

Vestlake

Epoxy

March 31, 2025

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U.S. Environmental Protection Agency
1200 Pennsylvania Ave. NW
Washington, DC 20460

RE: Presidential Exemption: New Source Performance Standards for the Synthetic Organic Chemical Manufacturing Industry and National Emission Standards for Hazardous Air Pollutants (NESHAP) for the Synthetic Organic Chemical Manufacturing Industry (SOCMI) and Group I & II Polymers and Resins Industry: Westlake Epoxy Inc. - Deer Park Texas (the "Deer Park Facility"), a subsidiary of Westlake Corporation, ("Westlake")

To Whom It May Concern,

Westlake is seeking an exemption from the compliance obligations of the New Source Performance Standards for the Synthetic Organic Chemical Manufacturing Industry and National Emission Standards for Hazardous Air Pollutants (NESHAP) for the Synthetic Organic Chemical Manufacturing Industry (SOCMI) and Group I & II Polymers and Resins Industry (collectively referred to as the HON Rule). We believe it is necessary and appropriate for the President to grant an exemption under Clean Air Act (CAA) Section 112(i)(4) for sources regulated by the final rule whether on an individual basis or collectively. If done collectively, we request that EPA include our regulated facility under that collective action.

Westlake encourages the Administration to swiftly consider and issue such an action based on an understanding that both: 1) "availability" for the purposes of this section refers not only to the existence of technology capable of achieving compliance with the rule, but encompasses practical challenges with the timeframes necessary to plan, procure, and install required technologies and such activity cannot occur within the current compliance timeframe; and 2) national security encompasses not only military defense applications and infrastructure, but also economic security, a perspective that has been acknowledged by the President in Executive Orders and key security agencies like the Department of Defense. Indeed, as the White House has stated regarding domestic priorities, "economic security is national security."¹ As additional support on this point, we reference the separate joint coalition submission sent to EPA from associations the American Chemistry Council

¹ <https://www.whitehouse.gov/presidential-actions/2025/02/america-first-investment-policy/>.



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(ACC) and the American Fuel & Petrochemicals Manufacturers (AFPM) detailing the critical nature of the chemical supply chain throughout domestic manufacturing, and the potential risks to our nation's national security interests if continued production is jeopardized.

Given the practical challenges associated with the planning, procurement, and installation of technologies within the current compliance timeframe, and considering the Administration's stance on economic security as a facet of national security, we believe it is both necessary and appropriate for the President to grant an exemption under Clean Air Act Section 112(i)(4). This exemption is sought for our regulated Deer Park Facility.

We align our request with the perspective acknowledged by the President in Executive Orders and by key security agencies that economic security is indeed national security. This viewpoint is critical as our industry plays a foundational role in various domestic manufacturing supply chains, and any disruption could pose risks to our nation's security interests.

The joint coalition submission from the American Chemistry Council (ACC) and the American Fuel & Petrochemicals Manufacturers (AFPM) further underscores the importance of HON regulated chemicals as crucial building blocks and the potential national security risks if production is hindered. As outlined in a letter submitted on behalf of industry by AFPM and ACC, Westlake agrees that CAA 112(i)(4) does not require that the President provide the bare minimum amount of time needed to obtain and install controls, and similarly requests that any exemption granted under this section be a length of 2 years with an option for EPA to consider a renewal for facilities for which compliance processes may run longer than two years.

As previously outlined in Westlake's prior requests for extension of time as well as the joint coalition's comments on and petition for reconsideration of the HON Rule, we believe that the Administration has already been provided with sufficient information to support an exemption covering all regulated facilities or on a facility-specific basis. This letter provides additional detail and support on the time-critical nature of the request for relief and to address EPA's request for information. We submit both in support of a category-wide grant, as well as to provide company-specific information if the President pursues a facility-specific exemption action. This letter serves to reinforce the urgency of our request and to respond to EPA's call for additional information. Details to support this request are summarized below.

