Alternate Test Protocol Justification

EPA would like to grant an alternate test protocol (see below language) for the oil-fired units. This alternate language is designed to address two issues raised by oil-fired units --

1. The use of oil and natural gas in a co-firing mode -- units are asking if they can co-fire during the tests using their normal blend of fuels.

2. The request by a number of oil-fired units to use existing 40 CFR Part 75 procedures for determining "normal" load -- units would then test at this calculated "normal" load rather than at the typical full load conditions generally prescribed for emission testing.

EPA is amenable to these requests. The oil/natural gas co-firing issue was brought up in comments in response to the second Federal Register 30-day public comment period for the ICR; however, the 40 CFR Part 75 testing issue was not raised until the companies received their CAA section 114 letters. We do not believe that the burden, as calculated by the Agency, would change as a result of granting either of these requests (which have been incorporated into one alternate protocol). We believe, in fact, that the companies already have the calculations in-hand as a result of their compliance with the Acid Rain program. However, the actual cost to the companies (as noted in their comments) could be greater than the burden estimate as a result of having to burn oil when it isn't required for power production and the uneconomical dispatch of the unit (i.e., a peaking unit that isn't being dispatched other than to comply with the section 114 request). Following the alternate procedures will lower this cost through lower fuel oil use during the testing. We do not know how many companies will avail themselves of the alternate protocol but there have been a dozen or more calls and/or e-mails from companies raising the issue following receipt of their letter.

The alternate language will be disseminated to companies through the project website (<u>http://utilitymacticr.rti.org</u>), through responses to questions posed through telephone calls, e-mails, and the website "hotline," and through trade associations.

Alternate Language

Draft language for guidance to oil-fired units re co-firing with natural gas and load during the required section 114 testing for the Utility MACT ICR.

The Clean Air Act (CAA) section 114 letter directs oil-fired electric utility steam generating units (EGUs) to test using oil only and to run at or near full capacity. Since sending the CAA section 114 letter to industry, we have received numerous requests to allow testing under normal conditions – using a mixture of oil and another fuel, and to test at less than full capacity. In response to these requests from oil-fired units selected for testing, we are authorizing the use of the alternative testing approach set forth below. Oil-fired EGUs may choose to comply with the alternative testing method in lieu of complying with the testing as set forth in the CAA section 114 letter.

Owners/operators choosing to comply with the alternative for oil-fired units shall operate their units during the required testing under the provisions of 40 CFR Part 75. Specifically, the owner

or operator shall perform each required test while the unit (or units, if more than one unit exhausts into the flue) is combusting the fuel that is a normal primary or backup fuel for that unit (for some units, more than one type of fuel may be considered normal [*e.g.*, a unit that combusts gas or oil on a seasonal basis]). For units that co-fire fuels as the predominant mode of operation, perform the required testing while co-firing. Units must be tested while combusting oil or oil in combination with another fuel (e.g., natural gas).

Owners/operators of oil-fired units shall perform the required testing at the normal load level or normal operating level for the unit (or combined units, if common stack), as provided below. If two load levels or operating levels have been designated as normal, the required testing may be done at either load level. The owner or operator shall identify, for each affected unit or common stack (except for peaking units), the "normal" load level or levels (low, mid, or high), based on the operating history of the unit(s). To identify the normal load level(s), the owner or operator shall, at a minimum, determine the relative number of operating hours at each of the three load levels, low, mid, and high over the past four representative operating quarters. The owner or operator shall determine, to the nearest 0.1 percent, the percentage of the time that each load level (low, mid, high) has been used during that time period. A summary of the data used for this determination and the calculated results shall be kept on-site in a format suitable for inspection. Based on this analysis of the historical load data, the owner or operator shall designate the most frequently used load level as the normal load level for the unit (or combination of units, for common stacks). The owner or operator may also designate the second most frequently used load level as an additional normal load level for the unit or stack. For peaking units, normal load designations are unnecessary; the entire operating load range shall be considered normal.