Potential Amendments to District Rule 4352 (Solid Fuel Fired Boilers, Steam Generators, and Process Heaters)

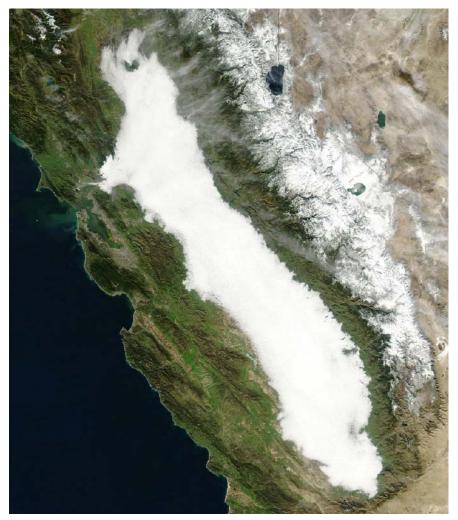
November 4, 2021 San Joaquin Valley Air Pollution Control District

webcast@valleyair.org



Valley's Air Quality Challenges

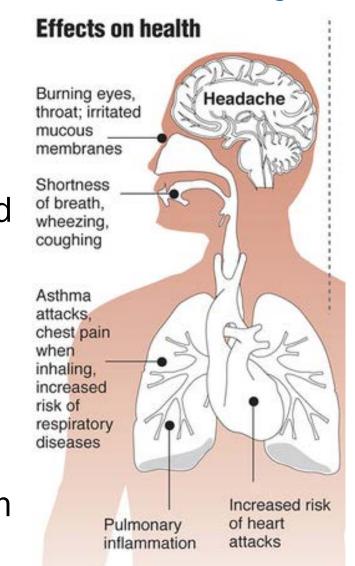
- Valley's challenges in meeting federal air quality standards unmatched due to unique geography, meteorology, and topography
- Valley designated as "Extreme" non-attainment of the 8-hour Ozone NAAQS; "Serious" non-attainment of federal standards for fine particulate matter (PM2.5)
 - Substantial emission reductions needed to achieve federal standards – need to go beyond already strict control limits
- Combustion is a significant source of NOx emissions, primary precursor to ozone and PM2.5 formation
 - Comprehensive strategy in 2018 PM2.5 Plan includes commitment to reduce emissions from mobile sources and a number of stationary source categories, including solid fuel fired boilers, steam generators, & process heaters





Health Benefits of Reducing Emissions in the Valley

- Exposure to PM2.5 and Ozone linked to a variety of health issues, including (but not limited to):
 - Asthma, chronic bronchitis, irregular heartbeat, and respiratory/cardiovascular hospitalizations
- District implements control measures to lower direct and precursor emissions throughout the Valley
 - NOx emissions are key precursor to formation of ammonium nitrate, which is large portion of total PM2.5 during winter
 - NOx is also chemical precursor to formation of Ozone
- Proposed rule amendment will support goal of attaining health-based federal ambient air quality standards for both PM2.5 and Ozone, and help to protect public health





Rule 4352 Overview

- Rule 4352 applies to any boiler, steam generator, or process heater fired on solid fuel
 - <u>Boilers</u> are external combustion equipment used to produce hot water or steam
 - <u>Process heaters</u> are combustion equipment that transfer heat from combustion gases to liquid or gas process streams
 - <u>Steam generators</u> are external combustion equipment that convert water to steam





Where do Solid Fuel Fired Boilers, Steam Generators, and Process Heaters Operate?

