

### Rule 1109.1 - Refinery Equipment

Working Group Meeting #2

June 14, 2018

#### Agenda

Summary of Working Group Meeting #1 Stakeholder meetings and comments Survey questionnaire Revised universe and equipment Best Available Retrofit Control Technology (BARCT) Assessment **Emissions data Next Steps** 

#### Progress of Rule Development

- Summary of Working Group #1 held 2/21/18
  - Presented initial concepts for Proposed Rule 1109.1
  - Discussed applicability/universe
  - Presented equipment types at major crude oil processing facilities
- Since working group meeting
  - Met with stakeholders
  - Populated and distributed survey questionnaire
  - Revised universe
  - Conducted site visits with Andeavor Carson and Phillips 66 Wilmington
  - Held stakeholder meetings with WSPA, Eco-Services, Phillips 66

#### Stakeholder Comments

- Proposed Rule 1109.1 needs to consider:
  - Space limitations
  - Ability to meet 2015 BARCT levels
  - Considerations for current planned projects to satisfy RECLAIM shave
  - Applicability of currently controlled equipment (i.e., incremental cost-effectiveness)
  - Low-volume and low-use equipment exemptions
  - Consideration for age of the control equipment
  - Refinery turnaround schedule
  - "Small heater" applicability(<40 MMBTU)</li>
  - Startup and shutdown allowances
  - Monitoring, reporting, and recordkeeping

#### Progress of Rule Development -Survey Questionnaire

- Staff developed a comprehensive survey questionnaire
- Survey included:
  - All permitted equipment, permit limits, specific information on the control equipment, fuel characteristics, age of equipment and controls, emissions, source test information, potential retrofit challenges, etc.
- Survey will provide essential equipment information for:
  - Reassessing the 2015 BARCT limits
  - Determining cost effectiveness and incremental cost effectiveness

#### Status of Survey Questionnaire

- Distributed draft survey in March
- Met with stakeholders in April
- Revised survey to address comments and concerns
- Populated survey with equipment, permit limits, source test data, fuel type, and throughput
- Released finalized survey late May
- Completed survey due August 10, 2018
  - Seeking as much information as possible, recognize not all data is available
  - Default values can be used where appropriate



## Revised Universe and Equipment

#### Facility Universe

- Initially proposed including 31 refineries and refinery associated facilities
  - 9 crude oil refineries
  - 5 small refineries
  - 17 related operations
- Criteria for revised universe
  - Within the boundaries of crude oil refineries
  - Support facilities that primarily serve refineries
  - Similar operations
  - Facilities with equipment fueled by refinery gas

#### Revised Universe and Applicability



- 9 Major Refineries
- Crude Oil Processing



- 4 Small Refineries
- Asphalt Plants
- Biodiesel Plant



- 4 Related Operations
- Hydrogen Plants
- Sulfuric Acid Plants

#### Revised Universe of Facilities

#### Crude Oil Processing

ID	Name
151798	Andeavor - Sulfur Recovery Plant
171107	Phillips 66 Wilmington
171109	Phillips 66 Carson
174591	Andeavor - Calciner
174655	Andeavor Carson
181667	TORC
800026	Valero
800030	Chevron
800436	Andeavor Wilmington

#### **Small Refineries**

ID	Name	Facility Type
800264	Edgington Oil	
800080	Lunday-Thagard DBA World Oil Refining	Asphalt Refinery
800393	Valero Wilmington Asphalt Plant	
800183	Paramount	Biodiesel Refinery

