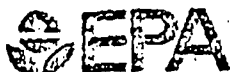


United States
Environmental Protection
Agency

345 Courtland Street NE
Atlanta GA 30308

Mississippi, North Carolina,
South Carolina, Tennessee,
Kentucky



MAR 02 1979

REF: 4RC

Mr. Stephen C. Watson
Assistant City Attorney
City of Lakeland
World Citrus Center
Lakeland, Florida 33802

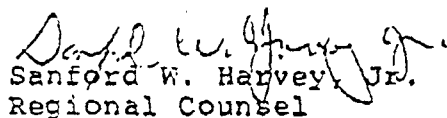
Re: City of Lakeland McIntosh
Power Plant Unit 3

Dear Mr. Watson:

We have reviewed the materials previously submitted on whether Clean Air Act new source performance standards (NSPS) promulgated in the September 19, 1978, Federal Register, apply to the above. The materials disclose that Unit 3 is not subject to those NSPS. The basis for this conclusion is described in the attached memorandum.

If you have any questions on this, please call (telephone 404/881-2335).

Sincerely yours,


Sanford W. Harvey, Jr.
Regional Counsel

Enclosure

MAR 5 REC'D

DATE: NOV 17 1978

SUBJECT: BACT Baseline for Louisa Generating Station

Michael A. Trutna *MA Trutna*
 Policy Development Section, SIB, CPDD

Gale A. Wright, P.E.
 TO: Chief, Technology Analysis Section, Region VII

In your memo of October 13, 1978, (enclosed) you asked for assistance in determining the BACT baseline for the proposed construction at the Louisa Generating Station of the Illinois Gas and Electric Company (IGEC). Specifically, you asked how the September 19, 1978, proposal to revise the applicable NSPS for SO₂ from power plants might affect your BACT determination, notwithstanding you have determined that the revised standard itself will not apply (i.e., the boiler was ordered in the spring of 1978).

Since you have determined that a complete application was not received until May 31, 1978, I agree with your statement that the new PSD regulations activating Section 165 of the recent Act Amendments will apply. As you know, under the new PSD requirements, applicable sources must apply BACT. The resulting BACT determination must be made on a case-by-case basis taking into account several considerations including socio-economic costs and the anticipated environmental and energy impacts. In no event will BACT represent less control than provided by the applicable NSPS. Thus, as a minimum, the Louisa Station must at least meet the old NSPS as provided under the previous PSD regulations.

More importantly, case-by-case BACT may well require substantially more control than the old NSPS. The accepted practice within EPA is to make the initial presumption that all power plant applicants subject to the new PSD regulations can accomplish emission reductions at least equivalent to those required under the proposed NSPS revisions. This generally means that such sources will be expected to install a continuous sulfur removal system in the case of SO₂ control. Although the source may have filed a complete application before the date of NSPS proposal, information from well controlled sources that formed the basis for the NSPS revision was available well before IGEC's application was filed. Therefore, it is reasonable to expect that the Louisa Generating Station should plan to install a sulfur removal system which operates at 85% or higher control efficiency on a 24-hour basis unless they can present evidence of unusual circumstances which justify less control.

If I can be of any further assistance on the matter, please feel free to call on me.

Enclosure

cc: R. Rhoads
 D. Tyler
 D. Dunbar
 R. Biondi
 NSR Contacts, Regions I-X

