



A Division of The Society of The Plastics Industry, Inc.

Roy T. Gottesman
Executive Director

April 24, 1987

To: Vinyl Institute Health, Safety and
Environment Committee

Vinyl Institute Legal Committee

Re: Implementation of Vinyl Chloride NESHAPS

For your information and files.

Roy

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SPI-07837

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April 21, 1987

Re: EPA Vinyl Chloride NESHAPS Implementation Mem

REDACTED

SPI-07838

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Re: Implementation of Vinyl Chloride NESHAP

Dear Mr. Rasnic:

On behalf of the Vinyl Institute, a division of The Society of the Plastics Industry, Inc. (SPI), we are writing to express our strong disagreement with the positions taken in your memorandum of February 4, 1987 regarding implementation of the vinyl chloride National Emission Standard for Hazardous Air Pollutants (NESHAP) (copy enclosed). Specifically, we disagree with the Agency's interpretation of the term "process unit."

The February memorandum also includes a discussion of storage tanks included under the definition of "ethylene dichloride purification." SPI has petitioned for both reconsideration by EPA and review by the Court of Appeals of the EDC definition and other issues. SPI v. EPA, D.C. Cir. No. 86-1640. We have submitted additional information to the Agency demonstrating that there is no need to regulate intermediate storage tanks prior to the final finishing column under the vinyl chloride standard. Because we anticipate that the EDC purification issue will be resolved in separate settlement discussions, the sole purpose of this letter is to review the interpretation of the term "process unit" presented in your memorandum.

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A. Regulatory History of Process Unit Definition

Under the 1986 amendments to the vinyl chloride NESHAP, each "process unit" subject to the regulation must implement a formal leak detection and repair program consistent with Subpart V. If less than 2% of the valves are leaking in any process unit, however, the unit is exempt from the valve marking, monthly monitoring, record keeping and reporting requirements of Subpart V. See 40 C.F.R. §§ 61.65(b)(8)(ii).

The term "process unit" is defined in 40 C.F.R. § 61.241 as follows:

"Process unit" means equipment assembled to produce a VHAP or its derivatives as intermediates or final products, or equipment assembled to use a VHAP in the production of a product. A process unit can operate independently if supplied with sufficient feed or raw materials and sufficient product storage facilities.

This definition had its origin in the new source performance standards for the synthetic organic chemical manufacturing industry (SOCMI) to control leaks of volatile organic compounds (VOC). See 46 Fed. Reg. 1136, 1153 (Jan. 5, 1981) (proposed § 60.481) and 48 Fed. Reg. 48,328, 48,336 (Oct. 18, 1983) (40 C.F.R. § 60.481). Subpart V and its definition of the term "process unit" were promulgated as part of the benzene fugitive emission rulemaking. See 46 Fed. Reg. 1165, 1187 (Jan. 5, 1981) (proposed § 61.111) and 49 Fed. Reg. 23,498, 23,523 (June 6, 1984) (promulgating 40 C.F.R. § 61.241).

The SOCMI and benzene rulemaking records suggest a "common sense" approach to interpreting the term process unit. See, Background Information for Promulgated Standards, VOC Fugitive Emissions and Synthetic Organic Chemicals Manufacturing Industry, pp. 5-23 to 5-27 (June 1982) (EPA-450/3-80-033b) (copy enclosed). As articulated in this SOCMI background document, the intent of the standard is to cover process units that produce the chemicals listed in the regulation. Fairly read, the Agency was crafting a definition that would include the chemicals produced regardless of the process used, even if the chemical was produced only as an intermediate for

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further reaction during a continuous manufacturing process or coproduced with other chemicals not subject to the SOCM I standard. See Figure 5-1 at p. 5-6. This figure and the text make it clear that an entire production step, such as the production of vinyl chloride or its polymerization, constitutes a single process unit.

Other EPA documents in the SOCM I proceeding confirm that the Agency was focusing on the production of a chemical product and not discriminating between the various stages in the production of the product. See, Fugitive Emission Sources of Organic Compounds -- Additional Information on Emissions, Emission Reductions, and Costs, Tables 2-12, 2-19 and 3-4 and accompanying text (April 1982) (EPA-450/3-82-010) (copy enclosed).

B. Application to the Vinyl Chloride NESHAPS

EPA's February 4, 1987 memorandum summarily states that "the tank farm should be considered a separate process unit, as should any common VC recovery system." The memorandum also takes the position that separate polymerization lines are separate process units.

From the plain language of the definition as well as the rulemaking record, it is evident that EPA intended to include the entire production process for a volatile hazardous air pollutant (VHAP) within the definition. Clearly, the term "process unit" includes the "sufficient product storage facilities" mentioned in the definition itself. Since "tank farms" are synonymous with storage facilities, this portion of the memorandum is in direct conflict with the plain language of the definition. A tank farm storing a VHAP cannot, by itself, "use a VHAP in the production of a product."

EPA's memorandum could be read to make different polymerization lines separate process units when each polymerization line is using the same VHAP, here vinyl chloride. This makes little sense. "Separate" monomer or polymer lines normally share valves, feed lines and other common equipment, making the creation of multiple "process units" for regulatory purposes an arbitrary exercise in line drawing. Indeed, doing so will create untoward results. For example, if homogeneous

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facilities are subdivided into discrete units under the implementation memorandum, some polymerization lines or storage facilities would be subject to the full panoply of regulation under Subpart V while other sections of the same facility involving the same materials would be exempt under the 2% leaking valve provision. Under the memorandum's approach, for similar equipment producing the same material at the same facility, some portions would be subject to valve marking, record keeping and other Subpart V procedures while other portions would be subject to the plant-specific leak detection and elimination programs of the vinyl chloride NESHAP. Such a result is both awkward and, we are certain, unintended by the Agency.

Another difficulty with the memorandum's interpretation arises when a facility uses a single, essential piece of equipment necessary to the operation of all process lines. For example, a single incinerator may be used at a facility where it would be illegal to run any portion of the facility without the incinerator. The equipment legally required to "operate independently" plainly includes the incinerator and the facility should be treated as one process unit. Certainly EPA based its definition on legal operation with the requisite emission control equipment and not on illegal production methods.

We request that the portion of the February 4 memorandum addressing the term "process unit" be revised to indicate that a facility for vinyl chloride production or polymerization constitutes a single process unit. For example, a single process unit would include all the polymerization, recovery, emission control and allied equipment associated with PVC production. Another example would be the entire regulated facility used to produce ethylene dichloride/vinyl chloride (EDC/VC). Such a clarification would in no way hinder the Agency's application of the term "process unit" to facilities using vinyl chloride as a coreactant or where it is produced solely as an intermediate chemical as that situation is described in EPA's June 1982 SOCM1 background document.

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We look forward to your reply and would be happy to provide any additional assistance you might require. If you have any comments or questions, please feel free to contact us.

Sincerely,

Peter L. de la Cruz
Peter L. de la Cruz

Enclosures

cc: Richard Roos-Collins, Esquire
Elliott J. Gilberg, Esquire
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