Message

From: Michelle Freeark [mfreeark@azgt.coop]
Sent: 3/29/2025 2:25:14 AM
To: AirAction [AirAction@epa.gov]; [redacted]@epa.gov]
Subject: MATS Presidential Exemption

Flag: Flag for follow up

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Good evening,

Arizona Electric Power Cooperative, Inc. is notifying EPA of our intention to file a request on Monday, March 31, 2025 for a 2-year exemption from the updated National Emission Standards for Hazardous Air Pollutants (NESHAP): Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review (MATS Rule) for its Apache Generating Station located in Cochise County, Arizona.

Sincerely,
Michelle Freeark

Michelle Freeark, Executive Director of Regulatory Affairs and Corporate Services

mfreeark@azgt.coop

Mobile: 520-237-1825 | Office: 520-586-5122

1000 S. Hwy 80 · Benson, AZ 85602

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Message

From: AirAction [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FA78B989233840789 95E04A73D258D83-AIRACTION]
Sent: 4/2/2025 11:51:11 AM
To: 'Michelle Freeark' [mfreeark@azgt.coop]
CC: [redacted]@epa.gov]
Subject: CORRECTION: Updated email address for CBI related to the Presidential Exemption

In the previous email, an incorrect email address was provided for the submission of electronic Confidential Business Information (CBI). The email address should be:

OAQPS_CBI@epa.gov

Thank you.

From: AirAction
Sent: Tuesday, April 1, 2025 1:21 PM
To: Michelle Freeark <mfreeark@azgt.coop>
Cc: [redacted]@epa.gov>
Subject: RE: Presidential Exemption: National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review (MATS Rule): AEPCO Apache Generating Station

Thank you for emailing the AirAction mailbox to request a Presidential Exemption under section 112(i)(4) of the Clean Air Act and for engaging with EPA in advancing President Trump's Executive Orders and Powering the Great American Comeback. We have received your email and will be in contact soon. If you have Confidential Business Information (CBI) that you'd like to submit, please submit it in electronic version to the CBI@epa.gov inbox or in hardcopy to:

USEPA, OAQPS
CORE CBI Office
4930 Old Page Road
Durham, NC 27703

From: Michelle Freeark <mfreeark@azgt.coop>
Sent: Monday, March 31, 2025 10:43 PM
To: AirAction <AirAction@epa.gov>
Cc: [redacted]@epa.gov>
Subject: Presidential Exemption: National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review (MATS Rule): AEPCO Apache Generating Station

Caution: This email originated from outside EPA, please exercise additional caution when deciding whether to open attachments or click on provided links.

Arizona Electric Power Cooperative, Inc. (AEPCO) respectfully requests a 2-year exemption from the updated National Emission Standards for Hazardous Air Pollutants (NESHAP): Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review (MATS Rule) for its Apache Generating Station (Apache) located in Cochise County, Arizona. The MATS Rule (NESHAP Subpart UUUUU) was recently updated on May 7, 2024. Apache has one unit that is subject to the MATS Rule, Steam Unit (ST3). ST3 is Apache's load-following generating unit and used to meet power requirements of AEPCO's distribution cooperatives. ST3 currently employs control devices called Electrostatic precipitators (ESPs) that are used to control particulate matter (PM) emissions, Sulfur Dioxide Absorption Systems (SDAS) to control SO2 emissions, and chemical additives to control mercury emissions when coal is

used as a primary fuel. In addition, an SNCR system injecting urea is used on ST3 for the control of NOx. Apache respectfully requests explains the basis for its request in accordance with the instructions provided by the EPA.

Emissions Standards or Limitations Subject of Request
NESHAP Subpart UUUUU, particulate matter limits, 40 C.F.R. 63.9991, Table 1, Row 2.a

Facility and/or Affected Source
AEPCO Apache Generating Station, Air Quality Control Permit No. 69734, **EPA Registry Id:** 110043804390
Apache Steam Unit #3

Length of Compliance Period Being Requested
Two years

Explanation of Why Technology to Implement the Standard Is Not Available
Apache Station Steam Units #3 is a 1979 vintage steam generating unit. Steam Unit #3 is a coal unit. Steam Unit #3 is outfitted with electrostatic precipitators and wet scrubbers. Steam Unit #3 struggles to meet the emissions standards in 40 C.F.R. 63.9991, Table 1, Row 2.a on a consistent basis with its installed technologies. It is not feasible for Apache to improve the particulate capture at Steam Unit #3 because there is not space available to install a baghouse, which is what would be required to try to achieve the more stringent limit. AEPCO believes that where the baghouse cannot be accommodated without substantially tearing down large sections of the existing facility, that such technology is not "available" to the facility in the common-sense meaning of the term intended by Congress. Additionally, AEPCO currently maintains a particulate matter continuous emission monitoring system on Steam Unit #3, these systems are very costly to maintain including being labor intensive. The technology for these instruments is not made to continuously measure particulate limits that would provide valid data.

Explanation of Why National Security Interests of the United States Requires Variance
Apache Station Steam Unit #3 is an important generating unit for the bulk electric grid in Southeastern Arizona, including portions of the grid serving the United States/Mexico border, ports of entry, and other U.S. border security assets. If Steam Unit #3 were to be forced off-line, it is unclear whether AEPCO could maintain bulk electric grid stability for an extended period.

Benefits to National Security and Limited Environmental Cost of Requested Variance
Grant of the requested variance benefits national security by removing the uncertainty about the reliability of the bulk electric grid in Southeastern Arizona. The environmental impact of the grant of the proposed variance is very limited because Apache Steam Unit #3 would continue to operate its existing controls, which achieve similar levels of control except during periods of operational instability.

Requestor
Michelle R. Freeark, Executive Director of Regulatory Affairs & Corporate Services

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Arizona G&T Cooperatives

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