MEMORANDUM

| DATE: | March 20, 1978 |
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| SUBJECT: | PSD Determination Cabot Corporation - Fuel Conversion |
| FROM: | Director Division of Stationary Source Enforcement |
| TO: | Oscar Cabra, Jr., Chief Technical Support Section, Air Programs Branch Region VI |

Michael Trutna of the Control Programs Development Division has asked us to respond to your memo of January 24, 1978, requesting a determination as to whether the Cabot Corporation's proposed fuel conversion from natural gas to process waste gas constitutes a "major modification" as defined in Section 52.21 (b) (2) of the proposed PSD regulations (42 FR 57483, November 3, 1977).

Under the proposed regulations, a fuel conversion will not be considered a "major modification" if, prior to January 6, 1975, the source was designed to accommodate use of the alternative fuel. Therefore, Cabot will not be subject to preconstruction review on the basis of the fuel conversion if it can be shown that prior to January 6, 1975, the dryers were capable of burning the alternative fuel without requiring modifications, or the design for the pellet burners showed a clear indication of the intent to burn process waste gas at some future date.

Please note that under the old PSD regulations, a source making modifications to utilize an alternative fuel would not be subject to the PSD review and that the Federal Register dated December 5, 1977 makes certain clarifications regarding applicability of the proposed/regulations to sources covered under the November 3, 1977 proposal but not under the regulations. (See 42 FR Section 62021, December 8, 1977). Such a source would be subject to the new preconstruction review requirements if construction commences after March 1, 1978, unless -

1) the source obtained, prior to March 1, 1978, all final preconstruction permits required by the applicable SIP, and

2) the source commenced construction prior to December 1, 1978.

Since you have indicated that Cabot did not obtain the required State permits prior to March 1, 1978, the fuel conversion will be subject to PSD review under the proposed regulations, if an increase of 100 tons or more per year in the potential emissions of any regulated pollutant will result unless -

1) the design specifications for the burners indicated, prior to January 6, 1975, the intent to make future modifications to accommodate use of waste gas fuel, or

2) the source was capable, prior to January 6, 1975, of burning waste gas without making any modifications.

Should you have any questions regarding this determination, please contact Rich Biondi (755-2564) of my staff.

Edward E. Reich

cc: Michael Trutna

DSSE: LSCOPINO:ncb 3/17/78:Rm3202:EXTS2564

| DATE: | February 27, 1978 |
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| SUBJECT: | Fuel Conversion Determination assistance |
| FROM: | Michael A. Trutna, NSR Focal Point Control Program Development Division |
| TO: | Rich Biondi, NSR Contact Division of Stationary Source Enforcement |

Region VI has requested assistance in determining the applicability of a source under the new PSD review process. Cabot Corporation is proposing to convert five pellet dryers to burn process waste gas. We feel the applicability determination hinges upon the amount of increased emissions (if any) and whether the piping changes to utilize the new fuel constitute a modification as defined in the new PSD regulations.

I am enclosing the information sent to us by Region VI. Additional information may be obtained directly from John Bunyak (FTS 729-2742) in Region VI.

Enclosure

cc: O. Cabra D.Dunbar

| DATE: | January 24, 1978 |
|----------|---|
| SUBJECT: | Fuel Conversion Determination |
| FROM: | Oscar Cabra, Jr., Chief Technical Support Section, Air Programs Branch |
| TO: | Mike Trutna Control Programs Development Division (MD-15) |

We have attached two letters from Curt Beck of Cabot Corporation. Cabot is proposing to convert five pellet dryers to burn process waste gas as a substitute for natural gas fuel.

According to the Thursday, November 3, 1977 Federal Register, the proposed PSD regulations provide that use of an alternate fuel (if prior to January 6, 1975 the source is designed to accommodate such alternate fuel) will not be considered a modification and will therefore be exempt from PSD review.

As stated in the January 4, 1978 letter from Cabot, these pellet dryers were in existence prior to January 1, 1975, and were capable of using process waste gas as a fuel prior to that time. It also states that some modification of the fuel burners and additional piping will be required. Since these changes will occur, we question that the dryers were actually capable of using waste gas prior to January 1, 1975.

We request a determination if this proposed fuel switch is considered a fuel conversion under 52.21 (b) 2 and therefore exempt from PSD review or a modification of an existing source and thus subject to PSD review. We would appreciate a response by February 3, 1978. If you have any questions, please contact me or John Bunyak of my staff at FTS 729-2742.

Attachments (2)

CABOT CORPORATION

PO Box 1101 Pampa, Texas 75065

January 4, 1978

Mr. Oscar Cabra, Jr., Chief Technical Support Section Air Programs Branch U.S. Environmental Protection Agency Dallas, Texas 75270

> Re: Proposed Fuel Conversion: Cabot Corporation Ville Platte Plant, Ville Platte, Louisiana

Dear Mr. Cabra:

This letter is in response to your letter of December 30, 1977, and my telephone conversation of January 3, 1978, with Mr. John Bunyak. This supplies additional information to my letter to you of December 12, 1977, requesting PSD review exemption for the subject fuel conversion.

Cabot Corporation wishes to convert five pellet dryers at our Ville Platte, Louisiana, furnace process carbon black plant to burn process waste gas as a replacement for natural gas. Excess process waste gas will be burned in an existing flare.

These dryers and flare were in existence prior to January 1, - 1975, and were capable of using process waste gas as a fuel prior to that time.

The changes required will be piping the low Btu process waste gas to the dryers, and some modification of the fuel burners. Burner modification is necessary in order to convert the dryers' fuel from 1000 Btu natural gas to 50-55 Btu process waste gas.

We trust that this additional information will place this major modification in order for exemption from PSD review.

Should any additional information be required, please feel free to contact me at (806) 669-2596.

Sincerely yours,

CABOT CORPORATION

Curt B. Beck, P.E. Acting Corporate Pollution Control Officer

CBB/pc

cc: Mr. John Bunyak - U.S. Environmental Protection Agency Mr. James Coerver, Technical Secretary, Louisiana Air Control Commission

CABOT CORPORATION PO Box 1101 Pampa, Texas 75065 December 12, 1977

Mr. Oscar Cobra Air Programs Branch U.S. Environmental Protection Agency Dallas, Texas 75270

> Re: Proposed Fuel Conversion: Cabot Corporation Ville Platte Plant, Ville Platte, Louisiana

Dear Mr. Cabra:

Cabot Corporation proposes to convert five pellet dryers at our Ville Platte, Louisiana, furnace process carbon black manufacturing plant to burn process waste gas as a substitute for natural gas fuel. Excess process waste gas will be burned in an existing flare.

The dryers and flare were in existence prior to January 6, 1977, and were capable of using process waste gas as fuel prior to that time.

We have applied to the Louisiana Air Control Commission for an Approval of Emissions from this facility gas (as a result of this fuel conversion). We believe that the emissions from this installation will comply with all Louisiana and Federal ambient air quality and emission standards.

That portion of this conversion which results in increased emissions, will begin upon approval by the Louisiana Air Control Commission; operation is expected to begin in October, 1978.

We would therefore request that this fuel conversion be exempted from Prevention of Significant Deterioration review.

Very truly yours,

CABOT CORPORATION

Curt Beck Acting Corporate Pollution Control Officer

CBB/pc

cc: Mr. John Bunyak - U. S. Environmental Protection Agency Mr. James Coever, Technical Secretary, Louisiana Air Control Commission