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999 18TH STREET - SUITE 500
DENVER, CO 80202-2466
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Lynn R. Menlove, Manager
New Source Review Section
Division of Air Quality
Utah Department of Environmental Quality
P.O. Box 144820
Salt Lake City, UT 84114-4820

Dear Mr. Menlove:

This letter is in response to your letter dated May 23, 1997, about Great Salt Lake Minerals and whether their operations should be considered a single source or two sources under the Prevention of Significant Deterioration of Air Quality (PSD) regulations. We also received a letter from Mr. Jim Wolf with the Harris Chemical Group, dated June 30, 1997, that contained the June 16, 1997 letter that was sent to Utah, which discussed these issues about the Great Salt Lake Minerals plant.

After reviewing the information submitted and previous applicability determinations that have been made regarding the definition of stationary sources, we feel compelled to recommend that the subject pump station be considered part of the Great Salt Lake Minerals plant as a single source, despite the fact that the pump station is on one side of the Great Salt Lake while the production operations are on the other side of the lake. The underlying facts indicate that the pump station operates solely as a support facility to the plant. Guidance in the Standard Industrial Classification (SIC) Manual (Appendix B) states that the SIC code is a system for classifying establishments by type of economic activity. Each establishment is classified according to its primary activity. The pump station activity does not have its own primary economic activity but only supports the activity of the main facility. As such, we believe it would be incorrect to consider the pump station operation as a separate source.

The letter from Mr. Wolf contained a statement that said “The pump station merely supports brine transfer activities and has no production function or potential.” The very fact that the pump station provides support to the production activities of the plant by brine transfer clearly provides justification that the pump station acts as a support facility to the plant. To our general knowledge, previous determinations, which have been made by EPA and states, have always determined that activities which support the primary activities of a source are considered to be part of the source to which they provide support. Distance between the operations is not nearly as important in determining if the operations are part of the same source as the possible support

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that one operation provides for another. We believe that Utah has at least one example of this in your definition of a source at Kennecott Copper, where the Bingham Canyon Mine and the Copperton Concentrator are considered to be one source connected by a slurry pipeline. The only written national guidance found in the New Source Review Guidance Notebook was numbered 3.18, dated 6/30/81, which dealt with two operations, separated one mile apart, that had a dedicated railroad line between them, and together produced one line of automobiles. The resulting determination was that they are one source.

We have coordinated our response with EPA New Source Review contacts in North Carolina and they agree that our guidance regarding this determination is consistent with statements that EPA has made about long-line operations, such as a pipeline or electrical power lines. EPA would not treat all of the pumping stations along a multi-state pipeline as one source. The distance between those types of operations is typically hundreds of miles. The supply of electrical power to a source has never been used to determine that separate operations are part of the same source. However, the physical relationship between the pump station and the production operations at the Great Salt Lake Minerals plant (i.e., a channel or "pipeline" across the bottom of the lake) is much more similar to conveying operations that transport raw materials to a processing plant. This clearly supports the production operation and is routinely considered to be part of a single stationary source (the production facility plus support operations). This is a rather unique (one of a kind) operation and our guidance is specific for this unique operation.

The only issue, really is the distance between the two operations. EPA did make a statement in the preamble to the August 7, 1980 PSD rules that if two operations were 20 miles apart, they would be too far apart to be considered one source. The rest of the determination was that because the two operations had different SIC codes, they would be separate sources. Our belief that the unique operations at the Great Salt Lake Minerals plant should be considered a single source is somewhat in conflict with the single statement that a 20-mile separation is too far apart to consider two operations as a single source. However, this distance was not established as a fixed requirement and involved facilities with different SIC codes, unlike The Great Salt Lake Minerals case. It remains our opinion that because of the unique relationship between the pump station and the salt processing plant and the dedicated channel (21.5 miles) between the two that supplies the pre-concentrated brine, the distance between the operations is not an overriding factor that would prevent them from being considered a single source.

Our position on this rather unique situation is only provided as guidance, as it remains the State's primary responsibility to make the final determination under your SIP-approved PSD regulations. I hope this is the information that you needed. If you have questions about our determination, please contact John Dale at (303) 312-6934.

Sincerely,

Richard R. Long, Director
Air Program