

**Comments of
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**Re: PA DEP's White Paper on PA's Proposed Implementation of 111(d) and PA DEP's
Emissions Inventory for PA Oil and Gas Operations**

May 14, 2014

My name is Matt Walker, and I am the Outreach Director for the Clean Air Council (the Council). On behalf of the Council and its members throughout Pennsylvania, I thank you for allowing me this opportunity to comment today.

Clean Air Council is a non-profit environmental organization headquartered in Philadelphia. The Council has over 8,000 members throughout Pennsylvania, New Jersey, Maryland, and Delaware. For more than 40 years, the Council has fought to improve air quality across the region and protect everyone's right to breathe clean air.

In June, the U.S. Environmental Protection Agency will propose carbon dioxide emissions limits on existing power plants. These standards will greatly reduce the amount of carbon that existing power plants can dump into the air and have a great potential to cut the pollution that drives climate change. In order to be effective, the standards will need to be well designed and well implemented at the state level.

While this is the most serious effort to limit climate change to date, the Pennsylvania Department of Environmental Protection's (PA DEP) White Paper on their recommended framework for implementing the carbon rule includes ideas for exemptions and the use of dirty types of energy that will greatly limit the effectiveness of the rule in Pennsylvania. The plan as it stands will simply not be enough for reducing carbon pollution. Pennsylvania is only behind Texas and California in carbon dioxide emissions - states that both have double Pennsylvania's population. Pennsylvania needs PA DEP to develop a robust implementation plan that will greatly reduce carbon pollution and increase the amount of renewable energy sources used alongside supply and demand side energy efficiency.

To emit less climate changing carbon dioxide, the Council believes that companies should burn less fossil fuels by upgrading or retrofitting power plants and gaining credits for renewable energy and energy efficiency within their fleet if they can't meet the standard. This is the only way to seriously reduce carbon dioxide pollution. While the Council understands the need for flexibility in the design of this program, there is a concern that with system-wide averaging,

some communities living near power plants would have disproportionate health impacts from power plants that did not undergo upgrades. The Council urges DEP to determine a way to ensure that any use of system-wide averaging includes checks on geographic scope and potential impacts to environmental justice communities.

The Council is concerned that PA DEP is attempting to get exemptions to the 111(d) program for certain electric generating sources such as coal waste, which PA DEP claims has environmental benefits. Pennsylvania's coal waste plants emit a large amount of harmful air pollution and often have violations for emitting more than they are allowed. Chester Operations has seen 3 formal enforcement actions and over \$28,000 in fines in the last five years. The Northampton Generating Plant which burns coal waste and tires for supposed environmental benefit has seen over \$120,000 in fines over the same time, has been in noncompliance with the Clean Air Act for nine out of the last twelve quarters. Schuylkill Energy Resources, Inc. lacks the necessary permits and its last inspection in January 2012 resulted in a violation¹. The WPS Westwood Generation LLC coal waste plant has been in violation of the Clean Air Act every quarter for the last three years.² The most efficient and safe solution to Pennsylvania's 180,000 acres of coal waste piles is to plant resilient beach grass over the piles.

The Council recently testified to the DEP's Environmental Justice Advisory at their first public hearing in Chester, across the street from America's first coal waste power plant at the Kimberly Clark paper mill. Chester residents testified about the strong smells, high rates of the illness and the overall effects of living in an area deemed to have "unacceptably high" environmental hazards in a community where 40% of the population lives below the poverty line.³ Residents were surprised to find out that PA DEP touts the benefits of coal waste and is seeking to exempt the facilities that pollute their community from the proposed air quality standards.

PA DEP also mentioned that waste to energy facilities could be used to generate a credit at a "non-affected" source. Waste to energy facilities should not be counted towards carbon reductions. If accepted at face value, MSW facilities emit 2,988 pounds of CO2 per megawatt hour, almost three times the soon-to-be proposed limit on carbon dioxide emissions.⁴ The Council cannot understand how the incineration of waste would reduce carbon dioxide in Pennsylvania. Municipal solid waste incineration carries the largest capital costs of all sources of energy according to the U.S. Energy Information Administration at over \$8,000 per kilowatt.⁵ The Council urges PA DEP to reconsider using waste to energy facilities to provide credits.

