INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We make Indiana a cleaner, healthier place to live.

Joseph E. Kernan
Governor

Lori F. Kaplan
Commissioner

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

November 21, 2003

TO: Interested Parties / Applicant

RE: JFS Milling / 037-17430-00112

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 9/16/03

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
e make Indiana a cleaner, healthier place to live.

Joseph E. Kernan
Governor

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

NEW SOURCE CONSTRUCTION PERMIT and MINOR SOURCE OPERATING PERMIT OFFICE OF AIR QUALITY

JFS Milling, Inc.
5570 East Kalb-Zehr Road
Dubois, Indiana 47527

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

This permit is issued to the above mentioned company under the provisions of 326 IAC 2-1.1, 326 IAC 2-5.1, 326 IAC 2-6.1 and 40 CFR 52.780, with conditions listed on the attached pages.

Operation Permit No.: MSOP 037-17430-00112	
Issued by: Original signed by Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: **November 21, 2003** Expiration Date: **November 21, 2003**

TABLE OF CONTENTS

TABLE OF CONTENTS (Continued)

SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ). The information describing the source contained in conditions A.1 and A.2 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 2-5.1-3(c)] [326 IAC 2-6.1-4(a)]

The Permittee owns and operates a stationary animal feed mill.

Authorized Individual:	President
Source Address:	5570 East Kalb-Zehr Road, Dubois, Indiana 47527
Mailing Address:	P.O. Box 501, Huntingburg, Indiana 47542
General Source Phone:	(512) 827-3186
SIC Code:	2048
County Location:	Dubois
Source Location Status:	Attainment for all criteria pollutants
Source Status:	Minor Source Operating Permit Minor Source, under PSD Rules; Minor Source, Section 112 of the Clean Air Act Not 1 of 28 Source Categories

A.2 Emissions Units and Pollution Control Equipment Summary

This stationary source is approved to construct and operate the following emissions units and pollution control devices:

(a) One (1) grain receiving area consisting of:

(1) Two (2) truck receiving pits (identified as EU1 and EU2), each with a maximum receiving capacity of 42 tons of grains and soft stock per hour**,** controlled by two (2) baghouses and exhausting at stacks 1 and 2.

(2) One (1) rail receiving pit (identified as EU14), with a maximum receiving capacity of 84 tons of grains and soft stock per hour.

These units will be constructed in 2004.

(b) Two (2) hammer mills (identified as EU5 and EU6), each with a maximum grinding capacity of 35 tons of grain per hour, controlled by two (2) baghouses that are integral to the process, and exhausting at stacks 5 and 6. These units will be constructed in 2004.

(c) One (1) batching system consisting of:

(1) One (1) mill receiving turn head (identified as EU3), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse and exhausting at stack 3.

(2) One (1) ground grain turn head (identified as EU7), with a maximum throughout rate of 70 tons per hour, controlled by a baghouse and exhausting at stack 7.

(3) One (1) mixed feed turn head (identified as EU8), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse and exhausting at stack 8.

(4) One (1) pneumatic turn head (identified as EU4), with a maximum throughput rate of 25 tons per hour, controlled by a baghouse that is integral to the process, and exhausting at stack 4.

These units will be constructed in 2004.

(d) Two (2) pellet cooling systems (identified as EU9 and EU10), each with a maximum throughput rate of 42 tons of feed pellets per hour, controlled by two (2) cyclones that are integral to the process, and exhausting at stacks 9 and 10. These units will be constructed in 2004.

(e) One (1) bulk station, with a maximum load-out rate of 750 tons of feed pellets per hour. This unit will be constructed in 2004.

(f) Two (2) natural gas fired boilers (identified as EU11 and EU12), each with a maximum heat input capacity of 10.5 MMBtu per hour and exhausting at stacks 11 and 12. These units will be installed in 2004.

(g) Four (4) whole grain storage silos (identified as S101, S102, S103 and S104), each with a maximum capacity of 175,000 bushels of whole grain. These units will be constructed in 2004.

SECTION B GENERAL CONDITIONS

B.1 Permit No Defense [IC 13]

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

B.2 Definitions

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 2-1.1-1 shall prevail.

B.3 Effective Date of the Permit [IC13-15-5-3]

Pursuant to IC 13-15-5-3, this permit becomes effective upon its issuance.

B.4 Revocation of Permits [326 IAC 2-1.1-9(5)]

Pursuant to 326 IAC 2-1.1-9(5)(Revocation of Permits), the Commissioner may revoke this permit if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

B.5 Permit Term and Renewal [326 IAC 2-6.1-7(a)][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 of this permit do not affect the expiration date.

The Permittee shall apply for an operation permit renewal at least ninety (90) days prior to the expiration date. If a timely and sufficient permit application for a renewal has been made, this permit shall not expire and all terms and conditions shall continue in effect until the renewal permit has been issued or denied.

B.6 Modification to Permit [326 IAC 2]

Notwithstanding the Section B condition entitled “Minor Source Operating Permit”, all requirements and conditions of this construction permit shall remain in effect unless modified in a manner consistent with procedures established for modifications of construction permits pursuant to 326 IAC 2 (Permit Review Rules).

B.7 Minor Source Operating Permit [326 IAC 2-6.1]

This document shall also become a minor source operating permit pursuant to 326 IAC 2-6.1 when, prior to start of operation, the following requirements are met:

(a) The attached Affidavit of Construction shall be submitted to the Office of Air Quality (OAQ), Permit Administration & Development Section.

(1) If the Affidavit of Construction verifies that the facilities covered in this Construction Permit were constructed as proposed in the application, then the facilities may begin operating on the date the Affidavit of Construction is postmarked or hand delivered to IDEM.

(2) If actual construction of the emission units differs from the construction proposed in the application, the source may not begin operation until the permit has been revised pursuant to 326 IAC 2-6.1-6 and 326 IAC 2-2 and an Operation Permit Validation Letter is issued.

(b) If construction is completed in phases; i.e., the entire construction is not done continuously, a separate affidavit must be submitted for each phase of construction. Any permit conditions associated with operation start up dates such as stack testing for New Source Performance Standards (NSPS) shall be applicable to each individual phase.

(c) Upon receipt of the Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section, the Permittee shall attach it to this document.

(d) The operation permit will be subject to annual operating permit fees pursuant to 326 IAC 2-1.1-7(Fees).

B.8 Phase Construction Time Frame

Pursuant to 326 IAC 2-1.1-9(5)(Revocation of Permits), IDEM may revoke this permit to construct if the:

(a) Contruction of a new animal feed mill has not begun within eighteen (18) months from the effective date of this permit or if during the construction of a new animal feed mill work is suspended for a continuous period of one (1) year or more.

The OAQ may extend such time upon satisfactory showing that an extension, formally requested by the Permittee, is justified.

B.9 NSPS Reporting Requirement

Pursuant to the New Source Performance Standards (NSPS), Part 60.40, Subpart Dc, the source owner/operator is hereby advised of the requirement to report the following at the appropriate times:

(a) Commencement of construction date (no later than 30 days after such date);

(b) Actual start-up date (within 15 days after such date); and

(c) Date of performance testing (at least 30 days prior to such date), when required by a condition elsewhere in this permit.

Reports are to be sent to:

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

The application and enforcement of these standards have been delegated to the IDEM, OAQ. The requirements of 40 CFR Part 60 are also federally enforceable.

