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Executive Director

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY

KEVIN STITT
Governor

January 31, 2022

Joe Araiza
Continental Carbon
16850 Park Row
Houston, TX 77084

Subject: Additional clarifications on Continental Carbon's 4-factor analysis on control scenarios under the Clean Air Act Regional Haze Program

Dear Mr. Araiza:

In a letter dated July 1, 2020, the Oklahoma Department of Environmental Quality (DEQ) identified the Carbon Black Production Facility located in Kay County, Oklahoma, as subject to a four-factor reasonable progress analysis under the Regional Haze Rule as part of DEQ's development process for the state implementation plan covering the second planning period (Round 2) of 2021 – 2028.

On August 4, 2020, Continental Carbon submitted its four-factor analysis to DEQ. Continental Carbon included in its response that there were no additional cost-effective sulfur dioxide (SO₂) control measures available for EUG 5 – Production Units 1 through 4, other than what was being made operational in 2021 in response to EPA Consent Decree 5:15-cv-00290F. DEQ included these conclusions in its draft Regional Haze SIP for Planning Period 2 that was shared with the Federal Land Managers and the U.S. Environmental Protection Agency (EPA). DEQ requests that Continental Carbon review its four-factor analysis for potential SO₂ control measures for emission unit group (EUG) 5 – Production Units 1 through 4 and respond to the following questions, which are based on EPA's review of Oklahoma's draft SIP. We understand that much of the requested data/analysis may be gleaned or explained from DEQ's permitting and compliance files, and/or Continental Carbon's full unredacted submittal. However, your response will allow Continental Carbon to document the information that best explains and supports the conclusions of Continental Carbon's four-factor analysis. DEQ intends to continue its analysis in parallel.

1. The summary of the company's response that was made publicly available (given that the full response contains confidential business information (CBI)) does not specify for which units the information/data is provided. Please provide a short summary/discussion of EUG 5- Production Units 1 through 4 (the thermal oxidizers), which are the units for which DEQ requested information for the four-factor analysis.
2. Please clarify whether the baseline emissions information provided is for each thermal oxidizer for which the request applies or for all the thermal oxidizers combined.



3. Please clarify whether the SO₂ scrubbing systems planned for installation are for only two of the Production Units for which DEQ requested information and whether there are any technically feasible SO₂ controls for the units on which SO₂ scrubbing systems are not planned to be installed.
4. Please clarify whether the estimate of anticipated annual SO₂ emission reductions (15,800 TPY) is for each unit individually or if this is the combined anticipated annual emissions reductions across all units.
5. Please provide documentation of the equipment life used to calculate costs of SO₂ scrubber controls. EPA recommends that the equipment life used to calculate costs for each control technology option, unless constrained by an enforceable retirement date for the source, be consistent with that found in the respective chapter of the Control Cost Manual¹. Any deviations from the Control Cost Manual need to be documented and an appropriate rationale provided. See Guidance at 33-34.²
6. The company's summary indicates that the baseline emission rate information provided is based on the facility's permitted emission rates. Please clarify whether the anticipated annual emission reductions were also calculated using the permitted emission rates as the baseline or whether actual emissions were used as the baseline.

DEQ respectfully requests that Continental Carbon respond to EPA's questions no later than February 28, 2022. Thank you for your assistance with this matter. Please contact Melanie Foster at 405-702-4218 for any questions or clarification.

Sincerely,



Kendal Stegmann
Director, Air Quality Division

¹ https://www.epa.gov/sites/default/files/2017-12/documents/epacmcostestimationmethodchapter_7thedition_2017.pdf

² https://www.epa.gov/sites/default/files/2019-08/documents/8-20-2019_-_regional_haze_guidance_final_guidance.pdf