NOTICE OF INTENT

Department of Environmental Quality Office of the Secretary Legal Division

Work Practice Standards During Start-up and Shutdown (LAC 33:III.2201.C and K) (AQ364)

Under the authority of the Environmental Quality Act, R.S. 30:2001 et seq., and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the secretary gives notice that rulemaking procedures have been initiated to amend the Air regulations, LAC 33:III.2201.C and K (Log #AQ364).

This rule will repeal the exemption set forth in LAC 33:III.2201.C.8 and replace it with provisions allowing the owner/operator of an affected point source to comply either with the emission factors imposed by LAC 33:III.2201.D at all times (including periods of startup and shutdown) or with newly-established work practice standards designed to minimize emissions during periods of startup and shutdown.

LAC 33:III.2201 establishes NOX standards for certain boilers, process heaters/furnaces, stationary gas turbines, and stationary internal combustion engines located at affected facilities in the following nine parishes: Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, West Baton Rouge, and West Feliciana.

LAC 33:III.2201.C.8 provides an exemption from the aforementioned NOX standards "during start-up and shutdown ... or during a malfunction." Notably, this exemption does not apply to units that are shut down intentionally on a routine basis (i.e., more than once per month). This provision was approved by EPA into Louisiana's State Implementation Plan (SIP) on July 5, 2011 (76 FR 38977).

However, on June 12, 2015, EPA promulgated a rule* finding that several Louisiana air quality regulations, including LAC 33:III.2201.C.8, are "substantially inadequate to meet [Clean Air Act] requirements" because they provide "automatic exemptions for excess emissions from otherwise applicable SIP emission limitations." Consequently, EPA issued a "SIP call" directing affected states to submit corrective SIP revisions by November 22, 2016.

In this same rulemaking, EPA "revised and updated" its Startup, Shutdown, and Malfunction (SSM) Policy for SIP provisions. According to EPA's "SSM SIP Policy as of 2015" (80 FR 33976), SIP emission limitations "must be applicable to the source continuously," but

- \Box do not need to be numerical in format;
- \Box do not have to apply the same limitation (e.g., numerical level) at all times; and

□ may be composed of a combination of numerical limitations, specific technological control requirements and/or work practice requirements, with each component of the emission limitation applicable during a defined mode of source operation.

In response to EPA's SIP call, LDEQ will repeal the exemption set forth in LAC 33:III.2201.C.8 and amend Chapter 22 to allow the owner/operator of an affected point source to comply either with the emission factors imposed by LAC 33:III.2201.D at all times (including periods of startup and shutdown) or with newly-established work practice standards designed to minimize emissions during periods of startup and shutdown.

* State Implementation Plans: Response to Petition for Rulemaking; Restatement and Update of EPA's SSM Policy Applicable to SIPs; Findings of Substantial Inadequacy; and SIP Calls To Amend Provisions Applying to Excess Emissions During Periods of Startup, Shutdown and Malfunction [80 FR 33840]

This rule is also a revision to the Louisiana State Implementation Plan for air quality. The basis and rationale for this rule are to repeal the exemption set forth in LAC 33:III.2201.C.8 and replace it with provisions allowing the owner/operator of an affected point source to comply either with the emission factors imposed by LAC 33:III.2201.D at all times (including periods of startup and shutdown) or with newly-established work practice standards designed to minimize emissions during periods of startup and shutdown. This rule meets an exception listed in R.S. 30:2019(D)(2) and R.S. 49:953(G)(3); therefore, no report regarding environmental/health benefits and social/economic costs is required.

This rule has no known impact on family formation, stability, and autonomy as described in R.S. 49:972.

This rule has no known impact on poverty as described in R.S. 49:973.

This rule has no known impact on providers as described in HCR 170 of 2014.

A public hearing will be held on July 27, 2016, at 1:30 p.m. in the Galvez Building, Oliver Pollock Conference Room, 602 N. Fifth Street, Baton Rouge, LA 70802. Interested persons are invited to attend and submit oral comments on the proposed amendments. Should individuals with a disability need an accommodation in order to participate, contact Deidra Johnson at the address given below or at (225) 219-3985. Two hours of free parking are allowed in the Galvez Garage with a validated parking ticket.

