UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Office of Air Quality Planning and Standards Research Triangle Park, North Carolina 27711

SEP 11 1986

<u>MEMORANDUM</u>

SUBJECT: Draft Prevention of Significant Deterioration (PSD) Guidance for

Impacts of the North County Resource Recovery PSD Remand

FROM: Darryl D. Tyler, Director

Control Programs Development Division (MD-15)

TO: Winston A. Smith, Director

Air, Pesticides, and Toxics Management Division Region IV

We are writing in response to your comments on the subject draft guidance. In those comments, you cited concerns about the applicability of the remand and the need for a consistent scientific basis to use in determining negative health effects of unregulated pollutants. While we share your latter concerns as a long term issue, we find your suggestions difficult to address in the near term, as is discussed below.

Within the draft policy, our recommendation regarding transition is that the effects of the remand be limited to PSD permits issued after the date of the remand, except for those subject to an appeals process. While developing this recommendation, we did consider your suggestion of applying the decision retroactively. However, to impose the effects of the remand to PSD sources already with unchallenged authority to construct would cause delays and confusion beyond that typically intended when phasing in a new policy. Accordingly, we proposed the transition period outlined in the draft memorandum as a reasonable compromise for implementing the intent of the remand and maintaining equity and continuity within the PSD permitting activity.

You also suggested that a consistent scientific basis for determining negative health effects of unregulated pollutants should be prescribed in order to reduce inconsistencies and to provide quantitative guidance on the degree to which those pollutants should affect best available control technology (BACT) decisions. In practice, however, this is very difficult to do, particularly in the near term. The scientific debate on many of the relevant concerns which would need to be addressed will continue for many years. Even if we could settle significant issues such as how to estimate the health effects due to various pollutants and how to relate quantitatively these impacts to the BACT decision process, this guidance could not replace the case-by-case nature of the BACT requirement in the Clean Air Act. It may well be that no one scientific basis for determining health effects will emerge and that such effects will need to be evaluated on a case-by-case basis. In the meantime, we cannot freeze the permitting

process while awaiting the results of the scientific debate. Therefore, while we agree that your suggestion warrants consideration in the development of our long term policy, we continue to believe that the case- by-case strategy advocated in the draft is a reasonable interim approach.

To summarize, we agree philosophically with several of your comments but continue to believe that our suggested approach is the appropriate one for the immediate future. We do appreciate your participation in the development of interim policy pursuant to the remand and look forward to receiving your input as we develop long-term policies affecting currently unregulated pollutants. If you have any further comment on this policy, please contact Michael Trutna of staff at 629-5591.

cc: G. Emison