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VIA ELECTRONIC FILING

Ozone Transport Commission
800 Maine Ave NW
Suite 200
Washington, DC 20024

RE: Maryland's Section 184(c) Petition to the Ozone Transport Commission Regarding Daily NOx Limits on Particular Pennsylvania Electric Generating Units

On behalf of the Pennsylvania Chamber of Business and Industry, the largest, broad-based business advocacy organization in the Commonwealth, I am writing in response to the Ozone Transport Commission's (OTC) request for public comment regarding Maryland's petition to the OTC under Section 184(c) of the Clean Air Act. This petition should be denied, as existing regulatory requirements are achieving significant air quality reductions and the petition does not establish the requisite causation between NAAQS exceedences and emissions from Pennsylvania power generation facilities to justify granting Maryland's petition.

The vast majority of counties and regions in Maryland, the mid-Atlantic and the northeast are measuring attainment of NAAQS criteria pollutants. Pennsylvania has been a notable contributor to this improvement in air quality. According to EPA Clean Air Markets Data, annual NOx emissions of Pennsylvania fell 76% between 2011 and 2018.[1] Pennsylvania DEP, through implementation of its RACT II rule for the 2008 ozone standard, reported achieving in 2017 a 50% year-over-year reduction in such emissions during ozone season. Additional reductions from point sources are expected through the promulgation and implementation of the RACT III rule for the 2015 ozone standard, as well as through continued implementation of the federal Cross State Air Pollution Rule, which itself, has already resulted in meaningful reductions of ozone-precursor emissions.

OTC should also recognize in its analysis of this petition the additional emissions reductions that will occur through the announced closure of several facilities, including the Bruce Mansfield power station in western Pennsylvania and the Luke paper mill in western Maryland. Further reductions may also be achieved as existing industrial and power generation sources invest in fuel-switching to natural gas, which is occurring at several power generation and steel manufacturing locations. In addition, as EPA noted in its Regulatory Impact Analysis of the Affordable Clean Energy Rule, several utilities operating in the mid-west and Appalachian region have announced through integrated resource plans and other publicly available reports

[1] According to EPA Clean Air Markets Program Data, reported yearly NOx emissions for sources were 149,620 tons in 2011 and 34,803 in 2018. Reporting sources include power generation, pulp and paper manufacturing, refineries, natural gas transmission infrastructure, steel manufacturing and other large industrial sources. Accessed Aug. 16, 2019 https://ampd.epa.gov/ampd/.

plans to reduce emissions significantly by altering the composition of their fuel mix to include higher contributions from non-coal generation.[2]

Emissions reductions from non-point sources are also expected throughout Pennsylvania and the I-95 corridor as adoption of alternative fueled vehicles progresses in both the light duty and passenger vehicle segments as well as commercial trucking fleets. Further, more cost-effective reductions of NOx can also be achieved with a reasonably forthcoming well-crafted and thoughtfully designed federal rule for heavy trucking.

Maryland's petition alleges various units in Pennsylvania produced "excess emissions" which led or contributed to ozone exceedences in Maryland. However, based on a comparison of the petition to data available on the Pennsylvania Department of Environmental Protection's Air Quality Monitoring website, Pennsylvania did not record an ozone exceedance on 23 of the 50 days that Maryland did[3], thus raising significant questions about any potential correlation between Pennsylvania's emissions and exceedances of the ozone NAAQS measured in Maryland, and signaling potential technical deficiencies underlying the petition. Given that emissions from point sources will disperse over distance (based on a number of complex variables affecting air dispersion), it is a questionable proposition that Pennsylvania facilities are the culprit for the majority of the exceedences outlined in the petition. Rather, numerous other factors contribute to localized air impacts, in particular, meteorological conditions and mobile source contributions from within Maryland.

We must also note that based on data from PJM, Maryland remains a significant importer of power, with more than one-third of its load served by electric generation from out of state. Much of this power is generated in Pennsylvania. Maryland's electricity prices are also the second highest in PJM, based on the results of the most recent Base Residual Auction. Given that existing regulatory requirements are achieving significant reductions and that further progress is being made in both mobile and non-mobile sources, and that Maryland prices are already burdening its businesses and consumers in part due to its state energy and environmental policies, we question why the state of Maryland is seeking to add cost to the sources of power its businesses and consumers are relying on.

In closing, thank you for the opportunity to comment on this matter and for your consideration of our comments.

Sincerely,

Kevin Sunday
Director, Government Affairs

cc:
The Honorable Patrick McDonnell, Secretary, Pennsylvania Department of Environmental Protection
Peter Tsirigotis, Director, U.S. EPA Office of Air Quality Planning and Standards

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[2] See Section 2.2.2. Utility Climate Clean Energy Announcements and Commitments, p. 2-12. https://www.epa.gov/sites/production/files/2019-06/documents/utilities_ria_final_cpp_repeal_and_ace_2019-06.pdf

[3] See attached table.

ATTACHMENT 1

DATE	Maryland Exceedence	Pennsylvania Exceedence		Maryland Exceedence	Pennsylvania Exceedence
5/16/2017	Y	Y	5/1/2018	Y	Y
5/17/2017	Y	Y	5/2/2018	Y	Y
5/18/2017	Y	Y	5/3/2018	Y	Y
6/9/2017	Y	N	5/4/2018	Y	N
6/10/2017	Y	Y	5/31/2018	Y	N
6/11/2017	Y	N	6/1/2018	Y	N
6/12/2017	Y	Y	6/16/2018	Y	Y
6/13/2017	Y	Y	6/17/2018	Y	Y
6/14/2017	Y	N	6/18/2018	Y	Y
6/15/2017	Y	N	6/29/2018	Y	Y
6/21/2017	Y	N	6/30/2018	Y	Y
6/22/2017	Y	Y	7/1/2018	Y	Y
7/2/2017	Y	N	7/2/2018	Y	Y
7/3/2017	Y	N	7/3/2018	Y	Y
7/4/2017	Y	N	7/8/2018	Y	N
7/18/2017	Y	Y	7/9/2018	Y	Y
7/19/2017	Y	Y	7/10/2018	Y	Y
7/20/2017	Y	Y	7/15/2018	Y	Y
7/21/2017	Y	N	7/16/2018	Y	Y
7/31/2017	Y	N	8/9/2018	Y	N
8/1/2017	Y	Y	8/10/2018	Y	N
8/15/2017	Y	N	8/26/2018	Y	N
8/16/2017	Y	N	8/27/2018	Y	N
9/24/2017	Y	N	9/5/2018	Y	Y
9/25/2017	Y	N	9/6/2018	Y	N

Sources: Petition to the Ozone Transport Commission for Additional Control Measures Pursuant to Section 184(c) of the Clean Air Act, https://mde.maryland.gov/programs/Air/Documents/184c-Petition.pdf

Ozone Standards Exceedences for 2017 and 2018, Pennsylvania Department of Environmental Protection Bureau of Air Quality, http://www.ahs2.dep.state.pa.us/aq_apps/ozone/summary.htm