April 11, 1996

Mr. Jeffrey A. Saitas, P.E. Deputy Director Office of Air Quality Texas Natural Resource Conservation Commission P.O. Box 13087 Austin, Texas 78711-3087

Re: International Paper Nacogdoches, Nacogdoches Co., Texas PSD-TX-766M1, Permit Amendment

Dear Mr. Saitas:

Thank you for your letter of March 6, 1996, regarding the permit amendment for the International Paper (IP) oriented strandboard (OSB) plant located in Nacogdoches, Texas. In your letter, you stated that IP had recently discovered certain emissions from the press vent which had not been permitted in 1992, and they were now applying for a permit amendment to incorporate those emissions. You also defined the Texas Natural Resource Conservation Commission (TNRCC) retroactive review policy, and had determined that this permit amendment fell under that policy. Your preliminary proposal is to approve the amendment, with no required reduction in the recently discovered emissions, because no control for the press vents would have satisfied best available control technology (BACT) in 1985 when the first permit for this plant was issued.

The reviewing authority should treat the press vents as new construction, and process the permit accordingly. These emissions should be treated as new emissions and permitted under current BACT. In this case, the owner or operator did not obtain all necessary preconstruction approvals or permits for the emissions from the press vents. Under Title 40 of the Code of Federal Regulations (40 CFR) 52.21(b)(9)(definition of commence), the owner or operator of a major stationary source or major modification has all necessary preconstruction approvals or permits prior to the commencement of construction.

As a part of the permitting process, the permit applicant must consider all control technology currently available at the time of submission of the permit application. The application of BACT to control criteria pollutant emissions, particularly of volatile organic compounds (VOC) and particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers (PM10), from the veneer dryers and presses, should address the current control technology known as regenerative thermal oxidation (RTO) or regenerative catalytic oxidization (RCO), or equivalent technology, in addition to other demonstrated control technologies identified by the source, State, and public. The selection of a particular control option is made on a case by case basis after the reviewing authority has considered all relevant factors; including the economic, environmental, energy and other impacts resulting from the use of a particular control option.

We hope this information assists your permitting program. If you have any comments or questions, please call Mr. Richard A. Barrett of my staff at (214-665-7227).

> Sincerely yours, ORIGINAL SIGNED BY JOLE C. LUEHRS

Jole C. Luehrs Chief Air Permits Section (6PD-R)