

EPA's Power Sector Modeling Platform 2023 using IPM Documentation Supplement Supporting RIA Analysis of Final MATS RTR

1. Overview

This supplement includes details on the modeling assumptions applied in EPA's analysis of the MATS RTR. The baseline for this analysis is EPA's Power Sector Modeling Platform 2023 using IPM.¹ In addition to the baseline, EPA analyzed the final rule scenario. This scenario reflects mercury and filterable PM emissions limits that are lower than the allowable limits in the baseline. The sections below describe the modeling approach utilized to reflect the mercury and filterable PM limits in the final rule scenario.

2. Mercury Standard

For the final rule, EPA modeled a mercury limit of 1.2 lbs/TBtu for all lignite-fired EGUs. This limit is modeled endogenously and reflects the assumption that each of the lignite-fired EGUs replace standard powdered activated carbon (PAC) sorbent with halogenated premium PAC sorbent. The incremental variable cost of each applicable EGU is estimated based on information supplied by Sargent & Lundy,² and the modeled emissions are reduced to reflect compliance with an emissions rate of 1.2 lbs/TBtu.

3. Filterable PM Standards (Surrogate Standard for Non-Hg HAP metals)

For the filterable PM standard, PM emissions controls and associated costs are modeled based on information available in the memorandum titled: "2024 Update to the 2023 Proposed Technology Review for the Coal- and Oil-Fired EGU Source Category (2024 Technical Memo)" which is available in the docket. This memorandum summarizes the current filterable PM emissions rate for each existing EGU. For the final rule, the EPA analyzed a filterable PM emission standard for existing coal-fired EGUs of 0.010 lb/MMBtu. Based on the difference between the emissions rates detailed in the 2024 Technical Memo and the fPM emission standard of 0.010 lb/MMBtu, the EPA assumed various levels of ESP upgrades, upgrades to existing fabric filters, or new fabric filter installations in the modeling. These assumptions are implemented in the model through the assignment of endogenous retrofit options.

Table 1 summarizes the cost and filterable PM emissions reduction associated with each control in the modeling. Table 2 presents the PM control improvements assumed for each unit in the modeling of the final rule.

¹ Detailed information and documentation of EPA's Baseline run using EPA's Power Sector Modeling Platform 2023 using IPM, including all the underlying assumptions, data sources, and architecture parameters can be found on EPA's website at: <https://www.epa.gov/power-sector-modeling>

² Mercury Control Incremental Operating Cost Methodology, Sargent & Lundy (2023)

Table 1. Cost and Performance Assumptions for Filterable PM Control Improvements

| PM Control Strategy | Capital Cost | Filterable PM ₁₀ Reduction | Filterable PM _{2.5} Reduction |
|-----------------------------------|--|---------------------------------------|--|
| Operation & Maintenance (O&M) | \$100,000/yr | Unit-specific | Unit-specific |
| Minor ESP Upgrades | \$20/kW | 20% | 13.3% |
| Typical ESP Upgrades | \$40/kW | 40% | 26.7% |
| ESP Rebuild | \$80/kW | 55% (0.005lb/MMBtu floor) | 36.7% (0.005lb/MMBtu floor) |
| Upgrade Existing FF Bags | Unit-specific, approximately \$15K - \$500K annual O&M | 50% (0.002 lb/MMBtu floor) | 33.3% (0.002 lb/MMBtu floor) |
| New Fabric Filter (6.0 A/C Ratio) | Unit-specific, \$150-360/kW | 90% (0.002 lb/MMBtu floor) | 60% (0.002 lb/MMBtu floor) |

Sources: PM Incremental Improvement Memo, Sargent & Lundy (2023); Analysis of PM emission control costs and capabilities, Staudt (2023); EPA Memo “2023 Technology Review for the Coal- and Oil-Fired EGU Source Category” (Docket ID. No: EPA-HQ-OAR-2018-0794); Particulate Control Cost Development Methodology, Sargent & Lundy (2017); 2024 Update to the 2023 Proposed Technology Review for the Coal- and Oil-Fired EGU Source Category

Table 2. Unit-Level Control Assumptions for the Final Rule

| NEEDS ID | PLANT NAME | UNIT ID | STATE | CONTROL ASSUMPTION |
|----------------|------------------------------------|---------|----------------|---------------------|
| 6076_B_3 | Colstrip | 3 | Montana | New FF |
| 6076_B_4 | Colstrip | 4 | Montana | New FF |
| 10143_B_ABB01 | Colver Green Energy | ABB01 | Pennsylvania | Bag Upgrade |
| 6823_B_W1 | D B Wilson | W1 | Kentucky | O&M |
| 3944_B_1 | FirstEnergy Harrison Power Station | 1 | West Virginia | Typical ESP Upgrade |
| 3944_B_2 | FirstEnergy Harrison Power Station | 2 | West Virginia | Typical ESP Upgrade |
| 3944_B_3 | FirstEnergy Harrison Power Station | 3 | West Virginia | Typical ESP Upgrade |
| 10343_B_SG-101 | Foster Wheeler Mt Carmel Cogen | SG-101 | Pennsylvania | Bag Upgrade |
| 8066_B_BW73 | Jim Bridger | BW73 | Wyoming | O&M |
| 10113_B_CFB1 | John B Rich Memorial Power Station | CFB1 | Pennsylvania | Bag Upgrade |
| 10113_B_CFB2 | John B Rich Memorial Power Station | CFB2 | Pennsylvania | Bag Upgrade |
| 2103_B_1 | Labadie | 1 | Missouri | ESP Rebuild |
| 2103_B_2 | Labadie | 2 | Missouri | ESP Rebuild |
| 2103_B_3 | Labadie | 3 | Missouri | ESP Rebuild |
| 2103_B_4 | Labadie | 4 | Missouri | ESP Rebuild |
| 6204_B_3 | Laramie River Station | 3 | Wyoming | O&M |
| 976_B_123 | Marion | 123 | Illinois | Bag Upgrade |
| 6146_B_1 | Martin Lake | 1 | Texas | O&M |
| 6250_B_1A | Mayo | 1A | North Carolina | Typical ESP Upgrade |
| 6250_B_1B | Mayo | 1B | North Carolina | Typical ESP Upgrade |
| 1364_B_4 | Mill Creek (KY) | 4 | Kentucky | Bag Upgrade |
| 2823_B_B2 | Milton R Young | B2 | North Dakota | O&M |
| 3954_B_1 | Mt Storm | 1 | West Virginia | O&M |
| 3954_B_2 | Mt Storm | 2 | West Virginia | O&M |
| 3954_B_3 | Mt Storm | 3 | West Virginia | O&M |
| 55076_B_AA001 | Red Hills Generating Facility | AA001 | Mississippi | Bag Upgrade |
| 55076_B_AA002 | Red Hills Generating Facility | AA002 | Mississippi | Bag Upgrade |
| 2712_B_4A | Roxboro | 4A | North Carolina | Minor ESP Upgrade |
| 2712_B_4B | Roxboro | 4B | North Carolina | Minor ESP Upgrade |
| 6183_B_SM-1 | San Miguel | SM-1 | Texas | O&M |
| 136_B_2 | Seminole (FL) | 2 | Florida | O&M |
| 54634_B_1 | St Nicholas Cogen Project | 1 | Pennsylvania | Bag Upgrade |
| 50611_B_031 | Westwood Generation LLC | 031 | Pennsylvania | Bag Upgrade |