



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF  
ENFORCEMENT AND  
COMPLIANCE ASSURANCE

NOV 22 1994

Mr. Robert H. Collom, Jr.  
Chief, Air Protection Branch  
Environmental Protection Division  
Georgia Department of Natural Resources  
4244 International Parkway, Suite 120  
Atlanta, Georgia 30354

Dear Mr. Collom:

Your letter dated May 20, 1994, to Winston Smith was forwarded to my office to provide a response. I attempt, below, to provide some answers to your questions, particularly as applied to the Wood Products Enforcement Initiative.

Regarding applicability of PSD regulations to a given modification, you correctly state that one of the first steps is to determine whether the increase(s) in potential to emit from the modification itself is greater than the listed significance levels. The contemporaneous time period is triggered only if (1) there is a significant increase(s) in emissions and (2) there is a contemporaneous decrease(s) in emissions which could be applied against the increase in emissions. If the same pollutant is involved, the source may net the increase against the decrease. If the net emissions increase (after deducting creditable decreases) is lower than the significance level for that pollutant, the source could "net out" of PSD review for that modification.

Net emissions increases include any emissions resulting from the modification. Thus, if the modification allows the facility to operate at higher production rates than pre-modification, the increase(s) in emissions associated with the increased production must also be factored in to determine whether the modification triggers PSD applicability. An early statement of EPA's policy with respect to "de-bottlenecking," as this applicability issue is called, was the July 28, 1983, memorandum from Edward Reich, Director, Stationary Source Compliance Division, OAQPS to Michael Johnston, Chief, Air Operations Section, Region X, a copy of which is enclosed for your reference. This policy may be relevant in determining potential past violations of the PSD requirements in the wood products industry.



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The second issue regarding modifications raised in your May 20 letter deals with a series of modifications, each insignificant, which, when summed together, amount to a significant increase for purposes of PSD. The most recent statement of EPA's guidance on this issue is the June 17, 1993, memorandum regarding 3M's Minnesota facility. We support your decision to follow this guidance.<sup>1</sup>

Your letter raised concerns about the use of KP-42 emission factors. The emission factors published in AP-42 were developed to assist federal, state, and local agencies in a variety of efforts, including regulatory development, policy development, modeling, permit writing, and compliance targeting. The objective of AP-42 is to provide a technical library of different pollution control and measuring technologies and methods used by different industry groups. As AP-42 has always stated, it does not yield accurate emissions estimates for individual sources.

Compliance tests have consistently shown the AP-42 factors to be unreliable in predicting emissions from wood products facilities; actual emission levels were significantly higher than anticipated using AP-42. It is important to note that most research used to develop AP-42 was taken from reports, submitted to the Agency by wood products sources and, consequently, any underestimation of emissions based on AP-42 is, to some extent, related back to inaccurate data gathered by the industry. In this instance, the AP-42 emission factor for VOCs from plywood veneer dryers appears to underestimate VOC emissions by roughly a factor of six. Testing by the Weyerhaeuser Company confirms AP-42's underestimation of VOCs from plywood veneer dryers.

Enforcement authorities must make compliance determinations on an individual plant basis and one of the best methods of making this determination is to use actual compliance testing conducted at the facility under normal operating conditions. When a source is unsure whether it is in compliance with any air requirement a reliable course of action is to advise the facility to conduct such testing to determine compliance. With regard to determining past emissions levels of facilities where there are no historical emissions measurements, accurate emissions information can be deduced from data collected during current emissions testing and extrapolating back to the time of the modification, where possible. In performing this analysis, EPA prefers to use data from the source being analyzed or data from similar sources.

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<sup>1</sup> Note that this guidance does not apply to modifications affected by S 182(c)(6) of the Clean Air Act.

A final issue raised by your letter concerns whether emissions from presses built in the past will be considered fugitive. As you point out, EPA does not consider emissions from the presses at wood products facilities to be fugitive emissions. The New Source Review rules preamble states that emissions are not fugitive if a source could reasonably capture the emissions, regardless of the source's existing emission collection efforts. (45 Fed. Reg. 52,693, Aug. 7, 1980, see October 21, 1994 memorandum from John Seitz, Director, OAQPS to Air Division Directors, Regions I-X, regarding fugitive emissions, attached). As the 1980 NSR rules preamble states, a source's decision, or the general practice of the sources within that source category, to not collect emissions does not make those emissions fugitive. The emissions from presses in wood products facilities could reasonably be collected and therefore are not fugitive emissions. These emissions must be included in the total emissions of the facility for purposes of determining whether a source is major, or whether a modification is major.

The fact that similar industries (with hot presses that emit similar pollutants) were able to capture and vent such emissions through a stack creates a presumption that press emissions within the wood products industry are not fugitive. In addition, EPA believes that it would have been technically feasible to install hooding and stacks over presses in the 1970's and 1980's, and that the cost of this installation was economically feasible. As a final point, since the roof openings above presses and the dryer emission points could be considered functionally equivalent openings under the NSR regulations, it would be reasonable to conclude that emissions passing through these vents are not fugitive emissions.

I hope that this explanation is of use to you and your colleagues. Please feel free to contact me or my staff at (202) 564-2260 further regarding these and other issues.

Sincerely yours,

Kathie A. Stein, Director  
Air Enforcement Division  
Office of Regulatory Enforcement

Enclosures

cc: Winston A. Smith, Director  
Air, Pesticides, and Toxics Management Division  
EPA Region IV

Air Division Directors, Regions I-III & V-X

Air Branch Chiefs, Regions I-X

NSR Contacts, Regions I-X Headquarters