

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Office of Air Quality Planning and Standards
Research Triangle Park North Carolina 27711

JUN 7 1988

MEMORANDUM

SUBJECT: Response to Request for Prevention of Significant Deterioration
(PSD) Applicability Determination

FROM: John Calcagni, Director
Air Quality Management Division (MD-15)

TO: David Kee, Director
Air and Radiation Division (5AR-26)

I have reviewed your memorandum of May 2, 1988 concerning the issue of whether use of tire-derived fuel (TDF) at existing steam generating facilities should be classified as an alternative fuel generated from municipal solid waste. My conclusion supports your preliminary determination that TDF does not, by itself, constitute municipal solid waste in accordance with the definition contained in paragraph (b) of 40 CFR 60.51. I also do not consider TDF to be "generated from" municipal solid waste within the context of the PSD exemption for major modifications. Consequently, the use of TDF as an alternative fuel would not qualify for a PSD exemption under subparagraph (b)(2)(iii)(d) of 40 CFR 52.21.

My staff has reviewed the brief yet pertinent language contained in two Federal Register preambles which leads us to conclude that the intent in establishing the subject exemption was to address fuel consisting of either the total collected mixture of municipal type waste, i.e., municipal solid waste, or the bulk of such mixture excluding the noncombustible waste fraction, i.e., refuse derived fuel. The PSD exemption is explained briefly in the preamble to the 1980 PSD amendments as applying to "fuel derived in whole or in part from municipal solid waste" [45 FR 52698, August 7, 1980]. The concept of "derived in whole" appears to refer to a fuel prepared from the complete content of municipal solid waste. However, the meaning of "derived . . . in part" is not as apparent.

We have also relied on the preamble discussion of the same exemption contained in the 1979 Emission Offset Interpretative Ruling. In that preamble, the Environmental Protection Agency (EPA) refers to the use of "municipal solid waste (including refuse derived fuel . . .)" [44 FR 3273, January 6, 1979]. Taken together, these brief explanations strongly suggest

that EPA's concern is for the alternative use of municipal solid waste which has already been collected, and not any particular individual component which might be utilized as a fuel by itself. Since nearly everything can be found in municipal waste from used oil to plastics to pesticides, the argument that any combustible material found in municipal waste should qualify for this exemption when recovered and burned alone is somewhat unrealistic.

Therefore, the use of a particular material as an alternate fuel, even if it is found in municipal solid waste, does not qualify for the PSD exemption and should be reviewed to determine whether an increase in actual emissions would result. In the event that such alternative fuel would result in a significant net emissions increase, then its use should be reviewed as a major modification.

Should you have any further questions or comments concerning this determination, please contact Dan deRoeck at FTS 629-5593.

cc: E. Lillis
New Source Review Contacts
Air Branch Chiefs, Regions I-X