

D. "Revised Facility-Specific NO_x Emission Limits" for one major NO_x facility for which permit conditions are revised in accordance with a previously submitted and EPA approved source-specific SIP revision which allowed for revisions based on the results of compliance tests.

EPA is only acting on the permitted emission rates and conditions related to emissions of NO_x. This action is not being taken on any other pollutants from these sources for which New Jersey may have taken permit actions.

A. Facility-Specific NO_x Emission Limits

1. American Ref-Fuel Company

The American Ref-Fuel Company owns and operates three mass burning water wall incinerators at the Essex County Resource Recovery Facility located at Newark, Essex County. The State's June 1998 SIP submittal is a revision to a May 1995 SIP revision for the same facility that was approved by EPA on January 17, 1997 (62 FR 2581). The EPA previously approved RACT controls at this facility that include Selective Non Catalytic Reduction (SNCR) technology with ammonia injection, based on a 1989 Best Available Control Technology (BACT) analysis. EPA's January 1997 approval included a facility-specific NO_x emission limit of 95 pounds per hour (lbs/hr) per unit, with a concentration limit of 174 parts per million (ppm), based on a three hour average. In the June 1998 SIP revision, the facility's RACT analysis concluded, and New Jersey agreed, that the new facility-specific NO_x emission limit is 155 ppm, based on a twenty-four hour average, while maintaining the 95 lbs/hr/unit limit based on a three hour average.

2. Co-Steel Corporation of Sayreville (Formerly New Jersey Steel Corporation)

Co-Steel Corporation owns and operates a mini steel mill, located at Sayreville, Middlesex County, that has the capability of producing 800,000 tons per year (tpy) of steel billets. The facility includes an electric arc furnace (EAF) that melts and refines scrap steel in a continuous mode of operation, and a billet rehear furnace (BRF) that reheats steel billets for producing reinforcing bars for the construction industry. The facility's RACT analysis concluded, and New Jersey agreed, that there are no control technologies available to control NO_x emissions from EAF's and the State established an emission limit based on engineering judgement. Subsequent to New Jersey's SIP submittal which EPA is acting on today, and based on actual

stack emission testing, the State lowered the NO_x emission limit from 168 tpy to 78.8 tpy.

In addition, since February 2003, the State has been reviewing a new Prevention of Significant Deterioration (PSD) permit application for the EAF which may slightly increase the NO_x emission limit above the current 78.8 tpy State limit. The 78.8 tpy limit has not been submitted as a SIP revision. CSS submitted this new PSD application because it plans to increase production at the EAF. The State hopes to complete, within approximately a year, its review and public notice and comment period.

This SIP revision includes the original NO_x emission limit of 168 tpy. On the effective date of this SIP approval it will become the federally enforceable NO_x SIP limit. In order for the current State permit limit to become the federally enforceable NO_x limit, or for any future State permit limit to become the federally enforceable NO_x limit, it must be submitted and EPA must approve of it as a SIP revision.

It should be noted that while any aspect of a State permit limit is federally enforceable because it is part of a permit which is issued under the federally approved State permit program, it is not the federally enforceable NO_x SIP limit required to satisfy the SIP. A federally enforceable permit condition can be made more or less stringent in accordance with State permitting procedures. However once a permit condition is submitted and approved of as a SIP emission limit, in accordance with sections 110(l) and 116¹ of the CAA, it can not be made more or less stringent than the federally approved limit unless it is submitted and approved by EPA as a SIP revision, or unless the approved SIP establishes procedures which allow for making the limit more stringent.

Furthermore, if the PSD permit limit revision is considered "major" then the Title V permit must also be revised at the same time as the PSD revision. However, if the PSD permit limit revision is considered "minor" then the Title V permit revision may be revised at the next scheduled cycle.

NO_x emissions from the BRF are produced primarily from natural gas fired burners with oil as the backup fuel. The facility's RACT analysis concluded, and New Jersey agreed, that RACT is conversion of the existing four North American Manufacturing Twin

Bed burners with low NO_x burners and staged fuel injection. The new facility-specific NO_x emission limit is 169.5 tpy or 0.27 pounds per million BTU (lb/mmBTU) heat input, as verified by annual stack tests. Additionally, the State's Conditions of Approval include: (1) Annual adjustment of the combustion process according to Subchapter 19.16; and (2) use of natural gas as the primary fuel with Number 2 fuel oil as a standby fuel to be used only during natural gas curtailment and up to a maximum of 1000 hours of operation in any one calendar year.

3. Co-Steel Raritan Corporation

Co-Steel Raritan Corporation owns and operates a mini steel mill, located at Perth Amboy, Middlesex County, that has the capability of producing 1,160,320 tpy of finished product. The facility includes an electric arc furnace with ladle metallurgy system (EAF/LMS) that melts and refines scrap steel in a batch mode of operation, and a billet rehear furnace (BRF) that reheats steel rods for producing finished product.

The facility's RACT analysis concluded, and New Jersey agreed, that there are no technologies available to control NO_x emissions from EAF's. The facility-specific NO_x emission limit for the EAF/LMS is 94 tpy as verified by annual stack tests and was State effective on March 6, 1998. Additionally, the State Conditions of Approval include: (1) The maximum steel scrap feed rate to the EAF shall not exceed 148 tons per hour based on 24-hour daily production; and (2) operation of the EAF steel making process limited to 7840 hours in a year period.

NO_x emissions from the BRF are produced from natural gas fired burners. The facility's RACT analysis concluded, and New Jersey agreed, that RACT is conversion of the existing three North American Manufacturing burner zones with low NO_x burners (LNB) and flue gas recirculation (FGR). The facility-specific NO_x emission limit for the BRF is 80 tpy or 0.145 lb/mmBTU, as verified by annual stack tests. Additionally, the State Conditions of Approval include: (1) The burners in all three zones of the furnace are to be replaced with LNB and FGR; (2) annual adjustment of the combustion process according to Subchapter 19.16; (3) implementation of the proposed NO_x plan by February 1, 2001; and (4) operation limited to using natural gas as fuel for the burners.

Note that this source-specific SIP revision addresses what the State approved RACT is for the EAF as of March 6, 1998 and for the BRF as of

¹ Section 116 of the CAA establishes that the State may not adopt or enforce an emission limit which is less stringent than the limit in effect under an applicable SIP.