B.10 Annual Notification [326 IAC 2-6.1-5(a)(5)]

(a) Annual notification shall be submitted to the Office of Air Quality stating whether or not the source is in operation and in compliance with the terms and conditions contained in this permit.

(b) Noncompliance with any condition must be specifically identified. If there are any permit conditions or requirements for which the source is not in compliance at any time during the year, the Permittee must provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be, achieved. The notification must be signed by an authorized individual.

(c) The annual notice shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in the format attached no later than March 1 of each year to:

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

(d) The notification 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, on or before the date it is due.

B.11 Preventive Maintenance Plan [326 IAC 1-6-3]

(a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, including the following information on each emissions unit:

(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.

If, due to circumstances beyond the Permittee's control, the PMPs cannot be prepared and maintained within the above time frame, the Permittee may extend the date an additional ninety (90) days provided the Permittee notifies:

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

The PMP extension notification does not require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(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.

(c) A copy of the PMP's shall be submitted to IDEM, OAQ, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ, IDEM, OAQ, may require the Permittee to revise its PMP 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 an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(d) 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.12 Permit Revision [326 IAC 2-5.1-3(e)(3)] [326 IAC 2-6.1-6]

(a) Permit revisions are governed by the requirements of 326 IAC 2-6.1-6.

(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, P.O. Box 6015
Indianapolis, Indiana 46206-6015

Any such application shall be certified by an "authorized individual" as defined by 326 IAC 2-1.1-1.

(c) The Permittee shall notify the OAQ within thirty (30) calendar days of implementing a notice-only change. [326 IAC 2-6.1-6(d)]

(d) No permit amendment or modification is required for the addition, operation or removal of a nonroad engine, as defined in 40 CFR 89.2.

B.13 Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)][IC 13-14-2-2] [IC13-30-3-1]

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, U.S. EPA, or an authorized representative to perform the following:

(a) Enter upon the Permittee's premises where a permitted 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 this title or the conditions of this permit or any operating permit revisions;

(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 processes, emissions units (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit or any operating permit revisions;

(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.14 Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)]

Pursuant to [326 IAC 2-6.1-6(d)(3)] :

(a) In the event that ownership of this source is changed, the Permittee shall notify IDEM, OAQ, Permits Branch, within thirty (30) days of the change.

(b) The written notification shall be sufficient to transfer the permit to the new owner by an notice-only change pursuant to 326 IAC 2-6.1-6(d)(3).

(c) IDEM, OAQ, shall issue a revised permit.

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.

B.15 Annual Fee Payment [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.

(b) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, I/M & Billing Section), to determine the appropriate permit fee.

SECTION C **SOURCE OPERATION CONDITIONS**

Entire Source

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

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.

C.2 Permit Revocation [326 IAC 2-1.1-9]

Pursuant to 326 IAC 2-1.1-9 (Revocation of Permits), this permit to construct and operate may be revoked for any of the following causes:

(a) Violation of any conditions of this permit.

(b) Failure to disclose all the relevant facts, or misrepresentation in obtaining this permit.

(c) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of this permit shall not require revocation of this permit.

(d) Noncompliance with orders issued pursuant to 326 IAC 1-5 (Episode Alert Levels) to reduce emissions during an air pollution episode.

(e) For any cause which establishes in the judgment of IDEM, the fact that continuance of this permit is not consistent with purposes of this article.

C.3 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 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.

C.4 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.5 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 by using good engineering practices (GEP) pursuant to 326 IAC 1-7-3.

C.6 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, P.O. Box 6015
Indianapolis, Indiana 46206-6015

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 an “authorized individual” as defined by 326 IAC 2-7-1(34).

(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

C.7 Performance Testing [326 IAC 3-6]

(a) Compliance testing on new emissions units shall be conducted within 60 days after achieving maximum production rate, but no later than180 days after initial start-up, if specified in Section D of this approval. 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, P. O. Box 6015
Indianapolis, Indiana 46206-6015

no later than thirty-five (35) days prior to the intended test date.

(b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14 days) prior to the actual date.

(c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by the IDEM, OAQ, if the source 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.8 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

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

Compliance with applicable requirements shall be documented as required by this permit. The Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. All monitoring and record keeping requirements not already legally required shall be implemented when operation begins.

C.10 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.11 Pressure Gauge and Other Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

(a) Whenever a condition in this permit requires the measurement of total static pressure drop across any part of the unit or its control device, the gauge employed shall have a scale such that the expected normal reading 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) Whenever a condition in this permit requires the measurement of a temperature or flow rate, the instrument employed shall have a scale such that the expected normal reading

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.

(c) The Preventive Maintenance Plan for the pH meter shall include calibration using known standards. The frequency of calibration shall be adjusted such that the typical error found at calibration is less than one pH point.

(d) The Permittee may request the IDEM, OAQ approve the use of a pressure gauge or other instrument that does not meet the above specifications provided the Permittee can demonstrate an alternative pressure gauge or other instrument specification will adequately ensure compliance with permit conditions requiring the measurement of pressure drop or other parameters.

C.12 Compliance Response Plan - Preparation and Implementation

(a) The Permittee is required to prepare a Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. If a Permittee is required to have an Operation, Maintenance and Monitoring (OMM) Plan under 40 CFR 60/63 , such plans shall be deemed to satisfy the requirements for a CRP for those compliance monitoring conditions. A CRP shall be submitted to IDEM, OAQ 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 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 timeframe 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 or Operation, Maintenance and Monitoring (OMM) Plan, the Permittee shall amend its Compliance Response Plan or Operation, Maintenance and Monitoring (OMM) Plan to include such response steps taken.

The OMM Plan shall be submitted within the time frames specified by the applicable 40 CFR60/63 requirement.

(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 Operation, Maintenance and Monitoring (OMM) Plan; or

(2) If none of the reasonable response steps listed in the Compliance Response Plan or Operation, Maintenance and Monitoring (OMM) 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 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 status of the applicable compliance monitoring parameter with respect to normal, and the results of the 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 a minor permit modification 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) 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.

Record Keeping and Reporting Requirements

C.13 Malfunctions Report [326 IAC 1-6-2]

Pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

(a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) or appointed representative upon request.

(b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.

(c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).

(d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

C.14 General Record Keeping Requirements [326 IAC 2-6.1-5]

(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 makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

(b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented when operation begins.

C.15 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

(a) 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, P. O. Box 6015
Indianapolis, Indiana 46206-6015

(b) 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, on or before the date it is due.

(c) Unless otherwise specified in this permit, any reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. The reports does not require the certification by an “authorized individual” as defined by 326 IAC 2-1.1-1(1).

(d) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period. Reporting periods are based on calendar years.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description:

(a) One (1) grain receiving area consisting of:

(1) Two (2) truck receiving pits (identified as EU1 and EU2), each with a maximum receiving capacity of 42 tons of grains and soft stock per hour**,** controlled by two (2) baghouses and exhausting at stacks 1 and 2.

(2) One (1) rail receiving pit (identified as EU14), with a maximum receiving capacity of 84 tons of grains and soft stock per hour.

These units will be constructed in 2004.

(b) Two (2) hammer mills (identified as EU5 and EU6), each with a maximum grinding capacity of 35 tons of grain per hour, controlled by two (2) baghouses and exhausting at stacks 5 and 6. These units will be constructed in 2004.