- Solid fuel fired boilers, steam generators, and process heaters are primarily used for power generation
- Units subject to Rule 4352 may be fired on a variety of solid fuels:
 - Municipal solid waste
 - Biomass
 - Coal
 - Petroleum coke
- Units currently operating in the Valley are fired on municipal solid waste or biomass



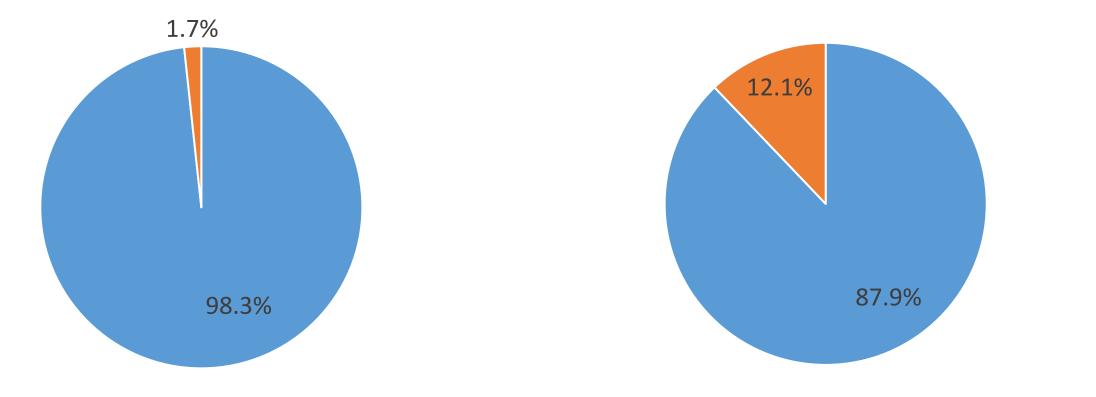
Image credit: Covanta Holding Corporation



NOx from Solid Fuel Fired Boilers, Process Heaters and Steam Generators in the Valley

All NOx Sources in the Valley (Mobile, Stationary, & Area Sources)

NOx Emissions from Stationary Sources



Other NOx Sources
Solid Fuel Fired Boilers

Other Stationary Sources Solid Fuel Fired Boilers



Current Rule 4352 Requirements

- District Rule 4352 adopted September 14, 1994, and amended in 1996, 2006, and 2011
- Rule requirements approved as meeting Most Stringent Measures (MSM) by U.S. EPA in July, 2020
- Rule 4352 establishes specific NOx and CO limits for categories of solid fuel fired boiler/steam generator/process heater units
 - Municipal Solid Waste (165 ppmv NOx at 12% CO_2 , 400 ppmv CO at 3% O_2)
 - Biomass (90 ppmv NOx at 3% O_2 , 400 ppmv CO at 3% O_2)
 - NOx and CO emission limits are based on a block 24-hour average
 - Monitoring and recordkeeping requirements
- NOx from solid fuel fired boilers controlled by up to ~75% through current rule requirements



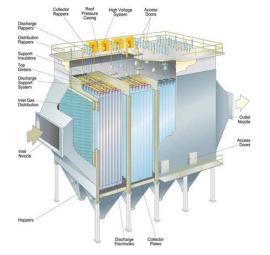
Current Controls In Use on Valley Solid Fuel Fired Boilers

Particulate Matter Control Technologies

- Electrostatic Precipitators (ESP)
 - Removes particulates from a gas stream by using electrical energy to charge particles either positively or negatively and attracted to collector plates

Baghouses

 Removes particulates from a gas stream by using fabric filters to collect and separate particles from industrial exhaust streams



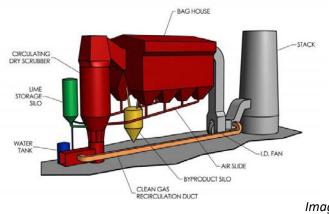


Image credit: Babcock & Wilcox, 2016



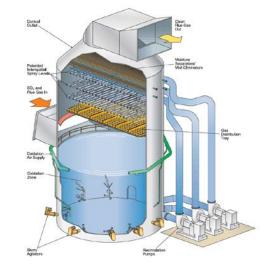
Current Controls In Use on Valley Solid Fuel Fired Boilers (cont'd)

NOx Control Technologies

- Selective Non-Catalytic Reduction (SNCR) Systems
 - Reduces NOx emissions through injection of ammonia type reagent into furnace/exhaust stream
- Selective Catalytic Reduction (SCR) Systems
 - Targeted to reduce NOx emissions through injection of ammonia type reagent into furnace in the presence of a catalyst

