



**DEPARTMENT OF THE AIR FORCE  
PACIFIC AIR FORCES**

MEMORANDUM FOR ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION  
ATTN: AIR PERMIT INTAKE TECHNICIAN  
555 Cordova Street  
Anchorage AK 99501

FROM: 354 FW/CC  
354 Broadway Street Unit 19A  
Eielson AFB AK 99702-1899

SUBJECT: Addendum to the United States Air Force, Eielson Air Force Base (EAFB), Title V  
Air Quality Operating Permit Renewal Application Submitted in October 2017

1. The United States Air Force (USAF) is submitting an addendum to the application for renewal of its Title V air quality operating permit for EAFB that was submitted in October 2017. The addendum incorporates changes resulting from the United States Environmental Protection Agency's (EPA) new guidance on the Reclassification of Major Sources as Area Sources under Section 112 of the Clean Air Act (CAA). The EPA released new guidance in the Federal Register on 8 February 2018 (Attachment 1), regarding Major Sources of Hazardous Air Pollutants (HAP), that are reclassified as Area Sources of HAP. This new guidance supersedes the previous May 1995 EPA Policy commonly known as "Once In Always In" (Attachment 2) for major sources of HAP subject to a maximum achievable control technology (MACT) standard under Section 112 of the CAA.
2. EAFB was classified as a major source of HAP at the time of promulgation of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Aerospace Manufacturing and Rework Facilities by Title 40 Code of Federal Regulations (CFR) Part 63, Subpart GG. Later, EAFB became an area source of HAP by taking an owner requested limit on the total annual coal permitted under Condition 37 of the current Title V Air Quality Operating Permit No. AQ0264TVP02, Revision 4. According to the new guidance issued by EPA in the Federal Register, and withdrawal of the previous "Once In Always In" policy, EAFB is no longer subject to the NESHAP Subpart GG due to its current status of an area source of HAP.
3. Founded on this new EPA guidance, the USAF is requesting removal of Condition 85, emission unit identification number 109 and removal of the applicability of NESHAP Subpart GG in Condition 84 from Permit No. AQ0264TVP02, Revision 4 and on the Title V Permit renewal No. AQ0264TVP03. Updated and revised forms from the previously submitted Title V Permit renewal application in support of these changes are also included as attachments to this letter.
4. Based on information and belief formed after reasonable inquiry, I certify that the statements and information in and attached to this document are true, accurate and complete. If you have

any questions regarding this matter, please contact Mr. Kevin Villalobos, Air Program Manager, at (907) 377-1815.

BENJAMIN W. BISHOP, Colonel, USAF  
Commander, 354th Fighter Wing

5 Attachments:

1. Federal Register Notice dated 8 Feb 2018 and Supported Documents
2. Potential to Emit for MACT Standards and Guidance on Timing Issues dated 16 May 1995
3. Revised Form B from Title V Permit renewal application AQ0264TVP03
4. Revised Form B9.1 applicable requirements table for emission unit number 109
5. Revised Alternate Form E3 from Title V Permit renewal application AQ0264TVP03 and associated changes to Title V Permit Conditions 84-85 (redline strikeout)

cc:

Madonna Narvaez, EPA, Region 10

**Attachment 1** – Register Notice dated 8 Feb 2018, Issuance of Guidance Memorandum, “Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act” and associated memorandum

**PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS**

■ 1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

**Subpart XX—West Virginia**

**§ 52.2520 [Amended]**

■ 2. In § 52.2520, the table in paragraph (c) is amended by:

■ a. Removing the table heading “[45 CSR] Series 39 Control of Annual Nitrogen Oxide Emissions to Mitigate Interstate Transport of Fine Particulate Matter and Nitrogen Oxides” and the entries “Section 45–39–1” through “Section 45–39–90”;

■ b. Removing the table heading “[45 CSR] Series 41 Control of Annual Sulfur Dioxides Emissions” and the entries “Section 45–41–1” through “Section 45–41–90”.

[FR Doc. 2018–02463 Filed 2–7–18; 8:45 am]

BILLING CODE 6560–50–P

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 63**

[FRL–9973–51–OAR]

RIN 2060–AM75

**Issuance of Guidance Memorandum, “Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act”**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Issuance and withdrawal of guidance memorandums.

