



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

Mr. Robert Stanton
Director
National Park Service
1849 C Street, N.W.
Washington, D.C. 20240

Dear Mr. Stanton:

Thank you for your July 26, 1999 letter in support of the concerns we have expressed to the Commonwealth of Virginia with regard to its implementation of the new source review requirements mandated under the Clean Air Act (the Act). In your letter, you asked the Environmental Protection Agency (EPA) to assess the effectiveness of the Virginia State Implementation Plan to prevent significant deterioration (PSD) of air quality in our national parks. More specifically, you have asked us to determine if the Virginia Department of Environmental Quality (VADEQ) is adequately addressing cumulative impacts on the Air Quality Related Values (AQRVs) of Shenandoah National Park.

The Commonwealth has adopted the federal PSD regulations found in 40 CFR 52 directly into its state code of regulations. As you know, EPA has approved the regulations adopted by the Commonwealth for PSD into the Virginia State Implementation Plan. From a regulatory standpoint, therefore, EPA has determined that the PSD provisions of the Virginia State Implementation Plan are adequate. There may, however, be some confusion regarding both federal and state authority to address AQRVs when permitting non-major sources such as the power plant recently approved in Fauquier County, Virginia.

Section 110 of the Act requires that state implementation plans include provisions for the permitting of new and modified sources. This is considered the federal mandate requiring states to review and issue permits to minor new sources and minor modifications. Both section 110 and the associated regulations at 40 CFR 52.160 are intended to ensure the protection of the national ambient air quality standards (NAAQS) set for criteria air pollutants. Parts C and D under Title I of the Act mandate additional permitting requirements for new major sources and major modifications in attainment and nonattainment areas, respectively. It is under Part C, the Act's PSD provisions, that EPA and states are mandated to assess impacts beyond those necessary to insure protection of the NAAQS and PSD increments. Therefore, the Act's mandate to insure protection of AQRVs is through the PSD permitting requirements applicable to major sources.

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Given that the authority to protect AQRVs in federally mandated Class I areas, such as our national parks, is to be done as part of the preconstruction permitting process of major sources, it is imperative that EPA and states implement the PSD program to the fullest extent intended by Congress. My July 6, 1999 letter to Secretary Woodley expressed EPA's concern that future construction projects in the Commonwealth may inappropriately seek and be granted minor source permit status in order to circumvent PSD requirements they would otherwise be required to meet under major source review. Specifically, I am concerned that multiple sources may be applying for minor source permit status when their ownership, contractual agreements or operations would, in fact, define them as one or more major sources. Furthermore, I maintain that both the major and minor new source permitting programs of the Act require states to address the cumulative impacts of development to ensure protection of the NAAQS and PSD increments under all circumstances.

As the Virginia State Implementation Plan includes the necessary regulatory programs for the permitting of both new minor and major sources, the effectiveness of these programs is best determined by our assessment of the manner in which the VADEQ implements these programs in individual permitting actions. As I stated in my letter to Secretary Woodley, EPA Region III intends to be actively engaged in the Commonwealth's permitting of major and minor power plant projects. My office already reviews all major preconstruction permitting activity in the Commonwealth, but additional minor source categories may be added as necessary to carry out our agency's responsibility to oversee and insure implementation of the approved state implementation plan.

I believe your request to assess the effectiveness of Virginia's PSD program is best accomplished by continuing our agencies mutual review of individual permitting actions in the Commonwealth. As you can see from the enclosed letter, Secretary Woodley has responded that VADEQ will continue to work closely with EPA and the federal land managers throughout the permitting process for sources locating near Class I areas. He has directed VADEQ to scrutinize future projects for possible circumvention of major permitting requirements and to continue to warn companies regarding relaxation of synthetic minor permit limits. He agrees that certain circumstances, such as multiple facilities locating in close proximity, may require additional modeling analysis. I am reassured by Secretary Woodley's response that Virginia is committed to protecting the air quality in the Commonwealth and that VADEQ will work closely with both of our agencies on future permitting actions.

I understand and share your concern regarding the need for additional measures to protect natural resources in our national parks. More stringent requirements, intended to increase protection of Class I areas such as Shenandoah National Park, are found in EPA's newly promulgated Regional Haze rule. The EPA is currently coordinating with multi-state

workgroups to plan for the implementation of this new rule. EPA welcomes and appreciates the support of the National Park Service in our common goal of environmental protection. If you have any questions, please feel free to contact me or have your staff contact Mr. Michael D'Andrea, Virginia Liaison Officer, at 215-814-5615.

Sincerely,

W. Michael McCabe
Regional Administrator

Enclosure

cc: Honorable John Paul Woodley, Jr.

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CONCURRENCES

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