DEP POLICY OFFICE

ReceiveD

2818

April 6, 2010

Environmental Quality Board Rachel Carson State Office Building 16th Floor 400 Market Street P.O. Box 8477 Harrisburg, PA 17101-2301



CARPENTER Specialty Alloys

Carpenter Technology Corporation P.O. Box 14662 Reading, PA 19612-4662

Tel.: 610.208.2000



Subject: Carpenter Technology Corporation's Comments on the Pennsylvania Department of Environmental Protection's Proposed Rulemaking, *New Source Review*, 25 PA. Code Chapters 121 and 127, Pennsylvania Bulletin, February 6, 2010.

Dear Sir/Madam,

Carpenter Technology Corporation (Carpenter) appreciates the opportunity to comment on the Department of Environmental Protection's proposed regulatory changes concerning New Source Review requirements for fine particulate matter referred to as PM2.5.

It appears that the Department is requiring de minimus increases of PM2.5 to be aggregated and off-set when the aggregation exceeds the significance level of ten tons per year. If this is the case, Carpenter strenuously objects to this requirement as it believes it is arbitrary and capricious for the following reasons:

- The Department has not provided any technical or regulatory basis for this requirement. There is no Federal legal basis for this requirement and no there is no Pennsylvania statutory or regulatory basis for this requirement. No information was provided in the rulemaking as to the legal justification of this requirement for Carpenter to review and comment on.
- The Department has not provided any technical basis or analysis as to how this onerous requirement will impact the attainment status of the air basin. No information is provided on how this requirement will impact the nonattainment status when compared to other PM2.5 sources and causes of exceedances, which include upwind migration into the air basin, vehicles, off-road engines, agriculture, fireworks, fires, meteorology and the multitude of permitted and unpermitted minor sources that exist in the air basin.

As the Department has not justified how this requirement will contribute to bringing the air basin into attainment, Carpenter objects to its inclusion in the rulemaking.

- Carpenter believes that the requirement is arbitrary and capricious as the vast majority sources in the air basin are minor and these sources will be exempt from the requirement. There is no statutory, regulatory or technical basis for this exemption as the pollutants are identical and have the same impact on air quality.
- Carpenter also believes that this requirement is inconsistent with requirement 1.e. of the *Commonwealth of Pennsylvania Governor's Office Executive Order 1996-1*, concerning the review and promulgation of regulations, which states:

1. General Requirements.

e. Where federal regulations exist, Pennsylvania's regulations shall not exceed federal standards unless justified by a compelling and articulable Pennsylvania interest or required by state law.

As discussed above, the Department has not justified or presented a compelling and articulable Pennsylvania interest or provided a basis in state law for this requirement. Given this, Carpenter objects to this establishment of this requirement as it is not consistent with the order.

Carpenter believes that the proposed de minimis off-set requirement will cause economic and operational harm to the company as PM2.5 offsets are not available and the off-set ratios for precursor pollutants are very high. Precursors may not be available if they are required to be generated in the same air basin. Costs to obtain off-sets will be exorbitant if they are available.

This will preclude minor projects to improve operations or industrial hygiene from being implemented and may lead to the movement of operation to another location where the source would be minor and not subject to these onerous requirements, or to another state. If this location was in the Reading Air Basin, the emissions would be allowable without the off-set requirement as the source would be considered minor.

Again, thank you for the opportunity to comment on this proposed regulation. For the reasons mentioned above, Carpenter strenuously objects to the de minimis PM2.5 aggregation and off-set requirement and respectfully requests that it not be included in the final rulemaking.

Sincerely,

Sean McGowan Manager, Environmental Affairs smgowan@cartech.com 610-208-3018