



**American  
Forest & Paper  
Association**

**BETTER PRACTICES  
BETTER PLANET 2030**  
SUSTAINABLE PRODUCTS FOR A SUSTAINABLE FUTURE

# *Council of Industrial Boiler Owners Virtual Environmental Meeting: Air Regulation Prospects*

December 7, 2021

Timothy Hunt

Senior Director, Air Quality Programs

## *Overview of Air Topics*

- NAAQS
  - PM
  - Ozone
- Boiler MACT/NHSM
- RTRs
- Air Quality Modeling
- SSM
- NSR

## *PM Supplemental ISA Highlights – released 9/30*

- New focus: Epidemiological, causal methods, and accountability studies, at risk population, and welfare/visibility
- Annual: 11.65 to 5.9 ug/m<sup>3</sup>; supralinear down to 4 ug with increasing uncertainty given concentration response function
- Daily: 12.4 to 8.8 ug, down to 5 ug; linear relationship
- Welfare: wildfires and biomass emissions for visibility impacts
- Less focused on Covid and sensitive subpopulations (higher exposures)

## *PM ISA comments*

- Filed 11/29 by NR3 with CIBO – retain current limits
- Scientific supplements to ISA comments
  - NCASI – study quality and bias (filed 11/24)
  - NERA/EPRI – spatial-temporal as confounders (11/22)
  - AF&PA/AWC (Stew Holm) – exposure response function issues (filed 11/28)
  - Gradient – several scientific uncertainties highlighted

## *PM Policy Assessment - schedule*

- Draft released 10/8
- CASAC meetings 10/14, 11/17, 12/1-2
  - Support lowering: 8 to 10 ug
  - Interested in possibly lowering daily standard
- Draft coalition comments out to members
- Comments due 12/14
- Proposal summer of 2022 and final spring 2023

## *Preliminary Policy Assessment Conclusions*

- Current standard inadequate – strategy anticipated
- <12 to 10 ug/m<sup>3</sup> range – study design, statistical approaches, precision of associations, study size/location, and uncertainties
- 8 to 10 ug/m<sup>3</sup> range – if more weight on public health improvements and less weight on uncertainties
- Goal: guide EPA towards recognizing uncertainties
- Annual standard is main form of protection – 24 hour a supplement
- Evidence that daily protects health at peaks – maybe 30 ug/m<sup>3</sup>
- Visibility and climate considerations sufficient
- PM10 OK
- Environmental Justice elements – disproportionately exposed groups

## *Ozone NAAQS Reconsideration*

- Reconsideration granted 10/23
- Final by 12/15/2023
- No interim dates for proposal, ISA or PA
- Secondary review for climate and welfare? Push GHG goals? Risky!
- Staff concluded in 2019 that 70 ppb protective of public health
  
- Separate ecological review of NO<sub>x</sub>, SO<sub>2</sub>, and PM – ambient aerosol pollutant index related to water quality (acidification); end of year proposal?
- Bandwidth issues ...

## *Boiler MACT*

- Remand to address CO as surrogate and 130 ppm cutoff – final this fall?
- New/tighter limits for several categories of solid fuel boilers – PM and CO, technical comments may lead to small adjustments
- Apply new source limits retroactively to boilers built after 2011?
- Risk and technology review – 8-year deadline has passed



## *RTR for Pulp and Paper and Wood Products*

- LEAN reviews underway
- Pulp and paper slow but wood products moving quickly
- Looking at HAP gaps – HCl, Hg, D/F, PAHs, organic HAPs, metals
- Precedent from other “LEAN” RTRs – Lime, Tires, Steel? Use of 112(d)(4) for HCl?
- HAP testing – likely if time, broad or narrow, <9 companies to avoid PRA
- More limited use of work practices possible given skepticism
  
- Implications for Boilers? Any HAP gaps?

## *Non-Hazardous Secondary Material*

- NHSM Petition on rail ties and paper recycling residuals (PRR) - 2018
  - Proposed response at OMB – coalition met with OIRA on 9/22, cleared 11/28
  - Expect denial of rail ties – different view of law/API III, also EJ considerations
  - PRR: define “small quantities” of non-fibers and “primarily” short fibers – not what we asked
  - Climate argument – 1.65 MT CO<sub>2</sub>, equivalent to 330,000 cars per year
  - Coalition partners do not want to withdraw petition – not lose ground
  - Next steps: develop comments, push climate arguments, anticipate litigation

# Air Quality Modeling Guidance

- Schedule:
  - Revised Draft released 9/20/21 – EPA assumes implement immediately
  - Coalition met with OAQPS on 11/4
  - Draft comments shared 11/12 and due 12/7 (today)
  - Draft final guidance to OMB for review
  - Finalized summer 2022
- Key Changes
  - Full accounting of secondary Ozone and PM precursors (NO<sub>x</sub>, SO<sub>2</sub>, VOC) even if < SER
  - Cumulative modeling for minor projects above very low PM SILs
  - Preconstruction monitoring – or use nearby monitor
  - Could trigger Step II netting even if project below SIL
  - Multiple projects below SER during the contemporaneous period might trigger permitting
  - PM emissions during PM surrogacy policy (1997 to 2010) now recounted?

## *Start up Shutdown Malfunction*

- McCabe 9/30/21 memo reinstates 2015 SIP call – admittedly guidance
  - Withdraws 10/9/20 guidance – not final agency action, no “reliant interests”
  - Automatic exemptions, discretionary exemptions and overly broad enforcement discretion are inconsistent with law; no affirmative defense
- Regional Office 2019-20 actions (NC, TX, Iowa) – EPA will start notice and comment actions to withdraw, timing?
- 2015 SSM SIP call – restart implementation (CBD petition), judicial review of individual decisions that rely on SIP call
- Original litigation on SIP Call in abeyance and now restarting – already briefed and looking for quick action by court in 2022

## *Permitting/NSR*

### NSR/Project Emissions Accounting reconsideration

- Denied the formal reconsideration request – not meet section 307 CAA requirement since issues raised in comments
- However, voluntary reconsider without timeframe and keeping current rule and policy in place
- Outcome? unclear

### Other NSR issues

- Revisit begin actual construction – 2020 guidance rescinded
- Actual to project actual policy – 12/7/17 memo revisit?

## *Wrap up and questions*

- Pace of regulation increasing
- 2022 critical to scope/size of regulatory pipeline

## *Transport Regulations – Skipp Kropp will cover*

- Cross State Air Pollution Rule – March 2021, focused on EGUs
  - Challenged by MOG over technical issues – linear modeling, 2021 vs 2023
- Non-EGU rule to address 70 ppb Ozone? Add industrial boilers?
  - Air quality improving – appropriate modeling dispersion
  - Consideration of local sources – area and mobile > than long distance transport
  - Role of international emissions and exceptional events (fires)
  - MOG assessing new EPA modeling platform
- Section 126 NY petition – cited hundreds of industrials in Midwest
  - Denial remanded to EPA – new proposal expected soon
  - Choices: accept, deny on different grounds (not C/E), accept in part/deny in part?
- Settlement deadlines for GNS in IN, KY, MI, OH, TX, WV, NY