



Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

TO: Interested Parties / Applicant
DATE: March 8, 2006
RE: Ferro Corporation / 163-13771-00120
FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval - Effective Immediately

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-15-5-3, this permit is effective immediately, unless a petition for stay of effectiveness is filed and granted according to IC 13-15-6-3, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3 and IC 13-15-6-1 require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Room 1049, Indianapolis, IN 46204, **within eighteen (18) calendar days of the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) The date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for considerations at any hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosures
FNPER.dot 1/10/05



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**FEDERALLY ENFORCEABLE STATE
OPERATING PERMIT (FESOP) Renewal
OFFICE OF AIR QUALITY**

and EVANSVILLE EPA

**Ferro Corporation, Filled and Reinforced Plastics Division
5001 O'Hara Drive
Evansville, Indiana 47711**

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

The Permittee must comply with all conditions of this permit. Noncompliance with any provision of this permit is grounds for enforcement action; permit termination, revocation and reissuance, or modification; and denial of a permit renewal application. It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit. An emergency does constitute an affirmative defense in an enforcement action provided the Permittee complies with the applicable requirements set forth in Section B, Emergency Provisions.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-8 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit No.: F163-13771-00120	
Issued by: Original Signed By: Paul Dubenetzky, Assistant Commissioner Office of Air Quality	Issuance Date: March 8, 2006 Expiration Date: March 8, 2011

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SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) and Evansville EPA. The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-8-3(b)]

The Permittee owns and operates a manufacturing plant engaged in the custom compounding of purchased resins.

Authorized individual:	Operations Manager
Source Address:	5001 O'Hara Drive, Evansville, Indiana 47711
Mailing Address:	5001 O'Hara Drive, Evansville, Indiana 47711
General Source Phone:	(812) 423-5218
SIC Code:	3087
Source Location Status:	Vanderburgh Nonattainment for PM2.5 Basic nonattainment for Ozone under the 8-hour standard Attainment for all other criteria pollutants
Source Status:	Federally Enforceable State Operating Permit (FESOP) Minor Source, Section 112 of the Clean Air Act Minor Source, under PSD Minor Source, under Nonattainment NSR

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-8-3(c)(3)]

This stationary source consists of the following emission units and pollution control devices:

- (a) Building 1, which is capable of processing 27,697 pounds of raw materials per hour, consists of the following:
 - (1) Raw materials handling, includes two (2) rail unloading systems, and are controlled by baghouses EX 3 and EX 4;
 - (2) Eight (8) blenders C04, C06, C15, C16, C18, C31, C32 and C51, capable of blending 27,697 pounds of raw materials per hour and controlled by baghouse EX 1;
 - (3) Eight (8) extruders C04, C06, C15, C16, C18, C31, C32 and C51, capable of extruding 27,697 pounds of raw materials per hour and are controlled by baghouse EX 2; and
 - (4) One (1) regrinder.
- (b) Building 2, which is capable of processing 17,344 pounds of raw materials per hour, consists of the following:
 - (1) Five (5) blenders C22, C23, C24, C25 and C45, capable of blending 17,344 pounds of raw materials per hour and are controlled by baghouse EX 30; and
 - (2) Five (5) extruders C22, C23, C24, C25 and C45, capable of extruding 17,344 pounds of raw materials per hour.

Each extrusion line consists of a dedicated blender, material handling, extruder and pelletizing. The source utilizes different types of plastic in the process such as: Polyethylenes, Polypropylene, ABS, EVA, Nylons and Polystyrenes.

A.3 Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-8-3(c)(3)(I)]

This stationary source also includes the following insignificant activities, as defined in 326 IAC 2-7-1(21):

Other activities or categories where emissions are equal to or less than 5 pounds of PM per hour or 25 pounds per day:

- (a) These activities include thirty four (34) pellet silos, eight (8) weigh hoppers, pellet conveyor elevators, pellet conveyor augers and cooling towers;
- (b) Building 5, which is capable of processing 1,345 pounds of raw material per hour. This building consists of the following:
 - (1) Two (2) blenders C03 and C20, capable of blending 1,345 pounds of raw material per hour; and
 - (2) Two (2) extruders C03 and C20, capable of extruding 1,345 pounds of raw material per hour.

A.4 FESOP Applicability [326 IAC 2-8-2]

This stationary source, otherwise required to have a Part 70 permit as described in 326 IAC 2-7-2(a), has applied to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) to renew a Federally Enforceable State Operating Permit (FESOP).

A.5 Prior Permits Superseded [326 IAC 2-1.1-9.5]

- (a) All terms and conditions of previous permits issued pursuant to permitting programs approved into the state implementation plan have been either
 - (1) incorporated as originally stated,
 - (2) revised, or
 - (3) deletedby this permit.
- (b) All previous registrations and permits are superseded by this permit.

SECTION B GENERAL CONDITIONS

B.1 Permit No Defense [IC 13]

Indiana statutes from IC 13 and rules from 326 IAC, quoted in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a FESOP under 326 IAC 2-8.

B.2 Definitions [326 IAC 2-8-1]

Terms in this permit shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, the applicable definitions found in the statutes or regulations (IC 13-11, 326 IAC 1-2, and 326 IAC 2-7) shall prevail.

B.3 Permit Term [326 IAC 2-8-4(2)][326 IAC 2-1.1-9.5]

This permit is issued for a fixed term of five (5) years from the issuance date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date.

B.4 Enforceability [326 IAC 2-8-6]

- (a) Unless otherwise stated, all terms and conditions in this permit, including any provisions designed to limit the source's potential to emit, are enforceable by IDEM and Evansville EPA, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.

- (b) Unless otherwise stated, all terms and conditions in this permit that are local requirements, including any provisions designed to limit the source's potential to emit, are enforceable by Evansville EPA.

B.5 Termination of Right to Operate [326 IAC 2-8-9] [326 IAC 2-8-3(h)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-8-3(h) and 326 IAC 2-8-9.

B.6 Severability [326 IAC 2-8-4(4)]

The provisions of this permit are severable; a determination that any portion of this permit is invalid shall not affect the validity of the remainder of the permit.

B.7 Property Rights or Exclusive Privilege [326 IAC 2-8-4(5)(D)]

This permit does not convey any property rights of any sort, or any exclusive privilege.

B.8 Duty to Provide Information [326 IAC 2-8-4(5)(E)]

- (a) The Permittee shall furnish to IDEM, OAQ, and Evansville EPA within a reasonable time, any information that IDEM, OAQ, and Evansville EPA may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1). Upon request, the Permittee shall also furnish to IDEM, OAQ, and Evansville EPA copies of records required to be kept by this permit.

- (b) For information furnished by the Permittee to IDEM, OAQ, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1 when furnishing copies of requested records directly to U. S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.9 Compliance Order Issuance [326 IAC 2-8-5(b)]

IDEM, OAQ and Evansville EPA may issue a compliance order to this Permittee upon discovery that this permit is in nonconformance with an applicable requirement. The order may require immediate compliance or contain a schedule for expeditious compliance with the applicable requirement.

B.10 Certification [326 IAC 2-8-3(d)] [326 IAC 2-8-4(3)(C)(i)] [326 IAC 2-8-5(1)]

- (a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by an authorized individual of truth, accuracy, and completeness. This certification, shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.
- (b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. One (1) certification may cover multiple forms in one (1) submittal.
- (c) An authorized individual is defined at 326 IAC 2-1.1-1(1).

B.11 Annual Compliance Certification [326 IAC 2-8-5(a)(1)]

- (a) The Permittee shall annually submit a compliance certification report which addresses the status of the source's compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. All certifications shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in letter form no later than April 15 of each year to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

- (b) The annual compliance certification report required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and Evansville EPA on or before the date it is due.
- (c) The annual compliance certification report shall include the following:
 - (1) The appropriate identification of each term or condition of this permit that is the basis of the certification;
 - (2) The compliance status;
 - (3) Whether compliance was continuous or intermittent;
 - (4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-8-4(3); and

- (5) Such other facts as specified in Sections D of this permit, IDEM, OAQ, and Evansville EPA may require to determine the compliance status of the source.

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

B.12 Preventive Maintenance Plan [326 IAC 1-6-3] [326 IAC 2-8-4(9)] [326 IAC 2-8-5(a)(1)]

- (a) The Permittee shall maintain and implement Preventive Maintenance Plans (PMPs), for the source as described in 326 IAC 1-6-3. At a minimum, the PMPs shall include:
 - (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.
- (b) A copy of the PMPs shall be submitted to IDEM, OAQ, and Evansville EPA upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ, and Evansville EPA. IDEM, OAQ, and Evansville EPA may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMP does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (c) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation, Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

B.13 Emergency Provisions [326 IAC 2-8-12]

- (a) An emergency, as defined in 326 IAC 2-7-1(12), is not an affirmative defense for an action brought for noncompliance with a federal or state health-based emission limitation, except as provided in 326 IAC 2-8-12.
- (b) An emergency, as defined in 326 IAC 2-7-1(12), constitutes an affirmative defense to an action brought for noncompliance with a health-based or technology-based emission limitation if the affirmative defense of an emergency is demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that describes the following:
 - (1) An emergency occurred and the Permittee can, to the extent possible, identify the causes of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During the period of an emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards or other requirements in this permit;
 - (4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAQ and Evansville EPA, within four (4) daytime business hours after the beginning of the emergency, or after the emergency was discovered or reasonably should have been discovered;

Telephone No.: 1-800-451-6027 (ask for Office of Air Quality, Compliance Section) or,
Telephone No.: 317-233-5674 (ask for Compliance Section)
Facsimile No.: 317-233-5967
Telephone No.: 812-435-6145 (Evansville EPA)
Facsimile No.: 812-435-6155

- (5) For each emergency lasting one (1) hour or more, the Permittee submitted the attached Emergency Occurrence Report Form or its equivalent, either by mail or facsimile to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

within two (2) working days of the time when emission limitations were exceeded due to the emergency.

The notice fulfills the requirement of 326 IAC 2-8-4(3)(C)(ii) and must contain the following:

- (A) A description of the emergency;
- (B) Any steps taken to mitigate the emissions; and
- (C) Corrective actions taken.

The notification which shall be submitted by the Permittee does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (6) The Permittee immediately took all reasonable steps to correct the emergency.
- (c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
 - (d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.
 - (e) The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However, IDEM, OAQ and Evansville EPA, may require that the Preventive Maintenance Plans required under 326 IAC 2-8-3(c)(6) be revised in response to an emergency.

- (f) Failure to notify IDEM, OAQ and Evansville EPA, by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-8 and any other applicable rules.
- (g) Operations may continue during an emergency only if the following conditions are met:
 - (1) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.
 - (2) If an emergency situation causes a deviation from a health-based limit, the Permittee may not continue to operate the affected emissions facilities unless:
 - (A) The Permittee immediately takes all reasonable steps to correct the emergency situation and to minimize emissions; and
 - (B) Continued operation of the facilities is necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw material of substantial economic value.

Any operations shall continue no longer than the minimum time required to prevent the situations identified in (g)(2)(B) of this condition.
- (h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

B.14 Deviations from Permit Requirements and Conditions [326 IAC 2-8-4(3)(C)(ii)]

- (a) Deviations from any permit requirements (for emergencies see Section B - Emergency Provision), the probable cause of such deviations, and any response steps or preventive measures taken shall be reported to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

using the attached Quarterly Deviation and Compliance Monitoring Report, or its equivalent. A deviation required to be reported pursuant to an applicable requirement that exists independent of this permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report.

The Quarterly Deviation and Compliance Monitoring Report does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (b) A deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit.

B.15 Permit Modification, Reopening, Revocation and Reissuance, or Termination
[326 IAC 2-8-4(5)(C)] [326 IAC 2-8-7(a)] [326 IAC 2-8-8]

- (a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a FESOP modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-8-4(5)(C)] The notification by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAQ or Evansville EPA determines any of the following:
- (1) That this permit contains a material mistake.
 - (2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.
 - (3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-8-8(a)]
- (c) Proceedings by IDEM, OAQ or Evansville EPA, to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-8-8(b)]
- (d) The reopening and revision of this permit, under 326 IAC 2-8-8(a), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAQ or Evansville, at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ or Evansville EPA, may provide a shorter time period in the case of an emergency. [326 IAC 2-8-8(c)]

B.16 Permit Renewal [326 IAC 2-8-3(h)]

- (a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and Evansville EPA and shall include the information specified in 326 IAC 2-8-3. Such information shall be included in the application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(40). The renewal application does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Request for renewal shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, IN 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

- (b) Timely Submittal of Permit Renewal [326 IAC 2-8-3]
- (1) A timely renewal application is one that is:
- (A) Submitted at least nine (9) months prior to the date of the expiration of this permit; and
- (B) If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and Evansville EPA on or before the date it is due.
- (2) If IDEM, OAQ and Evansville EPA upon receiving a timely and complete permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect until the renewal permit has been issued or denied.
- (c) Right to Operate After Application for Renewal [326 IAC 2-8-9]
If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-8 until IDEM, OAQ and Evansville EPA takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by the deadline specified in writing by IDEM, OAQ and Evansville EPA, any additional information identified as needed to process the application.

B.17 Permit Amendment or Revision [326 IAC 2-8-10] [326 IAC 2-8-11.1]

- (a) Permit amendments and revisions are governed by the requirements of 326 IAC 2-8-10 or 326 IAC 2-8-11.1 whenever the Permittee seeks to amend or modify this permit.
- (b) Any application requesting an amendment or modification of this permit shall be submitted to:
- Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251
- and
- Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713
- Any such application shall be certified by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (c) The Permittee may implement the administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-8-10(b)(3)]

B.18 Operational Flexibility [326 IAC 2-8-15][326 IAC 2-8-11.1]

(a) The Permittee may make any change or changes at this source that are described in 326 IAC 2-8-15(b) through (d), without prior permit revision, if each of the following conditions is met:

- (1) The changes are not modifications under any provision of Title I of the Clean Air Act;
- (2) Any approval required by 326 IAC 2-8-11.1 has been obtained;
- (3) The changes do not result in emissions which exceed the limitations provided in this permit (whether expressed herein as a rate of emissions or in terms of total emissions);
- (4) The Permittee notifies the:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

and

United States Environmental Protection Agency, Region V
Air and Radiation Division, Regulation Development Branch - Indiana (AR-18J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

in advance of the change by written notification at least ten (10) days in advance of the proposed change. The Permittee shall attach every such notice to the Permittee's copy of this permit; and

- (5) The Permittee maintains records on-site, on a rolling five (5) year basis, which document, all such changes and emission trades that are subject to 326 IAC 2-8-15(b) through (d). The Permittee shall make such records available, upon reasonable request, for public review.

