

## OTC Committee Meeting

April 10, 2014

Comments of Eugene M. Trisko

on behalf of ACCCE

1. We have a few comments on the EGU White Paper and on the developing process of interstate cooperation on the future control of NO<sub>x</sub> emissions from EGUs and other sources that may help fulfill the Good Neighbor SIP requirements of the CAA – and help Maryland to file an ozone attainment SIP next year.
2. We have a handout summarizing recent EPA modeling data for 2007 and 2018 with the new Tier 3 gasoline rules. It covers many of the states in the OTR and most of the upwind states of interest to the OTC. We will submit it as a stakeholder comment.
3. The data were selected based on design values at the six highest ozone monitors in each state in 2007. I will not go through this state by state, but the overall picture provided by EPA's modeling is of huge progress in reducing ozone, with nearly all of the monitors well below the current 75 ppb ozone standard by 2018. Delaware, for example, has projected DVs well below 70 ppb at its three monitors. Connecticut is below the standard at all monitors. So is New Jersey. Many of the upwind states have DVs in the 65-70 ppb range.
4. A few areas may still have issues, including the Harford monitor in Maryland and around Philadelphia. Both are affected by the I-95 Corridor and by local sources.

5. Overall, we do not see a basis in these data for a new regional transport rule for ozone tied to the current ozone standard. Emissions from the EGU sector in the nine upwind states targeted by the 176A petition were 22% below CAIR Phase I caps in 2013, and 7% below the 2015 Phase 2 caps. The new Tier 3 rule also will clearly help with reductions from vehicles on the road.
6. We have reviewed the EGU White Paper and have several concerns with the control proposals it puts forth for EGUs. Our first issue is that the May 1 comment deadline should be moved to May 15.
7. The Approach 1 controls, and the short-term EGU NO<sub>x</sub> standards, all would require extensive additional retrofits of SCR technology at plants now equipped with SNCR or other combustion controls. These proposed retrofits likely would translate to another major wave of plant retirements on top of the 54 GW of coal capacity that DOE projects will occur in the next few years. These additional retirements would result because it is not economic to retrofit SCRs on units not already equipped with this technology as a result of the SIP Call or CAIR. Not counting consent decrees or state laws, EGUs are entering their 5<sup>th</sup> round of NO<sub>x</sub> controls since 1990, and all of the economic retrofits are in place.
8. Reliability is obviously a major concern here, as we observed this past winter – even before the wave of 54 GW of MATS retirements hits.
9. We recognize that there are issues about the operation of controls that are now in place, especially during the ozone season. This is an appropriate focus of ongoing state discussions about Good Neighbor SIPs that began at the ECOS meeting last month. We believe this is the right direction for the states at this time. There are many issues that need to be addressed in this process, including air quality impacts, the number and timing of expected unit retirements, and so forth, as well as the form of any MOU or other agreement that could help move this dialogue forward.