



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
**Washington, DC 20460**

OFFICE OF AIR AND RADIATION

**September 1, 2022**

Ms. Renee Collins  
Senior Environmental Director, Environmental Services  
Luminant  
6555 Sierra Drive  
Irving, Texas 75039

Re: Petition for a waiver of the 100-ton annual NO<sub>x</sub> limit for units CT1, CT2, CT3, and CT4 at the DeCordova power plant (Facility ID (ORISPL) 8063)

Dear Ms. Collins:

The United States Environmental Protection Agency (EPA) has reviewed the June 1, 2022 petition submitted under 40 CFR 75.66 by Luminant Generation Company LLC (Luminant) requesting a waiver of the 100-ton annual nitrogen oxides (NO<sub>x</sub>) limit as a qualifying condition for use of the low mass emissions (LME) methodology in § 75.19 for units CT1, CT2, CT3, and CT4 at the DeCordova power plant (DeCordova). EPA approves the petition, with conditions, as discussed below.

### **Background**

Luminant owns and operates DeCordova, which is located in Hood County, Texas. Units CT1 through CT4 are simple cycle combustion turbines combusting pipeline natural gas as the primary fuel and diesel oil as a secondary fuel. Each unit serves a separate electric generator with a capacity of 81 megawatts. According to Luminant, units CT1 through CT4 are subject to the Cross-State Air Pollution Rule (CSAPR) NO<sub>x</sub> Ozone Season Group 2 Trading Program. Luminant is therefore required to continuously monitor and report the units' NO<sub>x</sub> mass emissions and heat input in accordance with 40 CFR part 75.

Under § 75.74(a)(2), a unit that is not subject to the Acid Rain Program but that is subject to a state or federal annual NO<sub>x</sub> mass emissions reduction program adopting part 75 requirements must monitor and report NO<sub>x</sub> mass emissions on a year-round basis. Under § 75.74(b), a unit that is not subject to the Acid Rain Program or a state or federal annual NO<sub>x</sub> mass emissions reduction program but that is subject to a state or federal ozone-season NO<sub>x</sub> mass emissions reduction program adopting part 75 requirements must monitor and report NO<sub>x</sub> mass emissions only during the ozone season, but alternatively may elect to monitor and report NO<sub>x</sub> mass emissions on a year-round basis. From 2008 through late 2017, DeCordova units CT1 through CT4 were subject to requirements to report NO<sub>x</sub> mass emissions on a year-round basis under

first the Clean Air Interstate Rule (CAIR) NO<sub>x</sub> Annual Trading Program and then the CSAPR NO<sub>x</sub> Annual Trading Program. In late 2017, EPA removed Texas units from the CSAPR NO<sub>x</sub> Annual Trading Program, but the same Texas units remained subject to the CSAPR NO<sub>x</sub> Ozone Season Group 2 Trading Program. After 2017, DeCordova units CT1 through CT4 therefore have been required to monitor and report NO<sub>x</sub> emissions under part 75 only during the ozone season. However, Luminant has thus far elected to continue to report NO<sub>x</sub> mass emissions for the units under part 75 on a year-round basis.

To meet the part 75 monitoring requirements for units CT1 through CT4, Luminant has elected to use the low mass emissions (LME) methodology in § 75.19. Under § 75.19(a)(1)(i)(A)(2) and (a)(1)(i)(B), to remain qualified to use the LME methodology, a non-Acid Rain unit that reports NO<sub>x</sub> mass emissions on a year-round basis must annually demonstrate that its NO<sub>x</sub> mass emissions are less than 100 tons annually and no more than 50 tons during the ozone season. Under § 75.19(b)(2)(ii), exceeding either the annual NO<sub>x</sub> limit or the ozone-season NO<sub>x</sub> limit in a given year causes a unit to lose its LME status and requires that the unit implement another part 75 monitoring methodology by December 31<sup>st</sup> of the calendar year immediately following the year in which the NO<sub>x</sub> limit was exceeded. For a non-Acid Rain unit that reports NO<sub>x</sub> mass emissions on an ozone season-only basis, under § 75.19(a)(1)(i)(A)(3), (a)(1)(i)(B), and (b)(2)(ii), the same requirements apply with respect to the 50-ton ozone-season NO<sub>x</sub> limit, but there is no requirement to demonstrate compliance with an annual NO<sub>x</sub> limit.

