628 North Boulevard Baton Rouge, LA 70802 tel 225-336-8450

bealllaw.net

March 31, 2016

U.S. Environmental Protection Agency EPA Docket Center Docket: EPA-HQ-OAR-2014-0464 Mail Code 28221T 1200 Pennsylvania Avenue, NW Washington, D.C. 20460

FILED VIA U.S. MAIL AND EMAIL

RE: Docket ID No. EPA-HQ-OAR-2014-0464

Comments to EPA re: Recommendation for SO₂ NAAQS Designation for Calcasieu Parish

Dear Sir or Madam:

These comments are submitted by the Calcasieu SO₂ Stakeholders Group, an industry workgroup with facilities located within Calcasieu Parish, and relate to the above-referenced docket. For the reasons discussed below, we believe that Calcasieu Parish should be designated as "attainment," or at a minimum, "unclassifiable/attainment" for the 1-hour sulfur dioxide ("SO₂") national ambient air quality standard ("NAAQS"). Alternatively, EPA should provide more flexibility with respect to deadlines for future air quality analysis for Calcasieu Parish if EPA makes a final determination of "unclassifiable" for this area. Specifically, this area should not be required to meet the 2017 deadlines because a final designation will be made by July 2, 2016.

Background

On March 1, 2016, EPA published a "notice of availability and public comment period" in the Federal Register for certain state designation recommendations for the 2010 1-hour SO₂ NAAQS. See, 81 Fed. Reg. 10,563. This notice relates to a second round of SO₂ NAAQS designations for certain areas of the country as required by a consent decree that included a court-ordered designation schedule. Sierra Club v. McCarthy, No. 3-13-cv-3953 (SI) (N.D. Cal. Mar. 2, 2015). In response to the above-referenced consent decree, EPA notified the state of Louisiana of the court-ordered designation schedule in correspondence, dated March 20, 2015. In its letter, EPA identified three electric power plant sources in two Louisiana parishes (Calcasieu and DeSoto) that meet the criteria established in the court's order. The letter further provided a designation schedule to comply with the court-ordered deadline.

In response to EPA's notice letter, the LDEQ submitted a report to EPA Region 6 on September 18, 2015 that provided recommendations for designation of the SO₂ NAAQS for Calcasieu Parish and DeSoto Parish. In this letter, the LDEQ recommended that Calcasieu Parish be designated as "attainment" for the 1-hour SO₂ NAAQS. The Calcasieu SO₂ Stakeholders Group submitted an air modeling analysis to the LDEQ and EPA in correspondence, dated September 17, 2015. The Sierra Club also provided comments to the LDEQ on September 18, 2015, but this report did not include an air modeling analysis for Calcasieu Parish.

In response to LDEQ's recommendation, EPA Region 6 provided a notification to the state of Louisiana of its intended modifications to the state's proposed recommendations in correspondence, dated February 11, 2016 (also known as the "120-day letter"). With respect to Calcasieu Parish, EPA notified the state that it intended to designate the entire parish as "unclassifiable" for the SO₂ NAAQS, and thereby, did not accept the state's recommendation.

EPA's 120-day letter attached a *Technical Support Document*, which included a *Technical Analysis for the Calcasieu Parish Area* ("*Technical Analysis for Calcasieu*"). *See*, Letter from Ron Curry to Gov. John Bel Edwards, dated Feb. 11, 2016, pp. 20-32. As discussed in the *Technical Analysis for Calcasieu*, EPA proposes to designate all of Calcasieu Parish (shown on Figure 1 (p. 21) of the above-referenced document) as "unclassifiable" for the 1-hour SO₂ NAAQS.

Specific Comments to EPA 120-Day Letter Related to Calcasieu Parish

The Calcasieu SO₂ Stakeholders Group provides the following specific comments in response to EPA's 120-day letter, dated February 11, 2016. This industry workgroup believes the modeling analysis conducted by Providence Engineering and Environmental Group LLC ("Providence") on behalf of this group justifies the "attainment" designation proposed by the LDEQ in its recommendation document, dated September 18, 2015. The Calcasieu SO₂ Stakeholders Group requests that EPA provide a detailed, written response to each of the following comments.

