

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

JAN 10 1989

F. SIMONS:bm/TS-798/23788/NE117/10/27/88/PC-B/DOC:SONOCO.RA

Mr. Peter H. Gruene, Director
Environmental Activities
Sonoco Products Company
Hartsville, S.C. 29550-0160

Dear Mr. Gruene:

This is in response to your letter of October 3, 1988 regarding the Environmental Protection Agency's (EPA's) interpretation of the scope of the polychlorinated biphenyl (PCB) large capacitor phase-out requirements. As you know, the PCB regulations at 40 CFR 761.30 prohibit the use of large PCB capacitors after October 1, 1988 unless the large PCB capacitors are located in a restricted-access electrical substation or in a contained and restricted-access indoor installation. I acknowledge that the regulation itself and the preamble to the August 25, 1982 regulation are somewhat ambiguous regarding the definition of a "contained and restricted-access indoor installation." Accordingly, there may have been varying interpretations within EPA regarding the scope of this particular "exception" from the October 1, 1988 phase-out requirement. Further research into the rulemaking record, completed after EPA's July 21, 1988 letter to Pennwalt Corporation, indicates that EPA intended to phase out only nonsubstation outdoor PCB capacitors.

Preamble language suggests that the term "restricted-access" could be viewed as pertaining to restricting access to the capacitor location within the building and not simply to the building itself. The preamble states that a contained and restricted-access indoor installation "prevents rain water from reaching the large PCB capacitors and has controlled access to these PCB capacitors." This is the interpretation provided in my July 21, 1988 letter to the Pennwalt Corporation. A recent poll of the EPA regional offices indicated that the majority of the regional offices also shared this interpretation. However, additional research into the historical (1982) rulemaking record indicates that EPA intended to only phase-out those PCB capacitors located in outdoor nonsubstation locations. The section of the preamble that addresses the impact of the regulation (47 FR 37348, August 25, 1982) explains that the final rule requires the removal of 1.087 million large PCB capacitors.

27/15

		CONCURRENCES						
SYMBOL	TS-798	TS-790	TS-798	CE-1340	LE-132P	EN-342	EN342	TS-798
SURNAME	Simons	MADZ	Kocher	W	W	Calton	ZVSA	W
DATE	10/27/88	10/31/88	11/1/88	11/4/88	11/15/88	1-4-89	1-5-89	1-10-89

Although the preamble does not describe in precise terms where these 1.087 million large PCB capacitors are located, a review of the 1982 Regulatory Impact Analysis developed for this rule estimates that there would be 1.087 million nonsubstation outdoor PCB capacitors that would be subject to removal if EPA required phase out by October 1, 1988. Accordingly it appears that EPA intended to phase-out only those large PCB capacitors located in outdoor nonsubstation locations.

Therefore, large PCB capacitors located in indoor locations that restrict public access and have an adequate roof, walls and floor to contain and prevent any PCB releases into the outside environment (i.e., no floor drains near enough to the capacitors to cause releases in the event of a rupture in the facility) would not be subject to the October 1, 1988 phase-out requirements.

A copy of this of this interpretation will be sent to all EPA regional offices and all persons who have inquired about the scope of the PCB capacitor phase-out requirement. I hope this clarifies this issue and regret any inconvenience that may have been caused by this misunderstanding. If you have any further questions or comments you may call me or Tom Simons of my staff at 202-382-3933.

Sincerely,

15/

Denise M. Keehner, Chief
Chemical Regulation Branch

CONCURRENCES

DATE	SURNAME	SYMBOL