

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM

DATE: February 8, 1983

SUBJECT: Westvaco Paper Mill - PSD Applicability

FROM: Director
Stationary Source Compliance Division
Office of Air Quality Planning and Standards

TO: W. Ray Cunningham, Acting Deputy Director
Air and Waste Management Division (3AWOO)

This is in response to your request dated January 11, 1983 concerning the applicability of PSD to the Westvaco pulp and paper mill located in Luke, Md. The questions you pose in this request involve the issue of air quality increment consumption when reviewing revisions to state implementations plans (SIP). Westvaco has, under consideration, a SIP revision which will allow them to increase their SO₂ emissions. Various versions of this SIP revision have been under consideration by the State and EPA since 1975. Your two specific questions and our responses are as follows:

1. Under the current PSD regulations, including the August 7, 1980 promulgation, is there any provision for grandfathering SIP revisions "pending" before June of 1978 (or any other date certain so as to exempt them from PSD review)? (There was such a provision for grandfathering under earlier PSD regulations.)

The August 7, 1980 regulations do provide that a SIP relaxation pending at the time a baseline date is established is exempt from individual increment analysis (40 CFR 51.24 (a) (2)). The preamble to the August 7, 1980 rules states at page FR 52715, "EPA is exempting from individual increment analysis SIP relaxations pending at the time a baseline date is established in the area affected by the revision." As explained further in that same paragraph such relaxations do consume increment. "However, increment consumption due to emissions from these relaxations must be evaluated as part of a state's periodic assessment." Therefore, the individual SIP revision will not have to include an air quality increment analysis, but the state will have to consider this increase in emissions when conducting its next periodic assessment as well as its effect when permitting subsequent applicants.

The June, 1978 regulations did contain such a "grandfathering" provision, which placed all emission increases resulting from relaxations pending on August 7, 1977 into the baseline concentration. However, EPA noted that this exemption was no longer necessary and stated at page FR 52715:

"EPA believes this exemption from increment consumption analysis is no longer necessary. States and sources have been on notice since June 1978 that emissions increases at existing sources due to SIP relaxations must be evaluated for possible increment consumption. No state or source has been uncertain as to the applicable baseline date, or been placed in an inequitable position as to other states or sources. Therefore, today's regulations do not exempt from increment consumption analysis those SIP relaxations not finally approved by EPA prior to the baseline date in the affected area.

2. If there is any provision for "grandfathering" under current PSD regulations, is the degree of continuity that exists in the Westvaco case sufficient to classify the final limit that Maryland will establish for Westvaco as part of a SIP revision pending before the cutoff date (June, 1978 or whatever other cutoff date you determine exists under current regulations)?

The exemption contained in the June, 1978 PSD regulations was included due to uncertainty as to how the 1977 Clean Air Act would affect pending SIP relaxations. However, as of August 7, 1980 sources and states have had adequate notice that such relaxations will consume increment. The August, 1980 rules did provide some flexibility, as mentioned earlier, by allowing states to postpone this increment analysis for SIP revisions pending prior to June 19, 1978 until the first periodic assessment after the SIP relaxation becomes final.

In summary, the increase in actual emissions, since the establishment of the baseline date, resulting from the SIP relaxations will consume air quality increment. Such increment analysis does not necessarily need to be completed prior to the approval of the SIP relaxation. However, all increases in actual emissions occurring as a result of it must be considered by the state as a part of their next periodic assessment.

This response has been reviewed and concurred in by the Control Programs Development Divisions of OAQPS and the Office of General Counsel. Should you have any questions please contact Rich Biondi at 382-2831.

Edward E. Reich

cc: Mike Trutna
Peter Wyckoff

EN-341:R. Biondi:kw:382-2831:Draft 1-24-83:Final 2-3-83
Disk Ras:1 Westvaco Paper Mill