

[6560-01]

Title 40—Protection of the Environment

CHAPTER I—ENVIRONMENTAL PROTECTION AGENCY

SUBCHAPTER C—AIR PROGRAMS

[FRL 907-2]

PART 60—STANDARDS OF PERFORMANCE FOR NEW STATIONARY SOURCES

Grain Elevators

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The standards limit emissions of particulate matter from new, modified, and reconstructed grain elevators. The standards implement the Clean Air Act and are based on the Administrator's determination that emissions from grain elevators contribute significantly to air pollution. The intended effect of these standards is to require new, modified, and reconstructed grain elevators to use the best demonstrated system of continuous emission reduction, considering costs, nonair quality health, environmental and energy impacts.

EFFECTIVE DATE: August 3, 1978.

ADDRESSES: Copies of the standards support documents are available on request from the U.S. EPA Library (MD-35), Research Triangle Park, N.C. 27711, telephone 919-541-2777 or (FTS) 629-2777. The requester should specify "Standards Support and Environmental Impact Statement, Volume 1: Proposed Standards of Performance for Grain Elevator Industry," (EPA-450-77-001a) and/or "Standards Support and Environmental Impact Statement, Volume 2: Promulgated Standards of Performance for Grain Elevator Industry," (EPA-450/2-77-001b). Copies of all comment letters received from interested persons participating in this rulemaking are available for inspection and copying during normal business hours at EPA's Public Information Reference Unit, Room 2922, EPA Library, 401 M Street SW., Washington, D.C.

FOR FURTHER INFORMATION CONTACT:

Don R. Goodwin, Director Emission Standards and Engineering Division (MD-13), Environmental Protection Agency, Research Triangle Park, N.C. 27711, telephone 919-541-5271.

SUPPLEMENTARY INFORMATION: On January 13, 1977, standards of performance were proposed for the grain elevator industry (42 FR 2842) under

the authority of section 111 of the Clean Air Act. Public comments were requested on the proposal in the FEDERAL REGISTER publication. Approximately 2,000 comments were received from grain elevator operators, vendors of equipment, Congressmen, State and local air pollution control agencies, other Federal agencies, and individual U.S. citizens. Most of these comments reflected a general misunderstanding of the proposed standards and were very general in nature. A number of comments, however, contained a significant amount of useful data and information. Due to the time required to review these comments, the standards were suspended on June 24, 1977. This action was necessary to avoid creating legal uncertainties for those grain elevator operators who might have undertaken various expansion or alteration projects before promulgation of final standards.

On August 7, 1977, Congress amended the Clean Air Act. These amendments contained a provision specifically exempting country grain elevators with less than 2.5 million bushels of grain storage capacity from standards of performance developed under section 111 of the Act.

Following review of the public comments, a draft of the final standards was developed consistent with the adopted amendments to the Clean Air Act. A report responding to the major issues raised in the public comments and containing the draft final standards was mailed on August 15, 1977, to each individual, agriculture association, equipment vendor, State and local government, and member of Congress who submitted comments. Comments were requested on the draft final standards by October 15, 1977. One hundred comments were received, and the final standards reflect a thorough evaluation of these comments.

The proposed standards are reinstated elsewhere in this issue of the FEDERAL REGISTER.

THE STANDARDS

The promulgated standards apply only to new, modified, or reconstructed grain elevators with a permanent grain storage capacity of more than 88,100 m³ (ca. 2.5 million U.S. bushels) and new, modified, or reconstructed grain storage elevators at wheat flour mills, wet corn mills, dry corn mills (human consumption), rice mills, or soybean oil extraction plants with a permanent grain storage capacity of more than 35,200 m³ (ca. 1 million U.S. bushels).

The standards limit particulate matter emissions from nine types of affected facilities at grain elevators by limiting the visibility of emissions released to the atmosphere. The affected facilities are each truck loading sta-

tion, truck unloading station, railcar loading station, railcar unloading station, barge or ship loading station, barge or ship unloading station, grain dryer, all grain handling operations and each emission control device.

The standards can be summarized as follows:

(a) Truck loading station—visible emissions may not exceed 10 percent opacity.

(b) Truck unloading station, railcar loading station, and railcar unloading station—visible emissions may not exceed 5 percent opacity.

(c) Ship or barge loading station—visible emissions may not exceed 20 percent opacity.

(d) Ship or barge unloading station—specified equipment or its equivalent must be used.

(e) Grain dryer—visible emissions may not exceed 0 percent opacity.

(f) All grain handling operations—visible emissions may not exceed 0 percent opacity.

(g) Emission control devices—visible emissions may not exceed 0 percent opacity; and the concentration of particulate matter in the exhaust gas discharged to the atmosphere may not exceed 0.023 g/dscm (ca. 0.01 gr/dscf).

These standards are different from those proposed in the following areas. The visible emission limits for truck unloading stations and railcar loading and unloading stations have been increased from 0 percent opacity to 5 percent opacity. The visible emission limit for barge and ship loading has been increased from 10 percent opacity during normal loading and 15 percent opacity during "topping off" loading, to 20 percent opacity during all loading operations. The applicability of the visible emission standards for column grain dryers has been narrowed from dryers with perforated plate hole sizes of greater than 0.084 inch diameter to dryers with perforated plate hole sizes of greater than 0.094 inch diameter.

The August 1977 amendments to the Clean Air Act authorize the promulgation of design, equipment, work practice, or operational standards if development of a numerical emission limit is not feasible. Numerical emission limits may not be feasible where emissions are not confined or where emissions cannot be measured due to technological or economic limitations. Observation of visible emissions at barge unloading stations led to the conclusion that a numerical emission limit is not feasible for this facility. The visible emissions data showed an extremely wide range with some 6 minute averages above 65 percent opacity. Because of this wide range of visible emissions, an opacity numerical emission limit cannot be established that would ensure the use of the best

system of continuous emission reduction. An equipment standard, therefore, rather than an emission standard is being promulgated for barge and ship unloading stations.

