

Final-Form Rulemaking: Additional RACT Requirements for Major Sources of NOx and VOCs for the 2015 Ozone NAAQS

Environmental Quality Board Meeting August 9, 2022

Tom Wolf, Governor

Ramez Ziadeh, P.E., Acting Secretary

Background

- The Clean Air Act (CAA) requires the United States Environmental Protection Agency (EPA) to set National Ambient Air Quality Standards (NAAQS) for criteria air pollutants, of which ground-level ozone is one, at levels that protect public health and welfare, including the environment.
- On October 26, 2015, the EPA lowered the primary and secondary NAAQS for ozone to 0.070 ppm.



Purpose

- The CAA requires re-evaluation of Reasonably Available Control Technology (RACT) each time an ozone NAAQS is promulgated for nonattainment areas.
- Because the entire Commonwealth is in the Ozone Transport Region and is treated as a moderate nonattainment area, RACT applies to major sources of nitrogen oxides (NO_x) and/or volatile organic compounds (VOC) statewide.



Overview

- This final-form rulemaking (known as RACT III)
 establishes presumptive RACT requirements and
 emission limitations for specific source categories at
 major stationary facilities of NOx and VOC emissions.
- Owners and operators of sources without presumptive requirements or limitations, or those unable to meet the presumptive limitations, must submit a case-by-case RACT analysis.



Overview

• The presumptive RACT requirements in the finalform rulemaking are the same or more stringent than those found in the RACT I and RACT II rules.



Affected Parties

- RACT requirements are applicable to the owners and operators of all sources in Pennsylvania that emit or have a potential to emit greater than 100 tons per year (TPY) of NOx or 50 TPY of VOC.
- There are approximately 425 Title V facility owners and operators in Pennsylvania (excluding Philadelphia and Allegheny Counties) that may be subject to this final-form rulemaking.



Proposed Rulemaking Public Comment

- On May 19, 2021, the Environmental Quality Board (EQB) adopted the proposed rulemaking by a vote of 17-2.
- The proposed rulemaking was published for public comment on August 7, 2021.
- Three public hearings were held on September 7, 8, and 9. No testimony was received.
- The public comment period closed on October 12, 2021.
- The Department received comments from 25 commentators, including the Independent Regulatory Review Commission (IRRC), EPA, environmental advocacy groups, consultants, and the regulated community.

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Key Comments

- EPA commented that case-by-case determinations issued under §§ 129.96—129.100 for RACT II cannot be deemed to satisfy the case-by-case requirements for RACT III without additional documented review.
- EPA also noted that the RACT III compliance date cannot be later than the regulatory RACT implementation date established in 40 CFR 51.1312(a)(3)(i), which for Pennsylvania is January 1, 2023.



Key Comments

 Commentators recommended that the Department set a lower presumptive NO_x limit than the proposed 150 parts per million by volume, dry basis (ppmvd) corrected at 7% oxygen for municipal waste combustors (MWCs). This limit should require the installation and operation of NO_x emission control technology such as low NO_x burners and selective non-catalytic reduction.



Key Changes From Proposed

- The final-form rulemaking contains an option for an owner or operator to submit an analysis demonstrating that the applicable RACT II conditions remain RACT for RACT III, in place of a full case-by-case analysis.
- The Department will review these analyses and submit all the approved ones to EPA as a revision to the State Implementation Plan.



Key Changes From Proposed

- The presumptive NO_{χ} RACT limit for MWC has been revised from 150 to 110 ppmvd at 7% oxygen.
- This presumptive NO_X RACT limit is consistent with the recommendations made by the Ozone Transport Commission, is cost-effective, and is achievable with available add-on control technology.



Economic Impacts

- Owners and operators undergoing case-by-case RACT evaluations must bear the costs of notifications and application fees, estimated to be \$4,000-\$6,000 per facility.
- Complying with applicable requirements by installing add-on control technology would have an annualized cost of less than \$3,750 per ton of NOx and \$7,500 per ton of VOC emission reduction.

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Environmental Impacts

- Implementation of the control measures in the final-form rulemaking could reduce NO_X emissions by as much as 9,800 TPY from engines, turbines, and MWC and could reduce VOC emissions by as much as 825 TPY from engines and turbines.
- The measures in this final-form rulemaking are reasonably required to attain and maintain the health-and-welfare-based 2015 8-hour ozone NAAQS.

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Advisory Committee Review

The following advisory committees were presented this final-form rulemaking:

- Air Quality Technical Advisory Committee on April 7, 2022
- Citizens Advisory Council on April 19, 2022
- Small Business Compliance Advisory Committee on April 27, 2022



Recommendation

The Department recommends the Board adopt this final rulemaking for publication in the *Pennsylvania Bulletin* as a final-form regulation.





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