

April 27, 2000

William T. Harnett, Associate Director
Air Quality Strategies and Standards Division
Office of Air Quality Planning and Standards
U.S. Environmental Protection Agency
MD-15
Research Triangle Park, North Carolina 27711

Dear Bill:

On behalf of State and Territorial Air Pollution Program Administrators (STAPPA) and the Association of Local Air Pollution Control Officials (ALAPCO), thank you for the opportunity to comment on the U.S. Environmental Protection Agency's (EPA's) March 14, 2000 draft Guidance on Best Available Control Technology (BACT) and Lowest Achievable Emissions Reduction (LAER) for Tier 2/Gasoline Sulfur Refinery Projects (65 FR 16364). Specifically, the guidance provides technical information to assist permit applicants, permitting authorities and the public in evaluating BACT and LAER for certain refinery emission units, and identifies the changes refineries are likely to make to meet the Tier 2 gasoline standards.

STAPPA and ALAPCO commend EPA for its continued efforts to implement the Tier 2 gasoline standards. As the officials with primary responsibility for achieving and maintaining clean, healthful air across the country, state and local air agencies are keenly aware of the need to aggressively pursue emission reductions from all sectors that contribute to our nation's air quality problems. The associations have long maintained that the potential air quality benefits to result from reducing sulfur in gasoline would play a pivotal role in addressing an array of air quality problems that continue to pose health and welfare risks nationwide. For this reason, the associations actively participated in the Tier 2 rule development process, and fully supported EPA's May 13, 1999 Tier 2 and gasoline sulfur proposal and December 1999 final rulemaking.

During the 1999 Tier 2 rulemaking process, STAPPA and ALAPCO acknowledged that some stakeholders, specifically petroleum refineries, had concerns regarding the implementation of the Tier 2 standards -- specifically, that of timely issuance by state and local agencies of permits to refineries so that the modifications necessary to produce low-sulfur gasoline can be made. The associations urged EPA to address the refineries' concerns by supporting means, such as model permits, increased technical assistance and stakeholder processes, among others, to provide greater certainty

and to expedite the permitting process. The associations believe that EPA's draft Guidance on BACT and LAER for Tier 2/Gasoline Sulfur Refinery Projects control technology assessment achieves this goal. The guidance provides permit applicants, permitting authorities and the public with the tools they need to streamline the permit process. For example, the guidance identifies the pollutants and equipment changes at refineries most likely to trigger the permit review process, and contains examples of controls technologies that, in EPA's view, would be expected to satisfy the BACT and LAER requirements. The guidance also provides technical feasibility, control effectiveness and cost information associated with the various control technologies. Overall, the document presents the BACT analysis in an easy to understand format. In the event that EPA needs to examine BACT/LAER for a particular industry, this report would be an excellent example to follow.

By providing this type of technical assistance to all stakeholders, the associations believe the guidance will expedite the processing and issuance of permits so that the Tier 2 desulfurization projects will take effect and the nation can reap clean air benefits as scheduled. However, while STAPPA and ALAPCO appreciate the control technology examples contained in the guidance, the associations stress the importance of allowing state and local permitting authorities to continue to have discretion on BACT decisions, specifically with regard to smaller process units, and urge EPA to include clarifying language to that effect in the guidance. The associations believe that this additional recommendation will further facilitate the permitting process.

STAPPA and ALAPCO are committed to working with EPA and all stakeholders to successfully implement the Tier 2 standards. To that end, we encourage EPA to incorporate our recommendation into the agency's draft Guidance on BACT and LAER for Tier 2/Gasoline Sulfur Refinery Projects control technology assessment and finalize the document as soon as possible. If you have any further questions or desire additional information, please contact either of us or Geri O'Sullivan of STAPPA and ALAPCO.

Sincerely,

Robert Hodanbosi
STAPPA Chair
Permitting Committee

Wendy Barrott
ALAPCO Chair
Permitting Committee

Cc: Pam Smith