#### **Related Operations**

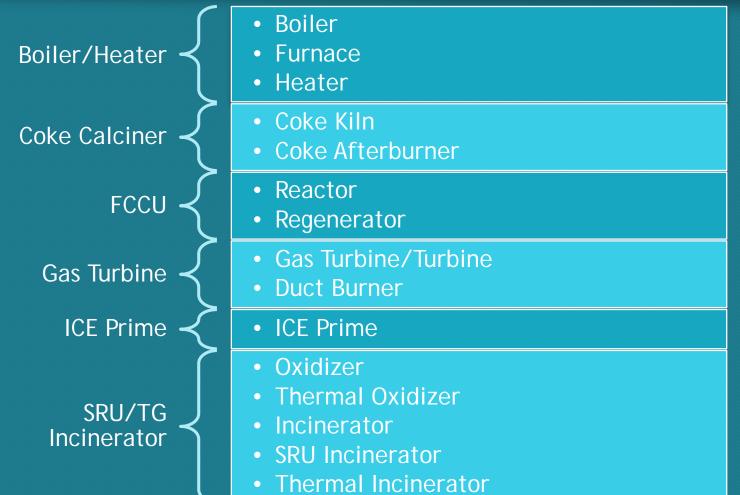
ID	Name	Facility Type	
148236	Air Liquide Large Industries		
3417	Air Prod & Chem	Hydrogen Plant	
101656	Air Products and Chemicals		
178639	Eco Services Operations	Sulfuric Acid	

#### Equipment Universe (Revised)

Equipment Type	Total Number
Boiler/Heater	276
Coke Calciner <sup>(2)</sup>	2
FCCU (1)	6
Gas Turbine/Duct Burner	23
ICE Prime	6
Sulfur Recovery Unit/Tail Gas Incinerator	28
Total	341

<sup>(1)</sup> FCCU related devices; (2) One coke calciner system (2 devices)

#### **Equipment Categories**



\*ICE Emergency will not be included

#### BARCT Assessment

#### BARCT Requirements

- California Health and Safety Code Section 40406 defines BARCT as
  - "...an emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of source."
- Health and Safety Code Section 40920.6:
  - Requires evaluation of BARCT prior to adopting rules or regulations

#### BARCT Assessment Guiding Principles

- BARCT assessment includes a technology assessment
  - Equipment specific
  - Fuel specific
  - Equipment size specific Range of equipment sizes depending on control strategies
  - Application and use of unit capacity, types of uses, heat input, etc.
  - Possibly other considerations
- Overall cost-effectiveness will also consider:
  - Incremental cost-effectiveness
  - Stranded assets
  - Outliers
  - Recent installation to meet previous NOx reduction commitments

#### Overview of Technology Assessment

Assessment of SCAQMD Regulatory Requirements

Assessment of Emission Limits for Existing Units

Other Regulatory Requirements

Assessment of Pollution Control Technologies

## Assessment of SCAQMD Regulatory Requirements

Objective: Identify existing SCAQMD regulatory requirements for that particular source category

- Applicable SCAQMD rule
  - Current requirements
  - Other rules regulating the source category
  - Existing exemptions
- Potential issues identified during previous rulemakings

## Assessment of Emission Limits for Existing Units

Objective: Evaluate existing units to understand what emission levels can be achieved based on permitted and actual levels

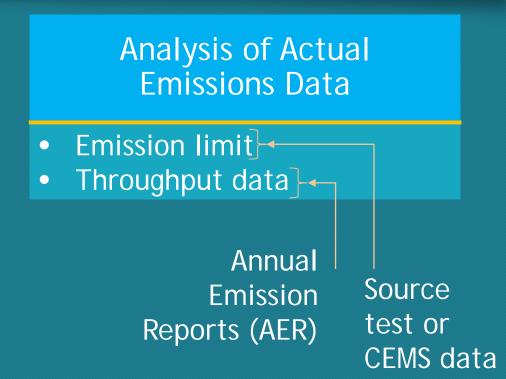
- Permitted emission limits
- Actual emission rate
  - Source test
  - Continuous Emissions Monitoring Systems (CEMS)
  - Relative Accuracy Test Audit (RATA)
- Pollution control technology

