



Joseph E. Kernan
Governor

Lori F. Kaplan
Commissioner

May 18, 2004

100 North Senate Avenue
P.O. Box 6015
Indianapolis, Indiana 46206-6015
(317) 232-8603
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TO: Interested Parties / Applicant
RE: Newport Chemical Depot / 165-18780-00003
FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision – Approval

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 326 IAC 2, this approval was effective immediately upon submittal of the application.

If you wish to challenge this decision, IC 4-21.5-3-7 requires 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 from 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-AM.dot 9/16/03

May 18, 2004

Lieutenant Colonel Joseph Marquart
Newport Chemical Depot
P.O. Box 160
Newport, IN 47966

Re: 165-18780
Third Administrative Amendment to
FESOP 165-14084- 00003

Dear Lieutenant Colonel Marquart:

Newport Chemical Depot was issued a permit on July 12, 2002 for operation of a National Defense - Chemical Stockpile Storage Site. A letter requesting changes to this permit was received on April 12, 2004. Pursuant to the provisions of 326 IAC 2-8-10 the permit is hereby administratively amended as follows:

The modification consists of the following changes:

- (a) The addition of a one (1) Ton Container Line - Enhanced Steam Decontamination unit, located in the utility building (UB) rated at 12 ton containers per day. This unit is listed in Section A.2, NECDF (b) of the permit.
- (b) The four diesel-fired Monitoring Trailer Generators, located in NECDF, each rated at 5.5 KW will be replaced by four units each rated at 6.6 KW.

All other conditions of the permit shall remain unchanged and in effect. Please attach a copy of this amendment and the following revised permit pages to the front of the original permit.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter, please contact Walter Habeeb, OAQ, 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana, 46206-6015, or call at (800) 451-6027, press 0 and ask for Walter Habeeb or dial (317) 232-8422.

Sincerely,

Original signed by Paul Dubenetzky
Paul Dubenetzky, Chief
Permits Branch
Office of Air Quality

Attachments

WVH

cc: File - Vermillion County
U.S. EPA, Region V
Air Compliance Section Inspector - Jim Thorpe
Administrative and Development

**FEDERALLY ENFORCEABLE STATE
OPERATING PERMIT (FESOP)
OFFICE OF AIR QUALITY
Newport Chemical Depot (NECD)
Indiana State Road 63
Newport, Indiana 47966-0121**

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

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

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

Operation Permit No.: F165-14084-00003	
Issued by: Original signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: July 12, 2002 Expiration Date: July 12, 2007

First Significant Permit Revision: 165-16273, Issuance Date: January 8, 2003
 First Administrative Amendment: 165-16708, Issuance Date: March 19, 2003
 Second Administrative Amendment 165-18375, Issuance Date: January 13, 2003

Third Administrative Amendment: 165-18780-00003	Pages Affected: 9, 11, 36, 37
Issued by: Original signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: May 18, 2004

ton containers/day.

Emissions from both buildings (UB and PAB) are controlled by carbon filters and exhaust through one (1) stack identified as S/V 101; and

- (c) the pollutant emitting activities related to the construction of the NECDF:
 - (1) operation of generators;
 - (2) operation of internal combustion (IC) engines; and
 - (3) miscellaneous construction related fugitive and non-fugitive insignificant activities.

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

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

- (a) one (1) natural gas fired boiler identified as Building 7700 Boiler rated at 2.51 million (MM) British thermal units per hour, constructed prior to September 21, 1983, and using #2 fuel oil as a backup, exhausting at one (1) stack;
- (b) one (1) 1,000 gallon capacity diesel fuel underground storage tank (UST) identified as Tank #144, exhausting at one emission point;
- (c) one (1) 550 gallon capacity diesel fuel UST identified as Tank #6178, exhausting at one emission point;
- (d) one (1) 240 gallon capacity diesel fuel AST identified as Tank 733K, exhausting at one emission point;
- (e) one (1) 1,000 gallon diesel fuel UST, identified as ORO;
- (f) one (1) 550 gallon capacity No. 2 fuel oil UST identified as Tank 7703-1, exhausting at one emission point;
- (g) one (1) 18,000 gallon capacity propane AST identified as Propane Tank at Propane Station;
- (h) one (1) diesel aboveground storage tank (AST), ID 710, with a storage capacity of 480 gallons;
- (i) one (1) 530 gallon diesel AST for Sprung Structure;
- (j) one (1) 10,000 gallon capacity gasoline UST, exhausting at one emission point;
- (k) two (2) walk-in paint booths with total potential VOC and PM emissions of less than 3 lb/hr and 5 lb/hr, respectively, exhausting at two emission points;
- (l) four (4) cold cleaning degreasing units in buildings 716A and 717A, installed in 2000, using less than 145 gallons of solvent per year;
- (m) one (1) woodworking operation exhausting at one (1) emission point;
- (n) one (1) mobile abrasive blaster rated at 107.1 pounds blast media;
- (o) one (1) gasoline dispensing station with fuel dispensing of less than 1,300 gallons per day, exhausting at one emission point;

