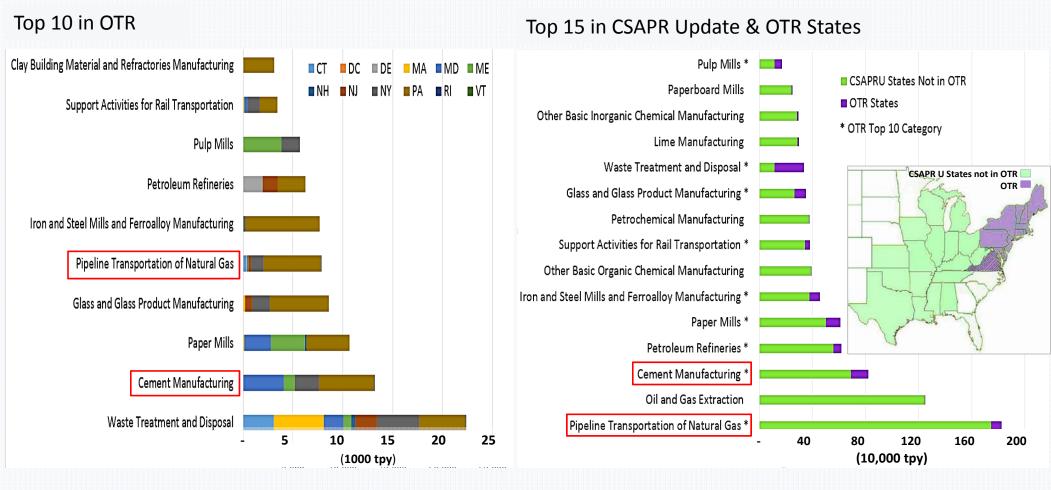
2018 SAS Charges

Charge: ...perform technical analyses to help OTC states pursue legally supportable cost-effective strategies to achieve reductions of ozone-forming pollutants and satisfy CAA requirements.

Calculate & document emissions reductions inside & outside of the OTR for the recommended SAS GN SIP strategies:

	Deliverables			
GN SIP Strategies	Quantify Emissions Reduction	Calculate Control Costs	Document Process & Results	
 Coal-fired EGUs: Poorly controlled: Optimize use of existing SCR / SNCR NOx control technology each day of ozone season 	Modeling underway –	Completed	In Progress	
 <u>Uncontrolled</u>: Install SCR / SNCR control technology & optimize their use each day of ozone season 	UMD/MDE			
NG Pipeline Compressor Prime Movers	In Progress	In Progress	In Progress	

Top NOx Emitting Stationary Source Categories



(Excluding EGUs, Airport LTO, & Sources from VA); Source: 2014 NEI v.1