1. The air modeling analysis conducted on behalf of the Calcasieu SO₂ Stakeholders Group demonstrates that Calcasieu Parish should be designated as "attainment" for the 1-hour SO₂ NAAQS. At a minimum, the data supports a designation of "unclassifiable/attainment" for this area.

The Calcasieu SO₂ Stakeholders Group asserts that sufficient modeling data exists to designate all of Calcasieu Parish as "attainment" with the 1-hour SO₂ NAAQS. Any alleged errors or discrepancies with the modeling analysis are minor and should not alter the recommendation by the LDEQ. As discussed in Comment 2 of this correspondence, this conclusion is further supported by the three SO₂ ambient monitors that are much lower than the standard. Based on the totality of information that EPA should consider when making a NAAQS designation, Calcasieu Parish should be designated as "attainment" or "unclassifiable/ attainment" for the 1-hour SO₂ NAAQS.

In the *Technical Analysis for Calcasieu* attached to its 120-day letter, EPA made several comments to the modeling analysis conducted on behalf of the Calcasieu SO₂ Stakeholders Group and accepted by the LDEQ. As discussed below, we believe these comments do not justify EPA's proposed modification to the NAAQS designation from "attainment" to "unclassifiable" for this area. Responses to EPA's evaluation are set forth below.

With respect to the "area of analysis" modeling parameter, EPA stated: "From the information provided it was not clear if the modeling grid receptors were sufficient to adequately capture all the anticipated high-elevated concentrations in the area of analysis." *Technical Analysis for Calcasieu*, p. 23. However, no receptors in the Providence modeling analysis were above 170 µg/m³ near the edge of the grid. In addition, SO₂ modeling analyses performed in other states that used a larger grid size were accepted by EPA. With respect to statements made regarding industrial sources located in Texas, we agree that the state of Texas will be required to consider those sources; however, those sources were not required to be included in the modeling analysis for this part of Calcasieu Parish. EPA acknowledges on page 24 of its analysis that the "two Texas sources would not be expected to cause a concentration gradient in the industry modeling grid for Lake Charles area ..." EPA's comments related to the area of analysis parameter do not impact the modeling analysis performed by Providence.

With respect to the "meteorology and surface characteristics" modeling parameter, EPA's analysis states that the "use of Baton Rouge surface data instead of Lake Charles data in the industry modeling does not follow the guidance in the TAD regarding proximity of the site to area under consideration nor does it follow LDEQ's own guidance for modeling in Southwestern Louisiana." *Technical Analysis for Calcasieu*, p. 26. In response to this comment, the Calcasieu SO₂ Stakeholders Group responds that the use of Baton Rouge surface meteorology data is *not* appreciably different than Baton Rouge surface data as to significantly impact the modeling analysis performed by Providence.

The background concentration proposed in the Providence analysis and accepted by the LDEQ should also be accepted by EPA in the final designation for Calcasieu Parish. In its technical analysis, EPA stated: "Given the close proximity of the sources (primarily Entergy and Sasol) to the Westlake monitor, we have concerns that more data was excluded than should have been by using the 90 degree arc." *Id.*, p. 28. The Providence modeling analysis applied a conservative and acceptable approach to remove impacts from the modeled SO₂ sources, which would have resulted in "double counting" of those impacts. We believe the "90 degree arc" is appropriate for this heavily-industrial area and there is no indication that data was invalidly removed from the proposed background concentration. The Providence modeling analysis included over 99.5% of all SO₂ emissions (permitted or actual) in Calcasieu Parish. Thus, it makes sense to exclude those emissions from the estimated background concentration and use of a "90 degree arc" is the appropriate and accepted mechanism to do so for this area.

