June 8, 2004

Mr. Dawson Lasseter Chief Engineer Air Quality Division Oklahoma Department of Environmental Quality P.O. Box 1677 Oklahoma City, OK 73101-1677

RE: Holcim US, Inc. Ada Portland Cement Plant Ada, Pontotoc County, Oklahoma

Dear Mr. Lasseter:

This is in response to your letter of April 30, 2004, requesting clarification that a best available control technology (BACT) analysis, under Prevention of Significant Deterioration (PSD) review, is applicable for a proposed modification to the rotary kiln located at the Holcim US, Inc., Ada Portland Cement Plant, Ada, Oklahoma.

Your request discusses that the proposed modification at the plant includes replacing a "direct" firing system with an "indirect" firing system and replacing the existing burner within the kiln. The "indirect" firing system contains units to pre-treat coal prior to reaching the kiln and, therefore, are not part of the kiln itself. However, as part of this change a burner associated with the "indirect" system will replace the existing burner. The burner resides partially within the kiln and provides the heat necessary to form the cement clinker.

As you know, once it is determined that PSD review is applicable for a proposed modification, then BACT would then be applicable to "each proposed emissions unit at which a net emissions increase in the pollutant would occur as a result of a physical change or change in the method of operation in the unit." See Title 40, Code of Federal Regulations, 52.21(j)(3).

The emissions unit in this case is the rotary kiln. The proposed standards for hazardous air pollutants emissions for the Portland cement manufacturing industry describe the rotary kiln as "... a refractory-brick-lined cylindrical steel shell that is rotated by an electrical drive. It is a

countercurrent heating device slightly inclined so that material fed into the cooler, upper end travels slowly by gravity to be discharged onto the clinker cooler from the hotter, lower discharge end. The <u>burners</u> at the firing end, i.e., the lower or discharge end, produce a current of hot gases that heats the clinker and the calcined and raw materials in succession as the gases pass toward the feed end." See <u>Federal Register</u>, March 24, 1998, Volume 63, Number 56, page 14195.

Considering your request and the information provided, the existing burner is a fundamental component of the kiln; therefore, its replacement as a part of the new indirect firing system should be considered as a physical change to the kiln. Should the kiln experience a net emission increase as a result of this physical change, then a BACT analysis will be applicable.

I will note that we have had a number of conversations with other States on BACT determinations at cement kilns, and I believe that early coordination on such BACT analyses would be very beneficial.

We trust that our response to your request is helpful, and should you have any questions or require further assistance on this matter, please contact me at (214) 665-7250, or Rick Barrett of my staff at (214) 665-7227.

Sincerely yours,

David Neleigh Chief Air Permits Section