**SUMMARY:** The Environmental Protection Agency (EPA) is notifying the public that it has issued the guidance memorandum titled “Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act”. The EPA is also withdrawing the memorandum titled “Potential to Emit for MACT Standards—Guidance on Timing Issues.”

**DATES:** Effective on February 8, 2018.

**ADDRESSES:** You may view this guidance memorandum electronically at: <https://www.epa.gov/stationary-sources-air-pollution/reclassification-major-sources-area-sources-under-section-112-clean>.

**FOR FURTHER INFORMATION CONTACT:** Ms. Elineth Torres or Ms. Debra Dalcher, Policy and Strategies Group, Sector Policies and Programs Division (D205–

02), Office of Air Quality Planning and Standards, U.S. Environmental Protection Agency, Research Triangle Park, North Carolina 27711, telephone number: (919) 541–4347 or (919) 541–2443, respectively; and email address: [torres.elineth@epa.gov](mailto:torres.elineth@epa.gov) or [dalcher.debra@epa.gov](mailto:dalcher.debra@epa.gov), respectively.

**SUPPLEMENTARY INFORMATION:** On January 25, 2018, the EPA issued a guidance memorandum that addresses the question of when a major source subject to a maximum achievable control technology (MACT) standard under CAA section 112 may be reclassified as an area source, and thereby avoid being subject thereafter to major source MACT and other requirements applicable to major sources under CAA section 112. As is explained in the memorandum, the plain language of the definitions of “major source” in CAA section 112(a)(1) and of “area source” in CAA section 112(a)(2) compels the conclusion that a major source becomes an area source at such time that the source takes an enforceable limit on its potential to emit (PTE) hazardous air pollutants (HAP) below the major source thresholds (*i.e.*, 10 tons per year (tpy) of any single HAP or 25 tpy of any combination of HAP). In such circumstances, a source that was previously classified as major, and which so limits its PTE, will no longer be subject either to the major source MACT or other major source requirements that were applicable to it as a major source under CAA section 112.

A prior EPA guidance memorandum had taken a different position. *See* Potential to Emit for MACT Standards—Guidance on Timing Issues.” John Seitz, Director, Office of Air Quality Planning and Standards, U.S. Environmental Protection Agency, (May 16, 1995) (the “May 1995 Seitz Memorandum”). The May 1995 Seitz Memorandum set forth a policy, commonly known as “once in, always in” (the “OIAI policy”), under which “facilities may switch to area source status at any time until the ‘first compliance date’ of the standard,” with “first compliance date” being defined to mean the “first date a source must comply with an emission limitation or other substantive regulatory requirement.” May 1995 Seitz Memorandum at 5. Thereafter, under the OIAI policy, “facilities that are major sources for HAP on the ‘first compliance date’ are required to comply permanently with the MACT standard.” *Id.* at 9.

The guidance signed on January 25, 2018, supersedes that which was

contained in the May 1995 Seitz Memorandum.

The EPA anticipates that it will soon publish a **Federal Register** document to take comment on adding regulatory text that will reflect EPA’s plain language reading of the statute as discussed in this memorandum.

Dated: January 25, 2018.

**Panagiotis E. Tsirigotis,**

*Director, Office of Air Quality Planning and Standards.*

[FR Doc. 2018–02331 Filed 2–7–18; 8:45 am]

BILLING CODE 6560–50–P

**FEDERAL COMMUNICATIONS COMMISSION**

**47 CFR Parts 27, 54, 73, 74, and 76**

[MB Docket No. 17–105; FCC 18–3]

**Deletion of Rules Made Obsolete by the Digital Television Transition**

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** In this document, the Federal Communications Commission (Commission) eliminates rules that have been made obsolete by the digital television transition.