Another change from the proposed standards is that section 60.14 (modification) of the general provisions has been clarified to ensure that only capital expenditures which are spent directly on an affected facility are used to determine whether the annual asset guideline repair allowance percentage is exceeded. The annual asset guideline repair allowance percentage has been defined to be 6.5 percent.

The remaining change from the proposed standards is that four types of alterations at grain elevators have been exempted from consideration as modifications. The exempted alterations are:

(1) The addition of gravity load-out spouts to existing grain storage or grain transfer bins.

(2) The installation of automatic grain weighing scales.

(3) Replacement of motor and drive units driving existing grain handling equipment.

(4) The installation of permanent storage capacity with no increase in hourly grain handling capacity.

ENVIRONMENTAL AND ECONOMIC IMPACTS

The promulgated standards will reduce uncontrolled particulate matter emission from new grain elevators by more than 99 percent and will reduce particulate matter emissions by 70 to 90 percent compared to emission limits contained in State or local air pollution regulations. This reduction in emissions will result in a significant reduction of ambient air concentration levels of particulate matter in the vicinity of grain elevators. The maximum 24-hour average ambient air particulate matter concentration at a distance of 0.3 kilometer (km) from a typical grain elevator, for example, will be reduced by 50 to 80 percent below the ambient air concentration that would result from control of emissions to the level of the typical State or local air pollution regulations.

Several of the changes to the proposed standards reduce the estimated primary impact of the proposed standards in terms of reducing emissions of particulate matter from grain elevators. The promulgated standards, for example, apply only to large grain elevators. These changes will permit more emissions of particulate matter to the atmosphere. It was estimated that the proposed standards would have reduced national particulate matter emissions by approximately 21,000 metric tons over the next 5 years; it is now estimated that the promulgated standards will reduce partic-

ulate matter emissions by 11,000 metric tons over the next 5 years.

The secondary environmental impacts associated with the promulgated standards will be a small increase in solid waste handling and disposal and a small increase in noise pollution. A relatively minor amount of particulate matter, sulfur dioxide and nitrogen oxide emissions will be discharged into the atmosphere from steam/electric power plants supplying the additional electrical energy required to operate the emission control devices needed to comply with the promulgated standards. The energy impact associated with the promulgated standards will be small and will lead to an increase in national energy consumption in 1981 by the equivalent of only 1,600 m³ (ca. 10,000 barrels) per year of No. 6 fuel oil.

Based on information contained in the comments submitted during the public comment periods, approximately 200 grain terminal elevators and grain storage elevators at grain processing plants will be covered by the promulgated standards over the next 5 years. The total incremental costs required to control emissions at these grain elevators to comply with the promulgated standards, above the costs necessary to control emissions at these elevators to comply with State or local air pollution control regulations, is \$15 million in capital costs over this 5-year period and \$3 million in annualized costs in the fifth year. Based on this estimate of the national economic impact, the promulgated standards will have no significant effect on the supply and demand for grain products, or on the growth of the domestic grain industry.

PUBLIC PARTICIPATION

Prior to proposal of the standards, interested parties were advised by public notice in the FEDERAL REGISTER of a meeting of the National Air Pollution Control Techniques Advisory Committee. In addition, copies of the proposed standards and the Standards Support and Environmental Impact Statement (SSEIS) supporting these standards were distributed to members of the grain elevator industry and several environmental groups at the time of proposal. The public comment period extended from January 13, to May 14, 1977. During this period 1,817 comments were received from grain elevator operators, vendors of equipment, Congressmen, State and local air pollution control agencies, other Federal agencies, and individual U.S. citizens.

Due to the time required to review these comments, the proposed standards were suspended on June 24, 1977. This action was necessary to avoid creating legal uncertainties for those

grain elevator operators who might have undertaken various expansion or alteration projects before promulgation of final standards.

Following review of the public comments, a draft of the final standards was developed consistent with the August, 1977, amendments to the Clean Air Act. A report responding to the major issues raised in the public comments and containing the draft final standards was mailed on August 15, 1977, to each individual, agriculture association, equipment vendor, State and local government, and member of Congress who submitted comments. Comments were requested on the draft final standards by October 15, 1977.

One hundred and one comments were received and the final standards reflect a thorough evaluation of these comments. Several comments resulted in changes to the proposed standards. A detailed discussion of the comments and changes made to the proposed standards is contained in volume 2 of the SSEIS, which was distributed along with a copy of the final standards to all interested parties prior to today's promulgation of final standards.

SIGNIFICANT COMMENTS

Most of the comment letters received by EPA contained multiple comments. The most significant comments and changes made to the proposed standards are discussed below:

NEED FOR STANDARDS

Numerous commenters questioned whether grain elevators should be regulated since the industry is a small contributor to nationwide emissions of particulate matter and grain dust is not hazardous or toxic.

The standards were proposed under section 111 of the Clean Air Act. This section of the act requires that standards of performance be established for new stationary sources which contribute to air pollution. Existing sources are not affected unless they are reconstructed, or modified in such a way as to increase emissions. The overriding purpose of standards of performance is to prevent new air pollution problems from developing by requiring maximum feasible control of emissions from new, modified, or reconstructed sources at the time of their construction. This is helpful in attaining and maintaining the National Ambient Air Quality Standard (NAAQS) for suspended particulate matter.

The Report of the Committee on Public Works of the United States Senate in September 1970 (Senate Report No. 91-1196), listed grain elevators as a source for which standards of performance should be developed. In addition, a study of 200 industrial cat-

RULES AND REGULATIONS

EMISSION CONTROL TECHNOLOGY

egories of sources, which were evaluated to develop a long-range plan for setting standards of performance for particulate matter, ranked grain elevators relatively high. The categories were ranked in order of priority based on potential decrease in emissions. Various grain handling operations ranked as follows: Grain processing—4; grain transfer—6; grain cleaning and screening—8; and grain drying—33. Therefore, grain elevators are a significant source of particulate matter emissions and standards of performance have been developed for this source category.

