UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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SUBJECT: Definition of "Installation" in Nonattainment Regulations

FROM: Walter C. Barber, Director
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TO: Director, Air and Hazardous Materials
Regions I-X

The definition of source in the regulations pertaining to review of major new sources and modifications in nonattainment areas is focused at two levels: the entire plant and an installation within the plant. The term installation refers to an identifiable piece of process equipment (See August 7, 1980 Federal Register, p. 52742 and 52744.) I and my staff have responded orally to questions over the past year or so on how to interpret the term "installation", especially in cases where an NSPS applies to a source category. Our guidance has been that where an NSPS exists or is under development, the "affected facility" definition is usually the most appropriate definition of "installation". This memo restates that guidance in writing.

If an NSPS identifies an "affected facility", the reviewing agency should consider such an affected facility as an installation for the purpose of new source review-applicability determinations. For example, an installation at a power plant would be any electric utility steam generating unit.

Where a portion of a plant is not specifically defined as an affected facility, either because an NSPS is silent or there is no NSPS for the source category, the reviewer should still refer to the NSPS approach for guidance as to how small a portion of a plant the term installation should apply to. To illustrate, in October 1979 EPA proposed an NSPS for auto surface coating operations which defined the affected facilities as the prime coat, surface coat, and top coat lines. Spray booths, flash-off areas and ovens within these lines are not defined as affected facilities by the proposal. Therefore, such line elements should not be considered installations; in this case, an installation is one of the three lines noted above.

This position is not new; it has been the basis for decisions for more than a year. It is being presented here for clarification and to avoid inconsistency in the new source review process. If your staff has any questions on this subject in the future, please contact our New Source Review Office (FTS 629-5291).

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