United States Department of the Interior

NATIONAL PARK SERVICE
Air Resources Division
P.O. Box 25287
Denver, CO 80225

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IN REPLY REFER TO:

N3615 (2350)

April 9, 2012

Glenn Keith
Department of Environmental Protection
Bureau of Waste Prevention
One Winter Street, 7th Floor
Boston, Massachusetts 02108

Dear Mr. Keith:

The National Park Service (NPS) appreciates the opportunity to review Massachusetts' proposed alternative to Best Available Retrofit Technology (BART). Because Massachusetts was not included in the final Cross State Air Pollution Rule (76 FR 48208, August 8, 2011), Massachusetts Department of Environmental Protection (MDEP) is required to complete BART analyses for emissions of sulfur dioxide (SO_2) and nitrogen oxides (NO_X) from BART-eligible electric generating units (EGU).

MDEP is proposing a BART Alternative that includes both BART-eligible and non-BART EGU with coal or oil-fired boilers. The BART Alternative relies on substantial decreases in actual and proposed utilization of the EGU.

In its BART Alternative, MDEP cites 40 CFR 51.308(e)(3) and states that the regulation:

> ...provides a process for determining whether an alternative measure makes greater reasonable progress than would be achieved through the installation and operation of BART. If the geographic distribution of emissions reductions is similar between an alternative measure and BART, the comparison of the two measures may be made on the basis of emissions alone. The alternative measure may be deemed to make greater reasonable progress than BART if it results in greater emissions reductions than requiring sources subject to BART to install, operate and maintain BART. In this case, the Alternative to BART achieves greater emissions reductions than BART and the geographic distribution of emissions reductions is nearly identical since all of the units subject to BART are included in the Alternative to BART.

However, MDEP is proposing to include five non-BART EGU (Mount Tom #1, Salem Harbor #1 - #3, and Somerset #8) in the BART Alternative. In a similar case regarding

trading among BART and non-BART boilers, EPA required Wisconsin to follow EPA's economic incentive program (EIP) guidance[1]. As discussed by EPA in its letter to Wisconsin, the approach cited above by MDEP is not entirely appropriate regarding trading among BART and non-BART boilers:[2]

> Since the BART guidelines do not address trades that involve sources not subject to BART, issues like this must be addressed in accordance with EPA's economic incentive program (EIP) policy, particularly the guidance on emissions averaging and on single source caps. This guidance is available at http://www.epa.gov/ttncaaa1/t1/memoranda/eipfin.pdf. A central tenet of this policy is that credits may only be granted for surplus emission reductions. As stated on page 38 of this policy, reductions may not be considered surplus except to the extent that the EIP (in this case, either emissions averaging or a source-specific emission cap) "results in more reductions than would have occurred without the program."
>
> The EIP policy also requires that emission caps covering multiple units provide an environmental benefit. Specifically, on page 52, the EIP policy states, "In terms of emission reductions, environmental benefit is measured from an emissions baseline that represents the emissions that would have occurred if the EIP were not implemented." Thus, if Wisconsin wishes to include all of the boilers either in a collective mass cap, the limit must set to provide an environmental benefit relative to a scenario in which the BART boilers are operating BART controls. EPA recommends providing environmental benefit by limiting emissions to 10 percent below the level that would be required with unit-by-unit limits.
>
> Further complexity arises from requirements that will be established to meet the SO_2 air quality standard. The EIP, on page 35, states that "you may not claim programmatic EIP emission reductions that result from any emission reduction or limitation of a criteria pollutant precursor that you require to attain or maintain a NAAQS." As stated in the preamble for the promulgation of the air quality standard (cf. 76 FR 35573, published June 22, 2010), EPA expects the infrastructure SIPs, due in June 2013, to provide enforceable emission limits that provide for attainment and maintenance of the SO_2 standards. Therefore, depending on circumstances at the time of EPA rulemaking, inclusion of the non-BART boiler in a multi-boiler cap may necessitate conducting modeling to determine the level of emissions that provides for attainment, and then reducing the cap at most to that level.

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[1] 77 FR 11934, 40 CFR Part 52 [EPA–R05–OAR–2012–0059; FRL–9638–9] Approval and Promulgation of Air Quality Implementation Plans; Wisconsin; Regional Haze

[2] Comments on Draft Wisconsin Regional Haze Plan Dated July 1, 2011 from Cheryl L. Newton, Director, Air and Radiation Division, UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 5 to Bill Baumann, Acting Chief, Bureau of Air, Wisconsin Department of Natural Resources

We believe that MDEP's BART Alternative should be consistent with EPA's EIP policy and demonstrate a 10% "environmental benefit:"

- Substantial decreases in actual and proposed utilization of the EGUs included in the BART Alternative make use of a 2002 baseline inappropriate. In determining if the BART Alternative provides an "environmental benefit," it is more appropriate to consider recent and reasonably expected capacity utilization (e.g. 2011).
- MDEP should show that the reductions may be considered surplus as defined by the EIP. MDEP is relying on shutdown of Somerset and Salem Harbor to meet the BART Alternative; MDEP should clarify if these reductions are required by any other program.
- Our analysis presented in the attached Excel workbook shows that total SO_2 and NO_X emissions from the boilers included in the BART Alternative are higher than emissions would have been from those same EGUs had M DEP applied a conventional BART approach. The BART Alternative has not demonstrated the "environmental benefit" component of the EIP because it is not "limiting emissions to 10 percent below the level that would be required with unit-by-unit limits."
- MDEP has not shown that the "geographic distribution of emissions reductions is nearly identical" between application of BART and the BART alternative. Instead, emissions of SO_2 would be greater, relative to conventional BART, at all facilities except Salem Harbor; emissions of NO_X would be greater, relative to conventional BART, at all facilities except Cleary Flood and Salem Harbor.

It appears that MDEP is relying upon the July 2010 shutdown of Somerset #8 and the 2014 shutdown of Salem Harbor #3 & #4 to allow emissions greater than unit-specific BART at most of the other EGUs.

Again, we appreciate the opportunity to work closely with MDEP to make progress toward achieving national visibility conditions in our Class I national parks and wilderness areas. For further information regarding our comments, please contact Don Shepherd at (303) 969-2075.

Sincerely,

Susan Johnson
Chief, Policy, Planning and Permit Review Branch

Enclosures

cc:
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