SOx Control Technologies

- Dry Sorbent Injection Systems
 - Powdered alkaline sorbent, such as hydrated lime, is injected into exhaust duct and reacts with acid gases to reduce SOx
- Wet Scrubber Systems
 - Wet solution containing a reagent, chemical reactions reduce emissions of SOx



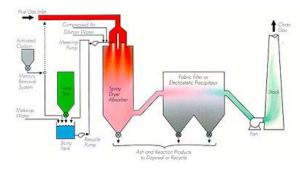


Image credit: Babcock & Wilcox, 2016



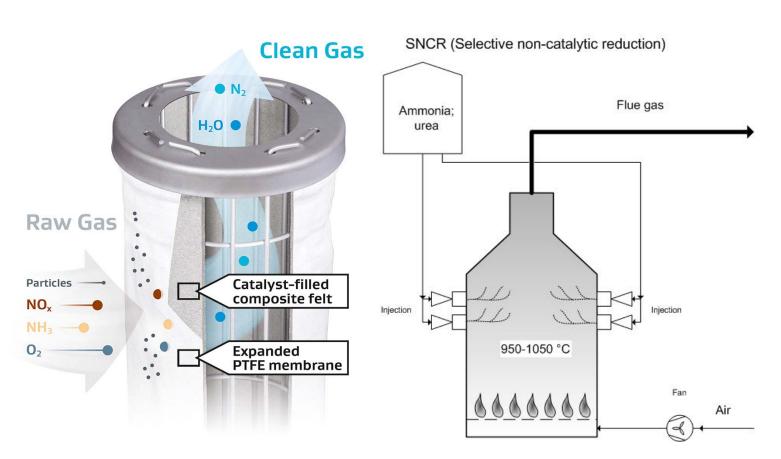
Evaluation of Additional Emission Reduction Opportunities

- Per 2018 PM2.5 Plan, District pursuing the following potential opportunities to reduce NOx emissions for municipal waste-fired units to the extent that additional NOx controls are technologically and economically feasible:
 - Lowering NOx limit for units fired on Municipal Solid Waste from 165 ppmv @ 12% CO_2 to 110 ppmv @ 12% CO_2 over 24-hr period and 90 ppmv @ 12% CO_2 over annual period
 - Evaluating feasibility of even lower NOx limits
- District also evaluating feasibility of lower NOx emission limits for other solid fuel fired units and establishing PM10 and SOx limits



Control Technologies Under Evaluation

- Selective Non-Catalytic Reduction
- Selective Catalytic Reduction
- Gore De-NOx Filter Bags
- Covanta LNTM
- Combination of controls





Cost Assessment of Further Control Technology

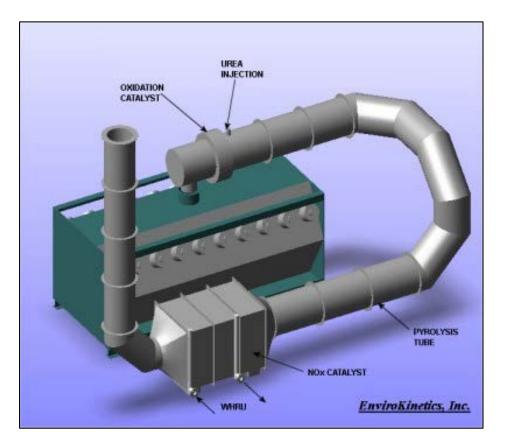
Sources for cost

- Actual costs provided by facilities, engineering estimates, and control technology vendors & manufacturers
- -Various sources for the cost of electricity, fuel, and replacement parts
- Cost factors from EPA's Office of Air Quality Planning and Standards
- Staff held virtual meetings with facilities, vendors, manufacturers, and other stakeholders to gather cost figures



