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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

MEMORANDUM

DATE: March 24, 1983

SUBJECT: Ersana PSD Applicability Determinations

FROM: Director
Stationary Source Compliance Division
Office of Air Quality Planning and Standards

TO: Conrad Simon, Director
Air & Waste Management Division, Region II

This is to respond to your request for comments concerning the applicability of PSD to the proposed modification at Ersana Inc's pharmaceutical plant in Humacao, Puerto Rico. Specifically, Ersana is proposing to increase its production of steam from 1000 to 1800 HP and to increase its sulfur in fuel content from 0.13 to 1.8 percent.

Ersana's operating conditions are currently limited by a Section 51.18 permit condition to 1000 HP at any given time. The current sulfur in fuel limitation for Ersana is 2.48%, however, the source has been burning 0.13% sulfur fuel since 1977.

I agree with your analysis that the increased production will be subject to PSD since the source has been limited by a federally enforceable permit condition (See 40 CFR 52.21 (b) (2)). The increased production rate will occur from one stand-by boiler. PSD review (and in particular the BACT analysis) will only apply to this unit.

The increase in emissions due to the change in sulfur content at the other boilers is not subject to PSD review, however, as you correctly pointed out in your memo, they do consume increment. The increase in emissions is an actual emissions increase occurring after the baseline date and therefore must consume increment(See 40 CFR.52.21 (b) (13)). I am not persuaded by Ersana's argument that allowable emissions should be part of the baseline emissions. The increase from the sulfur in fuel change at the non-modified unit is, in fact, contemporaneous with ERSANA's proposed increase in production rate and must be accounted for in Ersana's air quality analysis.

As to the determination of an acceptable BACT level for the stand-by boiler, this is a question which must be resolved between Ersana and your staff. Your staff may receive guidance on appropriate BACT levels by contacting the BACT/LAER Clearinghouse in Durham, North Carolina. Brock Nicholson heads up the Clearinghouse staff and may be reached at 629-5516.

If you have any further questions regarding this determination, please contact Rich Biondi at 382-2831.

Edward E. Reich

cc: Brock Nicholson
Mike Trutna
Peter Wyckoff