Facility Description [326 IAC 2-7-5(15)]:

(a) One (1) agent neutralization process conducted in the Utility Building (UB) and the Process Auxiliary Building (PAB), including the following equipment:

- (1) five (5) Chemical Agent Treatment System (CHATS);
- (2) two (2) drained agent holding tanks;
- (3) two (2) agent reactors;
- (4) ten (10) caustic wash tanks;
- (5) eight (8) hydrolysate sampling tanks;
- (6) three (3) hydrolysate storage tanks;
- (7) five (5) spent decontamination tanks;
- (8) one (1) truck loading/unloading station.
- (9) one (1) Ton Container Line - Enhanced Steam Decontamination unit, rated at 12 ton containers/day.

Emissions from both buildings (UB and PAB) are controlled by carbon filters and exhaust through one (1) stack identified as S/V 101.

Above listed units are part of Newport Chemical Agent Disposal Facility (NECDF) within Newport Chemical Depot (NECD).

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

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

D.5.1 Volatile Organic Compounds (VOC) [326 IAC 2-8-4]

Pursuant to 326 IAC 2-8-4, the agent neutralization process shall process no more than 18 Tonne containers per day. The concentration of VX in the exhaust gas, when emitting to the atmosphere, shall be limited to 0.06 micrograms per cubic meter. This operating limit shall limit total volatile organic compound (VOC) emissions from the neutralization process to 0.01 tons per year. Therefore, the requirements of 326 IAC 2-7 do not apply.

D.5.2 Preventive Maintenance Plan [326 IAC 2-8-4(9)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and its control device.

Compliance Determination Requirements

D.5.3 Carbon Adsorption Filters

The carbon adsorption filter banks, which are part of the neutralization process, shall be operated at all times when neutralization process is operating.

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

D.5.4 Visible Checks for Leaks

(a) Leak checks shall be performed once per shift during normal daylight when the neutralization process is operating. A trained employee shall record any detected leaks and the date of such leaks.

(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, checks shall be taken during that part of the operation that would normally be expected to cause the greatest potential for liquid

leaks.

- (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 liquid leaks 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, Implementation, Records, and Reports, shall be considered a violation of this permit.

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

D.5.5 Record Keeping Requirements

- (a) To document compliance with Condition D.5.1, the Permittee shall maintain records in accordance with (1) through (2) below. Records maintained for (1) through (2) shall be taken daily and shall be complete and sufficient to establish compliance with the VOC emission limit established in Condition D.5.1.
 - (1) The number of Tonne containers processed each day in the neutralization process;
 - (2) The number of ton containers processed each day in the Ton Container Line - Enhanced Steam Decontamination unit; and
 - (3) A log of the dates of operation.
- (b) To document compliance with Condition D.5.4, the Permittee shall maintain records of once per shift visible leak checks of the agent neutralization process.
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.5.6 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.5.1 shall be submitted to the address listed in Section C - General Reporting Requirements, using the reporting forms located at the end of this permit, or their equivalent, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (1) Two (2) 10,000 gallon storage tanks, identified as M-3201A and M-3201B, respectively.
 - (2) Three (3) 500 gallon tanks, identified as M-3202A, M3202B and Lab SDG, respectively.
 - (3) One (1) 480 gallon tank, identified as M-3204.
 - (4) One (1) 360 gallon tank, identified as Fire Pump tank.
 - (5) One (1) 480 gallon tank, identified as M-3205.
- (hh) Four (4) diesel-fired Monitoring Trailer Generators, located in NECDF, each rated at 6.6 KW and exhausting at one (1) collective stack identified as S/V 105.

