

November 26, 2019

Mr. Rodger Holt  
Alternate Designated Representative  
PacifiCorp  
Managing Director, Naughton Plant  
1450 Naughton Plant Road  
Kemmerer, WY 83101

Re: Petition for waiver of the requirement to provide operating data to qualify as gas-fired for unit 3 at the Naughton power plant (Facility ID (ORISPL) 4162)

Dear Mr. Holt:

The United States Environmental Protection Agency (EPA) has reviewed the February 26, 2019 petition and subsequent email dated June 21, 2019 submitted by PacifiCorp under 40 CFR 75.66 requesting a waiver for unit 3 at the Naughton power plant (Naughton) of the requirement to submit operating data to qualify as a gas-fired unit under § 72.2. EPA approves the petition, with conditions, as discussed below.

## **Background**

PacifiCorp owns and operates unit 3 at Naughton, located in Kemmerer, Wyoming. Unit 3 has historically operated as a coal-fired boiler and serves an electricity generator with a nameplate capacity rating of 330 megawatts. According to PacifiCorp, unit 3 is subject to the Acid Rain Program (ARP). Naughton is therefore required to continuously monitor and report sulfur dioxide (SO<sub>2</sub>) and carbon dioxide (CO<sub>2</sub>) mass emissions; nitrogen oxides (NO<sub>x</sub>) emission rate; and heat input for this unit in accordance with 40 CFR part 75. To meet these monitoring requirements, Naughton has installed and certified an SO<sub>2</sub> continuous emission monitoring system (CEMS), a NO<sub>x</sub>-diluent CEMS, a CO<sub>2</sub> CEMS, and a stack gas flow rate monitor to measure emissions from unit 3.

According to PacifiCorp, Naughton unit 3's ability to combust coal was permanently eliminated as of January 30, 2019 by physical modifications that disabled the unit's coal pulverizers. Removal of the coal pulverizers from service was required as a condition of Air Quality Permit No. P0021110 issued by the Wyoming Department of Environmental Quality on February 6, 2019. The same permit condition has also been approved by EPA as a provision of Wyoming's federally enforceable state implementation plan (84 FR 10433, March 21, 2019). The permit and SIP revision allow the unit to operate on natural gas after January 30, 2019, and the unit has done so.

Under part 75, units that meet the definition of “gas-fired” units in § 72.2 have monitoring options that are not available to coal-fired units, including the option to quantify the units’ SO<sub>2</sub> mass emissions and heat input rate using the methodology in appendix D to part 75 that relies on measurements of the quantity and quality of fuel combusted as an alternative to using SO<sub>2</sub> and stack gas flow rate CEMS. Gas-fired units also have options for quantifying CO<sub>2</sub> mass emissions under appendix G to part 75 that are not available to coal-fired units.

In the February 26, 2019 petition, PacifiCorp has requested a waiver of an otherwise applicable condition for Naughton unit 3 to be considered gas-fired units for purposes of part 75. The definition of “gas-fired” in § 72.2 includes provisions under which a unit that previously did not qualify as gas-fired can qualify as gas-fired based upon the submission of operating data for three calendar years or 720 operating hours, whichever is less, demonstrating that the unit has combusted natural gas for specified minimum percentages of its overall fuel usage and only fuel oil for its remaining fuel usage. Naughton requests that unit 3 be considered gas-fired units for purposes of part 75 without the submission of such operating data.

### **EPA’s Determination**

Absent the waiver requested in PacifiCorp’s petition, PacifiCorp would be required to submit three calendar years or 720 operating hours, whichever is less, of operating data for unit 3 following the conversion to gas-fired operation to demonstrate that the unit qualifies as gas-fired under § 72.2. The purpose of this data submission requirement is to provide assurance that the conversion is permanent. As described above, PacifiCorp has provided information intended to demonstrate the permanence of the conversion. Specifically, a permit and federally enforceable state implementation plan revision require the unit to be physical modified as of January 30, 2019 in a manner that permanently eliminates the unit’s ability to combust coal, and PacifiCorp has completed the required modifications. EPA views these factors as providing sufficient assurance that the conversion from coal to gas combustion of unit 3 is permanent, fulfilling the purpose of the operating data submission requirement and making that requirement unnecessary in this instance.

In view of these considerations, EPA approves PacifiCorp’s petition for a waiver of the requirement to submit three calendar years or 720 hours of unit operating data to demonstrate that Naughton unit 3 meets the definition of “gas-fired” under § 72.2. Unit 3 is considered gas-fired for purposes of 40 CFR part 75 as of the date of issuance of the permit amendment summarized above. EPA notes that this approval by itself does not alter any requirement to continue to use a CEMS that may arise under legal authority other than 40 CFR part 75, such as the facility’s title V operating permit, a state regulation, or a consent decree.

### **Conditions of Approval**

As conditions of this approval for Naughton unit 3 to be considered gas-fired units for purposes of 40 CFR part 75 without the submission of operating data that would otherwise be required, PacifiCorp shall:

1. Make all necessary revisions to the electronic monitoring plans for Naughton unit 3 to represent the change from coal-fired to natural gas-fired. The monitoring plan revisions may include, but are not limited to, assigning appropriate closeout dates, activation dates, and codes for

monitoring systems, monitoring methodologies, emissions and heat input rate formulas, and monitoring system span and range values;

2. If PacifiCorp elects to use the monitoring methodology under appendix D to part 75, ensure that the natural gas fuel flowmeters are certified according to section 2.1.5 of appendix D to part 75; and
3. If PacifiCorp elects to use the monitoring methodology under appendix D to part 75, ensure that the data acquisition and handling systems are properly programmed to use the appendix D methodology for quantifying SO<sub>2</sub> mass emissions and heat input rate and Equation G-4 for quantifying CO<sub>2</sub> mass emissions.

EPA's determination relies on the accuracy and completeness of PacifiCorp's February 26, 2019 petition and is appealable under 40 CFR part 78. If you have any questions regarding this determination, please contact Ron Sobocinski at (202) 343-9722 or by e-mail at Sobocinski.Ron@epa.gov. Thank you for your continued cooperation.

Sincerely,

/s/

Reid P. Harvey, Director  
Clean Air Markets Division

cc:      Ron Sobocinski (CAMD)  
          Michael Stovern, EPA Region 8  
          Nancy Vehr, Wyoming DEQ