

(e.g., the GHG Rule). As noted above, the MATS Final Rule significantly tightens the surrogate fPM standard for demonstrating compliance with the emissions limits for non-mercury (“non-HG”) metal hazardous air pollutants (“HAPs”) from 0.03 lb/MMBtu to 0.010 lb/MMBtu, among other related requirements.

33. Colstrip cannot comply with the more stringent fPM limits in the MATS Final Rule with its current pollution control equipment. Colstrip must undertake a massive and complex construction project to install new controls—either fabric filters, known as baghouses, or electrostatic precipitators (“ESPs”)—to come into compliance with the MATS Final Rule. Installation of these new emissions control systems will be extremely expensive and potentially cost prohibitive for Colstrip. If deemed cost prohibitive, the MATS Final Rule would require Colstrip to prematurely retire by the rule’s compliance deadline of July 8, 2027, approximately three years from now. The decision to retire (or to install controls) would be made long before litigation over the MATS Final Rule is concluded.

34. Based on the latest information, the MATS Final Rule will require expenditures of over \$350 million to install new fabric filters or ESPs, with the most likely option the installation of fabric filters between the plant’s flue gas reheat system and the stack. In addition to the capital expenditure, the annual operation and maintenance cost is estimated to be approximately \$15 million annually. *See*