

resources to prepare for compliance with the Taconite Rule at a time when U.S. EPA intends to reconsider the rule.

Accordingly, even for technologies that operate effectively in simpler systems like utilities, these controls are far from being demonstrated workable in taconite processing plants. As such, the standard of unavailability in CAA § 112(i)(4) is met due to the exceedingly short time frame for compliance, and the two-year exemption is necessary to make room for reconsidering the standards and the controls on which they are based.

2. The Standards Cannot Be Implemented with Cost-Effective Technology

No *cost-effective* technology is available, or could be available, to implement the standards established in the Taconite Rule. U.S. EPA estimates that the rule will cost the industry, for mercury alone, \$134 million in capital investment (or \$385,579 per pound of mercury removed) over the next 20 years. Industry estimates are even higher, at least \$750 to 800 million, with \$170 to 180 million in annualized costs (or \$745,975 per pound of mercury removed). The Minnesota Pollution Control Agency's ("MPCA's") cost estimates were similar to the industry estimates and ranged from \$636 to \$685 million with \$130 to \$138 million in annualized costs. As noted above, U.S. EPA's own risk assessment showed that even without controls, emissions from the industry presented an acceptable level of risk to public health with an ample margin of safety. As a result, any costs expended to meet these standards are unreasonable, and, by definition, not cost-effective.

3. EPA Has Not Established That Standards in the Taconite Rule Are Achievable with the Proposed Technology

As noted above, EPA imposed standards requiring use of control technologies, despite the fact that these technologies are not in use at any taconite furnace in the country. Thus, the efficacy of these technologies in actual taconite furnaces is speculative and will need significant testing and piloting before they can be considered achieved in practice or even achievable in this source category. In some cases, there is serious doubt about whether compliance with the new emission standards is possible at all. As summarized below, the record is insufficient to demonstrate that these technologies are available to implement the standards in the Taconite Rule.

Hydrogen Chloride ("HCl")

To treat HCl and HF, U.S. EPA finds that some taconite plants will need to use dry sorbent injection ("DSI"), in which a lime product is injected into the exhaust stream to react with and potentially remove HCl and HF. While this technology has been used in other industries to treat HCl, it is not in use in the United States at any taconite furnace. This means that U.S. EPA's projections of the feasibility and costs of using this technology were not based on data from taconite furnaces and thus are speculative and unproven to be available. Accordingly, the implications of DSI injection into the complex workings of the taconite furnace are not well understood. Early assessments indicate that substantial build up occurs in the system that was