**DATES:** These rule revisions are effective on February 8, 2018.

**FOR FURTHER INFORMATION CONTACT:** For additional information on this proceeding, contact Raelynn Remy of the Policy Division, Media Bureau at [Raelynn.Remy@fcc.gov](mailto:Raelynn.Remy@fcc.gov), or (202) 418–2120.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission’s Report and Order (Order), FCC 18–3, adopted and released on January 24, 2018. The full text is available for public inspection and copying during regular business hours in the FCC Reference Center, Federal Communications Commission, 445 12th Street SW, Room CY–A257, Washington, DC 20554. This document will also be available via ECFS at [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-18-3A1.docx](https://apps.fcc.gov/edocs_public/attachmatch/FCC-18-3A1.docx). Documents will be available electronically in ASCII, Microsoft Word, and/or Adobe Acrobat. The complete text may be purchased from the Commission’s copy contractor, 445 12th Street SW, Room CY–B402, Washington, DC 20554. Alternative formats are available for people with disabilities (Braille, large print, electronic files, audio format), by sending an email to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or calling the Commission’s Consumer and



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

OFFICE OF  
AIR AND RADIATION

**MEMORANDUM**

**SUBJECT:** Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act

**FROM:** William L. Wehrum  
Assistant Administrator

A handwritten signature in blue ink that reads "W L Wehrum" followed by the date "1-25-18".

**TO:** Regional Air Division Directors

This guidance memorandum addresses the question of when a major source subject to a maximum achievable control technology (MACT) standard under section 112 of the Clean Air Act (CAA) may be reclassified as an area source, and thereby avoid being subject thereafter to major source MACT and other requirements applicable to major sources under CAA section 112. As is explained below, the plain language of the definitions of "major source" in CAA section 112(a)(1) and of "area source" in CAA section 112(a)(2) compels the conclusion that a major source becomes an area source at such time that the source takes an enforceable limit on its potential to emit (PTE) hazardous air pollutants (HAP) below the major source thresholds (*i.e.*, 10 tons per year (tpy) of any single HAP or 25 tpy of any combination of HAP). In such circumstances, a source that was previously classified as major, and which so limits its PTE, will no longer be subject either to the major source MACT or other major source requirements that were applicable to it as a major source under CAA section 112.

A prior EPA guidance memorandum had taken a different position. *See* "Potential to Emit for MACT Standards – Guidance on Timing Issues." John Seitz, Director, Office of Air Quality Planning and Standards, U.S. Environmental Protection Agency (May 16, 1995) (the "May 1995 Seitz Memorandum"). The May 1995 Seitz Memorandum set forth a policy, commonly known as "once in, always in" (the "OIAI policy"), under which "facilities may switch to area source status at any time until the 'first compliance date' of the standard," with "first compliance date" being defined to mean the "first date a source must comply with an emission limitation or other substantive regulatory requirement." May 1995 Seitz Memorandum at 5. Thereafter, under the OIAI policy, "facilities that are major sources for HAP on the 'first compliance date' are required to comply permanently with the MACT standard." *Id.* at 9.

The guidance presented here supersedes that which was contained in the May 1995 Seitz Memorandum. The OIAI policy stated in the May 1995 Seitz Memorandum is withdrawn, effective immediately.

EPA anticipates that it will soon publish a *Federal Register* notice to take comment on adding regulatory text that will reflect EPA's plain language reading of the statute as discussed in this memorandum.

## **BACKGROUND**

### **Relevant Statutory Provisions**

Section 112 of the CAA establishes a multi-level regulatory structure for stationary sources of HAP, in which sources meeting a threshold amount of actual or potential HAP emissions – *i.e.*, “major sources” – are generally subject to different standards than sources with HAP emissions below the threshold.<sup>1</sup> Specifically, the CAA defines a “major source” to mean “any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants.” 42 U.S.C. § 7412(a)(1). The term “area source” is defined to mean “any stationary source of hazardous air pollutants that is not a major source.” *Id.* 42 U.S.C. § 7412(a)(2).<sup>2</sup> In contrast to the OIAI policy, the CAA contains no provision which specifies that, if a major source wishes to switch to area source status, by taking an enforceable limit on its PTE, it must do so prior to the “first compliance date,” or that a major source MACT standard will continue to apply to a former major source that, subsequent to the first compliance date, takes an enforceable limit on its PTE to below the applicable thresholds.

