April 16, 1996

(AR-18J)

Paul Dubenetzky
Permit Branch
Office of Air Management
Indiana Department of Environmental Management
100 North Senate Avenue
P.O. Box 6015
Indianapolis, Indiana 46206-6015

Dear Mr. Dubenetzky:

This letter is in response to your questions concerning a Seagram and Sons whiskey storage facility which has ten double warehouses (each with approximately 85,630 square feet in area). This facility solely stores beverages in barrels for aging and does not conduct any filling or emptying of barrels. This source produces ethanol emissions and your office requested a determination of whether these emissions are counted as fugitive emissions or stack emissions for the purposes of Title V applicability.

40 CFR 70.2 defines fugitive emissions as "those emissions which could not reasonably pass through a stack, chimney, vent, or other functionally-equivalent opening." According to a Seagram representative, no windows exist at this facility, but ventilation is provided by 17 inch by 48 inch screen-covered vents along the bottom of the warehouse walls. Each warehouse has 288 vents. 64 of the vents are permanently covered and 224 vents have removable covers that are only in place during cold weather months. The facility relies on natural ventilation and does not use fans to force air in and out of the warehouse.

It is the position of the United States Environmental Protection Agency (USEPA), based on the information you provided, that these screens should be considered "other functionally-equivalent openings" under the above-mentioned definition and, therefore, the emissions exiting the storage area would not be classified as fugitive emissions for Title V purposes. IDEM has brought to our attention a letter from another USEPA region that appears to be inconsistent with our position. Region 5 has carefully reviewed the facts of this case and relevant regulations and guidance, and confirms that our position on this issue is correct. Region 5 has also contacted the USEPA Office of Air Quality Planning and Standards on this issue and they concur with our position.

Seagram has expressed concern that a disruption of the natural ventilation occurring at their warehouse would seriously damage the quality of their

product and, therefore, they believe that these emissions could not be reasonably forced through a stack, chimney, vent, or other functionally-equivalent opening. Note that a determination that emissions are from a functionally-equivalent opening does not require a facility to interfere with the natural ventilation process occurring in a warehouse or force air through any opening. Such a determination means only that emissions from these openings are not considered "fugitive" and must be considered in any permitting applicability determination, such as for a Title V operating permit. A determination of Title V applicability does not impose any new requirement on these emissions that does not already exist, therefore, the determination would not in and of itself require the facility to alter its air flow process. Furthermore, the importance of an undisturbed natural ventilation process would be considered in any emission control analysis (such as a best available control technology analysis) to which the source may otherwise be subject.

I hope this information is useful. If you have any questions, please call Sam Portanova, of my staff, at (312) 886-3189.

Sincerely yours,

/s/

Cheryl Newton, Chief
Permits and Grants Section