



Thomas M. McDermott, Jr.
Mayor

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

CITY OF HAMMOND

RONALD L. NOVAK

Director

January 29, 2008

Barry D. Seaton
Station Director
State Line Energy, LLC
P. O. Box 687
Hammond, IN 46325-0687

Re: 089-19439-00210
Significant Permit Modification to
Part 70 Permit No.: T089-7062-00210

Dear Mr. Seaton:

State Line Energy, LLC was issued Part 70 Operating Permit T089-7062-00210 on June 30, 2004 for a stationary electric utility generating station located in Lake County, Indiana. State Line Energy, LLC filed a petition as Cause No. 04-A-E-3404 for administrative review of the Part 70 operating permit with the Office of Environmental Adjudication (OEA).

On January 3, 2007, State Line Energy, LLC and the Indiana Department of Environmental Management (IDEM), by their respective counsel, agreed to stay conditions of the Part 70 Operating Permit as outlined in the Second Joint Agreement Regarding Stay, Cause No. 04-A-E-3404.

This significant permit modification resolves the petition as agreed in the settlement which states that it shall be effective from January 1, 2007 until such time as the Part 70 Operating Permit is modified in a manner so as to affect the terms addressed in the stay agreement. This significant permit modification does not contain any new equipment that would emit air pollutants; however, some conditions have been corrected, changed or removed from the existing Part 70 permit.

Pursuant to the provisions of 326 IAC 2-7-12, a significant permit modification to this permit is hereby approved as described in the attached Technical Support Document.

All other conditions of the permit shall remain unchanged and in effect. Please find the enclosed copy of the entire revised permit for State Line Energy, LLC, State Line Generating Station.

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 Ronald Holder, HDEM at (219) 853-6306.

Sincerely,

Original Signed By:

Ronald L. Novak, Director
Hammond Department of Environmental Management
Air Pollution Control Division

Enclosure

cc: Mindy Hahn, IDEM-OAQ, Permits Administration

5925 Calumet Avenue
Hammond, IN 46320
219. 853.6306
fax: 219 853 6343



Thomas M. McDermott, Jr.
Mayor

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

CITY OF HAMMOND

RONALD L. NOVAK

Director

PART 70 OPERATING PERMIT

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY**

and

HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

**State Line Energy, LLC
103rd Street and Lake Michigan
Hammond, Indiana 46320**

(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 2-7 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.: T089-7062-00210	
Original Issued by: Janet G. McCabe, Assistant Commissioner Office of Air Management	Original Issue Date: June 30, 2004
Original Issued by: Ronald L. Novak, Director Hammond Department of Environmental Management	Permit Expiration Date: June 30, 2009
Significant Permit Modification: 089-19439-00210	Pages Affected: Entire Permit
Original Signed By: Issued by: _____ Ronald L. Novak, Director Hammond Department of Environmental Management	Issue Date: January 29, 2008 Permit Expiration Date: June 30, 2009

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SECTION A

SOURCE SUMMARY

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

A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)] [326 IAC 2-7-1(22)]

The Permittee owns and operates a stationary electric utility generating station consisting of two (2) coal-fired units.

Source Address: 103rd Street and Lake Michigan
Hammond, Indiana 46320

Mailing Address: P.O. Box 687
Hammond, Indiana 46325-0687

Source Telephone: (219) 473-6400

SIC Code: 4911 Electric, Gas, and Sanitary Services

County Location: Lake

Source Location Status: Nonattainment for PM2.5
Nonattainment for ozone under the 8-hour standard
Attainment for all other criteria pollutants

Source Status: Part 70 Permit Program
Major Source under Emission Offset Rules and Nonattainment NSR
Major Source, Section 112 of the Clean Air Act
1 of 28 Source Categories

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

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

- (1) Coal Handling System, with a nominal throughput of 1600 tons of coal per hour, constructed prior to October 24, 1974, and consisting of the following equipment:
 - (a) One (1) Rotary Car Dumper (Unit ID 030-CD) that unloads railcars to a hopper. During the dumping process, coal is treated with a water spray system to control dust when the weather is appropriate.
 - (b) Coal Transfer and Breaker Building (Unit ID 013) that receives the coal via conveyor belts F1 and F2. Coal is fed through coal breaking equipment in preparation for Unit 3 Boiler. The Coal Transfer and Breaker Building is controlled by a dust collector (BH1) and water spray dust suppression.
 - (c) Unit 4 Coal Conditioner House (Unit ID 014). Coal can be fed to or returned from this conditioner house via belt conveyors F3-A and F3-B. The Coal Conditioner House contains hammer mills for sizing the coal for combustion in the Unit 4 cyclones. The Conditioner House is controlled by a dust collector (BH2) and water spray dust suppression.
 - (d) One (1) Coal Storage Pile with Telescopic Chute (Unit ID 018). Coal is transported to the storage pile from the Breaker Building. Fugitive dust is controlled 75% by the telescoping action of the chute.

- (e) Unit 3 Bunker (Unit ID 015) and Unit 4 East/West Bunker (Unit ID 012) receive coal from the Transfer and Breaker Building using belts F3 and F5 via a junction tower transfer point (F3/F5) or belts F4 and F6 via a junction tower transfer point (F4/F6). The conveyor belts are enclosed to reduce fugitive emissions. Each bunker has a dust collector following the conveyor belt water spray dust suppression systems.
- (2) One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂), and a continuous opacity monitor (COM).
- (3) One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂), and a continuous opacity monitor (COM).
- (4) One (1) natural gas-fired boiler, identified as the Nebraska/Wabash Packaged Boiler (Unit ID 029), constructed in 1990, with a nominal rating of 56 MMBtu/hr.
- (5) Fly Ash Truck Loading from the 500 Ton Silo (Unit ID 020) and 1000 Ton Silo (Unit ID 017). Emissions from fly ash truck loading at the 500 Ton Fly Ash Silo are controlled by a Mikro-Pulsaire Dust Collector. Emissions from fly ash truck loading at the 1000 Ton Silo are controlled by a Plenum Pulse Bag Filter.

A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

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

- (6) Storage Tanks TK5 through TK13: These tanks are insignificant activities according to 326 IAC 2-7-1(21)(G)(iii). VOC and HAP storage containers with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons and vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids. [326 IAC 8-9]
- (7) Auxiliary Emergency Generator: This unit is an insignificant activity according to 326 IAC 2-7-1(21)(G)(xxii), diesel emergency generators not exceeding 1600 horsepower. [326 IAC 7-4-1.1]

A.4 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

- (a) It is a major source, as defined in 326 IAC 2-7-1(22);
- (b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 – Applicability); and
- (c) It is an affected source under Title IV (Acid Deposition Control) of the Clean Air Act, as defined in 326 IAC 2-7-1(3).

SECTION B

GENERAL CONDITIONS

B.1 Definitions [326 IAC 2-7-1]

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

B.2 Permit Term [326 IAC 2-7-5(2)] [326 IAC 2-1.1-9.5]

This permit is issued for a fixed term of five (5) years from the issuance date, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit or of permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

B.3 Enforceability [326 IAC 2-7-7]

- (a) Unless otherwise stated, all terms and conditions in this permit, including any provisions designed to limit the source's potential to emit, are enforceable by IDEM, HDEM, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.
- (b) Unless otherwise stated, all terms and conditions in this permit that are local requirements, including any provisions designed to limit the source's potential to emit, are enforceable by HDEM. Although the source is not exempt from local ordinances, no specific limits apply at this time.

B.4 Termination of Right to Operate [326 IAC 2-7-10] [326 IAC 2-7-4(a)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-7-3 and 326 IAC 2-7-4(a).

B.5 Severability [326 IAC 2-7-5(5)]

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

B.6 Property Rights or Exclusive Privilege [326 IAC 2-7-5(6)(D)]

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

B.7 Duty to Provide Information [326 IAC 2-7-5(6)(E)]

- (a) The Permittee shall furnish to IDEM, OAQ, and HDEM within a reasonable time, any information that IDEM, OAQ and HDEM may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34). Upon request, the Permittee shall also furnish to IDEM, OAQ, and HDEM copies of records required to be kept by this permit.
- (b) For information furnished by the Permittee to IDEM, OAQ and HDEM, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1. When furnishing copies of requested records directly to U.S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.8 Certification [326 IAC 2-7-4(f)] [326 IAC 2-7-6(1)] [326 IAC 2-7-5(3)(C)]

- (a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.
- (b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. One (1) certification can cover multiple forms in one (1) submittal.
- (c) A responsible official is defined at 326 IAC 2-7-1(34).

B.9 Annual Compliance Certification [326 IAC 2-7-6(5)]

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

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

and

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

- (b) The annual compliance certification report required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ and HDEM on or before the date it is due.
- (c) The annual compliance certification report shall include the following:
 - (1) The appropriate identification of each term or condition of this permit that is the basis of the certification;
 - (2) The compliance status;
 - (3) Whether compliance was continuous or intermittent;

- (4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-7-5(3); and
- (5) Such other facts, as specified in Sections D of this permit, as IDEM, OAQ, and HDEM may require to determine the compliance status of the source.

The submittal by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

B.10 Preventive Maintenance Plan [326 IAC 2-7-5(1), (3) and (13)] [326 IAC 2-7-6(1) and (6)] [326 IAC 1-6-3]

- (a) The Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) for the source as described in 326 IAC 1-6-3. At a minimum, the PMP shall include:
 - (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

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
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

The PMP extension notification does not require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

- (b) A copy of the PMPs shall be submitted to IDEM, OAQ and HDEM upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ and HDEM. IDEM, OAQ and HDEM may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMP does not require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).
- (c) To the extent the Permittee is required by 40 CFR 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.11 Emergency Provisions [326 IAC 2-7-16]

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

HDEM

Telephone Number: 219-853-6306
Facsimile Number: 219-853-6343

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

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

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

The notice fulfills the requirement of 326 IAC 2-7-5(3)(C)(ii) and must contain the following:

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

The notification which shall be submitted by the Permittee does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (6) The Permittee immediately took all reasonable steps to correct the emergency.
- (c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
- (d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.

- (e) The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that the failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However, IDEM, OAQ and HDEM may require that the Preventive Maintenance Plans required under 326 IAC 2-7-4-(c)(9) be revised in response to an emergency.
- (f) Failure to notify HDEM by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-7 and any other applicable rules.
- (g) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.
- (h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

B.12 Permit Shield [326 IAC 2-7-15] [326 IAC 2-7-20] [326 IAC 2-7-12]

- (a) Pursuant to 326 IAC 2-7-15, the Permittee has been granted a permit shield. The permit shield provides that compliance with the conditions of this permit shall be deemed in compliance with any applicable requirements as of the date of permit issuance, provided that either the applicable requirements are included and specifically identified in this permit or the permit contains an explicit determination or concise summary of a determination that other specifically identified requirements are not applicable. The Indiana statutes from IC 13 and rules from 326 IAC, referenced in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a Part 70 permit under 326 IAC 2-7 or for applicable requirements for which a permit shield has been granted.

This permit shield does not extend to applicable requirements which are promulgated after the date of issuance of this permit unless this permit has been modified to reflect such new requirements.