Such records shall consist of all information required to be submitted to IDEM, OAQ and Evansville EPA, in the notices specified in 326 IAC 2-8-15(b)(2), (c)(1), and (d).

(b) Emission Trades [326 IAC 2-8-15(c)]

The Permittee may trade emissions increases and decreases at the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-8-15(c).

- (c) Alternative Operating Scenarios [326 IAC 2-8-15(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-8-4(7). No prior notification of IDEM, OAQ or U.S. EPA is required.
- (d) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.

B.19 Permit Revision Requirement [326 IAC 2-8-11.1]

A modification, construction, or reconstruction is governed by the requirements of 326 IAC 2 and 326 IAC 2-8-11.1.

B.20 Inspection and Entry [326 IAC 2-8-5(a)(2)][IC 13-14-2-2][IC 13-17-3-2][IC 13-30-3-1]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, and Evansville EPA, U.S. EPA, or an authorized representative to perform the following:

- (a) Enter upon the Permittee's premises where a FESOP source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
- (c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;
- (d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and
- (e) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

B.21 Transfer of Ownership or Operational Control [326 IAC 2-8-10]

- (a) The Permittee must comply with the requirements of 326 IAC 2-8-10 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.
- (b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

The application which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-8-10(b)(3)]

B.22 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-8-4(6)] [326 IAC 2-8-16][326 IAC 2-1.1-7]

- (a) The Permittee shall pay annual fees to IDEM, OAQ, within thirty (30) calendar days of receipt of a billing. Pursuant to 326 IAC 2-7-19(b), if the Permittee does not receive a bill from IDEM, OAQ the applicable fee is due April 1 of each year.
- (b) Failure to pay may result in administrative enforcement action, or revocation of this permit.
- (c) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, Billing, Licensing, and Training Section), to determine the appropriate permit fee.

B.23 Credible Evidence [326 IAC 2-8-4(3)][326 IAC 2-8-5][62 FR 8314] [326 IAC 1-1-6]

For the purpose of submitting compliance certifications or establishing whether or not the Permittee has violated or is in violation of any condition of this permit, nothing in this permit shall preclude the use, including the exclusive use, of any credible evidence or information relevant to whether the Permittee would have been in compliance with the condition of this permit if the appropriate performance or compliance test or procedure had been performed.

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

Emissions Limitations and Standards [326 IAC 2-8-4(1)]

C.1 Overall Source Limit [326 IAC 2-8]

The purpose of this permit is to limit this source's potential to emit to less than major source levels for the purpose of Section 502(a) of the Clean Air Act.

(a) Pursuant to 326 IAC 2-8:

- (1) The potential to emit any regulated pollutant from the entire source shall be limited to less than one-hundred (100) tons per twelve (12) consecutive month period.
- (2) The potential to emit any individual hazardous air pollutant (HAP) from the entire source shall be limited to less than ten (10) tons per twelve (12) consecutive month period; and
- (3) The potential to emit any combination of HAPs from the entire source shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period.

(b) This condition shall include all emission points at this source including those that are insignificant as defined in 326 IAC 2-7-1(21). The source shall be allowed to add insignificant activities not already listed in this permit, provided the source's potential to emit does not exceed the above specified limits.

(c) Section D of this permit contains independently enforceable provisions to satisfy this requirement.

C.2 Opacity [326 IAC 5-1]

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 thirty percent (30%) in 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.

C.3 Open Burning [326 IAC 4-1] [IC 13-17-9] [M.C.E. 3.30.18.214]

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1.

Burning shall be subject to the local requirements under the Municipal Code of Evansville (M.C.E. 3.30.18.214).

C.4 Incineration [326 IAC 4-2] [326 IAC 9-1-2(3)]

The Permittee shall not operate an incinerator or incinerate any waste or refuse except as provided in 326 IAC 4-2 and in 326 IAC 9-1-2.

C.5 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions).

C.6 Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted.

C.7 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

- (a) Notification requirements apply to each owner or operator. If the combined amount of regulated asbestos containing material (RACM) to be stripped, removed or disturbed is at least 260 linear feet on pipes or 160 square feet on other facility components, or at least thirty-five (35) cubic feet on all facility components, then the notification requirements of 326 IAC 14-10-3 are mandatory. All demolition projects require notification whether or not asbestos is present.
- (b) The Permittee shall ensure that a written notification is sent on a form provided by the Commissioner at least ten (10) working days before asbestos stripping or removal work or before demolition begins, per 326 IAC 14-10-3, and shall update such notice as necessary, including, but not limited to the following:
- (1) When the amount of affected asbestos containing material increases or decreases by at least twenty percent (20%); or
- (2) If there is a change in the following:
- (A) Asbestos removal or demolition start date;
- (B) Removal or demolition contractor; or
- (C) Waste disposal site.
- (c) The Permittee shall ensure that the notice is postmarked or delivered according to the guidelines set forth in 326 IAC 14-10-3(2).
- (d) The notice to be submitted shall include the information enumerated in 326 IAC 14-10-3(3).

All required notifications shall be submitted to:

Indiana Department of Environmental Management
Asbestos Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

The notice shall include a signed certification from the owner or operator that the information provided in this notification is correct and that only Indiana licensed workers and project supervisors will be used to implement the asbestos removal project. The notifications do not require a certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (e) **Procedures for Asbestos Emission Control**
The Permittee shall comply with the applicable emission control procedures in 326 IAC 14-10-4 and 40 CFR 61.145(c). Per 326 IAC 14-10-1 emission control requirements are applicable for any removal or disturbance of RACM greater than three (3) linear feet on pipes or three (3) square feet on any other facility components or a total of at least 0.75 cubic feet on all facility components.
- (f) **Demolition and Renovation**
The Permittee shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation will occur for the presence of asbestos pursuant to 40 CFR 61.145(a).
- (g) **Indiana Accredited Asbestos Inspector**
The Permittee shall comply with 326 IAC 14-10-1(a) that requires the owner or operator, prior to a renovation/demolition, to use an Indiana Accredited Asbestos Inspector to thoroughly inspect the affected portion of the facility for the presence of asbestos. The requirement to use an Indiana Accredited Asbestos inspector is not federally enforceable.

Testing Requirements [326 IAC 2-8-4(3)]

C.8 Performance Testing [326 IAC 3-6]

- (a) All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ and Evansville EPA not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, and Evansville EPA, if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

C.9 Compliance Requirements [326 IAC 2-1.1-11]

The commissioner may require stack testing, monitoring, or reporting at any time to assure compliance with all applicable requirements by issuing an order under 326 IAC 2-1.1-11. Any monitoring or testing shall be performed in accordance with 326 IAC 3 or other methods approved by the commissioner or the U. S. EPA.

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

C.10 Compliance Monitoring [326 IAC 2-8-4(3)] [326 IAC 2-8-5(a)(1)]

Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented upon issuance of this permit. If required by Section D, the Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment.

Unless otherwise specified in the approval for the new emissions unit, compliance monitoring for new emission units or emission units added through a permit revision shall be implemented when operation begins.

C.11 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, 40 CFR 60 Appendix B, 40 CFR 63 or other approved methods as specified in this permit.

C.12 Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-8-4(3)] [326 IAC 2-8-5(1)]

- (a) When required by any condition of this permit, an analog instrument used to measure a parameter related to the operation of an air pollution control device shall have a scale such that the expected maximum reading for the normal range shall be no less than twenty percent (20%) of full scale.
- (b) The Permittee may request that the IDEM, OAQ approve the use of an instrument that does not meet the above specifications provided the Permittee can demonstrate that an alternative instrument specification will adequately ensure compliance with permit conditions requiring the measurement of the parameters.

Corrective Actions and Response Steps [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

C.13 Risk Management Plan [326 IAC 2-8-4] [40 CFR 68]

If a regulated substance, as defined in 40 CFR 68, is present at a source in more than a threshold quantity, the Permittee must comply with the applicable requirements of 40 CFR 68.

C.14 Response to Excursions or Exceedances [326 IAC 2-8-4] [326 IAC 2-8-5]

- (a) Upon detecting an excursion or exceedance, the Permittee shall restore operation of the emissions unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.
- (b) The response shall include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or shutdown conditions). Corrective actions may include, but are not limited to, the following:
 - (1) initial inspection and evaluation;
 - (2) recording that operations returned to normal without operator action (such as through response by a computerized distribution control system); or
 - (3) any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable.
- (c) A determination of whether the Permittee has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include, but is not limited to, the following:
 - (1) monitoring results;
 - (2) review of operation and maintenance procedures and records;
 - (3) inspection of the control device, associated capture system, and the process.
- (d) Failure to take reasonable response steps shall be considered a deviation from the permit.
- (e) The Permittee shall maintain the following records:
 - (1) monitoring data;
 - (2) monitor performance data, if applicable; and
 - (3) corrective actions taken.

C.15 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-8-4][326 IAC 2-8-5]

- (a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate response actions. The Permittee shall submit a description of these response actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize excess emissions from the affected facility while the response actions are being implemented.
- (b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAQ may extend the retesting deadline.

- (c) IDEM, OAQ reserves the authority to take any actions allowed under law in response to noncompliant stack tests.

The response action documents submitted pursuant to this condition do require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Record Keeping and Reporting Requirements [326 IAC 2-8-4(3)]

C.16 General Record Keeping Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-5]

- (a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner or Evansville EPA makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner or Evansville EPA within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.

C.17 General Reporting Requirements [326 IAC 2-8-4(3)(C)] [326 IAC 2-1.1-11]

- (a) The Permittee shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported. This report shall be submitted within thirty (30) days of the end of the reporting period. The Quarterly Deviation and Compliance Monitoring Report shall include the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713
- (c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and Evansville EPA on or before the date it is due.
- (d) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (e) Reporting periods are based on calendar years, unless otherwise specified in this permit. For the purpose of this permit "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

Stratospheric Ozone Protection

C.18 Compliance with 40 CFR 82 and 326 IAC 22-1

Pursuant to 40 CFR 82 (Protection of Stratospheric Ozone), Subpart F, except as provided for motor vehicle air conditioners in Subpart B, the Permittee shall comply with the standards for recycling and emissions reduction:

- (a) Persons opening appliances for maintenance, service, repair or disposal must comply with the required practices pursuant to 40 CFR 82.156
- (b) Equipment used during the maintenance, service, repair or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.
- (c) Persons performing maintenance, service, repair or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:

- (a) Building 1, which is capable of processing 27,697 pounds of raw materials per hour, consists of the following:
 - (1) Raw materials handling, includes two (2) rail unloading systems, and are controlled by baghouses EX 3 and EX 4;
 - (2) Eight (8) blenders C04, C06, C15, C16, C18, C31, C32 and C51, capable of blending 27,697 pounds of raw materials per hour and controlled by baghouse EX 1;
 - (3) Eight (8) extruders C04, C06, C15, C16, C18, C31, C32 and C51, capable of extruding 27,697 pounds of raw materials per hour and are controlled by baghouse EX 2; and
 - (4) One (1) regrinder.
- (b) Building 2, which is capable of processing 17,344 pounds of raw materials per hour, consists of the following:
 - (1) Five (5) blenders C22, C23, C24, C25 and C45, capable of blending 17,344 pounds of raw materials per hour. The PM10 emissions are controlled by baghouse EX 30; and
 - (2) Five (5) extruders C22, C23, C24, C25 and C45, capable of extruding 17,344 pounds of raw materials per hour.
- (c) Building 5, which is capable of processing 1,345 pounds of raw material per hour, consists of the following:
 - (1) Two (2) blenders C03 and C20, capable of blending 1,345 pounds of raw material per hour; and
 - (2) Two (2) extruders C03 and C20, capable of extruding 1,345 pounds of raw material per hour.

Each extrusion line consists of a dedicated blender, material handling, extruder and pelletizing. The source utilizes different types of plastic in the process such as: Polyethylenes, Polypropylene, ABS, EVA, Nylons and Polystyrenes.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-8-4(1)]

D.1.1 Particulate Matter Less Than 10 Microns(PM10) [326 IAC 2-8] [326 IAC 2-1.1-5]

Pursuant to 326 IAC 2-8 (FESOP):

- (a) The baghouse identified as EX1 controlling the blenders in Building 1 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from baghouse EX1 shall not exceed 5.18 pounds per hour, which is equivalent to 22.69 tons per year.

- (b) The baghouse identified as EX2 controlling the extruders in Building 1 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from baghouse EX2 shall not exceed 5.18 pounds per hour, which is equivalent to 22.69 tons per year.
- (c) The baghouses identified as EX3 and EX4 controlling the raw materials handling in Building 1, which includes two (2) rail unloading systems shall be in operation at all times the facilities vented to the baghouses are in operation and the PM10 emissions from baghouses EX3 and EX4 each shall not exceed 1.3 pounds per hour, which is equivalent to 5.69 tons per year.
- (d) The baghouse identified as EX30 controlling the blenders in Building 2 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from EX 30 shall not exceed 8.8 pounds per hour, which is equivalent to 38.54 tons per year.

These limits are necessary to limit the total source wide PM10 emissions to less than 100 tons per twelve (12) consecutive month period. Compliance with this condition shall make the requirements of 326 IAC 2-7 (Part 70 Permits) and 326 IAC 2-1.1-5 (Nonattainment NSR) not applicable to the source.

