Revision of Subpart AAA
Residential Wood Heaters
& Additional New Source
Performance Standards (NSPS)

Pellet Fuels Institute Annual Meeting July 19, 2010

Background

- Current rule requires manufacturers of new residential wood heaters (e.g., wood stoves) to design heaters to meet particulate emission (PM) limits, have representative model lines tested by EPA-accredited labs, and attach EPA labels and hangtags after EPA approval
- Originally promulgated February 26, 1988
- Proposal was first regulatory negotiation by EPA (included industry, labs, states, consumer advocates)
- Not substantively reviewed until now
- Revisions are not negotiation but are transparent, open government rulemaking (<u>www.epa.gov/open</u>)

<u>Perspective</u>: Wood Smoke Can Cause Significant Health Effects

- There are a number of communities where residential wood smoke can increase particle pollution to levels that cause significant health concerns (e.g., asthma attacks, heart attacks, premature death).
- Several areas with wood smoke problems either exceed EPA's health-based standards for fine particles or are on the cusp of exceeding those standards.
- For example, residential wood smoke contributes 25 percent of the wintertime pollution problem in Keene, New Hampshire.
- In places such as Sacramento, California, and Tacoma, Washington, wood smoke makes up over 50 percent of the wintertime particle pollution problem.

Perspective: State, Local, and Tribal Officials Working to Reduce Wood Smoke Emissions

- Wood smoke programs are very important in numerous areas working to attain or maintain the National Ambient Air Quality Standards (NAAQS) or to avoid exceeding the NAAQS.
- Some have implemented changeouts; some have implemented burn bans; others have implemented combinations of education, wood-burning curtailment and changeout programs.
- EPA has provided: "Strategies for Reducing Residential Wood Smoke", EPA-456/B-09-001,October 29, 2009 http://www.epa.gov/ttn/oarpg/t1/memoranda/strategies-doc-8-11-09.pdf
- For areas that are not meeting or may not meet the NAAQS for fine particles, EPA has encouraged a wood smoke reduction plan to achieve wood smoke emission reductions as soon as possible.

<u>Perspective</u>: EPA Encourages Replacement of Pre-NSPS Wood Stoves with Newer, Cleaner Appliances

- Replacing pre-NSPS wood stoves with newer, cleaner, more efficient appliances, can reduce fine particle emissions by ~70%
- EPA's wood stove focus of the last 5 years has been on encouraging replacements because they can result in large emission reductions, greater energy efficiency, less wood burned, and less money wasted.
 - For example, a wood stove changeout program implemented in Libby, Montana changed out over 1,100 wood stoves and reduced wintertime particle pollution levels by 7 micrograms per cubic meter (~28%). This reduction has helped Libby attain the 1997 annual and 24-hour fine particle national standards. Also, indoor pollution was reduced by ~70%.
 - Over 44 areas have conducted changeout campaigns. For more info, see www.epa.gov/burnwise
- While changeouts can provide significant air quality improvements, EPA and NACAA (National Association of Clean Air Agencies) want the replacements to be today's technology, not 1988 technology
- When asked, EPA has been very supportive of tax incentives for more efficient and cleaner appliances.

Perspective: EPA Encourages Best Practices via "Burn Wise"

- "Learn before you burn"
- "Burn the right wood, the right way, in the right appliance"
- "A properly installed, correctly used wood-burning appliance should be smoke-free. If you see or smell smoke, that means you may have a problem"
- EPA has coordinated efforts with HPBA and NACAA
- For more info, see <u>www.epa.gov/burnwise</u>

Perspective: Potential Benefits are Large

- The overall benefits for wood residential wood smoke emission reductions are ~\$500,000 per ton of PM_{2.5} emissions reduced (actual values will vary by location)
- For example, the benefits of changing out all the old wood stoves in the U.S. to 1988 NSPS level appliances are \$35 billion to \$86 billion per year
- This is based principally on reductions in mortality, non-fatal heart attacks, and chronic bronchitis

Serious Concerns about Hydronic Heaters, aka Outdoor Wood Boilers

- Old technology, dirty OWBs are a significant problem in numerous areas because of high emissions, short stacks, too close to neighbors...
- A few pictures to illustrate...