- (b) If, after issuance of this permit, it is determined that the permit is in noncompliance with an applicable requirement that applied to the source on the date of permit issuance, IDEM, OAQ or HDEM shall immediately take steps to reopen and revise this permit and issue a compliance order to the Permittee to ensure expeditious compliance with the applicable requirement until the permit is reissued. The permit shield shall continue in effect so long as the Permittee is in compliance with the compliance order.
- (c) No permit shield shall apply to any permit term or condition that is determined after issuance of this permit to have been based on erroneous information supplied in the permit application. Erroneous information means information that the Permittee knew to be false, or in the exercise of reasonable care should have been known to be false, at the time the information was submitted.
- (d) Nothing in 326 IAC 2-7-15 or in this permit shall alter or affect the following:
 - (1) The provisions of Section 303 of the Clean Air Act (emergency orders), including the authority of the U.S. EPA under Section 303 of the Clean Air Act;
 - (2) The liability of the Permittee for any violation of applicable requirements prior to or at the time of this permit's issuance;
 - (3) The applicable requirements of the acid rain program, consistent with Section 408(a) of the Clean Air Act; and
 - (4) The ability of U.S. EPA to obtain information from the Permittee under Section 114 of the Clean Air Act.

- (e) This permit shield is not applicable to any change made under 326 IAC 2-7-20(b)(2) (Sections 502(b)(10) of the Clean Air Act changes) and 326 IAC 2-7-20(c)(2) (trading based on State Implementation Plan (SIP) provisions).
- (f) This permit shield is not applicable to modifications eligible for group processing until after IDEM, OAQ or HDEM has issued the modifications. [326 IAC 2-7-12(c)(7)]
- (g) This permit shield is not applicable to minor Part 70 permit modifications until after IDEM, OAQ or HDEM has issued the modification. [326 IAC 2-7-12(b)(8)]

B.13 Prior Permits Superseded [326 IAC 2-1.1-9.5] [326 IAC 2-7-10.5]

- (a) All terms and conditions of permits established prior to T089-7062-00210 and issued pursuant to permitting programs approved into the state implementation plan have been either
 - (1) incorporated as originally stated,
 - (2) revised under 326 IAC 2-7-10.5, or
 - (3) deleted under 326 IAC 2-7-10.5.
- (b) Provided that all terms and conditions are accurately reflected in this permit, all previous registrations and permits are superseded by this permit, except for permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

B.14 Deviations from Permit Requirements and Conditions [326 IAC 2-7-5(3)(C)(ii)]

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

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

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

The Quarterly Deviation and Compliance Monitoring Report does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

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

B.15 Permit Modification, Reopening, Revocation and Reissuance, or Termination
[326 IAC 2-7-5(6)(C)] [326 IAC 2-7-8(a)] [326 IAC 2-7-9]

- (a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a Part 70 permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-7-5(6)(C)] The notification by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).
- (b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAQ or HDEM determines any of the following:
 - (1) That this permit contains a material mistake.
 - (2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.
 - (3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-7-9(a)(3)]
- (c) Proceedings by IDEM, OAQ or HDEM to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-7-9(b)]
- (d) The reopening and revision of this permit, under 326 IAC 2-7-9(a), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAQ or HDEM at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ or HDEM may provide a shorter time period in the case of an emergency. [326 IAC 2-7-9(c)]

B.16 Permit Renewal [326 IAC 2-7-3] [326 IAC 2-7-4]

- (a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and HDEM and shall include the information specified in 326 IAC 2-7-4. Such information shall be included in the application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(40) and 326 IAC 2-7-1(21). The renewal application does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

Request for renewal shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

- (b) Timely Submittal of Permit Renewal [326 IAC 2-7-4(a)(1)(D)]
 - (1) A timely renewal application is one that is:

- (A) Submitted at least nine (9) months prior to the date of the expiration of this permit; and
 - (B) If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ and HDEM on or before the date it is due.
- (2) If IDEM, OAQ and HDEM, upon receiving a timely and complete permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect, including any permit shield provided in 326 IAC 2-7-15, until the renewal permit has been issued or denied.
- (c) **Right to Operate After Application for Renewal** [326 IAC 2-7-3] [326 IAC 2-7-4]
If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-7 until IDEM, OAQ and HDEM, takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by a reasonable deadline specified in writing by IDEM, OAQ and HDEM, any additional information identified as being needed to process the application.
[326 IAC 2-7-4(a)(2)(D) and (E)]
- (d) **United States Environmental Protection Agency Authority** [326 IAC 2-7-8(e)]
If IDEM, OAQ and HDEM fails to act in a timely way on a Part 70 permit renewal, the U.S. EPA may invoke its authority under Section 505(e) of the Clean Air Act to terminate or revoke and reissue a Part 70 permit.

B.17 Source Modification [326 IAC 1-2-42] [326 IAC 2-7-10.5]

- (a) The Permittee shall obtain approval as required by 326 IAC 2-7-10.5 from the OAQ prior to making any modification to the source. Pursuant to 326 IAC 1-2-42, "Modification" means one (1) or more of the following activities at an existing source:
- (1) A physical change or change in the method of operation of any existing emissions unit that increases the potential to emit any regulated pollutant that could be emitted from the emissions unit, or that results in emissions of any regulated pollutant not previously emitted.
 - (2) Construction of one (1) or more new emissions units that have the potential to emit regulated air pollutants.
 - (3) Reconstruction of one (1) or more existing emission units that increases the potential to emit of any regulated air pollutant.
- (b) Any application requesting a source modification shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

Any such application shall be certified by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (c) The Permittee shall also comply with the applicable provisions of 326 IAC 2-7-11 (Administrative Permit Amendments) or 326 IAC 2-7-12 (Permit Modification) prior to operating the approved modification.

B.18 Permit Amendment or Modification [326 IAC 2-7-11] [326 IAC 2-7-12] [40 CFR 72]

- (a) Permit amendments and modifications are governed by the requirements of 326 IAC 2-7-11 or 326 IAC 2-7-12 whenever the Permittee seeks to amend or modify this permit.
- (b) Pursuant to 326 IAC 2-7-11(b) and 326 IAC 2-7-12(a), administrative Part 70 permit amendments and permit modifications for purposes of the acid rain portion of a Part 70 permit shall be governed by regulations promulgated under Title IV of the Clean Air Act. [40 CFR 72]
- (c) 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
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

Any such application shall be certified by the “responsible official” as defined by 326 IAC 2-7-1(34)

- (d) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-7-11(c)(3)]
- (e) 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.19 Permit Revision Under Economic Incentives and Other Programs [326 IAC 2-7-5(8)] [326 IAC 2-7-12(b)(2)]

- (a) No Part 70 permit revision shall be required under any approved economic incentives, marketable Part 70 permits, emissions trading, and other similar programs or processes for changes that are provided for in a Part 70 permit.
- (b) Notwithstanding 326 IAC 2-7-12(b)(1) and 326 IAC 2-7-12(c)(1), minor Part 70 permit modification procedures may be used for Part 70 modifications involving the use of economic incentives, marketable Part 70 permits, emissions trading, and other similar approaches to the extent that such minor Part 70 permit modification procedures are explicitly provided for in the applicable State Implementation Plan (SIP) or in applicable requirements promulgated or approved by the U.S. EPA.

B.20 Operational Flexibility [326 IAC 2-7-20] [326 IAC 2-7-10.5]

- (a) The Permittee may make any change or changes at the source that are described in 326 IAC 2-7-20(b), (c), or (e), without a prior permit revision, if each of the following conditions is met:
 - (1) The changes are not modifications under any provision of Title I of the Clean Air Act;
 - (2) Any preconstruction approval required by 326 IAC 2-7-10.5 has been obtained;

(3) The changes do not result in emissions which exceed the limitations provided in this permit (whether expressed herein as a rate of emissions or in terms of total emissions);

(4) The Permittee notifies the:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

and

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

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

(5) The Permittee maintains records on-site, on a rolling five (5) year basis, which document all such changes and emission trades that are subject to 326 IAC 2-7-20(b), (c), or (e). The Permittee shall make such records available, upon reasonable request, for public review.

Such records shall consist of all information required to be submitted to IDEM, OAQ and HDEM in the notices specified in 326 IAC 2-7-20(b)(1), (c)(1), and (e)(2).

(b) The Permittee may make Section 502(b)(10) of the Clean Air Act changes, (this term is defined at 326 IAC 2-7-1(36)) without a permit revision, subject to the constraint of 326 IAC 2-7-20(a). For each such Section 502(b)(10) of the Clean Air Act change, the required written notification shall include the following:

- (1) A brief description of the change within the source;
- (2) The date on which the change will occur;
- (3) Any change in emissions; and
- (4) Any permit term or condition that is no longer applicable as a result of the change.

The notification which shall be submitted is not considered an application form, report or compliance certification. Therefore, the notification by the Permittee does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(c) Emission Trades [326 IAC 2-7-20(c)]
The Permittee may trade emissions increases and decreases at the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-7-20(c).

- (d) **Alternative Operating Scenarios [326 IAC 2-7-20(d)]**
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-7-5(9). No prior notification of IDEM, OAQ, or U.S. EPA is required.
- (e) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.
- (f) This Condition B.20 does not apply to emission trades of SO₂ or NO_x under 326 IAC 21 or 326 IAC 10-4.

B.21 Inspection and Entry [326 IAC 2-7-6] [IC 13-14-2-2] [IC 13-17-3-2] [IC 13-30-3-1]

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

- (a) Enter upon the Permittee's premises where a Part 70 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 any records that must be kept under the conditions of this permit;
- (c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;
- (d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor 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.22 Transfer of Ownership or Operational Control [326 IAC 2-7-11]

- (a) The Permittee must comply with the requirements of 326 IAC 2-7-11 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.
- (b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

The application which shall be submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

- (c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-7-11(c)(3)]

B.23 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-7-5(7)] [326 IAC 2-1.1-7]

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

B.24 Credible Evidence [326 IAC 2-7-5(3)] [326 IAC 2-7-6] [62 FR 8314]

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

SECTION C

SOURCE OPERATION CONDITIONS

Entire Source

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

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), the 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 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 twenty percent (20%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

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

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1. 326 IAC 4-1-3(a)(2)(A) and (B) are not federally enforceable.

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

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

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

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

C.6 Fugitive Dust Emissions [326 IAC 6.8-10]

Pursuant to 326 IAC 6.8-10 (Lake County: Fugitive Particulate Matter), the particulate matter emissions from source wide activities shall meet the following requirements:

- (a) The average instantaneous opacity of fugitive particulate emissions from a paved road shall not exceed ten percent (10%).
- (b) The average instantaneous opacity of fugitive particulate emissions from an unpaved road shall not exceed ten percent (10%).

- (c) The average instantaneous opacity of fugitive particulate emissions from batch transfer shall not exceed ten percent (10%).
- (d) The opacity of fugitive particulate emissions from continuous transfer of material onto and out of storage piles shall not exceed ten percent (10%) on a three (3) minute average.
- (e) The opacity of fugitive particulate emissions from storage piles shall not exceed ten percent (10%) on a six (6) minute average.
- (f) There shall be a zero (0) percent frequency of visible emission observations of a material during the inplant transportation of material by truck or rail at any time.
- (g) The opacity of fugitive particulate emissions from the inplant transportation of material by front end loaders and skip hoists shall not exceed ten percent (10%).
- (h) There shall be a zero (0) percent frequency of visible emission observations from a building enclosing all or part of the material processing equipment, except from a vent in the building.
- (i) The PM₁₀ emissions from building vents shall not exceed twenty-two thousandths (0.022) grains per dry standard cubic foot and ten percent (10%) opacity.
- (j) The opacity of particulate emissions from dust handling equipment shall not exceed ten percent (10%).
- (k) Any facility or operation not specified in 326 IAC 6.8-10-3 shall meet a twenty percent (20%), three (3) minute average opacity standard.