D.1.2 Particulate Matter (PM) [326 IAC 6.5-1-2]

Pursuant to 326 IAC 6.5-1-2(a) (Vanderburgh County Particulate Limitations), particulate matter (PM) emissions shall be limited to 0.03 grain per dry standard cubic foot of exhaust air as follows:

Facilities	Baghouse ID
Building 1: Blenders C04, C06, C15, C16, C18, C31, C32, and C51	EX1
Building 1: Extruders C04, C06, C15, C16, C18, C31, C32, and C51	EX2
Building 1: Rail Unloading	EX3
Building 1: Rail Unloading	EX4
Building 2: Raw Material Handling-Truck Unloading; Blenders C22, C23, C24, C25 and C45	EX30
Building 5: Blenders C03 and C20 Extruders C03 and C20	--
TOTAL	

Compliance Determination Requirements

D.1.3 Particulate Control

- (a) In order to comply with D.1.1 and D.1.2, the baghouse for particulate control shall be in operation and control emissions from the Building 1 and 2 extruders and blenders at all times that the extruders and blenders are in operation.

- (b) In the event that bag failure is observed in a multi-compartment baghouse, if operations will continue for ten (10) days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.

D.1.4 Testing Requirements [326 IAC 2-8-5(a)(1), (4)][326 IAC 2-1.1-11]

To demonstrate compliance with the PM and PM10 limits in D.1.1 and D.1.2, the Permittee shall perform PM and PM-10 testing on baghouses EX1 and EX2 no later than five (5) years from December 1, 1998 utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration. PM-10 includes filterable and condensible PM-10. Testing shall be conducted in accordance with Section C - Performance Testing.

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

D.1.5 Visible Emissions Notations

- (a) Visible emission notations of the blenders and extruders stack exhaust in Buildings 1 and 2 shall be performed once per day during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.
- (b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.
- (c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.
- (e) If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C- Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.

D.1.6 Parametric Monitoring

The Permittee shall record the pressure drop across the baghouses used in conjunction with the Building 1 and 2 blenders and extruders, at least once per day when the processes are in operation. When for any one reading, the pressure drop across the baghouses EX1, EX2, and EX30 is outside the normal range of 0.8 to 6.0 inches of water, or a range established during the latest stack test and baghouses EX3, and EX4 is outside the normal range of 0.2 to 4.0 inches of water, or a range established during the most recent stack test, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.

The instrument used for determining the pressure shall comply with Section C - Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and Evansville EPA, and shall be calibrated at least once every six (6) months.

D.1.7 Broken or Failed Bag Detection

- (a) For a single compartment baghouse controlling emissions from a process operated continuously, a failed unit and the associated process shall be shut down immediately until the failed unit has been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).
- (b) For a single compartment baghouse controlling emissions from a batch process, the feed to the process shall be shut down immediately until the failed unit has been repaired or replaced. The emissions unit shall be shut down no later than the completion of the processing of the material in the line. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

Bag failure can be indicated by a significant drop in the baghouse's pressure reading with abnormal visible emissions, by an opacity violation, or by other means such as gas temperature, flow rate, air infiltration, leaks, dust traces or triboflows.

Record Keeping and Reporting Requirement [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.1.8 Record Keeping Requirements

- (a) To document compliance with Condition D.1.5, the Permittee shall maintain records of visible emission notations of the truck unloading, blenders, extruding and regrinding stack exhaust once per day.
- (b) To document compliance with Condition D.1.6, the Permittee shall maintain records once per day of the pressure drop.
- (c) 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 QUALITY

and EVANSVILLE EPA

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) CERTIFICATION

Source Name: Ferro Corporation, Filled and Reinforced Plastics Division
Source Address: 5001 O'Hara Drive, Evansville, Indiana 47711
Mailing Address: 5001 O'Hara Drive, Evansville, Indiana 47711
FESOP Renewal No.: F 163-13771-00120

This certification shall be included when submitting monitoring, testing reports/results or other documents as required by this permit.

Please check what document is being certified:

- Annual Compliance Certification Letter
- Test Result (specify)_____
- Report (specify)_____
- Notification (specify)_____
- Affidavit (specify)_____
- Other (specify)_____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

Signature:

Printed Name:

Title/Position:

Date:

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH
100 North Senate Avenue
Indianapolis, Indiana 46204-2251
Phone: 317-233-5674
Fax: 317-233-5967**

and

**EVANSVILLE EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713
Phone: 812-435-6145
Fax: 812-435-6155**

**FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)
EMERGENCY OCCURRENCE REPORT**

Source Name: Ferro Corporation, Filled and Reinforced Plastics Division
Source Address: 5001 O'Hara Drive, Evansville, Indiana 47711
Mailing Address: 5001 O'Hara Drive, Evansville, Indiana 47711
FESOP Renewal No.: F 163-13771-00120

This form consists of 2 pages

Page 1 of 2

- This is an emergency as defined in 326 IAC 2-7-1(12)
- The Permittee must notify the Office of Air Quality (OAQ), within four (4) business hours (1-800-451-6027 or 317-233-5674, ask for Compliance Section); and
 - The Permittee must submit notice in writing or by facsimile within two (2) working days (Facsimile Number: 317-233-5967), and follow the other requirements of 326 IAC 2-7-16

If any of the following are not applicable, mark N/A

Facility/Equipment/Operation:

Control Equipment:

Permit Condition or Operation Limitation in Permit:

Description of the Emergency:

Describe the cause of the Emergency:

If any of the following are not applicable, mark N/A

Page 2 of 2

Date/Time Emergency started:
Date/Time Emergency was corrected:
Was the facility being properly operated at the time of the emergency? Y N Describe:
Type of Pollutants Emitted: TSP, PM-10, SO ₂ , VOC, NO _x , CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

Form Completed by: _____
Title / Position: _____
Date: _____
Phone: _____

A certification is not required for this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION**

and EVANSVILLE EPA

**FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT**

Source Name: Ferro Corporation, Filled and Reinforced Plastics Division
Source Address: 5001 O'Hara Drive, Evansville, Indiana 47711
Mailing Address: 5001 O'Hara Drive, Evansville, Indiana 47711
FESOP Renewal No.: F 163-13771-00120

Months: _____ **to** _____ **Year:** _____

Page 1 of 2

<p>This report shall be submitted quarterly based on a calendar year. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. A deviation required to be reported pursuant to an applicable requirement that exists independent of the permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report. Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".</p>	
<input type="checkbox"/> NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.	
<input type="checkbox"/> THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD	
Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	
Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	
Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	
Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Form Completed By: _____

Title/Position: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

**Indiana Department of Environmental Management
Office of Air Quality
and Evansville EPA**

**Addendum to the
Technical Support Document (TSD) for a Federally Enforceable State Operating
Permit (FESOP) Renewal**

Source Background and Description

Source Name:	Ferro Corporation
Source Location:	5001 O'Hara Drive, Evansville, Indiana 47711
SIC Code:	3087
County:	Vanderburgh
Operation Permit No.:	F163-13771-00120
Permit Reviewer:	Alic Bent /EVP

On June 19, 2003, the Office of Air Quality (OAQ) had a notice published in the Evansville Courier, Indiana, stating that Ferro Corporation had applied for a Federally Enforceable State Operating Permit (FESOP) Renewal for the operation of a stationary plastic filled resin manufacturing plant. The notice also stated that OAQ proposed to issue a Federally Enforceable State Operating Permit Renewal for this operation and provided information on how the public could review the proposed FESOP Renewal and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this FESOP Renewal should be issued as proposed.

On July 16, 2003, Mr. Stephen O. Ketcham, Ferro Corporation submitted comments on the proposed FESOP Renewal. The summary of the comments and corresponding responses is as follows (bolded language has been added and the language with a line through it has been deleted): The table of contents have been modified to reflect these changes.

Comment #1

The correct general phone number for Ferro corporation is (812) 423-5218 not ~~812-435-2150~~ as listed.

Response #1

The telephone number has been corrected as follows:

A.1 General Information [326 IAC 2-8-3(b)]

The Permittee owns and operates a manufacturing plant engaged in the custom compounding of purchased resins.

Authorized individual:	Operations Manager
Source Address:	5001 O'Hara Drive, Evansville, Indiana 47711
Mailing Address:	5001 O'Hara Drive, Evansville, Indiana 47711
General Source Phone:	(812) 435-2150 (812) 423-5218

Comment #2

The draft permit needs to be revised to be consistent with the language and intent reflected in Section A.2(a)(1), (2) and (3) and be revised to read "Five (5) blenders C22, C23, C24, C25 and C45, capable of blending 17,344 pounds of raw materials per hour and are controlled by baghouse EX30."

Response #2

The facility description in Condition A.2(b)(1) has been revised as follows:

- (b) Building 2, which is capable of processing 17,344 pounds of raw materials per hour, consists of the following:
 - (1) Five (5) blenders C22, C23, C24, C25 and C45, capable of blending 17,344 pounds of raw materials per hour. ~~The PM10 emissions~~ and are controlled by baghouse EX 30; and

Comment #3

Section B.14(b)(4) and (5) (now re-numbered B.13(b)(4) and (5))
Section B.15(a) (now re-numbered B.14(a))
Section B.17(a) (now re-numbered B.16(a))
Section B.19(a)(4) (now re-numbered B.18(a)(4))
Section B.22(b) (now re-numbered B.21(b))
Section C.9(d) (now re-numbered C.8(d))
Section C.10(a) (now re-numbered C.9(a))
Section C.20(b) (now re-numbered C.18(b))

The correct and current phone number for Evansville EPA is 812-435-6145 and fax is 812-435-6155, address of the Evansville EPA is 100 E. Walnut Street, Suite 100, C.K. Newsome Community Center, Evansville, IN 47713.

Response #3

The telephone number, fax number and address of the Evansville EPA have been corrected accordingly.

Comment #4

Section B.14(h) and Section B.15(a) (now re-numbered B.13(h) and B.14(a))

A review of the regulation cited 326 IAC 2-8-12 and 2-8-4(3)(c)(ii) reveals that there is not a requirement to have quarterly deviation and compliance monitoring reports. On the contrary it is stated "at least every six months". The standard currently in effect, as issued on May 30, 2000 third significant revision for this permit, is semi annual and annual compliance monitoring reports. The draft permit renewal says this will now have to be done quarterly instead of semi annual and annual reports. Since this operation has had a FESOP there has been no Deviation or Excursion Reports.

In light of the above, there appears to be no regulatory basis to increase the frequency of deviation and compliance monitoring reports to quarterly instead of semi annual and annual. This increase in reports would pose an economic and unwarranted burden that based on past history is not necessary.

Response #4

IDEM, OAQ has sufficient authority for requiring quarterly deviation and compliance monitoring reports as part of a Response to Excursions or Exceedances. 326 IAC 2-8-5(a)(1) requires that all FESOP permits contain operational requirements and limitations that assure compliance with all applicable requirements. 326 IAC 2-8-4(3) requires that all FESOP permits contain monitoring and related record keeping requirements which assure that all reasonable information is provided to evaluate continuous compliance with applicable requirements. 326 IAC 2-8-4(3)(A)(ii) requires that, at a minimum, the periodic monitoring requirements must be sufficient to yield reliable data from the relevant time period that are representative of the source's compliance, even where the applicable requirement does not require periodic testing or instrumental monitoring. Every source will need to submit this report quarterly, except for sources with an applicable requirement with an alternate schedule for reporting deviations. Those sources will report deviations according to the schedule in the applicable requirement. There are no changes to this condition due to this comment.

Comment #5

Section C.8 (now re-numbered C.7)

A review of the regulation cited here 326 IAC 1-7 reveals that this regulation does not apply to this facility as it has been developed for exhaust gas stacks.
In light of the above, Ferro respectfully requests that this provision of the permit be removed in entirety since it is not applicable to this operation.

Response #5

326 IAC 1-7-2 defines "stack" as any point in a source designed to emit solids, gases, or liquids into the air, including a pipe or duct but not including flares. The processes exhaust to the atmosphere and potential emissions of particulate matter from the baghouses are greater than 25 tons per year, therefore, 326 IAC 1-7 apply to these stacks. Condition C.8 was included in the permit to inform the source that the rule does apply and any modification to this stack will require prior approval by IDEM.

Comment #6

Section C.16(a) (now re-numbered C.15(a))

A review of these regulations 326 IAC 2-8-4 and 2-8-5 shows no requirement Compliance Response Plan to be prepared and submitted for this type of permit. The draft permit requires the preparation and submittal of a Compliance Response Plan and it cites 326 IAC 2-8-4 and 2-8-5 as the reason for this requirement. The current approved permit does not require the preparation and submittal of such plan. Under current operations there has been no excursion to necessitate this plan use. It should also be noted that the permit requirement that the baghouses be operating any time the production equipment associated with the baghouses is operating provides an additional layer of safety to ensure that visible emissions remain under control and within limits.

There is no apparent need for this report, we believe this added Compliance Response Plan was drafted in error and request it's deletion in entirety because it creates an additional burden of preparation and continual updates with no requirement for such a report in the regulations.