Selective Catalytic Reduction

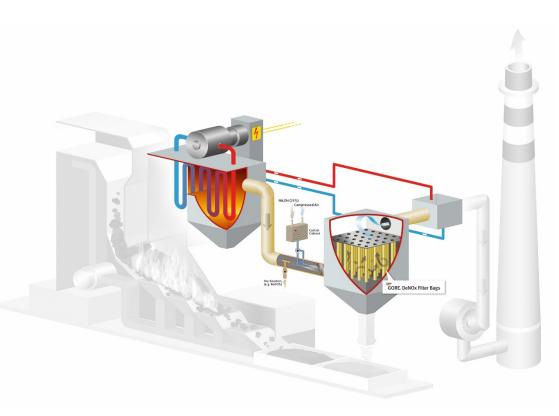
- Selective Catalytic Reduction (SCR)
 - Reduces NOx emissions through injection of ammonia type reagent
 - -Total Capital Cost: \$10M \$34M -Operation & Maintenance Cost:
 - \$1.7M \$2M annually





Gore De-NOx Filtration System

- Gore De-NOx Filtration System
 - Reduces NOx emissions through use of filter bags with ammonia catalyst
 - -Total Capital Cost: \$5.5M \$7.8M
 - -Operation & Maintenance Cost: \$900K - \$6.6M annually





Covanta LNTM

• Covanta LNTM

- Proprietary staged combustion air system for municipal waste combustors
- -Achieves further NOx control
- -Total Capital Cost: ~\$12M
- Operation & Maintenance Cost: ~\$840K

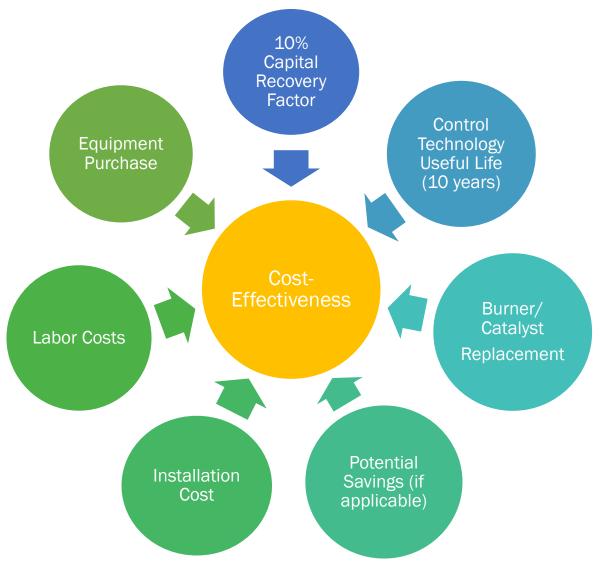






Cost-Effectiveness (CE) Analysis

- Cost-Effectiveness is cost (capital and annual) over emission reductions for the life of the equipment (\$/ton)
- Two major cost elements
 - Capital Costs (Equipment, Infrastructure, Engineering, Installation, Tax, Freight)
 - Annual Costs (Operation & Maintenance)
- Emission reductions based on current emission levels (baseline) to proposed emission limit





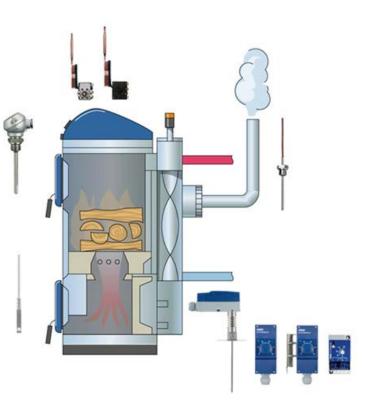
Proposed Amendments to Rule 4352: Requirements for Municipal Solid Waste Facilities