Many commenters felt, however, that it was unreasonable to require small country elevators to comply with the proposed standards because of their remote location and small amount of emissions. This sentiment was reflected in the 1977 amendments to the Clean Air Act which exempted country elevators with a grain storage capacity of less than 88,100 m³ (ca. 2.5 million U.S. bushels) from standards of performance. Consequently, the scope of the proposed standards has been narrowed and the promulgated standards apply only to new, modified, or reconstructed facilities within grain elevators with a permanent storage capacity in excess of 88,100 m³.

A number of commenters also felt small flour mills should not be covered by standards of performance because they are also small sources of particulate matter emissions and handle less grain than some country elevators which were exempted from standards of performance by the 1977 amendments to the Clean Air Act. These processors are considered to be relatively small sources of particulate matter emissions that are best regulated by State and local regulations. Consequently, grain storage elevators at wheat flour mills, wet corn mills, dry corn mills (human consumption), rice mills, and soybean oil extraction plants with a storage capacity of less than 35,200 m³ (ca. 1 million U.S. bushels) of grain are exempt from the promulgated standards.

With regard to the hazardous nature or toxicity of grain dust, the promulgated standards should not be interpreted to imply that grain dust is considered hazardous or toxic, but merely that the grain elevator industry is considered a significant source of particulate matter emissions. Studies indicate that, as a general class, particulate matter causes adverse health and welfare effects. In addition, some studies indicate that dust from grain elevators causes adverse health effects to elevator workers and that grain dust emissions are a factor contributing to an increased incidence of asthma attacks in the general population living in the vicinity of grain elevators.

STRINGENCY OF THE STANDARDS

Many commenters questioned whether the standards for various affected facilities could be achieved even

if the best system of emission reduction were installed, maintained, and properly operated. These commenters pointed out that a number of variables can affect the opacity of visible emissions during unloading, handling, and loading of grain and they questioned whether enough opacity observation had been taken to assure that the standards could be attained under all operating conditions. The variables mentioned most frequently were wind speed and type, dustiness, and moisture content of grain.

It is true that wind speed could have some effect on the opacity of visible emissions. A well-designed capture system should be able to compensate for this effect to a certain extent, although some dust may escape if wind speed is too high. Compliance with standards of performance, however, is determined only under conditions representative of normal operation, and judgment by State and Federal enforcement personnel will take wind conditions into account in enforcing the standards.

It is also true that the type, dustiness, and moisture content of grain affect the amount of particulate matter emissions generated during unloading, handling, and loading of grain. A well-designed capture system, however, should be designed to capture dust under adverse conditions and should, therefore, be able to compensate for these variables.

In developing the data base for the proposed standards, over 60 plant visits were made to grain terminal and storage elevators. Various grain unloading, handling, and loading operations were inspected under a wide variety of conditions. Consequently, the standards were not based on conjecture or surmise, but on observations of visible emissions by certified opacity observers at well-controlled existing grain elevators operating under routine conditions. Not all grain elevators were visited, however, and not all operations within grain elevators were inspected under all conditions. Thus, while the proposed standards were based upon a sufficiently broad data base to allow extrapolation of the data, particular attention was paid to those comments submitted during the public comment period which included visible emission data taken by certified observers from operations at grain elevators which were using the same emission control systems the proposed standards were based upon. Evaluation of these data indicates that the visible emission limit for truck unloading stations and railcar loading instead of 0 percent opacity which was proposed. The promulgated standards, therefore, limit visible emissions from these facilities to 5 percent opacity.

As discussed earlier, the emission control technology selected as the basis for the visible emissions standard for railcar unloading has been changed from a four-sided shed to a two-sided shed. Visible emission data included with the public comments indicate that emissions from a two-sided shed will not exceed 5 percent opacity. Consequently, the promulgated standards limit visible emissions from railcar unloading stations to 5 percent opacity.

A number of commenters also indicated that the opacity limit included in the proposed standards for barge loading was too stringent. One commenter indicated that the elevator operator had no control over when the "topping off" operation commenced because the ship captain and the stevedores decide when to start "topping off." Several State agencies commented that the standards should be at least 20 percent opacity. Based on these comments, the standards for barge and ship loading operations have been increased to 20 percent opacity during all loading operations. The comments indicate that this standard will still require use of the emission control technology upon which the proposed standards were based.

Data included with the public comments confirm that a visible emission limit of 0 percent opacity is appropriate for grain handling equipment, grain dryers, and emission control equipment. Consequently, the visible emission limits for these facilities have not been changed.

OPACITY

Many commenters misunderstood the concept of opacity and how it is used to measure visible emissions. Other commenters stated that opacity measurements were not accurate below 10 to 15 percent opacity and a standard below these levels was unenforceable.

Opacity is a measure of the degree to which particulate matter or other visible emissions reduce the transmission of light and obscure the view of an object in the background. Opacity is expressed on a scale of 0 to 100 percent with a totally opaque plume assigned a value of 100 percent opacity. The concept of opacity has been used in the field of air pollution control since the turn of the century. The concept has been upheld in courts throughout the country as a reasonable and effective means of measuring visible emissions.

Opacity for purposes of determining compliance with the standard is not determined with instruments but is determined by a qualified observer following a specific procedure. Studies have demonstrated that certified ob-

servers can accurately determine the opacity of visible emissions. To become certified, an individual must be trained and must pass an examination demonstrating his ability to accurately assign opacity levels to visible emissions. To remain certified, this training must be repeated every 6 months.

In accordance with method 9, the procedure followed in making opacity determinations requires that an observer be located in a position where he has a clear view of the emission source with the sun at his back. Instantaneous opacity observations are recorded every 15 seconds for 6 minutes (24 observations). These observations are recorded in 5 percent increments (i.e., 0, 5, 10, etc.). The arithmetic average of the 24 observations, rounded off to the nearest whole number (i.e., 0.4 would be rounded off to 0), is the value of the opacity used for determining compliance with visible emission standards. Consequently, a 0 percent opacity standard does not necessarily mean there are no visible emissions. It means either that visible emissions during a 6-minute period are not sufficient to cause a certified observer to record them as 5 percent opacity, or that the average of the twenty-four 15-second observations is calculated to be less than 0.5 percent. Consequently, although emissions released into the atmosphere from an emission source may be visible to a certified observer, the source may still be found in compliance with a 0 percent opacity standard.