# Permit information

## Information Needed for Evaluating Existing Units

#### Analysis of Permitted Emission Levels

- Emission limit
- Pollution control technology
- Equipment type
- Fuel type
- Equipment size
- Air pollution control technology
- When permitted
- Age of equipment
- Retrofit or replacement



#### Other Regulatory Requirements

**Objective**: Evaluate other air districts and states

with more stringent limits for same

source categories

- Assess other rules and regulations outside of SCAQMD's jurisdiction that regulate same sources
- Consider
  - Implementation date
  - Applicability
  - Alternative compliance approach

#### Assessment of Pollution Control Technologies

Objective: Identify pollution control technologies, approaches and potential emission reductions.

- Technology assessment should be all encompassing
- Identify known controls
- Consider emerging technology

#### 2015 RECLAIM BARCT Analysis

- 2015 NOx RECLAIM amendment
  - Included BARCT assessment
  - SCAQMD assessed BARCT for refinery equipment
  - Norton Engineering conducted a third party review
- RECLAIM amendment approved December 2015
  - NOx shave of 12 tons per day
  - 56% of the shave would affect 9 major refineries
  - Status:
    - 2016 2 tpd NOx reduction\*
    - 2018 1 tpd NOx reduction\*

<sup>\*</sup> Overall RECLAIM cap

## 2015 RECLAIM BARCT Analysis (Reference Only)

Equipment	RECLAIM BARCT	Technologies
Boiler/Heater	2 ppmv	LNB, ULNB, SCR (more common); LoTOx w/WGS, SNCR, Flameless Heaters, Clear Sign (less common)
Coke Calciner	10 ppmv @ 3% O2	LoTOx, UltraCat
FCCU	2 ppmv @ 3% O2	SCR, SCR w/ASC, LoTOx w/WGS, NOx Reduction Additives
Gas Turbine	2 ppmv @ 15% O2 Water/steam injection, SCR, S w/ASC, DLE/DLN, CLN	
ICE Prime	Prime 11 ppmv @ 15% O2 SCR for lean burn, NSCR (3-catalyst) for rich burn	
SRU/TG Incinerator	2 ppmv @ 3% O2	SCR, LoTOx w/WGS



#### **Emissions Data**

#### **Emissions Data Evaluation**

- Evaluate equipment by:
  - Fuel type (e.g., natural gas, refinery gas, process gas, diesel)
  - Equipment type (e.g., turbine, boiler, etc.)
  - NOx emissions from AER data
- Focus on low NOx units
- Evaluate permit conditions for each piece of equipment
  - Use permit limit first, if not available rely on CEMS (RATA) data
  - Future evaluation will compare permit limits to CEMS
- Preliminary evaluation based on available data
- Additional information from survey
  - Control technology, age, etc.

#### Emissions Data - Boiler/Heaters

Boiler/Heater					
Size (MMBTU/Hr)	Fuel Type	NOx Limit (ppm)	Data Source	2016 NOx Emissions (tons/year)	
60	Refinery Gas	3	CEMS (RATA)	0.42	
350	Refinery Gas	3	CEMS (RATA)	16.8	
78	Refinery Gas	5	Permit Condition	0.54	
199	Refinery Gas	5	Permit Condition	1.2	
88	Refinery Gas	5	Permit Condition	0.31	
123	Refinery Gas	5	Permit Condition	0.59	
177	Refinery Gas	5	Permit Condition	0.62	
315	Refinery Gas	5	CEMS (RATA)	6.6	
653	Refinery Gas	5	Permit Condition	9.5	
764	Refinery Gas	5	Permit Condition	1.7	
780	Refinery Gas	5	Permit Condition	17.2	
304	Refinery Gas	7	CEMS (RATA)	9.3	
460	Refinery Gas	7	Permit Condition	5.9	
245	Refinery Gas	7	Permit Condition	8.62	
30	Refinery Gas	8	CEMS (RATA)	1.2	
650	Refinery Gas	9	CEMS (RATA)	44.2	
785	Refinery Gas	9	Permit Condition	31.6	
300	Natural Gas	3	CEMS (RATA)	4.7	
40	Natural Gas	9	Permit Condition	0.63	

