

**UNION
ARBIDE**

INTERNAL CORRESPONDENCE

CHEMICALS AND PLASTICS

P. O. BOX 8361, SOUTH CHARLESTON, WEST VIRGINIA 25303

Name)	Mr. V. F. Villani	Date	May 9, 1978	RECEIVED
tion		Originating Dept.	EP Engineering	MAY 12 1978
tion		Subject	<u>Oil Conversion Permits</u>	J. F. E.
y to	Mr. J. C. Brannen			
	Mr. T. J. Covin			
	Mr. V. D. Dutcher			
	✓ Mr. J. F. Erdmann — EP FILES (RED)			
	Mr. S. J. Filippone			
	Mr. J. C. Hovious			
	Mr. W. E. James			
	Mr. R. W. Malone/D. L. Demuth			
	Mr. J. D. Martin			
	Mr. R. E. O'Bryan			
	Mr. J. E. Pierce			
	Mr. R. H. Stodghill			
	Mr. P. M. Thomasson			
	Mr. W. R. van der Hoeven			

Dear Mr. Villani:

The following comments are offered relative to your April 18, 1978, memorandum on oil conversion permits.

Conversions to fuel oil for combustion sources are approved via the construction permit application route. The three locations for which it was suggested permits be initiated are in the Prevention of Significant Deterioration (PSD) areas, thus subject to PSD regulations. The proposed PSD regulations state [52:21(h)(2)]:

"Approval to construct shall become invalid if construction is not commenced within 18 months after receipt of such approval or if construction is discontinued for a period of 18 months or more. The Administrator may extend such time upon a showing that an extension is justified".

Whether early increment approval to insure mid-80's operational continuity is an acceptable justification is questionable. I briefly discussed it with EPA's Region VI. They had "kicked this around" earlier and do not feel permit extensions would be granted.

Boiler No. 30 at Taft was included in the 1977 application for a permit to fire 0.7% sulfur containing fuels in various combustion facilities. Approval was granted. However, it is doubtful that the permit would be valid in the mid-eighties. Further the magnitude of the modifications indicates it would fall under the New Source Performance Standard for boilers applicable at the time reconstruction was initiated.

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Mr. V. F. Villani

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May 9, 1978

It is recommended no permit activities be undertaken until 24 months before commencement of construction.

If there are questions please call.

Very turly yours,


L. E. Kibbee

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