



May 13, 2013

Attention: Docket ID No. EPA-HQ-OAR-2012-0322

Environmental Protection Agency
EPA West (Air Docket)
1200 Pennsylvania Avenue, NW
Mail Code 6102T
Washington, D.C. 20004

Re: Docket ID No. EPA-HQ-OAR-2012-0322: Comments Regarding the Proposed Rule, State Implementation Plans: Response to Petition for Rulemaking; Findings of Substantial Inadequacy; and SIP Calls To Amend Provisions Applying to Excess Emissions During Periods of Startup, Shutdown, and Malfunction, dated February 22, 2013 (78 FR 12460)

Dear Docket Clerk:

The Interstate Natural Gas Association of America (INGAA), a trade association of the interstate natural gas pipeline industry, respectfully submits these comments regarding the Proposed Rule, State Implementation Plans: Response to Petition for Rulemaking; Findings of Substantial Inadequacy; and SIP Calls To Amend Provisions Applying to Excess Emissions During Periods of Startup, Shutdown, and Malfunction (Proposed Rule), dated February 22, 2013 (78 FR 12460 to 12540). The Proposed Rule would require 36 states to revisit startup, shutdown, and malfunction (SSM) requirements in state implementation plans in response to an EPA SIP Call. INGAA is interested in this rulemaking because INGAA members operate natural gas transmission compressor station or storage facilities in nearly all of the affected states, and SSM provisions are inherent to numerous regulations and permits based on historical interpretation of EPA policy.

INGAA member companies transport more than 85 percent of the nation's natural gas, through some 190,000 miles of interstate natural gas pipelines. INGAA member companies operate over 6,000 stationary natural gas-fired spark ignition internal combustion engines and 1,000 stationary natural gas-fired combustion turbines, which are installed at compressor stations along the pipelines to transport natural gas to residential, commercial, industrial and electric utility customers. With natural gas transmission and storage (T&S) facilities in nearly all of the states affected by the proposed SSM SIP Call, revisions to state rules would likely impact existing permits and future operations.

The INGAA comments follow.

INGAA Comments:

1. INGAA is concerned that evolving national SSM policy is not appropriately addressing technical issues associated with different emissions characteristics during SSM events, which are typically very short duration for T&S sources with limited emissions data available.

Since a December 2008 court decision vacated the Clean Air Act Section 112 SSM exemption, EPA policy appears to be evolving to eliminate the SSM exemption for NESHAPs, as well as for Section 111 NSPS standards. INGAA is concerned that the EPA response has not adequately considered technical issues associated with emissions differences that occur during SSM events for some operations, and that the historical record associated with the basis of federal and state emissions standards and permitted emission limits is frequently ignored. That is, emission standards are often based on emissions performance at typical or optimal operating conditions (e.g., high operating load). Emissions during SSM events, which are typically short duration for T&S operations, will differ, and although it is understood that emissions change, detailed data is not available to support alternative standards during “normal” startup and shutdown operations. Thus, the Proposed Rule effort to address SSM requirements in state implementation plans (SIPs) has the potential to proliferate technical deficiencies on broad basis – in both existing rules and existing permits.

Historically, emission standards and permit emission limits were often developed with an understanding that emissions performance can differ during SSM events, and this has been addressed in rules through the use of work practices or exemptions for SSM events, requirements for reporting excess emissions and deviations (for malfunctions), and limitations in the applicability of emission standards. Over the last two decades, INGAA and our member companies have worked diligently with EPA on many rulemakings that affect our operations, including numerous NSPS and NESHAP rulemakings for reciprocating internal combustion engines (RICE) and combustion turbines.

INGAA has provided technical material to support rulemakings. For some rules, available data and associated analysis has resulted in limitations in emission standard applicability. For example, for the Turbine NSPS (Part 60, Subpart KKKK) adopted in 2006, EPA understood that NO_x control performance differs at reduced load and NO_x performance tests are to be conducted at 75% load or higher. In addition, the definition of “lean premixed combustion turbine” (the technology basis for the standard) acknowledges that operations in “diffusion flame mode” (i.e., higher NO_x emissions) occur in some circumstances, including startup and shutdown. The record for the 2006 Turbine NSPS demonstrates that EPA understands nominal NO_x increases occur for some operations. SSM requirements in Subpart KKKK include the general duty to operate and maintain the turbine in manner consistent with good air pollution control practices for minimizing emissions at all times. Similar limitations apply in RICE NESHAP and NSPS rules. The broader arena of emission standards in state rules and emission limits in facility operating permits also include a similar technical foundation that is based on an understanding the emissions differ during startup and shutdown (i.e., normal operations), as well as during malfunction events.

