

August 1, 2001

SUBJECT: Case-By-Case MACT for New Oil- and Coal-fired Electric Utility Steam Generating Units

FROM: John S. Seitz, Director
Office of Air Quality Planning and Standards

TO: Regional Office Air Directors

The purpose of this memoranda is to clarify the applicability of the “case-by-case” maximum achievable control technology (MACT) provisions of Clean Air Act section 112(g) to oil- and coal-fired electric utility steam generating units. In addition, we are providing a tool that the States may find useful in their evaluation of individual case-by-case determinations for these units.

The EPA’s regulations for case-by-case MACT, which were promulgated in 1996, are set out in 40 CFR. Part 63, Subpart B. Those regulations require case-by-case determinations of MACT by the Title V permitting authority for each major source of HAP which is constructed or reconstructed after the effective date of that permitting authority’s section 112(g) program. For electric utility steam generating units, the case-by-case provisions contain an exemption from applicability “unless and until such time as these units are added to the source category list.” On December 14, 2000, the EPA announced that it was adding coal- and oil-fired power plants to the section 112(c) list of sources (65 FR 79825; December 20, 2000). Therefore, each coal or oil-fired electric utility steam generating unit which is constructed or reconstructed will now be subject to the case-by-case provisions of the Act until the EPA promulgates a nationally applicable MACT standard to address hazardous air pollutants for this source category. The EPA expects to promulgate a final standard in December 2004.

We have developed a tool that the Title V permitting authorities may find useful in evaluating applications for a case-by-case MACT determination which are submitted by affected facilities within their jurisdictions. The tool will allow permitting authorities and others to evaluate the impact on mercury emissions if certain parameters including type of coal, boiler, or pollution control device are changed. The basis for the tool is the information gathered from the industry during calendar year 1999 on their plants, the coal they burned, and their mercury emissions. The tool has been provided to assist permitting authorities in making the required case-by-case determinations, but no permitting authority is required to utilize it for that purpose. The tool does not include or represent any EPA determination of presumptive MACT, nor does it reflect any decision(s) by the Agency on MACT floors, subcategorization, or other aspects of the MACT standard. The tool may be found at

<<http://www.epa.gov/ttn/uatw/combust/utiltox/utoxpg.html>>.

Please note that the December 2000 decision to list coal- and oil-fired power plants does not apply to gas-fired electric utility steam generating units, thereby exempting them from future regulation as electric utility steam generating units under section 112. This exemption does not apply, however, to stationary combustion turbines based on our earlier determination in an interpretative rule¹ that such turbines are not considered “electric utility steam generating units.” Stationary combustion turbines are included on the list of source categories under section 112(c) of the Act and the Emission Standards Division is currently developing MACT standards for this source category. Stationary combustion turbines are subject to separate case-by-case determinations under the interpretative rule noted above. Proposal of these MACT standards is anticipated in the near future, with promulgation following in 2002. These MACT standards will apply to all stationary combustion turbines regardless of their configuration, end use, or location.

This memorandum should fully clarify the need for all new oil- and coal-fired electric utility steam generating units to undergo case-by-case MACT determinations without further action by EPA. If questions should arise, however, please contact Mr. William Maxwell at (919) 541-5430.

¹ 65 FR 34010; May 25, 2000