



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:
(AR-18J)

MAY 07 1996

Mr. Dale Ziege
Bureau of Air Management
Department of Natural Resources
101 South Webster Street
Box 7921
Madison, Wisconsin 53707

Re: Aarrowcast
Permit No. 96-SDD-006

Dear Mr. Ziege:

This letter is in response to the Wisconsin Department of Natural Resources' (WDNR) request for the United States Environmental Protection Agency (USEPA) to clarify its comment concerning Aarrowcast. On April 26, 1996, USEPA sent a comment letter to WDNR which suggested that the proposed permit may result in a circumvention of the Prevention of Significant Deterioration (PSD) rules. The WDNR asked USEPA to provide further clarification of why USEPA believes that this could be a circumvention.

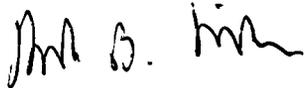
Aarrowcast received a construction permit, #94-CHB-423, a year ago for a minor modification that made the entire facility a major source for PSD purposes for Volatile Organic Compounds (VOC), i.e., the sum of all VOCs allowable emissions >100 tons per year (tpy). Thus, any further significant modification to this facility would require the new modification to go through PSD review. At this time, Aarrowcast has requested WDNR to place a synthetic minor limitation on the entire existing facility, such that the emissions of VOCs would be limited to 99 tpy. In addition to the 99 tpy limit on the existing facility, the source wants to add a new modification and requested that the new modification be limited to an additional 99 tpy of VOCs.

A source is allowed to take a restriction on its potential to emit in order to become a synthetic minor (<100 tpy) if it can show that the last 2 years of actual emissions have been less than 100 tpy. However, if the sole purpose of the facility-wide restriction is to avoid an applicable requirement, such as PSD review, then USEPA considers this to be circumvention.

It appears that Aarrowcast requested a synthetic minor emission limitation to become a minor source in order to avoid having its new significant modification of 99 tpy go through PSD review. Thus, it appears that Aarrowcast is trying to circumvent the PSD requirements. The USEPA trusts that WDNR will make the necessary changes to this permit and re-notice it as a PSD permit.

If you have any further questions regarding this letter or would like to discuss the matter further, please contact Laura Gire at (312) 886-5031 or Constantine Blathras at (312) 886-0671.

Sincerely yours,

A handwritten signature in black ink, appearing to read "R. Miller". The signature is cursive and somewhat stylized.

Robert Miller, Chief
Permits and Grants Section