Unfortunately, as evolving interpretations of SSM allowances have been developed in response to the 2008 court decision, the record indicates that actions in the last several years have failed to

adequately consider such technical issues. Several rules affecting INGAA operations have been proposed where historical SSM criteria were altered, but the previous technical record associated with emissions performance limitations was ignored. Thus, INGAA has commented on several rules and met with EPA staff to attempt to remedy rulemaking deficiencies. This includes June 2009 comments on proposed RICE NESHAP amendments (INGAA comments are docket document number EPA-HQ-OAR-2008-0708-0155, comments 8 and 40), November 2011 comments on the proposed oil and gas operations NSPS and amendments to Part 63, Subpart HHH (docket document number EPA-HQ-OAR-2010-0505-4104, comment 22), and December 2012 comments on proposed Turbine NSPS revisions (docket document number EPA-HQ-OAR-2004-0490-0365, comment 7). The previous INGAA comments note that in addition to failing to address emissions performance technological limitations during normal startup and shutdown operations, the new “affirmative defense” provision being added to rules is too complicated and onerous to provide meaningful relief, and that the Clean Air Act offers other options that should be considered.

Where final rules have been issued, some improvements may have occurred, but remaining deficiencies have resulted in INGAA petitions, ongoing negotiations, and additional rulemakings that unnecessarily consume resources of INGAA, its members, and EPA. These select examples have proven challenging, but a national effort through an SSM SIP Call that could simultaneously affect a multitude of rules and permits across many states could have catastrophic consequences. In the preamble, EPA indicates that it, “...does not intend the issuance of a SIP call to have automatic impacts on the terms of any existing permit” [78 FR 12482], and implies that the process will allow adequate time to remedy potential issues. The preamble does not speak to associated issues with existing state rules. INGAA is certain that an assumption of a timely process is faulty, and that permitting / renewal processes and state rules will be significantly affected.

To avoid unintended consequences, a more deliberative process is warranted for reviewing, revising, and implementing updated SSM criteria. The technical foundation of revisions in response to changes in SSM policy needs to be established, based on adequate data, and understand that alternatives such as “work practices” rather than emission standards may be appropriate in many cases. Any state actions should have a strong technical underpinning based on an understanding of technological limitations in emissions performance.

2. Basic tenets of EPA policy should be established so that state SIPs can adequately address perceived deficiencies in SSM requirements in SIPs while ensuring technical veracity and comporting with the historical record.

As discussed above, technology limitations underpinning emission limits and standards is directly related to historical implementation of SSM events in state rules and permits. As many states deal with budget problems and funding shortfalls for implementing agencies, there is a high probability that state actions in response to the Proposed Rule would take shortcuts or not appropriately account for complexities associated with developing and implementing updates to current SSM requirements. It is imperative that EPA provide leadership to marshal this process.

Although it is indicated in the preamble that associated discussion establishes updated EPA SSM policy, INGAA believes this policy should be developed via a more deliberative process that results in clear and concise policy and guidance documents. In addition, as evidenced through

EPA rulemakings since the 2008 court decision, technical issues associated with differences in emissions performance during SSM events are not being adequately considered as new policy is implemented. Clear and concise policy and guidelines are imperative, and should be available to the states prior to any required state action. Guideline and policy development should be transparent and engage all stakeholders.

3. EPA should develop SSM policy and guidance in a transparent process that engages all stakeholders. EPA should convene a series of technical conferences to initiate that process. The principles of SSM policy should be clearly defined before states are required to address perceived SIP deficiencies.

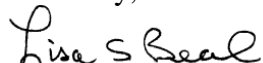
The breadth and depth of implications from a hurried or technically deficient process cannot be easily quantified but should not be under-estimated, because hundreds of rules and thousands of permits are directly related to historical SSM processes and technical limitations (i.e., emissions technology performance) inherent to the rules and permits – and historical SSM policies. The importance of a technically sound foundation for developing and implementing revised SSM requirements cannot be understated and warrants a deliberative process that engages all stakeholders.

To address this, EPA should convene a series of technical conferences and initiate a process that develops policy and guidance for updating historical SSM criteria. The process should be open, transparent, and involve all stakeholders. The process should ensure that historical facts are not ignored, data gaps (e.g., data availability to support alternative standards) are defined, and alternatives to address data gaps, such as work practices and general duty requirements, are considered.

As discussed in Comment 2, this process should be convened and completed before forcing states to respond to a demand for new rules. As shown through recent federal rulemakings (see Comment 1), it is also apparent that EPA staff needs clearer direction regarding the need to account for technical nuances when re-defining SSM criteria in existing federal regulations. INGAA offers its support for this process, and strongly recommends that this effort be undertaken as soon as possible. New direction is needed to address the potential for unexpected outcomes as new SSM policy is implemented. Transparent development of SSM policy and guidance with a strong technical foundation should be completed before states are required to develop revisions to their current regulations and programs.

INGAA appreciates your consideration of these comments. Please contact me at 202-216-5935 or lbeal@ingaa.org if you have any questions. Thank you.

Sincerely,



Lisa Beal
Vice President, Environment and Construction Policy
Interstate Natural Gas Association of America

cc by email: Lisa Sutton, US EPA (sutton.lisa@epa.gov)