### **EPA's Past Actions**

Shortly after EPA began implementing individual MACT standards through rulemaking, the agency received multiple requests to clarify when a major source of HAP could avoid the requirements applicable to major sources by taking measures to limit its PTE below the major source thresholds. In response, EPA produced the May 1995 Seitz Memorandum. At that time, EPA took the position that facilities that are major sources of HAP on the first substantive compliance date of an applicable major source MACT standard must comply “permanently” with that standard, even if the source was subsequently to become an area source by limiting its PTE. The expressed basis for this OIAI policy was that this would help ensure that required reductions in HAP emissions were maintained over time. *See* May 1995 Seitz Memorandum at 9 (“A once in,

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<sup>1</sup> Standards for major sources are based on MACT, which is the level of control achieved by the best controlled sources in the category. *See* 42 U.S.C. § 7412 (d)(2), (d)(3). Standards for area sources may be based on MACT, but alternatively may be based on either generally available control technology (GACT) or generally available management practices that reduce HAP emissions. *Id.* 42 U.S.C. §7412(d)(2), (5).

<sup>2</sup> The CAA section 112 implementing regulations define “major source” and “area source” in nearly identical terms. *See* 40 CFR 63.2. (“Major source means any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants, unless the Administrator establishes a lesser quantity, or in the case of radionuclides, different criteria from those specified in this sentence.”; “Area source means any stationary source of hazardous air pollutants that is not a major source as defined in this part.”)

always in policy ensures that the health and environmental protection provided by MACT standards is not undermined.”).

Since issuing the OIAI policy, EPA has twice proposed regulatory amendments that would have altered this interpretation. In 2003, EPA proposed amendments that focused on HAP emissions reductions resulting from pollution prevention (P2) activities. Apart from certain provisions associated with EPA’s National Environmental Performance Track Program, that proposal was never finalized. *See* 68 FR 26249 (May 15, 2003); 69 FR 21737 (April 22, 2004).

In 2007, EPA issued a proposed rule to replace the OIAI policy set forth in the May 1995 Seitz Memorandum. 72 FR 69 (January 3, 2007). In that proposal, EPA reviewed the provisions in CAA section 112 relevant to the OIAI interpretation, applicable regulatory language, stakeholder concerns and potential implications. *Id.* at 71-74. Based on that review, EPA proposed that a major source that is subject to a major source MACT standard would no longer be subject to that standard, if the source were to become an area source through an enforceable limitation on its PTE. Under the proposal, major sources could take such limits on its PTE and obtain “area source” status at any time and would not be required to have done so before the “first compliance date,” as the OIAI policy provided. *Id.* at 70 (“The regulatory amendments proposed today, if finalized, would replace the 1995 OIAI policy and allow a major source of HAP emissions to become an area source at any time by limiting its PTE for HAP before the major source thresholds.”). EPA has never taken final action on this 2007 proposal, which has not been withdrawn.

## DISCUSSION

EPA has determined that the OIAI policy articulated in the May 1995 Seitz Memorandum is contrary to the plain language of the CAA, and, therefore, must be withdrawn. Congress expressly defined the terms “major source” and “area source” in CAA section 112(a), in unambiguous language. A “major source” is a source that “emits or has the potential to emit considering controls, in the aggregate,” 10 tpy or more of any single HAP or 25 tpy or more of any combination of HAP. An “area source” is defined simply to mean any stationary source that is not a “major source.” The OIAI policy had envisioned a source whose PTE is *below* 10 tpy of any single HAP and 25 tpy of any combination of HAP (*i.e.*, an “area source”), but which is nevertheless subject to the requirements applicable to major sources, including major source MACT standards. Notably absent from the statutory definitions is any reference to the compliance date of a MACT standard. Furthermore, the phrase “considering controls” within the definition of “major source” indicates that measures a source adopts to lower its PTE below the major source threshold must be considered as operating to remove it from the major source category regardless of the time at which those controls are adopted.

In short, Congress placed no temporal limitations on the determination of whether a source emits or has the PTE HAP in sufficient quantity to qualify as a major source. To the extent the OIAI policy imposed such a temporal limitation (*i.e.*, before the “first compliance date”), EPA had no authority to do so under the plain language of the statute.<sup>3</sup>

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<sup>3</sup> Noteworthy too is the fact that EPA, in promulgating the regulatory definitions of “major source” and “area source” contained in the General Provisions of 40 CFR part 63, copied the statutory language almost verbatim. *See*

Accordingly, EPA has now determined that a major source which takes an enforceable limit on its PTE and takes measures to bring its HAP emissions below the applicable threshold becomes an area source, no matter when the source may choose to take measures to limit its PTE. That source, now having area source status, will not be subject thereafter to those requirements applicable to the source as a major source under CAA section 112, including, in particular, major source MACT standards – so long as the source’s PTE remains below the applicable HAP emission thresholds.

