Message

From: AirAction [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=FA78B989233840789 95E04A73D258D83-AIRACTION]
Sent: 3/28/2025 5:34:12 PM
To: RJ Shaffer [rj.shaffer@scrubgrass.com]
CC: dave.gates@scrubgrass.com
Subject: RE: Presidential Exemption; 40 CFR Part 63 Subpart UUUUU (MATS): Scrubgrass Reclamation Company L.P. / Scrubgrass Generating Plant/Venango

Flag: Follow up

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: RJ Shaffer <rj.shaffer@scrubgrass.com>
Sent: Friday, March 28, 2025 1:27 PM
To: AirAction <AirAction@epa.gov>
Cc: dave.gates@scrubgrass.com
Subject: Presidential Exemption; 40 CFR Part 63 Subpart UUUUU (MATS): Scrubgrass Reclamation Company L.P. / Scrubgrass Generating Plant/Venango

Airaction @ EPA,
Attached, please find the Presidential Exemption request for Scrubgrass Reclamation Complany L.P./ Scrubgrass Generating Plant. Please contact David Gates / Environmental Manager (copied) or myself with any questions. Thank you for your time.

Richard J. Shaffer
Asset Manager
814-673-0929

SCRUBGRASS RECLAMATION COMPANY LP

2151 Lisbon Rd
Kennerdell PA 16374
Phone: 814-385-6661 • Fax # 814-385-6704

Mr. Lee Zeldin, Administrator
US Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460
Mail Code 1101A
airaction@epa.gov

Subject: Presidential Exemption: National Emissions Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review (89 FR 38508; May 7, 2024) (MATS Rule): Scrubgrass Reclamation Co LP

Dear Administrator Zeldin;

In accordance with President Trump's offer to consider an exemption request on the pending changes to the MATs rule, we are providing information for your evaluation in granting an exemption and providing additional time for us to meet these requirements.

Rule related to the request

40 CFR Part 63 Subpart UUUUU – Effective Date July 6, 2027

Emission standards subject to the request

- 0.01 Lb/MMBtu of filterable particulate matter (PM) per million BTU heat input

Limitations subject to the request

- General requirement to use a PM CEMs or HAP metals CEMS
- Prohibition of using the LEE option for filterable PM or non-mercury HAP metals.

Facility and Affected Sources

Requesting Facility: Scrubgrass Generating Plant/Venango

Affected Sources: Source 031 - #1 CFB Boiler, 032 #2 CFB Boiler

Length of compliance period being requested: Delayed compliance until July 6, 2029

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Justification for Exemption

Technology

The three issues are interrelated regarding the standard, the technology to implement it, and the option to use existing compliance methods for low emitting EGU's (LEE Units). As a first point of information, the pending 0.01 lb/MMBtu limit is likely technically feasible under the current compliance demonstration methods of a periodic Method 5 Performance Test, which consists of approximately 3-hours of testing as frequently as once per calendar quarter, or in the case of LEE units, once LEE status is demonstrated, once every 36 months. Ongoing compliance is demonstrated by opacity monitors in the stack.

The ability to meet an emission standard is based on the numerical limit of that standard, the reliability of the test method for that standard, and the frequency of the testing. In the case at hand the requirement to use a PM CEMs introduces a significant question of technical feasibility to meet the more restrictive standard on a continuous basis. PM CEMS do not measure PM directly but use methods such as light scatter or beta attenuation to estimate the PM concentration. Many of these device's outputs are adversely affected by particle size, density, and shape changes. The output of the PM CEMS must be correlated to the particulate concentration in the stack by using the currently approved test Method (Method 5) and developing correlation curves to convert the PM CEMS output to an estimated concentration. Of all of EPA's specifications for continuous emission monitors, PS-11, the performance specification for these instruments, is the only one that uses correlation methods to derive an estimated emission concentration.

The issue of varying particle size, density, and shape changes, which affect the correlation on many types of PM CEMS, could have a great impact on coal-fired power plants burning waste coal, such as is the case with this request. Coal-refuse fired power plants combust a fuel supply that has great variation in fuel chemistry as different waste coal piles are reclaimed and used for fuel. This is a far different situation than in the case of conventional virgin coal-fired power plants which use a much more consistent fuel supply. PM CEMs have not been demonstrated to be technically feasible on coal-refuse power plants and thus the technical feasibility of using these monitors nor the ability to meet the lower standard on a continuous basis with these types of monitors has been established to date as a technical matter.

Furthermore, there are no technically feasible add-on control devices that can be employed on these units, beyond those currently in use, that could provide additional controls to further reduce emissions should the new requirements for monitoring show an inability to comply with the reduced emission standard based on the new monitoring requirements.

Most importantly, based on EPA's own analysis, the reduced PM standard was not implemented for any reasons of health impact or risk[1], but simply because EPA determined, in the Residual Risk and

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Technology Review, (incorrectly we believe, at least as to the sources burning coal refuse), that the lower standard was promulgated to reflect "the control levels currently achieved by the vast majority of regulated units."[2]

As to the removal of the option to qualify as a LEE unit, the pending change to the regulation imposes a significant financial burden on the cleanest of the coal-fired units, removing an option for less frequent testing after showing that the emissions are one-third or less of the current standard.

National Security Interests of the United States

As President Trump has expressed on many occasions, reliable and cost-effective energy is in the national security interest of the United States. The entire United States is facing an unprecedented surge in energy demand, driven by the rapid expansion of data centers supporting artificial intelligence, widespread electrification of vehicles and heating systems, as well as demand from the new manufacturing industries that this Administration is promoting. At the same time, the energy landscape is undergoing a major transition, with many thermal and dispatchable generation units retiring while new capacity additions are largely dominated by intermittent renewable resources such as solar and wind projects, as well as short-term storage solutions based on battery storage systems.

PJM, the ISO in which this facility operates, has expressed concerns about the increasing load and decreasing generation in its region. PJM predicts that 40 GW of its existing supply, largely, thermal based generation will retire by 2030. The PJM Long Term Growth Forecast expects loads to increase by over 55 GW by 2035. Finally, PJM's reliability study assumes a major contribution from offshore wind projects in New Jersey, an uncertain resource given the public's opposition to these projects.

The Trump Administration recognizes the urgent need for a balanced, reliable, and affordable power grid, as well as the need to rein in regulations that are not needed to protect public health. Granting of an extension for this facility will provide financial relief to allow a full evaluation of the technical and financial feasibility of the benefits and costs of the more restrictive regulations and allow our plant to continue to provide a dispatchable generation resource for the security of the United States and give us, and PJM more time to plan for the continued operation of this critical resource and continue to provide a stable energy supply for the PJM grid. Thank you for your consideration in this matter.

Sincerely,

Richard J, Shaffer, Asset Manager

Richard J Shaffer

[1] National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review, 89 Federal Register 38508.

[2] National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review, 89 Federal Register 38510