(c) One (1) batching system consisting of,

(1) One (1) mill receiving turn head (identified as EU3), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse and exhausting at stack 3.

(2) One (1) ground grain turn head (identified as EU7), with a maximum throughout rate of 70 tons per hour, controlled by a baghouse and exhausting at stack 7.

(3) One (1) mixed feed turn head (identified as EU8), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse and exhausting at stack 8.

(4) One (1) pneumatic turn head (identified as EU4), with a maximum throughput rate of 25 tons per hour, controlled by a baghouse and exhausting at stack 4.

These units will be constructed in 2004.

(d) Two (2) pellet cooling systems (identified as EU9 and EU10), each with a maximum throughput rate of 42 tons of feed pellets per hour, controlled by two (2) cyclones and exhausting at stacks 9 and 10. These units will be constructed in 2004.

(e) One (1) bulk station, with a maximum load-out rate of 750 tons of feed pellets per hour. This unit will be constructed in 2004.

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

Emission Limitations and Standards

D.1.1 Particulate [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the particulate emissions from the animal feed manufacturing plant shall not exceed the particulate emission limit in pounds per hour as shown in the table below.

Emission Unit	Process Weight	Particulate Emissions Limit (lb/hour)

	(ton/hour)	(lb/hour)	
One (1) Rail Receiving	84	168,000	49.5
Each of the two (2) Truck Receiving	42	84,000	43.0
Each of the two (2) Hammermills	35	70,000	41.3
Batching System consisting of:			
Ground Grain Turn Head	70	140,000	47.8
Mill Receiving Turn Head	84	168,000	49.5
Pneumatic Turn Head	25	50,000	35.4
Mixed Feed Turn Head	84	168,000	49.5
Each of the two (2) Pellet Coolers	42	84,000	43.0
One (1) Bulk Station	750	1,50,0000	73.9

The pounds per hour limitations were calculated using the following equations:

Interpolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

and

Interpolation and extrapolation of the data for the process weight rate in excess of 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 55.0\ P^{0.11} - 40$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

D.1.2 Preventive Maintenance Plan [326 IAC 1-6-3]

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

Compliance Determination Requirements

D.1.3 Particulate Control

In order to comply with D.1.1:

(a) The five (5) baghouses shall be in operation and control emissions from the two (2) truck receiving pits, the batching system (consisting of mill receiving turn head, ground grain turn head, and mixed feed turn head), at all times that the two (2) truck receiving pits, one (1) batching system (consisting of mill receiving turn head, ground grain turn head, and mixed feed turn head) are in operation.

(b) The two (2) integral cyclones shall be in operation and control emissions from the two (2) pellet coolers, at all times that the two (2) pellet coolers are in operation.

(c) The two (2) integral baghouses shall be in operation and control emissions from the two (2) hammer mills, at all times that the two (2) hammermills are in operation.

(d) The one (1) integral baghouse shall be in operation and control emissions from the pneumatic receiving system, at all times that the pneumatic receiving system is in operation.

Compliance Monitoring Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.1.4 Visible Emissions Notations

(a) Visible emission notations of the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) stack exhaust shall be performed once per shift 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) 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 and Implementation shall be considered a deviation from this permit.

D.1.5 Parametric Monitoring

The Permittee shall record the total static pressure drop across each baghouse used in conjunction with the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head), at least once per shift when the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) are in operation when venting to the atmosphere. When for any one reading, the pressure drop across each baghouse is outside the normal range of 3.0 and 6.0 inches of water or a range established during the latest 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 and Implementation 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 shall be calibrated at least once every six (6) months.

D.1.6 Baghouse Inspections

An inspection shall be performed each calendar quarter of all bags controlling the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) when venting to the atmosphere. Baghouse inspections shall be performed within three months of re-directing the vents to the atmosphere and every three months thereafter. Inspections are optional when venting indoors. Inspections required by this condition shall not be performed in consecutive months. All defective bags shall be replaced.

D.1.7 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).

D.1.8 Cyclone Inspections

An inspection shall be performed each calendar quarter of two (2) cyclones controlling the two (2) pellet coolers.

D.1.9 Cyclone Failure Detection

In the event that cyclone failure has been observed:

Failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation and Implementation shall be considered a deviation from this permit.

Record Keeping and Reporting Requirement

D.1.10 Record Keeping Requirements

(a) To document compliance with Condition D.1.4, the Permittee shall maintain records of visible emission notations of the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) stack exhaust once per shift.

(b) To document compliance with Condition D.1.5, the Permittee shall maintain records once per shift of the total static pressure drop during normal operation.

(c) To document compliance with Condition D.1.6 and D.1.8, the Permittee shall maintain records of the results of the inspections required under Condition D.1.6 and D.1.8.

(d) To document compliance with Condition D.1.2, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.

(e) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description:

(f) Two (2) natural gas fired boilers (identified as EU11 and EU12), each with a maximum heat input capacity of 10.5 MMBtu per hour and exhausting at stacks 11 and 12. These units will be installed in 2004.

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

Emission Limitations and Standards

D.2.1 General Provisions Relating to NSPS [326 IAC 12-1][40 CFR Part 60, Subpart A]

The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the two (2) boilers (identified as EU11 and EU12) described in this section except when otherwise specified in 40 CFR Part 60, Subpart Dc.

D.2.2 Particulate [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-4(a), the PM emissions from the two (2) 10.5 MMBtu per hour boilers (identified as EU11 and EU12) which will be existing and in operation after September 21, 1983 shall each be limited to 0.49 pounds of particulate matter per MMBtu heat input.

This limit is based on the following equation:

$$Pt = \frac{1.09}{Q^{0.26}}$$

Where Pt = Emission Rate Limit (lb per MMBtu)
Q = Total source heat input capacity rating in million Btu per hour (21.0 MMBtu per hour)

D.2.3 Preventive Maintenance Plan [326 IAC 1-6-3]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for these facilities.

Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.2.4 Record Keeping Requirements

(a) Pursuant to 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial - Commercial - Industrial Steam Generating Units), the Permittee shall maintain daily fuel records for the two (2) natural gas fired boilers (identified as EU11 and EU12).

(b) To document compliance with Condition D.2.3, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.3 FACILITY OPERATION CONDITIONS

Facility Description:

(g) Four (4) whole grain storage silos (identified as S101, S102, S103 and S104), each with a maximum capacity of 175,000 bushels of whole grain. These units will be constructed in 2004.

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

Emission Limitations and Standards

There are no specifically applicable regulations that apply to these emission units.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH

MINOR SOURCE OPERATING PERMIT
ANNUAL NOTIFICATION

This form should be used to comply with the notification requirements under 326 IAC 2-6.1-5(a)(5).

Company Name:	**JFS Milling, Inc.**
Address:	**5570 East Kalb-Zehr Road**
City:	**Dubois, Indiana 47527**
Phone #:	**(812) 827-3186**
MSOP #:	**037-17430-00112**

I hereby certify that JFS Milling, Inc. is **9** still in operation.
9 no longer in operation.

I hereby certify that JFS Milling, Inc. is **9** in compliance with the requirements of MSOP 037-17430-00112
9 not in compliance with the requirements of MSOP 037-17430-00112

Authorized Individual (typed):
Title:
Signature:
Date:

If there are any conditions or requirements for which the source is not in compliance, provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be achieved.

Noncompliance:

MALFUNCTION REPORT

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
FAX NUMBER - 317 233-5967

This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.

