

Mr. Ronald Collins
Delphi Energy & Engine Management Systems
2900 South Scatterfield Road
Anderson, IN 46011

Re: 095-11938
Minor Source Modification to:
Part 70 permit No.: T095-6388-00016

Dear Mr. Collins:

Delphi Energy & Engine Management Systems was issued the Part 70 operating permit T095-6388-00016 on August 31, 1999 for an automobile parts manufacturing operation. An application to modify the source was received on February 25, 2000. Pursuant to 326 IAC 2-7-10.5 the following emission units are approved for construction at the source:

- (a) One (1) trickle varnish line for stators, which exhausts to one (1) stack designated as L10SA15 and consists of the following three (3) processes:
 1. preheating;
 2. trickle varnish coating; and
 3. curing.

- (b) One (1) trickle varnish line for rotors, which exhausts to one (1) stack designated as J12WA15 and consists of the following three (3) processes:
 1. preheating;
 2. trickle varnish coating; and
 3. curing.

The following construction conditions are applicable to the proposed project:

1. General Construction Conditions
The data and information supplied with the application shall be considered part of this source modification approval. Prior to any proposed change in construction which may affect the potential to emit (PTE) of the proposed project, the change must be approved by the Office of Air Management (OAM).

2. This approval to construct does not relieve the permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.

3. Effective Date of the Permit
Pursuant to IC 13-15-5-3, this approval becomes effective upon its issuance.

4. Pursuant to 326 IAC 2-1.1-9 and 326 IAC 2-7-10.5(i), the Commissioner may revoke this approval if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.
5. All requirements and conditions of this construction approval shall remain in effect unless modified in a manner consistent with procedures established pursuant to 326 IAC 2.
6. Pursuant to 326 IAC 2-7-10.5(l) the emission units constructed under this approval shall not be placed into operation prior to revision of the source's Part 70 Operating Permit to incorporate the required operation conditions.

The proposed operating conditions applicable to these emission units are attached to this Source Modification approval. These proposed operating conditions shall be incorporated into the Part 70 operating permit as the First Significant Permit Modification in accordance with 326 IAC 2-7-10.5(e)(3)(i) and 326 IAC 2-7-12.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter call (800) 451-6027, press 0 and ask for Nysa L. James or extension (3-6875), or dial (317) 233-6875.

Sincerely,

Paul Dubenetzky, Chief
Permits Branch
Office of Air Management

Attachments

NLJ

cc: File - Madison County
U.S. EPA, Region V
Madison County Health Department
Anderson Office of Air Management
Air Compliance Section Inspector - Jim Thorpe
Compliance Data Section - Karen Nowak
Administrative and Development - Janet Mobley
Technical Support and Modeling - Michele Boner

SECTION D.4 FACILITY OPERATION CONDITIONS

| | |
|--|---|
| Facility Description [326 IAC 2-7-5(15)] | |
| (7) | One (1) trickle varnish line for stators, which exhausts to one (1) stack designated as L10SA15 and consists of the following three (3) processes: 1. preheating; 2. trickle varnish coating; and 3. curing. |
| (8) | One (1) trickle varnish line for rotors, which exhausts to one (1) stack designated as J12WA15 and consists of the following three (3) processes: 1. preheating; 2. trickle varnish coating; and 3. curing. |

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.4.1 Volatile Organic Compounds (VOC) [326 IAC 8-2-9]

Pursuant to 326 IAC 8-2-9 (Miscellaneous Metal Coating Operations), the volatile organic compound (VOC) content of applied coating of the two (2) trickle varnish lines shall be limited to 3.5 pounds of VOCs per gallon of coating less water, for forced warm air dried coatings.

Compliance Determination Requirements

D.4.2 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

The Permittee is not required to test this facility by this permit. However, IDEM may require compliance testing when necessary to determine if the facility is in compliance. If testing is required by IDEM, compliance with the VOC limit specified in Condition D.4.1 shall be determined by a performance test conducted in accordance with Section C - Performance Testing.

D.4.3 Volatile Organic Compounds (VOC)

Compliance with the VOC content contained in Condition D.4.1, shall be determined using the ASTM Method D6053-96, which is an approved USEPA alternative to Method 24.

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.4.4 Record Keeping Requirements

- (a) To document compliance with Condition D.4.1, the Permittee shall maintain records in accordance with (1) through (3) below. Records maintained for (1) through (3) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits and/or the VOC emission limits established in Conditions D.4.1.
- (1) The amount and VOC content of each material and solvent used. Records shall include purchase orders, invoices, material safety data sheets (MSDS) and alternative manufacturer information necessary to verify the type and amount used.
 - (2) A log of the dates of use; and
 - (3) The total VOC usages for each month;
- (b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