Nothing in the structure of the CAA counsels against the plain language reading of the statute to allow major sources to become area sources after an applicable compliance date, just as they have long been able to become area sources before the applicable compliance date. Congress defined major and area sources differently and established different requirements for such sources. The OIAI policy, by contrast, created an artificial time limit that does not exist on the face of the statute by including a temporal limitation on when a major source can become an area source by limiting its PTE.

Many commenters on EPA’s 2007 proposal had expressed the view that, by imposing that artificial time limit, the OIAI policy created a disincentive for sources to implement voluntary pollution abatement and prevention efforts, or to pursue technological innovations that would reduce HAP emissions. To the extent that the OIAI policy has long discouraged facilities from identifying and undertaking such HAP emission reduction projects, by applying the statute as written as EPA is now doing, many types of sources will be afforded meaningful incentives to undertake such projects.

The Regional offices should send this memorandum to states within their jurisdiction. Questions concerning specific issues and sources should be directed to the appropriate Regional office. Regional office staff should coordinate with Ms. Elineth Torres or Ms. Debra Dalcher, Policy and Strategies Group, Sector Policies and Programs Division (D205-02), Office of Air Quality Planning and Standards, U.S. Environmental Protection Agency, Research Triangle Park, North Carolina 27711, telephone number: (919) 541-4347 or (919) 541-2443, respectively; and email address: [torres.elineth@epa.gov](mailto:torres.elineth@epa.gov) or [dalcher.debra@epa.gov](mailto:dalcher.debra@epa.gov), respectively.

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note 2, *supra*. EPA did not at that time include any language in those definitions that could reasonably be construed to provide support for the OIAI policy. Accordingly, the policy is contrary not only to the plain language of the CAA (which in itself is dispositive of the policy’s lawfulness), but to the plain language of EPA’s own regulations.

**Attachment 2** – Potential to Emit for MACT Standards – Guidance on Timing Issues dated 16 May 1995

May 16, 1995

MEMORANDUM

SUBJECT: Potential to Emit for MACT Standards -- Guidance on  
Timing Issues

FROM: John S. Seitz, Director  
Office of Air Quality Planning and Standards (MD-10)

TO: Linda Murphy, Region I  
Conrad Simon, Region II  
Thomas Maslany, Region III  
Winston Smith, Region IV  
David Kee, Region V  
Stanley Meiberg, Region VI  
William Spratlin, Region VII  
Patricia Hull, Region VIII  
David Howekamp, Region IX  
Jim McCormick, Region X

Section 112 of the Clean Air Act distinguishes between major sources and area sources of hazardous air pollutants. Although maximum achievable control technology (MACT) is required for all major sources of hazardous air pollutants, lesser controls or no controls may be required of area sources in a particular industry. In addition, whether a facility is a major or area source of hazardous air pollutants may affect the applicability of other CAA requirements -- such as when or whether the facility is required to obtain a Title V operating permit.

The purpose of this memo is to clarify when a major source of hazardous air pollutants can become an area source -- by obtaining federally enforceable limits on its potential to emit - - rather than comply with major source requirements. Timing questions are important to address now because several MACT standards have been promulgated and because an increasing number of sources are nearing deadlines for submitting Title V operating permit applications. The EPA recently provided guidance on how

facilities can obtain federally enforceable limits on their potential to emit hazardous and criteria air pollutants in a January 25, 1995, memo from me to you.

## STATUTORY AND REGULATORY BACKGROUND

Section 112 of the Act defines a "major source" as "any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants..." The term "potential to emit" is defined in the section 112 general provisions (40 CFR Part 63.2) as " the maximum capacity of a stationary source to emit a pollutant under its physical or operational design," considering controls and limitations that are federally enforceable. This definition is consistent with definitions in regulations for the new source review and Title V permit programs.