¹ http://www.ahs.dep.pa.gov/eFACTSWeb/searchResults_singleSite.aspx?SiteID=588834

² http://echo.epa.gov/detailed_facility_report?fid=110010970235

³ [http://www.pilcop.org/chester-2/#s\(hash.QGpoac3w.dpbs](http://www.pilcop.org/chester-2/#s(hash.QGpoac3w.dpbs)

⁴ <http://www.epa.gov/waste/nonhaz/municipal/wte/airem.htm>

⁵ <http://www.eia.gov/forecasts/capitalcost/>

PA DEP could greatly cut emissions by providing credit to power plant owners for using energy efficiency and for generating electricity with renewable energy at their plants. The Council urges PA DEP to consider expanding the use of energy efficiency for crediting beyond the power plant boundaries. Efficiency should be a much larger part of Pennsylvania's implementation of 111(d), and could include things like utility-wide programs and grid updates for generating credits for the 111(d) program. Energy efficiency is the cheapest and fastest way to cut emissions and should be revisited.

PA DEP must take advantage of this opportunity presented by EPA to cut carbon by also ramping up renewable energy and all of the jobs that come with it. Imagine if Pennsylvania was putting the same effort toward promoting truly renewable energy as it was trying to promote fracking. Not too long ago, Pennsylvania employed 4,000 people to build, install and maintain wind turbines. Pennsylvania's two turbine manufacturing plants in Cambria and Bucks Counties are now closed due to the lack of supportive policies American solar jobs increased by 20% in 2013, but Pennsylvania lost 1,100 solar jobs, more than a quarter of our market. PA DEP should include the option for companies to receive credits for using renewable energy sources to reduce carbon emissions.

In closing, the Council urges PA DEP to establish a system in which Pennsylvania will set increasingly stringent standards for coal plants while encouraging clean renewable energy and true efficiency upgrades to reduce greenhouse gas pollution and mitigate the effects of climate change.

Clean Air Council also wishes to comment briefly on PA DEP's recently released Emissions Inventory for Marcellus Shale natural gas operations Pennsylvania.

Emission inventories are fundamental building blocks used to develop air quality control strategies on a local, regional and national level. Emission inventories are also used to track accountability and assess air quality program effectiveness. Each stage of shale gas operations emits harmful air pollution and an emissions inventory is as essential tool to protect Pennsylvania's air quality.

Pollution levels in PA DEP's recently released Emission Inventory were determined, in part, by totaling emissions that were self-reported by operators of shale wells and mid-stream facilities. Using data that is self-reported from gas companies can result in inaccuracies and create a great chance for misrepresentation of emissions data.

PA DEP's 2012 inventory doesn't adequately account for all air pollution from the gas industry. PA DEP's inventory shows data for 400 compressor stations. The Council obtained PA DEP records from all regional offices and are aware of approximately 700 compressor stations or processing facilities associated with shale gas operations in Pennsylvania. Can PA DEP explain

this large discrepancy in numbers and how the air pollution from the missing compressor stations might change the overall emissions totals for the state?

In addition, the Council reviewed the emissions data, and believes that companies may have significantly under-reported emissions from the facilities that *were* reported. While midstream companies will claim that actual emissions are sometimes less than potential to emit (PTE) figures, the Council has found through air modeling that this isn't always the case, and could actually be an exception to the rule. For instance, Chief Gathering reported that the Barto Compressor Station emitted 37.18 ton per year (TPY) whereas the potential to emit was 95 TPY and the Council's modeling showed that this station was exceeding the National Ambient Air Quality Standards for NOx. Williams' Hawley Compressor Station is a small station reported to have emitted 1.3 TPY of NOx according to the inventory, while the air permit for that station shows a potential to emit of 50 TPY. Only 24 stations had reported emissions of over 50 TPY of NOx, while there are many larger stations that emit much more than this. The Council urges PA DEP to request stack test reports from companies to verify the emission totals they submitted for the inventory.

PA DEP must ensure that the emissions inventory accounts for all equipment associated with shale gas operations, including but not limited to, gathering line compressor stations, transmission compressor stations, condensate tanks, dehydration stations, natural gas-fired power plants, natural gas processing plants, impoundment pits, pig launchers, fugitive emissions from all infrastructure, and diesel engines from drill rigs and trucks.

It is critical that PA DEP address the issues Clean Air Council raised for the next emissions inventory so that a more accurate reflection of the oil and gas industry can be used in determining future policy related to air quality. Thank you for considering these requests.