Similarly, a 5-percent opacity standard permits visible emissions to exceed 5 percent opacity occasionally. If, for example, a certified observer recorded the following twenty-four 15-second observations over a 6-minute period: 7 observations at 0 percent opacity; 11 observations at 5 percent opacity; 3 observations at 10 percent opacity; and 3 observations at 15 percent opacity, the average opacity would be calculated as 5.4 percent. This value would be rounded off to 5 percent opacity and the source would be in compliance with a 5 percent opacity standard.

Some of the commenters felt the proposed standards were based only on one 6-minute reading of the opacity of visible emissions at various grain elevator facilities. None of the standards were based on a single 6-minute reading of opacity. Each of the standards were based on the highest opacity readings recorded over a period of time, such as 2 or 4 hours, at a number of grain elevators.

A number of commenters also felt the visible emission standards were too stringent in light of the maximum absolute error of 7.5 percent opacity associated with a single opacity observation. The methodology used to develop and enforce visible emission standards,

however, takes into account this observer error. As discussed above, visible emission standards are based on observations recorded by certified observers at well-controlled existing facilities operating under normal conditions. When feasible, such observations are made under conditions which yield the highest opacity readings such as the use of a highly contrasting background. These readings then serve as the basis for establishing the standards. By relying on the highest observations, the standards inherently reflect the highest positive error introduced by the observers.

Observer error is also taken into account in enforcement of visible emission standards. A number of observations are normally made before an enforcement action is initiated. Statistically, as the number of observations increases, the error associated with these observations taken as a group decreases. Thus, while the absolute positive error associated with a single opacity observation may be 7.5 percent, the error associated with a number of opacity observations, taken to form the basis for an enforcement action, may be considerably less than 7.5 percent.

ECONOMIC IMPACT

Several commenters felt the estimated economic impact of the proposed standards was too low. Some commenters questioned the ventilation flow rate volumes used in developing these estimates. The air evacuation flow rates and equipment costs used in estimating the costs associated with the standards, however, were based on information obtained from grain elevator operators during visits to facilities which were being operated with visible emissions meeting the proposed standards. These air evacuation flow rates and equipment costs were also checked against equipment vendor estimates and found to be in reasonable agreement. These ventilation flow rates, therefore, are compatible with the opacity standards. Thus, the unit cost estimates developed for the proposed standards are considered reasonably accurate.

Many commenters felt that the total cost required to reduce emissions to the levels necessary to comply with the visible emission standards should be assigned to the standards. The relevant costs, however, are those incremental costs required to comply with these standards above the costs required to comply with existing State or local air pollution regulations. While it is true that some States have no regulations, other States have regulations as stringent as the promulgated standards. Consequently, an estimate of the costs required to comply with the typical or average State regu-

lation, which lies between these extremes, is subtracted from the total cost of complying with the standards to identify the cost impact directly associated with these standards.

Most State and local regulations, for example, require aspiration of truck dump pit grates and installation of cyclones to remove particulate matter from the aspirated air before release to the atmosphere. The promulgated standards would require the addition of a bifold door and the use of a fabric filter baghouse instead of a cyclone. The cost associated with the promulgated standards, therefore, is only the cost of the bifold doors and the difference in cost between a fabric filter baghouse and a cyclone.

In conclusion, the unit cost estimates developed for the proposed standards are essentially correct and generally reflect the costs associated with the promulgated standards. As a result, the economic impact of the promulgated standards on an individual grain elevator is considered to be about the same as that of the proposed standards. The maximum additional cost that would be imposed on most grain elevators subject to compliance with the promulgated standards will probably be less than a cent per bushel. The impact of these additional costs imposed on an individual grain elevator will be small.

Based on information contained in comments submitted by the National Grain and Feed Association, approximately 200 grain terminal elevators and grain storage elevators at grain processing plants will be covered by the standards over the next 5 years. Consequently, over this 5-year period the total incremental costs to control emissions at these grain elevators to comply with the promulgated standards, above the costs to control emissions at these elevators to comply with State or local air pollution control requirements, is \$15 million in capital costs and \$3 million in annualized costs in the 5th year. Based on this estimate of the national economic impact, the promulgated standards will have no significant effect on the supply and demand of grain or grain products, or on the growth of the domestic grain industry.

ENERGY IMPACT

A number of commenters believed that the energy impact associated with the proposed standards had been underestimated and that the true impact would be much greater. As pointed out above, the major reason for this disagreement is probably due to the fact that these commenters assigned the full impact of air pollution control to the proposed standards, whereas the impact associated with compliance with existing State and local air pollu-

tion control requirements should be subtracted. In the example discussed above concerning costs, the additional energy requirements associated with the promulgated standards is simply the difference in energy required to operate a fabric filter baghouse compared to a cyclone.

For emission control equipment such as cyclones and fabric filter baghouses, energy consumption is directly proportional to the pressure drop across the equipment. It was assumed that the pressure drop across a cyclone required to comply with existing State and local requirements would be about 80 percent of that across a fabric filter baghouse required to comply with the promulgated standards. This is equivalent to an increase in energy consumption required to operate air pollution control equipment of about 25 percent. This represents an increase of less than 5 percent in the total energy consumption of a grain elevator.

Assuming 200 grain elevators become subject to the promulgated standards over the next 5 years, this energy impact will increase national energy consumption by less than 1,600 m³ (ca. 10,000 U.S. barrels) per year in 1982. This amounts to less than 2 percent of the capacity of a large marine oil tanker and is an insignificant increase in energy consumption.

MODIFICATION

Many commenters were under the mistaken impression that all existing grain elevators would have to comply with the proposed standards and that retrofit of air pollution control equipment on existing facilities within grain elevators would be required. This is not the case. The proposed standards would have applied only to new, modified, or reconstructed facilities within grain elevators. Similarly, the promulgated standards apply only to new, modified, or reconstructed facilities and not existing facilities.