The Permittee shall achieve these limits by controlling fugitive particulate matter emissions according to the latest approved revision of their Fugitive Dust Control Plan, required by 326 IAC 6.8-10-3. This condition is not intended to be more stringent than the rule, 326 IAC 6.8-10, which includes definitions of the above-mentioned activities.

C.7 Motor Vehicle Fugitive Dust Sources [326 IAC 6-4-4]

Pursuant to 326 IAC 6-4-4, no vehicle shall be driven or moved on any public street, road, alley, highway, or other thoroughfare, unless such vehicle is so constructed as to prevent its contents from dripping, sifting, leaking, or otherwise escaping therefrom so as to create conditions which result in fugitive dust. This section applies only to the cargo any vehicle may be conveying and mud tracked by the vehicle.

C.8 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. The provisions of 326 IAC 1-7-1(3), 326 IAC 1-7-2, 326 IAC 1-7-3(c) and (d), 326 IAC 1-7-4, and 326 IAC 1-7-5(a), (b), and (d) are not federally enforceable.

C.9 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

The Permittee shall comply with the applicable requirements of 326 IAC 14-10, 326 IAC 18, and 40 CFR 61.140.

Testing Requirements [326 IAC 2-7-6(1)]

C.10 Performance Testing [326 IAC 3-6]

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

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

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

no later than thirty-five (35) days prior the intended test date. The protocol submitted by the Permittee does not require certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the “responsible official” as defined by 326 IAC 2-7-1(34).
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ and HDEM not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ and HDEM, if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

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

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

Compliance Monitoring Requirements [326 IAC 2-7-5(1)] [326 IAC 2-7-6(1)]

C.12 Compliance Monitoring [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance. If required by Section D, the Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. If due to circumstances beyond its control, that equipment cannot be installed and operated within ninety (90) days, the Permittee may extend the compliance schedule related to the equipment for an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

in writing, prior to the end of the initial ninety (90) day compliance schedule, with full justification of the reasons for the inability to meet this date.

The notification which shall be submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

Unless otherwise specified in the approval for the new emission unit(s), compliance monitoring for new emission units or emission units added through a source modification shall be implemented when operation begins.

C.13 Continuous Compliance Plan [326 IAC 6.8-8]

Pursuant to 326 IAC 6.8-8 (Lake County: Continuous Compliance Plan), the Permittee shall submit to IDEM-OAQ and HDEM, and maintain at the source a copy of the Continuous Compliance Plan (CCP). The Permittee shall perform the inspections, monitoring, and record keeping requirements as specified in 326 IAC 6.8-8, sections 5 through 7, or according to the Permittee’s approved CCP.

C.14 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

- (a) The Permittee shall install, calibrate, maintain, and operate all continuous opacity monitoring systems (COMS) and related equipment required by this permit. For a boiler, the COMS shall be in operation at all times that the induced draft fan is in operation.
- (b) All COMS shall meet the performance specifications of 40 CFR 60, Appendix B, Performance Specification No.1, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5.
- (c) In the event that a breakdown of a COMS occurs, a record shall be made of the times and reasons of the breakdown and efforts made to correct the problem.
- (d) Whenever a COMS is malfunctioning or is down for maintenance or repairs for a period of twenty-four (24) hours or more and a backup COMS is not online within twenty-four (24) hours of shutdown or malfunction of the primary COMS, the Permittee shall provide a certified opacity reader, who may be an employee of the Permittee or an independent contractor, to self-monitor the emissions from the emission unit stack.
 - (1) Visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of (5) consecutive six (6) minute averaging periods beginning not more than twenty-four (24) hours after the start of the malfunction or down time.
 - (2) Method 9 opacity readings shall be repeated for a minimum of five (5) consecutive six (6) minute averaging periods at least twice per day during daylight operations, with at least four (4) hours between each set of readings, until a COMS is online.
 - (3) Method 9 readings may be discontinued once a COMS is online.
 - (4) Any opacity exceedances determined by Method 9 readings shall be reported with the Quarterly Opacity Exceedances Reports.
- (e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous opacity monitoring system pursuant to 326 IAC 3-5 or 40 CFR 75.

C.15 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.16 Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

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

Corrective Actions and Response Steps [326 IAC 2-7-5] [326 IAC 2-7-6]

C.17 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]

Pursuant to 326 IAC 1-5-2 (Emergency Reduction Plans; Submission):

- (a) The Permittee prepared and submitted written emergency reduction plans (ERPs) consistent with safe operating procedures on January 15, 1991.
- (b) Upon direct notification by IDEM, OAQ or HDEM that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

C.18 Risk Management Plan [326 IAC 2-7-5(12)] [40 CFR 68]

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

C.19 Response to Excursions or Exceedances [326 IAC 2-7-5] [326 IAC 2-7-6]

- (a) Upon detecting an excursion or exceedance, the Permittee shall restore operation of the emissions unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.
- (b) The response shall include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or shutdown conditions). Corrective actions may include, but are not limited to, the following:
 - (1) initial inspection and evaluation;
 - (2) recording that operations returned to normal without operator action (such as through response by a computerized distribution control system); or
 - (3) any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable.

- (c) A determination of whether the Permittee has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include, but is not limited to, the following:
 - (1) monitoring results;
 - (2) review of operation and maintenance procedures and records;
 - (3) inspection of the control device, associated capture system, and the process.
- (d) Failure to take reasonable response steps shall be considered a deviation from the permit.
- (e) The Permittee shall maintain the following records:
 - (1) monitoring data;
 - (2) monitor performance data, if applicable; and
 - (3) corrective actions taken.

C.20 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5] [326 IAC 2-7-6]

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

The response action documents submitted pursuant to this condition do require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

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

C.21 Emission Statement [326 IAC 2-7-5(3)(C)(iii)] [326 IAC 2-7-5(7)] [326 IAC 2-7-19(c)] [326 IAC 2-6]

- (a) Pursuant to 326 IAC 2-6-3(a)(1), the Permittee shall submit by July 1 of each year an emission statement covering the previous calendar year. The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4(c) and shall meet the following requirements:
 - (1) Indicate estimated actual emissions of all pollutants listed in 326 IAC 2-6-4(a);
 - (2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1(32) ("Regulated pollutant, which is used only for purposes of Section 19 of this rule") from the source, for purposes of Part 70 fee assessment.

The emission statement must be submitted to:

Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Quality
100 North Senate Avenue
MC 61-50 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

The emission statement does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

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

C.22 General Record Keeping Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-6]

- (a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner or HDEM makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner or HDEM within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.
- (c) If there is a “project” (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emission unit, other than projects at a source with a Plantwide Applicability Limitation (PAL), which is not part of a “major modification” (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) and the Permittee elects to utilize the “projected actual emissions” (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with the following:
 - (1) Before beginning actual construction of the “project” (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, document and maintain the following records:
 - (A) A description of the project,
 - (B) Identification of any emissions unit whose emissions of a regulated new source review pollutant could be affected by the project,
 - (C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:
 - (i) Baseline actual emissions;
 - (ii) Projected actual emissions;
 - (iii) Amount of emissions excluded under section 326 IAC 2-2-1(rr)(2)(A)(iii) and/or 326 IAC 2-3-1(mm)(2)(A)(iii); and
 - (iv) An explanation for why the amount was excluded, and any netting calculations, if applicable.
 - (2) Monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any existing emissions unit identified in (1)(B) above; and

- (3) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change if the project increases the design capacity of or the potential to emit that regulated NSR pollutant at the emissions unit.

C.23 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11]

- (a) The Permittee shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported. This report shall be submitted within thirty (30) days of the end of the reporting period. The Quarterly Deviation and Compliance Monitoring Report shall include the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

- (c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ and HDEM on or before the date it is due.
- (d) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (e) 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, unless otherwise specified in this permit. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.
- (f) If the Permittee is required to comply with the recordkeeping provisions of (c) in Section C – General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(II)) at an existing Electric Utility Steam Generating Unit, then for that project the Permittee shall:
 - (1) Submit to IDEM, OAQ a copy of the information required by (c)(1) in Section C – General Record Keeping Requirements.
 - (2) Submit a report to IDEM, OAQ within sixty (60) days after the end of each year during which records are generated in accordance with (c)(2) and (3) in Section C - General Record Keeping

Requirements. The report shall contain all information and data describing the annual emissions for the emissions units during the calendar year that preceded the submission of the report.

Reports required in this part shall be submitted to:

Indiana Department of Environmental Management
Air Compliance Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

(g) If the Permittee is required to comply with the recordkeeping provisions of (c) in Section C – General Record Keeping Requirements for any “project” (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(II)) at an existing emissions unit other than Electric Utility Steam Generating Unit, and the project meets the following criteria, then the Permittee shall submit a report to IDEM, OAQ:

- (1) The annual emissions, in tons per year, from the project identified in (c)(1) Section C- General Record Keeping Requirements that exceed the baseline actual emissions, as documented and maintained under Section C- General Record Keeping Requirements (c)(1)(C)(i), by a significant amount, as defined in 326 IAC 2-2-1(xx) and/or 326 IAC 2-3-1(qq), for that regulated NSR pollutant, and
- (2) The emissions difference from the preconstruction projection as documented and maintained under Section C- General Record Keeping Requirements (c)(1)(C)(i).

The report for a project at an existing emissions unit other than Electric Utility Steam Generating Unit shall be submitted within sixty (60) days after the end of the year and shall contain the following:

- (1) The name, address and telephone number of the major stationary source.
- (2) The annual emissions calculated in accordance with (c)(2) and (3) in Section C- General Record Keeping Requirements.
- (3) The emissions calculated under the actual-to-projected actual test stated in 326 IAC 2-2-2(d)(3) and/or 326 IAC 2-3-2(c)(3).
- (4) Any other information that the Permittee deems fit to include in this report.

Reports required in this part shall be submitted to:

Indiana Department of Environmental Management
Air Compliance Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

(h) The Permittee shall make the information required to be documented and maintained in accordance with (c) in Section C- General Record Keeping Requirements available for review upon a request for inspection by IDEM, OAQ and HDEM. The general public may request this information from the IDEM, OAQ and HDEM under 326 IAC 17.1.

Stratospheric Ozone Protection

C.24 Compliance with 40 CFR 82 and 326 IAC 22-1

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

- (a) Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR 82.156.
- (b) Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.
- (c) Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.
- (d) Pursuant to 40 CFR 82, Subpart E (The Labeling of Products Using Ozone-Depleting Substances), all containers in which a Class I or Class II substance is stored or transported and all products containing a Class I substance shall be labeled as required under 40 CFR Part 82.

SECTION D.1

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Coal Handling System, with a nominal throughput of 1600 tons of coal per hour, constructed prior to October 24, 1974, and consisting of the following equipment:

- (a) One (1) Rotary Car Dumper (Unit ID 030-CD) that unloads railcars to a hopper. During the dumping process, the coal is treated with a water spray system to control dust when the weather is appropriate.
- (b) Coal Transfer and Breaker Building (Unit ID 013) that receives the coal via conveyor belts F1 and F2. Coal is fed through coal breaking equipment in preparation for Unit 3 Boiler. The Coal Transfer and Breaker Building is controlled by a dust collector (BH1) and secondary water spray dust suppression.
- (c) Unit 4 Coal Conditioner House (Unit ID 014). Coal can be fed to or returned from this conditioner house via belt conveyors F3-A and F3-B. The Conditioner House contains hammer mills for sizing the coal for combustion in the Unit 4 cyclones. The Conditioner House is controlled by a dust collector (BH2) and water spray dust suppression.
- (d) One (1) Coal Storage Pile with Telescopic Chute (Unit ID 018). Coal is transported to the storage pile from the Breaker Building. Fugitive dust is controlled 75% by the telescoping action of the chute.
- (e) Unit 3 Bunker (Unit ID 015) and Unit 4 East/West Bunker (Unit ID 012) receive coal from the Transfer and Breaker Building using belts F3 and F5 via junction tower transfer point (F3/F5) or belts F4 and F6 via junction tower transfer point (F4/F6). The conveyor belts are enclosed to reduce fugitive emissions. Each bunker has a dust collector following the conveyor belt water spray dust suppression systems.

