

**Air Quality Control Advisory Council Meeting Notes
October 6, 2014 @ 8:15 am
MDE Headquarters—Aeris, Aqua & Terra Conference Room
1800 Washington Boulevard
Baltimore MD 21230**

AQCAC MEMBERS PRESENT

Sania Amr, M.D.
Kevin Barnaba
Lorne Garrettson, M.D.
Sue Garonzik
Kip Keenan
John Kumm
Leta Mach
John Quinn
Ross Salawitch, PhD
Lawrence Schoen
Sara Tomlinson- phone

AQCAC MEMBERS ABSENT

Andrea Bankoski
Donald Moore

VISITORS

Clara Summers - Interfaith Power & Light
Richard Reis- Sierra Club
George Alderson
Bob Jacobson
David Cramer - NRG
Steve Arabia - NRG
Dr. Jerry O'Leary
Ruth Alice White - Howard Co. Climate Change
Barbara Christensen - Howard Co. Climate Change
Myrone O'Connor - Sierra Club
Debbie Gousha
Danielle Musa - ERM
Todd R. Chason
John Kenney - Chesapeake Climate Action Network
David Smedick - Sierra Club
Josh Berman - Sierra Club
Tim Whitehouse - CPSR
Hal Siegrist - NRG
Debra Raggio - TPM
Tom Weissinger - Raven Power
Michael Powell - Raven Power
Walter Stone - NRG

Larry Mullin - Baltimore City Resident
David Neal - NRG
Jennifer Konze - Sierra Club member - For Clean Healthy Air
Seth Bush - Sierra Club member - For Clean Healthy Air
Shan Gordon - Cool Green Schools
Andrew Garnett - Sierra Club member
Chris Yoder
Linda Kangrga - Sierra Club member
Daniela Beall
Marie Murphy
Susan Allen- Sierra Club member
Kevin Kriescher - Sierra Club member
Laurie Wilmot - Sierra Club member
Theresa Reuter - Sierra Club member
Jerry Brubach
Rebecca Gullott - Baltimore Green Works
Martin Lichtcsien
Velma Biarysi
Mark A. Shepherd
Gene Trisko
Pam Cohee
Anna Cohee
Frank Malik Collins
Jason Smith
Robin Mackee - Governors Advisory Committee
John Reiman - AES Corporation
Chandler Perine - Fidelity Management & Research Co. - phone
Darren Novals - NRDC - phone

MDE-ARMA

George (Tad) Aburn
Angelo Bianca
Diane Franks
Randy Mosier
Roger Thunell
Susan Nash
Tiachia Soto
Karen Irons
John Artes
Eddie DuRant
Carolyn Jones
Husain Waheed
Kathleen Wehnes
Karl Munder
Steve Lang
Duane King

This is a summary of the October 6, 2014 Air Quality Control Advisory Council Meeting and serves as a record of the Council's vote on regulatory action items. The meeting is recorded and the digital file is maintained by MDE/ARMA. This digital file is considered public information and may be reviewed in its entirety by anyone who is interested in the details of the discussions.

MEETING OPENING/OPENING REMARKS

Chairman John Quinn and George Aburn, ARMA Director, opened the meeting with introductions of members and visitors.

ACTION ON REGULATIONS

Approval of Minutes from September 8, 2014 meeting:

Mr. Quinn called for a motion on the September meeting minutes. One correction to the September 8, 2014 minutes was requested.

Motion to approve the September 8, 2014 minutes with the correction was made by Mr. Keenan and seconded by Ms. Amr, M.D. All members voted in favor at approximately 8:28 a.m.

COMAR 26.11.38 Control of NO_x Emissions from Coal-Fired Electric Generating Units

Mr. Aburn presented the proposal for new COMAR 26.11.38.01-.06 for control of NO_x emissions from coal-fired electric generating units in Maryland. The presentation began at approximately 8:30 a.m. (~9 minutes into the audio recording).

As it was recommended at the last Council meeting in September, MDE and the affected stakeholders met on several occasions to further discuss options to result in nitrogen oxides (NO_x) reductions from coal-fired power plants in Maryland. Mr. Aburn reviewed the meeting schedule and multiple phone calls to various stakeholders that transpired over the past month with Raven Power, NRG and Sierra Club. Though many discussions and several proposals were made for structuring the regulation, no option could be found to satisfy every party. The final proposed regulation is supported by MDE and two of the three key stakeholders.

