

**Clean Air Act Advisory Committee**  
**Permits/New Source Review/Air Toxics Subcommittee**  
**Utility MACT Working Group**  
**Summary of Working Group Meeting 07/09/02**

The ninth meeting of the working group established under the Clean Air Act Advisory Committee's (CAAAC) Permits/New Source Review/Air Toxics Subcommittee was held on July 9, 2002 at the Hall of the States building in Washington, D.C.

Michael Shore provided introductory comments on work done by the oil-fired mini group. The mini group presented two sets of recommendations on what a standard should or could look like. The two formats for a standard put forward were: (1) a rate-based format for nickel (that could be either input- or output-based) with an averaging period to be decided upon, and (2) an annual average tonnage cap for nickel from each facility.

These comments were followed by Working Group discussion. The following points or questions were made during the open discussion:

- is an annual tonnage cap an appropriate format for a MACT;
- an annual cap doesn't necessarily encourage energy efficiency (but also may not discourage it either);
- nickel is not a short-term health problem; rather it is a long-term, bioaccumulative problem that does not require a short-term emission rate;
- an annual cap allows for more flexibility in meeting the standard, reducing nickel emissions to the environment but allowing a cost-effective means of achieving the limit (e.g., could solicit "low nickel" oil, burn gas part of the time);
- an annual tonnage cap would still be based on an emission rate;
- not sure the Agency has the data upon which to base an annual tonnage cap (unclear as to whether the burden would be on the industry or the Agency to provide the data);
- there is considerable variability in the nickel content in oils;
- the nickel content of various oils is a geologic fact of life but may be influenced by refining processes;
- an emissions rate-based format with an annual average would be essentially equivalent to an annual average tonnage cap in providing flexibility given the right averaging period;
- the averaging period under a rate-based format is critical - the shorter the averaging period under a rate based approach, the more flexibility that is lost;
- the compliance flexibility of dual-fuel fired units (oil and gas) would be constrained during periods of natural gas curtailment (i.e., when natural gas is curtailed, it may be completely unavailable for periods of up to several months) making longer compliance periods (e.g., longer than one month or one calendar quarter) more feasible;

- in calculating the baseline for an annual average tonnage cap, long-term averages (3-, 5-, or 10-years) should be used for the fuel use;
- an output-based format would be too complex and sophisticated for this sector of the industry, particularly given the prevalence of dual-fuel firing;
- ESPs may not effectively capture nickel because they are not efficient on small particles;
- use of magnesium oxide as a corrosion inhibitor may bind with nickel and cause it to drop out; and
- use of stack testing should only be required if a “control” is being used; if the unit is uncontrolled, then fuel sampling for the nickel content should be sufficient.

Martha Keating provided comments on a memo prepared by representatives of five of the environmental groups on the issue of non-mercury HAP. Larry Monroe made a presentation on industry’s position on the same issue. Bill O’Sullivan made a presentation relating some analyses he had conducted on the issue.

These presentations were followed by Working Group discussion. The following points or questions were made during the open discussion:

- the use of surrogates may be appropriate but the surrogate must represent each HAP that it is being used as a surrogate for;
- the use of groupings of HAP may be appropriate but only if all the HAP in the group react the same and have the same control efficiencies;
- the data are adequate for the non-mercury metal HAP, may be adequate for the acid gas HAP, and are not adequate for the organic HAP;
- all HAP emitted in significant quantities (needs to be defined) should be addressed;
- total particulate may not be a surrogate for individual metal HAP and testing for each individual HAP would be favored;
- MACT decisions may be influenced by previous LAER, BACT, and RACT determinations;
- the use of surrogates is not possible within the time frame of the utility MACT given the need to establish the relationship between the surrogate and the HAP;
- using a risk-based approach (i.e., use of section 112(d)(4) as in the chlor-alkali MACT) is illegal under the Clean Air Act; and
- additional data are required.