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

D.1.1 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 twenty percent (20%) 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.

D.1.2 Particulate Emission Limitations [326 IAC 6.8-1-2]

Pursuant to 326 IAC 6.8-1-2 (Particulate Emission Limitations), particulate emissions from the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers shall be limited to 0.03 grains per dry standard cubic foot of exhaust air.

D.1.3 Fugitive Dust Emissions [326 IAC 6.8-10]

Pursuant to 326 IAC 6.8-10 (Lake County: Fugitive Particulate Matter), the fugitive particulate matter emissions from the Rotary Car Dumper and Coal Storage Pile activities shall meet the opacity and visible emission standards in Section C of this permit, Fugitive Dust Emissions (326 IAC 6.8-10).

D.1.4 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

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

Compliance Determination Requirements

D.1.5 Particulate Emissions Control [326 IAC 2-7-6(6)] [326 IAC 6.8-1-2] [326 IAC 6.8-10]

- (a) The Baghouses or secondary control (dust suppression/water spray) for the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers shall be in operation and control emissions at all times when the processes are in operation.
- (b) The Permittee shall achieve the fugitive particulate emissions limitations for the Rotary Car Dumper and Coal Storage Pile activities by controlling fugitive particulate matter emissions according to the latest approved revision of their Fugitive Dust Control Plan required by 326 IAC 6.8-10.

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.1.6 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Visible emission notations of the Rotary Car Dumper enclosure doorways shall be performed once per twelve (12) hour shift during normal daylight operations while unloading coal. A trained employee shall record whether any emissions are observed.
- (b) Visible emission notations of the Transfer/Breaker Building, Unit 4 Conditioner House, and Unit 3 and 4 Bunker stack exhausts shall be performed once per twelve (12) hour shift during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.
- (c) If any visible emissions of dust are observed from the Rotary Car Dumper enclosure doorways, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C – Response to Excursions or Exceedances, shall be considered a deviation from this permit.
- (d) If abnormal emissions are observed at any baghouse exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of abnormal emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C – Response to Excursions or Exceedances, shall be considered a deviation from this permit.
- (e) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.
- (f) 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.
- (g) 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.

D.1.7 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The Permittee shall record the total static pressure drop across each of the baghouses used in conjunction with the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers at least once per week when the units are in operation. When for any one reading, the pressure drop across a baghouse is outside the normal range of 0.5 and 8.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C – Response to Excursions or Exceedances. A pressure reading that is outside the above-mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C – Response to Excursions or Exceedances, shall be considered a deviation from this permit.
- (b) The instrument used for determining the pressure drop shall comply with Section C - Instrument Specifications, and shall be calibrated in accordance with the manufacturer's specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

D.1.8 Continuous Compliance Plan [326 IAC 6.8-8]

Inspections shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

D.1.9 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

In the event that bag failure has been observed:

- (a) For a single compartment baghouse controlling emissions from a process operated continuously, the source shall use water suppression to control emissions until the failed unit has been repaired or replaced.
- (b) For a single compartment baghouse controlling emissions from a batch process, the source shall use water suppression to control emissions until the failed unit has been repaired or replaced.

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

D.1.10 Record Keeping Requirements

- (a) To document compliance with Condition D.1.6, the Permittee shall maintain records of the visible emission notations of the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunker baghouse exhausts, and all response steps taken and the outcome for each. The Visible Emissions Notations Record Keeping Form attached to this permit or an equivalent form may be used.
- (b) To document compliance with Condition D.1.5(b), the Permittee shall maintain a monthly fugitive dust control log in accordance with the Fugitive Dust Control Plan.
- (c) To document compliance with Condition D.1.7, the Permittee shall maintain records of the total static pressure drop across each baghouse.
- (d) 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 [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂), and a continuous opacity monitor (COM).

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

D.2.1 Particulate Matter less than 10 microns in diameter (PM10) [326 IAC 6.8-2]

Pursuant to 326 IAC 6.8-2 (Lake County: PM10 Emission Requirements), the PM10 emissions from Unit 3 Boiler shall not exceed 0.100 pounds per million Btu heat input (lbs/MMBtu) and 213.0 lbs/hr.

D.2.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) 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 non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

D.2.3 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

(a) Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), the following applies:

- (1) When building a new fire in a boiler, or shutting down a boiler, opacity may exceed the applicable limit established in 326 IAC 5-1 and stated in Section C – Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6) minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6) minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]

Operation of the jet-pulse baghouse is not required during these times unless necessary to comply with these limits.

- (2) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2 and stated in Section C – Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]
- (b) If a facility cannot meet the opacity limitations of 326 IAC 5-1-3(a) or (b), the Permittee may submit a written request to IDEM-OAQ, for a temporary alternative opacity limitation in accordance with 326 IAC 5-1-3(d). The Permittee must demonstrate that the alternative limit is needed and justifiable.

D.2.4 Sulfur Dioxide (SO₂) [326 IAC 7-4.1]

Pursuant to 326 IAC 7-4.1-18 (Lake County Sulfur Dioxide Emission Limitations), the SO₂ emissions from Unit 3 Boiler shall not exceed 1.2 pounds per million Btu (lbs/MMBtu) and 2,556 pounds per hour.

D.2.5 Operation Standards [326 IAC 2-1.1-5(a)(4)]

- (a) All coal burned, including coal treated with any additive, shall meet ASTM specifications for classification as coal (ASTM D388).
- (b) Any boiler tube chemical cleaning waste liquids evaporated in the boiler shall only contain the cleaning solution and no more than two full volume boiler rinses.

D.2.6 Continuous Compliance Plan [326 IAC 6.8-8]

Inspections shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

Compliance Determination Requirements

D.2.7 Testing Requirements [326 IAC 2-7-6(1), (6)] [326 IAC 2-1.1-11]

By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM₁₀ limitation in Condition D.2.1 shall be determined by a performance stack test conducted using methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C – Performance Testing.

For the purpose of this permit, “calendar year” means the twelve (12) month period from January 1 to December 31 inclusive.

D.2.8 Operation of the Particulate Control Device (Baghouse) [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the baghouse shall be operated at all times when the boiler vented to the baghouse is in operation.

D.2.9 Continuous Emissions Monitoring [326 IAC 3-5] [40 CFR 75]

- (a) Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions) and 40 CFR 75, continuous emission monitoring systems for Unit 3 Boiler shall be calibrated, maintained, and operated for measuring opacity, SO₂, NO_x, and either CO₂ or O₂, which meet all applicable performance specifications of 326 IAC 3-5-2 and 40 CFR 75.
- (b) All continuous emission monitoring systems are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3 and 40 CFR 75.
- (c) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, or 40 CFR 75.

D.2.10 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-4.1]

- (a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 1.2 pounds per MMBtu using a thirty (30) day rolling weighted average.

- (b) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data shall be collected as follows:
- (1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or
 - (2) Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the Department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (c) Upon written notification to IDEM by a facility owner or operator, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 may be used as the means for determining compliance with the emissions limitations in 326 IAC 7. Upon such notification, the other requirements of 326 IAC 7-2 shall not apply. [326 IAC 7-2-1(g)]

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.2.11 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The Permittee shall record the total static pressure drop across the baghouse used in conjunction with the Unit 3 Boiler at least once per day when the unit is in operation. When for any one reading, the pressure drop across the baghouse is outside the normal range of 2.0 to 10.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C – Response to Excursions or Exceedances. A pressure reading that is outside the above-mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C – Response to Excursions or Exceedances, shall be considered a deviation from this permit.
- (b) The instrument used for determining the pressure drop shall comply with Section C – Instrument Specifications, and shall be calibrated in accordance with the manufacturer's specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

D.2.12 Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

Inspections of all bags controlling Unit 3 Boiler shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

D.2.13 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

In the event that bag failure has been observed:

For the Unit 3 baghouse (U3BH), the failed units shall be repaired or replaced when the unit is off line and sufficiently cooled to allow entry. In the meantime, appropriate response steps shall be taken in accordance with Section C – Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C – Response to Excursions or Exceedances, shall be considered a deviation from this permit.

D.2.14 SO₂ Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the SO₂ continuous emission monitoring system is malfunctioning or down for repairs or adjustments, one of the following methods shall be used to provide information related to SO₂ emissions:

- (a) The relevant requirements of 40 CFR 75 Subpart D – Missing data Substitution Procedures shall be used to provide substitute data, or

- (b) Fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), (d), and (e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the Department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.

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

D.2.15 Record Keeping Requirements

- (a) To document compliance with Section C – Opacity and Conditions D.2.7 through D.2.14, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C – Opacity and in Conditions D.2.1, D.2.2, and D.2.4.
 - (1) Data and results from the most recent stack test.
 - (2) All continuous opacity monitoring data pursuant to 326 IAC 3-5-6 and 40 CFR 75.
 - (3) The results of all Method 9 visible emission readings taken pursuant to Section C – Maintenance of Continuous Opacity Monitoring Equipment.
 - (4) All baghouse parametric monitoring readings.
- (b) To document compliance with Conditions D.2.4 and D.2.14, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO₂ limit as required in Condition D.2.4. The Permittee shall maintain records in accordance with (2) below during SO₂ CEM system downtime.
 - (1) All SO₂ continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g) and 40 CFR 75 with calendar dates and beginning and ending times of any CEM downtime.
 - (2) All fuel sampling and analysis data, pursuant to 326 IAC 7-2 or substitute data according to the missing data substitution procedures in 40 CFR 75.
- (c) To document compliance with Condition D.2.6, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections prescribed by the Continuous Compliance Plan.
- (d) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

D.2.16 Reporting Requirements

A quarterly report of opacity exceedances and the thirty 30-day rolling average sulfur dioxide emission rate in pounds per million Btus shall be submitted to the addresses listed in Section C – General Reporting Requirements, 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 “responsible official” as defined by 326 IAC 2-7-1(34).

SECTION D.3

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂), and a continuous opacity monitor (COM).

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

D.3.1 Particulate Matter less than 10 microns in diameter (PM10) [326 IAC 6.8-2]

Pursuant to 326 IAC 6.8-2 (Lake County: PM10 Emission Requirements), the PM10 emissions from Unit 4 Boiler shall not exceed 0.100 pounds per million Btu heat input (lbs/MMBtu) and 356.8 lbs/hr.

D.3.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) 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 non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

D.3.3 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

- (a) Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), the following applies:
 - (1) When building a new fire in a boiler, or shutting down a boiler, opacity may exceed the applicable limit established in 326 IAC 5-1 and stated in Section C – Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6) minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6) minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]

Operation of the electrostatic precipitator is not required during these times unless necessary to comply with these limits.
 - (2) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2 and stated in Section C – Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]
- (b) If a facility cannot meet the opacity limitations of 326 IAC 5-1-3(a) or (b), the Permittee may submit a written request to IDEM-OAQ, for a temporary alternative opacity limitation in accordance with 326 IAC 5-1-3(d). The Permittee must demonstrate that the alternative limit is needed and justifiable.