Response #6

IDEM has reconsidered the requirement to develop and follow a Compliance Response Plan. The Permittee will still be required to take reasonable response steps when a compliance monitoring parameter is determined to be out of range or abnormal. Replacing the requirement to develop and follow a Compliance Response Plan with a requirement to take reasonable response steps will ensure that the control equipment is returned to proper operation as soon as practicable, while still allowing the Permittee the flexibility to respond to situations that were not anticipated. The Section D conditions that refer to this condition have been revised to reflect the new condition title, and the following changes have been made to the Section C condition:

C.15 ~~Compliance Response Plan – Preparation, Implementation, Records, and Reports~~ **Response to Excursions or Exceedances** [326 IAC 2-8-4] [326 IAC 2-8-5]

- (a) ~~The Permittee is required to prepare a Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. A CRP shall be submitted to IDEM, OAQ and Evansville EPA upon request. The CRP shall be prepared within ninety (90) days after issuance of this permit by the Permittee, supplemented from time to time by the Permittee, maintained on site, and is comprised of:~~
- (1) ~~Reasonable response steps that may be implemented in the event that a response step is needed pursuant to the requirements of Section D of this permit; and an expected time frame for taking reasonable response steps.~~
 - (2) ~~If, at any time, the Permittee takes reasonable response steps that are not set forth in the Permittee's current Compliance Response Plan and the Permittee documents such response in accordance with subsection (c) below, the Permittee shall amend its Compliance Response Plan to include such response steps taken.~~
- (b) ~~For each compliance monitoring condition of this permit, reasonable response steps shall be taken when indicated by the provisions of that compliance monitoring condition as follows:~~
- (1) ~~Reasonable response steps shall be taken as set forth in the Permittee's current Compliance Response Plan; or~~
 - (2) ~~If none of the reasonable response steps listed in the Compliance Response Plan is applicable or responsive to the excursion, the Permittee shall devise and implement additional response steps as expeditiously as practical. Taking such additional response steps shall not be considered a deviation from this permit so long as the Permittee documents such response steps in accordance with this condition.~~

- (3) ~~If the Permittee determines that additional response steps would necessitate that the emissions unit or control device be shut down, and it will be ten (10) days or more until the unit or device will be shut down, then the Permittee shall promptly notify the IDEM, OAQ of the expected date of the shut down. The notification shall also include the status of the applicable compliance monitoring parameter with respect to normal, and the results of the response actions taken up to the time of notification.~~
- (4) ~~Failure to take reasonable response steps shall be considered a deviation from the permit.~~
- (c) ~~The Permittee is not required to take any further response steps for any of the following reasons:~~
- (1) ~~A false reading occurs due to the malfunction of the monitoring equipment and prompt action was taken to correct the monitoring equipment.~~
- (2) ~~The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for an administrative amendment to the permit, and such request has not been denied.~~
- (3) ~~An automatic measurement was taken when the process was not operating.~~
- (4) ~~The process has already returned or is returning to operating within "normal" parameters and no response steps are required.~~
- (d) ~~When implementing reasonable steps in response to a compliance monitoring condition, if the Permittee determines that an exceedance of an emission limitation has occurred, the Permittee shall report such deviations pursuant to Section B-Deviations from Permit Requirements and Conditions.~~
- (e) ~~The Permittee shall record all instances when response steps are taken. In the event of an emergency, the provisions of 326 IAC 2-8-12 (Emergency Provisions) requiring prompt corrective action to mitigate emissions shall prevail.~~
- (f) ~~Except as otherwise provided by a rule or provided specifically in Section D, all monitoring as required in Section D shall be performed when the emission unit is operating, except for time necessary to perform quality assurance and maintenance activities.~~
- (a) Upon detecting an excursion or exceedance, the Permittee shall restore operation of the emissions unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.**
- (b) The response shall include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or shutdown conditions). Corrective actions may include, but are not limited to, the following:**

- (1) **initial inspection and evaluation;**
 - (2) **recording that operations returned to normal without operator action (such as through response by a computerized distribution control system); or**
 - (3) **any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable.**
- (c) **A determination of whether the Permittee has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include, but is not limited to, the following:**
 - (1) **monitoring results;**
 - (2) **review of operation and maintenance procedures and records;**
 - (3) **inspection of the control device, associated capture system, and the process.**
- (d) **Failure to take reasonable response steps shall be considered a deviation from the permit.**
- (e) **The Permittee shall maintain the following records:**
 - (1) **monitoring data;**
 - (2) **monitor performance data, if applicable; and**
 - (3) **corrective actions taken.**

Comment #7

A review of the pending changes to IDEM regulation shows that a facility that has a FESOP would be exempt and not required to submit an Emission Statement. In light of this pending change to the regulation it appears unnecessary to impose standard on this DRAFT permit renewal application. We respectfully request that this portion of the permit be changed to reflect that it is unnecessary to submit this Emission Statement due to this pending change to the regulation.

Response #7

The following revisions were made to the Emission Statement condition to incorporate the revisions to 326 IAC 2-6 that became effective March 27, 2004. The revised rule was published in the April 1, 2004 Indiana Register. Based on the revised rule in 326 IAC 2-6-1, this source is not subject to this rule because it is not required to have an operating permit under 326 IAC 2-7 (Part 70), it is not located in Lake or Porter counties, and it does not emit lead into the ambient air at levels equal to or greater than 5 tons per year. Therefore, Condition C.17 has been deleted from the permit.

~~C.17 Emission Statement [326 IAC 2-6] [326 IAC 2-8-4(3)]~~

~~(a) The Permittee shall submit an emission statement certified pursuant to the requirements of 326 IAC 2-6. This statement must be received in accordance with the compliance schedule specified in 326 IAC 2-6-3 and must comply with the minimum requirements specified in 326 IAC 2-6-4. The submittal should cover the period defined in 326 IAC 2-6-2(8). The statement must be submitted to:~~

~~Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015, and~~

~~Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713~~

~~The emission statement does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).~~

~~(b) The emission statement required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and Evansville EPA on or before the date it is due.~~

Comment #8

Section C.20(a), now re-numbered C.18(a)

A review of the regulation cited 326 IAC 2-8-12 and 2-8-4(3)(c)(ii) reveals that there is not a requirement to have quarterly deviation and compliance monitoring reports. On the contrary it is stated "at least every six months". The standard currently in effect, as issued on May 30, 2000 third significant revision for this permit, requires semi annual and annual compliance monitoring reports. The draft permit renewal requires quarterly reports instead of semi annual and annual reports. Prior to this renewal, this source has never been required to submit Deviation or Excursion Reports. This requirement for additional reporting creates a regulatory burden (not only for the facility, but also for the Compliance Section of IDEM and the Evansville EPA, which are responsible for tracking receipt of such reports and for initiating enforcement actions) without providing any environmental benefit.

In light of the above, there appears to be no regulatory basis to increase the frequency of deviation and compliance monitoring reports to quarterly from semi annual and annual. This increase in reports would pose an economic and unwarranted burden that based on past history is not necessary. We request that this section of the permit be revised to reflect the frequency currently issued and approved for this permit which is semi annual and annual.

Response #8

IDEM, OAQ has sufficient authority for requiring quarterly deviation and compliance monitoring reports as part of a Response to Excursions or Exceedances. 326 IAC 2-8-5(a)(1) requires that all FESOP permits contain operational requirements and limitations that assure compliance with all applicable requirements. 326 IAC 2-8-4(3) requires that all FESOP permits contain monitoring and related record keeping requirements which assure that all reasonable information is provided to evaluate continuous compliance with applicable requirements. 326 IAC 2-8-4(3)(A)(ii) requires that, at a minimum, the periodic monitoring requirements must be sufficient to yield reliable data from the relevant time period that are representative of the source's compliance, even where the applicable requirement does not require periodic testing or instrumental monitoring. Every source will need to submit this report quarterly, except for sources with an applicable requirement with an alternate schedule for reporting deviations. Those sources will report deviations according to the schedule in the applicable requirement. There are no changes to this condition due to this comment.

Comment #9

D.1 (Facility Description)

In order to fully describe operations at the facility, appropriate revisions need to be made which were included in the third significant permit revision as issued on May 30, 2000. The facility description in the draft does not identify that "each extrusion line consists of a dedicated blender, material handling, extruder and pelletizing." It also does not state "The source utilizes different types of plastic in the process such as: Polyethylenes, Polypropylene, ABS, EVA, Nylons and Polystyrenes" thus providing confusion if left out of this section of the permit.

Response #9

The facility description in Section A.2 and D.1 has been revised to include the following:

Each extrusion line consists of a dedicated blender, material handling, extruder and pelletizing. The source utilizes different types of plastic in the process such as: Polyethylenes, Polypropylene, ABS, EVA, Nylons and Polystyrenes.

Comment #10

Section D.1.1(a), (b), (c) and (d)

A review of the regulation cited 326 IAC 2-8 does not require new emission limits be established for baghouses EX1, EX2, EX3, EX4 and EX30, this regulation has not changed and was the same regulation used for the third significant permit revision issued on May 30, 2000. This section has been drafted in error, as the current approved third significant revision issued on May 30, 2000 states the applicable standard is 5.18, 5.18, 1.3, 1.3 and 8.8 pounds per hour or 22.69, 22.69, 5.69, 5.69 and 38.54 tons per year, respectively, for baghouses EX1 EX2, EX3, EX4 and EX30, respectively. We request the values from the third significant revision be incorporated as previously issued and approved by IDEM. Since Vanderburgh County has been designated as attainment for all criteria pollutants and unclassifiable for ozone, and Ferro is located in Center Township which is in attainment status for PM, there is no need for changes in the emissions per pound for baghouses EX1, EX2, EX3, EX4 and EX30.

In light of the above Mr. Paul Dubenetzky's public notice enclosed with this draft states, " This proposed FESOP does not contain any new proposed emission units, and no conditions from previously issued permits/approvals have been corrected or removed", it is clear that this section was drafted in error because the emissions limitations do not reflect the current permit F163-5612-00120 permit language.

Response #10

On September 1, 2005, 326 IAC 6-1 was repealed and non-Lake County PM limitations were placed into 326 IAC 6.5 effective September 23, 2005. The rule citation has been changed throughout the permit.

The first draft package incorrectly stated that the source was subject to 326 IAC 6-3, therefore, there were no changes to the permit initially and the statement was made in the public notice letter that "no conditions from previously issued permits/approvals have been corrected or removed". However, upon further review of the draft permit the determination was made that the source would be subject to 326 IAC 6.5-1, because the source is located in Vanderburgh, a specifically listed county under 326 IAC 6.5 and the actual source potential to emit (PTE) of particulate matter (PM) is greater than 10 tons per year. Prior to public notice, the permit and the technical support document were revised to reflect the rule change, but the public notice letter was mistakenly left unchanged.

The PM limits are required to comply with 326 IAC 6.5-1-2 rules. Since 326 IAC 6.5-1-2 is in terms of flow rate which is variable, IDEM has decided that the PM pounds per hour limits in Condition D.1.2 is not necessary and has been removed.

IDEM has also decided that it is not necessary to change the FESOP limits for PM10 to match the PM limits for 326 IAC 6.5-1-2 since the flow rates are variable. The original FESOP limits for PM10 have been restored to the permit.

D.1.1 Particulate Matter Less Than 10 Microns (PM10) [326 IAC 2-8] [326 IAC 2-1.1-5]

Pursuant to 326 IAC 2-8 (FESOP):

- (a) The baghouse identified as EX1 controlling the blenders in Building 1 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from baghouse EX1 shall not exceed ~~6.68~~ **5.18** pounds per hour, which is equivalent to ~~29.26~~ **22.69** tons per year.
- (b) The baghouse identified as EX2 controlling the extruders in Building 1 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from baghouse EX2 shall not exceed ~~3.34~~ **5.18** pounds per hour, which is equivalent to ~~44.63~~ **22.69** tons per year.
- (c) The baghouses identified as EX3 and EX4 controlling the raw materials handling in Building 1, which includes two (2) rail unloading systems shall be in operation at all times the facilities vented to the baghouses are in operation and the PM10 emissions from baghouses EX3 and EX4 each shall not exceed ~~0.23~~ **1.3** pounds per hour, which is equivalent to ~~4.04~~ **5.69** tons per year.
- (d) The baghouse identified as EX30 controlling the blenders in Building 2 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from EX 30 shall not exceed ~~3.47~~ **8.8** pounds per hour, which is equivalent to ~~45.2~~ **38.54** tons per year.

These limits are necessary to limit the total source wide PM10 emissions to less than 100 tons per twelve (12) consecutive month period. Compliance with this condition shall make the requirements of 326 IAC 2-7 (Part 70 Permits) and 326 IAC 2-1.1-5 (Nonattainment NSR) not applicable to the source.

D.1.2 Particulate Matter (PM) [326 IAC 6.5-1-2]

Pursuant to 326 IAC 6.5-1-2(a) (Vanderburgh County Particulate Limitations), particulate matter (PM) emissions shall be limited to 0.03 grain per dry standard cubic foot of exhaust air as follows:

Facilities	Baghouse ID	Air Flow Rate (cfm)	326 IAC 6.5-1-2 PM Allowable Emissions (lb/hr)
Building 1: Blenders C04, C06, C15, C16, C18, C31, C32, and C51	EX1	26,000	6.68
Building 1: Extruders C04, C06, C15, C16, C18, C31, C32, and C51	EX2	13,000	3.34
Building 1: Rail Unloading	EX3	900	0.23
Building 1: Rail Unloading	EX4	900	0.23
Building 2: Raw Material Handling-Truck Unloading; Blenders C22, C23, C24, C25 and C45	EX30	13,500	3.47
Building 5: Blenders C03 and C20 Extruders C03 and C20	--	--	3.12
TOTAL			17.07

Comment #11

Section D.1.2

The regulation cited 326 IAC 6.5-1-2 should be changed to reflect the current approved third significant revision issued on May 30, 2000 which states, "Pursuant to 326 IAC 6-3 the PM emissions from the following facilities shall be limited as follows".

This section has been drafted in error as it states here that the facility is in a nonattainment area and thus it must meet nonattainment area particulate limitations. As stated correctly in Section A.1 on page 4 of 31 in the General Information portion of this permit "Source Location Status: Vanderburgh, Attainment for all criteria pollutants" and it is also correctly stated in the Technical Support Document on page 7 of 13 under County Attainment Status (a) which states "Vanderburgh County has been designated as attainment or unclassifiable for ozone." The allowable emissions listed currently in this draft do not reflect the allowable limits previously established and approved by IDEM in the third significant revision issued May 30, 2000 for this permit.

Response #11

326 IAC 6.5-1 applies to specifically listed sources or facilities, or sources or facilities not specifically listed but located in a listed county and having either a potential to emit of 100 tons per year (tpy) or more actual emissions of 10 tpy or more of PM. The source is located in Vanderburgh County, a specifically listed county. The source and its facilities are not specifically listed under 326 IAC 6.5-8, therefore, the requirements of 326 IAC 6.5-8 do not apply. The actual source PTE of PM is greater than 10 tpy. Therefore, the requirements of 326 IAC 6.5-1-2(a) (General Sources) are applicable to this source and particulate matter emissions from this source shall be limited to 0.03 gr/ dscf. The words "Nonattainment Area" has been deleted from Condition D.1.2 to be consistent with 326 IAC 6.5-1-2.

D.1.2 Particulate Matter (PM) [326 IAC 6.5-1-2]

Pursuant to 326 IAC 6.5-1-2(a) (~~Nonattainment Area~~ **Vanderburgh County** Particulate Limitations), particulate matter (PM) emissions shall be limited to 0.03 grain per dry standard cubic foot of exhaust air as follows:

Comment #12

Section D.1.5

A review of the regulation cited here does not require that a facility perform stack testing every five years. Compliance demonstrations have previously been made during the first five years term when stack testing was performed at the site and the results demonstrated the PM/PM10 emission rates from all baghouses are well below the limits of D.1.1 and D.1.2 this new interpretation does not take into consideration that since December 1996 this facility has been doing visible emission notations and a review of this information reveals no abnormal emissions from either building. We believe this lengthy time without a single episode of visible emissions demonstrates that additional visible emissions checks are an additional cost without benefit, that is not supported by regulation.

