**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**
REGION 4
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MAR 27 2003

4APT-ATMB

Larry Webber, Manager
Industrial Source Monitoring Program
Air Protection Branch
Georgia Department of Natural Resources
4244 International Parkway, Suite 120
Atlanta, Georgia 30354

Dear Mr. Webber:

The purpose of this letter is to follow-up on my previous letter addressed to Mr. Michael Fogle, dated January 27, 2003, in which a clarification of the clean condensate alternative (CCA) was provided for the Cedar Springs Georgia Pacific mill, pursuant to the Pulp & Paper MACT standard, 40 CFR 63 Subpart S. My previous letter concluded that condensate streams being used for CCA credits would have to be outside the group of process condensate streams from the equipment systems identified in 63.446(c)(1), commonly called "all named streams." This position was taken because controlling "all named streams" represents the intent and basis of the rule. However, industry disagreed with this position because the rule provided two additional alternatives (i.e., 63.446(c)(2) and (c)(3)) to the "all named streams" for condensate control. Therefore, it is industry's position that over-controlling condensates beyond any of these alternatives, no matter where the condensate stream originates, should be considered for CCA credits. Industry representatives discussed their position during a meeting on February 11, 2003, which concluded with the Environmental Protection Agency (EPA) representatives committing to initiate internal discussions regarding the issue.

After internal deliberations on the issue with representatives from EPA's Office of Air Quality Planning and Standards (OAQPS) and Office of Enforcement and Compliance Assistance (OECA), we still maintain that the basis of the rule is to collect and treat all the named streams. However, we also agree that from an industry wide perspective, the two additional alternatives to "all named streams" represent an equivalent level of control for condensates and therefore, those named streams not needed to be collected under those alternatives can also be used for the CCA. The CCA does however provide limitations for the use of condensates streams. We discussed these limitations in detail on February 11, 2003, with industry representatives. Those CCA limitations include, but are not limited to, 1) the mill must first comply with the condensate collection and control requirements, 2) "HAP emission points in the LVHC system" are not an affected source for control under the CAA (63.447(a)(1)), and 3) the basis for CCA credit calculations must be from HAP emission reductions, not mass of condensate collected.

As required in the CCA (63.447(d)(2)(i)), the pulping process condensate collection and treatment requirements must be met and cannot be used as a credit for the CCA. A concern was expressed by EPA and State representatives and discussed in the February 11, 2003, meeting that a mill cannot get credit for the operating cushion or any flexibility given by the permit authority used to meet the condensate collection requirements. An example is if a mill must collect an extra stream or additional mass of condensates to operate above the mass standard to comply with the condensate collection requirement. Additionally, some mills have been granted operating flexibility by being provided longer averaging times for condensate collection standards than was set forth in the final rule. This flexibility was discussed in a letter to Ron W. Gore, Alabama Dept. of Environmental Management, from Winston A. Smith, Air, Pesticides and Toxics Management Division, EPA Region 4. Any extra streams or additional mass of condensate used as an operating cushion, or for determining the need for flexibility provided by a longer averaging time cannot be used as credit for the CCA, since it was granted and used to meet the collection requirements of 63.446.

A second concern expressed by EPA was that the CCA provision in 63.447(a)(1) defines the CCA affected source to not include "HAP emission points in the Low Volume High Concentration (LVHC) system." Some definitions in the rule of the components of the LVHC system include condensates. On further review, we believe the intent of the CCA exclusion was to exclude the gaseous emissions of the LVHC equipment and not the LVHC system condensates occurring later in other systems. This is apparent from the rule text ("emission points in the LVHC system"), and since some LVHC condensates were used in an agency response to comments on the proposal as an example of streams that could be reduced by the CCA (page 13-3, EPA-453/R-93-050b, October 1997).

As mentioned in my previous letter, the proposed CCA plan for the Georgia Pacific mill in Cedar Springs is to control a separate and distinct condensate stream from the mill's evaporator system to meet the necessary HAP credits. Also, the mill previously explained that there are no existing federal or State requirements to control this stream, which is presently sewered to the wastewater treatment system. Based on the discussions above, we now believe that the Cedar Springs CCA plan could move forward to the next stage of evaluation, which will involve the determination of the baseline HAP emissions and the reductions from the baseline that will result from the CCA plan.

If further assistance is needed, please contact Lee Page of the EPA Region 4 staff at (404) 562-9131.

Sincerely,

R. Douglas Neeley
Chief
Air Toxics and Monitoring Branch
Air, Pesticides and Toxics
Management Division

cc: Steve Correll, Georgia Pacific