



Lori F. Kaplan
 Commissioner

100 North Senate Avenue
 P. O. Box 6015
 Indianapolis, Indiana 46206-6015
 (317) 232-8603
 (800) 451-6027
 www.state.in.us/idem

**Opt-in
 Acid Rain Permit**

Office of Air Quality

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Source: C.C. Perry K Steam Plant
Address: 366 Kentucky Avenue, Indianapolis, Indiana 46204
Operated by: Citizens Thermal Energy
Owned by: Citizens Thermal Energy
County: Marion
ORIS Code: 0992

The above corporation is hereby authorized to operate the following facilities subject to the conditions contained herein: coke-oven gas and/or natural gas boiler, unit PK 11, producing steam.

This permit is issued to the above mentioned company under the provisions of 326 Indiana Administrative Code (IAC) 21 and 40 Code of Federal Regulations (CFR) 72 through 40 CFR 78, with conditions listed on the attached pages.

Operation Permit No.: AR 097-11658-00034	
Issued by:	Issuance Date: September 9, 2000
Janet G. McCabe, Assistant Commissioner Office of Air Management	Expiration Date: December 31, 2004

Revised Operation Permit No.: AAR 097-15578-00034	
Issued by: Original signed by Paul Dubenetzky	Issuance Date: July 29, 2003
Janet G. McCabe, Assistant Commissioner Office of Air Quality	Expiration Date: December 31, 2004

C.C. Perry K Steam Plant-Citizens Thermal Energy
of 6
366 Kentucky Avenue, Indianapolis, Indiana
00034
Permit Reviewer: Robert Ondrusek
00034

Administrative Amendment Opt-In Acid Rain Permit No. AR 097-11658-
by Cynthia Bymaster Admin. Amend. Permit No. AAR 097-15578-

Opt-In Permit

Facility Description: coke-oven gas and/or natural gas boiler, unit PK 11, producing steam.

1. Statement of Basis

—

Statutory and Regulatory Authorities: In accordance with IC 13-17-3-4, IC 13-17-3-11, IC 13-17-8-1, and IC 13-17-8-2 as well as Titles IV and V of the Clean Air Act, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) issues this permit pursuant to 326 IAC 2 and 326 IAC 21 (incorporates by reference 40 CFR 72 through 78).

2. Standard Permit Requirements [326 IAC 21]

- (a) The designated representative of each opt-in source under 40 CFR 74 and 326 IAC 21 shall:
 - (1) Submit a complete opt-in permit application (including a compliance plan); and
 - (2) Submit in a timely manner any supplemental information that the EPA Administrator or IDEM, OAQ determines is necessary to review an opt-in permit application and issue or deny an opt-in permit.
- (b) The owners or operators of each combustion source under 40 CFR 74 and 326 IAC 21 shall:
 - (1) Have an opt-in permit; and
 - (2) Operate the opt-in source in compliance with the opt-in permit.
- (c) The participation by this source in the Acid Rain Program may be terminated only in accordance with 40 CFR 74.18 (withdrawal), 40 CFR 74.46 (shutdown, reconstruction, or change in affected status), and 40 CFR 74.50 (deducting allowances).
- (d) This opt-in source, if operated in accordance with this opt-in permit that governs unit PK 11, shall be deemed to be operating in compliance with the Acid Rain Program, except as provided by 40 CFR 72.9(g)(6).

3. Monitoring Requirements [326 IAC 21]

-

- (a) The owners and operators and, to the extent applicable, the designated representative of each combustion source and each opt-in source shall comply with the monitoring requirements as provided in 40 CFR 74 and 75.

- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 shall be used to determine compliance by the opt-in source with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide under the Acid Rain Program.
- (c) The requirements of 40 CFR 74 and 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the opt-in source under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

4. Sulfur Dioxide Requirements [326 IAC 21]

- (a) The owners and operators of each opt-in source shall:
 - (1) Hold allowances, as of the allowance transfer deadline, in the opt-in source's compliance subaccount (after deductions under 40 CFR 73.34(c)), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the opt-in source; and
 - (2) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (b) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.
- (c) An opt-in source shall be subject to the requirements under paragraph (a) of the sulfur dioxide requirements upon the effective date of the opt-in source's opt-in permit.
- (d) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program, including 40 CFR 73 and 74.
- (e) An allowance shall not be deducted in order to comply with the requirements under paragraph (a)(1) and (2) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (f) An allowance allocated by the U.S. EPA Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, opt-in permit application, or the opt-in permit, and no provisions of the law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (g) An allowance allocated by U.S. EPA Administrator under the Acid Rain Program does not constitute a property right.
- (h) Sulfur dioxide allowances shall be allocated to the following unit at the source as follows:

Opt-in SO ₂ allowances Allocation Under 40 CFR 74.26 for Perry K Unit 11					
year	2000	2001	2002	2003	2004
Tons	434	1,796	1,796	1,796	1,796

5. Excess Emissions Requirements [40 CFR 77] [326 IAC 21]

(a) The designated representative of any affected unit that has excess emissions in any calendar year shall submit a proposed offset plan to U.S. EPA and IDEM, OAQ as required under 40 CFR 77 and 326 IAC 21.