Modified facilities are only subject to the standards if the modification results in increased emissions to the atmosphere from that facility. Furthermore, any alteration which is considered routine maintenance or repair is not considered a modification. Where an alteration is considered a modification, only those facilities which are modified have to comply with the standards, not the entire grain elevator. Consequently, the standards apply only to major alterations of individual facilities at existing grain elevators which result in increased emissions to the atmosphere, not to alterations which are considered routine maintenance and repair. Major alterations that do not result in increased emissions, such as alterations where existing air pollution

control equipment is upgraded to maintain emissions at their previous level, are not considered modifications.

The following examples illustrate how the promulgated standards apply to a grain elevator under various circumstances. The proposed standards would have applied in the same way.

(1) If a completely new grain elevator were built, all affected facilities would be subject to the standards.

(2) If a truck unloading station at an existing grain elevator were modified by making a capital expenditure to increase unloading capacity and this resulted in increased emissions to the atmosphere in terms of pounds per hour, then only that affected facility (i.e., the modified truck unloading station) would be subject to the standards. The remaining facilities within the grain elevator would not be subject to the standards.

(3) If a grain elevator contained three grain dryers and one grain dryer were replaced with a new grain dryer, only the new grain dryer would be subject to the standards.

The initial assessment of the potential for modification of existing facilities concluded that few modifications would occur. The few modifications that were considered likely to take place would involve primarily the upgrading of existing country grain elevators into high throughput grain elevator terminals. A large number of commenters, however, indicated that they believed many modifications would occur and that many existing grain elevators would be required to comply with the standards.

To resolve this confusion and clarify the meaning of modification, a meeting was held with representatives of the grain elevator industry to identify various alterations to existing facilities that might be considered modifications. A list of alterations was developed which frequently occur within grain elevators, primarily to reduce labor costs or to increase grain handling capacity, although not necessarily annual grain throughput. The impact of considering four of these alterations as modifications, subject to compliance with the standards, was viewed as unreasonable. Consequently, they are exempted from consideration as modifications in the promulgated standards.

In particular, the four alterations within grain elevators which are specifically exempt from the promulgated standards are (1) The addition of gravity load-out spouts to existing grain storage or grain transfer bins; (2) the addition of electronic automatic grain weighing scales which increase hourly grain handling capacity; (3) the replacement of motors and drive trains driving existing grain handling equipment with larger motors and drive

trains which increases hourly grain handling capacity; and (4) the addition of grain storage capacity with no increase in hourly grain handling capacity.

If the first alteration were considered a modification, this could require installation of a load-out shed thereby requiring substantial reinforcement of the grain storage or grain transfer bin to support the weight of emission control equipment. In light of the relatively small expenditure usually required to install additional gravity load-out spouts to existing grain storage or transfer bins, and the relatively large expenditure that would be required to install a load-out shed or to reinforce the storage or transfer bin, consideration of this sort of alteration within an existing grain elevator as a modification was viewed as unreasonable.

Under the general modification regulation which applies to all standards of performance, alteration two, the addition of electronic automatic grain weighing scales, would be considered a change in the method of operation of the affected facility if it were to increase the hourly grain throughput. If this alteration were to increase emissions to the atmosphere and require a capital expenditure, the grain receiving or loading station whose method of operation had changed (i.e., increased grain throughput), would be considered a modified facility subject to the standards. Consideration of this type of alteration, which would result in only minor changes to a facility, is viewed as unreasonable in light of the relatively high expenditure this could require for existing grain elevators to comply with the standards.

Alterations three and four, replacement of existing motors and drives with larger motors and drives and addition of grain storage capacity with no increase in the hourly grain handling capacity, would probably not be considered modifications under the general modification regulation. Since it is quite evident that there was considerable confusion concerning modifications, however, alterations three and four, along with alterations one and two discussed above, are specifically exempt from consideration as modifications in the promulgated standards.

The modification provisions in 40 CFR 60.14(e) exempt certain physical or operational changes from being considered as modifications, even though an increase in emission rate occurs. Under 40 CFR 60.14(e)(2), if an increase in production rate of an existing facility can be accomplished without a capital expenditure on the stationary source containing that facility, the change is not considered a modification.

A capital expenditure is defined as any amount of money exceeding the product of the Internal Revenue Service (IRS) "annual asset guideline repair allowance percentage" times the basis of the facility, as defined by section 1012 of the Internal Revenue Code. In the case of grain elevators, the IRS has not listed an annual asset guideline repair allowance percentage. Following discussions with the IRS, the Department of Agriculture, and the grain elevator industry, the Agency determined that 6.5 percent is the appropriate percentage for the grain elevator industry. If the capital expenditures required to increase the production rate of an existing facility do not exceed the amount calculated under the IRS formula, the change in the facility is not considered a modification. If the expenditures exceed the calculated amount, the change in operation is considered a modification and the facility must comply with NSPS.

Often a physical or operational change to an existing facility to increase production rate will result in an increase in the production rate of another existing facility, even though it did not undergo a physical or operational change. For example, if new electronic weighing scales were added to a truck unloading station to increase grain receipts, the production rate and emission rate would increase at the unloading station. This could result in an increase in production rate and emission rate at other existing facilities (e.g., grain handling operations) even though physical or operational changes did not occur. Under the present wording of the regulation, expenditures made throughout a grain elevator to adjust for increased production rate would have to be considered in determining if a capital expenditure had been made on each facility whose operation is altered by the production increase. If the capital expenditure made on the truck unloading station were considered to be made on each existing facility which increased its production rate, it is possible that the alterations on each such facility would qualify as modifications. Each facility would, therefore, have to meet the applicable NSPS.

Such a result is inconsistent with the intent of the regulation. The Agency intended that only capital expenditures made for the changed facility are to be considered in determining if the change is a modification. Related expenditures on other existing facilities are not to be considered in the calculation. To clarify the regulation, the phrase "the stationary source containing" is being deleted. Because this is a clarification of intent and not a change in policy, the amendment is

being promulgated as a final regulation without prior proposal.