THIS FACILITY MEETS THE APPLICABILITY REQUIREMENTS BECAUSE IT HAS POTENTIAL TO EMIT 25 TONS/YEAR PARTICULATE MATTER ?_____, 25 TONS/YEAR SULFUR DIOXIDE ?_____, 25 TONS/YEAR NITROGEN OXIDES?_____, 25 TONS/YEAR VOC ?_____, 25 TONS/YEAR HYDROGEN SULFIDE ?_____, 25 TONS/YEAR TOTAL REDUCED SULFUR ?_____, 25 TONS/YEAR REDUCED SULFUR COMPOUNDS ?_____, 25 TONS/YEAR FLUORIDES ?_____, 100TONS/YEAR CARBON MONOXIDE ?_____, 10 TONS/YEAR ANY SINGLE HAZARDOUS AIR POLLUTANT ?_____, 25 TONS/YEAR ANY COMBINATION HAZARDOUS AIR POLLUTANT ?_____, 1 TON/YEAR LEAD OR LEAD COMPOUNDS MEASURED AS ELEMENTAL LEAD ?_____, OR IS A SOURCE LISTED UNDER 326 IAC 2-5.1-3(2) ?_____. EMISSIONS FROM MALFUNCTIONING CONTROL EQUIPMENT OR PROCESS EQUIPMENT CAUSED EMISSIONS IN EXCESS OF APPLICABLE LIMITATION _____.

THIS MALFUNCTION RESULTED IN A VIOLATION OF: 326 IAC _____ OR, PERMIT CONDITION # _____ AND/OR PERMIT LIMIT OF _____

THIS INCIDENT MEETS THE DEFINITION OF 'MALFUNCTION' AS LISTED ON REVERSE SIDE ? Y N

THIS MALFUNCTION IS OR WILL BE LONGER THAN THE ONE (1) HOUR REPORTING REQUIREMENT ? Y N

COMPANY:_____PHONE NO. ( )_____
LOCATION: (CITY AND COUNTY)_____
PERMIT NO. _____ AFS PLANT ID: _____ AFS POINT ID: _____ INSP:_____
CONTROL/PROCESS DEVICE WHICH MALFUNCTIONED AND REASON:_____
_____

DATE/TIME MALFUNCTION STARTED: _____/_____/ 20____ _____ AM / PM

ESTIMATED HOURS OF OPERATION WITH MALFUNCTION CONDITION: _____

DATE/TIME CONTROL EQUIPMENT BACK-IN SERVICE_____/_____/ 20____ _____ AM/PM

TYPE OF POLLUTANTS EMITTED: TSP, PM-10, SO2, VOC, OTHER:_____

ESTIMATED AMOUNT OF POLLUTANT EMITTED DURING MALFUNCTION: _____
_____

MEASURES TAKEN TO MINIMIZE EMISSIONS:_____
_____

REASONS WHY FACILITY CANNOT BE SHUTDOWN DURING REPAIRS:

CONTINUED OPERATION REQUIRED TO PROVIDE ESSENTIAL* SERVICES:_____
CONTINUED OPERATION NECESSARY TO PREVENT INJURY TO PERSONS:_____
CONTINUED OPERATION NECESSARY TO PREVENT SEVERE DAMAGE TO EQUIPMENT:_____
INTERIM CONTROL MEASURES: (IF APPLICABLE)_____
_____
_____

MALFUNCTION REPORTED BY:_____TITLE:_____
(SIGNATURE IF FAXED)

MALFUNCTION RECORDED BY:_____DATE:_____TIME:_____

*SEE PAGE 2

Please note - This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.

326 IAC 1-6-1 Applicability of rule

Sec. 1. This rule applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1.

326 IAC 1-2-39 "Malfunction" definition

Sec. 39. Any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner.

***Essential services** are interpreted to mean those operations, such as, the providing of electricity by power plants. Continued operation solely for the economic benefit of the owner or operator shall not be sufficient reason why a facility cannot be shutdown during a control equipment shutdown.

If this item is checked on the front, please explain rationale:

_____
_____

November 21, 2003

Indiana Department of Environmental Management
Office of Air Quality

Addendum to the
Technical Support Document (TSD)
for a New Source Construction and Minor Source Operating Permit

Source Name: JFS Milling, Inc.
Source Location: 5570 East Kalb-Zehr Road, Dubois, Indiana 47527
County: Dubois
SIC Code: 2048
Operation Permit No.: 037-17430-00112
Permit Reviewer: ERG/SD

On October 8, 2003, the Office of Air Quality (OAQ) had a notice published in The Herald of Jasper, Indiana, stating that JFS Milling, Inc. had applied for a New Source Construction and Minor Source Operating Permit (MSOP) relating to the construction and operation of an animal feed mill. The notice also stated that the OAQ proposed to issue a permit for this operation and provided information on how the public could review the proposed permit 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 permit should be issued as proposed.

Upon further review, the OAQ has decided to make the following revisions to the permit (bolded language has been added, the language with a line through it has been deleted). The Table Of Contents has been modified, if applicable, to reflect these changes.

1. Conditions D.1.1 (in the table), D.1.3(a), D.1.4(a), D.1.5, D.1.6, and D.1.10 incorrectly referred to a "mills receiving head". The correct reference is a "mill receiving head". Also, Condition D.1.4 and D.1.6 has been modified to indicate that baghouse inspections must be performed when the baghouse is venting to the atmosphere. The permit has been changed as follows:

D.1.1 Particulate [326 IAC 6-3-2]

...

Emission Unit	Process Weight		Particulate Emissions Limit (lb/hour)
	(ton/hour)	(lb/hour)	
One (1) Rail Receiving	84	168,000	49.5
Each of the two (2) Truck Receiving	42	84,000	43.0
Each of the two (2) Hammermills	35	70,000	41.3
Batching System consisting of:			
Ground Grain Turn Head	70	140,000	47.8

Mills Receiving Turn Head	84	168,000	49.5
Pneumatic Turn Head	25	50,000	35.4
Mixed Feed Turn Head	84	168,000	49.5
Each of the two (2) Pellet Coolers	42	84,000	43.0
One (1) Bulk Station	750	1,50,0000	73.9

...

D.1.3 Particulate Control

In order to comply with D.1.1:

(a) The five (5) baghouses shall be in operation and control emissions from the two (2) truck receiving pits, the batching system (consisting of mills receiving turn head, ground grain turn head, and mixed feed turn head), at all times that the two (2) truck receiving pits, one (1) batching system (consisting of mills receiving turn head, ground grain turn head, and mixed feed turn head) are in operation.

...

D.1.4 Visible Emissions Notations

(a) Visible emission notations of the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mills receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) stack exhaust shall be performed once per shift during normal daylight operations **when exhausting to the atmosphere**. A trained employee shall record whether emissions are normal or abnormal.
...

D.1.5 Parametric Monitoring

The Permittee shall record the total static pressure drop across each baghouse used in conjunction with the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mills receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head), at least once per shift when the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mills receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) are in operation when venting to the atmosphere. When for any one reading, the pressure drop across each baghouse is outside the normal range of 3.0 and 6.0 inches of water or a range established during the latest 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 and Implementation shall be considered a violation of this permit.
...

