Clean Air Act Advisory Committee
Permits/New Source Review/Air Toxics Subcommittee
Utility MACT Working Group
Summary of Working Group Meeting 02/05/02

The fourth 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 February 5, 2002 at the STAPPA/ALAPCO Headquarters in Washington, D.C.

The meeting began with a charge to the group to help the group focus and to remind them that whereas consensus on issues is desired, short of consensus we still want a full discussion of issues. Three issues are presently before the group -- the adequacy of data (for both coal and oil-fired units), subcategorization, and non-mercury HAPs. Input from the stakeholders represented on the Working Group was requested, along with input from EPA on the schedule progress and any key issues that they want to hear from the Working Group.

A brief presentation and discussion of the schedule then ensued. It was requested by EPA that the Working Group provide recommendations on subcategories and floor options by the April 2002 meeting. A copy of the EPA presentation is available on the website.

A brief report by the "ranking" mini group was followed by Working Group discussion. A table showing one ranking option and a draft statistical analysis paper was provided (available on the website). Three questions were raised by the mini group:

1. Is the analysis correct?
2. How has variability been factored into previous MACT standards (particularly the municipal waste combustors standards)?
3. How will variability be factored into this MACT?

Some of the issues raised during the discussion include:

· Measurement bias of the stack tests.
· Use of output-based standards.
· Where the testing of the coal occurred and in what time-relationship to the stack sampling.
· The impact on the "credibility" of the top-performing values given the negative control numbers seen on the lower performers.
· How load, soot blowing, the sizing of the control device, where the unit and controls are in the maintenance cycle, etc. may introduce variability into the test data.
· The form of the standard—short term standard (e.g., monthly, quarterly) plus an annual cap—as one way to deal with variability.
· The heat rates for individual units during the tests (the standard conversion factor used by

EPA not felt accurate enough).

The "coal" mini group reported they are continuing to look at the data. Some of the issues raised include:

· Once you identify the best performing units, how do you define their emissions characteristics?
· The chlorine content in the coals varied greatly, which impacts on mercury controllability.
· There appears to be little seasonal variation in the mercury content of coal at facilities.
· A survey of 208 boilers (149 have responded to date) that burn differing ranks of coal and found that 25 had individual boilers dedicated to a particular coal rank, 118 blended ranks of coal in individual boilers (apparently in order to meet SO_2 limits), and no boilers switched coal ranks throughout the year. Six boilers were switched to gas.
· More statistical analysis is possible as units are identified.

The "oil" mini group indicated that they had little to report at this meeting; further discussion will be held at the March meeting. Some of the issues raised include:

· The need to better profile the industry and find out what data are out there (e.g., what units are burning oil, what kind of oil, and how much?
· The adequacy of the 13 stack tests on 100+ units.
· Whether the test methodology was different now from when the tests were obtained.
The mini group was charged with aggressively seeking to identify the available data on oil-fired units and report back to the Working Group at the next meeting.

A brief presentation by EPA was made on the history of subcategorization for past MACTs. This presentation is also available on the website. A maximum of five options for modeling -- IPM (integrated planning model) followed by REMSAD (regulatory modeling system for aerosols and deposition) was indicated as a starting point. A brief introductory discussion of what the act means when it references subcategorization based on class, type, and size was held.

The "subcategorization" mini group then made individual presentations (consensus not having been reached).

The industry presented their position that EPA has broad authority to subcategorize, especially with regard to class and type, including discussion about the legislative history of section 112 and the discussion of subcategories in the preambles of previous MACTs. Note was made of EPA's mention of type of fuel, size, emissions, and geography in their regulatory finding. Following this was a presentation, including recommendations, and discussion on subcategorization. A copy of this presentation is available on the website. Issues raised during the industry presentation include:

- The effects on coal markets.
- The underlying analysis from the presentation that the emission characteristics differed with different coal ranks (e.g., elemental vs. ionic mercury emissions).
- Whether subcategorization by coal rank eliminates blending of coal ranks as a compliance option.
- Whether the choice of a particular subcategorization should not set an assumption that such a subcategorization is necessarily viable.

The environmental representative then gave a presentation which countered many of the industry assumptions, indicating that the legislative history of section 112 does not speak to subcategorization. It was presented that the Act's "class, type, and size" should be considered very narrowly and that cost and achievability should be considered only after the floor is set and then only if EPA wants to go beyond the floor. Further, differences in "class, type, and size" are not, in and of themselves, sufficient reasons to subcategorize. Subcategorization by coal type was not felt to be within the "class, type, or size" definition.

The State/local/Tribal representative then gave a brief opinion that the workgroup should strive to maintain fuel diversity while accomplishing the environmental goals.

A discussion of non-mercury HAPs had been planned but time ran out. Martha Keating was asked to head up a mini-group to tee this issue up for the next meeting. Reference was made to a paragraph in the Working Group charge and EPA reference to non-mercury HAPs in the Federal Register notice. Several people volunteered to work with Martha.

Stakeholders that might want to give a presentation on the subject of subcategories were asked to contact one of the co-chairs to request time on the agenda for our next meeting. The next meeting is scheduled for March 4, 2002 at 1:00 p.m. at the STAPPA/ALAPCO offices followed by an 8:00 - 10:00 a.m. meeting on March 5, 2002 at the Renaissance Mayflower Hotel in Washington, D.C. in conjunction with the CAAAC subcommittee meetings.

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

February 5, 2002

STAPPA/ALAPCO Headquarters
The Hall of States Building, Room 233-235
444 North Capitol Street, N.W.
Washington, D.C. 20001

AGENDA

10:30 a.m. - 10:45 a.m.	Introductions and opening remarks by Sally Shaver and John Paul, Co-chairs
10:45 a.m. - 11:15 a.m.	EPA update on MACT schedule
11:15 a.m. - 12:00 p.m.	Presentation by Ranking Mini Group - Felice Stadler
12:00 p.m. - 12:15 p.m.	Presentation by Coal Mini Group - Lee Zeugin
12:15 p.m. - 12:30 p.m.	Presentation by Oil Mini Group - Bill Bumpers
12:30 p.m. - 1:30 p.m.	Lunch
1:30 p.m. - 1:45 p.m.	EPA presentation on subcategorization examples
1:45 p.m. - 2:30 p.m.	Presentation by Subcategorization Mini Group - Mike Geers, David Schanbacher, Sandra Schubert
2:30 p.m. - 4:15 p.m.	Open discussion by the Working Group
4:15 p.m. - 4:30 p.m.	Review of action items and discussion of next steps
4:30 p.m.	Adjourn