**Indiana Department of Environmental Management
Office of Air Management
and Anderson Office of Air Management**

**Technical Support Document (TSD) for the Second Part 70 Minor Source
Modification**

Source Background and Description

| | |
|---------------------------------------|---|
| Source Name: | Delphi Energy & Engine Management Systems |
| Source Location: | 2900 South Scatterfield Road, Anderson, IN 46011 |
| County: | Madison |
| SIC Code: | 3714 |
| Operation Permit No.: | T 095-6388-00016 |
| Operation Permit Issuance Date: | August 31, 1999 |
| Second Minor Source Modification No.: | 095-11938-00016 |
| Permit Reviewer: | Nysa L. James |

The Office of Air Management (OAM) has reviewed a modification application from Delphi Energy & Engine Management Systems relating to the construction of the following emission units and pollution control devices:

- (a) One (1) trickle varnish line for stators, which exhausts to one (1) stack designated as L10SA15 and consists of the following three (3) processes:
 - 1. preheating;
 - 2. trickle varnish coating; and
 - 3. curing.

- (b) One (1) trickle varnish line for rotors, which exhausts to one (1) stack designated as J12WA15 and consists of the following three (3) processes:
 - 1. preheating;
 - 2. trickle varnish coating; and
 - 3. curing.

History

On February 25, 2000, Delphi Energy & Engine Management Systems submitted an application to the OAM requesting to add two (2) new trickle varnish lines to their existing plant. Delphi Energy & Engine Management Systems was issued a Part 70 permit on August 31, 1999. On November 19, 1999, Delphi Energy & Engine Management Systems was issued their First Minor Source Modification (095-11322) and First Minor Permit Modification (095-11377), for two (2) natural gas-fired boilers. The OAM has reviewed the level of emissions from the First Minor Source Modification (095-11322) and the new application for the trickle varnish lines (095-11938) in order to determine the appropriate permit level. Based on the First Minor Source Modification and the new application, the potential to emit of all criteria pollutants does not exceed twenty-five (25) tons per year. The level of permitting is the same as previously determined under the First

Minor Source Modification (095-11322), including the new trickle varnish lines. Also, this additional modification to the source does not trigger PSD review. Therefore, the OAM has determined that this modification can be issued separately as a second minor source modification.

Changes Proposed

The Office of Air Management (OAM) has reviewed an application from Delphi Energy & Engine Management Systems, relating to the second minor source modification to their existing Part Operating Permit. The modification consists of two (2) new trickle varnish lines. The source is proposing the following changes (changes are bolded and stricken out for emphasis):

1. Section D.4 is added to the Part 70 Permit on page 32d, in order to account for the two (2) new trickle varnish lines. Section D.4 is as follows (changes are bolded and crossed out for emphasis):

SECTION D.4 FACILITY OPERATION CONDITIONS

| Facility Description [326 IAC 2-7-5(15)] | |
|--|--|
| (7) | One (1) trickle varnish line for stators, which exhausts to one (1) stack designated as L10SA15 and consists of the following three (3) processes: <ol style="list-style-type: none">1. preheating;2. trickle varnish coating; and3. curing. |
| (8) | One (1) trickle varnish line for rotors, which exhausts to one (1) stack designated as J12WA15 and consists of the following three (3) processes: <ol style="list-style-type: none">1. preheating;2. trickle varnish coating; and3. curing. |

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.4.1 Volatile Organic Compounds (VOC) [326 IAC 8-2-9]

Pursuant to 326 IAC 8-2-9 (Miscellaneous Metal Coating Operations), the volatile organic compound (VOC) content of applied coating of the two (2) trickle varnish lines shall be limited to 3.5 pounds of VOCs per gallon of coating less water, for forced warm air dried coatings.

Compliance Determination Requirements

D.4.2 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

The Permittee is not required to test this facility by this permit. However, IDEM may require compliance testing when necessary to determine if the facility is in compliance. If testing is required by IDEM, compliance with the VOC limit specified in Condition D.4.1 shall be determined by a performance test conducted in accordance with Section C - Performance Testing.

D.4.3 Volatile Organic Compounds (VOC)

Compliance with the VOC content contained in Condition D.4.1, shall be determined using the ASTM Method D6053-96, which is an approved USEPA alternative to Method 24.

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.4.4 Record Keeping Requirements

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- (a) **To document compliance with Condition D.4.1, the Permittee shall maintain records in accordance with (1) through (3) below. Records maintained for (1) through (3) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits and/or the VOC emission limits established in Conditions D.4.1.**
- (1) **The amount and VOC content of each material and solvent used. Records shall include purchase orders, invoices, material safety data sheets (MSDS) and alternative manufacturer information necessary to verify the type and amount used.**
 - (2) **A log of the dates of use; and**
 - (3) **The total VOC usages for each month;**
- (b) **All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.**

Enforcement Issue

There are no enforcement actions pending.

Stack Summary

| Stack ID | Operation | Height (feet) | Diameter (feet) | Flow Rate (acfm) | Temperature (°F) |
|----------|-----------------|---------------|-----------------|------------------|------------------|
| L10SA15 | varnish process | 30 | 1.25 | 3,000 | 100 |
| J12WA15 | varnish process | 30 | 1.25 | 3,000 | 100 |

Recommendation

The staff recommends to the Commissioner that the Part 70 Minor Source Modification be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on February 25, 2000, and additional information was received on March 10, 2000.

