KING & SPALDING

King & Spalding LLP 1700 Pennsylvania Avenue, NW Suite 900 Washington, D.C. 20006

Tel: +1 202 737 0500 Fax: +1 202 626 3737 kslaw.com

Cynthia AM Stroman (Cynthia) Partner Direct Dial: +1 202 626 2381 cstroman@kslaw.com

September 11, 2024

VIA E-MAIL

Theresa Smith, Hearing Officer DNREC - Office of the Secretary 89 Kings Highway, Dover, DE 19901

Re: DOCKET # 2023-R-A-0027 (1114 Visible Emissions)

We write on behalf of Garrison Energy Center concerning the proposal of the Department of Natural Recourse and Environmental Control (DNREC) to revise Rule 1114 concerning visible emissions during startup, shutdown and malfunction events (the "Proposed Rule"). Garrison Energy Center appreciates the opportunity to comment on the Proposed Rule. However, as explained below, Garrison Energy Center has significant reservations about the Proposed Rule.

I. The Proposed Rule is Unnecessarily Stringent

A. <u>A Statewide Limit is Unnecessary, Because Delaware has Achieved the NAAQS</u> for Most of the State Under the Current Rule.

The proposed rule assumes, without explanation, that meeting the EPA SIP Call requires applying a stringent visible emissions standard for startup, shutdown and malfunction (SSM) events statewide. However, with limited exception, the State is in attainment with the National Ambient Air Quality Standards (NAAQS). DNREC offers no justification for imposing additional restrictions on sources with permit provisions demonstrably sufficient for complying with the Clean Air Act.

September 11, 2024 Page 2

B. The Proposed Rule Lacks Technical Justification

The Technical Support Document published by DNREC states only that "Delaware chose the SSM opacity limit of '40% opacity for more than 6 consecutive minutes in any 1 hour period', as this is the SSM opacity limit that the State of Maryland currently has in its SIP." DNREC provides no additional explanation and fails to explain why a Maryland limit is necessary and appropriate in Delaware. Nor does DNREC explain why it adopted only a portion of the Maryland regulation and omitted additional provisions. *See, e.g.,* COMAR 26.11.06.02. Garrison Energy Center particularly highlights the part of the Maryland regulation that immediately follows the 40% limit.

[A] person who owns or operates an existing installation subject to a visible emissions standard ... may request an exception. The request shall be submitted to the Department in writing and shall include the following: (a) A description of the installation and all associated air pollution control devices; (b) Process information, including operating parameters and the substances that cause or the substances that are suspected of causing the visible emissions; (c) A demonstration, based on stack tests, a material balance, or other method of equivalent certainty that all other applicable regulations are met when the visible emissions occur; (d) An analysis of any methods that may be available to reduce the visible emissions, the cost effectiveness of the methods, and the economic burden that would result from the use of these methods; and (e) Any other information requested by the Department and relating to its determination to grant or deny an exception.

COMAR 26.11.06.02.B.1.

Maryland's regulations also include visible emissions provisions for fuel-burning equipment. This includes:

For units with a capacity factor greater than 25 percent, beginning January 1, 2010, compliance is achieved if visible emissions do not exceed the applicable visible emissions limitation in A(1) and (2) of this regulation¹ for more than 2 percent of the unit's operating time in any calendar quarter, during which time visible emissions:

(i) Do not exceed 40.0 percent opacity, except for 5.0 hours or 0.5 percent of the unit's operating time, whichever is greater;

(ii) Do not exceed 70.0 percent opacity for more than four (4) six-minute periods, except that coal-fired units equipped with electrostatic

¹ The cited A(1) and (2) sets the general limit on visible emissions, depending on the part of the state in which a fuel-burning facility operates.

precipitators may exceed 70.0 percent opacity for no more than 2.2 hours; and

(iii) On any calendar day, do not exceed the applicable visible emissions limitation in A(1) and (2) of this regulation for more than 4.1 hours, during which time visible emissions do not exceed 40.0 percent opacity for more than 1.4 hours and do not exceed 70.0 percent opacity for more than two 6-minute periods;

COMAR 26.11.09.05.A(4)(b). The existence of the full scope of Maryland visible emissions provisions demonstrates that Maryland found it necessary and appropriate to reflect the operating characteristics of fuel-burning sources. The absence of such provisions in the Proposed Rule undercuts any conclusion that the selective adoption of only one aspect of Maryland's rules has a reasonable basis or is necessary for compliance with the NAAQS.

II. The Proposed Rule Fails to Demonstrate Technical Feasibility

A. <u>The Proposed Rule Lacks a Technical Feasibility Justification</u>

In its Technical Support Document, DNREC provides no information concerning whether the Proposed Rule constitutes best available control technology (BACT) for any source type present in the State. Instead, DNREC lists several New Source Performance Standards that may apply to certain facilities, asserting that imposing the Proposed Rule has no material burden because such facilities are already required to comply with limits more stringent than the Proposed Rule. Even if this abbreviated discussion serves as justification for those identified facilities, DNREC admits that the discussion "may not apply to all of the units that are covered under 1114." Rather than addressing the other units and the feasibility of the Proposed Rule, DNREC states only that such units "may" have permits that "may" contain limits more stringent than the proposed 1114. However, these other units are currently operating under the existing rule. DNREC's inherent assumption that such facilities do not need the current exception and can operate without it lacks technical merit. Garrison Energy Center requests that DNREC select a limitation or method that qualifies as BACT for sources in Delaware.