PERFORMANCE TEST

Several commenters were concerned about the costs of conducting performance tests on fabric filter baghouses. These commenters stated that the costs involved might be a very substantial portion of the costs of the fabric filter baghouse itself, and several baghouses may be installed at a moderately sized grain elevator. The commenters suggested that a fabric filter baghouse should be assumed to be in compliance without a performance test if it were properly sized. In addition, the opacity standards could be used to demonstrate compliance.

It would not be wise to waive performance tests in all cases. Section 60.8(b) already provides that a performance test may be waived if "the owner or operator of a source has demonstrated by other means to the Administrator's satisfaction that the affected facility is in compliance with the standard." Since performance tests are heavily weighed in court proceedings, performance test requirements must be retained to insure effective enforcement.

SAFETY CONSIDERATIONS

In December 1977, and January 1978, several grain elevators exploded. Allegations were made by various individuals within the grain elevator industry contending that Federal air pollution control regulations were contributing to an increase in the risk of dust explosions at grain elevators by requiring that building doors and windows be closed and by concentrating grain dust in emission control systems. Investigation of these allegations indicates they are false.

There were no Federal regulations specifically limiting dust emissions from grain elevators which were in effect at the time of these grain elevator explosions. A number of State and local air pollution control agencies, however, have adopted regulations which limit particulate matter emissions from grain elevators. Many of these regulations were developed by States and included in their implementation plans for attaining and maintaining the NAAQS for particulate matter. Particulate matter, as a general class, can cause adverse health effects; and the NAAQS, which were promulgated on April 30, 1971, were established at levels necessary to protect the public health and welfare.

Although compliance with State or local air pollution control regulations, or the promulgated standards of performance, can be achieved in some instances by closing building doors and windows, this is not the objective of these regulations and is not an accept-

able means of compliance. The objective of State and local regulations and the promulgated standards of performance is that dust be captured at those points within grain elevators where it is generated through the use of effective hoods or enclosures with air aspiration, and removed from the grain elevator to an air pollution control device. This is the basis for the promulgated standards of performance. Compliance with air pollution control regulations and the promulgated standards of performance does not require that windows and doors in buildings be closed to prevent escape of dust and this practice may in fact be a major safety hazard.

Fabric filter baghouses have been used for many years to collect combustible dusts such as wheat flour. There have been extremely few incidences of dust explosions or fires caused by such emission control devices in the flour industry. In the grain elevator industry, no air pollution control device has been identified as the cause of a grain elevator explosion. Consequently, fabric filter baghouses, or emission control devices in general, which are properly designed, operated, and maintained will not contribute to an increased risk of dust explosions at grain elevators.

These conclusions were supported at a joint meeting between representatives of EPA; the Federal Grain Inspection Service (FGIS) of the Department of Agriculture; the Occupational Safety and Health Administration (OSHA); the grain elevator industry; and the fire insurance industry. Installation and use of properly designed, operated, and maintained air pollution control systems were found to be consistent with State and local air pollution regulations, OSHA regulations, and national fire codes. Chapter 6 of the National Fire Code for Grain Elevators and Bulk Grain Handling Facilities (NFPA No. 61-B), which was prepared by the National Fire Protection Association, for example, recommends that "dust shall be collected at all dust producing points within the processing facilities." The code then goes on to specially recommend that all elevator boots, automatic scales, scale hoppers, belt loaders, belt discharges, trippers, and discharge heads, and all machinery such as cleaners, scalpers, and similar devices be provided with enclosures or dust hoods and air aspiration.

Consequently, compliance with existing State or local air pollution regulations, or the promulgated standards of performance, will not increase the risk of dust explosions at grain elevators if the approach taken to meet these regulations is capture and control of dust at those points within an elevator where it is generated. If, how-

ever, the approach taken is merely to close doors, windows, and other openings to trap dust within the grain elevator, or the air pollution control equipment is allowed to deteriorate to the point where it is no longer effective in capturing dust as it is generated, then ambient concentrations of dust within the elevator will increase and the risk of explosion will also increase.

The House Subcommittee on Compensation, Health, and Safety is currently conducting oversight hearings to determine if something needs to be done to prevent these disastrous grain elevator explosions. The FGIS, EPA, and OSHA testified at these oversight hearings on January 24 and 25, 1978. The testimony indicated that dust should be captured and collected in emission control devices in order to reduce the incidence of dust explosions at grain elevators, protect the health of employees from such ailments as "farmer's lung," and prevent air pollution. Consequently, properly operated and maintained air pollution control equipment will not increase the risk of grain elevator explosions.

MISCELLANEOUS

It should be noted that standards of performance for new sources established under section 111 of the Clean Air Act reflect the degree of emission limitation achievable through application of the best adequately demonstrated technological system of continuous emission reduction (taking into consideration the cost of achieving such emission reduction, any nonair quality health and environmental impact and energy requirements). State implementation plans (SIP's) approved or promulgated under section 110 of the act, on the other hand, must provide for the attainment and maintenance of national ambient air quality standards (NAAQS) designed to protect public health and welfare. For that purpose, SIP's must in some cases require greater emission reductions than those required by standards of performance for new sources. Section 173 of the act requires, among other things, that a new or modified source constructed in an area in violation of the NAAQS must reduce emissions to the level which reflects the "lowest achievable emission rate" for such category of source as defined in section 171(3). In no event can the emission rate exceed any applicable standard of performance.

A similar situation may arise when a major emitting facility is to be constructed in a geographic area which falls under the prevention of significant deterioration of air quality provisions of the act (part C). These provisions require, among other things, that major emitting facilities to be

constructed in such areas are to be subject to best available control technology for all pollutants regulated under the act. The term "best available control technology" (BACT), as defined in section 169(3), means "an emission limitation based on the maximum degree of reduction of each pollutant subject to regulation under this act emitted from or which results from any major emitting facility, which the permitting authority, on a case-by-case basis, taking into account energy, environmental, and economic impacts and other costs, determines is achievable for such facility through application of production processes and available methods, systems, and techniques, including fuel cleaning or treatment or innovative fuel combustion techniques for control of each such pollutant. In no event shall application of 'best available control technology' result in emissions of any pollutants which will exceed the emissions allowed by any applicable standard established pursuant to sections 111 or 112 of this Act."

