Rules: OAC Chapter 3745-14 “NOx Budget Program” (Phase 2)

Agency Contact for this Package

Division Contact: Holly Kaloz, Division of Air Pollution Control, 614-644-3632, holly.kaloz@epa.ohio.gov

Ohio EPA held a public comment period on June 6, 2019 regarding proposed amended rules in Ohio Administrative Code (OAC) Chapter 3745-14, "NOx Budget Program" (Phase 2). This document summarizes the comments and questions received during the comment period, which ended on July 16, 2019.

Ohio EPA reviewed and considered all comments received during the public comment period. By law, Ohio EPA has authority to consider specific issues related to protection of the environment and public health.

In an effort to help you review this document, the questions are grouped by topic and organized in a consistent format. The name of the commenter follows the comment in parentheses.

OAC Rule 3745-14-08

Comment 1: Comments were received from ArcelorMittal requesting clarification on two issues related to the approval of alternative monitoring and reporting requirements in OAC 3745-14-08(H), specifically: 1) the use of CEMS data in developing an emission factor, and 2) requirements for stack testing. The full comment letter can be found at the end of this response to comments document. (Joseph P. Koncelik, Tucker Ellis LLP on behalf of ArcelorMittal)

Response 2: Proposed rule 3745-14-08(H)(3)(b) establishes the framework for the emission factor analysis. Essentially, the facility should evaluate potential emission factors for each of the four methods listed in the rule (i.e., AP-42, stack test, continuous emission monitoring (CEMS) data, and other available data) and identify which of these is the recommended emission factor and the reason why the emission factor is most representative for the specific fuel type.

Ohio EPA is not restricting all applications to use of only AP-42 as stated in the comments, but rather expects AP-42 to be considered as one part of the evaluation, in addition to all other available options. For facilities with many years of high-quality CEMS data such as ArcelorMittal’s
facilities, Ohio EPA expects the emission factor(s) would ultimately be developed using the CEMS data but believes a thorough assessment of all options is warranted.

For facilities that use variable mixtures of multiple fuels such as those at ArcelorMittal, fuel-specific emission factors are preferred, if possible. However, if sufficient historical data are not available while burning single fuels (or using only a supplementary fuel in minimal quantities, such as a pilot, which may be considered a single fuel type), one or more emission factors may be derived using typical mixtures or typical ranges of mixtures. Such a method could take into consideration any variability in heat content that might arise when looking at ranges of mixtures. Ohio EPA may consider such a method as still developing an emission factor for each “fuel type” as a specific mixture could be considered a “fuel type”. Because of the complexities that can be encountered due to unique factors at individual facilities, Ohio EPA will work with each applicant on a case-by-case basis to determine the suitability of such an approach.

As noted above, a stack test is also one of the four elements to be considered as part of the emission factor analysis, if one is available that was conducted within the previous two years. If stack testing data was considered during the emission factor analysis, an initial stack test within 90 days is not required. Testing completed during Part 75 relative accuracy test audits (RATA) for the specific fuel type may be acceptable for this purpose.

Ohio EPA has been and will continue to work closely with the facility to develop approvable alternative monitoring and reporting requirements.

End of Response to Comments
July 15, 2019

VIA FEDEX

Mr. Paul Braun
Ohio EPA Division of Air Pollution Control
P.O. Box 1049
Columbus, OH 43216-1049

Re: ArcelorMittal Cleveland LLC’s Comments on the Proposed Rules on OAC Chapter 3745-14 (Phase 2-NOx Budget Trading Program)

Dear Mr. Braun:

Thank you for the opportunity to submit comments on Ohio EPA’s proposed Phase 2 rule revisions to the NOx Budget Trading Program (Chapter 14). ArcelorMittal Cleveland LLC operates an integrated iron and steel-making plant in Cleveland, and its subsidiary ArcelorMittal Warren operates a coke plant in Warren (“ArcelorMittal”), both of which include large industrial boilers affected by this rulemaking.

The Phase 1 rules for the NOx Budget Trading Program retired the trading program for non-EGUs. In its comments on the Phase 1 rules, ArcelorMittal objected to Ohio EPA’s proposed use of continuous emission monitors (“CEMS”) for NOx to meet the monitoring requirements set forth in 40 CFR Part 75 (“Part 75”) in the proposed rules. In Ohio EPA proposed Phase 2 rules, the Agency would allow for an alternative to the existing Part 75 monitoring and reporting requirements.