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

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

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

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

Indiana Department of Environmental Management Office of Air Quality

Technical Support Document (TSD) for a for a Administrative Amendment to a Federally Enforceable State Operating Permit

Source Background and Description

Source Name:	Newport Chemical Depot
Source Location:	Indiana State Road 63, Newport, Indiana 47966
County:	Vermillion
SIC Code:	9711
Operation Permit No.:	F 165-14084-00003
Operation Permit Issuance Date:	July 12, 2002
Minor Permit Revision No.:	165-18780-00003
Permit Reviewer:	Walter Habeeb

The Office of Air Quality (OAQ) has reviewed a Administrative Amendment revision application from Newport Chemical Depot relating to the operation of a National Defense - Chemical Stockpile Storage Site.

History

On April 12, 2004, Newport Chemical Depot submitted an application to the OAQ requesting to revise the Newport Chemical Agent Disposal Facility (NECDF) portion of their existing source. Newport Chemical Depot was issued a renewal FESOP (F165-14084-00003) on July 12, 2002.

Existing Approvals

The source was also issued the following:

- (a) First Significant Permit Revision 165-16273-00003, dated January 8, 2003.
- (b) First Administrative Amendment 165-16708-00003, dated March 19, 2003.
- (c) Second Administrative Amendment 165-18375-00003, dated January 13, 2004.

New Emission Units

The source request to add the following equipment to the NECDF section of the existing FESOP:

- (a) One (1) Ton Container Line - Enhanced Steam Decontamination unit, rated at 12 ton containers per day.
- (b) Four 6.6 KW diesel-fired generators to replace four 5.5 KW diesel-fired generators.

Enforcement Issue

There are no enforcement actions pending.

Recommendation

The staff recommends to the Commissioner that the Administrative Amendment revision 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 April 12, 2004.

Emission Calculations

See Appendix A (pages 1 and 2) of this document for detailed emissions calculations.

Potential To Emit

This table reflects the unrestricted potential emissions for both the new units, excluding the emission limits that were contained in the previous FESOP.

(a) Emissions from the new units:

Pollutant	Potential To Emit (tons/year)
PM	0.35
PM-10	0.35
SO ₂	0.33
VOC	0.45
CO	1.07
NO _x	4.94

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

The potential to emit of all regulated pollutants are all insignificant activity levels of less than five (5) pounds per hour or twenty-five (25) pounds per day. Therefore, pursuant to 326 IAC 2-8-10 (a)(11), an administrative amendment is required for the addition of the new units.

(b) Emissions from the source:

Pollutant	Potential To Emit (tons/year)
PM	less than 100
PM-10	less than 100
SO ₂	less than 100
VOC	less than 100
CO	greater than 250
NO _x	greater than 100 less than 250
Single HAP	less than 10
Total HAP	less than 25

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.

Limited Potential to Emit

The table below summarizes the total potential to emit from the NECDF operations, reflecting all limits, of the significant emission units.

Process/emission unit	Potential to Emit From NECDF Operations After Issuance (tons/year)						
	PM	PM-10	SO ₂	VOC	CO	NO _x	HAPs
Agent Neutralization	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Emergency Generators	1.07	1.07	6.10	1.07	8.29	36.20	0.00
ECF Emergency Generators	0.18	0.18	0.17	0.21	0.56	2.59	0.00
Emergency Fire Pump	0.15	0.15	0.14	0.17	0.44	2.05	0.00
New Non-Emergency Generators	0.35	0.35	0.33	0.40	1.07	4.94	0.00
TCL-ESD	0.00	0.00	0.00	0.05	0.00	0.00	0.00
Total Emissions	1.75	1.75	6.74	1.96	10.36	45.78	0.00

County Attainment Status

The source is located in Vermillion County.

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

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

Federal Rule Applicability

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

State Rule Applicability - Entire Source

326 IAC 2-6 (Emission Reporting)

The Indiana Air Pollution Control Board has made significant changes to the Emissions Statement Reporting Rule, henceforth the requirement for reporting is now based on the following guidelines. If a source emits less than 5 tons of lead, is not located in Lake or Porter County and does not qualify for a Part 70 permit it is no longer required to report emissions under 326 IAC 2-6. Newport Chemical Depot under permit 165-14084-00003 meets all of these requirements therefore, they are not be subject to reporting requirements.

