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Daniel B. Rathbun
Vice President

October 22, 1979

The Honorable Douglas M. Costle
Administrator
U.S. Environmental Protection
Agency
401 M Street, S.W.
Washington, D.C. 20460

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Dear Mr. Costle:

As you know, API has been, and will continue to be, an active participant in EPA's rulemaking concerned with prevention of significant deterioration and nonattainment provisions under the Clean Air Act.

In connection with the most recent stage of this rulemaking, which appeared as a proposed rule at 44 Federal Register 51924 (September 5, 1979), API will be submitting comprehensive written comments on November 4 and supplemental comments on November 19. Moreover, on October 18 at EPA's San Francisco public hearing, API has already presented testimony on the proposal. In fact, it is that hearing which prompts my letter today.

At the October 18 hearing it became clear that there exists a serious gap in communication and understanding regarding the mechanisms that must be used for determining, tracking and using PSD increments in the permitting of energy facilities. After API's representative, Dr. Scott of Union Oil Company of California, had discussed the problem in some detail with Peter Wyckoff, it seemed a letter to you might be a good first step in clarifying requirements and improving communications.

Specifically, I would suggest that the Agency convene an informal workshop type meeting to accomplish the following:

1. To clearly describe, with examples, the procedures EPA will require in establishing PSD baseline dates, emission baseline levels and remaining (usable) PSD increments;

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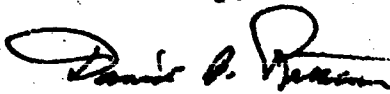
2. To receive suggestions from potential applicants on possible improvements to these procedures that might increase accuracy and simplicity, and reduce permitting delays and confusion; and
3. To identify final procedures that will be required, along with any optional procedures that would be acceptable to EPA.

Given the growing and critical role of PSD increments in the siting, construction and upgrading of energy facilities, it is obvious that applicants must know how to get permits, and permitting authorities must know how to issue permits, if domestic energy facilities are to avoid increasing delays.

Few people are more knowledgeable about the Clean Air Act than those who participated on behalf of the Agency and industry in the October 18 hearing. Yet confusion and misunderstanding existed, and I believe it was obvious to all that something must be done to develop a workable system that all parties can understand and follow. An informal meeting, open to the public, and lasting as long as necessary to clarify the issues, would go a long way toward such a goal.

I urge your serious consideration of this proposal, and I assure you of my full support in this important task.

Sincerely,


Daniel B. Rathbun

DBR:alp

cc: W. Barber
D. Hawkins
M. Trutna ✓
M. Walker
J. Weigold
P. Wyckoff