#### Summary of Initial Analysis of Boiler/Heaters

- Total units: 276
- Permit Limits
  - Natural gas as low as 5 ppm
  - Refinery gas as low as 5 ppm
- Source test/CEMS (RATA) data
  - Natural gas as low as 3 ppm
  - Refinery gas as low as 3 ppm
- No permit limit for 48 units
- 2015 RECLAIM BARCT at 2 ppm

#### Emissions Data- Coke Calciner

Coke Calciner					
Size (MMBTU/Hr)	Fuel Type	NOx Limit (ppm)	Data Source	2016 NOx Emissions (tons/year)	
120	Natural Gas	66	CEMS (RATA)	216	

#### Summary of Initial Analysis of Coke Calciner

- Total units: 1 unit with 2 devices
- CEMS (RATA) data: 66 ppm
- 2015 RECLAIM BARCT at 10 ppm

#### Emissions Data - FCCU

FCCU				
NOx Limit (ppm)	Data Source	2016 NOx Emissions (tons/year)		
5	CEMS (RATA)	68.2		
21	CEMS (RATA)	14.5		
41	Permit Condition	112.3		
20	Permit Condition	60.6		
20	Permit Condition	8.6		
20	Permit Condition	76.3		

#### Summary of Initial Analysis of FCCU

- Total units: 6
- Permit limits:
  - As low as 5 ppm
- No missing permit limit
- 2015 RECLAIM BARCT at 2 ppm

#### Emissions Data - Gas Turbines

Combined Cycle Gas Turbines					
Size (MMBTU/Hr)	Fuel Type	NOx Limit (ppm)	Data Source	2016 NOx Emissions (tons/year)	
341.6	Natural Gas	2	Permit Condition	3.2	
508.6	Natural Gas	2	Permit Condition	9.3	
506	Natural Gas	9	Permit Condition	48.6	
560	Natural Gas	9	Permit Condition	52.1	
560	Natural Gas	9	Permit Condition	44.4	
985.5	Refinery Gas	8	Permit Condition	78.1	
985.5	Refinery Gas	8	Permit Condition	80.7	
985.5	Refinery Gas	8	Permit Condition	86.6	
985.5	Refinery Gas	8	Permit Condition	71.6	
646.3	Refinery Gas	9	Permit Condition	50.3	

#### Emissions Data - Gas Turbines (Continued)

Simple Cycle Gas Turbines						
Size (MMBTU/Hr) Fuel Type NOx Limit (ppm) Data Source (tons/year)						
316	Natural Gas	n/a	Permit Condition	1.7		
392	Refinery Gas	96	Permit Condition	50.6		
392	Refinery Gas	96	Permit Condition	41.5		

#### Summary of Initial Analysis of Gas Turbines

- Total units: 23
  - 10 combined cycle turbines
  - 3 simple cycle turbines
- Permit limits:
  - Combined cycle
    - Natural gas as low as 2 ppm
    - Refinery gas as low as 8 ppm
  - Simple cycle
    - 2 refinery gas units at 96 ppm
    - No permit limit for 1 unit
- 2015 RECLAIM BARCT at 2 ppm

#### Emissions Data - ICE Prime

Internal Combustion Engine (ICE) - Primary					
Size	Fuel Type	NOx Limit (ppm)	Data Source	2016 NOx Emissions (tons/year)	
18 HP	Diesel	n/a	Permit Condition	0	
700 BHP	Diesel	880	Permit Condition	0.1	
700 BHP	Diesel	880	Permit Condition	0.03	
1095 HP	Diesel	882	Permit Condition	0.4	
60 HP	Gasoline	191	Permit Condition	0	
880 HP	Natural Gas	878	Permit Condition	0	