Bob Wayland presented an alternative approach in which a statistical analysis of the data is used to set the floor and incorporate data variability. This was followed by Working Group discussion. The following points or questions were made during the open discussion:

- the EPA should use only the top performing 12 percent of plants in the floor and variability analyses;

- can a nationwide emission be calculated based on the 90, 95, and 99 percent confidence limit values; and
- can the analyses be done by boiler type.

There followed a discussion following up on the various discussions held on the assumptions contained in the IPM. A brief presentation by the EPA outlined the changes that EPA had agreed to make to the IPM. In addition, Felice Stadler presented a summary of comments prepared by a number of the environmental groups. This was followed by general Working Group discussion. The following points were made during the open discussion:

- the IPM needs to be “hard-wired” with, or otherwise separate out, controls that are currently being installed or that have been announced (e.g., SNCR, SCR) to comply with the SIP call;
- the IPM should account for ash disposal costs, both from the aspect of lost revenue for the ash that may be currently sold and from the aspect of new disposal costs; and
- the 60 percent removal being proposed by EPA for ESP units may not be low enough.

The EPA will set up another teleconference to discuss its findings on these points.

The EPA discussed briefly the list of topics/issues that it desired advice/recommendations on from the members. There followed a discussion of how the members would provide the information and what the general process would be for getting the information into a format for presentation to the full CAAAC.

All presentations will be placed on the utility MACT website (<http://www.epa.gov/ttn/atw/combust/utiltox/utoxpg.html>).

#### Review of action items and discussion of next steps

The next meeting will be August 8, 2002 at the Edison Electric Institute facilities in Washington, D.C., and will be from 9:30 a.m. to 4:00 p.m. The following topics/action items were suggested for the July meeting:

- The “oil-fired unit” mini-group will provide follow-up to the discussion held at this meeting.
- The stakeholder groups (or combinations of groups) will bring to the table their specific advice/recommendations on issues they feel EPA must address in a MACT standard (e.g., subcategories, floors, averaging period, format of the standard). These recommendations will be provided to EPA by August 1 so that they may be distributed electronically to the members prior to the August 8 meeting.

- Working Group members and EPA will consider the elements to be reported out to the full CAAAC and the format for the report.
- EPA will continue to look at the statistical approach to handling variability presented at this meeting and provide feedback to the members on the questions asked.

**CLEAN AIR ACT ADVISORY COMMITTEE  
PERMITS/NEW SOURCE REVIEW/AIR TOXICS SUBCOMMITTEE  
UTILITY MACT WORKING GROUP**

**July 9, 2002**

**STAPPA/ALAPCO Headquarters  
The Hall of States Building, Room 383-385  
444 North Capitol Street, N.W.  
Washington, D.C. 20001**

**AGENDA**

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|-------------------------|---|
| 9:30 a.m. - 9:45 a.m.   | Introductions and opening remarks by Sally Shaver and Bill O'Sullivan, Co-chairs                    |
| 9:45 a.m. - 10:45 a.m.  | Presentation by Oil Mini Group followed by Working Group discussion - Michael Shore                 |
| 10:45 a.m. - 11:45 a.m. | Presentation by Non-mercury HAP Mini Group followed by Working Group discussion - Martha Keating    |
| 11:45 a.m. - 12:15 p.m. | EPA presentation on alternate statistical variability analysis                                      |
| 12:15 p.m. - 1:15 p.m.  | Lunch   |
| 1:15 p.m. - 1:45 p.m.   | IPM discussion follow-up  |
| 1:45 p.m. - 2:15 p.m.   | Open discussion by the Working Group of list of topics on which EPA wants advice or recommendations |
| 2:15 p.m. - 2:45 p.m.   | Open discussion by the Working Group of the format of the report to the CAAAC                       |
| 2:45 p.m. - 3:45 p.m.   | Open discussion by the Working Group on process for presenting advice and recommendations           |
| 3:45 p.m. - 4:00 p.m.   | Review of action items and discussion of next steps   |

4:00 p.m.

Adjourn