



MEMORANDUM

DATE: October 18, 2018

TO: Missouri Air Conservation Commission

FROM: Darcy A. Bybee, Director *Initials on File*
Air Pollution Control Program

SUBJECT: Variance Request – Ameren Energy Centers
10 CSR 10-6.261 “*Control of Sulfur Dioxide Emissions*”

On October 11, 2016, the Missouri Department of Natural Resources’ Air Pollution Control Program received a request from Ameren Missouri for a variance, for certain equipment, from the sulfur dioxide (SO₂) emission limits and continuous emission monitoring system (CEMS) requirements as found in Table I of Missouri Air Conservation Commission Regulation 10 CSR 10-6.261, “*Control of Sulfur Dioxide Emissions*,” herein after referred to as “the rule.” The Department presented the request to the Missouri Air Conservation Commission at the December 1, 2016, commission meeting. During the meeting the commission voted to approve the variance to become effective January 1, 2017, for a period of two years or until such time as the rule amendment comes into effect, whichever comes first.

On September 20, 2018, the Program received a request from Ameren to extend the variance set to expire on January 1, 2019, until such time as the rule amendment comes into effect.

Currently the requirements of Table I of the rule apply facility-wide to the three Ameren Energy Centers, rather than specifying the steam electric generating units, the main sources of SO₂, at each facility. For other facilities regulated in Table I, the rule language specifies only the steam electric generating units. Facility-wide limits create unintended consequences. For example, Table I, as written for the Ameren Energy Centers, requires the installation of SO₂ CEMS on any source/unit fueled by coal, diesel, or fuel oil located at the Labadie, Meramec or Rush Island Energy Centers. This includes the steam electric generating units, plus sources/units that are not steam electric generating units such as auxiliary boilers, simple cycle combustion engines and emergency diesel engines. Since the non-steam electric generating units are relatively small and, outside of emergency situations, typically operate for only a few hours a year, the installation of CEMS on these units is impractical.

Additionally, the emission limits specified in Table I of the rule apply to these sources/units that are not steam electric generating units. Ameren requests that these units continue to be exempted from the emission limits and monitoring requirements specified in Table I and instead continue to be required to adhere to the emission limits specified in sections (3)(B), (C) and (D) of the rule, as applicable, and the monitoring/compliance determination requirements as specified in the rule.

The Department is in the process of amending the rule. If the commission adopts the proposed amendments, the amended rule is anticipated to take effect March 30, 2019. The amended rule will address appropriate compliance requirements for these smaller sources/units that are not electric steam generating units. Ameren requests this variance be extended until the rule amendment comes into effect.

Upon certain conditions, the Commission may grant a variance, pursuant to state law (Section 643.055 and 643.110, RSMo). The Department has reviewed each of these conditions and compared them with the facts of this situation. State law authorizes the Commission to grant a variance if the person applying for the variance can show that compliance with the rule:

“would cause economic hardship” (643.055.2(1), RSMo);
“is physically impossible” (643.055.2(2), RSMo);
“is more detrimental to the environment than the variance would be” (643.055.2(3), RSMo);
“is impractical or of insignificant value under the existing conditions” (643.055.2(4), RSMo);
“will result in taking of property without just compensation” (643.110.1, RSMo); or
“will result in the closing and elimination of any lawful business, occupation, or activity, without sufficient corresponding benefit or advantage to the people” (643.110.1, RSMo).

The Department believes this variance request meets the conditions of 643.055.2(4) in that the SO₂ emission limits and CEMS requirements as found in Table I of Missouri Air Conservation Commission Regulation 10 CSR 10-6.261, “*Control of Sulfur Dioxide Emissions*,” when applied to the sources/units that are not steam electric generating units is impractical or of insignificant value under the existing conditions.

The Department recommends granting the extension to the previously approved variance. We recommend this variance remain valid and in effect through the end of March 2019, or until such time as the rule amendment comes into effect, whichever comes first.

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