

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY Washington, DC 20460

OFFICE OF AIR AND RADIATION

November 9, 2022

Mr. Mathew R. Ware Sr. Vice President, Operations (Energy), South Region Vicinity Energy 6 S. Frederick Street Baltimore, Maryland 21202

Re: Petition for waiver of the requirement to provide operating data to qualify as "gas-fired" for units CFB1 and CFB2 at the Morgantown Energy Facility (Facility ID (ORISPL) 10743)

Dear Mr. Ware:

The United States Environmental Protection Agency (EPA) has reviewed the May 3, 2022 petition and associated emails submitted by Vicinity Energy (Vicinity) on behalf of its subsidiary Morgantown Energy Associates (MEA) under 40 CFR 75.66. The petition requests a waiver for units CFB1 and CFB2 at the Morgantown Energy Facility (Morgantown) regarding the requirement to submit operating data to qualify as a "gas-fired" unit under 40 CFR 72.2. EPA approves the petition, with conditions, as discussed below.

Background

MEA owns and operates Morgantown in Morgantown, West Virginia. Morgantown units CFB1 and CFB2 have historically operated as coal-fired, circulating fluidized bed boilers with both units serving the same electricity generator with a nameplate capacity rating of 69 megawatts. Both units discharge into a common stack. According to Vicinity, both CFB1 and CFB2 are subject to the Cross-State Air Pollution Rule (CSAPR) trading programs for sulfur dioxide (SO₂) and annual and ozone season nitrogen oxides (NO_X). MEA is therefore required to continuously monitor and report SO₂ and NO_X mass emissions and heat input for units CFB1 and CFB2 in accordance with 40 CFR part 75. To meet these monitoring requirements, MEA has installed, operated, and maintained continuous emission monitoring systems (CEMS) that continuously monitor SO₂, NO_X, and CO₂ concentrations and stack gas flow rate in the common stack for units CFB1 and CFB2.

According to Vicinity, Morgantown units CFB1 and CFB2 have been converted to combust exclusively natural gas. On November 5, 2021, the West Virginia Department of Environmental Protection (WV DEP) modified Morgantown's Clean Air Act Title V operating permit to include

a federally enforceable condition that restricts Morgantown units CFB1 and CFB2 to combusting natural gas.¹

Under part 75, units that meet the definition of "gas-fired" units in § 72.2 have monitoring options that are not available to coal-fired units, including the option to quantify a unit's SO₂ mass emissions and heat input using the methodology in appendix D to part 75 that relies on measurements of the quantity and quality of fuel combusted as an alternative to using SO₂ concentration CEMS and stack gas flow rate monitor.

In the May 3, 2022 petition, Vicinity requests a waiver of an otherwise applicable condition for Morgantown units CFB1 and CFB2 to be considered gas-fired units for the purposes of part 75. The definition of "gas-fired" in § 72.2 includes provisions under which a unit that previously did not qualify as gas-fired can qualify as gas-fired based upon the submission of operating data for three calendar years or 720 operating hours, whichever is less, demonstrating that the unit has combusted natural gas for specified minimum percentages of its overall fuel usage and only fuel oil for its remaining fuel usage. Vicinity requests that Morgantown units CFB1 and CFB2 be considered gas-fired units for purposes of part 75 without the submission of such operating data.

EPA's Determination

Absent the waiver requested in Vicinity's petition, MEA would be required to submit three calendar years or 720 operating hours of operating data for Morgantown units CFB1 and CFB2 following the conversions to gas-fired operation to demonstrate that the units qualify as gas-fired under § 72.2. The purpose of this data submission requirement is to provide assurance that the conversions are permanent. As described above, Vicinity has provided information intended to demonstrate the permanence of the conversions. Specifically, the units are subject to a federally enforceable permit condition that prohibits the units from combusting fuels other than natural gas after November 5, 2021, and Vicinity has certified that the coal handling equipment has been disabled. EPA views these factors as providing sufficient assurance that the units' conversions from coal to natural gas combustion are permanent, fulfilling the purpose of the operating data submission requirement and making that requirement unnecessary in this instance.

In view of these considerations, EPA approves Vicinity's petition for a waiver of the requirement to submit three calendar years or 720 hours of unit operating data to demonstrate that Morgantown units CFB1 and CFB2 meet the definition of "gas-fired" under § 72.2. Units CFB1 and CFB2 are considered gas-fired for purposes of 40 CFR part 75 and CSAPR as of the first hour of operation on or after November 5, 2021. EPA notes that this approval by itself does not alter any requirement to continue to use a CEMS that may arise under legal authority other than 40 CFR part 75, such as the facility's Title V operating permit, a state regulation, or a consent decree.

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¹ Morgantown Energy Facility Title V Operating Permit, R14-0007H (WV DEP, issued November 5, 2021), p. 14, section 4.1.6.

Conditions of Approval

As conditions of this approval for Morgantown units CFB1 and CFB2 to be considered gas-fired units for purposes of 40 CFR part 75 and CSAPR without the submission of operating data that would otherwise be required, MEA shall:

- 1. Make all necessary revisions to the electronic monitoring plan for Morgantown units CFB1 and CFB2 to represent the change from coal-fired to natural gas-fired. The monitoring plan revisions may include, but are not limited to, assigning appropriate closeout dates, activation dates, and codes for monitoring systems, monitoring methodologies, emissions and heat input formulas, and monitoring system span and range values;
- 2. If MEA elects to use the monitoring methodology under appendix D to part 75, ensure that the natural gas fuel flowmeters are certified according to section 2.1.5 of appendix D to part 75; and
- 3. If MEA elects to use the monitoring methodology under appendix D to part 75, ensure that the data acquisition and handling systems are properly programmed to use the appendix D methodology for quantifying SO₂ mass emissions and heat input.

EPA's determination relies on the accuracy and completeness of the information provided by Vicinity in the May 3, 2022 petition and is appealable under 40 CFR part 78. If you have any questions regarding this determination, please contact Ron Sobocinski at (202) 343-9722 or by email at sobocinski.ron@epa.gov. Thank you for your continued cooperation.

Sincerely,

Rona Birnbaum, Director Clean Air Markets Division

cc: Paul Arnold, EPA Region 3
Ed Andrews, West Virginia DEP
Michael T. Rowe, P.E.; West Virginia DEP
Ryan Hill, EHS & Green Solutions Manager; Vicinity Energy
Ron Sobocinski, EPA CAMD
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