It should also be noted that the permit requirement for the baghouses to be operating any time the production equipment associated with the baghouses is operating provides an added layer of safety to ensure visible emissions remain under control within limits.

We further believe that since this stack testing requirement was not in the third significant permit revision issued on May 30, 2000 it should not be required since it now places an unnecessary burden and cost without an economic or visible return on this expense. It is clear from the parametric monitoring and visible emissions notations results of these baghouses that additional stack testing is not necessary or required by 326 IAC 2-8-5 nor was it the intent of the agency to require this when the permit was originally approved and subsequently revised.

Response #12

Pursuant to 326 IAC 2-8-5(4) "Compliance Requirements", the Commissioner may require other provisions as necessary to show compliance with the applicable requirements stated in the FESOP. Therefore, IDEM may require compliance testing when necessary to determine if a facility is in compliance with the conditions of this permit. Testing of the two (2) baghouses (EX1 and EX2) controlling Building 1 blenders and extruders are determined to be necessary since the PM/PM10 from these facilities account for 99% of the source potential to emit PM/PM10 and the source has taken limits to avoid 326 IAC 2-7. Finally, 326 IAC 2-8-5 does not explicitly require that compliance testing be repeated at least once every five years. However, it is IDEM's intent that continuous compliance with the PM/PM10 limits and pressure drop range specified in the permit be demonstrated and, as such, the need for repeat testing at least once every five years. There will be no changes to this condition in the draft permit due to this comment.

Comment #13

Section D.1.6 and Section D.1.10(a)

A review of the regulations cited 326 IAC 2-8-4 and 326 IAC 2-8-5(a)(1) does not reveal a need to change the frequency of visible notations to meet the compliance standards of these regulations. The requirement to do visible emission notations once per shift during normal daylight operations when exhausting to the atmosphere is excessive, unnecessary and an unwarranted additional burden. This new interpretation does not take into consideration that since December 1996 this facility has been doing visible emissions notations and a review of this information reveals no abnormal emissions from either building.

We believe this lengthy time period without a single episode of visible emissions demonstrates that additional visible emission checks are an additional cost without benefit, that is not supported by a regulation.

Due to the operation of two twelve hour shifts per day and daylight restrictions, especially in the winter, visible emission notations are not possible for the evening shifts. For this reason, visible emission notations of all baghouses should be conducted once per day instead of once per shift and current requirement of weekly visible emission inspections of vents, doors and windows not associated with the baghouses is adequate for this operation.

Response #13

Upon further review, IDEM has determined that once per day visible emission notations is sufficient to ensure proper operation of the control device. IDEM has also determined that monitoring these parameters once per day is sufficient to satisfy the requirements of the FESOP rules at 326 IAC 2-8-4 and 326 IAC 2-8-5. The following changes have been made to Conditions D.1.6 and D.1.10(a):

D.1.65 Visible Emissions Notations

- (a) Visible emission notations of the blenders and extruding stack exhaust in Buildings 1 and 2 shall be performed once per ~~shift~~ **day** during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

- (e) ~~The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records and Reports shall be considered a deviation from this permit.~~

If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C- Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.

D.1.408 Record Keeping Requirements

- (a) To document compliance with Condition D.1.65, the Permittee shall maintain records of visible emission notations of the truck unloading, blenders, extruding and regrinding stack exhaust once per ~~shift~~ **day**.

Comment #14

D.1.7 and D.1.10(b)

A review of the regulations cited 326 IAC 2-8-4 and 326 IAC 2-8-5(a)(1) does not reveal a need to change the frequency of parametric monitoring to meet the compliance standards of these regulations. The requirement to do parametric monitoring once per shift when the processes are in operation is excessive, unnecessary and an unwarranted additional burden. This new interpretation does not take into consideration that since December 1996 this facility has been doing parametric monitoring and a review of this information reveals that only a permit revision was required during this time because low readings were being identified after new bags were installed. We believe that this lengthy time without a physical episode of visible emissions demonstrates that additional parametric monitoring checks are an additional cost without benefit, that is not supported by a new interpretation of the regulations.

Response #14

Upon further review, IDEM has determined that once per day monitoring of the control device is sufficient to ensure proper operation of the control device. IDEM has also determined that monitoring these parameters once per day is sufficient to satisfy the requirements of the Part 70 rules at 326 IAC 2-8-4 and 326 IAC 2-8-5. The following changes have been made to Conditions D.1.7 and D.1.10(b):

D.1.76 Parametric Monitoring

The Permittee shall record the ~~total static~~ pressure drop across the baghouses used in conjunction with the Building 1 and 2 blenders and extruders, at least once per ~~shift~~ **day** when the processes are in operation. When for any one reading, the pressure drop across the baghouses EX1, EX2, and EX30 is outside the normal range of 0.8 to 6.0 inches of water, or a range established during the latest stack test and baghouses EX3, and EX4 is outside the normal range of 0.2 to 4.0 inches of water, or a range established during the most recent stack test, the Permittee shall take reasonable response steps in accordance with Section C - ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~ **Response to Excursions or Exceedances**. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~ **Response to Excursions or Exceedances** shall be considered a deviation from this permit.

The instrument used for determining the pressure shall comply with Section C - ~~Pressure Gauge and Other Instrument Specifications~~, of this permit, shall be subject to approval by IDEM, OAQ, and Evansville EPA, and shall be calibrated at least once every six (6) months.

D.1.408 Record Keeping Requirements

- (b) To document compliance with Condition ~~D.1.7~~ **D.1.6**, the Permittee shall maintain records once per ~~shift~~ **day** of the ~~total static~~ pressure drop.

On July 24, 2003, the Evansville Environmental protection Agency (EEPA) submitted comments on the proposed FESOP Renewal. The summary of the comments and corresponding responses is as follows (bolded language has been added and the language with a line through it has been deleted):

Comment #1

Throughout the permit, please change the address of the EEPA to:
Evansville EPA
Suite 100, C.K. Newsome Community Center
100 E. Walnut Street
Evansville, IN 47713

Response #1

The address of the Evansville EPA has been corrected accordingly.

Comment #2

A.2(b) omits baghouse EX30, which is a integral part of the material handling systems.

Response #2

Baghouse EX30 does not control PM10 emissions off the extruders in Building 2, therefore, A.2(b)(2) will not be changed as a result of this comment.

Comment #3

Condition B.12
EEPA requests that the submittal date be changed from July 1 to April 15 to be consistent with the rest of EEPA's sources.

Response #3

The annual compliance certification submittal date has been corrected as follows:

B.121 Annual Compliance Certification [326 IAC 2-8-5(a)(1)]

- (a) The Permittee shall annually submit a compliance certification report which addresses the status of the source's compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. All certifications shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in letter form no later than ~~July 4~~ **April 15** of each year to:

Comment #4

Condition B.14
The EEPA's telephone number should be: 812/435-6145
The EEPA's fax number should be: 812/435-6155

Response #4

The telephone and fax numbers of the Evansville EPA have been corrected accordingly.

Comment #5

Condition C.4
The EEPA request that local requirements under the Municipal Code of Evansville (MCE) 3.30.214 be included.

Response #5

Condition C.4 (now re-numbered C.3) has been revised as follows:

C.43 Open Burning [326 IAC 4-1] [IC 13-17-9] **[M.C.E. 3.30.18.214]**

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1.

Burning shall be subject to the local requirements under the Municipal Code of Evansville (M.C.E. 3.30.18.214).

Comment #6

Condition C.18

Requires Ferro to submit an Emission Statement pursuant to 326 IAC 2-6. The EEPA comments that IDEM is currently considering changes to the Emission Reporting rule. The proposed changes would exempt FESOPs from the Emission Reporting rule, so this condition of the permit would require revision.

Response #6

Revisions made under response to source comment #7.

Comment #7

Condition C.20 requires the source to submit Quarterly Deviation and Compliance Monitoring Reports. These reports had not been required of this source by the previous FESOP and constitute an additional regulatory burden-not only for the source, but also for the Compliance Section of IDEM and the EEPA, which are responsible for tracking receipt of such reports and for initiating enforcement actions when such reports are not submitted on a timely basis.

The EEPA sees no environmental benefit in adding this Quarterly Reporting Requirement and requests that IDEM reconsider imposing this requirement.

Response #7

IDEM, OAQ has sufficient authority for requiring quarterly deviation and compliance monitoring reports as part of a Response to Excursions or Exceedances. 326 IAC 2-8-5(a)(1) requires that all FESOP permits contain operational requirements and limitations that assure compliance with all applicable requirements. 326 IAC 2-8-4(3) requires that all FESOP permits contain monitoring and related record keeping requirements which assure that all reasonable information is provided to evaluate continuous compliance with applicable requirements. 326 IAC 2-8-4(3)(A)(ii) requires that, at a minimum, the periodic monitoring requirements must be sufficient to yield reliable data from the relevant time period that are representative of the source's compliance, even where the applicable requirement does not require periodic testing or instrumental monitoring. Every source will need to submit this report quarterly, except for sources with an applicable requirement with an alternate schedule for reporting deviations. Those sources will report deviations according to the schedule in the applicable requirement. The purpose of increased reporting is to establish standards for the state of Indiana to the extent necessary to protect public health and welfare. There are no changes to this condition due to this comment.

Comment #8

D.1(b) and D.1.1(d)

Clarification: Baghouse EX30 does not control emissions from the five blenders C22, C23, C24 and C45, but is an integral part of the pneumatic material handling system.

Response #8

Based on information received from the source, Baghouse EX30 controls emissions off the five blenders, but does not control emissions off the five extruders. There are no changes to the permit as a result of this comment.

Comment #9

Condition D.1.2

Please note, Vanderburgh County is currently attainment for all criteria pollutants. The Pigeon Township portion of the City of Evansville has a maintenance status for PM. However, Ferro Corporation is located in Center Township.

Response #9

326 IAC 6.5-1 applies to specifically listed sources or facilities, or sources or facilities not specifically listed but located in a listed county and having either a potential to emit of 100 tons per year (tpy) or more actual emissions of 10 tpy or more of PM. The source is located in Vanderburgh County, a specifically listed county. The source and its facilities are not specifically listed under 326 IAC 6.5-8 and, therefore, the requirements of 326 IAC 6.5-8 do not apply. The actual source PTE of PM is greater than 10 tpy. Therefore, the requirements of 326 IAC 6.5-1-2(a) (General Sources) are applicable to this source and particulate matter emissions from this source shall be limited to 0.03 gr/ dscf. The words "Nonattainment Area" has been deleted from Condition D.1.2 to be consistent with 326 IAC 6.5-1-2.

Comment #10

Condition D.1.6(a)

Requires Ferro Corporation to take visible emission notations of the truck unloading, blenders, extruding and regrinding stack exhaust in Buildings 1 and 2 once per shift during normal daylight operations.

The EEPA comments that the truck unloading operations are considered mobile source, not subject to 326 IAC 2.

The rail unloading operations are controlled by baghouses EX3 and EX4. EX3 and EX4, as noted in page 11 of the TSD, are used to control exhaust air from the rail unloading system. The TSD states, "this material is pelletized, not powdered and very minimal particulate emissions are generated." The EEPA concurs, and suggests that visible emissions notation requirements for EX3 and EX4 are not necessary.

The regrinders in Buildings 1 and 2 do not have outside exhausts, no visible emissions notations are possible for the regrinders.

Lastly, the EEPA comments that Ferro operates 24 hours / day, 7 days / week. Their shift schedule is from 7 a.m. to 7 p.m. and then from 7p.m. to 7 a.m. It is therefore impossible for the source to perform V.E. notation once per shift, except for a short time during the summer, when it is still daylight at 7 p.m.

The EEPA suggest that the pressure drop readings and recordings once per shift would be sufficient to determine compliance with permit emission limitations; that the requirement for V.E.'s be removed from the permit and that Condition D.10(a) - Recordkeeping be revised.

Response #10

The truck unloading operations are considered mobile source, the material from the rail unloading system is pelletized, not powdered and very minimal particulate emissions are generated, and the regrinders in Buildings 1 and 2 do not have outside exhausts, therefore, the visible emissions notation requirements for these operations have been removed from the permit.

Condition D.1.6 (re-numbered D.1.5) requires that monitoring be conducted during normal daylight hours, therefore, the Permittee does not need to perform the monitoring during a time of year when a full operating shift does not coincide with daylight.

Upon further review, IDEM has determined that once per day visible emission notations is sufficient to ensure proper operation of the control device. IDEM has also determined that monitoring these parameters once per day is sufficient to satisfy the requirements of the FESOP rules at 326 IAC 2-8-4 and 326 IAC 2-8-5.

D.1.65 Visible Emissions Notations

- (a) Visible emission notations of the ~~truck unloading, blenders, and extruding and regrinding~~ stack exhaust in Buildings 1 and 2 shall be performed once per ~~shift~~ **day** during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

Comment #11

Technical Support Document:

Existing Approvals: First Administrative Amendment 163-12367-00120, issued August 7, 2000 was omitted from the TSD.

Response #11

The OAQ agrees that the approval was erroneously omitted from the Technical Support Document, OAQ prefers that the Technical Support Document reflect the permit that was on public notice. Changes to the permit or technical support material that occur after the public notice are documented in this Addendum to the Technical Support Document. This accomplishes the desired result of ensuring that these types of concerns are documented and part of the record regarding this permit decision.

- (a) FESOP 163-5612-00120, issued on December 11, 1996;
- (b) First Minor Permit Revision 163-8206-00120, issued on August 12, 1997;
- (c) First Significant Permit Revision 163-9562-00120, issued on August 24, 1998;
- (d) Second Significant Permit Revision 163-10422-00120, issued on March 11, 1999;
- (e) Third Significant Permit Revision 163-11860-00120, issued on May 30, 2000; ~~and~~

- (f) **First Administrative Amendment 163-12367-00120, issued on August 7, 2000; and**
- (fg) **Second Administrative Amendment 163-14917-00120, issued on October 23, 2001.**

Upon further review, the OAQ has decided to make the following change to the FESOP Renewal. Bolded language has been added and the language with a line through it has been deleted.