Westlake's Deer Park Facility produces bis-phenol acetone (BPA) which is a polycarbonate precursor. Polycarbonate is known for its impact resistance and optical clarity and is used in the manufacturing of personal protective equipment and electronic components. The Deer Park Facility also produces epoxy resin which is used in adhesives, composite materials and coatings, e.g. pipe, transportation and aerospace coatings. The bis-phenol acetone plant is subject to requirements in 40 CFR Part 63, Subparts F, G, and H and the epoxy resin plant is subject to requirements in 40 CFR Part 63, Subparts W and H.

Our Deer Park Facility is subject to the HON Rule amendments and would face challenges in obtaining and implementing the technology required to come into compliance with the new standards by the

compliance deadlines currently in place. The potential for delays in coming into compliance due to availability of equipment, long lead times in project planning, availability and coordination of resources including contractor resources and the time needed to undertake detailed planning and engineering for compliance projects could potentially lead to impact in production and possible decreases in production volumes or unit shutdowns.

Westlake is proceeding with evaluation of installed equipment, preliminary engineering design and evaluating controls that would meet the Rule's requirements for multiple emission control projects. The Deer Park Facility has started discussions with vendors and consultants on these controls and is currently unable to confirm whether installation and streaming of the control equipment is possible before the current deadlines. Cost consideration of the required controls within the current timeline may render controls functionally unavailable and unreasonable timelines may force the site to select suboptimal, often more costly, control options.

Westlake's Deer Park Facility is subject to different control and monitoring provisions of the new HON Rule. Each of these provisions requires significant evaluation and identification of compliance methods involving testing and analysis which require key third-party resources that may be limited or in greater demand while multiple companies undertake similar compliance planning analysis. In addition, these new HON Rule requirements may potentially require installation of new equipment or implementation of new capital projects, which may only be identified after the time-intensive evaluation and compliance analysis that is already underway at Westlake. The information below is a highlight of the compliance challenges for a few the new provisions.

Compliance with the HON Rule requires installation of measurement and monitoring equipment on the Deer Park Facility's existing flare. As currently written, the HON Rule requires sources to implement flare monitoring requirements by July 15, 2027. The site has started discussions with vendors and consultants on these controls and is currently unable to confirm whether installation and streaming of this equipment is possible before the current HON Rule deadline. Installation of the equipment required for compliance with the HON Rule will require a process outage, which would impact the site's ability to produce the materials critical to the nation's supply chain.

Also, the HON Rule requires sources to implement fenceline monitoring requirements by July 15, 2026.

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The process to prepare for compliance and initiate new monitoring programs will be very difficult within the current time permitted. Contractors must be selected along with acquisition and installation of the required sampling stations along with an adequate supply of tubes in time for compliance. Most contractors available to assist with implementing the fenceline monitoring

requirements have stated that a pilot study is necessary to guide the development of a fence-line monitoring program specific to our facility. This pilot program will take no less than six months to complete. The Deer Park Facility expects that additional staff and/or contractors will be required to be retained and trained to implement the sampling program and perform the associated data analysis and RCA/CA. Westlake must rely on third-party laboratories for sample analysis. The Texas Commission on Environmental Quality requires that third-party laboratories be accredited through the National Environmental Laboratory Accreditation Program (NELAP). The entire source category in Texas must use NELAP accredited laboratories creating a potential limitation in resource availability.

The HON Rule also requires real-time sampling techniques if the root cause of an action level exceedance has not been determined within 30 days of determining the action level has been exceeded. Westlake must also source and select external contracts to employ real-time monitoring and appropriate staff.

The HON rules for pressure relief devices (PRDs) also presents specific technical feasibility challenges for Westlake. As currently written, the HON Rule requires sources to implement PRD improvements no later than July 15, 2027. Processes are designed with these PRDs to ensure the safety of personnel and equipment, and that functionality will need to be retained. The Deer Park Facility is continuing its engineering evaluation of the affected PRDs and has not reached a final determination on how the facility will comply with the PRD regulations. The site has started discussions with vendors and consultants on these controls and is currently unable to confirm whether installation and streaming of this equipment is possible before the current HON Rule deadline. Installation of PRDs may require a unit shutdown, which would impact the site's ability to produce the materials critical to the supply chain.