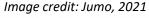
- Proposing to lower existing NOx limits
 - Current NOx limit 165 ppm with SNCR as current control technology
 - Proposed lower NOx limit: 90 ppmv @ 12% CO₂ on a 12-month rolling average and 110 ppmv @ 12% CO₂ on a block 24-hour average
- Proposing to establish PM10 emission limits
 - Permit limits at 0.053 lbs/MMBtu
 - Proposed limit of 0.04 lbs/MMBtu or 0.02 gr/dscf @ 12% CO_2
- Proposing to establish SOx emission limits
 - Permit limits at 0.09 lbs/MMBtu
 - Proposed limit of 0.03 lbs/MMBtu or 12 ppmv @ 12% CO₂ on a 12-month rolling average and 0.064 lbs/MMBtu or 25 ppmv @ 12% CO₂ on a block 24-hour avg
- Full compliance to be required by January 1, 2024



Proposed Amendments to Rule 4352: Further Requirements for Biomass Facilities

- Proposing to lower existing NOx limits
 - Current NOx rule limits for Biomass: 90 ppmv NOx
 - Proposed lower NOx limit: 65 ppmv @ 3% O₂ on a block
 24-hour average
- Proposing to establish PM10 limits – Proposed PM10 limit: 0.03 lbs/MMBtu
- Proposing to establish SOx limits
 - Proposed SOx limit: 0.02 lbs/MMBtu on a rolling 30-day average, and 0.035 lbs/MMBtu on a block 24-hour average
- Full compliance to be required by January 1, 2024







Proposed Amendments to Rule 4352: Exemptions

- Currently facilities with potential to emit less than 10 tons of NOx or VOC are exempt from Rule 4352 requirements
- District is evaluating potential changes to current exemption provisions





Estimated Emission Reductions

Fuel Type	NOx Emission Reductions (tons/day)
Municipal Solid Waste	0.395
Biomass	0.316
TOTAL	0.711
Fuel Type	PM10 Emission Reductions (tons/day)
Municipal Solid Waste	0.018
Biomass	0.262
TOTAL	0.280
Fuel Type	SOx Emission Reductions (tons/day)
Municipal Solid Waste	0.057
Biomass	0.213
TOTAL	0.270

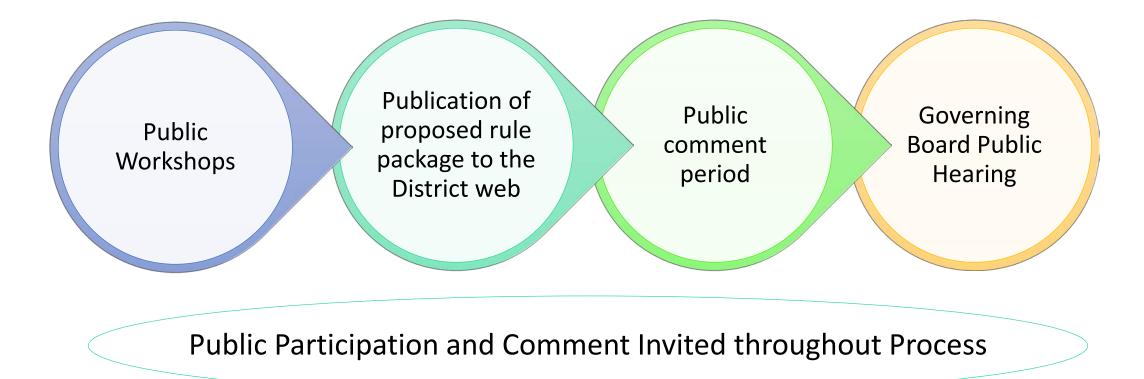


Next Steps

- Requesting comments on rule concepts by November 11, 2021 for incorporation into final draft rule
 - Comments welcomed through public hearing date
 - Governing Board Meeting anticipated December 16, 2021
- Continued analysis of costs, cost-effectiveness of various controls, and feasibility of control requirements
- Socioeconomic Impact Analysis being finalized by third-party consultant to evaluate the regional economic impacts of proposed amendments
- Ongoing public engagement process



Next Steps: Public Engagement Process for Rule 4352 Amendment





Contact

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Comments/Questions

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