Reported NO<sub>x</sub> mass emissions from units CT1 through CT4 were below both the 50-ton ozone-season limit and the 100-ton annual limit in each year from 2008 through 2020. In 2021, while all four units' reported NO<sub>x</sub> mass emissions during the ozone season again were below the 50-ton ozone-season limit, units CT1 and CT3 reported annual NO<sub>x</sub> mass emissions exceeding the 100-ton annual limit. Absent a waiver of the requirement to demonstrate that the units' reported annual NO<sub>x</sub> mass emissions during 2021 were less than 100 tons, units CT1 and CT3 would lose their qualification to use the LME methodology to monitor and report under part 75 on a year-round basis and Luminant would be required either to implement another part 75 monitoring methodology at these units by December 31, 2022 or else to discontinue part 75 monitoring and reporting outside the ozone season.

On June 1, 2022, Luminant submitted a petition requesting a waiver of the 100-ton annual NO<sub>x</sub> limit for DeCordova units CT1 through CT4. In the petition, Luminant offers two arguments in support of its request. First, Luminant suggests that the LME qualification requirement related to annual NO<sub>x</sub> emissions is not appropriate for units CT1 through CT4 because the units are not otherwise subject to a state or federal annual NO<sub>x</sub> trading program adopting part 75 monitoring and reporting requirements. Second, according to Luminant, units CT1 through CT4 are not required by any state or federal regulation to monitor and report NO<sub>x</sub> mass emissions in accordance with part 75 on a year-round basis rather than an ozone season-only basis, and Luminant's practice of reporting the units' NO<sub>x</sub> mass emissions on a year-round basis is voluntary.<sup>1</sup>

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<sup>1</sup> In a July 14, 2022 email, the Texas Commission on Environmental Quality (TCEQ) similarly stated that DeCordova units CT1 through CT4 are not subject to state or federal regulations requiring part 75 monitoring and reporting of the units' NO<sub>x</sub> mass emissions on a year-round basis.

## **EPA's Determination**

For the following reasons, EPA approves, with conditions, Luminant's petition to waive the 100-ton annual NO<sub>x</sub> limit under 40 CFR 75.19(a)(1)(i)(A)(2) and (a)(1)(i)(B) that DeCordova units CT1 through CT4 would otherwise have to meet each year to retain their qualification to use the LME methodology on a year-round basis. EPA agrees that subjecting units CT1 through CT4 to the 100-ton annual NO<sub>x</sub> limit in addition to the 50-ton ozone-season NO<sub>x</sub> limit is unnecessary for the following reasons:

1. Luminant has certified that the units are not subject to the Acid Rain Program, the CSAPR NO<sub>x</sub> Annual Trading Program (after 2017), or any other state or federal regulations that require part 75 monitoring and reporting of NO<sub>x</sub> mass emissions on a year-round basis; and
2. Allowing DeCordova units CT1 through CT4 to continue to use the LME methodology on a year-round basis through this waiver does not expand the universe of units eligible to use methods other than continuous emissions monitoring systems (CEMS) to meet part 75 requirements, because even without the waiver, the units could continue to use the LME methodology if Luminant elected to report the units' NO<sub>x</sub> mass emissions and heat input on an ozone season-only basis instead of a year-round basis.

EPA notes that this waiver of the 100-ton annual NO<sub>x</sub> limit under § 75.19(a)(1)(i)(A)(2) and (a)(1)(i)(B) for DeCordova units CT1 through CT4 begins with calendar year 2021. If any of the DeCordova units becomes subject to additional part 75 requirements with respect to annual NO<sub>x</sub> mass emissions in the future, the 100-ton annual NO<sub>x</sub> limit under § 75.19(a)(1)(i)(A)(2) and (a)(1)(i)(B) is not waived with respect to that unit in any year for which such additional part 75 requirements apply.

EPA's determination relies on the accuracy and completeness of Luminant's June 1, 2022, petition and is appealable under 40 CFR part 78. If you have any questions regarding this determination, please contact Charles Frushour, at (202) 343-9847 or by e-mail at [frushour.charles@epa.gov](mailto:frushour.charles@epa.gov). Thank you for your continued cooperation.

Sincerely,

Rona Birnbaum, Director  
Clean Air Markets Division

cc: Emad Shahin, EPA Region 6  
Carolyn Maus, Texas Commission on Environmental Quality  
Travis Johnson, EPA Clean Air Markets Division