UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 11 JACOB K. JAVITS FEDERAL BUILDING

NEW YORK, NEW YORK 10278-0012

JUL 19 I993

Mr. Norman Boyce, P.E. Regional Air Pollution Control Engineer New York State Department of Environmental Conservation Region 7 615 Erie Blvd. W. Syracuse, NY 13204-2400

Re: New York State Electric and Gas (NYSEG) Jennison Station Use of Tire-Derived Fuel (TDF) New Source Performance Standards (NSPS)/Prevention of Significant Deterioration (PSD) Applicability Review

Dear Mr. Boyce:

The U.S. Environmental Protection Agency (EPA), Region II, has reviewed your letter, dated May 18, 1993, requesting EPA concurrence with the New York State Department of Environmental Conservation (NYSDEC) determination that the use of TDF at NYSEG's Jennison Station does not constitute a modification under either NSPS or PSD regulations. After discussions with Headquarters staff at the Office of Air Quality Planning and Standards, EPA has determined that NYSDEC's non-applicability determination for both PSD and NSPS is correct for the reasons stated below.

Your letter stated that this project should not be reviewed as a major modification since it was NYSDEC's belief that the project qualified for an exemption under PSD regulations at 40 CFR Part 52.21(b)(2)(iii)(d) and (e). Paragraph (d), which refers to an exemption for the use of an alternative fuel that is generated from municipal solid waste (MSW), is not applicable to the proposed project. While NSPS regulations include tires under the definition of MSW at 40 CFR Part 60.51a, EPA guidance does not support extending this definition to new source review programs (see enclosed quidance memo for more information). However, EPA believes that paragraph (e), which refers to an exemption for switching to an alternative fuel that the source was capable of accommodating before January 6, 1975, is indeed applicable to the Jennison Station. Since there are no federally enforceable permit conditions restricting the operation of this source, the use of TDF meets the requirements of this exemption.

Further, EPA concurs that the similar exclusion under NSPS at 40 CFR 60.14(e)(4) also applies to this project.

It is my understanding that this determination has been already communicated to your staff. I hope the enclosed guidance memo is of assistance in future determinations regarding TDF. If you have any questions, please contact Maria Stanco of my staff at (212) 264-4726.

Sincerely yours,

Kenneth Eng, Chief Air Compliance Branch Air and Waste Management Division

Enclosure

cc: Arthur Fossa, NYSDEC Albany (w/enclosure) Reggie Parker, NYSDEC Region 7 (w/enclosure)