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August 31, 2010

Joelle Burleson Division of Air Quality 1641 Mail Service Center Raleigh, NC 27699-1641

Re: 15A NCAC 02D .0544 GHG Tailoring Rule for PSD

Dear Ms Burleson:

On behalf of the Blue Ridge Environmental Defense League, I write to support the Commission's proposed rule incorporating the federal greenhouse gas (GHG) tailoring rules into North Carolina's PSD and Title V program. The tailoring rule is necessary to avoid the regulatory burden that would result from permitting all sources of greenhouse gases beginning January 2, 2011.

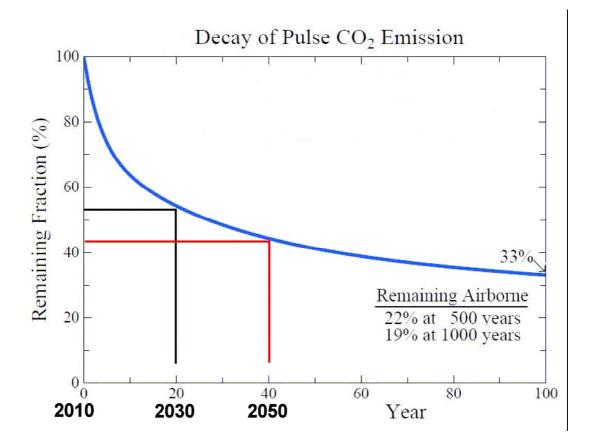
The Environmental Protection Agency (EPA) recognized that because GHG pollutants are emitted at much higher rates than the criteria pollutants, tens of thousands of facilities would require permits beginning January 2 unless new threshold limits were set. The state's fiscal note for this rule indicates that PSD and Title V permit applications would total over 50,000 and the associated costs would total \$490 million on an annual basis. Under these circumstances, the critical need for the tailoring rule is obvious.

In addition to limiting the number of sources, the rule also adopts by reference the transition in the federal rule that applies the new rules only to facilities subject to PSD from non-GHG emissions on January 2, 2011 and to non-PSD facilities in July 2011. It is important to note that no facilities are subject to regulation due only to their greenhouse gas emissions.

Carbon dioxide and the other greenhouse gases are pollutants. Recognizing this, both EPA and North Carolina are taking steps, including this tailoring rule and beginning with the state's largest sources, to regulate greenhouse gas emissions. The final tailoring rule from EPA properly included all sources regardless of the fuel being burned. Specifically, power plants that burn biomass are not, and should not, be exempt from the rules.

The final tailoring rule does not directly address the issue of biogenic vs. anthropogenic fuels, although various interests questioned EPA's decision not to exempt biomass. Biomass should not be exempt for several reasons. The attached letter of concern to DENR Secretary Freeman from the North Carolina Academy of Family Physicians focused on human health impacts from air pollution, but also referred to CO2 emissions.

In addition, the Division of Air Quality's July 9, 2008 presentation to the Environmental Management Commission comparison of biomass with coal found higher CO2 emissions from biomass per unit of energy produced. Given the fact that new carbon added to the atmosphere remains there for decades (see below)¹, future rules should retain a comprehensive approach that covers all smokestacks and without exception.



Controlling greenhouse gas emissions at the source is essential to combat global warming. To avoid catastrophic impacts, both globally and here in North Carolina, substantial reductions must occur in the near future. The Greenhouse Gas Tailoring Rule is a beginning, a first step, in a complex process that will lead to an economy that by necessity will rely less on carbon fuels in all forms.

Thank you for the opportunity to comment.

Sincerely,

David Mickey Blue Ridge Environmental Defense League

¹ Hansen et al. 2008 Figure 9a