#### Summary of Initial Analysis of ICE Prime

- Total units: 6
- Permit limits:
  - Diesel 880 to 882 ppm
  - Gasoline 191 ppm
  - Natural gas 878 ppm
- No permit limit for 1 unit
- High NOx concentration permit limits but low NOx emissions (e.g., low use)
- 2015 RECLAIM BARCT at 11 ppm\*

<sup>\*</sup> Command and control limit, i.e., Rule 1110.2

#### Emissions Data - SRU/TG Incinerators

SRU/TG Incinerator						
Size (MMBTU/Hr)	Size (MMBTU/Hr) Fuel Type NOx Limit (ppm) Data Source					
4	Refinery Gas	38	Source Test (3% O2)	3.6		
44.5	Refinery Gas	22	CEMS (RATA)	20.3		
14	Natural Gas	45	Permit Condition	11.2		
35.8	Natural Gas	35	CEMS (RATA)	3.7		
50	Natural Gas	41	Permit Condition	8.3		
52	Natural Gas	11	CEMS (RATA)	6.8		

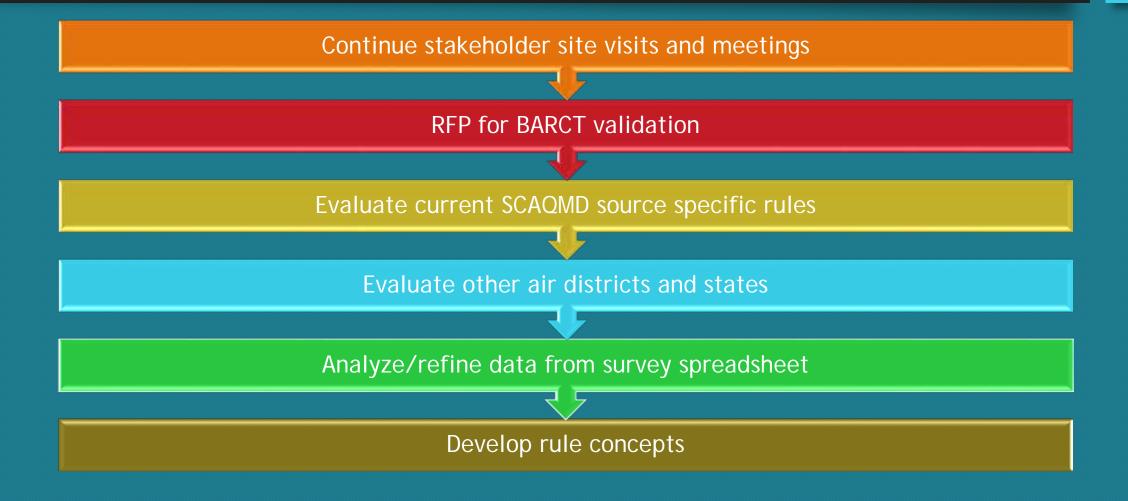
## Summary of Initial Analysis of SRU/TG Incinerators

- Total units: 28
- Permit Limits
  - Natural gas as low as 41 ppm
  - Refinery gas as low as 45 ppm
- Source test/CEMS (RATA) data
  - Source test (3% O2) as low as 38 ppm
  - Refinery gas as low as 11 ppm
- No permit limit for 11 units
- 2015 RECLAIM BARCT at 2 ppm

#### Initial Consideration for Emission Limits

- Achieved in practice limits will be one of several factors
- Limits to allow for retrofit or replacement of equipment
- Cost-effectiveness and incremental cost-effectiveness incorporated into BARCT assessment
- Include an ammonia emission limit
- Seeking third party for BARCT assessment
  - Request for proposal (RFP) to select consultant
- Effective date still under consideration
  - 2016 AQMP goal of 5 tons per day of NOx reductions by 2025
  - AB 617 requirement of BARCT implementation by 2023

#### Next Steps



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