

MAY 27 1980

SUBJECT: New Source Review Requirements in Areas Unclassified for Ozone

FROM: Richard G. Rhoads, Director Control Programs Development Division
(MD-15)

TO: Allyn M. Davis, Director Air and Hazardous Materials Division, Region VI

Any person who desires to construct a new major source of volatile organic compounds in a rural area designated as "unclassifiable" for ozone has three basic options as follows:

1. Agree to apply best available control technology; conduct an ambient monitoring program under the PSD regulations; and submit, as part of their permit application, proof that the area is attainment for ozone. (Such ambient data must be submitted before the permit application can be considered complete.)
2. Agree to meet the lowest achievable emission rate and obtain adequate emission offsets. [LAER and the offsets must be enforceable at the time of permit issuance, and the offsets must (in most cases) be achieved prior to initial operation of the new source.]
3. Agree to meet the lowest achievable emission rate, and EPA must have approved regulations that require application of reasonable available control technology on all existing 100-ton or greater sources for which control technique guidelines have been issued. (The latter requirement represents the basic feature of a rural control strategy, and that strategy must be approved by EPA prior to issuance of the permit.)

All other requirements of the PSD program or the offset program must, of course, be met. You should specifically note that the permit could not be issued until:

1. Under Option 1, the attainment status has been demonstrated,
2. Under Option 2, the offsets are legally enforceable by EPA, or,
3. Under Option 3, the RACT regulations have been approved by EPA. (In this latter case, EPA approval of a State certification that no major sources of VOC exist in the area would serve in lieu of approval of RACT regulations.)

The above requirements are specified in the PSD regulations, the offset ruling, and the Administrator's February 24, 1978 memorandum. In addition, I am attaching several memos which provide further details of these requirements.

Attachments

cc: Jack Divita
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