

Signed Nov. 2, 1998

Janet Griffin
Manager, Environmental Affairs
Schering-Plough Corporation
2000 Galloping Hill Road
Kenilworth, NJ 07033-0530

Re: Schering Corporation - MACT Applicability Determination

Dear Ms. Griffin:

This is in response to your September 30, 1998 letter regarding MACT applicability for Schering Corporation and Schering-Plough Research Institute (SPRI). Based on the information provided, Schering Plough Corporation owns 100% of Schering Corporation and 84% of SPRI and the two facilities are both located on the Kenilworth site. Major source is defined in 40 CFR §63.2 as any stationary source or group of stationary sources located within a contiguous area and under common control that has the potential to emit 10 tpy of any hazardous air pollutant or 25 tpy combined. Because Schering Plough Corporation has sufficient control of the two entities and the two entities are on the same property, we conclude that SPRI and Schering Corporation are one "major source" for MACT applicability.

However, a Research and Development (R&D) facility meeting the definition under § 112(c)(7) of the Clean Air Act is not subject to the pharmaceutical MACT. (See 40 CFR § 63.1250(d)). You would still need to look at the potential to emit of HAPs from both facilities to determine if Schering is subject to the MACT standard since the two facilities are one "major source". However, the portion of the major source that is R&D is not subject to subpart GGG. We do not know if SPRI is a R&D facility since that information is not provided in your letter. If this is your intent, then we suggest you act conservatively in determining whether the entire SPRI is indeed R&D.

Therefore, in conclusion, SPRI and Schering Corporation are one "major source" for MACT applicability purposes. However, if SPRI is strictly a Research and Development facility, SPRI may not be subject to the pharmaceutical MACT promulgated at part 63, subpart GGG.

If you have any questions, please call Christine Fazio of my office at 212-637-4015.

Sincerely,

Steven C. Riva, Chief
Air Programs Branch

cc: Tom Micai, NJDEP