

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

July 9, 1982

MEMORANDUM

SUBJECT: Reactivation of Amerada Hess Corporation's Port Reading Facility
 and PSD Review

FROM: Director
 Division of Stationary Source Enforcement

TO: Conrad Simon, Director
 Air and Waste Management Division, Region II

This is in response to Michael Bonchonsky's memo of May 25, 1992, concerning the applicability of PSD review to the reactivation and modification of the Port Reading Refinery, which is owned by the Amerada Hess Corporation.

Your memorandum basically outlines two issues, 1) Is the reactivation of existing facilities at Port Reading subject to PSD review and 2) Upon reactivation, what emissions may Amerada Hess use as creditable emission decreases.

On the issue of reactivation, the Agency has maintained the policy that if a source can demonstrate, to the satisfaction of the Administrator, that its shutdown was not intended to be of a permanent nature, PSD review does not apply to its reactivation. Although the facility in question has been inactive since 1974, Amerada Hess has submitted adequate evidence to demonstrate that its shutdown was not intended to be permanent. The reactivation of boilers 1 and 2 and the FCC Unit would not trigger PSD review. PSD review may be applicable only if new facilities or modifications cause a significant net emissions increase.

Regarding creditable emissions, Amerada Hess would like to take credit for the difference in emissions between operation prior to shutdown in 1974 and operation after the reactivation of the facility. During the shutdown of the plant (1978) the baseline for the area in which the source is located was triggered. Your memo contains the correct analysis of baseline emissions and creditable emission reductions: The baseline concentration includes the actual emissions of a source in existence on the baseline date. Upon reactivation of its facility, Amerada Hess may only credit a decrease in emissions from the actual emissions occurring on the baseline date.

According to the information in your memo, Amerada Hess will only have creditable decreases in emissions at boilers 1 and 2 of 18 TPY of NO_x, 32 TPY of SO₂ and 2 TPY of CO. Amerada Hess may not take any credit for emission changes occurring at the FCC Unit, since emissions at this unit were zero on the baseline date.

The proposed modifications and the additional new facilities to the refinery will be subject to PSD review for CO. Amerada Hess is not required to perform an increment and/or NAAQS analysis of the SO₂ and NO_x emissions are not subject to PSD review. Nevertheless, the SO₂ emissions still consume increment and must be addressed by the next major modification or major source of SO₂ to locate in the area.

In closing, I would like to emphasize that, at this time, this determination (or any other PSD determination) is in no way affected by the CMA settlement agreement. The PSD regulations, as amended on August 7, 1980, remain in effect and binding until amended through formal rulemaking procedures.

This response has been reviewed and received concurrence from the Office of General Counsel and the Office of Air Quality Planning and Standards.

If you have any questions regarding this determination, please contact Janet Farella of my staff at 382-2877.

Edward E. Reich

cc: Ken Eng, Region II
Mike Trutna, OAPQS
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