D.1.6 Baghouse Inspections

An inspection shall be performed each calendar quarter of all bags controlling the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mills receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) **when venting to the atmosphere**. **Baghouse inspections shall be performed within three months of re-directing the vents to the atmosphere and every three months thereafter. Inspections are optional when venting indoors.** Inspections required by this condition shall not be performed in consecutive months. All defective bags shall be replaced.

D.1.10 Record Keeping Requirements

(a) To document compliance with Condition D.1.4, the Permittee shall maintain records of visible emission notations of the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill~~s~~ receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) stack exhaust once per shift.

…

2. The notification requirement in C.12(b)(3) has been modified to apply only to situations where the emissions unit will continue to operate for an extended time while the compliance monitoring parameter is out of range. This provides the IDEM, OAQ an opportunity to assess the situation and determine whether any additional actions are necessary to demonstrate compliance with applicable requirements.

C.12 Compliance Response Plan - Preparation and Implementation

…

(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:

…

(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 10 days or more until the unit or device will be shut down, then the Permittee shall promptly notify** the IDEM, OAQ ~~shall be promptly notified~~ of the expected date of the shut down, the status of the applicable compliance monitoring parameter with respect to normal, and the results of the actions taken up to the time of notification.

…

3. Failure to take reasonable response steps is considered a “deviation from” and not “violation of” the permit. Therefore, the permit language was revised in Conditions D.1.4, D.1.5, D.1.7 and D.1.9. This change is consistent with the current IDEM, OAQ model language.

D.1.4 Visible Emissions Notations

…

(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 and Implementation shall be considered a ~~violation of~~ **deviation from** this permit.

D.1.5 Parametric Monitoring

The Permittee shall record the total static pressure drop across each baghouse used in conjunction with the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head), at least once per shift when the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) are in operation when venting to the atmosphere. When for any one reading, the pressure drop across each baghouse is outside the normal range of 3.0 and 6.0 inches of water or a range established during

the latest 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 and Implementation shall be considered a ~~violation of~~ **deviation from** this permit.

D.1.7 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 ~~violation of~~ **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.

D.1.9 Cyclone Failure Detection

In the event that cyclone failure has been observed:

Failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation and Implementation shall be considered a ~~violation of~~ **deviation from** this permit.

November 20, 2003

Indiana Department of Environmental Management
Office of Air Quality

Technical Support Document (TSD) for a New Source Construction and Minor Source Operating Permit

Source Background and Description

Source Name:	JFS Milling, Inc.
Source Location:	5570 East Kalb-Zehr Road, Dubois, Indiana 47527
County:	Dubois
SIC Code:	2048
Operation Permit No.:	037-17430-00112
Permit Reviewer:	ERG/SD

The Office of Air Quality (OAQ) has reviewed an application from JFS Milling, Inc., relating to the construction and operation of an animal feed mill.

Permitted Emission Units and Pollution Control Equipment

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

Unpermitted Emission Units and Pollution Control Equipment

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

New Emission Units and Pollution Control Equipment Receiving Prior Approval

The source plans to construct the following emission units and pollution control devices:

(a) One (1) grain receiving area consisting of:

(1) Two (2) truck receiving pits (identified as EU1 and EU2), each with a maximum receiving capacity of 42 tons of grains and soft stock per hour**,** controlled by two (2) baghouses and exhausting at stacks 1 and 2.

(2) One (1) rail receiving pit (identified as EU14), with a maximum receiving capacity of 84 tons of grains and soft stock per hour.

These units will be constructed in 2004.

(b) Two (2) hammer mills (identified as EU5 and EU6), each with a maximum grinding capacity of 35 tons of grain per hour, controlled by two (2) baghouses that are integral to the process, and exhausting at stacks 5 and 6. These units will be constructed in 2004.

(c) One (1) batching system consisting of,

(1) One (1) mill receiving turn head (identified as EU3), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse and exhausting at stack 3.

(2) One (1) ground grain turn head (identified as EU7), with a maximum throughout rate of 70 tons per hour, controlled by a baghouse and exhausting at stack 7.

(3) One (1) mixed feed turn head (identified as EU8), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse and exhausting at stack 8.

(4) One (1) pneumatic turn head (identified as EU4), with a maximum throughput rate of 25 tons per hour, controlled by a baghouse that is integral to the process, and exhausting at stack 4.

These units will be constructed in 2004.

(d) Two (2) pellet cooling systems (identified as EU9 and EU10), each with a maximum throughput rate of 42 tons of feed pellets per hour, controlled by two (2) cyclones that are integral to the process, and exhausting at stacks 9 and 10. These units will be constructed in 2004.

(e) One (1) bulk station, with a maximum load-out rate of 750 tons of feed pellets per hour. This unit will be constructed in 2004.

(f) Two (2) natural gas fired boilers (identified as EU11 and EU12), each with a maximum heat input capacity of 10.5 MMBtu per hour and exhausting at stacks 11 and 12. These units will be installed in 2004.

(g) Four (4) whole grain storage silos (identified as S101, S102, S103 and S104), each with a maximum capacity of 175,000 bushels of whole grain. These units will be constructed in 2004.

Existing Approvals

No previous approvals have been issued to this source.

Air Pollution Control Justification as an Integral Part of the Process

(a) The company has submitted the following justification such that the two (2) baghouses be considered as an integral part of the two (2) hammer mills:

(1) The air flow is the central processing media for the two (2) hammermills. The negative pressure fan pulls the required cfm level (4,500 cfm per hammermill) of ambient air through the bed of grain product to cool down. This causes the air to pick up some particulate or fines, which is not an optimum condition for the fan to operate because this results in clogging of the fan. Therefore, the two (2) baghouses are required between the hammermills and the fans for the system to function properly.

(2) The dollar amount saved from the collected material by this equipment is much more than the annual capital cost of the baghouses. A price quotation submitted by the Permittee estimates the replacement value of corn at $87 per ton. Using this cost, the value of the 368 tons of corn fines emitted without the control devices is $32,016. In addition, the price quoted on each of the baghouses is $9,944. The Permittee estimates a 8.31 month payback for this equipment.

IDEM, OAQ has evaluated the justification and agreed that the two (2) baghouses will be considered as an integral part of the two (2) hammer mills. Therefore, the permitting level will be determined using the potential to emit after the two (2) baghouses. Operating conditions in the proposed permit will specify that these two (2) baghouses shall operate at all times when the two (2) hammer mills are in operation.

(b) The company has submitted the following justification such that the two (2) cyclones be considered as an integral part of the two (2) pellet coolers:

(1) The air flow is the central processing media for the two (2) pellet coolers. The negative pressure fan pulls the required cfm level (24,000 cfm per cooler) of ambient air through the bed of warm pellets to cool down. This causes the air to pick up some particulate or fines, which is not an optimum condition for the fan to operate because it results in clogging of the fan. Therefore, the two (2) cyclones are required between the coolers and the fan for the system to function properly.

(2) The dollar amount saved from the collected material by this equipment is much more than the annual capital cost of the cyclones. A price quotation submitted by the Permittee, estimates the replacement value of the feed at $ 162.50 per ton. Using this cost, the value of the feed material emitted from the two (2) coolers without the operation of the two (2) cyclones, is estimated at $215,312.50. In addition, the price quoted on the two (2) cyclones is $38,292. The Permittee estimates a 2.13 month payback for this equipment. In addition, a November 14, 1995 EPA memorandum, titled “Calculating PTE and other Guidance for Grain Handling Facilities, states that “control measures are inherent to an operation when they are always operated and maintained for reasons other than community air quality protection. Examples of inherent control measures include (a) product collection devices for which the value of the product collected greatly exceeds the cost of the collection device, and (b) devices for which the primary purpose is to improve product-quality control, to recover product, or to enhance production operating efficiency (for example, product recovery cyclones associated with operations such as pellet cooling at feed mills).” Hence, the potential to emit of PM10 from pellet coolers 1 and 2 will be calculated after the controls.

