time, the Alaska Industrial Development and Export Authority (AIDEA) was the owner of EU ID 2. GVEA finalized the purchase of EU ID 2 on December 4, 2013. GVEA restarted EU ID 2 on May 28, 2015 firing ultra-low sulfur diesel (ULSD), with coal subsequently being fired for the first time on August 4, 2015. The EU ID 2 nameplate identifies the EGU as Serial No. 1, meaning that no other EGUs with similar combustion and emissions control characteristics are available to provide an indication or comparison regarding the air pollutant emission characteristics of EU ID 2.

EU ID 2 is in the unique situation of being an existing EGU that was in an extended suspended operation mode and then started after the MATS rule was promulgated and became effective. As a result, the MATS rule includes no provision to allow for the commissioning of EU ID 2 or a provision to determine whether the MATS mercury limit is attainable. Source testing conducted during commissioning suggests that compliance with the MATS mercury limit has not yet been attained for EU ID 2, an issue that is being addressed via a consent decree (Civil Action No. 3: 18-cv-00162-SLG) filed on July 19, 2018. Source testing also indicates that compliance with the MATS mercury limit could be achieved through the use of activated carbon injection, although such injection can cause damage to and increased maintenance costs for other EU ID 2 operating and emission control systems.

Specific information about the cost of operating and maintaining mercury emissions control systems on EU ID 1 and 2 is not available. The generalized costs that EPA developed to support the final MATS rule are not indicative of the EU IDs 1 and 2 costs because the Healy Power Plant is in Alaska, an area known for higher costs. Further, the original EPA cost evaluation integrated the co-benefits of PM emission reduction. PM emission controls and reductions have previously been implemented for EU IDs 1 and 2, negating the PM emission control co-benefit assumption associated with MATS mercury emission compliance.

Interior Alaska, including the GVEA service area, has limited choices with respect to affordable fuels, electric generation systems, and electrical power providers. Because of these limitations, the cost of electricity to the customer is high compared to costs in the contiguous 48 states. As a result, any program that increases costs must be carefully examined to ensure that the benefits resulting from the cost are necessary and appropriate.

The ability to comply with the MATS rule, and the associated costs, is further strained because the EPA Emissions Collection and Monitoring Plan system (ECMPS) is not configured to accept Healy Power Plant information because sources in Alaska are not subject to acid rain requirements. Mercury emissions monitoring for Healy Power Plant EU ID 2 is conducted using a mixed 40 CFR 60 and 75 monitoring equipment configuration. The mixed monitoring configuration is regulatorily required. ECMPS is not programed to accept the data that are generated. The ECMPS team will not reconfigure ECMPS to accept the data until the EPA MATS compliance authority has certified the GVEA EU ID 2 mercury CEMS. The EPA MATS compliance authority has not been able to provide the procedure that GEVA must follow to