1. The P.O. box and the zip code throughout the permit, along with Commissioner and Governor's name on the cover page have been revised to reflect the current FESOP.

100 North Senate Avenue
~~P.O. Box 6015~~
Indianapolis, Indiana ~~46206-6015~~ **46204-2251**

2. Condition B.10 (Compliance with Permit Conditions) has been removed from the B section and has been added to the FESOP title page instead.

~~B.10 Compliance with Permit Conditions [326 IAC 2-8-4(5)(A)] [326 IAC 2-8-4(5)(B)]~~

- ~~(a) The Permittee must comply with all conditions of this permit. Noncompliance with any provisions of this permit is grounds for:
 - ~~(1) Enforcement action;~~
 - ~~(2) Permit termination, revocation and reissuance, or modification; and~~
 - ~~(3) Denial of a permit renewal application.~~~~
- ~~(b) It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.~~
- ~~(c) An emergency does constitute an affirmative defense in an enforcement action provided the Permittee complies with the applicable requirements set forth in Section B, Emergency Provisions.~~

**FEDERALLY ENFORCEABLE STATE
OPERATING PERMIT (FESOP) RENEWAL
OFFICE OF AIR QUALITY**

and EVANSVILLE EPA

**Ferro Corporation, Filled and Reinforced Plastics Division
5001 O'Hara Drive
Evansville, Indiana 47711**

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

The Permittee must comply with all conditions of this permit. Noncompliance with any provisions of this permit is grounds for enforcement action; permit termination, revocation and reissuance, or modification; or denial of a permit renewal application. Noncompliance with any provision of this permit, except any provision specifically designated as not federally enforceable, constitutes a violation of the Clean Air Act. It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit. An emergency does constitute an affirmative defense in an enforcement action provided the Permittee complies with the applicable requirements set forth in Section B, Emergency Provisions.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-8 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

3. Changes Resulting from Ozone 8-hour County Attainment Status Designations and the implementation of PM2.5:

On April 15, 2004, the United States Environmental Protection Agency (U.S. EPA) named 23 Indiana counties and one partial county nonattainment for the new 8-hour ozone standard. The designations became effective on June 15, 2004. Vanderburgh County has been designated as basic nonattainment for the 8-hour ozone standard.

Also, the U.S.EPA in Federal Register Notice 70 FR 943 dated January 5, 2005 has designated Vanderburgh County as nonattainment for PM2.5. Until U.S. EPA adopts specific New Source Review rules for PM2.5 emissions, it has directed states to regulate PM10 emissions as surrogate for PM2.5 emissions pursuant to the Nonattainment New Source Review requirements.

The following has been corrected to state that Vanderburgh County has been designated as basic nonattainment for Ozone and nonattainment for PM2.5:

A.1 General Information [326 IAC 2-8-3(b)]

The Permittee owns and operates a manufacturing plant engaged in the custom compounding of purchased resins.

Authorized individual:	Operations Manager
Source Address:	5001 O'Hara Drive, Evansville, Indiana 47711
Mailing Address:	5001 O'Hara Drive, Evansville, Indiana 47711
General Source Phone:	(812) 423-5218
SIC Code:	3087
Source Location Status:	Vanderburgh

Source Status:	Nonattainment for PM2.5 Basic nonattainment for Ozone under the 8-hour standard Attainment for all other criteria pollutants Federally Enforceable State Operating Permit (FESOP) Minor Source, Section 112 of the Clean Air Act Minor Source, under PSD Minor Source, under Nonattainment NSR
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Although the TSD itself will not be revised as it is a historical document and the TSD was correct at the time of public notice, the following is being provided to show how the county attainment status has been affected as a result of the 8-hour ozone standard designations. The county attainment status regarding other pollutants remain unchanged.

County Attainment Status

The source is located in Vanderburgh County.

Pollutant	Status
PM2.5	Nonattainment
PM-10	Attainment
SO ₂	Attainment
NO ₂	Attainment
1- hour Ozone	Attainment
8-hour Ozone	Basic Nonattainment
CO	Attainment
Lead	Attainment

- (a) ~~Volatile organic compounds (VOC) is a precursor for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Vanderburgh County has been designated as attainment or unclassifiable for ozone.~~
- (a) Volatile organic compounds (VOC) and Nitrogen Oxides (NOx) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NOx emissions are considered when evaluating the rule applicability relating to the ozone standards. Vanderburgh County has been designated as nonattainment for the 8-hour ozone standard. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for Emission Offset, 326 IAC 2-3.
- (b) U.S.EPA in Federal Register Notice 70 FR 943 dated January 5, 2005 has designated Vanderburgh County as nonattainment for PM2.5. On March 7, 2005 the Indiana Attorney General's Office on behalf of IDEM filed a law suit with the Court of Appeals for the District of Columbia Circuit challenging U.S. EPA's designation of non-attainment areas without sufficient data. However, in order to ensure that sources are not potentially liable for violation of the Clean Air Act, the OAQ is following the U.S. EPA's guidance to regulate PM10 emissions as surrogate for PM2.5 emissions pursuant to the Non-attainment New Source Review requirements. See the State Rule Applicability for the source section.
- (c) Vanderburgh County has been classified as attainment or unclassifiable in Indiana for all other pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2. See the State Rule Applicability for the source section.

State Rule Applicability – Entire Source

326 IAC 2-1.1-5 (Nonattainment New Source Review)

Vanderburgh County has been designated as non-attainment for PM 2.5 in 70 FR 943 dated January 5, 2005. According to the April 5, 2005 EPA memo titled “Implementation of New Source Review Requirements in PM2.5 Nonattainment Areas” authored by Steve Page, Director of OAQPS, until EPA promulgates the PM 2.5 major NSR regulations, states should assume that a major stationary source’s PM10 emissions represent PM2.5 emissions. IDEM will use the PM10 nonattainment major NSR program as a surrogate to address the requirements of nonattainment major NSR for the PM2.5 NAAQS. A major source in a nonattainment area is a source that emits or has the potential to emit 100 tpy of any regulated pollutant. Ferro Corporation has a limited potential to emit of PM10 below 100 tpy. Therefore, assuming that PM10 emissions represent PM2.5 emissions, 326 IAC 2-1.1-5 does not apply.

4. A statement has been added to B.10 Certification in order to clarify that the certification form may cover more than one document that is submitted.

~~B.10 Certification [326 IAC 2-8-3(d)] [326 IAC 2-8-4(3)(C)(i)] [326 IAC 2-8-5(1)]~~

- ~~(b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. **One (1) certification may cover multiple forms in one (1) submittal.**~~

5. Upon further review, IDEM has determined that it is not necessary to include a condition requiring a preventive maintenance plan in each individual Section D of the permit. Rather, a general condition will be placed in Section B of the permit, which will apply to the entire source. Condition D.1.3 has been removed from the permit, and (a) in Section B has been revised. Additionally, IDEM has determined that the Permittee is not required to keep records of all preventive maintenance. However, where the Permittee seeks to demonstrate that an emergency has occurred, the Permittee must provide, upon request, records of preventive maintenance in order to establish that the lack of proper maintenance did not cause or contribute to the deviation. Therefore, IDEM has deleted paragraph (b) of Section B – Preventive Maintenance, and has amended the Section B – Emergency Provisions condition as follows:

~~D.1.3 Preventive Maintenance Plan [326 IAC 2-8-4(9)]~~

~~A Preventive Maintenance Plan, in accordance with Section B – Preventive Maintenance Plan, of this permit, is required for these facilities and their control devices.~~

~~B.12 Preventive Maintenance Plan [326 IAC 1-6-3] [326 IAC 2-8-4(9)] [326 IAC 2-8-5(a)(1)]~~

- ~~(a) If required by specific condition(s) in Section D of this permit, the Permittee shall maintain and implement Preventive Maintenance Plans (PMPs), including the following information on each facility for the source as described in 326 IAC 1-6-3. At a minimum, the PMPs shall include:~~

- ~~(1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;~~
- ~~(2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and~~
- ~~(3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.~~

- ~~(b)~~ The Permittee shall implement the PMPs, including any required record keeping, as necessary to ensure that failure to implement a PMP does not cause or contribute to an exceedance of any limitation on emissions or potential to emit.
- ~~(e)~~(b) A copy of the PMPs shall be submitted to IDEM, OAQ, and Evansville EPA upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ, and Evansville EPA. IDEM, OAQ, and Evansville EPA may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMP does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- ~~(d)~~(c) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation, Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

B.13 Emergency Provisions [326 IAC 2-8-12]

- (e) **The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However,** IDEM, OAQ and Evansville EPA, may require that the Preventive Maintenance Plans required under 326 IAC 2-8-3(c)(6) be revised in response to an emergency.

6. A statement concerning backup fuel switches has been added to B.18 Operational Flexibility.

B.18 Operational Flexibility [326 IAC 2-8-15][326 IAC 2-8-11.1]

- (a) The Permittee may make any change or changes at this source that are described in 326 IAC 2-8-15(b) through (d), without prior permit revision, if each of the following conditions is met:
- (1) The changes are not modifications under any provision of Title I of the Clean Air Act;
 - (2) Any approval required by 326 IAC 2-8-11.1 has been obtained;
 - (3) The changes do not result in emissions which exceed the ~~emissions allowable~~ **under limitations provided in** this permit (whether expressed herein as a rate of emissions or in terms of total emissions);
 - (4) The Permittee notifies the:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
~~P.O. Box 6015~~
Indianapolis, Indiana ~~46206-6015~~ **46204-2251**

and

Evansville EPA
100 E. Walnut Street,
Suite 100, C.K. Newsome Community Center
Evansville, Indiana 47713

and

United States Environmental Protection Agency, Region V
Air and Radiation Division, Regulation Development Branch - Indiana (AR-18J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

in advance of the change by written notification at least ten (10) days in advance of the proposed change. The Permittee shall attach every such notice to the Permittee's copy of this permit; and

- (5) The Permittee maintains records on-site, **on a rolling five (5) year basis**, which document, ~~on a rolling five (5) year basis~~, all such changes and emissions ~~trading trades~~ that are subject to 326 IAC 2-8-15(b) through (d). ~~and makes~~ **The Permittee shall make** such records available, upon reasonable request, ~~to~~ **for** public review.

Such records shall consist of all information required to be submitted to IDEM, OAQ and Evansville EPA, in the notices specified in 326 IAC 2-8-15(b)(2), (c)(1), and (d).

- (b) Emission Trades [326 IAC 2-8-15(c)]
The Permittee may trade **emissions** increases and decreases ~~in emissions in~~ at the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-8-15(c).
- (c) Alternative Operating Scenarios [326 IAC 2-8-15(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-8-4(7). No prior notification of IDEM, OAQ or U.S. EPA is required.
- (d) **Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.**

7. The section's name that collects operating fees has changed (several times); this has been updated in B.22 Annual Fee Payment. The most current name is the Billing, Licensing, and Training Section.

B.22 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-8-4(6)] [326 IAC 2-8-16][326 IAC 2-1.1-7]

- (a) The Permittee shall pay annual fees to IDEM, OAQ, within thirty (30) calendar days of receipt of a billing. Pursuant to 326 IAC 2-7-19(b), if the Permittee does not receive a bill from IDEM, OAQ the applicable fee is due April 1 of each year.
- (b) Failure to pay may result in administrative enforcement action, or revocation of this permit.
- (c) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, ~~I/M & Billing~~ **Billing, Licensing, and Training** Section), to determine the appropriate permit fee.

8. Indiana was required to incorporate credible evidence provisions into state rules consistent with the SIP call published by U.S. EPA in 1997 (62 FR 8314). Indiana has incorporated the credible evidence provision in 326 IAC 1-1-6. This rule is effective March 16, 2005; therefore, the condition reflecting this rule will be incorporated into your permit as follows:

B.23 Credible Evidence [326 IAC 2-8-4(3)][326 IAC 2-8-5][62 FR 8314] [326 IAC 1-1-6]

For the purpose of submitting compliance certifications or establishing whether or not the Permittee has violated or is in violation of any condition of this permit, nothing in this permit shall preclude the use, including the exclusive use, of any credible evidence or information relevant to whether the Permittee would have been in compliance with the condition of this permit if the appropriate performance or compliance test or procedure had been performed.

9. Condition C.1 is not applicable to sources that are subject to 326 IAC 6.5-1 (previously 326 IAC 6-1-2). This source is subject to 326 IAC 6.5-1-2, therefore, condition C.1 has been removed from the permit. All other conditions in Section C have been re-numbered.

~~C.1 Particulate Emission Limitations For Processes with Process Weight Rates Less Than One Hundred (100) pounds per hour [40 CFR 52 Subpart P][326 IAC 6-3-2]~~

~~(a) Pursuant to 40 CFR 52 Subpart P, particulate matter emissions from any process not already regulated by 326 IAC 6-1 or any New Source Performance Standard, and which has a maximum process weight rate less than 100 pounds per hour shall not exceed 0.551 pounds per hour.~~

~~(b) Pursuant to 326 IAC 6-3-2(e)(2), particulate emissions from any process not exempt under 326 IAC 6-3-1(b) or (c) which has a maximum process weight rate less than 100 pounds per hour and the methods in 326 IAC 6-3-2(b) through (d) do not apply shall not exceed 0.551 pounds per hour.~~

10. IDEM has decided that it is best to have the "Operation of Equipment" requirement under compliance determination in the specific D conditions. Therefore, C.7 has been removed.

~~C.7 Operation of Equipment [326 IAC 2-8-5(a)(4)]~~

~~Except as otherwise provided by statute, rule or in this permit, all air pollution control equipment listed in this permit and used to comply with an applicable requirement shall be operated at all times that the emission units vented to the control equipment are in operation.~~

11. Condition C.8(f) has been revised as follows:

C.8 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

(f) Demolition and ~~Renovation~~

The Permittee shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation will occur for the presence of asbestos pursuant to 40 CFR 61.145(a).

12. Condition C.12 has been revised as follows:

C.12 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

Any monitoring or testing performed required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, 40 CFR 60 Appendix B, 40 CFR 63 or other approved methods as specified in this permit.