IDEM, OAQ has evaluated the justification and agreed that the two (2) cyclones will be considered as an integral part of the two (2) pellet coolers. Therefore, the permitting level will be determined using the potential to emit after the two (2) cyclones. Operating conditions in the proposed permit will specify that these two (2) cyclones shall operate at all times when the two (2) pellet coolers are in operation.

(c) The company has submitted the following justification such that the one (1) baghouse be considered as an integral part of the pneumatic receiving system:

The pneumatic receiving system is a dilute phase pneumatic conveying system, that is the system itself receives the full product flow. The baghouse is used to separate the product from the air stream.

IDEM, OAQ has evaluated the justification and agreed that the one (1) baghouse will be considered as an integral part of the pneumatic receiving system. Therefore, the permitting level will be determined using the potential to emit after the one (1) baghouse. Operating conditions in the proposed permit will specify that the one (1) baghouse shall operate at all times when the pneumatic receiving system is in operation.

Enforcement Issue

There are no enforcement actions pending.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (^{0}F)
1	Truck Receiving Pit System #1	35	2.10	Ambient + 10	10,000
2	Truck Receiving Pit System #2	35	2.10	Ambient + 10	10,000
3	Mill Receiving Turnhead system	190	0.92	Ambient + 10	3,000
4	Pneumatic Truck Receiving System	190	0.50	Ambient + 10	90 -100
5	Hammermill System #1	35	1.58	Ambient + 10	4,500
6	Hammermill System #2	35	1.58	Ambient + 10	4,500
7	Ground Grain Negative Air System	190	1.26	Ambient + 10	3,000
8	Mixed Feed Negative Air System	190	0.92	Ambient + 10	3,000
9	Pellet Cooler System #1	40	2.17	Ambient + 20	23,530
10	Pellet Cooler System #2	40	2.17	Ambient + 20	23,530
11	Boiler #1	26	1.5	440	4,000
12	Boiler #2	26	1.5	440	4,000

Recommendation

The staff recommends to the Commissioner that the construction and operation be approved. This recommendation is based on the following facts and conditions:

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

An application for the purposes of this review was received on June 19, 2003, with additional information received on July 21, 2003 and August 18, 2003.

Emission Calculations

See Appendix A of this document for detailed emissions calculations (pages 1 through 8).

Potential To Emit of Source Before Controls

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

Pollutant	Potential To Emit (tons/year)
PM	141
PM10	71.3
SO_2	0.06
VOC	0.51
CO	7.73
NO_x	9.20

HAPs	Potential To Emit (tons/year)
Benzene	1.93E-04
Dichlorobenzene	1.10E-04
Formaldehyde	6.90E-03
Hexane	1.66E-01
Toluene	3.13E-04

(a) The potential to emit (as defined in 326 IAC 2-7-1(29)) of PM10, VOC, SO_2, CO and NOx are less than 100 tons per year. Therefore, the source is not subject to the provisions of 326 IAC 2-7.

(b) The potential to emit (as defined in 326 IAC 2-7-1(29)) of PM10 is greater than 25 tons per year, therefore, the source is subject to the provisions of 326 IAC 2-6.1. A MSOP will be issued.

(c) The potential to emit (as defined in 326 IAC 2-7-1(29)) of any single HAP is less than ten (10) tons per year and the potential to emit (as defined in 326 IAC 2-7-1(29)) of a combination of HAPs is less than twenty-five (25) tons per year, therefore, the source is not subject to the provisions of 326 IAC 2-7.

(d) 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 particulate matter (PM) and volatile organic compound (VOC) emissions are not counted toward determination of PSD and Emission Offset applicability.

County Attainment Status

The source is located in Dubois County.

Pollutant	Status
PM-10	Attainment
SO_2	Attainment
NO_2	Attainment
Ozone	Attainment
CO	Attainment
Lead	Attainment

(a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Dubois County has been designated as attainment or unclassifiable for ozone. Therefore, VOC emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

(b) Dubois County has been classified as attainment or unclassifiable for all criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

(c) Fugitive Emissions
Since this type of operation is not one of the 28 listed source categories under 326 IAC 2-2, or 326 IAC 2-3 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive particulate matter (PM) and volatile

organic compound (VOC) emissions are not counted toward determination of PSD and Emission Offset applicability.

Source Status

New Source PSD Definition (emissions after controls, based on 8,760 hours of operation per year at rated capacity and/ or as otherwise limited):

Pollutant	Emissions (ton/yr)
PM	141
PM10	71.3
SO_2	0.06
VOC	0.51
CO	7.73
NO_x	9.20
Single HAP	<10
Combination HAPs	<25

(a) This existing source is not a major stationary source because no attainment regulated pollutant is emitted at a rate of 250 tons per year or more, and it is not in one of the 28 listed source categories.

(b) These emissions were based on the potential to emit calculations as shown in Appendix A.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

This existing source is not subject to the Part 70 Permit requirements because the potential to emit (PTE) of:

(a) each criteria pollutant is less than 100 tons per year,

(b) a single hazardous air pollutant (HAP) is less than 10 tons per year, and

(c) any combination of HAPs is less than 25 tons/year.

This status is based on the revised potential to emit calculations (see Appendix A).

Federal Rule Applicability

(a) The two (2) boilers (identified as EU11 and EU12) are subject to the requirements of the New Source Performance Standard, 40 CFR 60, Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units (326 IAC 12) because these boilers were constructed after June 9, 1989 and have heat input capacities greater than 10 MMBtu per hour and less than 100 MMBtu per hour. However, these boilers are subject to only the reporting and recordkeeping requirements in 40 CFR 60.48c, because they are natural gas-fired boilers. As per the reporting and recordkeeping requirements, the source must maintain daily records of the amount of natural gas combusted. If the source desires to change the timing of the recording of the fuel combusted from daily recording to monthly recording, then the source must submit this request to the following address:

George Czerniak
c/o United States Environmental Protection Agency, Region V
Air and Radiation Division, Air Enforcement Branch - Indiana (AE-17 J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

This request should reference the NSPS requirement.

(b) Although the animal feed mill will be constructed in 2003 and the truck receiving pits, hammer mills, pellet coolers, and the batching system (consisting of mills receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) are located at a grain elevator, they are not subject to the requirements of the New Source Performance Standard, 326 IAC 12, (40 CFR 60.300, Subpart DD), because the grain elevator has a permanent grain storage capacity less than one (1) million bushels as defined under 40 CFR 60.301(f). Therefore, the source is not considered a "grain storage elevator" which is one of the affected facility at this site.

There are no other New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) applicable to this source.

(c) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs) (326 IAC 14 and 40 CFR Part 63) applicable to this source.

