

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

September 13, 2000

4APT-ARB

Mr. Jimmy Johnston
Georgia Environmental Protection Division
Air Protection Branch
4244 International Pkwy., Suite 120
Atlanta, GA 30354

SUBJ: No. 1 Recovery Furnace Maintenance, Repair and Replacement Project
PCA Pulp and Paper Mill
Valdosta, Georgia

Dear Mr. Johnston:

Thank you for requesting assistance from the U.S. Environmental Protection Agency (EPA), Region 4, in making a prevention of significant deterioration (PSD) applicability determination. This determination is for a proposed maintenance, repair and replacement project involving the No. 1 Recovery Furnace at the Packaging Corporation of America (PCA) pulp and paper mill in Valdosta, Georgia. The question at issue is whether the proposed project qualifies as "routine maintenance, repair and replacement" and is therefore not a physical change or change in the method of operation under PSD regulations.

In this letter, we respond to your request based on how we believe such a request would be resolved under the federal PSD rules in Title 40 Code of Federal Regulations and under EPA policies. Our response does not represent how you must interpret the PSD requirements that EPA has approved into Georgia's state implementation plan, nor does it represent final agency action. Instead, this letter provides guidance for you to consider in your role as the PSD permitting authority.

The maintenance, repair and replacement actions scheduled for No. 1 Recovery Furnace consist of the following as listed in a letter from PCA to the Georgia Environmental Protection Division (GAEPD) dated June 8, 2000: (1) replacement of water tubes in lower furnace walls from mid-wall headers to the bottom, including the floor tube section; (2) replacement of water tubes in upper furnace walls, including the roof tube section; (3) removal and replacement of outer casing, insulation and brick work (for access) from lower furnace to economizer outlet; (4) replacement of economizer casing, lagging and insulation; (5) replacement of dissolving tank shell after removal of existing tank shell for access; (6) annual inspection and repair, including tube thickness testing in the balance of the furnace, and inspection and repair as necessary of the

electrostatic precipitator, air heater, liquor heater, cascade, auxiliary equipment and ductwork; and (7) removal of insulation and lagging on electrostatic penthouse for inspection, with repair as necessary. PCA estimates that the total cost for the planned project is \$4,605,000, of which the cost for tube-related work is expected to be \$3,577,000.

Region 4's opinion is that the planned No. 1 Recovery Furnace maintenance project is not routine. This opinion has been reviewed by the Region 4 Environmental Accountability Division and by EPA's Office of Air Quality Planning and Standards, Office of Enforcement and Compliance Assurance and Office of General Counsel.

The reasoning that led us to our opinion is as follows:

1. EPA's longstanding practice has been to consider the nature, extent, purpose, frequency, and cost of a proposed project, as well as other relevant factors, to arrive at a commonsense understanding of whether a proposed project is routine.
2. EPA has affirmed in previous opinions that the routine activity exception has a narrow scope and should generally be applied only to actions that are regular, customary, repetitious, and undertaken as standard practice to maintain a facility in its present condition.
3. In terms of nature, extent and frequency, our understanding is that the entire lower furnace wall water tube section, floor tube section, upper furnace wall tube section, and roof tube section in No. 1 Recovery Furnace have never been replaced simultaneously during a single maintenance project throughout the 48-year history of the furnace. We further understand that the upper furnace wall tube section and roof tube section in No. 1 Recovery Furnace have never been replaced previously. The infrequent occurrence of maintenance projects of this nature and extent is also indicated by the 48-year operating history of No. 2 Recovery Furnace and the 32-year operating history of No. 3 Recovery Furnace.
4. The estimated cost of the maintenance project (\$4.6 million) is well within the range of costs that have been judged by EPA as indicative of non-routine maintenance projects in previous cases.

If you have any questions concerning this letter, please contact Jim Little at (404) 562-9118.

Sincerely,

R. Douglas Neeley
Chief
Air and Radiation Technology Branch
Air, Pesticides, and Toxics
Management Division