B. <u>EPA has Accepted Responses to the SIP Call that Achieve both Flexibility and</u> <u>Feasibility</u>

DNREC's assumption that it must replace the SSM exception with a one-size-fits-all rule is unjustified. Alaska proposed a visible emissions standard for solid-fuel fired devices that allows 50% opacity during startup, and EPA approved the proposal. 88 Fed. Reg. 84,626 (Dec. 5, 2023). Indeed, EPA noted that the proposed standard was BACT. *Id.* In another example, EPA concluded that Iowa's provision that "sources [must] use best practicable air pollution control practices to minimize emissions during startup, shutdown, or malfunction periods" was acceptable in combination with other provisions in the SIP. EPA noted that if "the provision contains limitations on whether SSM events are considered emission standard violations or requires that source owners or operators limit the duration and severity of SSM events, it may be reasonable to conclude that such a provision, when considered alongside other factors, will not jeopardize a state's ability to attain and maintain the NAAQS." 85 Fed. Reg. 73,218 (Nov. 17, 2020). These examples show that DNREC has more options than the Proposed Rule – DNREC should take the time to create a rule that achieves the balance Delaware facilities need.

III. If Finalized for Electricity Generating Facilities, the Proposed Rule Jeopardizes Grid Reliability

A. <u>Recent Extreme Weather Events Demonstrate that the Ability to Generate with</u> <u>Fuel Oil Must be Preserved</u>

In December 2022, an extreme cold weather event (Winter Storm Elliott) occurred in the Eastern United States. According to the federal Energy Regulatory Commission, this was the fifth event in the past 11 years "in which unplanned cold weather-related generation outages jeopardized grid reliability." FERC, NERC and Regional Entity Staff Report, Inquiry into Bulk-Power System Operations During December 2022 Winter Storm Elliott, at 5-6 (Oct. 2023). In the previous year, during Winter Storm Uri, more than 4.5 million people were without power, some for multiple days. An estimated 200 to 800 people died during the Uri event. *Id.* at 6. During Winter Strom Elliott, natural gas-fired units accounted for 63 percent of the unplanned generation losses (based on MW). In the PJM region, that fraction rose to 70%. Reports after Winter Storm Uri indicate that a majority of dual-fuel units were able to successfully switch to fuel oil and remain operational, reducing the extent of grid losses. Dual-fuel facilities like Garrison Energy Center should not have to choose between continuing their critical role during extreme weather events and complying with the Proposed Rule.

B. <u>Recommendations for Grid Reliability Recognize Value of Dual-Fuel Units</u>

Evaluations after several of the extreme weather events note that units capable of switching fuels have reliability benefits. The New York Independent System Operator noted after Winter Storm Elliott that the "recent holiday-week deep freeze that strained gas networks and electricity grids across the nation had smaller impacts in New York due in large part to the ability of generators to switch fuels in times of tight supply," and that the "flexibility of dual-fuel resources is expected to be especially vital in the years ahead as the electric system transitions to more intermittent technology." NY ISO, How New York's Power Grid Stayed Reliable During Recent Deep Freeze (Jan. 9, 2023). ISO-NE also implemented a program to incentivize dual fuel units that have Inventoried Energy (in the form of oil storage) available for extreme conditions. *See, e.g.,* ISO-NE, About the Inventoried Energy Program, available at https://iso-ne.my.site.com/s/article/About-the-Inventoried-Energy-Program.

Recommendations in post-event reports include identifying barriers to the use of dual-fuel capability in such emergencies, specifying minimum requirements for onsite fuel storage, and testing fuel switching capability prior to winter weather. *See, e.g.,* FERC, NERC and Regional Entity Staff Report, The February 2021 Cold Weather Outages in Texas and the South Central United States, at 197 (Nov. 2021); NERC, Reliability Guideline: Generating Unit Winter Weather Readiness, at 11 (June 2023); PJM, Winter Storm Elliott Event Analysis and

September 11, 2024 Page 5

Recommendation Report, at 4 (July 17, 2023). Given the need to preserve the ability of dual-fuel units to operate during extreme weather events, DNREC should ensure that the final rule does not reverse the progress made in learning from and acting on recommendations from past events.

IV. DNREC Should Develop and Adopt an Alternative Limitation that Harmonizes Technical Feasibility with the Need to Assure Compliance with the NAAQS

Garrison Energy recommends that DNREC work with facilities critical to grid reliability to develop a startup provision that maintains availability of these units during extreme weather conditions in a manner that constrains emissions. In addition to the full set of provisions adopted in Maryland, an appropriate limitation on visible emissions during a cold start would at least include the following:

Opacity emissions during a cold start-up on ULSD will not exceed 60 % percent during this operating period. This operation period will be limited to 80 hours per 12 month rolling average.

Garrison Energy Center welcomes the opportunity to work with DNREC to respond to EPA's SIP Call in a way that achieves NAAQS compliance and supports the critical role that facilities like Garrison Energy Center play in ensuring grid reliability. Please direct technical questions about these comments to Alex Dyer (<u>alex.dyer@garrison-energy.com</u>) and copy the undersigned.

Sincerely,

Cynthia AM Stroman King & Spalding LLP Counsel for Garrison Energy Center