

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

SUBJECT: Bloomfield Refinery Expansion

DATE: 23 DEC 1976

FROM: Michael Trutna
NSR Focal Point

TO: Oscar Cabra, Chief
Technical Support Section, Region VI

Thank you for your letter of December 17 requesting my comments on how PSD would apply to the fuel gas switch associated with the above source modification. This memo is to confirm what I earlier discussed with Joe Winkler of your staff on December 14.

The December 1 Newsletter in Section B, Question 13, provided some guidance for this type of situation, but it did not specifically address fuel switching. The intent of the current PSD regulation is to exclude the impact of fuel-switching in determining source applicability and to exclude BACT requirements on fuel switches except where the switch is an integral part of the plant action to expand its production. This is true for fuel switches that are true modifications, as well as those which merely involve the burning of a new fuel that could have been burned before.

Fuel switching, however, can affect the ability for other changes proposed now or in the future for the same source to receive PSD approval. Any net increase in SO₂ or PM resulting from the fuel switch must be accounted for in determining the overall compliance of the source with the applicable PSD increment(s). Thus, the emissions associated with the change in fuel by the existing process heaters are not subject to BACT under PSD (assuming that the fuel switch is not essential to expanding existing refinery capacity), but they may consume enough of the applicable increment to prevent approval of the fluid catalytic cracking unit.

I hope this discussion has been responsive to your request. The specific interpretation of PSD that I have conveyed should also be more clearly stated in the forthcoming amendments to §52.21. Please feel free to call on me for any further clarification.

cc: R. Rhoads
K. Berry
R. Biondi