



# Stationary and Area Source Committee Update

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OTC Committee Meeting

September 13, 2012

Washington, D.C.

Hall of the States

# The Charge to the Committee

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- At the June 2012 Annual Meeting, the Commission charged the SAS Committee with continuing the development of the following control measures:
  - Coal Fired Boilers Serving EGUs
  - Industrial, Commercial, Institutional (ICI) Boilers
  - Demand Response
  - Municipal Waste Incinerators
  - Vapor Controls at Gasoline Service Stations
  - Energy Efficiency Strategies
  - Natural Gas Compressor Facilities

# Today's Presentation

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- Committee focus
  - What we have been doing
- Updates on measures still under development
  - Coal Fired Boilers, ICI Boilers, Demand Response, Municipal Waste Incinerators, Vapor Controls
- Measures completed or near completion
  - Energy Efficiency Strategies, Oil and Gas Sector
- Moving forward – Next Steps for the SAS Committee

# Committee Focus

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- Research and data collection
- Economic analysis
- Stakeholder outreach
- Collaboration with other states on issues
- Completing action on remaining measures
- Revisiting and updating adopted measures
- Analyzing EPA proposals
- Discussing adoption and implementation issues
- Identifying new candidate measures

# Measures Still Under Development

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- Industrial, Commercial and Institutional (ICI) Boilers
  - Need to build on recommendation made to EPA.
- Coal Fired Boilers Serving EGUs
  - Evaluating CSAPR and the impacts of the court ruling;
  - Need to focus on NO<sub>x</sub>.
- Demand Response
  - Submitted comments to EPA concerning the proposed amendment to the RICE NESHAP;
  - Need to gather more information.



# Measures Still Under Development

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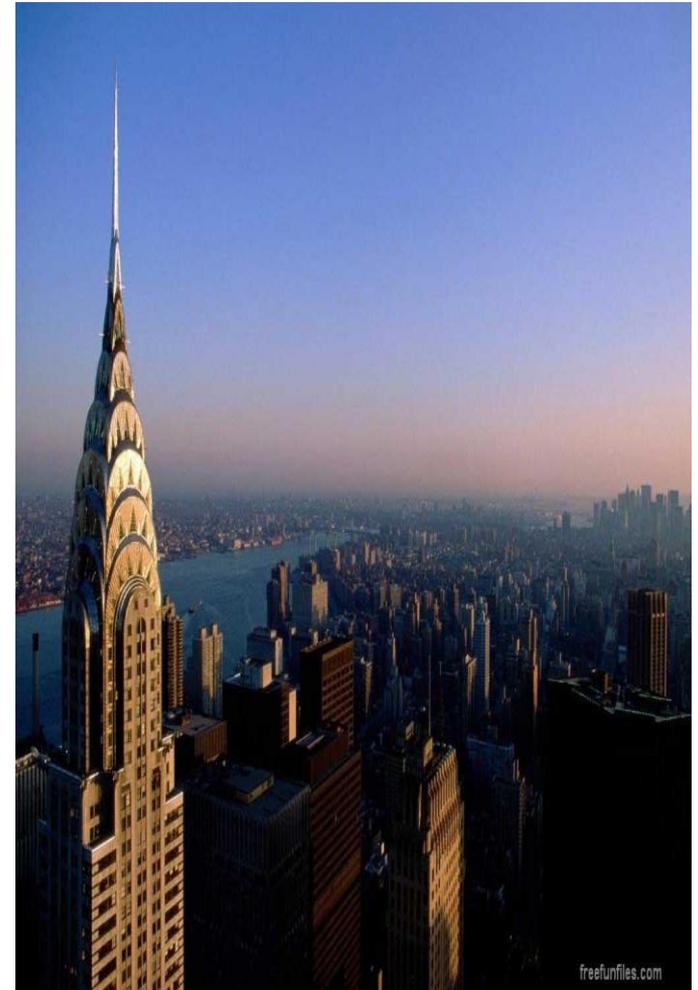
- Municipal Waste Incinerators
  - Goal was to coordinate with EPA action;
  - EPA MACT delayed;
  - No progress made to date.
- Vapor Controls from Gas Stations
  - Collected and shared current control equipment cost and benefits information;
  - Reviewed, discussed and commented on EPA's draft rule for widespread use and Stage II waiver, now final;
  - Reviewed, discussed and commented on EPA's Guidance document on removing Stage II from SIP's, now final;
  - Considering other potential emissions not addressed through the Stage II transition.
  - Evaluating studies done by CT, MA & MD.



# Measures Nearing Completion

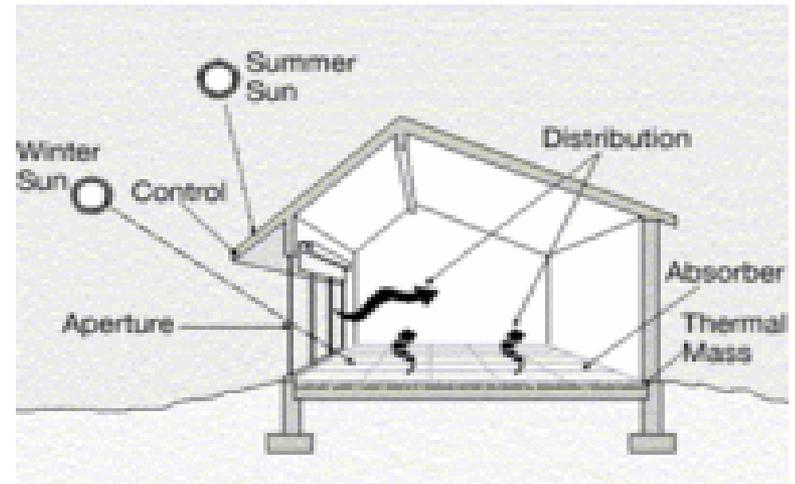
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- Energy Efficiency Strategies
  - Focus on commercial building retrofits;
  - Energy utilization data collection feasibility on state level;
  - Financing of innovative technologies;
  - Standards based on actual field data for energy consumption in buildings;



