



October 12, 2021

Mark Hammond, Director
Bureau of Air Quality
Department of Environmental Protection
Rachel Carson State Office Building
400 Market Street
Harrisburg, PA 17101

Re: Proposed Rulemaking: Additional RACT Requirements for Major Sources of NO_x and VOCs for the 2015 Ozone NAAQS (#7-561). Submitted electronically via eComment

Dear Mr. Hammond:

The Marcellus Shale Coalition (MSC), a regional trade association with a national membership, hereby submits the following comments to the Pennsylvania Department of Environmental Protection (PA DEP) regarding PADEP's proposed rule titled Additional RACT Requirements for Major Sources of NO_x and VOCs ("Proposed Rule"). The MSC was formed in 2008 and is currently comprised of more than 100 producing, midstream, transmission, supply chain and professional services members who are fully committed to working with local, county, state and federal government officials and regulators to facilitate the development of the natural gas resources in the Marcellus, Utica and related geological formations. Our members represent many of the largest and most active companies in natural gas production, gathering, processing and transmission, in the country, as well as the suppliers and contractors who service the industry. The MSC supports reasonable regulations to reduce emissions from the sources affected by this action and respectfully submits the following comments and concerns regarding the Proposed Rule.

Please note, a group of natural gas transmission pipeline companies (the "Pipeline Group¹") is submitting separate comments on this proposed rulemaking; this comment letter will reference the technical detail contained within that letter periodically, as the MSC has reviewed that letter and agrees with much of the content.

1. The Compliance Schedule is Too Short

The Proposed Rule does not provide sufficient time to comply with presumptive RACT requirements (limits and conditions), as operators must demonstrate compliance by January 1, 2023 unless they obtain an approved alternate compliance schedule. PA DEP has noted that the earliest a final rule is expected to be published is the first quarter of 2022. This timeframe anticipates no delays, and in MSC's experience regulatory delays in final rulemakings are common. Regardless, there will be minimal and thus insufficient time for operators to demonstrate compliance. It is understood that the proposed compliance date cannot be changed due to U.S. Environmental Protection Agency obligations. Therefore, in order for operators to assess final impacts and receive approval from PA DEP, alternate compliance schedules will become a necessity for many operators. It should also be noted that additional delay on rule finalization will not even allow operators the prescribed six-month timeframe for proper agency notification of affected status.

¹ Members are BHE GT&S, Enbridge, Kinder Morgan, National Fuel Gas Supply, TC Energy, and Williams-Transco.

The MSC supports the detailed comments from the Pipeline Group related to compliance schedules.

2. Many Sources Will Require Alternate RACT Limits

The Proposed Rule will lower the NO_x emission standards for many categories of natural gas-fired reciprocating engines and turbines, of which many of the MSC's member companies have already implemented controls in response to the two previous RACT rules. Therefore, any technically feasible reductions would be nominal and with high-cost effectiveness values, requiring a significant number of case-by-case alternative RACT limits (which PA DEP would have to review and approve). The need to process a significant number of alternate RACT petitions will require significant resources which DEP may not be contemplating,

The MSC supports the detailed comments and concerns of the Pipeline Group related to alternate RACT limits.

3. RACT II Case-by-Case Limits Should Be Sufficient for RACT III Compliance

MSC respectfully requests PA DEP to confirm that where the proposed RACT III NO_x or VOC limit is equivalent to the RACT II limit and an alternate RACT II limit was approved by the DEP, the approved alternate RACT II limit would satisfy the RACT III limit and/or requirements as described in § 129.114(i).

4. Economic Evaluations for Presumptive RACT and Alternative RACT Should Be Consistent

The MSC believes that cost-effectiveness values (dollar per ton of pollutant removed) arrived at in the technical support document's evaluation for Presumptive RACT are reasonable and should be utilized as a standard for case-by-case evaluations of alternative limitations. The use of these results would provide regional consistency across Pennsylvania as evaluations of case-by-case submittals are performed.

5. There is an Incorrect Emissions Limit for Rich Burn Engines

The Proposed Rule includes a typographical error where it states a lower NO_x limit for rich burn engines of 0.6 g/bhp-hr (for all engine sizes); the Technical Support Document (TSD) indicates 2.0 g/bhp-hr for all units regardless of hp.

6. The TSD Analysis for 1,000 – 6,000 hp Simple Cycle Turbine Emissions Limits is Incorrect

There are various technical issues and/or errors with the assumptions contained in the TSD analysis for these units, and the MSC supports the Pipeline Group's comments and analysis related to turbine emissions limits.

7. The TSD Analysis for Natural Gas Fired Engines and Turbines Related to SCR is Inadequate

There are various technical issues and/or errors with the assumptions contained in the TSD analysis for these units and the application of Selective Catalytic Reduction (SCR), and the MSC supports the Pipeline Group's comments and analysis related to SCR technology analyses.



Conclusion

The MSC understands that the Pipeline Group has provided insight and detail into the impacts of the Proposed Rule, including an estimated count of sources that will require alternate compliance schedules, and MSC affirms that additional sources from our other member companies will likely be included in the total count.

Additionally, the MSC emphasizes the concern that PA DEP may not have fully contemplated the resources that will be needed to process a significant number of alternate compliance schedules and RACT emissions limits (in order to meet federal regulatory obligations under the rule).

The MSC remains committed to working with the Department to ensure a reasonable and predictable permitting and compliance process is in place that ensures protection of the Commonwealth's air resources while also meeting the needs of both the industry and the Department.

Thank you for your consideration of these comments. Please do not hesitate to contact me if you have any questions or desire additional clarification.

Sincerely,



Jim Welty

Vice President, Government Affairs