All interested persons are invited to submit written comments on the proposed regulation. Persons commenting should reference this proposed regulation by AQ364. Such comments must be received no later than August 3, 2016, at 4:30 p.m., and should be sent to Deidra Johnson, Attorney Supervisor, Office of the Secretary, Legal Division, P.O. Box 4302, Baton Rouge, LA 70821-4302 or to FAX (225) 219-4068 or by e-mail to diedra.johnson@la.gov. Copies of this proposed regulation can be purchased by contacting the DEQ Public Records Center at (225)

219-3168. Check or money order is required in advance for each copy of AQ364. This regulation is available on the Internet at www.deq.louisiana.gov/portal/tabid/1669/default.aspx.

This proposed regulation is available for inspection at the following DEQ office locations from 8 a.m. until 4:30 p.m.: 602 N. Fifth Street, Baton Rouge, LA 70802; 1823 Highway 546, West Monroe, LA 71292; State Office Building, 1525 Fairfield Avenue, Shreveport, LA 71101; 1301 Gadwall Street, Lake Charles, LA 70615; 111 New Center Drive, Lafayette, LA 70508; 110 Barataria Street, Lockport, LA 70374; 201 Evans Road, Bldg. 4, Suite 420, New Orleans, LA 70123.

Herman Robinson General Counsel

Title 33 ENVIRONMENTAL QUALITY Part III. Air

Chapter 22. Control of Emissions of Nitrogen Oxides (NO_X)

§2201. Affected Facilities in the Baton Rouge Nonattainment Area and the Region of Influence

A. - C.7. ...

8. any point source during *start-up* and *shutdown* as defined in LAC

33:III.111 or during a malfunction as defined in 40 CFR Section 60.2 (This exemption does not apply to units that are shut down intentionally on a routine basis — more than once per <u>month.)Reserved;</u>

C.9. - J.2. ...

K. Start-up and Shutdown

1.For affected point sources that are shut down intentionally more than onceper month, the owner or operator shall include NO_x emitted during periods of start-up andshutdown for purposes of determining compliance with the emission factors set forth inSubsection D of this Section, or with an alternative plan approved in accordance with ParagraphE.1 or 2 of this Section.

2. For all other affected point sources, the owner or operator shall either comply with Paragraph K.1 of this Section or the work practice standards described in Paragraph K.3 of this Section during periods of start-up and shutdown. If the owner or operator chooses to comply with work practices standards, the emission factors set forth in Subsection D of this Section shall not apply during periods of start-up and shutdown.

3. Work Practice Standards

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a. The owner or operator shall operate and maintain each affected point source, including any associated air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions.

b. Effective November 22, 2016, coal-fired and fuel oil-fired electric power generating system boilers and fuel oil-fired stationary gas turbines shall use natural gas during start-up. Start-up ends when any of the steam from the boiler or steam turbine is used to generate electricity for sale over the grid, or for any other purpose (including on-site use). If another fuel must be used to support the shutdown process, natural gas shall be utilized.

c. Engage control devices such as selective catalytic reduction (SCR) or selective non-catalytic reduction (SNCR) as expeditiously as possible, considering safety and manufacturer recommendations.

d. Minimize the start-up time of stationary internal combustion engines to a period needed for the appropriate and safe loading of the engine, not to exceed 30 minutes.

e. Maintain records of the calendar date, time, and duration of each start-up and shutdown.

f. Maintain records of the type(s) and amount(s) of fuels used during

each start-up and shutdown.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054. HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Environmental Assessment, Environmental Planning Division, LR 28:290 (February 2002), repromulgated LR 28:451 (March 2002), amended LR 28:1578 (July 2002), LR 30:748 (April 2004), LR 30:1170 (June 2004), amended by the Office of the Secretary, Legal Affairs Division, LR 31:2441 (October 2005), LR 33:2088 (October 2007), LR 34:71 (January 2008), LR 36:60 (January 2010), amended by the Office of the Secretary, Legal Division, LR 42:**. o effect on competition or employment in the public or private sector.