On March 8, 2019, U.S. EPA finalized amendments to 40 CFR 51.121(i)(4) which allows states to include alternate forms of monitoring requirements in their State Implementation Plans (SIPs). ArcelorMittal strongly supports both Ohio EPA’s and U.S. EPA’s efforts to provide greater flexibility in terms of alternative monitoring to CEMS to meet the Part 75 requirements. However, as set forth below, ArcelorMittal questions whether the proposed rules adequately account for available CEMS data in the application for alternative monitoring. Also, Ohio EPA appears to require costly initial stack testing either in the initial permit application or within ninety (90) day of permit issuance even when reliable CEMS data is available for the unit and a relative accuracy test audit (RATA) that includes stack testing was completed. Therefore, ArcelorMittal requests clarification on these two issues.

Alternative Monitoring Permit Application Requirements

OAC 3745-14-08(H)(3)(b)(i) continues to restricts all applications to use of only U.S. EPA’s “AP-42 Compilation of Emissions Factors” for determining emissions from the non-EGU for purposes of monitoring and reporting. In its response to Interested Party Comments (Response 5), Ohio EPA states that “an emission factor for each fuel type, rather than for a representative blend of fuels, is
necessary due to variability in the heat content of the fuels as well as variability in the amount of each type of fuel in a blend...use of an emissions factor based on a representative blend of fuels is not expected to provide an accurate accounting of NOx emissions.”

ArcelorMittal respectfully submits that CEMS data is substantially more reliable than an AP-42 emission factor in producing an accurate accounting of NOx emissions. Each non-EGU has years of certified NOx CEMS data suitable for use in developing a reliable NOx emission factor (i.e. pounds of NOx per unit of routine fuel blend that is representative during ozone season). ArcelorMittal Cleveland has more than eight years of CEMS ozone season data representative of the routine blend of only blast furnace gas, as the primary and majority fuel, and a much smaller percentage of natural gas pilots/secondary fuel. The blended fuel rate at Cleveland has averaged 0.019 pounds per MMBtu over the last eight years, which is less than 12% of the NOx budget allowance of 0.17 pounds per MMBtu. ArcelorMittal Warren has more than five years of CEMS ozone season data representative of the routine blend of only coke oven gas, as the primary majority fuel, and a much smaller percentage of natural gas pilots/secondary fuel. One of the three Warren boilers also has a Title V permit obligation to use a NOx CEMs on an annual basis to satisfy Part 60 that will not be revised by this rule. This Part 60 NOx CEMs will continue to provide quality data of the blended fuel of coke oven gas and natural gas.

The years of quality ozone season data account for routine variability in each type of fuel in a blend. Using an emission factor for each fuel type, as Ohio EPA proposes, will not necessarily be as accurate when historical CEMS data accounts for the representative variability of the routine fuel blend. Based on this additional information, ArcelorMittal reiterates its request that OAC 3745-14-08(H)(3)(b)(i) be amended or clarified so as to allow options in lieu of AP-42 emission factors if reliable and sufficient CEMS data exists for a routine fuel blend that is representative during ozone season.

Use of Stack Test Data

ArcelorMittal supports Ohio EPA’s amendment OAC 3745-14-08(H)(6)(d) to require stack testing only on operating units as well as the amendment to allow for a stack test within ninety (90) days of resuming operation as suggested in the Company’s Interested Party Comments. The change adds needed clarity and flexibility to this provision of the rules.

Ohio EPA rejected ArcelorMittal’s proposed change to use CEMs data in lieu of an initial stack test when submitting an initial application for alternative monitoring. Rather, in OAC 3745-14-08(H)(6)(d) Ohio EPA requires a stack test within ninety (90) days of permit issuance approving alternative monitoring if a recent stack test is not included in the application for alternative monitoring. However, ArcelorMittal would like to highlight that the existing applicable Part 75 regulations require the NOx CEMs units to conduct annual relative accuracy test audit (RATA) stack tests to ensure the accurate data. Therefore, so long as the Company verifies in its alternative monitoring permit application that the most recent CEMS data was preceded by a RATA stack test, an additional stack test should not be necessary.
Conclusion

ArcelorMittal strongly supports Ohio EPA’s proposed rules Phase 2 rule package. The additional changes/clarifications suggested in this comment letter would allow companies to leverage the costly and highly accurate CEMS data that has been collected, in most cases for years, which are most representative of actual ozone season operating conditions. If you have any questions, please contact me at (216) 696-2373.

Sincerely,

Joseph P. Komuaisik

cc: Jennifer Van Vlerah
    Keith Nagel
    Julianne Kurdila
    Rich Zavoda