

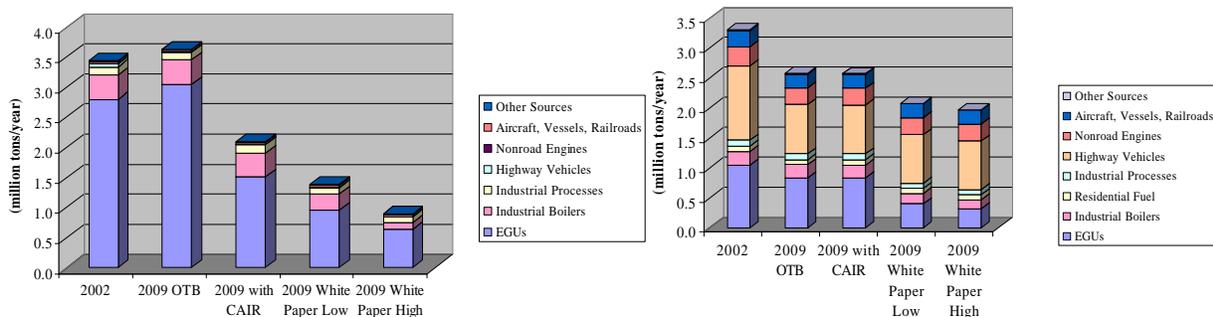
Summary: Regional Air Quality Workshop

On June 28-29, 2005, the Lake Michigan Air Directors Consortium (LADCO) hosted a 2-day workshop in Rosemont, IL. The purpose of the workshop was to review the initial set of candidate control measures for ozone, fine particles (PM_{2.5}), and regional haze. It should be noted that: (1) this is not a final or complete set of candidate control measures, and (2) the initial set of control measures focuses on stationary sources and that work is underway to address control measures for mobile sources. White Papers on these candidate control measures are available on the LADCO web site (http://www.ladco.org/Regional_Air_Quality.html). A summary of the workshop is provided below.

June 28

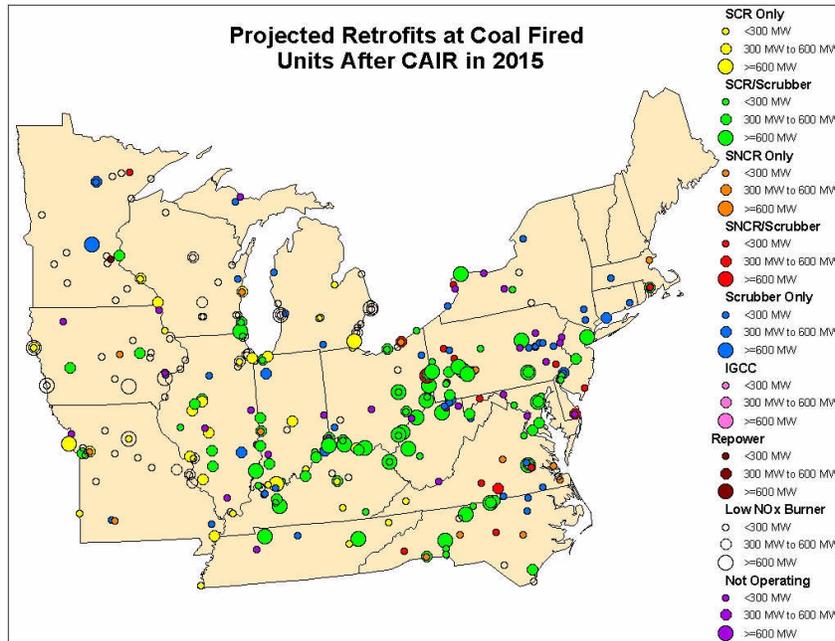
The first day was devoted to SO₂ and NO_x control measures. Mike Koerber (LADCO) reviewed the status of the regional planning activities. He noted that a series of meetings with State Air Directors and Environmental Commissioners over the next 6-9 months to make decisions about the regional attainment strategy. The latest air quality modeling shows that the existing (“on the books”) controls plus the Clean Air Interstate Rule (CAIR) are expected to improve ozone and PM_{2.5} air quality across the region, but will not be enough to provide for attainment everywhere. Modeling of the initial set of candidate control measures are also not enough to provide for attainment. Work is on-going to define the emission reduction targets and control options for the more severe residual nonattainment problems.

