

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

DEC 11 1978

MEMORANDUM

SUBJECT: Baseline Value for PSD Increment Consumption

FROM: Director
Division of Stationary Source Enforcement

TO: Winston A. Smith, Chief
Air Programs Branch, Region IV

This is in response to your memo of November 1, 1978, requesting a determination as to whether consumption of the applicable PSD increment results from the increased utilization of existing boiler capacity at an expanded kraft pulp mill. Details of the case, as outlined in your memo, are as follows.

Expansion of the pulp mill will include new digesters, lime kiln, and other facilities necessary to manufacture pulp, with the exception of recovery boiler capacity. The currently unused portion of existing recovery boiler capacity will be sufficient to handle the increased production level at the plant.

The increase in emissions which results from the increased utilization of existing recovery boiler capacity is not included as part of the baseline but rather, consumes the available PSD increment. The preamble to the PSD regulations (43 FR 26400) states that increases in capacity utilization, as well as increases in hours of operation, should be included in the baseline, only if the following two conditions are both met.

- 1) The increased emissions were allowed to the source as of August 7, 1977.
- 2) The source could reasonably have been expected to make these increases on August 7, 1977.

As a general rule, when a major modification is necessary

to bring about an increase in the hours of operation or in capacity utilization, it is assumed that the resulting increased emissions could not reasonably have been expected to occur as of August 7, 1977. The Region IV kraft pulp mill has not met condition 2, above, if we assume the increased utilization of recovery boiler capacity and the resulting increase in emissions would not have occurred without an accompanying major modification to the plant.

We understand that the increased emissions from the recovery boilers may consume a large enough portion of the increment to prevent the future construction of a new power boiler planned by the source. The source might be reminded that in the event an increment is totally consumed, offsets may be used to allow new construction in accordance with the PSD requirements. A discussion of the use of offsets by PSD sources is included in the June 19, 1978, PSD preamble on pg. 26401, column I. Please note that in order to locate in an area where the applicable increment has been exceeded, the source must offset the entire violation, not just the source's own projected emissions. The increment violation may also be corrected by a revision of the SIP.

If you have any further questions, please contact Libby Scopino (755-2564) of my staff.

151 W. F. Johnson
for Edward E. Reich

cc: Dave Dunbar
Peter Wyckoff

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

DATE: NOV 1 1978

SUBJECT: Baseline Value for PSD Increment Consumption

FROM: Winston A. Smith, Chief
Air Programs Branch

TO: Ed Reich, Director
Division of Stationary Source Enforcement

SUMMARY

A kraft pulp mill in Region IV proposes to expand its pulping capacity. The expansion will include new digesters, lime kiln, and other facilities necessary to manufacture pulp, with the exception of recovery boiler capacity. The present recovery boiler capacity is sufficient to handle the increase in pulping capacity from the expansion. Although the recovery boilers are permitted (from the State) at the design capacity, the boilers presently are not used at that capacity, since the mill cannot currently supply the equivalent amount of black liquor.

The company also plans to submit an application, subsequent to the pulping expansion application, to build a new power boiler.

The increase in emissions from the first modification will not be subject to control technology or impact reviews, because the increase in allowable emissions is less than 50 T/Y. Our question is this: In reviewing the application for the new power boiler, which will be greater than 50 T/Y, are the increased emissions from the recovery boilers included in the baseline? Section (b)(11) of the PSD reg defines baseline in terms of actual emissions, which would not seem to allow the subject increase to be included in the baseline. But the preamble discussion of baseline states that increased capacity utilization, if permitted before August 7, 1977, can be in the baseline "if the source could have reasonably been expected to make these increases on this date."

ACTION

Please advise us as to whether the increased emissions from the recovery boilers should be included in the PSD baseline.

BACKGROUND

40 CFR 52.21

cc: Kent Berry, OAQPS
Darryl Tyler, OAQPS