State Rule Applicability - Entire Source

326 IAC 2-2 (Prevention of Significant Deterioration (PSD))

JFS Milling, Inc. will be constructed in 2004 and is not one (1) of the twenty-eight (28) source categories defined in 326 IAC 2-2-1(p)(1). The potential to emit of each criteria pollutant before control will be less than two hundred and fifty (250) tons per year PSD threshold. Therefore, the source is a minor source under PSD and the requirements of 326 IAC 2-2 are not applicable.

326 IAC 2-6 (Emission Reporting)

This source is located in Dubois County and the potential to emit PM10, SO_2, CO, VOC and NOx is less than one hundred (100) tons per year. Therefore, 326 IAC 2-6 does not apply.

326 IAC 5-1 (Opacity Limitations)

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

(a) Opacity shall not exceed an average of forty percent (40%) 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 2-4.1 (Major Sources of Hazardous Air Pollutants (HAP))

The operation of this animal feed mill will emit less than 10 tons per year of a single HAP and less than 25 tons per year of a combination of HAPs. Therefore, 326 IAC 2-4.1 does not apply.

State Rule Applicability - Animal Feed Processing

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

Pursuant to 326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes), the particulate emissions from the animal feed manufacturing plant shall not exceed the particulate emission limit in pounds per hour as shown in the table below.

Emission Unit	Process Weight		Particulate Emissions Limit (lb/hour)
	(ton/hour)	(lb/hour)	
One (1) Rail Receiving	84	168,000	49.5
Each of the two (2) Truck Receiving	42	84,000	43.0
Each of the two (2) Hammermills	35	70,000	41.3

Emission Unit	Process Weight (ton/hour)	Process Weight (lb/hour)	Particulate Emissions Limit (lb/hour)
Batching System consisting of:			
Ground Grain Turn Head	70	140,000	47.8
Mills Receiving Turn Head	84	168,000	49.5
Pneumatic Turn Head	25	50,000	35.4
Mixed Feed Turn Head	84	168,000	49.5
Each of the two (2) Pellet Coolers	42	84,000	43.0
One (1) Bulk Station	750	1,50,0000	73.9

The pounds per hour limitations were calculated using the following equations:

Interpolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and P = process weight rate in tons per hour

and

Interpolation and extrapolation of the data for the process weight rate in excess of 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 55.0\ P^{0.11} - 40$ where E = rate of emission in pounds per hour; and P = process weight rate in tons per hour

The five (5) baghouses shall be in operation at all times when the two (2) truck receiving pits, the batching system (consisting of mills receiving turn head, ground grain turn head, and mixed feed turn head) are in operation, in order to comply with these limits.

The two (2) integral cyclones shall be in operation at all times when the two (2) pellet coolers are in operation, in order to comply with these limits.

The two (2) integral baghouses shall be in operation at all times when the two (2) hammer mills are in operation, in order to comply with these limits.

The one (1) integral baghouse shall be in operation at all times when the pneumatic receiving system is in operation, in order to comply with this limit.

There are no controls associated with the one (1) bulk station. Based on the calculations provided in Appendix A, this emission unit will be in compliance with this rule.

State Rule Applicability - Two (2) Natural Gas Fired Boilers

326 IAC 6-2-4 (Particulate Emission Limitations for Source of Indirect Heating)

Pursuant to 326 6-2-4(a), the particulate emissions from the two (2) 10.5 MMBtu per hour boilers (identified as EU11 and EU12) which will be existing and in operation after September 21, 1983 shall each be limited to 0.49 pounds of particulate matter per MMBtu heat input.

This limit is based on the following equation:

$$Pt = \frac{1.09}{Q^{0.26}}$$

Where Pt = Emission Rate Limit (lb per MMBtu)
Q = Total source heat input capacity rating in million Btu per hour (21.0 MMBtu per hour)

Conclusion

The construction and operation of this animal feed mill shall be subject to the conditions of the attached Minor Source Operating Permit 037-17430-00112.

Appendix A: Emission Calculations
Two (2) Natural Gas Fired Boilers (identified as EU11 and EU12)

Company Name: JFS Milling, Inc.
Address: 5570 East Kalb-Zehr Road
MSOP: 037-00112
Plt ID: 037-17430
Reviewer: ERG/SD
Date: August 19, 2003

Heat Input Capacity MMBtu/hour		Potential Throughput MMCF/year
21.0	(2 units total)	184.0

Pollutant

	PM*	PM10*	SO_2	NO_x	VOC	CO
Emission Factor (lb/MMCF)	7.6	7.6	0.6	100.0 **see below	5.5	84.0
Potential To Emit (tons/year)	0.70	0.70	0.06	9.20	0.51	7.73

*PM and PM10 emission factors are filterable and condensible PM and PM10 combined.
**Emission factors for NO_x: Uncontrolled = 100 lb/MMCF
Emission factors are from AP-42, Chapter 1.4, Tables 1.4-1, 1.4-2, and 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03 (July, 1998).

All Emission factors are based on normal firing.
MMBtu = 1,000,000 Btu
MMCF = 1,000,000 Cubic Feet of Gas

METHODOLOGY
Potential Throughput (MMCF/year) = Heat Input Capacity (MMBtu/hour) * 8760 hours/year * 1 MMCF/1000 MMBtu
Potential To Emit (tons/year) = Potential Throughput (MMCF/year) * Emission Factor (lb/MMCF) * 1 ton//2000 lbs

See page 2 for HAPs emissions calculations.

Appendix A: Emission Calculations
Two (2) Natural Gas Fired Boilers (identified as EU11 and EU12)

Company Name: JFS Milling, Inc.
Address: 5570 East Kalb-Zehr Road
MSOP: 037-00112
Plt ID: 037-17430
Reviewer: ERG/SD
Date: August 19, 2003

HAPs - Organics

	Benzene	Dichlorobenzene	Formaldehyde	Hexane	Toluene
Emission Factor (lb/MMCF)	2.1E-03	1.2E-03	7.5E-02	1.8E+00	3.4E-03
Potential To Emit (tons/year)	1.93E-04	1.10E-04	6.90E-03	1.66E-01	3.13E-04

HAPs - Metals

	Lead	Cadmuim	Chromium	Manganese	Nickel
Emission Factor (lb/MMCF)	5.0E-04	1.1E-03	1.4E-03	3.8E-04	2.1E-03
Potential To Emit (tons/year)	4.60E-05	1.01E-04	1.29E-04	3.50E-05	1.93E-04

Methodology is the same as previous page.
The five highest organic and metal HAPs emission factors provided above are from AP-42, Chapter 1.4, Table 1-4.2, 1.4-3 and 1.4-4 (July, 1998).
Additional HAPs emission factors are available in AP-42, Chapter 1.4.

Appendix A: Emission Calculations
PM/PM10 Emissions
From Grain Receiving Pits

Company Name: JFS Milling, Inc.
Address: 5570 East Kalb-Zehr Road
MSOP: 037-00112
Plt ID: 037-17430
Reviewer: ERG/SD
Date: August 19, 2003

Potential To Emit Before Controls

Unit	Max. Receiving Rate (ton/hour)	* Emission Factor for PM (lb/ton)	PTE of PM (lb/hour)	PTE of PM (ton/year)	* Emission Factor for PM10 (lb/ton)	PTE of PM10 (lb/hour)	PTE of PM10 (ton/year)
Rail Receiving Pit	84	0.017	1.43	6.25	0.0025	0.21	0.92
Two (2) Truck Receiving Pits	84	0.017	1.43	6.25	0.0025	0.21	0.92
Worst Case Emissions				6.25			0.92

Potential To Emit After Controls

Unit	Control Effiecieny (%)	PTE of PM (ton/year)	PTE of PM10 (ton/year)
Rail Receiving Pit	0%	6.25	0.92
Two (2) Receiving Pits	99%	0.06	0.01
Worst Case Emissions	-	6.25	0.92
TOTAL		6.25	0.92

* Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Grain Receiving, SCC 3-02-008-02 (May, 1998).
** Assume all PM emissions are equal to PM10 emissions.
Controls = Choke-fed enclosed pit for rail car receiving pit and two (2) baghouses for truck receiving pits.