D.3.4 Sulfur Dioxide (SO₂) [326 IAC 7-4.1]

Pursuant to 326 IAC 7-4.1-18 (Lake County Sulfur Dioxide Emission Limitations), the SO₂ emissions from Unit 4 Boiler shall not exceed 1.2 pounds per million Btu (lbs/MMBtu) and 4,054.8 pound per hour.

D.3.5 Operation Standards [326 IAC 2-1.1-5(a)(4)]

- (a) All coal burned, including coal treated with any additive, shall meet ASTM specifications for classification as coal (ASTM D388).
- (b) Any boiler tube chemical cleaning waste liquids evaporated in the boiler shall only contain the cleaning solution and no more than two full volume boiler rinses.

D.3.6 Continuous Compliance Plan [326 IAC 6.8-8]

Inspections shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

Compliance Determination Requirements

D.3.7 Testing Requirements [326 IAC 2-7-6(1), (6)] [326 IAC 2-1.1-11]

By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM₁₀ limitation in Condition D.3.1 shall be determined by a performance stack test conducted using methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C – Performance Testing.

For the purpose of this permit, “calendar year” means the twelve (12) month period from January 1 to December 31 inclusive.

D.3.8 Operation of the Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided in Condition D.3.3, Temporary Alternative Opacity Limitations, the electrostatic precipitator (ESP) shall be operated at all times that the boiler vented to the ESP is in operation.

D.3.9 Continuous Emissions Monitoring [326 IAC 3-5]

- (a) Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions) and 40 CFR 75, continuous emission monitoring systems for Unit 4 Boiler shall be calibrated, maintained, and operated for measuring opacity, SO₂, NO_x, and either CO₂ or O₂, which meet all applicable performance specifications of 326 IAC 3-5-2 and 40 CFR 75.
- (b) All continuous emission monitoring systems are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3 and 40 CFR 75.
- (c) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, or 40 CFR 75.

D.3.10 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-4.1]

- (a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 1.2 pounds per MMBtu using a thirty (30) day rolling weighted average.

- (b) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data shall be collected as follows:
- (1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or
 - (2) Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the Department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (c) Upon written notification to IDEM by a facility owner or operator, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 may be used as the means for determining compliance with the emissions limitations in 326 IAC 7. Upon such notification, the other requirements of 326 IAC 7-2 shall not apply. [326 IAC 7-2-1(g)]

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.3.11 Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The ability of the ESP to control particulate emissions shall be monitored once per day, when the unit is in operation, by measuring and recording the number of T-R sets in service and the primary and secondary voltages and the currents of the transformer-rectifier (T-R) sets.
- (b) Reasonable response steps shall be taken in accordance with Section C – Response to Excursions or Exceedances whenever the percentage of T-R sets in service falls below ninety percent (90%). The opacity monitor readings and the current Load vs. Emissions chart (for Unit 4) shall be consulted to determine whether a load reduction is necessary. T-R set failure resulting in less than 90 percent (90%) availability is not a deviation from this permit. Failure to take response steps in accordance with Section C – Response to Excursions or Exceedances, shall be considered a deviation from this permit.

D.3.12 SO₂ Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the SO₂ continuous emission monitoring (CEM) system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO₂ emissions:

- (a) If the CEM system is down for less than twenty-four (24) hours, the relevant requirements of 40 CFR 75, Subpart D – Missing Data Substitution Procedures shall be used to provide substitute data.
- (b) If the CEM system is down for twenty-four (24) hours or more, fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.

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

D.3.13 Record Keeping Requirements

- (a) To document compliance with Section C - Opacity and Conditions D.3.7 through D.3.12, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C – Opacity and in Conditions D.3.1, D.3.2, and D.3.4.

- (1) Data and results from the most recent stack test.
 - (2) All continuous opacity monitoring data pursuant to 326 IAC 3-5-6 and 40 CFR 75.
 - (3) The results of all Method 9 visible emission readings taken pursuant to Section C – Maintenance of Continuous Opacity Monitoring Equipment.
 - (4) All ESP parametric monitoring readings.
- (b) To document compliance with Conditions D.3.4 and D.3.12, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO₂ limit as required in Condition D.3.4. The Permittee shall maintain records in accordance with (2) below during SO₂ CEM system downtime.
- (1) All SO₂ continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g) and 40 CFR 75 with calendar dates and beginning and ending times of any CEM downtime.
 - (2) All fuel sampling and analysis data, pursuant to 326 IAC 7-2 or substitute data according to the missing data substitution procedures in 40 CFR 75.
- (c) To document compliance with Condition D.3.6, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections prescribed by the Continuous Compliance Plan.
- (d) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

D.3.14 Reporting Requirements

A quarterly report of opacity exceedances and the thirty 30-day rolling average sulfur dioxide emission rate in pounds per million Btus shall be submitted to the addresses listed in Section C – General Reporting Requirements, 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 “responsible official” as defined by 326 IAC 2-7-1(34).

SECTION D.4

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) natural gas-fired boiler, identified as the Nebraska/Wabash Packaged Boiler (Unit ID 029), constructed in 1990, with a nominal rating of 56 MMBtu/hr.

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

D.4.1 General Provisions Relating to NSPS [326 IAC 12-1] [40 CFR Part 60, Subpart A]

This facility is subject to 326 IAC 12 and 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units). The provisions of 40 CFR Part 60, Subpart A – General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to this facility described in this section except when otherwise specified in 40 CFR 60, Subpart Dc.

D.4.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) 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 non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

D.4.3 Particulate Matter (PM) [326 IAC 6.8-1-2]

Pursuant to 326 IAC 6.8-1-2 (Particulate Emission Limitations), emissions of particulate matter (PM) from fuel combustion steam generators that burn natural gas only shall be limited to 0.01 grains per dry standard cubic foot (gr/dscf).

Compliance Determination Requirements

D.4.4 Particulate Matter (PM) [326 IAC 6.8-1-2]

In order to demonstrate compliance with the particulate matter (PM) emissions limitation in Condition D.4.3, the Nebraska/Wabash Packaged Boiler shall only burn natural gas.

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.4.5 There are no compliance monitoring requirements applicable to this facility.

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

D.4.6 Record Keeping Requirements

Pursuant to 326 IAC 12 and 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units), section 60.48c, the Permittee shall record and maintain records of the amount of natural gas combusted in the Nebraska/Wabash Packaged Boiler during each day.

D.4.7 Reporting Requirements

- (a) A certification, signed by the responsible official, that certifies all of the fuels combusted during the reporting period. The natural gas-fired boiler certification does require the certification by the responsible official as defined by 326 IAC 2-7-1(34);
- (b) The natural gas boiler certification shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or its equivalent, within thirty (30) days after the end of the six (6) month period being reported.

SECTION D.5

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Fly Ash Truck Loading from the 500 Ton Silo (Unit ID 020) and 1000 Ton Silo (Unit ID 017). Emissions from fly ash truck loading at the 500 Ton Fly Ash Silo are controlled by a Mikro-Pulsaire Dust Collector. Emissions from fly ash truck loading at the 1000 Ton Silo are controlled by a Plenum Pulse Bag Filter.

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

D.5.1 Particulate Matter (PM) [326 IAC 6.8-1-2]

Pursuant to 326 IAC 6.8-1-2 (Particulate Emission Limitations), emissions of particulate matter (PM) from the Fly Ash Truck Loading at the 500 Ton Silo and Fly Ash Truck Loading at the 1000 Ton Silo shall be limited to 0.03 grains per dry standard cubic foot, each.

D.5.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) 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 non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

D.5.3 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

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

Compliance Determination Requirements

D.5.4 Particulate Matter (PM) Control [326 IAC 2-7-6(6)]

The Baghouses for each Fly Ash Truck Loading System shall be in operation at all times and control emissions when the processes are in operation.

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.5.5 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Visible emission notations of each Fly Ash Truck Loading System enclosure and stack exhaust shall be performed once per twelve (12) hour shift during normal daylight operations while loading ash. A trained employee shall record whether any emissions are observed.

- (b) If visible emissions are observed crossing the property line or boundaries of the property, right-of-way, or easement on which the source is located, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.
- (c) If any visible emissions of ash are observed from the Fly Ash Truck Loading System enclosures or stack exhausts, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

D.5.6 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The Permittee shall record the total static pressure drop across each baghouse used in conjunction with the Fly Ash Truck Loading at least once per day when the unit is in operation. When for any one reading, the pressure drop across a baghouse is outside the normal range of 0.5 and 8.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. A pressure reading that is outside the above-mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.
- (b) The instrument used for determining the pressure drop shall comply with Section C - Instrument Specifications, and shall be calibrated in accordance with the manufacturer's specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

D.5.7 Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

The baghouse inspections for all bags controlling the 500 and 1000 ton Silo Fly Ash Truck Loading Systems shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

D.5.8 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

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 shall be initiated. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances 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, failed units and the associated process will be shut down immediately if the visible emissions are abnormal according to the monitoring requirements of D.5.5, Visible Emissions Notations. If the visible emissions are abnormal, 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).

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

D.5.9 Record Keeping Requirements

- (a) To document compliance with Condition D.5.5, the Permittee shall maintain records of the visible emission notations of the Fly Ash Truck Loading exhausts, and all response steps taken and the outcome for each. The Visible Emissions Notations Record Keeping Form attached to this permit or an equivalent form may be used.

- (b) To document compliance with Conditions D.5.6 and D.5.7, the Permittee shall maintain the following:
 - (1) Records of the total static pressure drops across the baghouses;
 - (2) Records of the results of the baghouse inspections, including any additional inspections prescribed by the Preventive Maintenance Plan; and
 - (3) All response steps taken and the outcome for each.

SECTION D.6 FACILITY OPERATION CONDITIONS - Insignificant Activity

Facility Description [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Storage Tanks TK5 through TK13: These tanks are insignificant activities according to 326 IAC 2-7-1 (21)(G)(iii):

VOC and HAP storage containers with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons and vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids.

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

D.6.1 Volatile Organic Compound (VOC) [326 IAC 8-9]

These facilities (Stationary vessels with a capacity of less than thirty-nine thousand (39,000) gallons) are subject to the reporting and record keeping provisions of section 6(a) and 6(b) of this rule, as stated below in Condition D.6.3, and are exempt from all other provisions of the rule.

Compliance Determination Requirements

D.6.2 Compliance with the standards of Condition D.6.1 shall be determined by the record keeping requirements in 326 IAC 8-9, section 6(a) and 6(b).

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

D.6.3 Record Keeping and Reporting Requirements

Pursuant to 326 IAC 8-9 (Volatile Organic Liquid Storage Vessels), section 6(b), the source shall maintain and record and submit to the department a report containing the following information for each vessel:

- (1) The vessel identification number.
- (2) The vessel dimensions.
- (3) The vessel capacity.
- (4) A description of the emission control equipment for each vessel described in section 4(a) and 4(b) of this rule, or a schedule for installation of emission control equipment on vessels described in section 4(a) or 4(b) of this rule with a certification that the emission control equipment meets the applicable standards.

SECTION D.7 FACILITY OPERATION CONDITIONS - Insignificant Activity

Facility Description [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Auxiliary Emergency Generator: This unit is an insignificant source under the following category:

326 IAC 2-7-1(21)(G)(xxii)(BB)(bb): diesel emergency generators not exceeding 1600 horsepower.

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

D.7.1 Sulfur Dioxide (SO₂) [326 IAC 7-4.1]

Pursuant to 326 IAC 7-4.1-18, Lake County Sulfur Dioxide Emission Limitations, sulfur dioxide emissions from the Auxiliary Emergency Generator shall be limited to 0.3 lbs/MMBtu and 1.35 lbs/hr.