13. Instrument Specifications

IDEM realizes that these specifications can only be practically applied to analog units, and has therefore clarified the condition to state that the condition only applies to analog units. Upon further review, IDEM has also determined that the accuracy of the instruments is not nearly as important as whether the instrument has a range that is appropriate for the normal expected reading of the parameter. Therefore, the accuracy requirements have been removed from the condition.

C.142 ~~Pressure Gauge and Other Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-8-4(3)]~~
[326 IAC 2-8-5(1)]

- (a) ~~Whenever a condition in this permit requires the measurement of pressure drop across any part of the unit or its control device, the gauge employed~~ **When required by any condition of this permit, an analog instrument used to measure a parameter related to the operation of an air pollution control device shall have a scale such that the expected normal maximum reading for the normal range shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent (2%) of full scale reading.**
- (b) The Permittee may request ~~that~~ the IDEM, OAQ approve the use of ~~a pressure gauge or other~~ **an instrument that does not meet the above specifications provided the Permittee can demonstrate that an alternative pressure gauge or other instrument specification will adequately ensure compliance with permit conditions requiring the measurement of pressure drop or other the parameters.**

14. Condition C.15 has been revised as follows:

C.153 Risk Management Plan [326 IAC 2-8-4] [40 CFR 68]

If a regulated substance, **as defined in 40 CFR 68**, is present at a source in more than a threshold quantity, the ~~source~~ **Permittee** must comply with the applicable requirements of 40 CFR 68.

15. Condition C.19(e) (now re-numbered C.17(e)) General Reporting Requirements has been revised to clarify what "calendar year" means.

C.197 General Reporting Requirements [326 IAC 2-8-4(3)(C)] [326 IAC 2-1.1-11]

- (e) Reporting periods are based on calendar years, **unless otherwise specified in this permit. For the purpose of this permit "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.**

16. Also, the U.S.EPA in Federal Register Notice 70 FR 943 dated January 5, 2005 has designated Vanderburgh County as nonattainment for PM2.5. Until U.S. EPA adopts specific New Source Review rules for PM2.5 emissions, it has directed states to regulate PM10 emissions as surrogate for PM2.5 emissions pursuant to the Nonattainment New Source Review requirements. The following rule cite has been added to Condition D.1.1 for 326 IAC 2-1.1-5 (Nonattainment NSR):

D.1.1 Particulate Matter Less Than 10 Microns (PM10) [326 IAC 2-8] **[326 IAC 2-1.1-5]**

These limits are necessary to limit the total source wide PM10 emissions to less than 100 tons per twelve (12) consecutive month period. Compliance with this condition shall make the requirements of 326 IAC 2-7 (Part 70 Permits) **and 326 IAC 2-1.1-5 (Nonattainment NSR)** not applicable to the source.

17. Paragraph (a) of the Broken or Failed Baghouse condition has been deleted. For multi-compartment baghouses, the permit will not specify what actions the Permittee needs to take in response to a broken bag. However, a requirement has been added to Condition D.1.4 (now re-numbered D.1.3) requiring the Permittee to notify IDEM if a broken bag is detected and the control device will not be repaired for more than ten (10) days. This notification allows IDEM to take any appropriate actions if the emission unit will continue to operate for a long period of time while the control device is not operating in optimum condition.

Paragraph (b) of this condition has been revised for those processes that operate in batch mode. The condition required an emission unit to be shut down immediately in case of baghouse failure. However, IDEM is aware there can be safety issues with shutting down a process in the middle of a batch. IDEM also realizes that in some situations, shutting down an emissions unit mid-process can cause equipment damage. Therefore, since it is not always possible to shut down a process with material remaining in the equipment, IDEM has revised the condition to state that in the case of baghouse failure, the feed to the process must be shut off immediately, and the process shall be shut down as soon as practicable.

D.1.43 Particulate Control

- (a) In order to comply with D.1.1 and D.1.2, the baghouse for particulate control shall be in operation and control emissions from the Building 1 and 2 extruders and blenders at all times that the extruders and blenders are in operation.
- (b) **In the event that bag failure is observed in a multi-compartment baghouse, if operations will continue for ten (10) days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.**

D.1.97 Broken or Failed Bag Detection

~~In the event that bag failure has been observed:~~

- ~~(a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit. If operations continue after bag failure is observed and it will be 10 days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.~~

- ~~(b) For single compartment baghouses, if failure is indicated by a significant drop in the baghouse's pressure readings with abnormal visible emissions or the failure is indicated by an opacity violation, or if bag failure is determined by other means, such as gas temperatures, flow rates, air infiltration, leaks, dust traces or triboflows, then failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).~~
- (a) For a single compartment baghouse controlling emissions from a process operated continuously, a failed unit and the associated process shall be shut down immediately until the failed unit has been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).**
- (b) For a single compartment baghouse controlling emissions from a batch process, the feed to the process shall be shut down immediately until the failed unit has been repaired or replaced. The emissions unit shall be shut down no later than the completion of the processing of the material in the line. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).**

Bag failure can be indicated by a significant drop in the baghouse's pressure reading with abnormal visible emissions, by an opacity violation, or by other means such as gas temperature, flow rate, air infiltration, leaks, dust traces or triboflows.

18. Upon further review, IDEM has determined that it is the Permittee's responsibility to include routine control device inspection requirements in the applicable preventive maintenance plan. Since the Permittee is in the best position to determine the appropriate frequency of control device inspections and the details regarding which components of the control device should be inspected, the conditions requiring control device inspections have been removed from the permit. In addition, the requirement to keep records of the inspections has been removed.

~~D.1.8 Baghouse Inspections~~

~~An inspection shall be performed bi-annually of all bags controlling the extruders and the blenders. Inspections required by this condition shall not be performed in consecutive months. All defective bags shall be replaced.~~

~~D.1.408 Record Keeping Requirements~~

-
- ~~(c) To document compliance with Condition D.1.8, the Permittee shall maintain records of the results of the inspections required under Condition D.1.8.~~

19. The third sentence on the Quarterly Deviation and Compliance Monitoring Report has been updated to be consistent with B.14 (a) Deviations from Permit Requirements and Conditions. This is to make it clear on the report form that the deviations that are not required to be reported on that form are those that are deviations required to be reported pursuant to an applicable requirement that exists independent of the permit.

This report shall be submitted quarterly based on a calendar year. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. ~~Deviations that are required to be reported by an applicable requirement shall be reported according to the schedule stated in the applicable requirement and do not need to be included in this report.~~ **A deviation required to be reported pursuant to an applicable requirement that exists independent of the permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report.** Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".

NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD

Indiana Department of Environmental Management Office of Air Quality

and Evansville EPA

Technical Support Document (TSD) for a Federally Enforceable State Operating Permit (FESOP) Renewal

Source Background and Description

Source Name: Ferro Corporation, Filled and Reinforced Plastics Division
Source Location: 5001 O'Hara Drive, Evansville, Indiana 47711
County: Vanderburgh
SIC Code: 3087
Operation Permit No.: F163-13771-00120
Permit Reviewer: Alic Bent/EVP

The Office of Air Quality (OAQ) has reviewed a FESOP renewal application from Ferro Corporation, Filled and Reinforced Division relating to the operation of a manufacturing plant engaged in the custom compounding of purchased resins. Ferro Corporation, Filled and Reinforced Division was issued FESOP 163-5612-00120 on December 11, 1996.

Permitted Emission Units and Pollution Control Equipment

The source consists of the following permitted emission units and pollution control devices:

- (a) Building 1, which is capable of processing 27,697 pounds of raw materials per hour, consists of the following:
 - (1) Raw materials handling, includes two (2) rail unloading systems, and are controlled by baghouses EX 3 and EX 4;
 - (2) Eight (8) blenders C04, C06, C15, C16, C18, C31, C32 and C51, capable of blending 27,697 pounds of raw materials per hour and controlled by baghouse EX 1;
 - (3) Eight (8) extruders C04, C06, C15, C16, C18, C31, C32 and C51, capable of extruding 27,697 pounds of raw materials per hour and are controlled by baghouse EX 2; and
 - (4) One (1) regrinder.
- (b) Building 2, which is capable of processing 17,344 pounds of raw materials per hour, consists of the following:
 - (1) Five (5) blenders C22, C23, C24, C25 and C45, capable of blending 17,344 pounds of raw materials per hour. The PM-10 emissions are controlled by baghouse EX 30; and

- (2) Five (5) extruders C22, C23, C24, C25 and C45, capable of extruding 17,344 pounds of raw materials per hour.

Each extrusion line consists of a dedicated blender, material handling, extruder and pelletizing. The source utilizes different types of plastic in the process such as: Polyethylene, Polypropylene, ABS, EVA, Nylon and Polystyrene.

Unpermitted Emission Units and Pollution Control Equipment

There are no unpermitted facilities operating at this source during this review process.

Insignificant Activities

The stationary source also consists of the following insignificant activities, as defined in 326 IAC 2-7-1(21):

Other activities or categories where emissions are equal to or less than 5 pounds of PM per hour or 25 pounds per day :

- (a) These activities include thirty four (34) pellet silos, eight (8) weigh hoppers, pellet conveyor elevators, pellet conveyor augers and cooling towers;
- (b) Building 5, which is capable of processing 1,345 pounds of raw material per hour, consists of the following:
 - (1) Two (2) blenders C03 and C20, capable of blending 1,345 pounds of raw material per hour; and
 - (2) Two (2) extruders C03 and C20, capable of extruding 1,345 pounds of raw material per hour.

Existing Approvals

- (a) FESOP 163-5612-00120, issued on December 11, 1996;
- (b) First Minor Permit Revision 163-8206-00120, issued on August 12, 1997;
- (c) First Significant Permit Revision 163-9562-00120, issued on August 24, 1998;
- (d) Second Significant Permit Revision 163-10422-00120, issued on March 11, 1999;
- (e) Third Significant Permit Revision 163-11860-00120, issued on May 30, 2000; and
- (f) Administrative Amendment 163-14917-00120, issued on October 23, 2001.

All conditions from previous approvals were incorporated into this FESOP.

Enforcement Issue

There are no enforcement actions pending.

Recommendation

The staff recommends to the Commissioner that the FESOP Renewal 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 administratively complete FESOP Renewal application for the purposes of this review was received on January 8, 2001.

There was no notice of completeness letter mailed to this source.

Emission Calculations

The calculations submitted by the applicant have been verified and found to be accurate and correct.

Building 1:

maximum resin capacity = 20,773 lb/hr, 25% is filler

Extruder Lines ID	Maximum Capacity of final product (lb/hr)	VOC Emissions (ton/yr)
C04	1,400.00	3.07
C06	3,000.00	6.57
C15	1,200.00	2.63
C16	2,300.00	5.04
C18	600.00	1.31
C31	2,300.00	5.04
C32	2,300.00	5.04
C51	7,500.00	16.42
TOTAL		45.12

Building 2:

maximum resin capacity = 12,384 lb/hr, 28% is filler

Extruder Lines ID	Maximum Capacity of final product (lb/hr)	VOC Emissions (ton/yr)
C22	1,440.00	3.15
C23	3,360.00	7.36
C24	3,360.00	7.36
C25	3,360.00	7.36
C45*	1,200.00	2.63
TOTAL		27.86

* No fillers are used on Extruder C45

Building 5:

maximum resin capacity = 960 lb/hr, 28% is filler

Extruder Lines ID	Maximum Capacity of final product (lb/hr)	VOC Emissions (ton/yr)
C03	528.00	1.15
C20	432.00	0.95
TOTAL		2.10

Methodology:

VOC Emissions = Throughput, lb/hr * ton/2000 lb * EF * ton/2000 lb * 8760 hr/yr

Emission Factor, EF = 1 pound VOC emitted per ton of product, reflective of the worse case plastic, polyethylene, pursuant to SMF 163-10422-00120, issued March 11, 1999.

Building 1:

maximum capacity = 27,697.00 lb/hr

Extruder Lines ID	Maximum Capacity of final product (lb/hr)	Uncontrolled PM/PM10 Emissions (ton/yr)	Controlled PM/PM10 Emissions (ton/yr)
C04	1,867.00	24.08	0.02
C06	4,000.00	51.60	0.05
C15	1,600.00	20.64	0.02
C16	3,067.00	39.56	0.04
C18	800.00	10.32	0.01
C31	3,067.00	39.56	0.04
C32	3,067.00	39.56	0.04
C51	10,000.00	129.00	0.13
TOTAL		354.32	0.35

Building 2:

maximum capacity = 17,200.00 lb/hr

Extruder Lines ID	Maximum Capacity of final product (lb/hr)	Uncontrolled PM/PM10 Emissions (ton/yr)	Controlled PM/PM10 Emissions (ton/yr)
C22	2,000.00	25.80	0.03
C23	4,666.67	60.19	0.06
C24	4,666.67	60.19	0.06
C25	4,666.67	60.19	0.06
C45	1,200.00	15.48	0.01
TOTAL		221.85	0.22

Building 5:

maximum capacity = 1,333.33lb/hr

Extruder Lines ID	Maximum Capacity of final product (lb/hr)	Uncontrolled PM/PM10 Emissions (ton/yr)
C03	733.33	0.60
C20	600.00	0.49
TOTAL	1,333.33	1.08

Methodology:

Uncontrolled PM/PM10 Emissions = Throughput, lb/hr * ton/2000 lb * EF * ton/2000 lb * 8760 hr/yr
 Controlled PM/PM10 Emissions = Uncontrolled PM/PM10 Emissions * (1-99.9 % control efficiency)
 Emission Factor, EF = 5.89 pound PM/PM10 emitted per ton of product and 0.373 pound PM/PM10 emitted per ton of product for Building 1 & Building 2 and Building 5, respectively, based on data supplied by the source.

Unrestricted Potential Emissions

This table reflects the unrestricted potential emissions of the source, excluding the emission limits that were contained in the previous FESOP.

Pollutant	Unrestricted Potential Emissions (tons/yr)
PM	577.25
PM-10	577.25
SO ₂	0.00
VOC	75.08
CO	0.00
NO _x	0.00

Note: For the purpose of determining Title V applicability for particulates, PM-10, not PM, is the regulated pollutant in consideration.

