

U.S. EPA FACT SHEET

Final Rule: Approval of Arizona Regional Haze SIP Revision and Withdrawal of FIP for Cholla Power Plant

January 13, 2017

Summary of Action:

The Environmental Protection Agency (EPA) is taking final action to approve a source-specific revision to the Arizona state implementation plan (SIP) that addresses the best available retrofit technology (BART) requirements for Cholla Power Plant (Cholla). The EPA finds that the SIP revision fulfills the requirements of the Clean Air Act (CAA) and the Regional Haze Rule (RHR). In conjunction with this final approval, the EPA is taking final action to withdraw the federal implementation plan (FIP) for Cholla. This constitutes our action to address petitions for reconsideration granted by the EPA related to this facility.

Background:

Cholla consists of four primarily coal-fired electric generating units with a total plant-wide generating capacity of 1150 MW. Unit 1 is not BART eligible. Of the 3 BART-eligible units, Units 2 and 3 are owned by Arizona Public Service (APS) and Unit 4 is owned by PacifiCorp and operated by APS.

On December 5, 2012, the EPA promulgated a final action approving in part and disapproving in part a Regional Haze SIP submitted by the Arizona Department of Environmental Quality (ADEQ) that included BART determinations for several facilities. The EPA found that the overall approach of ADEQ in conducting its BART analyses was appropriate, but identified significant flaws in the analyses for specific BART factors that warranted disapproval of the NO_x BART determination for Cholla. In the same action, the EPA promulgated a FIP for Cholla that established a NO_x emission limit of 0.055 pounds per million British thermal units (lb/MMBtu) as BART, with a compliance date of December 5, 2017. This limit is achievable with the combination of low-NO_x burners with separated over-fire air (LNB+SOFA), and selective catalytic reduction (SCR).

On January 15, 2015, APS and PacifiCorp committed to the following specific actions in lieu of the FIP requirements for Cholla:

- Permanently close Cholla Unit 2 by April 1, 2016,
- Operate LNB+SOFA on Units 3 and 4, and
- By April 30, 2025, permanently stop burning coal in those units, with the option to convert both units to burn natural gas by July 31, 2025, with a capacity factor limit of less than or equal to 20 percent.

On October 22, 2015, ADEQ submitted a revision to the Arizona RH SIP that provides a re-analysis of BART in light of these commitments (“Cholla SIP Revision”). On July 19, 2016, the EPA proposed to approve the Cholla SIP Revision as meeting the requirements of the CAA and the RHR, and proposed to withdraw the provisions of the FIP that applied to Cholla.

Next Steps:

The Federal Register notice will be published in approximately 1 to 2 weeks. The final rule will become effective 30 days from publication in the Federal Register.

More Information: <https://www3.epa.gov/region9/air/az/haze/index.html>
