

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM:

DATE: September 15, 1977

SUBJECT: Interpretation of Offset Policy

FROM: Director Division of Stationary Source Enforcement

TO: Howard R. Heim, Chief Air Programs Branch, 3AH10

This is in response to your memo dated September 1, 1977 concerning the Midvale Steel Plant located in Philadelphia and its potential applicability to the emission offset policy. In your memo you state that the source ceased operation in 1976 due to economic problems and is now planning to re- open after a change in ownership.

The Interpretative Ruling states that each major new source or major modification which will have an allowable emission rate of 100 tons (1000 for CO) per year or more locating within a impactions on a nonattainment area is subject to the Ruling. It is the interpretation of this office that the Midvale Steel Plant is not a new source. It also appears, that since a change in ownership of a source does not constitute a modification, that it is not a modified source either. However, this determination is based on the following assumptions:

- (1) The Midvale Steel Plant closed at its own discretion, and that the applicable SIP allowed its continued operation,
- (2) The steel plant will maintain its emission level consistent with the applicable SIP, i.e., it will not emit more than its allowable rate, and
- (3) The State continued to maintain this source in its active emission inventory and control strategy.

If you have any additional questions on this, please contact Rich Biondi (755-2564) of my staff.

Edward E. Reich

cc: Dick Rhoads - CPDD
Mike Trutna - CPDD
Kent Berry - OAQPS

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region III - 6th & Walnut Sts.
Philadelphia, Pa. 19106

SUBJECT: Interpretation of Offset Policy

DATE: SEP 1 1977

FROM: Howard R. Heim, Chief Air Programs Branch, 3AH10

TO: John B. Rasnic, Chief Compliance Monitoring Branch, EN 341

Please advise us of the applicability of the Emission Offset Policy for the following situation:

A steel plant (Midvale Steel) located in Philadelphia ceased operation in 1976 due to economic problems. Recently there have been proposals to sell this plant and re-open it. The plant apparently would operate at its old production rate with the same amount of pollutant emissions. The plant was in compliance with all air pollution regulations prior to terminating operations.

Will the re-opening of this plant require emission offsets pursuant to the Interpretative Ruling?

Please contact Jim Sydnor (597-8181) if you have any questions.