HAP's	Unrestricted Potential Emissions (tons/yr)
Acetaldehyde	less than 10
Acrolein	less than 10
Acrylic Acid	less than 10
Formaldehyde	less than 10
Maleic Anhydride	less than 10
Propionaldehyde	less than 10
Styrene	less than 10
TOTAL	less than 25

- (a) The unrestricted potential emissions of PM-10 is equal to or greater than 100 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.
- (b) The unrestricted potential emissions of any single HAP is less than ten (10) tons per year and the unrestricted potential emissions of a combination of HAPs is less twenty-five (25) tons per year. Therefore, the source is not subject to the provisions of 326 IAC 2-7.
- (c) Fugitive Emissions
 Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive emissions are not counted toward determination of PSD applicability.

Potential to Emit After Issuance

The source, issued a FESOP on December 11, 1996, has opted to remain a FESOP source, rather than apply for a Part 70 Operating Permit. The table below summarizes the potential to emit, reflecting all limits, of the emission units. Any control equipment is considered enforceable only after issuance of this Federally Enforceable State Operating Permit and only to the extent that the effect of the control equipment is made practically enforceable in the permit. The source has added some emission units since the original permit was issued on December 11, 1996. The new emissions are reflected in the following table.

	Potential to Emit After Issuance (tons/year)
--	---

Process/emission unit	PM = PM10	SO ₂	VOC	CO	NO _x	HAPs
Blenders in Building 1	29.26 **	--	--	--	--	negl.
Extruders in Building 1	14.63 **	--	45.1	--	--	negl.
Material Handling in Building 1	2.02 **	--	--	--	--	negl.
Blenders and Extruders in Building 2	15.2 **	--	27.9	--	--	negl.
Insignificant Activities*	3.9	--	2.1	--	--	negl.
Total Emissions	< 100	--	75.1	--	--	negl.

*Insignificant Activities include the emission units located in building 5 and the twenty (20) pellets silos, two (2) weigh hoppers, pellet conveyor elevators, pellet conveyor augers and cooling towers.

**Maximum allowable PM emissions in order to comply with 326 IAC 6-1-2.

County Attainment Status

The source is located in Vanderburgh County.

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

- (a) Volatile organic compounds (VOC) is a precursor for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Vanderburgh County has been designated as attainment or unclassifiable for ozone.

Federal Rule Applicability

There are no new federal rules applicable to this source during this FESOP renewal review process. The applicability determination that follows is based on that conducted for the original FESOP F163-5612-00120, issued on December 11, 1996.

- (a) There are no New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) applicable to this source.
- (b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs)(326 IAC 14 and 40 CFR Part 61, and 326 IAC 20 and 40 CFR 63) applicable to this source.

State Rule Applicability - Entire Source

There are no new state rules applicable to this source during this FESOP renewal

review process. The applicability determination that follows is based on that conducted for the original FESOP F163-5612-00120, issued on December 11, 1996.

326 IAC 2-2 (Prevention of Significant Deterioration)

This source is not subject to the requirements of this rule. This source was constructed prior to the rule applicability date of August 7, 1977, is not one of the 28 listed source categories and no major modifications were done, therefore, it is not subject to the requirements of this rule. Based on potential to emit after issuance this is a minor source for PSD.

326 IAC 2-4.1 (New Sources Toxics Control)

This source is not subject to the requirements of this rule. This source was reconstructed after the rule applicability date of July 1997, however, the source does not have the potential to emit (PTE) 10 tons per year of any HAP or 25 tons per year of any combination of HAPs, therefore the requirements of 326 IAC 2-4.1 do not apply.

326 IAC 2-6 (Emission Reporting)

This source is located in Vanderburgh County which is one of the specifically regulated counties, and its potential to emit VOC is greater than ten (10) tons per year. Therefore, the requirements of 326 IAC 2-6 apply to this source. Pursuant to this rule, the owner/operator of the source must submit an emission statement for the source. The statement must be received in accordance with the compliance schedule specified in 326 IAC 2-6 and contain the minimum requirement as specified in 326 IAC 2-6-4. The submittal should cover the period defined in 326 IAC 2-6-2(8). The source shall continue to comply with this requirement.

326 IAC 2-8 (FESOP)

Pursuant to 326 IAC 2-8 (FESOP):

- (a) The baghouse identified as EX1 controlling the blenders in Building 1 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from baghouse EX1 shall not exceed 6.68 pounds per hour, which is equivalent to 29.26 tons per year.
- (b) The baghouse identified as EX2 controlling the extruders in Building 1 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from baghouse EX2 shall not exceed 3.34 pounds per hour, which is equivalent to 14.63 tons per year.
- (c) The baghouses identified as EX3 and EX4 controlling the raw materials handling in Building 1, which includes two (2) rail unloading systems shall be in operation at all times the facilities vented to the baghouses are in operation and the PM10 emissions from baghouses EX3 and EX4 each shall not exceed 0.23 pounds per hour, which is equivalent to 1.01 tons per year.
- (d) The baghouse identified as EX30 controlling the blenders in Building 2 shall be in operation at all times the emission units vented to the baghouse are in operation and the PM10 emissions from EX30 shall not exceed 3.47 pounds per hour, which is equivalent to 15.2 tons per year.

These limits are necessary to limit the total source wide PM10 emissions to less than 100 tons per twelve (12) consecutive month period. Compliance with this condition shall make the requirements of 326 IAC 2-7 (Part 70 Permits) not applicable to the source.

326 IAC 5-1 (Opacity Limitations)

This source is located in the Center Township of Vanderburgh County, an area that is not specifically listed in 326 IAC 5-1-1(c), therefore, the requirements of 326 IAC 5-1-2(2) do not apply. Pursuant to 326 IAC 5-1-2(1) (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%) in 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 6-1-1 (Particulate Limitations - Vanderburgh County)

This rule applies to specifically listed sources or facilities, or sources or facilities not specifically listed but located in a listed county and having either a potential to emit of 100 tons per year (tpy) or more or actual emissions of 10 tpy or more of PM.

The source is located in Vanderburgh County, a specifically listed county. The source and its facilities are not specifically listed at 326 IAC 6-1-16 and, therefore, the requirements of 326 IAC 6-1-16 do not apply. The actual source PTE of PM is greater than 10 tpy. Therefore, the requirements of 326 IAC 6-1-2(a) (General Sources) are applicable to this source. Pursuant to this rule, particulate matter emissions from this source shall be limited to 0.03 gr/ dscf as follows:

Facilities	Baghouse ID	Air Flow Rate (cfm)	326 IAC 6-1-2 PM Allowable Emissions (lb/hr)
Building 1: Blenders C04, C06, C15, C16, C18, C31, C32, and C51	EX1	26,000	6.68
Building 1: Extruders C04, C06, C15, C16, C18, C31, C32, and C51	EX2	13,000	3.34
Building 1: Rail Unloading	EX3	900	0.23
Building 1: Rail Unloading	EX4	900	0.23
Building 2: Raw Material Handling-Truck Unloading; Blenders C22, C23, C24, C25 and C45	EX30	13,500	3.47
Building 5: Blenders C03 and C20 Extruders C03 and C20	--	--	3.12

Testing showed PM emissions as negligible from Extruders C22, C23, C24, C25 and C45 in Building 2. Therefore, this rule does not apply to these extruder lines.

The baghouses shall be in operation at all times the plastic extrusion lines at the two (2)

plants/buildings are in operation, in order to comply with these limits.

These facilities are in compliance with these PM allowable emissions, since their emissions after control are less than the PM allowable emissions.

There will be no compliance monitoring conditions inserted into the permit for Building 5 since this insignificant activity has no control device and does not have actual emissions exceeding 25 tons per year.

State Rule Applicability - Individual Facilities

326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes)

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the particulate from the plastic extrusion lines at the two (2) plants/buildings are not subject to 326 IAC 6-3-2 (Process Operations), because the allowable emissions for 326 IAC 6-3-2 are less stringent than the allowable emissions for 326 IAC 6-1-2. Pursuant to 326 IAC 6-3-1(b) (1), these processes are not subject to 326 IAC 6-3-2.

326 IAC 8-1-6 (General Reduction Requirements)

This rule applies to facilities located anywhere in the state that were constructed on or after January 1, 1980, and which have potential volatile organic compound (VOC) emissions of 25 tons per year or more. Each extruder line has a potential VOC emissions less than 25 tons per year. Therefore, this rule does not apply to these extruder lines.

Testing Requirements

The original FESOP determined testing of the four (4) baghouses controlling Building 1 facilities to be necessary since the PM/PM10 from this building accounted for 99% of the source potential to emit PM/PM10. Second Significant Permit Modification No. 163-10422, issued March 11, 1999 added the Building 2 baghouse to the testing requirement for PM/PM10. Since compliance with the emission limits and pressure drop range specified in the FESOP is needed to demonstrate compliance with 326 IAC 2-8 (FESOP), these testing requirements are continued.

Previous stack tests to comply with this requirement were conducted as follows:

- (a) PM and PM-10 testing was performed on December 1, 1998.

The PM/PM10 testing requirements from previous approvals have been consolidated and were incorporated as a single requirement in this FESOP, except the following changes have been made with new language in bold and stricken language with a line through it:

- (a) FESOP 163-5612-00120, issued on December 11, 1996, expires on December 11, 2001;
- (b) Second Significant FESOP Modification: SMF 163-10422-00120, issued on March 11, 1999; and
- (c) Third Significant FESOP Modification: SMF 163-8206-00120, issued on May 30, 2000.

Testing Requirement:

D.1.5 Testing Requirements [326 IAC 2-8-5(a)(1), (4)][326 IAC 2-1.1-11]

~~Pursuant to the requirements of 326 IAC 2-1-4, compliance testing shall be conducted from~~

~~baghouses EX1, EX2, EX3, and EX4 to establish each pressure drop range that corresponds to the PM and PM10 limit in D.1.10. This stack tests shall be performed within twenty-four months after the original FESOP permit issue date, December 1, 1998. These tests shall be performed according to 326 IAC 3-2.1 (Source Sampling Procedures) using the methods specified in the rule or as approved by the Commissioner. The Office of Air Management (OAM and EEPA) shall be notified of the actual test date at least two (2) weeks prior to the date, a test protocol shall be submitted to the OAM, Compliance Data Section, and EEPA 35 days in advance of the test, and all test reports must be received by the OAM within 45 days of completion of the testing, pursuant to that rule.~~

To demonstrate compliance with the pressure drop range that corresponds to the PM and PM10 limits in D.1.1 and D.1.2, the Permittee shall perform PM and PM-10 testing on baghouses EX1 and EX2 no later than five (5) years from December 1, 1998 utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration. PM-10 includes filterable and condensable PM-10. Testing shall be conducted in accordance with Section C - Performance Testing.

Reason changed: Original FESOP 163-5612-00120 required baghouses EX1, EX2, EX3 and EX4 to demonstrate emission limit compliance through a stack test. Baghouses EX3 and EX4 are used to control exhaust air from the rail unloading system. This material is pelletized, not powdered and very minimal particulate emissions are generated. Based on this, and the compliance stack test (conducted in December 1998) results that demonstrated the PM/PM10 emission rates from all baghouses are well below the limits of D.1.1 and D.1.2, future testing has been streamlined to require only EX1 and EX2, be tested. Finally, the test condition of the original FESOP did not explicitly require that compliance testing be repeated at least once every five years. It was IDEM's original intent that compliance with the PM/PM10 limits of the permit be demonstrated and, as such, the need for repeat testing at least once every five years is being clarified herein.

Compliance Requirements

Permits issued under 326 IAC 2-8 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, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-8-4. 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.

The compliance monitoring requirements applicable to this source are as follows:

All compliance requirements from previous approvals were incorporated into this FESOP except the weekly frequency of performing visible emission notations has been changed to once per shift.

Reason changed: Compliance monitoring conditions are in the permit in order to ensure continuous compliance with the requirements. Baghouse failure can occur suddenly; therefore monitoring of baghouse operational parameters should be more frequently than weekly or even daily in such cases where a source operates more than one shift per day. The OAQ believes that changing visible emissions notations to once per operating shift is a reasonable requirement. Therefore, the requirements to perform visible emissions notations have been changed from weekly to once per shift. This change likewise applies to the pressure drop readings.

1. The source has applicable compliance monitoring conditions as specified below:
 - (a) Visible emissions notations of the truck unloading, blenders, extruding and regrinding stack exhaust in Buildings 1 and 2 shall be performed once per shift during normal daylight operations when exhausting to the atmosphere. A trained employee will record whether emissions are normal or abnormal. For processes operated continuously "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time. In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions. A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.
 - (b) The Permittee shall record the total static pressure drop across the baghouses controlling the blenders and extruders in Buildings 1 and 2 (C04, C06, C15, C16, C18, C31, C32, C51, C22, C23, C24, C25 and C45), at least once per shift when the systems are in operation. When for any one reading, the pressure drop across baghouses EX1, EX2, and EX30 is outside the normal range of 0.8 to 6.0 inches of water, or a range established during the latest stack test and the pressure drop across baghouses EX3, and EX4 is outside the normal range of 0.2 to 4.0 inches of water, or a range established during the most recent stack test, the Permittee shall take reasonable response steps in accordance with Section C- Compliance Response Plan - Preparation, Implementation, Records, and Reports. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.
 - (c) An inspection shall be performed bi-annually of all bags controlling the extruders and the blenders. Inspections required by this condition shall not be performed in consecutive months. All defective bags shall be replaced.
 - (d) In the event that bag failure has been observed:
 - (1) For multi-compartment units, the affected compartments will be shut

down immediately until the failed units have been repaired or replaced. Operations may continue only if there are no visible emissions or if the event qualifies as an emergency and the Permittee satisfies the emergency provisions of this permit (Section B- Emergency Provisions). Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Response Plan -Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

- (2) For single compartment baghouses, if failure is indicated by a significant drop in the baghouse's pressure readings with abnormal visible emissions or the failure is indicated by an opacity violation, or if bag failure is determined by other means, such as gas temperatures, flow rates, air infiltration, leaks, dust traces or triboflows, then failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

These monitoring conditions are necessary because the baghouses for the blenders and extruders must operate properly to ensure compliance with 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes) and 326 IAC 2-8 (FESOP).

Conclusion

The operation of this manufacturing operation engaged in the custom compounding of purchased resin shall be subject to the conditions of the attached proposed FESOP Renewal No.: F163-13771-00120.