Note: The rail pit and the two truck pits will utilize the same material handling system, hence they cannot run concurrently. Therefore, the potential to emit is the worst case scenario between the two (2) types of receiving processes.

METHODOLOGY
PTE before controls (lb/hour) = Max. receiving rate (ton/hour) * Emission factor (lbs/ton)
PTE before controls (ton/year) = Max. receiving rate (ton/hour) * Emission factor (lbs/ton) * 8760 hours/year * 1ton/2000 lbs
PTE after control (ton/year) = Max. receiving rate (ton/hour) * Emission factor (lbs/ton) * 8760 hours/year * 1ton/2000 lbs * (1- Control Efficiency %)

Appendix A: Emission Calculations
PM/PM10 Emissions
From Grinding Facility

Company Name: JFS Milling, Inc.
Address: 5570 East Kalb-Zehr Road
MSOP: 037-00112
Plt ID: 037-17430
Reviewer: ERG/SD
Date: August 19, 2003

Potential To Emit

Unit	Max. Throughput Rate (ton/hour)	* Emission Factor for PM/PM10 (lb/ton)	PTE of PM/PM10 (lb/hour)	(ton/year)
Two (2) Hammermills	70	0.012	0.84	3.68
TOTAL				**3.68**

* Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Hammermill, SCC 3-02-008-17 (May, 1998).
** Assume all PM emissions are equal to PM10 emissions.
Controls = Two (2) Baghouses with 99 % control efficiency are considered integral to control.

METHODOLOGY
PTE after controls (lb/hour) = Max. throughput rate (ton/hour) * Emission factor (lb/ton)
PTE after controls (ton/year) = Max. throughput rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1 ton/2000 lbs

Appendix A: Emission Calculations
PM/PM10 Emissions
From Batching System

Company Name: JFS Milling, Inc.
Address: 5570 East Kalb-Zehr Road
MSOP: 037-00112
Plt ID: 037-17430
Reviewer: ERG/SD
Date: August 19, 2003

Potential To Emit

Unit	Max. Handling Rate (ton/hour)	* Emission Factor for PM (lbs/ton)	PTE of PM (lb/hour)	PTE of PM (ton/year)	* Emission Factor for PM10 (lbs/ton)	PTE of PM10 (lb/hour)	PTE of PM10 (ton/year)
Ground Grain Turn Head	70.0	0.061	4.27	18.7	0.034	2.38	10.4
Mill Receiving Turn Head	84.0	0.061	5.1	22.4	0.034	2.86	12.5
** Pneumatic Turn Head	25.0	0.061	1.53	0.67	0.034	0.85	0.37
Mixed Feed Turn Head	84.0	0.061	5.12	22.4	0.034	2.86	12.5
TOTAL				**64.3**			**35.8**

* Emission factors are from AP-42, Table 9.9.1-1 Headhouse and Internal Handling, SCC 3-02-005-30 (May, 1998).
Assume all PM emissions are equal to PM10 emissions.
**Control = Four (4) baghouses. The baghouse for the pneumatic turn head is considered integral to control.

METHODOLOGY
PTE of PM/PM10 before controls (lb/hour) = Max. handling rate (ton/hour) * Emission factor (lb/ton)
PTE of PM/PM10 before controls (ton/year) = Max. handling rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1ton/2000 lbs
PTE of PM/PM10 from Pneumatic Turn Head (ton/year) = Max. handling rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1ton/2000 lbs * (1- Control Efficiency %)

Appendix A: Emission Calculations
PM/PM10 Emissions
From Two (2) Pellet Cooling Systems

Company Name: JFS Milling, Inc.
Address: 5570 East Kalb-Zehr Road
MSOP: 037-00112
Plt ID: 037-17430
Reviewer: ERG/SD
Date: August 19, 2003

Potential To Emit

Units	Max. Pelleting Rate (ton/hour)	* Emission Factor PM (lb/ton)	PTE PM (lb/hour)	PTE PM (ton/year)	* Emission Factor PM10 (lb/ton)	PTE PM10 (lb/hour)	PTE PM10 (ton/year)
Pellet Cooler 1 and 2	84	0.15	12.6	55.2	0.075	6.30	27.6
TOTAL				**55.2**			**27.6**

* Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Pelletizing, SCC 3-02-008-16 (May, 1998).
PM10 emission factors have been estimated by taking 50% of the PM emission factor (See footnote (g) to Table 9.9.1-2, AP-42)
Controls = Two High Efficiency (2) Cyclones are considered integral to control.

METHODOLOGY
PTE of PM/PM10 (lb/hour) = Max. pelleting rate (ton/hour) * Emission factor (lb/ton)
PTE of PM/PM10 (ton/year) = Max. pelleting rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1ton/2000 lbs

Appendix A: Emission Calculations
PM/PM10 Emissions
From Feed Loadout

Company Name: JFS Milling, Inc.
Address: 5570 East Kalb-Zehr Road
MSOP: 037-00112
Plt ID: 037-17430
Reviewer: ERG/SD
Date: August 19, 2003

Potential To Emit

Unit	Max. Loadout Rate (tons/hour)	* Emission Factor for PM (lbs/ton)	PTE of PM (lb/hour)	PTE of PM (ton/year)	* Emission Factor for PM10 (lbs/ton)	PTE of PM10 (lb/hour)	PTE of PM10 (ton/year)
Loadout	750	0.0033	2.48	10.8	0.0008	0.60	2.63
TOTAL				**10.8**			**2.63**

* Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Feed Shipping, SCC 3-02-008-03 (May, 1998).

METHODOLOGY
PTE of PM/PM10 (lb/hour) = Max. loadout rate (ton/hour) * Emission factor (lb/ton)
PTE of PM/PM10 (ton/year) = Max. loadout rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1ton/2000 lbs

Appendix A: Emission Calculations
Emissions Summary

Company Name: JFS Milling, Inc.
Address: 5570 East Kalb-Zehr Road
MSOP: 037-00112
Plt ID: 037-17430
Reviewer: ERG/SD
Date: August 19, 2003

POTENTIAL TO EMIT IN TONS PER YEAR

Emission Units	PM	PM10	SO_2	NOx	VOC	CO
2 Natural Gas Fired Boilers	0.70	0.70	0.06	9.20	0.51	7.73
Grain Receiving	6.25	0.92				
2 Hammer Mills	3.68	3.68				
Batching System consisting of						
Ground Grain Turn Head	18.7	10.4				
Mill Receiving Turn Head	22.4	12.5				
Pneumatic Turn Head	0.67	0.37				
Mixed Feed Turn Head	22.4	12.5				
2 Pellet Cooling Systems	55.2	27.6				
Feed Loadout	10.8	2.63				
TOTAL	141	71.3	0.06	9.20	0.51	7.73