COLORADO DEPARTMENT OF HEALTH
Division or Section of APCD/Stationary Sources Program

**INTER-OFFICE COMMUNICATION**

PS Memo #: PS94-20

TO: Stationary Sources Staff and Local Agencies

FROM: Jim Geier

DATE: December 28, 1994

RE: PM10 Precursor Requirements

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In February 1994 the Commission adopted provisions to Regulation 3 regarding PM10 precursors in the metro Denver PM10 non-attainment area.

The basis for the revisions comes from the Federal Clean Air Act Amendments of 1990. The Act requires that in areas where PM10 precursors are a significant contributor to total PM10 concentrations, the precursors must be regulated as if they were non-attainment pollutants. In the Denver area it has been determined that precursors are a significant contributor to the PM10 problem. The precursors of concern are SO2 and NOx, both of which are emitted as gases and are then converted to particulate matter through atmospheric chemical reactions.

The results of this rule revision are:

1) NOx and SO2 emissions need to be evaluated as non-attainment pollutants when determining if an application is for a new major source or major modification. Evaluation must occur on a pollutant by pollutant basis. NOx, SO2, and PM10 are each treated separately and are not totalled.

2) Sources subject to new major source or major modification requirements may have to undergo both non-attainment review and PSD simultaneously. This means that Laer and offsets would be required and that PSD concerns, including pre-construction monitoring, modeling, and AQRV impacts in Class 1 areas must also be addressed. The wording regarding the major source precursor requirements is found in Reg. 3, Part A under the definition of "Major Stationary Source" and "Major Modification".

3) New minor sources of NOx and SO2 which emit over 40 tons per year must utilize reasonable available control technology(RACT). The wording regarding minor new source RACT is found in Reg 3, Part B, Section IV.D.2.d.(ii).

4) PM10 and precursors are not additive when determining if a major source or major modification is occurring, each pollutant is evaluated individually. Likewise existing major sources may not net out of review by using another pollutant. (eg: A decrease in SO2 may not be used to net against an increase in NOx).

5) Interpollutant trading can be used when offsetting emission increases associated with a major modification in the non-attainment area. The use of these offsets, however, must first be approved by the Commission and then the EPA as a source specific SIP revision. This will be a long process which will need to determine what ratios will be allowed for trading purposes(eg: one ton of PM10 could be used to offset 30 tons of SO2 since the 30 tons of SO2 would only form one ton of PM10). The SIP unit will need to be consulted when evaluating an interpollutant transaction. The wording for this requirement is found in Reg. 3, Part A, Section V.F.1. and H.9.

In the future there will be an effort made to approve a "generic" trading regulation which will include rules to avoid the need for SIP revisions whenever an interpollutant trade is made.