Compliance Determination Requirements

D.7.2 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3-7-4] [326 IAC 7-4.1]

Compliance shall be determined utilizing one of the following options.

- (a) Pursuant to 326 IAC 3-7-4 and 326 IAC 7-2, the Permittee shall demonstrate that the fuel oil sulfur content does not exceed 0.3 pounds per MMBtu by:
 - (1) Providing vendor analysis of fuel delivered, if accompanied by a certification;
 - (2) Analyzing the oil sample to determine the sulfur content of the oil via the procedures in 40 CFR 60, Appendix A, Method 19.
 - (A) Oil samples may be collected from the fuel tank immediately after the fuel tank is filled and before any oil is combusted; and
 - (B) If a partially empty fuel tank is refilled, a new sample and analysis would be required upon filling; or
- (b) Compliance may also be determined by conducting a stack test for sulfur dioxide emissions from the 4.5 MMBtu per hour generator, using 40 CFR 60, Appendix A, Method 6 in accordance with the procedures in 326 IAC 3-6.

A determination of noncompliance pursuant to either of the methods specified in (a) or (b) above shall not be refuted by evidence of compliance pursuant to the other method.

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

D.7.3 Record Keeping Requirements

The Permittee shall maintain a record of the fuel analysis as delivered by the vendor. Such records shall be available for inspection by IDEM-OAQ or HDEM.

SECTION E

TITLE IV CONDITIONS

Facility Description [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂), and a continuous opacity monitor (COM).

One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂), and a continuous opacity monitor (COM).

Acid Rain Program

E.1 Acid Rain Permit [326 IAC 2-7-5(1)(C)] [326 IAC 21] [40 CFR 72 through 40 CFR 78]

- (a) Pursuant to 326 IAC 21 (Acid Deposition Control), the Permittee shall comply with all provisions of the Acid Rain permit issued for this source, and any other applicable requirements contained in 40 CFR 72 through 40 CFR 78.
- (b) The Acid Rain permit for this source is attached to this permit as Appendix A, and is incorporated by reference.

E.2 Title IV Emissions Allowances [326 IAC 2-7-5(4)] [326 IAC 21]

Emissions exceeding any allowances that the Permittee lawfully holds under the Title IV Acid Rain Program of the Clean Air Act are prohibited, subject to the following limitations:

- (a) No revision of this permit shall be required for increases in emissions that are authorized by allowances acquired under the Title IV Acid Rain Program, provided that such increases do not require a permit revision under any other applicable requirement.
- (b) No limit shall be placed on the number of allowances held by the Permittee. The Permittee may not use allowances as a defense to noncompliance with any other applicable requirement.
- (c) Any such allowance shall be accounted for according to the procedures established in regulations promulgated under Title IV of the Clean Air Act.

**SECTION F Nitrogen Oxides Budget Trading Program
NO_x Budget Permit for NO_x Budget Units Under 326 IAC 10-4-1(a)**

ORIS Code: 981

NO_x Budget Source [326 IAC 2-7-5(15)]

One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂), and a continuous opacity monitor (COM).

One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂), and a continuous opacity monitor (COM).

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

F.1 Automatic Incorporation of Definitions [326 IAC 10-4-7(e)]

This NO_x budget permit is deemed to incorporate automatically the definitions of terms under 326 IAC 10-4-2.

F.2 Standard Permit Requirements [326 IAC 10-4-4(a)]

- (a) The owners and operators of the NO_x budget source and each NO_x budget unit shall operate each unit in compliance with this NO_x budget permit.
- (b) The NO_x budget units subject to this NO_x budget permit are Unit 3 Boiler and Unit 4 Boiler.

F.3 Monitoring Requirements [326 IAC 10-4-4(b)]

- (a) The owners and operators and, to the extent applicable, the NO_x authorized account representative of the NO_x budget source and each NO_x budget unit at the source shall comply with the monitoring requirements of 40 CFR 75 and 326 IAC 10-4-12.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 326 IAC 10-4-12 shall be used to determine compliance by each unit with the NO_x budget emissions limitation under 326 IAC 10-4-4(c) and Condition F.4, Nitrogen Oxides Requirements.

F.4 Nitrogen Oxides Requirements [326 IAC 10-4-4(c)]

- (a) The owners and operators of the NO_x budget source and each NO_x budget unit at the source shall hold NO_x allowances available for compliance deductions under 326 IAC 10-4-10(j), as of the NO_x allowance transfer deadline, in each unit's compliance account and the source's overdraft account in an amount:
 - (1) Not less than the total NO_x emissions for the ozone control period from the unit, as determined in accordance with 40 CFR 75 and 326 IAC 10-4-12;
 - (2) To account for excess emissions for a prior ozone control period under 326 IAC 10-4-10(k)(5); or

- (3) To account for withdrawal from the NO_x budget trading program, or a change in regulatory status of a NO_x budget opt-in unit.
- (b) Each ton of NO_x emitted in excess of the NO_x budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.
- (c) Each NO_x budget unit shall be subject to the requirements under (a) above and 326 IAC 10-4-4(c)(1) starting on May 31, 2004.
- (d) NO_x allowances shall be held in, deducted from, or transferred among NO_x allowance tracking system accounts in accordance with 326 IAC 10-4-9 through 11, 326 IAC 10-4-13, and 326 IAC 10-4-14.
- (e) A NO_x allowance shall not be deducted, in order to comply with the requirements under (a) above and 326 IAC 10-4-4(c)(1), for an ozone control period in a year prior to the year for which the NO_x allowance was allocated.
- (f) A NO_x allowance allocated under the NO_x budget trading program is a limited authorization to emit one (1) ton of NO_x in accordance with the NO_x budget trading program. No provision of the NO_x budget trading program, the NO_x budget permit application, the NO_x budget permit, or an exemption under 326 IAC 10-4-3 and no provision of law shall be construed to limit the authority of the U.S. EPA or IDEM, OAQ to terminate or limit the authorization.
- (g) A NO_x allowance allocated under the NO_x budget trading program does not constitute a property right.
- (h) Upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NO_x allowance to or from each NO_x budget unit's compliance account or the overdraft account of the source where the unit is located is deemed to amend automatically, and become a part of, this NO_x budget permit of the NO_x budget unit by operation of law without any further review.

F.5 Excess Emissions Requirements [326 IAC 10-4-4(d)]

The owners and operators of each NO_x budget unit that has excess emissions in any ozone control period shall do the following:

- (a) Surrender the NO_x allowances required for deduction under 326 IAC 10-4-10(k)(5).
- (b) Pay any fine, penalty, or assessment or comply with any other remedy imposed under 326 IAC 10-4-10(k)(7).

F.6 Record Keeping Requirements [326 IAC 10-4-4(e)] [326 IAC 2-7-5(3)]

Unless otherwise provided, the owners and operators of the NO_x budget source and each NO_x budget unit at the source shall keep, either on site at the source or at a central location within Indiana for those owners or operators with unattended sources, each of the following documents for a period of five (5) years:

- (a) The account certificate of representation for the NO_x authorized account representative for the source and each NO_x budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 326 IAC 10-4-6(h). The certificate and documents shall be retained either on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond the five (5) year period until the documents are superseded because of the submission of a new account certificate of representation changing the NO_x authorized account representative.
- (b) All emissions monitoring information, in accordance with 40 CFR 75 and 326 IAC 10-4-12, provided that to the extent that 40 CFR 75 and 326 IAC 10-4-12 provide for a three (3) year period for record keeping, the three (3) year period shall apply.

- (c) Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO_x budget trading program.
- (d) Copies of all documents used to complete a NO_x budget permit application and any other submission under the NO_x budget trading program or to demonstrate compliance with the requirements of the NO_x budget trading program.

This period may be extended for cause, at any time prior to the end of five (5) years, in writing by IDEM, OAQ or the U.S. EPA. Records retained at a central location within Indiana shall be available immediately at the location and submitted to IDEM, OAQ or U.S. EPA within three (3) business days following receipt of a written request. Nothing in 326 IAC 10-4-4(e) shall alter the record retention requirements for a source under 40 CFR 75. Unless otherwise provided, all records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

F.7 Reporting Requirements [326 IAC 10-4-4(e)]

- (a) The NO_x authorized account representative of the NO_x budget source and each NO_x budget unit at the source shall submit the reports and compliance certifications required under the NO_x budget trading program, including those under 326 IAC 10-4-8, 326 IAC 10-4-12, or 326 IAC 10-4-13.
- (b) Pursuant to 326 IAC 10-4-4(e) and 326 IAC 10-4-6(e)(1), each submission shall include the following certification statement by the NO_x authorized account representative: "I am authorized to make this submission on behalf of the owners and operators of the NO_x budget sources or NO_x budget units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."
- (c) Where 326 IAC 10-4 requires a submission to IDEM, OAQ, the NO_x authorized account representative shall submit required information to:

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

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

- (d) Where 326 IAC 10-4 requires a submission to U.S. EPA, the NO_x authorized account representative shall submit required information to:

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

F.8 Liability [326 IAC 10-4-4(f)]

The owners and operators of each NO_x budget source shall be liable as follows:

- (a) Any person who knowingly violates any requirement or prohibition of the NO_x budget trading program, a NO_x budget permit, or an exemption under 326 IAC 10-4-3 shall be subject to enforcement pursuant to applicable state or federal law.
- (b) Any person who knowingly makes a false material statement in any record, submission, or report under the NO_x budget trading program shall be subject to criminal enforcement pursuant to the applicable state or federal law.
- (c) No permit revision shall excuse any violation of the requirements of the NO_x budget trading program that occurs prior to the date that the revision takes effect.
- (d) Each NO_x budget source and each NO_x budget unit shall meet the requirements of the NO_x budget trading program.
- (e) Any provision of the NO_x budget trading program that applies to a NO_x budget source, including a provision applicable to the NO_x authorized account representative of a NO_x budget source, shall also apply to the owners and operators of the source and of the NO_x budget units at the source.
- (f) Any provision of the NO_x budget trading program that applies to a NO_x budget unit, including a provision applicable to the NO_x authorized account representative of a NO_x budget unit, shall also apply to the owners and operators of the unit. Except with regard to the requirements applicable to units with a common stack under 40 CFR 75 and 326 IAC 10-4-12, the owners and operators and the NO_x authorized account representative of one (1) NO_x budget unit shall not be liable for any violation by any other NO_x budget unit of which they are not owners or operators or the NO_x authorized account representative and that is located at a source of which they are not owners or operators or the NO_x authorized account representative.

