

New RCSA section 22a-174-22 Subcommittee  
Compliance Options and Emissions Limitations  
3/25/15  
Summary of Discussion

Before the meeting: Tanja Ashlin (UTC) asked about schedule modification. It may still be needed for UTC's drive engines (generate the atmosphere for engines).

Merrily Gere (DEEP) runs through the presentation. (Available on the RACT web page.)

Discussion after the presentation

DERC Trading as compliance option

When will the DERC program end? When is the last year new DERCs can be minted? Merrily: In theory, creation should end with the termination of the orders in existence at the time that new section 22 is effective. However, the answer needs to go through enforcement.

DERCs compliant under May 31, 2017 have been minted outside the Hartford attainment area. Should we be purchasing DERCs minted in Bridgeport?

Merrily: The current program is not restricted by ozone nonattainment area. The same reasoning should apply for Phase 1 but there is no confirmation. We need to confirm with EPA.

Rounding really skims off of the creation and use side. The bank is reconciled every year. There's quite a bit of benefit beyond the EIP requirements (10% environmental benefit).

Orders to memorialize compliance options

Orders get listed in ECHO as a non-compliant unit. You feel kind of bad.

Merrily: There's a template each time the orders are issued. You're saying you want a kinder format.

Jaimeson Sinclair (DEEP): They're called trading agreements and orders. Maybe you can talk with Bob Girard (DEEP enforcement) about what it's called. What gets put into ECHO is beyond our control.

Compliance option for ICI boilers

Regarding committing to combust only natural gas compliance option – what if we said comply with the Boiler MACT as a natural gas burning unit. We'd commit to burn natural gas and burn oil only when curtailed. We'd be limited to 48 hours for non curtailment purposes. We may not have to get an order. You get the economic benefit by getting natural gas cheaper. (*This option has been added to the draft rule.*)

Enforceable mechanism

Do all of the compliance options have to be memorialized in an order, or could they be included in a permit?

A permit modification is also an option for permitted sources.

Case-by-case RACT

For case-by-case RACT and older sources that don't operate very often. What about the \$/ton?

Merrily: We have struggled with that, especially for HEDD sources. States are very reluctant to release cost thresholds. NY has done it (\$5500/ton).

I don't have a sense how that's calculated. Over what period of time is that recovered?

Merrily: In the past we'd take estimates given to us and standardize for comparison. It would be preferable if we can define the method ahead of time so that we have submissions made that use the same method to calculate the \$/ton.

When would case-by-case RACT be applied for? Merrily: Submissions could occur any time after the rule is effective.

#### Averaging

When I looked at the old order example (Allied Signal) credits were not carried over and they offset debits with DERCs. Averaging would work in Phase 1 but runs out in Phase 2.

Merrily: It was not designed for a source to use DERCs beyond Phase 1.

How are multi fuel units factored into averaging? Can you average between different types of units and fuels?

Merrily and Wendy: Yes.

For simple cycle turbines, if you're at the same site and you have a unit under section 38 could we average with the emissions from that unit? Merrily: Yes.

How would averaging work with permitted units?

Wendy mentions the Yale averaging order and says we'll send out.

Are CEMS required for averaging?

Merrily and Wendy: No.

If the unit is permitted and is averaging, could we modify our permits instead of getting an order?

Merrily/Wendy: I think so.

*(Averaging guidance has been prepared to address many of the above questions.)*

#### Miscellaneous topics

If we want to look at permanent cessation, do we have to wait until the rule is final to approach DEEP?

Merrily: We are happy to talk to you at any time but we would not accept submissions under the rule until after the rule is effective.

Are affected units CAIR units?

Merrily: Yes.

Reciprocating engine standards do not apply to emergency engines, right?

Merrily: Right.

Group reminds DEEP that they have not seen the applicability.

Merrily: The applicability will be available by the next meeting. *(Applicability is available now.)*

Will the short term emitters be separated out as discussed previously?

Merrily says yes and mentions anti-backsliding per Section 110.

If you keep the same standard for minor sources with high short term emissions and those sources can use DERCs they should have the same compliance options.

Merrily: Yes.

Will GPLPE sources be covered by the major sources rule?

No, GPLPE sources have potentials limited under Title V thresholds.

Steve H: Is there any categorization for temporary units? What would be our obligation to evaluate the equipment? Merrily: Is the unit a stationary source? Jaimeson: The unit has 9 months or 1 year to demonstrate compliance. Steve: Is that captured in here? Merrily: It's not in the regulation.

Tanja: What about exemptions for replacement units? Jaimeson: It's in the permitting rule.

Is there any flexibility on the levels of the emissions limits?

Merrily: Not really.

Would these limits replace the old limits? Would units <25 MmBtu/hr be subject to testing?

Merrily: No.

Is there a retroactive grace period from testing?

Merrily: You must comply until the limits are repealed.

What about peaking units without Title V permits?

Wendy: Those would go into the short term emitter regulation.

For the 1 year cease operation sources would have to go through engineering if replacing a unit.

Merrily: Source may not be replacing units.

Were you thinking that water injection as RACT for simple cycle turbines would expire in 2030?

Wendy: We were not thinking that would expire as RACT because that's all you can do. (*This has been adjusted in the draft rule.*)

The rule language for averaging needs to have 24 hour or monthly specified.

DEEP: Yes. (*See the averaging guidance.*)