

J. How Did We Select the Notification, Recordkeeping and Reporting Requirements?

The proposed notification, recordkeeping, and reporting requirements are based on the NESHAP General Provisions of 40 CFR part 63.

IV. Summary of Environmental, Energy and Economic Impacts

We estimate that 20 percent of the stationary combustion turbines affected by the proposed rule will be located at major sources. As a result, the environmental, energy, and economic impacts presented in this preamble reflect these estimates.

A. What Are the Air Quality Impacts?

The proposed rule will reduce total national HAP emissions by an estimated 81 tons/year in the 5th year after the standards are promulgated. The emissions reductions achieved by the proposed rule would be due to the sources that install an oxidation catalyst control system. We estimate that about 10 existing lean premix combustion turbines will install oxidation catalyst control to comply with the standard. In addition, we estimate that about 5 percent of new stationary combustion turbines will install oxidation catalyst control to comply with the standards. The other 95 percent of new stationary combustion turbines will be lean premix, a pollution prevention technology which in most cases does not require the use of oxidation catalyst control. The lean premix turbines are currently being installed to meet NO_x emission standards. The reduction of HAP emissions for these stationary combustion turbines is difficult to assess because it is a pollution prevention technology and is being installed to meet NO_x limits, not as a result of MACT for stationary combustion turbines. Therefore, as stated previously, the HAP emissions reductions obtained by the proposed rule result only from the sources that install an oxidation catalyst control system.

To estimate air impacts, national HAP emissions in the absence of the proposed rule (*i.e.*, HAP emission baseline) were calculated using an emission factor from the emissions database. We assumed new stationary combustion turbines are operated 8,760 hours annually. We then assumed a HAP reduction of 95 percent, achieved by using oxidation catalyst emission control devices to comply with the emission limitation to reduce CO emissions, and applied this reduction to the baseline HAP emissions to estimate

total national HAP emission reduction. The total national HAP emission reduction is the sum of formaldehyde, acetaldehyde, benzene, and toluene emission reductions. In addition to HAP emission reductions, the proposed rule will reduce criteria air pollutant emissions, primarily CO emissions.

B. What Are the Cost Impacts?

The national total annualized cost of the proposed rule in the 5th year following promulgation is estimated to be about \$21.5 million. Approximately \$267,500 of that amount is the estimated annualized cost for monitoring, recordkeeping, and reporting. To calculate the annualized control costs, we obtained estimates of the capital costs of oxidation catalyst emission control devices from vendors. We then calculated the national total annualized costs of control for the new stationary combustion turbines installing oxidation catalyst emission control in the next 5 years. Our projection of new stationary combustion turbine capacity that will come online over the next 5 years is based on review of permit data gathered by EPA from 1998 to the present time, confidential projection data from turbine manufacturers, and published sales data. We believe this projection is a reasonable estimate based on the available information.

C. What Are the Economic Impacts?

The EPA prepared an economic impact analysis to evaluate the impacts the proposed rule would have on the combustion turbines producers, consumers of goods and services produced by combustion turbines, and society. The analysis shows minimal changes in prices and output for products made by the 24 industries affected by the proposed rule. The price increase for affected output is less than 0.01 percent and the reduction in output is less than 0.01 percent for each affected industry. Estimates of impacts on fuel markets show price increases of less than 0.012 percent for petroleum products and natural gas, and price increases of 0.13 and 0.17 percent for base-load and peak-load electricity, respectively. The price of coal is expected to decline by about 0.06 percent, and this is due to a small reduction in demand for this fuel type. Reductions in output are expected to be less than 0.16 percent for each energy type, including base-load and peak-load electricity. The social costs of the proposed rule are estimated at \$13.3 million (1998 dollars). Social costs include the compliance costs, but also include those costs that reflect changes in the national economy due to changes

in consumer and producer behavior resulting from the compliance costs associated with a regulation. In this case, changes in energy use among both consumers and producers to reduce the impact of the regulatory requirements of the proposed rule on them lead to the estimated social costs being somewhat less than the total annualized compliance cost estimate of \$21.5 million (1998\$). The primary reason for the much lower social cost estimate is the increase in electricity supply generated by existing unaffected sources, which mostly offsets the impact of increased electricity prices to consumers.

For more information on these impacts, please refer to the economic impact analysis in the public docket.

D. What Are the Nonair Health, Environmental and Energy Impacts?

The only energy requirement is a small increase in fuel consumption resulting from back pressure caused by operating an oxidation catalyst emission control device. This energy impact is small in comparison to the costs of other impacts. There are no known nonair environmental or health impacts as a result of the implementation of the rule as proposed.

V. Solicitation of Comments and Public Participation

A. General

We are requesting comments on the proposed rule. We request comments on all aspects of the proposed rule, such as the proposed emission limitations and operating limitations, recordkeeping and monitoring requirements, as well as aspects you may feel have not been addressed.

Specifically, we request comments on the performance capabilities of state-of-the-art CO CEMS and their ability to measure the low concentrations of CO in the exhaust of a stationary combustion turbine following an oxidation catalyst emission control device. We also request comments with recommendations on changes commenters believe we should make to our performance specifications for CO CEMS (PS4 and PS4A) of 40 CFR part 60, appendix B, and to Method 10 of 40 CFR part 60, appendix A, and the performance criteria in addenda A to Method 10. In addition, we request comments from these commenters on the availability of instruments capable of meeting the changes they recommend to our performance specifications for CO CEMS (PS4 and PS4A) of 40 CFR part 60, Method 10 of 40 CFR part 60,