F.9 Effect on Other Authorities [326 IAC 10-4-4(g)]

No provision of the NO_x budget trading program, a NO_x budget permit application, a NO_x budget permit, or an exemption under 326 IAC 10-4-3 shall be construed as exempting or excluding the owners and operators and, to the extent applicable, the NO_x authorized account representative of a NO_x budget source or NO_x budget unit from compliance with any other provision of the applicable, approved state implementation plan, a federally enforceable permit, or the CAA.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Air Quality
COMPLIANCE DATA SECTION**

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
AIR POLLUTION CONTROL DIVISION**

**PART 70 OPERATING PERMIT
CERTIFICATION**

Source Name: State Line Energy, LLC
Source Address: 103rd Street and Lake Michigan
Hammond, Indiana 46320
Mailing Address: P.O. Box 687
Hammond, Indiana 46325-0687
Part 70 Permit No.: T089-7062-00210

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

Please check what document is being certified:

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

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

Signature:

Printed Name:

Title/Position:

Telephone:

Date:

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH
100 North Senate Avenue
Indianapolis, Indiana 46204-2251
Phone: 317-233-0178
Fax: 317-233-6865**

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
AIR POLLUTION CONTROL DIVISION
5925 Calumet Avenue
Hammond, Indiana 46320
Phone: 219-853-6306
Fax: 219-853-6343**

**PART 70 OPERATING PERMIT
EMERGENCY OCCURRENCE REPORT**

Source Name: State Line Energy, LLC
Source Address: 103rd Street and Lake Michigan, Hammond, Indiana 46320
Mailing Address: P.O. Box 687, Hammond, Indiana 46325-0687
Part 70 Permit No.: T089-7062-00210

This form consists of 2 pages

Page 1 of 2

<p>_____ This is an emergency as defined in 326 IAC 2-7-1(12)</p> <ul style="list-style-type: none">• The Permittee must notify the Office of Air Quality (OAQ), within four (4) business hours (1-800-451-6027 or 317-233-0178, ask for Compliance Section); and• The Permittee must submit notice in writing or by facsimile within two (2) working days (Facsimile Number: 317-233-6865), and follow the other requirements of 326 IAC 2-7-16.
--

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

Facility/Equipment/Operation:
Control Equipment:
Permit Condition or Operation Limitation in Permit:
Description of the Emergency:
Describe the cause of the Emergency:

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

Page 2 of 2

Date/Time Emergency started:
Date/Time Emergency was corrected:
Was the facility being properly operated at the time of the emergency? Y N Describe:
Type of Pollutants Emitted: TSP, PM-10, SO ₂ , VOC, NOX, CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

Form Completed By: _____
Title / Position : _____
Date: _____
Telephone: _____

A certification is not required for this report.

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

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
AIR POLLUTION CONTROL DIVISION**

**PART 70 OPERATING PERMIT
SEMI-ANNUAL NATURAL GAS FIRED BOILER CERTIFICATION**

Source Name: State Line Energy, LLC
Source Address: 103rd Street and Lake Michigan, Hammond, Indiana 46320
Mailing Address: P.O. Box 687, Hammond, Indiana 46325-0687
Part 70 Permit No.: T089-7062-00210

<input type="checkbox"/> Natural Gas Only
<input type="checkbox"/> Alternate Fuel burned
From: _____ To: _____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.
Signature: _____
Printed Name: _____
Title/Position: _____
Telephone: _____
Date: _____

A certification by the responsible official as defined by 326 IAC 2-7-1(34) is required for this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Air Quality
COMPLIANCE DATA SECTION**

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
AIR POLLUTION CONTROL DIVISION**

**PART 70 OPERATING PERMIT
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT**

Source Name: State Line Energy, LLC
Source Address: 103rd Street and Lake Michigan, Hammond, Indiana 46320
Mailing Address: P.O. Box 687, Hammond, Indiana 46325-0687
Part 70 Permit No.: T089-7062-00210

Months: _____ to _____ Year: _____

Page 1 of 2

<p>This report shall be submitted quarterly based on a calendar year. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. A deviation required to be reported pursuant to an applicable requirement that exists independent of the permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report. Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".</p> <p><input type="checkbox"/> NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.</p> <p><input type="checkbox"/> THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD</p>	
Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	
Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

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

Form Completed By:

Title / Position :

Date:

Telephone:

Attach a signed certification to complete this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
 Office of Air Quality
 COMPLIANCE DATA SECTION**

and

HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Visible Emissions Notations Record Keeping Form

Source Name: State Line Energy, LLC
 Source Address: 103rd Street and Lake Michigan, Hammond, Indiana 46320
 Mailing Address: P.O. Box 687, Hammond, Indiana 46325-0687
 Part 70 Permit No.: T089-7062-00210
 Notation: Normal or Abnormal

Month: _____ Year: _____

Day	Stack ID					
	Transfer Breaker Building	Unit 4 Coal Conditioner House	Unit 3 Bunker	Unit 4 Bunker	Fly Ash Truck Loading from 500 Ton Silo	Fly Ash Truck Loading from 1000 Ton Silo
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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26						
27						
28						
29						
30						

This form is optional. An equivalent form subject to approval by IDEM-OAQ or HDEM may be used.

**Indiana Department of Environmental Management
Office of Air Quality**

and

**Hammond Department of Environmental Management
-Air Pollution Control Division-**

Addendum to the Technical Support Document for a
Part 70 Significant Permit Modification

Source Name:	State Line Energy, LLC
Source Location:	103 rd Street and Lake Michigan, Hammond, Indiana
County:	Lake
SIC Code:	4911 – Electric Services
Operation Permit No.:	T089-7062-00210
Significant Permit Modification No.:	089-19439-00210
Permit Reviewer:	Ronald Holder, HDEM

On November 30, 2007, the Hammond Department of Environmental Management (HDEM) had a notice published in the Hammond Times, Hammond, Indiana, stating that State Line Energy, LLC had applied for a modification of the Part 70 Operating Permit for their electric utility generating station located in Lake County, Indiana. The notice also stated that HDEM proposed to issue the modification 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 HDEM 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):

State Line is not specifically required in the permit to have a Preventative Maintenance Plan (PMP) for Units 3 and 4 because the Continuous Compliance Plan (CCP) required by 326 IAC 6.8-8 and Conditions D.2.6 and D.3.6 has been deemed sufficient to include the requirements of a PMP; therefore, the references to Preventative Maintenance Plans in the record keeping requirements D.2.15 and D.3.13 have been replaced by the CCP as follows:

D.2.15 Record Keeping Requirements

- (c) **To document compliance with Condition D.2.6**, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections prescribed by the ~~Preventive Maintenance Plan and~~ Continuous Compliance Plan.

D.3.13 Record Keeping Requirements

- (c) **To document compliance with Condition D.3.6**, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections prescribed by the ~~Preventive Maintenance Plan and~~ Continuous Compliance Plan.

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

Indiana Department of Environmental Management Office of Air Quality

and

Hammond Department of Environmental Management Air Pollution Control Division

Technical Support Document (TSD) for a Part 70 Significant Permit Modification

Source Description and Location
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Source Name:	State Line Energy, LLC
Source Location:	103 rd Street and Lake Michigan, Hammond, IN 46320
County:	Lake
SIC Code:	4911 – Electric Services
Operation Permit No.:	T089-7062-00210
Operation Permit Issuance Date:	June 30, 2004
Significant Permit Modification No.:	089-19439-00210
Permit Reviewer:	Ronald Holder - HDEM

History

State Line Energy, LLC was issued a Part 70 Operating Permit No. T089-7062-00210 on June 30, 2004 for a stationary electric utility generating station located in Lake County, Indiana. State Line Energy, LLC filed a petition as Cause No. 04-A-E-3404 for administrative review of the Part 70 operating permit with the Office of Environmental Adjudication (OEA).

On January 3, 2007, State Line Energy, LLC and the Indiana Department of Environmental Management (IDEM), by their respective counsel, agreed to stay conditions of Part 70 Operating Permit No. T089-7062-00210 as outlined in the Second Joint Agreement Regarding Stay, Cause No. 04-A-E-3404, on file with the IDEM and the OEA.

This Significant Permit Modification No. 089-19439-00210 resolves the petition per the stay agreement which states that the Second Joint Agreement Regarding Stay shall be effective from January 1, 2007 until such time as Part 70 Operating Permit No. T089-7062-00210 is modified in a manner so as to affect the terms addressed in the Second Joint Agreement Regarding Stay.

As a result of this permit modification, changes to the permit have been made as detailed below in the Proposed Changes section of this technical support document (TSD).

Existing Approvals

The source was issued Part 70 Operating Permit No. T089-7062-00210 on June 30, 2004. The source has not received any subsequent approvals.

County Attainment Status

The source is located in Lake County.

Pollutant	Status
PM ₁₀	Attainment
PM _{2.5}	Nonattainment
SO ₂	Attainment
NO _x	Attainment
8-hour Ozone	Moderate Nonattainment
CO	Attainment
Lead	Attainment

(a) Volatile organic compounds (VOC) and nitrogen oxides (NO_x) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone.

(1) On December 22, 2006 the United States Court of Appeals, District of Columbia issued a decision which served to partially vacate and remand the U.S. EPA's final rule for implementation of the eight-hour National Ambient Air quality Standard for ozone. *South Coast Air Quality Mgmt. Dist. v. EPA*, 472 F.3d 882 (D.C. Cir., December 22, 2006), *rehearing denied* 2007 U.S. App. LEXIS 13748 (D.C. Cir., June 8, 2007). The U.S. EPA has instructed IDEM to issue permits in accordance with its interpretation of the *South Coast* decision as follows: Gary-Lake-Porter County was previously designated as a severe non-attainment area prior to revocation of the one-hour ozone standard, therefore, pursuant to the anti-backsliding provisions of the Clean Air Act, any new or existing source must be subject to the major source applicability cut-offs and offset ratios under the area's previous one-hour standard designation. This means that a source must achieve the Lowest Achievable Emission Rate (LAER) if it exceeds 25 tons per year of VOC emissions and must offset any increase in VOC emissions by a decrease of 1.3 times that amount.

On January 26, 1996 in 40 CFR 52.777(i), the U.S. EPA granted a waiver of the requirements of Section 182(f) of the CAA for Lake and Porter Counties, including the lower NO_x threshold for nonattainment new source review. Therefore, VOC emissions alone are considered when evaluating the rule applicability relating to the 1-hour ozone standard. Therefore, VOC emissions were reviewed pursuant to the requirements for nonattainment new source review. See the State Rule Applicability for the source section.

(2) VOC and NO_x emissions are considered when evaluating the rule applicability relating to the 8-hour ozone standard. Lake County has been designated as moderate nonattainment for the 8-hour ozone standard. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements for Emission Offset, 326 IAC 2-3. See the State Rule Applicability – Entire Source section.

(b) U.S. EPA, in the Federal Register Notice 70 FR 943 dated January 5, 2005, has designated Lake County as nonattainment for PM_{2.5}. On March 7, 2005 the Indiana Attorney General's Office, on behalf of IDEM, filed a law suit with the Court of Appeals for the District of Columbia Circuit challenging U.S. EPA's designation of nonattainment areas without sufficient data. However, in order to ensure that sources are not potentially liable for a violation of the Clean Air Act, the OAQ is following the U.S. EPA's guidance to regulate PM₁₀ emissions as a surrogate for PM_{2.5} emissions pursuant to the requirements of Emission Offset, 326 IAC 2-3.

- (c) Lake County has been classified as attainment or unclassifiable for PM10, SO2, NOx, CO, and Lead. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (d) Fugitive Emissions
Since this type of operation is in one of the twenty-eight (28) listed source categories under 326 IAC 2-2 or 326 IAC 2-3, fugitive emissions are counted toward the determination of PSD and Emission Offset applicability.

Actual Emissions

The following table shows the actual emissions from the source. This information reflects the 2006 OAQ emission data.

Pollutant	Actual Emissions (tons/year)
PM	622
PM10	313
SO2	7348
VOC	66
CO	368
NOx	7292
Hydrochloric Acid	872
Hydrofluoric Acid	109
Other HAPs	13

Description of Proposed Permit Modification

On January 3, 2007, State Line Energy, LLC and the Indiana Department of Environmental Management (IDEM), by their respective counsel, agreed to stay conditions of Part 70 Operating Permit No. T089-7062-00210 as outlined in the Second Joint Agreement Regarding Stay, Cause No. 04-A-E-3404, on file with the IDEM and the OEA.