(b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
Air Compliance Section I, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

and

Indianapolis Office of Environmental Services
Administration Building
2700 South Belmont Ave.
Indianapolis, IN 46221

and

Ms. Cecilia Mijares
Air and Radiation Division
U.S. Environmental Protection Agency, Region V
77 West Jackson Boulevard
Chicago, IL 60604-3590

and

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue, NW
Mail Code (6204N)
Washington, DC 20460

(c) The owners and operators of an affected unit that has excess emissions in any calendar year shall:

(1) Pay without demand the penalty required, and upon demand the interest on that penalty to U.S. EPA, as required by 40 CFR 77 and 326 IAC 21; and

(2) Comply with the terms of an approved sulfur dioxide offset plan, as required by 40 CFR 77 and 326 IAC 21.

6. Record Keeping and Reporting Requirements [326 IAC 21]

(a) Unless otherwise provided, the owners and operators of the opt-in source shall keep on site at the opt-in source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by U.S. EPA Administrator or IDEM, OAQ:

- (1) The certificate of representation for the designated representative for the opt-in source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the opt-in source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
 - (2) All emissions monitoring information collected, in accordance with 40 CFR 75;
 - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and
 - (4) Copies of all documents used to complete an opt-in permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (b) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72 Subpart I, 40 CFR 75, and 326 IAC 21.

7. Liability [326 IAC 21]

- (a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program or an opt-in permit, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to section 113(c) of the Clean Air Act and shall be subject to enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-3.
- (b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Clean Air Act and 18 USC 1001 and shall be subject to criminal enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.
- (c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (d) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (e) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- (f) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such affected unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO_x averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75 (including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is

located at a source of which they are not owners or operators or the designated representative.

- (g) Each violation of a provision of 40 CFR Parts 72, 73, 74, 75, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Clean Air Act.

8. Effect on Other Authorities [326 IAC 21]

No provision of the Acid Rain Program, an opt-in permit application, or an opt-in permit shall be construed as:

- (a) Except as expressly provided in Title IV of the Clean Air Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (b) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Clean Air Act;
- (c) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law;
- (d) Modifying the Federal Power Act (16 USC 791a et seq.) or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or
- (e) Interfering with or impairing any program for competitive bidding for power supply in a state in which such a program is established.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Air Quality

Technical Support Document
for Administrative Amendment to Opt In Permit

Source: C.C. Perry K Steam Plant
Address: 366 Kentucky Avenue, Indianapolis, Indiana 46204
Operated by: Citizens Thermal Energy
Owned by: Citizens Thermal Energy
ORIS Code: 0992
Permit No.: AAR 097-15578-00034

Indianapolis Power and Light Company was issued a permit, AR 097-11658-00034 on September 9, 2000 for a coke-oven gas and/or natural gas boiler steam plant, identified as unit PK 11. (The Title V permit identifies this same emission unit as Unit ID 11.) On May 1, 2002, Citizens Thermal Energy notified IDEM, OAQ, that a change in ownership was required. IDEM is incorporating this revision, clarifying some terms in the permit and updating names and addresses in this administrative amendment, AAR 097-15578-00034.

Revisions to the Phase II Permit

The terms ~~IOOffice of Air Management~~ and ~~IOAM~~ have been changed to "Office of Air Quality" and ~~IOAQ~~ where appropriate throughout the permit to reflect its name change . Minor format changes have been made to reflect that this permit will be an appendix to the Title V permit.

1. In order to show the change in ownership and operator, IDEM, OAQ has made the following changes to page 1 (the cover page) of the permit:

Source: C.C. Perry K Steam Plant
Address: 366 Kentucky Avenue, Indianapolis, Indiana 46204
Operated by: ~~Indianapolis Power and Light Company~~ **Citizens Thermal Energy**
Owned by: **Citizens Thermal Energy**
County: Marion
ORIS Code: 0992

The above corporation is hereby authorized to operate the following facilities subject to the conditions contained herein: coke-oven gas and/or natural gas boiler, unit PK 11, producing steam.

of 2

366 Kentucky Avenue, Indianapolis, Indiana
00034

Administrative Amendment

Opt-In Acid Rain Permit No. AR 097-11658-

Permit Reviewer: Robert Ondrusek
00034

by Cynthia Bymaster

Admin. Amend. Permit No. AAR 097-15578-

2. In order to update the addresses for IDEM, OES, and U.S. EPA, IDEM, OAQ, has made the following changes in Condition 5, pages 3 and 4, as follows:

5. Excess Emissions Requirements [40 CFR 77] [326 IAC 21]

(a) The designated representative of any affected unit that has excess emissions in any calendar year shall submit a proposed offset plan to U.S. EPA and IDEM, OAMQ as required under 40 CFR 77 and 326 IAC 21.

(b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
~~Data~~ Air Compliance ~~Section I~~, Office of Air Management Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

and

~~Environmental Resources Mgmt. Div~~
Office of Environmental Services
Administration Building
2700 South Belmont Ave.
Indianapolis, IN 46221

and

Ms. Cecilia Mijares
Air and Radiation Division
U.S. Environmental Protection Agency, Region V
77 West Jackson Boulevard
Chicago, IL 60604-3590

and

U.S. Environmental Protection Agency
~~Acid Rain Program (6204J)~~
~~Attn.: Annual Reconciliation~~
Clean Air Markets Division
~~401 M Street, SW~~
1200 Pennsylvania Avenue, NW
Mail Code (6204N)
Washington, DC 20460

(c) The owners and operators of an affected unit that has excess emissions in any calendar year shall:

(1) Pay without demand the penalty required, and upon demand the interest on that penalty to U.S. EPA, as required by 40 CFR 77 and 326 IAC 21; and

(2) Comply with the terms of an approved sulfur dioxide offset plan, as required by 40 CFR 77 and 326 IAC 21.