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July 6, 2017

Ronald Jordan Engineering and Analysis Division Office of Water U.S. Environmental Protection Agency Mail Code 4303T 1200 Pennsylvania Avenue Northwest Washington, DC 20460

Attention: Docket ID No. EPA-HQ-OW-2009-0819

Re: Postponement of Certain Compliance Dates for the Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category, Proposed Rule (82 <u>Fed. Reg.</u> 26017, June 6, 2017)

Dear Mr. Jordan:

The American Petroleum Institute (API) and the American Fuel and Petrochemical Manufacturers (AFPM) (collectively "Refinery Associations") submit the following comments on EPA's proposal, *Postponement of Certain Compliance Dates for the Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category* (82 Fed. Reg. 26017, June 6, 2017). Many of the Refinery Associations' members are currently subject to an EPA effluent limitations guidelines (ELGs) preliminary study for possible future rulemaking that could revise the Petroleum Refining ELGs. Here, EPA has proposed to postpone the effective dates for certain Steam Electric ELG standards so that the Agency can review various petitions that "raise wide-ranging and sweeping objections" to those standards. While EPA is not admitting that any error in its Steam Electric ELG rulemaking occurred, EPA is committing itself to a careful review of its rulemaking in light of the issues contained in the petitions.

The Refinery Associations fully support EPA's proposal to postpone certain Steam Electric ELGs' effective dates and to carefully review that ELG rulemaking. We recognize and appreciate that EPA's staff thoroughly investigated the steam electric industry to develop substantial datasets for a rulemaking determination. EPA's ELG rulemaking determinations must be based on sound scientific analyses of such extensive datasets; rely on technologies that are demonstrated to be both effective in the industry and achievable economically; and result from transparent rulemaking procedures that ensure confidence by the general public and the regulated industry that such effluent limitations are appropriate. The Refinery Associations urge EPA to continue to follow this careful, deliberative process in the review and possible revision of Postponement of Steam Electric ELG Compliance Dates Page 2 July 6, 2017

Steam Electric ELGs and likewise seek a careful, deliberative process in EPA's study of the Petroleum Refining ELGs.

Several of the issues raised in the Steam Electric ELG petitions are potentially relevant to the Petroleum Refining ELG study, and the Refining Associations believe that EPA must ensure it adequately responds to issues raised in the petitions. One issue relates to the impacts that different types of coal, as a feedstock, have on the resulting wastewater and related treatment technologies, and whether a failure to address feedstock variability impacts both the feedstock industry as well as the facility relying upon that feedstock. Refineries are faced with similar concerns related to the compositional variability of crude oil that supplies a given refinery and the impact of myriad variations of process operations (even within an ELG subcategory) on wastewater composition. In the face of such feedstock variability and process complexity, any generalizations or assumptions about feedstock composition and the relationship between feedstock composition and wastewater composition are often unfounded, inaccurate and can lead to illogical outcomes. If EPA were to assume a single type of crude oil feedstock or limited variability in that feedstock, and a single set of fixed process operations for petroleum refineries, for example, significant unwarranted technical and economic impacts likely could result.

The steam electric industry also has alleged that certain unique technologies, atypical to normal steam electric facilities and employed to address unique issues at one or two facilities, were then modeled or applied across the industry in the final Steam Electric ELGs. Again, if application of unproven technologies result in ELG limitations with which industry participants could not comply as EPA models otherwise might predict, the real-world results could have significant adverse impacts on the commercial viability of many facilities and/or the industry as a whole. EPA should ensure that any final ELG limitations are based on demonstrated technical achievability *fully across* an industry. EPA should note that in addition to existing ELG limitations, many refineries already have to comply with strict local water quality standards that continue to drive technological achievability for pollutant removal. In all industries, unique facilities exist mostly because of unique local conditions; applying those unique approaches generically across an industry on a national basis can lead to significant unwarranted disruption of that industry.

The Steam Electric ELG petitions also raise questions about the transparency of EPA's rulemaking process, whether analyses reflected the true magnitude of economic impacts to the industry, and whether limited access to docket or other information was unfairly masked from public review because of claims of confidentiality. The Refinery Associations support a robust rulemaking process and encourage EPA to ensure that the Steam Electric ELG program meets all of the obligations contained in the Administrative Procedure Act and recent related significant rulemaking Executive Orders. The rulemaking docket must fully justify the decisions related to the rulemaking, and the public must be able to double-check and confirm the Agency's thought process justifying its conclusions. Economic impacts must be fully documented and confirmed, including through a comprehensive cost-effectiveness analysis similar to past ELG rulemakings. And finally, the ELG standards promulgated by EPA must be the logical outgrowth of standards specified in EPA's proposed ELG rulemaking.

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The Refinery Associations believe that ELG rulemaking must be transparent, based on sound scientific analysis, and reliant on demonstrated effective and economically achievable technologies. We support EPA in its proposal to postpone the compliance dates for the Steam Electric ELG to ensure that all of these principles are met in this rulemaking. The Refinery Associations are confident that the experience gained by EPA's review of the Steam Electric ELGs will result in more efficient, improved and transparent ELG decision-making in the future.

If you have any questions or want to discuss these comments, please contact us.

Sincerely,

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Roger E. Claff Senior Scientific Advisor, API

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Jeff Gunnulfsen Director, Security and Risk Management Issues, AFPM

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