



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

Mr. Stevens Terry, P.E.
RR Donnelley Printing Company
Lynchburg Division
Lynchburg, Virginia 24501-5099

Dear Mr. Terry:

I am writing in response to your letter dated June 25, 1999, in which you raised a question regarding the appropriate baseline period for determining the net change in emissions from emissions increases and decreases, associated with a prior modification, that fall within the contemporaneous period for a new proposed modification at your facility.

The PSD definition of a net emissions increase [40 CFR 52.21(b)(3)(I)] consists of two additive components as follows:

- (a) Any increases in actual emissions from a particular physical change or change in method of operation at a stationary source; and
- (b) Any other increase and decreases in actual emissions at the source that are contemporaneous with the particular change and are otherwise creditable.

In your letter you indicate that the contemporaneous period for the calculation is June 1994 through June 2002, and that during this period you installed two new presses (#508 and 509) and a new solvent recovery unit SR #3. You also indicated that the installation of SR #3 corresponded with the shutdown of solvent recovery unit SR#1 and the shutdown of press #502. You further stated that this modification did not undergo PSD review because the increased capture and recovery efficiency provided by SR #3 offset the majority of the increase in emissions associated with the introduction of the new presses. In order to respond to your question, I will assume that you have correctly identified the contemporaneous period (beginning 5 years before the date construction is expected to commence on the proposed modification and ending when the emissions increase from the modification occurs), and have identified all creditable increases and decreases. An emissions increase or decrease is creditable only if the relevant reviewing authority has not relied on it in issuing a PSD permit for the source, and the permit is still in effect when the increase in actual emissions from the proposed modification occurs.

In determining the creditable emissions reductions from the shutdown sources (SR #1 and press #502), actual emissions just prior to either a physical or operational change should be based on the lower of the actual or allowable emissions levels. Assuming the actuals are lower, the reduction credit would be based on the last 2 years of actual data prior to the retirement of these units provided that this time period is representative of normal source operation (page A.54 of the Workshop Manual). Please note that, in general, it is required that for an emission reduction to be creditable:

- It is creditable only to the extent that it has the same health and welfare significance as the proposed increase from the source.
- A source cannot take credit for a decrease that it has had to make, or will have to make, in order to bring an emissions unit into compliance.
- A source cannot take credit for an emissions reduction from potential emissions from an emissions unit which was permitted but never built or operated.

With regard to the contemporaneous emissions increases associated with the addition of the new presses (#508 and 509), the NSR Workshop Manual requires that the sources' potential to emit be used to determine the increase from the new units, since prior actuals were zero. (See Pages A.41 and 48).

I hope that this information adequately responds to your question. If you have any questions regarding this response, please contact Donna Weiss of my staff at (215)814 -2198.

Sincerely,

Kathleen Henry, Chief
Permits and Technical Assessment Branch

cc: Margaret Key -VADEQ