Photos of OWB Emissions



Photos courtesy of Vermont DEC

Requests to Regulate OWBs

- Petition from 6 northeastern states plus Michigan and NESCAUM (Northeast States for Coordinated Air Use Management)
 - Requested EPA develop an NSPS for OWB or revise the current wood stove NSPS to include OWB
- Letter from Hearth, Patio, and Barbecue Association (HPBA) Outdoor Wood-fired Hydronic Heater (OWHH) Caucus
 - Expressed "unanimous support for EPA establishment of an NSPS for OWHH"
 - Their concern was proliferation of local bans and state rules with differing requirements

Wood Stove NSPS Revision Request

- Joint letter from NESCAUM and WESTAR (Western States Air Resources Council)
- Requesting:
 - "review and revision of the current residential wood heater/ indoor wood stove NSPS to capture the broader suite of RWD (residential wood heating devices)"
 - "fireplaces, masonry heaters, pellet stoves, and indoor and outdoor wood boilers, furnaces, and heaters... we urge EPA to develop standards..."

EPA Initial Responses: Developed Voluntary Programs

- Faster than Federal Regulation
- Hydronic Heaters
 - Phase 2 qualifying level ~90% overall reduction, includes pellets and other solid biomass
- Low-Mass (Manufactured) Fireplaces and Masonry (Site-built) Fireplaces
 - Phase 2 level (~70% reduction)

EPA Review and Revision of the NSPS

- Draft Review Document prepared
- Draft <u>Preliminary</u> Conclusions prepared
- Drafts released on November 4, 2009
- Have conducted numerous outreach presentations
- Have posted info on Burn Wise website

Overview of Proposals under Consideration

- Tighten emission limits to reflect today's Best Demonstrated Technology (BDT)
- Close "loopholes," eliminate exemptions
- Add pellet stoves explicitly
- Add wood "boilers" (hydronic heaters) and furnaces
- Revise test methods as appropriate
- Streamline certification process & incorporate International Standards Organization (ISO) process plus compliance affirmation
- Improve compliance assurance & enforceability
- Regulate fireplaces
- Regulate devices fueled by other solid biomass, e.g., corn, various pelletized biomass
- Regulate coal-fired heaters (in order to level the playing field)

Current Status

EPA is:

- Conducting numerous outreach meetings,
- Developing options,
- Analyzing potential cost, economic, and environmental impacts
- Preparing for upper management decisions this fall

Key items of importance to PFI members

- NSPS will have more inclusive scope. For example, we intend to regulate pellet stoves and pellet boilers (residential).
- Emission data show excellent performance potential with premium pellets but pellet fuel quality standards are needed to ensure good performance and lower emissions.
- We intend to require compliance tests on "worst" grade of each type of pellet that appliance manufacturer warrants for use.
- We have encouraged pellet fuel manufacturers and appliance manufacturers to quickly meet and agree on grades of necessary characteristics.
- We are pleased with PFI's efforts to develop industry standards.
- We intend to require Federal rules on pellet fuel quality certification if adequate industry agreement and adequate standards are not in place in time (see next slide).

Pellet Fuel Quality Certification Needs

- We have encouraged pellet fuel manufacturers and appliance manufacturers to agree on grades of necessary characteristics, for example:
 - Durability
 - Ash %
 - Fines %
 - Fusion properties
- Limits on bark, dirt, sand, construction debris, chemicals, etc.
- Tailored QA/QC plans, training, transparency
- Testing frequency tailored to results
- Not just 3rd party analyses but also 3rd party inspections, approval of QA/QC plans, sampling, auditing, corrective actions, certification of conformity, reporting of results
- Goal: pellets that consumers, manufacturers, and Congress can consistently depend upon as they consider decisions to buy and/or support biomass fuels
- Deadline: October 2010

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