Ed Sabo (MACTEC), who was the lead on the control measure work, provided an overview of the point source SO₂ and NO_x controls, and the preliminary best available retrofit technology (BART) analyses. The source categories covered by these candidate control measures include electric generating units (EGUs), industrial/commercial/institutional (ICI) boilers, and cement kilns. The BART analyses focused on fossil-fuel fired boilers, cement kilns, petroleum refineries, iron and steel mills, and chemical plants. The figures below show the base year (2002), and future year (2009) emissions of SO₂ (left) and NO_x (right). The future year emissions are shown for the “on the books” controls, CAIR, and the White Paper controls (both and high and low control options).



Over the next few months, the White Papers will be updated based on feedback provided at the Workshop and any written comments. (Mike Koerber requested that written comments be provided by August 1, 2005.) As noted above, additional White Papers will be prepared for other candidate control measures (e.g., mobile source controls).

Sam Napolitano (EPA, Clean Air Markets Division) began the session on EGU controls with a review of CAIR. He talked about the emission reductions and associated air quality benefits. The figure below shows EPA’s expected pollution controls by the year 2015 with CAIR.



Laurel Kroack (IEPA) talked about a regional emission reduction initiative being considered through the Midwest Governors Association. This initiative was announced by Governor Blagojevich of Illinois earlier this year. Henry Henderson (Policy Solutions Ltd.) was recently hired to do a scoping study over the next couple of months on power plant controls. Given the challenge posed by the current air quality standards (and the possibility of a tighter PM2.5 standard), a wide range of candidate controls, including power plant controls, are under consideration.

Jim Marchetti, representing the Midwest Ozone Group and EPRI, presented an assessment of the Consent Decrees and BACT determinations that were the basis for the EGU White Paper controls. He noted that EGU1 and EGU2 were at the low end of the range of controls in those references. Mr. Marchetti also presented an economic analysis of EGU1 and EGU2, and the associated interim control levels, which suggested possible reliability and cost implications.

David Harrison, representing the Midwest Ozone Group and the American Forest and Paper Association, discussed emissions trading. He talked about the benefits of trading and his experience in designing emissions trading programs.

Joseph Paisie (EPA, OAQPS) provided an overview of EPA's recent final BART rule. He talked about the BART process, presumptive emission limitations for units > 200MW at plants > 750 MW, EPA's determination that CAIR met the BART requirement for EGUs (in the CAIR region), and further BART rulemaking (i.e., reproposal of BART alternatives later this year). Ed Sabo then summarized the preliminary BART analyses conducted by MACTEC for the LADCO States. He noted that work was underway to update these analyses based on the final BART rule.

Larry Bruss (WDNR) and Rob Kaleel (IEPA) made presentations on the White Papers for ICI boilers and cement kilns, respectively. The presentations reviewed the regulatory history for these source categories, the candidate control measures in the White Papers, cost effectiveness of these candidate controls, and other issues.

Mike Koerber mentioned again that work is underway to address control measures for mobile sources and encouraged suggestions for particular measures which should be evaluated. Gene Trisko proposed two possible candidate mobile source measures: (1) hybrid, low-emitting taxi cabs, and (2) hybrid, low-emitting rental cars at urban airports in the region.

Several state/tribal representatives made presentations on the White Papers for the area source control measures. The presentations reviewed the regulatory history for these source categories, the candidate control measures in the White Papers, cost effectiveness of these candidate controls, and other issues. During these presentations several concerns were raised, including the accuracy of the emission estimates (the emissions will be reviewed and corrected, as necessary), out-of-date references in some White Papers (these will be updated), and the need for a comparison table of the VOC control measures.

In closing, Mike Koerber thanked the presenters and said that the presentations will be posted on the LADCO web site shortly. He encouraged written comments on the existing White Papers and asked for suggestions on other control measures.