## SCOPE OF TODAY'S GUIDANCE

EPA has received a number of requests for clarification concerning when facilities may limit their potential to emit to avoid applicability of major source requirements of promulgated MACT standards. Most of these issues are not explicitly addressed by the section 112 general provisions nor by MACT standards themselves. Therefore, EPA is providing this guidance for MACT standards based on the Agency's interpretation of the relevant statutory language.

Today's guidance addresses three issues:

- By what date must a facility limit its potential to emit if it wishes to avoid major source requirements of a MACT standard?
- Is a facility that is required to comply with a MACT standard permanently subject to that standard?
- In the case of facilities with two or more sources in different source categories: If such a facility is a major source for purposes of one MACT standard, is the facility necessarily a major source for purposes of subsequently promulgated MACT standards?

EPA plans to follow this guidance memorandum with rulemaking actions to address these issues. The Agency intends to include provisions on potential to emit timing in future MACT rules and amendments to the section 112 general provisions. The EPA believes that the structure of section 112 strongly suggests certain outer limits for when a source may avoid a standard through a limit on its potential to emit. However, EPA also

believes the statute may be flexible enough to allow the Agency

to reach different results through rulemaking. In forthcoming rulemaking, EPA will be considering alternative approaches that could garner additional environmental benefits and provide additional flexibility to small sources.

**TIMING FOR OBTAINING POTENTIAL TO EMIT RESTRICTIONS:  
GUIDANCE FOR PROMULGATED STANDARDS**

Existing sources

Today's guidance clarifies that facilities may switch to area source status at any time until the "first compliance date" of the standard. The "first compliance date" is defined as the first date a source must comply with an emission limitation or other substantive regulatory requirement (i.e., leak detection and repair programs, work practice measures, housekeeping measures, etc..., but not a notice requirement) in the applicable MACT standard. By that date, to avoid being in violation, a major source must either comply with the standard, or obtain and comply with federally enforceable limits ensuring that actual and potential emissions are below major source thresholds.

The Act does not directly address a deadline for a source to avoid requirements applicable to major sources through a reduction of potential to emit. However, a result that is consistent with the language and structure of the Act is that sources should not be allowed to avoid compliance with a standard after the compliance date, even through a reduction in potential to emit. In the absence of a rulemaking record supporting a different result, EPA believes that once a source is required to install controls or take other measures to comply with a MACT standard, it should not be able to substitute different controls or measures that happen to bring the source below major source levels.

Moreover, while some standards have multiple, staggered compliance dates, these requirements are intended to function in an integrated manner to meet the statutory goals for that source category. For such a standard, the relevant date for purposes of this policy is the first substantive compliance date. While the Act may permit exceptions to these general rules, any such exceptions will need to be developed through rulemaking.

Some have read the Act to require an even earlier deadline, namely, the date of standard promulgation. EPA believes this result is not as strongly compelled by the statute. It is reasonable to presume that Congress intended a source to have some opportunity to avoid a standard by becoming an area source once it has been identified as subject in a promulgated standard.

The compliance date deadline approach would give small emitters (i.e. facilities with actual emissions below the major threshold) time to limit their potential emissions rather than comply with major source requirements. Under this approach, a facility will have the same amount of time to comply whether it chooses to meet the standard or limit its potential to emit.

This compliance date approach for existing sources is also reasonable because it recognizes the circumstances that exist regarding MACT standards issued to date. States are in the process of developing additional mechanisms that can provide federally enforceable limits to sources. In addition, EPA rules have not previously specified when facilities may switch from major to area-source status to avoid MACT applicability. It would be inequitable to hold sources to a promulgation date deadline absent clear advance notice to sources of the full significance of that date. Although the Act gives EPA discretion to designate a deadline earlier than the first compliance date, this is most appropriately done through rulemaking in a manner that gives adequate notice to the regulated community. By contrast, any source should presume that the compliance date is the final date to establish its status as an area source, at least for purposes of that standard.

For clarity, the Agency wishes to note that as long as a facility does not qualify for treatment as an area source, the facility must comply with any applicable major source requirement under the Clean Air Act. Facilities in need to comply with additional limits to qualify as area sources will need to plan ahead to obtain the limits before compliance deadlines for major source requirements. Facilities should consult with State and local air agencies concerning the timing of any necessary submittal.

