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U. S. EPA Docket Center (EPA/DC) U.S. Environmental Protection Agency Mail Code: 28221T 1200 Pennsylvania Avenue, NW Washington, DC 20460

Attn: DOCKET ID No. EPA-R05-OAR-2018-0369

Re: **Proposed Rule**

Air Plan Approval, Ohio: Ohio Less Than 10 TPY BAT Exemption, 83 Fed. Reg.

56775 (November 14, 2018)

Dear Ms. Damico and Staff:

In response to the above-referenced docket, American Municipal Power, Inc. (AMP) and the Ohio Municipal Electric Association (OMEA) hereby provide the following comments for the record. We are supportive of the promulgation of this rule and Ohio EPA's effort to improve the approach to regulating small emission sources in the state. The proposed BAT exemption will result in a more streamlined permitting process for small emissions sources, while maintaining protection of human health and the environment.

Background on AMP/OMEA

AMP is a non-profit wholesale power supplier and service provider for 135 members, including 134-member municipal electric systems in the states of Ohio, Pennsylvania, Michigan, Virginia, Kentucky, West Virginia, Indiana, and Maryland and the Delaware Municipal Electric Corporation, a joint action agency with nine members headquartered in Smyrna, Delaware. AMP's members collectively serve more than 650,000 residential, commercial, and industrial customers and have a system peak of more than 3,400 megawatts (MW). AMP's core mission is to be public power's leader in wholesale energy supply and value-added member services.

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AMP offers its members the benefits of scale and expertise in providing and managing energy services.

AMP's diverse energy portfolio makes the organization a progressive leader in the deployment and procurement of renewable and advanced power assets that includes a variety of base load, intermediate and distributed peaking generation. AMP and its members own or have long term contracts for approximately 1,900 megawatts (MW) of generation and AMP members have diverse resource portfolios that include coal, natural gas, hydro, solar, wind, landfill gas, diesel and wholesale market purchases. AMP's renewable resources made up approximately 21 percent of its members' energy needs in 2017. In Ohio, AMP owns or operates on behalf of members, the 707 MW (fired) natural gas combined cycle AMP Fremont Energy Center in Fremont, along with diesel-fired generators and single cycle natural gas-fired turbines used for peak shaving at multiple sites. This rule has a direct impact on AMP and AMP member generating assets and we appreciate the opportunity to provide comments on this proposed action.

The OMEA represents the Ohio and federal legislative interests of AMP and member Ohio municipal electric systems. Subsequent "AMP" references herein also represent the interests and comments of OMEA.

AMP/OMEA Comments

EPA's consideration of federal approval of Ohio's proposed Best Available Technology (BAT) exemption for sources that emit less than 10 tons per year (TPY) of a regulated pollutant is justified. This rule, once finalized, will not only provide a more streamlined, predictable permitting process for small sources, but will also lower costs and regulatory burdens for many of our sites. Presumably, this rule will allow Ohio EPA to focus limited resources on permit actions with a greater impact on the environment of Ohio.

Because of AMP's/OMEA's Ohio membership and power supply portfolio, promulgation of this rule will have a direct impact on 16 AMP owned or operated facilities along with a number of member owned facilities by providing regulatory clarity.

The approval of Ohio's less than 10 TPY BAT exemption will not impact public health while making compliance more straightforward.

Exempting lower emitting sources from case-by-case BAT requirements will decrease the complexity of air permits for such sources. Further, there will potentially be a reduction in compliance costs due to reduced monitoring, recordkeeping, and reporting requirements associated with unnecessary emission limitations. As demonstrated by Ohio EPA's submittal, regulating such sources under BAT has little to no overall impact on the state's air quality. Therefore, approving this exemption will not compromise public health nor the environment, yet will streamline minor source air permitting.

The approval of Ohio's less than 10 TPY BAT exemption will result in more predictable and understandable permit requirements for small sources.

Historically, Ohio EPA applied case-by-case, pollutant-specific BAT requirements to all permitted emission sources, regardless of their size. At times, these BAT limitations were inconsistently applied throughout the state, with BAT determinations being made at the local office level by individual permit writers. This discretionary approach to permit limits led to

unpredictability for regulated facilities during the air permitting process as they planned to install new sources. Removing requirements to include BAT limitations for small sources should improve permit consistency statewide for similar sources, and reduce uncertainty for the regulated community.

Due to pending State Implementation Plan (SIP) approvals and associated litigation over the last decade, Ohio EPA has implemented BAT for minor source permitting through multiple guidance documents. Currently, Ohio EPA permits for small sources contain confusing and cumbersome language for existing BAT requirements and rescission language removing these same limits when this SIP approval occurs. Approval of the SIP will streamline Ohio's permitting for small sources by removing the need for this confusing language.

We thank EPA for this opportunity to provide input to the agency on these important matters. Please let us know if you need any additional information.

Respectfully Submitted,

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