Changes to the Phase 1 requirements include revisions to the indicator emission rates under section .05 which were revised for Chalk Point unit #2, Wagner unit #2 and Brandon Shores unit #2 and language to define when the owner of a facility is part of a system. Changes to the Phase 2 requirements included removing the "option" number 4 that allowed system averaging with mass caps or emission rates that met the conditions of section .03 by April 2016. Phase 2 control requirements are now required to be implemented by June 1, 2020. The affected SNCR units have 3 options under the proposed regulation; install SCR and meet a .09 lb/MMBtu 30 day rolling average NO_x emission rate, switch to natural gas fuel or retire the unit. Other regulation language changes included the definition of *system operating day*, clarification on section .03A(2) plan requirements, inclusion of EPA in plan approvals and clarification on compliance procedures.

The key issues were discussed and resolved while proving the following benefits: ensuring public health protection, maximizing reductions from existing control technologies, consistency with other states, and

providing time and flexibility to sources to meet Phase 2. Mr. Aburn reviewed the schedule forward which would include the announcement of the regulation as a Proposed Action in the Maryland Register in December 2014.

Mr. Quinn invited the council members to discuss the proposed regulation prior to the requested comments of several speakers. The Council commented that there is concern that the Phase 2 date has been extended and is now 2020. Many members would prefer to keep the 2018 compliance deadline as that provides NOx benefits in an earlier timeframe and helps meet ozone attainment goals. Mr. Aburn explained that the 2020 date evolved as part of the negotiations and provides the affected sources time to evaluate the best options for the affected units to achieve the required NOx reductions.

At approximately 9:18 a.m. (~55 minutes into the audio recording) speakers were invited to comment and present additional information. The following is a list of attendees in order of their speaking: Walter Stone – NRG, Michael Powell – Ravens, David Smedick – Sierra Club, Josh Berman – Sierra Club, Larry Mullin – MD Resident, Leah Kelly – Environmental Integrity Project, Walter Stone – NRG.

Mr. Stone on behalf of one of the affected utility owners suggested regulation revisions for the Council's consideration including retaining a version of the system wide averaging option for Phase 2 requirements. The Council argued that the system average option would allow certain units to have high emissions on peak ozone days when NOx emission controls were most needed and therefore did not support the proposal. Other speakers reflected support for MDE's proposed regulation as the agreed and preferred alternative.

The Department commented that the Maryland Healthy Air Act mass cap limits remain in effect on a unit by unit basis. The Department also discussed other measures that are taking place to address the ozone SIP concerns that were mentioned by the Council.

Motion to approve the regulation to control NOx emissions from coal-fired power plants was made by Mr. Salawitch and seconded by Mr. Keenan. All members present voted in favor at approximately 10:30 a.m. There were no abstentions.

Briefing Presentation – 111(b &d) for Power Plants

Ms. Franks presented on the topic of EPA's proposal under section 111(d) of the Clean Air Act to reduce carbon pollution from existing power plants (~2 hours and 10 minutes into the audio recording). The Clean Air Act lays out distinct approaches for addressing new and existing sources under Section 111: a federal program for new sources and state programs for existing sources. Section 111 (b) is the federal program to address new, modified and reconstructed sources by establishing standards of performance. Section 111 (d) is a state-based program for existing sources. EPA establishes guidelines, States then design programs to fit their particular mix of sources and policies and get the needed reductions.

Section 111 (d) allows EPA to establish guidelines for states to submit plans that set standards of performance for existing sources from a specific sector within the state. Per the President's Directive on 6/25/13, EPA was to propose guidelines for existing power plants by June 1, 2014. This June, EPA released a draft of the 111(d) rule and is accepting comments on the four building block concepts.

Maryland is part of RGGI. RGGI uses mass caps for cap and trading. EPA is taking comments on the conversion from the rate based targets to a mass based targets. The stringency that each calculation would afford each state is under controversy. The proposed rule is 20 pages, however, there are over 2,000 pages of details that accompany the rule. Comments are due to EPA December 1, 2014.

Confirmation of Next meeting dates:

The Council's next meeting dates were confirmed for:

December 8, 2014

March 2, 2015

June 8, 2015

September 21, 2015

December 7, 2015

John Quinn adjourned the meeting at approximately 11:01 a.m. (~2 hours and 38 minutes into the audio recording).