#### New sources

Section 112 requires new sources to comply with a MACT standard upon startup or no later than the promulgation date of the standard, whichever is later. As a legal matter, to avoid being in violation, a "potential" major source must either comply with MACT or obtain and comply with federally enforceable limits by this statutory deadline.

Therefore, the Agency advises that any new facility that would be a major source in the absence of federally enforceable limits must obtain and comply with such limits no later than the promulgation date of the standard or the date of startup of the source, whichever is later. For the same reasons articulated below with regard to existing sources, a new source that is major

at the time of promulgation or startup will remain major for purposes of that standard.

## **Once In, Always In Interpretation**

EPA is today clarifying that facilities that are major sources for HAPs on the "first compliance date" are required to comply permanently with the MACT standard to ensure that maximum achievable reductions in toxic emissions are achieved and maintained.

EPA believes that this once in, always in policy follows most naturally from the language and structure of the statute. In many cases, application of MACT will reduce a major emitter's emissions to levels substantially below the major thresholds. Without a once in, always in policy, these facilities could "backslide" from MACT control levels by obtaining potential-to-emit limits, escaping applicability of the MACT standard, and increasing emissions to the major-source threshold (10/25 tons per year). Thus, the maximum achievable emissions reductions that Congress mandated for major sources would not be achieved. A once in, always in policy ensures that MACT emissions reductions are permanent, and that the health and environmental protection provided by MACT standards is not undermined.

Example: A facility has potential emissions of 100 tons/year. After compliance with the applicable MACT standard, which requires a 99 percent emissions reduction, the facility's total potential emissions would be 1 ton/year. Under today's guidance, that facility could not subsequently operate with emissions exceeding the maximum achievable control technology emission level. The facility could not escape continued applicability of the MACT standard by obtaining "area source" status through limitations on emissions up to the 10/25 ton per year major source thresholds.

Additionally, the Act requires all major sources to obtain a Part 70 operating permit. Section 501(2) provides that any source that is major under section 112 will also be major under title V. It follows that a source that is major for purposes of any MACT standard will be subject to title V as a major source. As clarification, most MACT standards explicitly require operating permits for major sources. However, this principle applies regardless of whether it is specified in the particular standard. Therefore, a source required to comply with MACT requirements applicable to major sources will also be required to obtain a Part 70 permit for that MACT requirement.

## **APPLICABILITY OF MULTIPLE MACT STANDARDS TO A SINGLE FACILITY**

A facility that is subject to a MACT standard is not

necessarily a major source for future MACT standards. For example, if after compliance with a MACT standard, a source's potential to emit is less than the 10/25 tons per year applicability level, the EPA will consider the facility an area source for purposes of a subsequent standard.

EXAMPLE: A facility has degreasing operations which emit 30 tons per year of HAP. The same facility also has the potential to emit 5 tons/year of HAP from the coating of miscellaneous metal parts. After complying with the Halogenated Solvent Cleaning MACT, the maximum potential emissions from degreasing operations is 3 tons per year. The total federally enforceable potential emissions from this facility would now be 8 tons per year which meets the definition for an "area source." Therefore, this facility would not be subject to the major source requirements of the future miscellaneous metal parts MACT standard.

It should be noted that EPA has authority to require additional reductions in toxic emissions from sources that avoid MACT requirements through reductions in potential to emit. Section 112(f), the residual risk program, requires EPA to evaluate the risk and to promulgate additional standards for each category or subcategory of major sources, and allows EPA discretion to do the same for area sources, where there is not an ample margin of safety to protect public health within 8 years after promulgation of the MACT standard. The EPA will consider whether residual risk standards are appropriate for sources complying with MACT standards or potential to emit limits.

In addition, EPA is committed to implementation of the urban area source program as required in Section 112(c)(3) of the CAA. This program requires EPA to issue air toxics standards for area sources representing 90 percent of the area source emissions of the 30 hazardous air pollutants that present the greatest threat to public health in the largest number of urban areas. Together, the Residual Risk Standards and the Urban Area Source Standards ensure protection of public health beyond that achieved by implementation of the MACT standards for major sources.

**Attachment 3** – Revised Form B from Title V Permit renewal application AQ0264TVP03