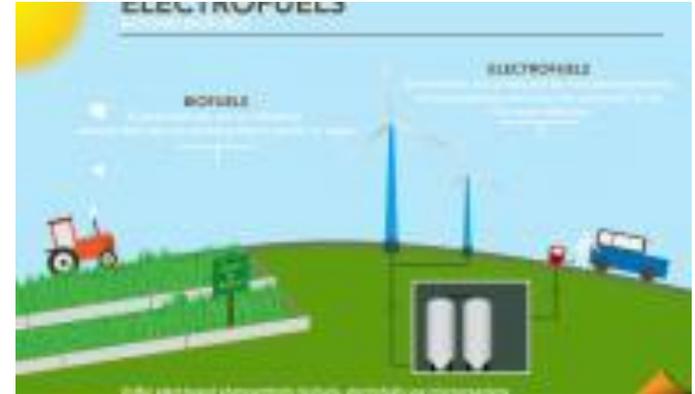
# Energy Efficiency Status Report

- Energy efficiency status report incorporates stakeholder comments received
  - To be released this fall;
  - Building energy efficiency program has the potential to reduce 39,000 tons of NOx per year.



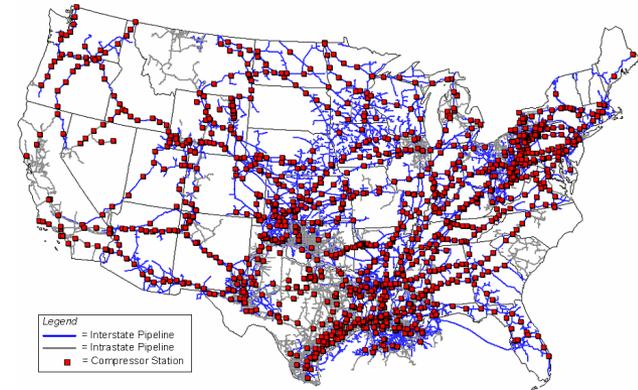
# Energy Efficiency Strategies

- Energy efficiency provides three fold increase in effectiveness compared to emission control strategies
  - EPA finalizing tools to estimate SIP credit from energy efficiency strategies;
  - Coordinated effort by states produces greatest SIP creditable reduction in NO<sub>x</sub> emissions



# Measures Nearing Completion

- Oil and Gas Sector
  - Released draft Technical Support document for public comment in March 2012;
  - Conducted extensive stakeholder outreach and calls;
  - Incorporating stakeholder comments;
  - Plan to finalize the TSD in November.



# Measure Development Process Moving Forward

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- Complete efforts on Oil & Gas Sector and Energy Efficiency by November;
- Continue with Vapor Recovery workgroup efforts:
  - Additional sector specific calls with stakeholders;
  - Consider options for possible action
  - Update measure as needed;
- Re-evaluate approach for MWI, ICI Boilers and EGUs;
- Prioritize activities to address Demand Response.

# Next Steps for the Committee

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Develop a workplan to conduct an economic impact assessment of a selected control measure (e.g. ICI Boilers) in order to document the level effort, knowledge, training and tools that are necessary for such assessment. We need to present the workplan to the Air Directors in October and to the Commission in November.

# Next Steps for the Committee

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Evaluate “Demand Response” to determine the extent of distributed generation in the member states and upwind states.

For OTR’s fleet of HEDD units, evaluate the startup/shutdown emissions to evaluate the hourly HEDD loading due to startup and shutdown and its potential impact on air quality. If the impact is significant, explore alternatives or means to reduce that impact.

# Next Steps for the Committee

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Review and evaluate EGU operating emissions data to evaluate the real world achievable NO<sub>x</sub> emission rates across load ranges, the effect of time/total operation on the effectiveness of controls, and variations due to fuels. Then utilize the data to adjust long term expectations for emissions reductions dependent upon controls/age/fuel. Develop a state by state EGU NO<sub>x</sub> emission rate achievable considering RACT.

# Next Steps for the Committee

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Review the latest emissions inventory data within OTR and within states that significantly impact OTR, identify the largest source categories (such as by SCC code or other), evaluate for reduction potentials, and make recommendations for further actions (if any).

- As a subtask, identify source categories with high emissions per emitting unit (would potentially address source categories with an overall low total emissions due to a small number of sources, but with high per-unit emissions).
- As a subtask, also perform the evaluations on an ozone season basis.

A benefit of a review of this type is that the initial evaluation of the data will likely identify other areas that require additional review to attain a reasonable understanding of the data. In other words, we may need to learn more to know what to look for.

# Next Steps for the Committee

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A programmatic review of the existing model rules for potential updates due to improved control technologies, better data/information resources, etc. Included in the review process should be an assessment of the potential to expand the applicability (such as for smaller size units) and an assessment of incremental cost effectiveness of potential further reductions. Update any support documentation.

# Ongoing Committee Work

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- Coordinate with Modeling Committee by providing emissions input, and emission reduction estimates;
- Develop economic analysis tools;
- Continue to track rule adoption efforts and provide technical support and a forum for collaboration;
- Continue evaluation of and comments on EPA proposals;
- Prepare for OTC meetings.

# Questions?

