

FACT SHEET

PROPOSED AMENDMENTS TO THE AIR TOXICS STANDARDS FOR INDUSTRIAL, COMMERCIAL, AND INSTITUTIONAL BOILERS AT AREA SOURCE FACILITIES

ACTION

- On December 2, 2011, the Environmental Protection Agency (EPA) issued proposed amendments to the rule “National Emission Standards for Hazardous Air Pollutants for Area Sources: Industrial, Commercial, and Institutional Boilers.”
- Boilers burn coal and other substances such as oil or biomass (e.g., wood) to produce steam or hot water, which is then used for energy or heat. They can also burn non-waste materials but do so usually only in small amounts.
 - Industrial boilers are used in manufacturing, processing, mining, refining, or any other industry.
 - Commercial and institutional boilers are used in commercial establishments, medical centers, educational facilities and municipal buildings.
 - The majority of area source boilers covered by this proposed rule are located at commercial and institutional facilities.
- The proposed amendments do not change the intended coverage of the air toxics standards for industrial boilers and will not affect the estimated emission reductions, control costs or the benefits of the rule.
- There are approximately 1.3 million boilers located at areas source facilities and run on natural gas. They are not covered by the final rule or this proposal. The area source rule covers approximately 187,000 boilers located at 92, 000 area source facilities. Of the 187,000 covered units, approximately 183,300 (98%) need only to conduct periodic tune-ups, and some also need to perform an energy audit. Approximately seven thousand coal-burning units (2%) are required to meet emission limits.
- The clarification and corrections contained in the amendments will make it easier for owners and operators, as well as state and local agencies, to understand and implement the applicable requirements of the air toxics standards.
- The EPA will accept comment on these proposed amendments for 60 days following publication in the Federal Register.

PROPOSED AMENDMENTS TO FINAL RULE

- EPA is proposing the following amendments to the final rule based on additional data provided after the agency issued final standards:
 - EPA is proposing to create additional subcategories and require initial compliance tune-ups after two years instead after the first year.

- EPA is proposing to require seasonal operators to conduct tune-ups every five years after the initial tune-up, instead of every other year. These units are operated less frequently and have less of a need to conduct tune-ups than boilers that are operated year-round
- The Agency proposes to provide clarification on applicability and implementation issues raised by stakeholders subject to the rule.

BENEFITS AND COSTS

- The benefits and costs for this proposal are the same as those for the March 2011 final rule.
- EPA estimates that approximately 2,400 new area source boilers will be installed over the next 3 years.
- EPA estimates that the final rule will reduce nationwide emissions from existing and new area source boilers by approximately:
 - 330 tons per year (tpy) of total air toxics,
 - 90 pounds per year of mercury,
 - 320 tpy of non-mercury metals,
 - 9 tpy of polycyclic organic matter (POM), and
 - 2,500 tpy of PM
- These emissions reductions will lead to significant annual health benefits. In 2014, this rule will protect public health by avoiding:
 - 24 to 61 premature deaths,
 - 17 cases of chronic bronchitis,
 - 40 nonfatal heart attacks,
 - 40 hospital and emergency room visits,
 - 38 cases of acute bronchitis,
 - 800 cases of respiratory symptoms
 - 3,200 days when people miss work or school,
 - 420 cases of aggravated asthma, and
 - 19,000 days when people must restrict their activities.
- EPA estimates that the value of the benefits associated with reduced exposure to fine particles are \$210 million to \$520 million in the year 2014.
- EPA did not estimate the benefits associated with reducing exposure to air toxics or other air pollutants, ecosystem effects, or visibility impairment. However, the rule would cut emissions of pollutants that are of particular concern for children. Mercury and lead can adversely affect developing brains – including effects on IQ, learning, and memory.
- The vast majority of area source boilers are estimated to be located at commercial and institutional facilities and generally owned or operated by small entities. Because of this,

EPA anticipates that the final rulemaking would have a significant economic impact on small entities. EPA has limited the impact of the proposed rulemaking on small entities by requiring that only existing coal-fired boilers meet emission limits for mercury and CO, establishing work practices or management practices, instead of emission limits, for existing small coal-fired boilers of less than 10 million Btu per hour of heat input and all existing biomass boilers and oil-fired boilers, and exempting most area source boilers from Clean Air Act Title V permit requirements.

- EPA estimated that costs for the final rule were approximately \$490 million per year. This includes costs we expect industry to incur to comply with the rule and the rule's broader impact on the economy. We do not expect that the proposed amendments will result in a change in the estimated costs to comply with the rule.