Standards of performance should not be viewed as the ultimate in achievable emission control and should not preclude the imposition of a more stringent emission standard, where appropriate. For example, while cost of achievement may be an important factor in determining standards of performance applicable to all areas of the country (clean as well as dirty), statutorily, costs do not play such a role in determining the "lowest achievable emission rate" for new or modified sources locating in areas violating statutorily mandated health and welfare standards. Although there may be emission control technology available that can reduce emissions below those levels required to comply with standards of performance, this technology might not be selected as the basis of standards of performance due to costs associated with its use. This in no way should preclude its use in situations where cost is a lesser consideration, such as determination of the "lowest achievable emission rate."

In addition, States are free under section 116 of the act to establish even more stringent emission limits than those established under section 111 or those necessary to attain or maintain the NAAQS under section 110. Thus, new sources may in some cases be subject to limitations more stringent than standards of performance under section 111, and prospective owners and operators of new sources should be aware of this possibility in planning for such facilities.

ECONOMIC IMPACT ASSESSMENT

An economic assessment has been prepared as required under section 317 of the Act."

Dated: July 26, 1978.

DOUGLAS M. COSTLE,
Administrator.

REFERENCES

1. "Standards Support and Environmental Impact Statement—Volume I: Proposed Standards of Performance for Grain Elevator Industry," U.S. Environmental Protection Agency—OAQPS, EPA-450/2-77-001a, Research Triangle Park, N.C., January 1977.
2. "Draft—For Review Only: Evaluation of Public Comments: Standards of Performance For Grain Elevators," U.S. Environmental Protection Agency—OAQPS, Research Triangle Park, N.C., August 1977.
3. "Standards Support and Environmental Impact Statement—Volume II: Promulgated Standards of Performance for Grain Elevator Industry," U.S. Environmental Protection Agency—OAQPS, EPA-450/2-77-001b, Research Triangle Park, N.C., April 1978.

Part 60 of chapter I, title 40 of the Code of Federal Regulations is amended as follows:

Subpart A—General Provisions

1. Section 60.2 is amended by revising paragraph (v). The revised paragraph reads as follows:

§ 60.2 Definitions.

(v) "Particulate matter" means any finely divided solid or liquid material, other than uncombined water, as measured by the reference methods specified under each applicable subpart, or an equivalent or alternative method.

§ 60.14 [Amended]

2. Section 60.14 is amended by deleting the words "the stationary source containing" from paragraph (e)(2).
3. Part 60 is amended by adding subpart DD as follows:

Subpart DD—Standards of Performance for Grain Elevators

- | | |
|--------|---|
| Sec. | |
| 60.300 | Applicability and designation of affected facility. |
| 60.301 | Definitions. |
| 60.302 | Standard for particulate matter. |
| 60.303 | Test methods and procedures. |
| 60.304 | Modification. |

AUTHORITY: Secs. 111 and 301(a) of the Clean Air Act, as amended (42 U.S.C. 7411, 7601(a)), and additional authority as noted below.

Subpart DD—Standards of Performance for Grain Elevators

§ 60.300 Applicability and designation of affected facility.

(a) The provisions of this subpart apply to each affected facility at any grain terminal elevator or any grain storage elevator, except as provided

under § 60.304(b). The affected facilities are each truck unloading station, truck loading station, barge and ship unloading station, barge and ship loading station, railcar loading station, railcar unloading station, grain dryer, and all grain handling operations.

(b) Any facility under paragraph (a) of this section which commences construction, modification, or reconstruction after (date of reinstatement of proposal) is subject to the requirements of this part.

§ 60.301 Definitions.

As used in this subpart, all terms not defined herein shall have the meaning given them in the act and in subpart A of this part.

(a) "Grain" means corn, wheat, sorghum, rice, rye, oats, barley, and soybeans.

(b) "Grain elevator" means any plant or installation at which grain is unloaded, handled, cleaned, dried, stored, or loaded.

(c) "Grain terminal elevator" means any grain elevator which has a permanent storage capacity of more than 88,100 m³ (ca. 2.5 million U.S. bushels), except those located at animal food manufacturers, pet food manufacturers, cereal manufacturers, breweries, and livestock feedlots.

(d) "Permanent storage capacity" means grain storage capacity which is inside a building, bin, or silo.

(e) "Railcar" means railroad hopper car or boxcar.

(f) "Grain storage elevator" means any grain elevator located at any wheat flour mill, wet corn mill, dry corn mill (human consumption), rice mill, or soybean oil extraction plant which has a permanent grain storage capacity of 35,200 m³ (ca. 1 million bushels).

(g) "Process emission" means the particulate matter which is collected by a capture system.

(h) "Fugitive emission" means the particulate matter which is not collected by a capture system and is released directly into the atmosphere from an affected facility at a grain elevator.

(i) "Capture system" means the equipment such as sheds, hoods, ducts, fans, dampers, etc. used to collect particulate matter generated by an affected facility at a grain elevator.

(j) "Grain unloading station" means that portion of a grain elevator where the grain is transferred from a truck, railcar, barge, or ship to a receiving hopper.

(k) "Grain loading station" means that portion of a grain elevator where the grain is transferred from the elevator to a truck, railcar, barge, or ship.

(l) "Grain handling operations" include bucket elevators or legs (excluding legs used to unload barges or ships), scale hoppers and surge bins

(garners), turn heads, scalpers, cleaners, trippers, and the headhouse and other such structures.

(m) "Column dryer" means any equipment used to reduce the moisture content of grain in which the grain flows from the top to the bottom in one or more continuous packed columns between two perforated metal sheets.

(n) "Rack dryer" means any equipment used to reduce the moisture content of grain in which the grain flows from the top to the bottom in a cascading flow around rows of baffles (racks).

