

**PUBLIC SERVICE COMMISSION
OF UTAH**

Docket No. 14-035-147

Exhibit SC___JIF-2

Utah Department of Environmental Quality
DAQ: Regional Haze Memo 2-19-15



State of Utah

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Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

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Executive Director

DIVISION OF AIR QUALITY
Bryce C. Bird
Director

DAQ-008-15

MEMORANDUM

TO: Air Quality Board

THROUGH: Bryce C. Bird, Executive Secretary

FROM: Colleen Delaney, Environmental Scientist

DATE: February 19, 2015

SUBJECT: PROPOSE FOR PUBLIC COMMENT: Amend Utah State Implementation Plan Section XX.D.6. Regional Haze. Long-Term Strategy for Stationary Sources. Best Available Retrofit Technology (BART) Assessment for NO_x and PM; add new Utah State Implementation Plan Subsections IX.H.21 and 22. General Requirements: Control Measures for Area and Point Sources, Emission Limits and Operating Practices, Regional Haze Requirements; and Source Specific Emission Limitations: Regional Haze Requirements, Best Available Retrofit Technology.

On October 1, 2014, the Air Quality Board proposed a revision to Utah's Regional Haze State Implementation Plan (SIP) to address the Environmental Protection Agency's partial disapproval of the Best Available Retrofit Technology (BART) provisions for nitrogen oxides (NO_x) and particulate matter (PM). The proposed change to the SIP maintained the BART determination that had been established in 2008 and also made enforceable the planned closure of the PacifiCorp Carbon plant this spring due to the substantial reduction in visibility impairing pollutants that would be achieved. The proposal was based on a 5-factor analysis of available control technologies for NO_x and PM and visibility modeling that had been completed by PacifiCorp in 2012. The Division of Air Quality (DAQ) analysis concluded that the most stringent PM controls were already required and the NO_x controls established in the 2008 SIP were cost-effective and met the presumptive BART requirements established by EPA. Additional NO_x controls were not warranted due to the very high cost of control and uncertainty regarding the visibility improvement that would occur. The significant NO_x reductions required by the 2008 SIP did not result in improvements in nitrate values during the winter months as expected and the benefit of further NO_x reductions is therefore uncertain. Sulfur dioxide (SO₂) reductions have resulted in improvements in sulfate values throughout the year. DAQ completed additional visibility modeling after the proposal to evaluate the visibility improvement due to all of the reductions, including the closure of the Carbon Plant, and the results of this modeling were added to the technical support documentation for the proposal in November for public review.

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A public comment period was held from November 1 through December 22, 2014, and a number of public comments were received. After reviewing the comments and consulting with EPA, DAQ staff determined that the additional emission reductions due to the expected closure of the Carbon Plant would be better addressed as an alternative to BART under 40 CFR 51.308(e)(2) rather than through the case-by-case analysis under 40 CFR 51.308(1). In addition, commenters identified several issues with DAQ's visibility modeling that have been addressed. For these reasons, DAQ staff prepared a new proposal to ensure adequate public review of these changes.

1. The SIP has been revised to explicitly identify an alternative to BART for NO_x that keeps in place the current NO_x emission limits for PacifiCorp Hunter 1 and 2 and PacifiCorp Huntington 1 and 2 that are more stringent than EPA's presumptive BART limits; makes enforceable the expected closure of PacifiCorp Carbon 1 and 2; and takes credit for the installation of low-NO_x burners at PacifiCorp Hunter 3 in 2008.
2. A demonstration that the alternative to BART will achieve greater reasonable progress than BART is attached and will be included in the technical support documentation for the SIP. Combined emissions of NO_x, SO₂ and PM will be 2,856 tons/yr lower under the alternative program than would be achieved by the most stringent technology available to reduce NO_x from the sources subject to BART. Visibility modeling shows that the alternative will provide visibility improvement on a greater number of days, greater average improvement, and greater improvement on the 90th percentile day. Reductions under the alternative were also achieved earlier than was required by the rule.
3. Enforceable emission limits for the alternative to BART have been added to SIP Section IX, Part H.21 and H.22.

Staff Recommendation: Staff recommends that the Board propose the revision to SIP Section XX, Part D.6 and new SIP Sections IX, Part H.21 and H.22 for public comment.