Docket ID No. EPA-HQ-OAR-2014-0464 March 31, 2016 Page 4

Regarding EPA's comments concerning the correction to standard conditions on page 29 of the technical analysis, the Calcasieu SO₂ Stakeholders Group notes that this conversion has not been required in dozens of modeling analyses in the state of Louisiana, which have been accepted by EPA Region 6 and LDEQ in the past. Regardless, we do not believe the proposed conversion justifies a modification to the NAAQS designation for this area based on the totality of information that support an "attainment" or "unclassifiable/attainment" designation.

With respect to the "emissions" modeling parameter, the Calcasieu SO₂ Stakeholders Group acknowledges that continuous emissions monitoring systems ("CEMS") data was not used for the Nelson or NISCO facilities. However, this modeling analysis was conducted to support the state's designation efforts in a compressed time frame. Future modeling may be conducted based on CEMS data, where available. As discussed further in Comment 3 below, more time should be provided for this area if a final designation of "unclassifiable" is made by EPA by July 2, 2016.

2. <u>EPA failed to consider other valid SO₂ ambient air monitors located in Calcasieu Parish in its Technical Analysis for Calcasieu.</u> Full consideration of this data supports a final designation of "attainment" for this area. At a minimum, the data supports a designation of "unclassifiable/attainment" for Calcasieu Parish.

In the *Technical Analysis for Calcasieu* attached to its 120-day letter, EPA only evaluated the Westlake SO₂ monitor for the area in proximity to the Nelson and NISCO facilities. EPA also made several conclusory remarks concerning the use of that monitoring data. Specifically, EPA stated that because "this monitor is approximately 2.5 km to the South and East of the Nelson facilities" it is "not representative of the maximum from Nelson facilities and other cumulative sources." See, *Technical Analysis for Calcasieu*, p. 21. EPA further concluded, "Therefore, there is no monitoring data that is representative of the maximum or higher elevated levels of SO₂ around the Nelson facilities." *Id.*, p. 22. These statements are not accurate.

In its recommendation document, dated September 18, 2015, the LDEQ considered three ambient air monitors located near the industrial facilities that comprise over 99.5% of all SO_2 emissions (permitted or actual) in Calcasieu Parish. Specifically, the LDEQ stated:

As previously discussed, LDEQ operates one SLAMS monitor in Calcasieu Parish. In addition to the Westlake Monitor, the Lake Area Industry Alliance (LAIA) operates two SO₂ monitors: the LAIA North Site/Mossville monitor (LAIA North Monitor); and the LAIA South Site/Bayou D'Inde monitor (LAIA South Monitor), see figure 3. Based on data from the three monitors, the concentration of SO₂ in the form of the standard, the 3-year average of the 99th percentile of the annual distributions of 1-hour daily maximum concentrations (Design Value, DV) is also declining. In fact, all three monitors are in compliance with the 2010 SO₂ NAAQS, see figure 4. Data from the most recent monitoring period indicates DVs of 33, 30, and 50 ppb for the Westlake Monitor, the LAIA North Monitor, and the LAIA South Monitor, respectively.

Letter from Peggy Hatch to Ron Curry, dated Sep. 18, 2015, attaching LDEQ Recommendations for Sulfur Dioxide Area Designations, Calcasieu Parish Support Document, p. 3. As shown on Figure 3 of the above-referenced LDEQ document, the LAIA North monitor is located in close proximity to the R.S. Nelson Generating Plant and NISCO. The LAIA South monitor is located south of the Nelson and NISCO facilities and near other industrial facilities that were included in Providence's modeling analysis. There is also an apparent contradiction in EPA's Technical Analysis for Calcasieu in its later discussion on acceptable background concentration. On page 28 of its analysis, EPA discusses the "close proximity of the sources (primarily Entergy and Sasol) to the Westlake monitor." Yet this is the same monitor that EPA references as being "not representative of the maximum from Nelson facilities and other cumulative sources" on page 21 of the same analysis.

