DATE: MAR 13 1980

SUBJECT: Question from Otto Pearson (South Carolina State Agency)

FROM: Bill Beal
Plans Analysis Section

TO: Files

On February 29, Otto Pearson called Tom Helms to ask a question dealing with PSD baseline:

If a source burning 2.1 percent sulfur fuel in 1977 now switches to 3.5 percent sulfur fuel (the legal emission rate under the SIP), will the increase in SO2 emissions consume increment to be included in the baseline? The source was constructed prior to 1975.

Warren Peters and I called him on March 6. Warren told him that the increase would consume increment under the existing regulations. (See 43 FR 26400 Par. 6.)

Under the proposed regulations (September 5, 1979), Warren told Mr. Pearson that there would be no increment consumption if the change was made before the baseline date had been established. If the fuel switch occurred after the baseline date, however, there would be increment consumption. (See 44 FR 51942.)

I also told Mr. Pearson that this was a preliminary Headquarters opinion based on general information Mr. Pearson supplied. Any specific situation should be referred to the Region IV office before we would make any final decision.