CONOCO

Interoffice Communication

fb LCVCM

RECEIVED SEP 21 1981

To J. C. Ledvina

From B. I. Raffle

Date September 18, 1981

Subject IMPACT OF AIR OXIDATION CTG ON LCVCM HYDROCARBON BANK

Your memorandum of July 31, 1981 raises several questions concerning the significance of a future Louisiana oxyvent control regulation with respect to the VOC bank held by the Lake Charles Chemical Complex. This memorandum supplements our previous discussions on this matter.

As you know, the State of Louisiana has agreed to recognize the VOC reductions which will result from incineration of the VCM plant's oxyvent stream as a creditable emissions "bank".[1] As such, this reduction can be utilized in any of the following ways:

1. As a contemporaneous emission decrease to help offset future VOC increases at the Lake Charles Chemical Complex; this will allow the plant to either avoid stringent nonattainment review requirements[2] or, if such review cannot be avoided, to satisfy the offset requirement which such a review entails;[3]

2. as an alternative reduction bank to be used in lieu of installing VOC controls under future emission control regulations;[4] or

---

[1]The banking agreement for hydrocarbons (and carbon monoxide) was entered with the State of Louisiana on May 22, 1979, refined in an addendum dated February 12, 1980. Further definition of both the hydrocarbon and carbon monoxide decreases was submitted December 22, 1980. Incorporation of the bank into Permit Number 1335-T was accomplished on February 21, 1980.

[2]EPA plans to finalize its proposed new source bubble rule for nonattainment areas in the near future. See 46 FR 16280, March 12, 1981.

[3]Section 6.0 of the Louisiana Air Pollution Control Regulations.

[4]Section 17.16 of the Louisiana Air Pollution Control Regulations.