

examples of how this definition of process unit might be applied.

Some commenters compared the proposal's definition of "process unit" ("* * * producing or storing a completed product * * *") to the definition that is used by section 112(g) and that appears in 40 CFR 63.41 ("* * * producing or storing an intermediate or final product * * *"). One of the commenters supported the proposed definition. Two commenters said the rule's definition should be consistent with that used by section 112(g), which they believe is broad enough to encompass interrelated operations. While supporting the RMRR proposal's definition, two commenters recommended that EPA provide regulatory flexibility by allowing a facility the option to choose which definition it will use.

One commenter generally supported the proposed definition of "process unit," but this commenter believed that "the delineation of a process unit should be made by regulated entity rather than explicitly defined in a rule."

Three commenters asserted that pollution control equipment should be included in the process unit definition. One industry commenter said pollution control equipment is often integral to the process and may produce an intermediate product. One environmental commenter believed the proposed rule was unclear as to whether pollution control equipment is part of the process unit.

Several commenters said the proposed definition is too vague or broad. Another commenter urged EPA to change the definition of process unit to limit the scope of what is allowed in the ERP, so that the source of emissions (for example, an entire coal boiler) would not be allowed to be replaced without major NSR. The commenter asserted that the replacement unit's scope should be limited to an emission unit.

Most commenters agreed that the general process unit definition is sufficient. However, a number of commenters suggested that we revise or eliminate some of the process unit examples (that is, the industry category-specific definitions), and others were concerned that the proposed definitions do not support the detailed process unit definition for a specific industry because the definitions will never capture all possible elements and configurations.

We received comments from several industry representatives suggesting changes to our proposed industry-specific definitions, and also to request that we delineate other process unit

types explicitly in the rule. Definitions were submitted for sugar mills, chemical manufacturing plants, surface coating operations, flat glass manufacturing, fiberglass manufacturing, and gas compressor stations.

One industry commenter agreed with our proposed approach to proportionately allocate, based on capacity, the cost of those components shared by two or more process units. Another commenter suggested that, for electric utilities, we allocate the cost of shared equipment based on a *pro rata* share of megawatts produced.

We agree with the commenters who favor using a process unit as the basis for administering the ERP and including a definition of process unit in the final rule. We also agree with the commenters who suggested that the definition of process unit should be consistent with the definition in 40 CFR 63.41, and we have altered the final rule definition to include those processes that produce "intermediates." We acknowledge that, without further explanation, the term "intermediates" is susceptible to misinterpretation, which can cause confusion and lead to less regulatory certainty. Thus, we provide the following explanation as to how we intend to interpret today's rule.

By "intermediates," we mean the intended product of an integrated facility operation. For example, for an automotive manufacturing plant, while the completed product would be the driveable vehicle ready for shipping to the showroom, an intermediate product could be the engine or the painted body shell. In this case, we would not consider smaller production operations, such as the e-coat, primer surface, or top coat operation, to be intermediates in the context of our final rule definition for process unit. Our primary goal in defining this term "process unit" is to encompass integrated manufacturing operations that produce a completed product, and those operations that produce an intermediate as the product of the process unit. In the case of the automotive paint shop, series of coating steps together comprise the carefully designed and interrelated set of operations, all of which are needed to provide a coating system that meets design specifications. The individual operations almost never are implemented individually and, as a practical matter, simply would serve no meaningful purpose in the absence of the others.

We disagree with the commenters who wish to include all pollution control equipment in the definition of process unit. We feel that periodic

replacement of components of emissions control equipment should be encouraged and would rarely lead to actual emissions increases. In instances where identical or functionally equivalent replacement of pollution control equipment occurs, it is likely you will qualify for a Pollution Control Project exclusion. We do agree, however, that where the control equipment is an integral component of the process it should be included. Therefore, we are excluding associated pollution control equipment from the definition of the "process unit," except for control equipment that serves a dual purpose in the process. We know there are industries where pollution control equipment performs a dual purpose; for example, condensers often serve to control emissions of organic air pollutants while serving as an integral component of the operation of a fractionation column. A low-NO_x burner is another example of a dual-purpose component. In such cases, to provide clarity and simplify administration of the ERP, our rule provides that dual purpose equipment should be considered part of the process. We are also clarifying in today's rule that administrative buildings (including warehousing) are not to be included in the process unit, but other types of non-emitting units that are integral to the processing equipment should be included.

We also have included in our final rule industry-specific examples of how this definition might be applied. The examples are drawn from three selected industrial processing categories—electric utilities, refineries, and incinerators. We proposed each of these detailed definitions and received mostly support from commenters on their accuracy. While we also proposed detailed definitions for two other industries—pulp and paper and cement producers—we have decided not to finalize those definitions after receiving comments from the relevant industry trade association asserting that the definitions did not, and could not, capture all of their industry's configurations and they believed the generic process unit definition was sufficient for their industry. Because of the centrality of the "process unit" concept to the usefulness of the ERP, it is our desire to include specific definitions for steam electric generating facilities, petroleum refineries, and incinerators in the final rule to provide as much certainty as possible for facilities in these industries. As noted above, these definitions also should be useful for those in other industries who