Emission Calculations

The calculations submitted by the applicant have been verified and found to be accurate and correct. These calculations are provided in Appendix A of this document (page 1 of 1).

Since the preheat and curing areas are electric, there are no combustion emissions.

Potential To Emit of Modification

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA."

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

| Pollutant | Potential To Emit (tons/year) |
|-----------------|-------------------------------|
| PM | 0.00 |
| PM-10 | 0.00 |
| SO ₂ | 0.00 |
| VOC | 22.43 |
| CO | 0.00 |
| NO _x | 0.00 |

Justification for Modification

The Part 70 Operating permit is being modified through a Part 70 Minor Source Modification. This modification is being performed pursuant to 326 IAC 2-7-10.5(d), because the VOC potential to emit is greater than ten (10) tons per year but less than twenty-five (25) tons per year.

County Attainment Status

The source is located in Madison County.

| Pollutant | Status |
|-----------------|------------|
| PM-10 | attainment |
| SO ₂ | attainment |
| NO ₂ | attainment |
| Ozone | attainment |
| CO | attainment |
| Lead | attainment |

- (a) Volatile organic compounds (VOC) and oxides of nitrogen (NOx) are precursors for the formation of ozone. Therefore, VOC and NO_x emissions are considered when evaluating the rule applicability relating to the ozone standards. Madison County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.
- (b) Madison County has been classified as attainment or unclassifiable for CO, SO₂ and PM₁₀. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

Source Status

Existing Source PSD or Emission Offset Definition (emissions after controls, based upon 8760 hours of operation per year at rated capacity and/or as otherwise limited):

| Pollutant | Emissions (tons/year) |
|-----------------|-----------------------|
| PM | 4.83 |
| PM-10 | 7.16 |
| SO ₂ | 0.569 |
| VOC | 288.6 |
| CO | 87.44 |

| | |
|-----|-------|
| NOx | 86.93 |
|-----|-------|

- (a) This existing source is a major stationary source because an attainment regulated pollutant is emitted at a rate of 250 tons per year or more, and it is not one of the 28 listed source categories.
- (b) These emissions are based upon the Part 70 permit issued on August 31, 1999 the source's potential to emit summary from the annual inspection on February 18, 1999 and the First Minor Source Modification issued on November 18, 1999.

Potential to Emit of Modification After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 source modification.

| Process/facility | Potential to Emit (tons/year) | | | | | | |
|-----------------------|----------------------------------|-------|-----------------|-------|------|-----------------|------|
| | PM | PM-10 | SO ₂ | VOC | CO | NO _x | HAPs |
| Two (2) varnish lines | 0.00 | 0.00 | 0.00 | 22.43 | 0.00 | 0.00 | 0.00 |

This modification to an existing major stationary source is not major because the emissions increase is less than the PSD significant levels. Therefore, pursuant to 326 IAC 2-2, and 40 CFR 52.21, the PSD requirements do not apply.

Federal Rule Applicability

- (a) There are no New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) applicable to this proposed modification.
- (b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs)(326 IAC 14 and 40 CFR Part 63) applicable to this proposed modification.

State Rule Applicability - Two (2) Varnish Trickle Lines

326 IAC 2-1-3.4 (New Source Toxics Rule) is not applicable to the two (2) trickle varnish lines because there are no HAPs emitted by these processes.

326 IAC 5-1 (Opacity Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

- (a) Opacity shall not exceed an average of forty percent (40%) any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A. Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

326 IAC 6-3-2 (Process Operations) does not apply to the trickle varnish lines because the application method has a 100 percent transfer efficiency, therefore there are no PM emissions from the trickle varnish lines.

No other 326 IAC 6 rules apply.

326 IAC 8-1-6 (New facilities; general reduction requirements):

Pursuant to 326 IAC 8-1-6 (New facilities; general reduction requirements), the requirements of BACT do not apply to the (2) trickle varnish lines because the potential to emit of VOC of each line is less than 25 tons per year and the varnish lines are governed by 326 IAC 8-2-9 (Miscellaneous Metal Coating).

326 IAC 8-2-9 (Miscellaneous Metal Coating):

Pursuant to 326 IAC 8-2-9 (Miscellaneous Metal Coating Operations), the volatile organic compound (VOC) content of coating delivered to the applicator at the two (2) trickle varnish lines shall be limited to 3.5 pounds of VOCs per gallon of coating less water, for forced warm air dried coatings.

Based on the information submitted by the source, the two (2) trickle varnish lines are in compliance with this requirement based on the EPA approved VOC determination alternative (ASTM Method D6053-96) to Method 24.

Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAM, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

Conclusion

The construction of this proposed modification shall be subject to the conditions of the attached proposed Second Part 70 Minor Source Modification No. 095-11938-00016.