We request that EPA provide a basis for its unsupported statement that the Westlake air monitor is not representative of the facilities included in the Providence modeling analysis that comprises all major SO₂ emitters in Calcasieu Parish. EPA should also explain why the two LAIA monitors that have collected valid (QA/QC) monitoring data for over three years were not considered by EPA in the *Technical Analysis for Calcasieu*. Finally, EPA should consider all three monitors in Calcasieu when evaluating a final SO₂ designation for this parish.

3. EPA should allow more time to evaluate the available modeling and monitoring data after a final designation is made for this area by July 2, 2016. It is wholly inequitable to require Calcasieu Parish to meet either January 2017 EPA deadline (which also mandates a state deadline of July 1, 2016) if EPA makes a final designation of "unclassifiable" for this area.

With respect to NAAQS, the federal Clean Air Act defines "unclassifiable" to mean "any area that cannot be classified on the basis of available information as meeting or not meeting the national primary or secondary ambient air quality standard for the pollutant." See, 42 U.S.C. § 7407(d)(1). With respect to Calcasieu Parish, EPA has been presented with enough data to designate Calcasieu Parish as "attainment" or "unclassifiable/attainment." Specifically, enough data exists through modeling and existing monitoring to affirmatively conclude that the 1-hour SO₂ NAAQS is currently being satisfied and has been satisfied for at least three years.

Although certain designation deadlines are mandated by the federal consent decree, we do not believe that areas required to have a final designation by July 2, 2016 are *also* required to comply with the subsequent deadlines in January 2017 for other areas (which requires states to inform EPA whether it intends to characterize such areas through modeling or monitoring). This should be obvious from the state deadline of July 1, 2016 set forth in the final Data Requirements Rule. *See*, 80 Fed. Reg. 51,064. The Calcasieu SO₂ Stakeholders Group questions the legality of EPA to make a final designation for this area by July 2, 2016 *and* require the LDEQ to make a recommendation of modeling or monitoring for the *same area* by July 1, 2016. This incongruity leads to a conclusion that areas with final designations of July 2, 2016 are not required to comply

Docket ID No. EPA-HQ-OAR-2014-0464 March 31, 2016 Page 6

with the deadlines for the 2017 designation schedule, even if those areas are designated as "unclassifiable" by EPA.

This group understands that additional modeling and/or monitoring may be required in the future to make a designation of "attainment" or "nonattainment," but more time should be provided for areas designated as "unclassifiable" by July 2, 2016. Nothing in the federal Clean Air Act or the final Data Requirements Rule prevents EPA from providing more time for areas designated as "unclassifiable" by July 2, 2016. EPA clearly will have satisfied the court-ordered deadline for Calcasieu Parish if a final designation is made by this date. We ask that EPA confirm this interpretation in its response to comments.

Summary

For the reasons discussed in these comments, the Calcasieu SO₂ Stakeholders Group requests that EPA accept the LDEQ's recommendation of "attainment" for Calcasieu Parish with respect to the 1-hour SO₂ NAAQS. The air modeling conducted by Providence demonstrates that this geographic area is meeting the 1-hour SO₂ NAAQS. This conclusion is supported by ambient monitoring data from three air monitoring stations located throughout the parish and near the modeled industrial sources. Finally, EPA should not require the state of Louisiana to comply with the July 1, 2016 deadline for this area if a final designation of "unclassifiable" is made by EPA. Instead, EPA should allow additional time to review the existing modeling and monitoring data for Calcasieu Parish.

We appreciate your review of these comments and look forward to EPA's written response. If you have any questions, I can be reached at (225)336-8450 or kyle@bealllaw.net.

Sincerely,

(yll Keal) Kyle Beall

cc: Mark Hansen, U.S. EPA Region 6
Tegan Treadaway, LDEQ Air Permits Division
Vivian Aucoin, LDEQ
Kevin Calhoun, Providence