326 IAC 5-1 (Opacity Limitations)

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

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

State Rule Applicability - Individual Facilities

There are no additional State Rules applicable to any facility of this source, other than those listed in the TSD of FESOP Renewal (F165-14084-00003), due to the proposed revision.

Conclusion

The operation of this National Defense - Chemical Stockpile Storage Site shall be subject to the conditions of the attached proposed Administrative Amendment revision 165-18780-00003.

Changes Proposed

The following changes have been made to this permit (bold language has been added and strikeout language has been omitted):

Section A.2

NECDF:

- (b) One (1) agent neutralization process conducted in the Utility Building (UB) and the Process Auxiliary Building (PAB), including the following equipment:
 - (9) One (1) Ton Container Line - Enhanced Steam Decontamination unit, rated at 12 ton containers per day.**

Section D.5

- (a) One (1) agent neutralization process conducted in the Utility Building (UB) and the Process Auxiliary Building (PAB), including the following equipment:
 - (9) One (1) Ton Container Line - Enhanced Steam Decontamination unit, rated at 12 ton containers per day.**

Section D.5.5 Record Keeping Requirements

- (a) To document compliance with Condition D.5.1, the Permittee shall maintain records in accordance with (1) through (2) below. Records maintained for (1) through (2) shall be taken daily and shall be complete and sufficient to establish compliance with the VOC emission limit established in Condition D.5.1.
- (1) The number of Tonne containers processed each day; ~~and in the neutralization process~~ ;
 - (2) **The number of ton containers processed each day in the Ton Container Line - Enhanced Steam Decontamination unit; and**
 - (~~2~~ 3) A log of the dates of operation.

Section A.3 Insignificant Activities

- (hh) Four (4) diesel-fired Monitoring Trailer Generators, located in NECDF, each rated at ~~5.5~~ **6.6 KW and exhausting at one (1) collective stack identified as S/V 105.**

Appendix A: Emission Calculations

Company Name: Newport Chemical Depot
 Address City IN Zip: P.O. Box 160, Newport, IN 47966
 : 165-18780
 Plt ID: No 00003
 Reviewer: Walter Habeeb
 Date: April 28, 2004

Potential to Emit as Currently Permitted (TPY)							
Emission Unit	PM	PM ₁₀	SO ₂	VOC	CO	NO _x	HAPs
Agent Neutralization	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Emergency Generators	1.07	1.07	6.10	1.07	8.29	36.20	0.00
ECF Emer. Generators	0.18	0.18	0.17	0.21	0.56	2.59	0.00
Emergency Fire Pump	0.15	0.15	0.14	0.17	0.44	2.05	0.00
Non Emer. Generators	0.28	0.28	0.27	0.33	0.86	4.00	0.00
Total	1.68	1.68	6.68	1.84	10.15	44.84	0.00

Potential to Emit (New Non Emergency Trailer Generators)					
Pollutant	Emission Factor (g/KW-hr)	Annual Hours (4 units)	Kilowatt Rating	Emissions (lb/yr)	Emissions (ton/yr)
NO _x	18.80	35040	6.8	9879.83	4.94
SO ₂	1.25	35040	6.8	656.90	0.33
CO	4.06	35040	6.8	2133.62	1.07
PM ₁₀	1.34	35040	6.8	704.20	0.35
PM	1.34	35040	6.8	704.20	0.35
VOC	1.53	35040	6.8	804.05	0.40

Emission factors are from AP-42, Section 3.3, Table 3.3-1

New Total Potential to Emit (TPY)							
Emission Unit	PM	PM10	SO2	VOC	CO	NOx	HAP's
Agent Neutralization	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Emergency Generators	1.07	1.07	6.10	1.07	8.29	36.20	0.00
ECF Emer. Generators	0.18	0.18	0.17	0.21	0.56	2.59	0.00
Emergency Fire Pump	0.15	0.15	0.14	0.17	0.44	2.05	0.00
New Non Emer. Gen's	0.35	0.35	0.33	0.40	1.07	4.94	0.00
TCL-ESD	0.00	0.00	0.00	0.05	0.00	0.00	0.00
New Total	1.75	1.75	6.74	1.90	10.36	45.78	0.00