The non-routine, infrequent, and episodic nature of PRD releases may make it likely infeasible to install a control system capable of accommodating all the possible release scenarios at Westlake's impacted facilities. As a result, certain PRDs may necessarily have to be routed directly to the atmosphere at a safe location to ensure the safety of personnel and equipment, resulting in an unavoidable potential future violation of the new rule requirements. The new HON rule also imposes additional, burdensome monitoring for PRDs.

Westlake estimates a significant number of PRDs may be affected by this requirement at our Deer Park Facility. In combination with all other facilities in the entire source category, there is expected to be a large rush on procuring the necessary equipment to meet these requirements from the entire industry. Due to the anticipated surge in demand, a shortage in supply is expected. Westlake has no control over the availability of outside resources needed. Therefore, Westlake may not be able to comply with this rule by the current compliance date.

As summarized above, Westlake has no control over the availability of outside resources needed. Selection and use of contractors, laboratories, and real-time monitoring technologies will be conducted in combination with the entire source category, and there is expected to be a large rush on procuring the necessary equipment to meet these requirements. Therefore, Westlake may not be able to comply with this rule by the current compliance date due to factors outside our control.

In addition to the examples detailed above, Westlake's Deer Park Plant is also subject to and impacted by additional provisions of the HON rule under 40 CFR Part 63 Subpart F, G, H and W including but not limited to; the removal of Delay-of-Repair Provisions requirements discussed in 40 CFR Part 63 Subpart F, G, and H; removal of Startup, Shutdown and Malfunction Provisions; Maintenance Vent Provisions under 40 CFR 63.113(k); Storage Vessel Provisions under § 63.119 - § 63.123; Process Wastewater Provisions under § 63.132 - § 63.147; Heat Exchange System requirements under § 63.104, Compliance and performance testing under §63.525.

A summary listing of the key provisions of the HON rule which will impact the Westlake Deer Park Plant Facility and from which Westlake seeks this exemption is provided below:

Short description of provision	Specific Citation
Removal of Startup, Shutdown, and Malfunction (SSM) Provisions	40 CFR 63
Compliance dates	40 CFR 63.100(k)
Compliance and performance testing including additional performance demonstration testing	40 CFR 63.103 and 63.525
Heat Exchange System Standards	40 CFR 63.104(f)-(k)
Implement MACT CC flaring requirements (40 CFR 63.670)	40 CFR 63.108
Maintenance Venting and Tank Degassing Standards	40 CFR 63.113(k)
Storage Vessel Provisions	40 CFR 63.119-123
Pressure Relief Device (PRD) Standards	40 CFR 63.165(e)
Delay of Repair provisions	40 CFR 63.171(f)
Fenceline Monitoring Standards	40 CFR 63.184
Monitoring requirements including smaller compliance demonstration intervals	40 CFR 63.526

Westlake's HON regulated units at the Deer Park Facility produce foundational raw materials including bis-phenol acetone and epoxy resin, which are building blocks for materials used in industries which play fundamental roles in national security, including the medical and healthcare, food processing, agricultural, energy production, semi-conductor, and automotive industries. National security interests broadly include any potential for disruption to public health and welfare, threats to food supplies and supply chain risk management, along with the economic security previously noted in this request. Westlake's products serve as key raw materials for industries that play critical roles in the United States national security interests. The time needed and challenges involved in coming into compliance with the complex and voluminous new requirements under the HON rule could lead to potential decreases in production or possible outages at regulated facilities, including Westlake's Deer Park Facility, jeopardizing or impacting our downstream customers' industries.

While Westlake works to identify all the necessary changes required, this situation further supports the position that any exemption granted under this section should be for a length of 2 years, with an

option for EPA to consider a renewal for facilities whose compliance processes may extend beyond 2 years. We are prepared to provide further company-specific details should the President consider facility-specific exemptions.

We appreciate your attention to this matter and urge swift action.

If you have questions or comments regarding this request, please contact Ms. Susan G. Newman, Specialist Principal-Environmental, at snewman@westlake.com.



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