(o) "Unloading leg" means a device which includes a bucket-type elevator which is used to remove grain from a barge or ship.

§ 60.302 Standard for particulate matter.

(a) On and after the 60th day of achieving the maximum production rate at which the affected facility will be operated, but no later than 180 days after initial startup, no owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere any gases which exhibit greater than 0 percent opacity from any:

(1) Column dryer with column plate perforation exceeding 2.4 mm diameter (ca. 0.094 inch).

(2) Rack dryer in which exhaust gases pass through a screen filter coarser than 50 mesh.

(b) On and after the date on which the performance test required to be conducted by § 60.8 is completed, no owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere from any affected facility except a grain dryer any process emission which:

(1) Contains particulate matter in excess of 0.023 g/dscm (ca. 0.01 gr/dscf).

(2) Exhibits greater than 0 percent opacity.

(c) On and after the 60th day of achieving the maximum production rate at which the affected facility will be operated, but no later than 180 days after initial startup, no owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere any fugitive emission from:

(1) Any individual truck unloading station, railcar unloading station, or railcar loading station, which exhibits greater than 5 percent opacity.

(2) Any grain handling operation which exhibits greater than 0 percent opacity.

(3) Any truck loading station which exhibits greater than 10 percent opacity.

(4) Any barge or ship loading station which exhibits greater than 20 percent opacity.

(d) The owner or operator of any barge or ship unloading station shall operate as follows:

(1) The unloading leg shall be enclosed from the top (including the receiving hopper) to the center line of the bottom pulley and ventilation to a control device shall be maintained on both sides of the leg and the grain receiving hopper.

(2) The total rate of air ventilated shall be at least 32.1 actual cubic meters per cubic meter of grain handling capacity (ca. 40 ft³/bu).

(3) Rather than meet the requirements of subparagraphs (1) and (2), of this paragraph the owner or operator may use other methods of emission control if it is demonstrated to the Administrator's satisfaction that they would reduce emissions of particulate matter to the same level or less.

§ 60.303 Test methods and procedures.

(a) Reference methods in appendix A of this part, except as provided under § 60.8(b), shall be used to determine compliance with the standards prescribed under § 60.302 as follows:

(1) Method 5 or method 17 for concentration of particulate matter and associated moisture content;

(2) Method 1 for sample and velocity traverses;

(3) Method 2 for velocity and volumetric flow rate;

(4) Method 3 for gas analysis; and
(5) Method 9 for visible emissions.

(b) For method 5, the sampling probe and filter holder shall be operated without heaters. The sampling time for each run, using method 5 or method 17, shall be at least 60 minutes. The minimum sample volume shall be 1.7 dscm (ca. 60 dscf).

(Sec. 114, Clean Air Act, as amended (42 U.S.C. 7414).)

§ 60.304 Modifications.

(a) The factor 6.5 shall be used in place of "annual asset guidelines repair allowance percentage," to determine whether a capital expenditure as defined by § 60.2(bb) has been made to an existing facility.

(b) The following physical changes or changes in the method of operation shall not by themselves be considered a modification of any existing facility:

(1) The addition of gravity loadout spouts to existing grain storage or grain transfer bins.

(2) The installation of automatic grain weighing scales.

(3) Replacement of motor and drive units driving existing grain handling equipment.

(4) The installation of permanent storage capacity with no increase in hourly grain handling capacity.

[FR Doc. 78-21444 Filed 8-2-78; 8:45 am]

[6560-01]

ENVIRONMENTAL PROTECTION AGENCY

[40 CFR Part 60]

[FRL 907-3]

STANDARDS OF PERFORMANCE FOR NEW STATIONARY SOURCES

Grain Elevators

AGENCY: Environmental Protection Agency (EPA).

ACTION: Reinstatement of proposed rule.

SUMMARY: Proposed standards of performance limiting emissions of particulate matter from new, modified and reconstructed grain elevators are being reinstated. The proposed standards were suspended on June 24, 1977, to provide time for a thorough review of the usually large number of public comments received. Suspension was necessary to avoid creating legal uncertainties for those grain elevator operators who might have undertaken various expansion or alteration projects before promulgation of final standards. The effect of this reinstatement is that any grain elevator the

construction or modification of which is commenced after August 3, 1978, is subject to the final grain elevator standards promulgated elsewhere in this issue of the FEDERAL REGISTER.

EFFECTIVE DATE: August 3, 1978.

FOR FURTHER INFORMATION CONTACT:

Don R. Goodwin, Director, Emission Standards and Engineering Division (MD-13), U.S. Environmental Protection Agency, Research Triangle Park, N.C. 27711; telephone 919-541-5271.

SUPPLEMENTARY INFORMATION: On January 13, 1977, standards of performance were proposed for the grain elevator industry (42 FR 2842) under the authority of section 111 of the Clean Air Act. Public comments were requested on the proposal in the FEDERAL REGISTER publication. About 2,000 comments were received from grain elevator operators, vendors of equipment, Congressmen, State and local air pollution control agencies, other Federal Agencies, and individual U.S. citizens. Many of the comments were based on a misunderstanding that the proposed standard would cover existing as well as new grain elevators. A

number of comments, however, contained a significant amount of useful data and information. Due to the time required to review these comments, the proposed standards were suspended on June 24, 1977. This action was necessary to avoid creating legal uncertainties for those grain elevator operators who might have undertaken various expansions or alteration projects before promulgation of final standards.

Final standards of performance limiting emissions of particulate matter from new, modified, and reconstructed grain elevators are promulgated elsewhere in this issue of the FEDERAL REGISTER. The final standards reflect a thorough evaluation of all comments received on the proposed standards.

All facilities at grain elevators that are covered by the final standards, which are constructed, modified, or reconstructed on or after August 3, 1978 will be subject to compliance with these standards.

Dated: July 26, 1978.

DOUGLAS M. COSTLE,
Administrator.

[FR Doc. 78-21443 Filed 8-2-78; 8:45 am]