

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IV

345 COURTLAND STREET, N.E.
ATLANTA, GEORGIA 30365

JUN 15 1993

4APT-AEB

Mr. Richard E. Grusnick, Chief
Air Division
Alabama Department of Environmental Management
1751 Congressman W.L. Dickinson Drive
Montgomery, Alabama 36130

RE: BACT Applicability

Dear Mr. Grusnick:

This is to acknowledge receipt of your letter dated May 14, 1993, which raised the issue of an apparent contradiction between EPA guidance and the federal Prevention of Significant Deterioration (PSD) regulations. At issue is the January 18, 1990, letter from Gerald Emison of EPA's Office of Air Quality Planning and Standards (OAQPS) to Morton Sterling of the Detroit Edison Company concerning a PSD applicability determination for Detroit Edison's Greenwood Power Plant. As pointed out in your letter, page 2 of Mr. Emison's letter states that "BACT is applicable only to those emission units at the source which undergo both a physical or operational change and a significant net emissions increase" (emphasis added). This is in apparent conflict with the federal PSD regulations which clearly state at 40 CFR SS52.21(j)(3):

(j) Control technology review

(1) ***

(2) ***

(3) A major modification shall apply best available control technology for each pollutant subject to regulation under the Act for which it would result in a significant net emissions increase at the source. This requirement applies 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.

Gregg Worley of my staff raised this issue with Dennis Crumpler of the New Source Review Section (NSRS), OAQPS. It is our understanding that for the applicability determination in question, there was only one emissions unit involved; thus, a significant net emissions increase from the unit would be

necessary to trigger PSD applicability. More importantly, guidance and/or interpretations do not supersede the actual regulation. The NSRS will make a determination as to whether a memorandum is necessary to clarify the intent of the Emison letter. In the meantime, the interpretation of the regulation shared by your agency and EPA is correct.

If you have any further questions on this issue, please contact Gregg Worley of my staff at (404) 347-5014.

Sincerely yours,

Air Enforcement Branch
Air, Pesticides, and Toxics
Management Division

cc: Dennis Crumpler, OAQPS, NSRS