SEPARATE BUT RELATED ACTIONS

- EPA has proposed amendments to the rule to reduce emissions of toxic air pollutants from new and existing industrial, commercial, and institutional boilers and process heaters located at *major* source facilities. A major source facility has the potential to emit more than 10 tpy of any single air toxic or more than 25 tpy of any combination of air toxics.
- EPA has also proposed amendments to the rule to reduce air toxics from Commercial and Industrial Solid Waste Incinerators (CISWI). This final rule reflects the Agency's final definition of *non-hazardous* solid waste.
- EPA is proposing to revise the definition of non-hazardous secondary material (NHSM). The definition clarifies the status of particular materials and amends the *process* for determining whether other materials are NHSM.

BACKGROUND

- On March 21, 2011, the EPA promulgated national air toxics standards for area source industrial, commercial, and institutional boilers. On the same day, the EPA also promulgated national air toxics standards for major source industrial, commercial, and institutional boilers and for commercial and industrial solid waste incinerators (CISWI).
- On March 21, 2011, the EPA published a notice initiating the reconsideration of certain aspects of the final rule for area source industrial, commercial, and institutional boilers, as well as the final rules for major source industrial, commercial, and institutional boilers and for CISWI. The final rules reflect reasonable approaches consistent with the requirements of the Clean Air Act. However, some of the issues identified in comments on the 2010 proposed rules raised difficult technical issues that the agency believes would benefit from additional public involvement. In addition, the agency wants to ensure that the public has ample opportunity to comment on changes in the final rule that were not in the proposal.

- In the March 21, 2011 notice, the EPA identified four issues for the area source boilers rule for which reconsideration and additional opportunity for public review and comment should be given:
 - establishment of standards for biomass and oil-fired area source boilers based on generally available control technology (GACT);
 - providing an affirmative defense for malfunction events for area source boilers;
 - setting particulate matter (PM) standards under generally available control technology for oil-fired area source boilers; and,
 - certain findings regarding the applicability of Title V permitting requirements for area source boilers.

- Following promulgation, the EPA received ten petitions for reconsideration. In response to those petitions, we are granting reconsideration of six aspects of the final rule:
 - the change to a one-year initial compliance schedule for tune-ups from the proposed three-year compliance schedule;
 - the inclusion of the affirmative defense provision for malfunction events;
 - the need for a subcategory for seasonally-operated boilers;
 - the lack of an exemption for temporary boilers, as was included in the Boiler MACT;
 - the establishment of an alternative to the requirement to monitor oxygen to demonstrate compliance with the carbon monoxide emission limits; and,
 - the lack of sufficient justification for the Title V exemption for all area source facilities.

HOW TO COMMENT

- The EPA will accept comment on the proposal for 60 days after publication in the Federal Register. Comments, identified by Docket ID Number EPA-HQ-OAR-2008-0790, may be submitted by one of the following methods:
 - www.regulations.gov: follow the on-line instructions for submitting comments.
 - E-mail: Comments may be sent by electronic mail (e-mail) to a-and-r-Docket@epa.gov.
 - Fax: Fax your comments to: (202) 566-9744.
 - Mail: Send your comments to: Air and Radiation Docket and Information Center, Environmental Protection Agency, Mail Code: 2822T, 1200 Pennsylvania Ave., NW, Washington, DC 20460.
 - Hand Delivery or Courier: Deliver your comments to: EPA Docket Center, 1301 Constitution Ave., NW, Room 3334, Washington, DC 20004. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

FOR MORE INFORMATION

- To download this reconsideration notice from EPA's Web site, go to: <http://www.epa.gov/airquality/combustion/actions.html>.

- Today's action and other background information are also available either electronically at <http://www.regulations.gov>, EPA's electronic public docket and comment system, or in hardcopy at the EPA Docket Center's Public Reading Room.
 - The Public Reading Room is located at EPA Headquarters, room number 3334 in the EPA West Building, 1301 Constitution Avenue, NW, Washington, DC. Hours of operation are 8:30 a.m. to 4:30 p.m. eastern standard time, Monday through Friday, excluding Federal holidays.
 - Visitors are required to show photographic identification, pass through a metal detector and sign the EPA visitor log. All visitor materials will be processed through an X-ray machine as well. Visitors will be provided a badge that must be visible at all times.
 - Materials for this proposed action can be accessed using Docket ID No. EPA-HQ-OAR-2008-0790.
- For further information about the proposal, contact Mr. Jim Eddinger of EPA's Office of Air Quality Planning and Standards, Sector Policies and Programs Division, Energy Strategies Group at (919) 541-5426 or by e-mail at Eddinger.jim@epa.gov.