This Significant Permit Modification No. 089-19439-00210 resolves the petition per the stay agreement which states that the Second Joint Agreement Regarding Stay shall be effective from January 1, 2007 until such time as Part 70 Operating Permit No. T089-7062-00210 is modified in a manner so as to affect the terms addressed in the Second Joint Agreement Regarding Stay.

Enforcement Issues

There are no pending enforcement actions related to this permit modification.

Permit Level Determination – Part 70

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source or emission 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, IDEM, or the appropriate local air pollution control agency.”

There are no changes or increases of emissions related to this significant permit modification.

This modification to the Part 70 operating permit is performed as a Significant Permit Modification (SPM) issued pursuant to 326 IAC 2-7-12(d), because the modification results in significant changes in existing monitoring Part 70 permit terms or conditions, and/or results in relaxation of reporting or record keeping permit terms or conditions.

Federal Rule Applicability Determination

There are no federal rules included in this TSD for this permit modification.

State Rule Applicability Determination

There are no state rules included in this TSD for this permit modification.

Compliance Determination and Monitoring Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with all applicable state and federal rules on a continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a continuous demonstration. When this occurs IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, Compliance Determination Requirements are included in the permit. The Compliance Determination Requirements in Section D of the permit are those conditions that are found directly within state and federal rules and the violation of which serves as grounds for enforcement action.

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

Changes to the compliance determination and monitoring requirements are detailed below in the Proposed Changes section of this TSD.

Proposed Changes

The changes listed below have been made to Part 70 Operating Permit No. T089-7062-00210 in order to resolve the petition for administrative review (Cause No. 04-A-E-3404) in accordance with the Second Joint Agreement Regarding Stay dated January 3, 2007.

Other minor changes are a result of IDEM updates and corrections that have been made since the original issuance of this Part 70 Operating Permit No. T089-7062-00210 on June 30, 2004.

Deleted language appears as ~~strike throughs~~ and new language appears in **bold**:

1. To minimize future amendments, the OAQ has decided to delete the name and/or title of the Responsible Official (RO) in Section A.1 (General Information). However, the RO will still be on record with the IDEM, OAQ. Also, the Source Location Status has been updated as follows:
 - A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)] [326 IAC 2-7-1(22)]

The Permittee owns and operates a stationary electric utility generating station consisting of two (2) coal-fired units.

Responsible Official: ~~_____~~ Plant Manager
Source Address: 103rd Street and Lake Michigan
Hammond, Indiana 46320

Mailing Address: P.O. Box 687
Hammond, Indiana 46325-0687
Source Telephone: (219) 473-6400
SIC Code: 4911 Electric, Gas, and Sanitary Services
County Location: Lake
Source Location Status: ~~Attainment/Unclassifiable for CO, NO2 and Lead,~~
~~Primary Nonattainment for SO2,~~
~~Attainment for PM10, and~~
Nonattainment for PM2.5
Nonattainment for ozone under the 8-hour standard
~~Nonattainment for ozone under the 1-hour standard~~
Attainment for all other criteria pollutants

2. In Condition B.9 (Annual Compliance Certification), the IDEM, OAQ Compliance Branch address has been updated to include the mail code and correct the zip code as follows:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue, ~~P. O. Box 6045~~
MC 61-53 IGCN 1003
Indianapolis, Indiana ~~46206-6045~~ **46204-2251**

3. Condition B.10 (Preventive Maintenance Plan) has been modified as follows in accordance with the stay agreement. Also, the Compliance Branch address has been updated to include the mail code and correct the zip code.

B.10 Preventive Maintenance Plan [326 IAC 2-7-5(1), (3) and (13)] [326 IAC 2-7-6(1) and (6)] [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) **for the source as described in 326 IAC 1-6-3. At a minimum, the PMP shall include** : ~~within ninety (90) days after issuance of this permit, including the following information on each facility:~~

- (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 6045~~
MC 61-53 IGCN 1003
Indianapolis, Indiana ~~46206-6045~~ **46204-2251**

and

Hammond Department of Environmental Management
Air Pollution Control Division
5925 Calumet Avenue – Room 304
Hammond, Indiana 46320

The PMP extension notification does not require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

~~(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.~~

~~(b) (e)~~ A copy of the PMPs shall be submitted to IDEM, OAQ and HDEM upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ and HDEM. IDEM, OAQ and HDEM may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. **The PMP does not require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).**

~~The submittal of the PMP and the PMP extension notification does not require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).~~

~~(c) (e)~~ To the extent the Permittee is required by 40 CFR 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.

4. Condition B.11 (Emergency Provisions) section (e) has been modified as follows in accordance with the stay agreement.

(e) **The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that the failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However,** IDEM, OAQ and HDEM may require that the Preventive Maintenance Plans required under 326 IAC 2-7-4-(c)(9) be revised in response to an emergency.

5. Condition B.13 (Prior Permits Superseded) has been clarified as follows:

B.13 Prior Permits Superseded [326 IAC 2-1.1-9.5] [326 IAC 2-7-10.5]

(a) All terms and conditions of ~~previous~~ permits **established prior to T089-7062-00210** and issued pursuant to permitting programs approved into the state implementation plan have been either

- (1) incorporated as originally stated,
- (2) revised **under 326 IAC 2-7-10.5**, or
- (3) deleted **under 326 IAC 2-7-10.5**.

~~by this permit.~~

(b) **All Provided that all terms and conditions are accurately reflected in this permit, all** previous registrations and permits are superseded by this permit, except for permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

6. In Condition B.14 (Deviations from Permit Requirements and Conditions), the Compliance Data Section address has been updated to include the mail code and correct the zip code as follows:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P.O. Box 6045
MC 61-53 IGCN 1003
Indianapolis, Indiana ~~46206-6045~~ **46204-2251**

7. In Conditions B.16, B.17, B.18, B.20, and B.22 the IDEM, OAQ, Permits Branch address has been updated to include the mail code and correct the zip code as follows:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6045
MC 61-53 IGCN 1003
Indianapolis, Indiana ~~46206-6045~~ **46204-2251**

8. In Condition B.20 (Operational Flexibility), IDEM has revised (a)(3), (a)(5) and (c). Per the stay agreement, the last sentence in (c) has been removed and (f) has been added to clarify that the condition does not apply to emissions trades of SO₂ or NO_x under 326 IAC 21 or 326 IAC 10-4.

- (a) The Permittee may make any change or changes at the source that are described in 326 IAC 2-7-20(b), (c), or (e), without a prior permit revision, if each of the following conditions is met:

- (3) The changes do not result in emissions which exceed the ~~emissions allowable under~~ **limitations provided in** this permit (whether expressed herein as a rate of emissions or in terms of total emissions);
- (5) The Permittee maintains records on-site ~~which document~~, on a rolling five (5) year basis, **which document** all such changes and ~~emissions trading~~ **emission trades** that are subject to 326 IAC 2-7-20(b), (c), or (e), ~~and makes~~ **The Permittee shall make** such records available, upon reasonable request, for public review.

Such records shall consist of all information required to be submitted to IDEM, OAQ and HDEM in the notices specified in 326 IAC 2-7-20(b)(1), (c)(1), and (e)(2).

- (c) Emission Trades [326 IAC 2-7-20(c)]
The Permittee may trade **emissions** increases and decreases ~~in emissions in~~ **at** the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-7-20(c). ~~The notification requirement per (a)(4) of this condition does not apply to emission trades of SO₂ or NO_x under 326 IAC 21 or 326 IAC 10-4.~~

- (f) **This Condition B.20 does not apply to emission trades of SO₂ or NO_x under 326 IAC 21 or 326 IAC 10-4.**

9. IDEM has revised Condition B.23 (Annual Fee Payment), section (c), as follows:

- (c) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, Billing, Licensing, and Training Section ~~(BLT)~~), to determine the appropriate permit fee.

10. Condition B.24 (Credible Evidence), has been revised as follows in accordance with the stay agreement:

B.24 Credible Evidence [326 IAC 2-7-5(3)] [326 IAC 2-7-6] [62 FR 8314]

~~Notwithstanding the conditions of this permit that state specific methods that may be used to demonstrate compliance with, or a violation of, applicable requirements, any person (including the Permittee) may also use other credible evidence to demonstrate compliance with, or a violation of, any term or condition of this permit.~~

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

11. Revisions to 326 IAC 6-3 were approved into the State Implementation Plan (SIP) on September 23, 2005 and are federally enforceable. Therefore, Condition C.1 has been revised as follows:

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

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

~~(b) Pursuant to 326 IAC 6-3-2(e)(2), the 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. This condition is not federally enforceable.~~

12. Condition C.4 was revised as follows because 326 IAC 9 was approved into the Indiana SIP effective January 31, 2005 and is now federally enforceable:

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

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

13. In Condition C.6 (Fugitive Dust Emissions), the rule cites have been updated as follows:

C.6 Fugitive Dust Emissions [326 IAC 6-1-11.1] [326 IAC 6.8-10]

Pursuant to ~~326 IAC 6-1-11.1~~ **326 IAC 6.8-10** (Lake County: Fugitive Particulate Matter) ~~Control Requirements~~, the particulate matter emissions from source wide activities shall meet the following requirements:

(k) Any facility or operation not specified in ~~326 IAC 6-1-11.1(d)~~ **326 IAC 6.8-10-3** shall meet a twenty percent (20%), three (3) minute average opacity standard.

The Permittee shall achieve these limits by controlling fugitive particulate matter emissions according to the latest approved revision of their Fugitive Dust Control Plan, required by ~~326 IAC 6-1-11.1~~ **326 IAC 6.8-10-3**. This condition is not intended to be more stringent than the rule, ~~326 IAC 6-1-11.1~~ **326 IAC 6.8-10**, which includes definitions of the above-mentioned activities.

14. In Condition C.10 (Performance Testing), the IDEM Compliance Data Section address has been updated and section (c) has been updated as follows:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P.O. Box 6045
MC 61-53 IGCN 1003
Indianapolis, Indiana ~~46206-6045~~ **46204-2251**

- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ and HDEM not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ and HDEM, if the source ~~Permittee~~ **Permittee** submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

15. In Condition C.12 (Compliance Monitoring), the IDEM Compliance Branch address has been updated as follows:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6045
MC 61-53 IGCN 1003
Indianapolis, Indiana ~~46206-6045~~ **46204-2251**

16. Condition C.13 (Continuous Compliance Plan), the rule cites have been updated as follows:

C.13 Continuous Compliance Plan [326 IAC 6-1-10.1(i)] [326 IAC 6.8-8]

Pursuant to ~~326 IAC 6-1-10.1(i)~~ **326 IAC 6.8-8** (Lake County: **Continuous Compliance Plan** ~~PM10 Emission Requirements~~), the Permittee shall submit to IDEM-OAQ and HDEM, and maintain at the source a copy of the Continuous Compliance Plan (CCP). The Permittee shall perform the inspections, monitoring, and record keeping requirements as specified in ~~326 IAC 6-1-10.1(p) through (r)~~ **326 IAC 6.8-8, sections 5 through 7**, or according to the Permittee's approved CCP.

17. Condition C.14 (Maintenance of Continuous Opacity Monitoring Equipment) has been revised as follows in accordance with the stay agreement and other minor IDEM revisions:

C.14 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

- (a) The Permittee shall **install**, calibrate, maintain, and operate all ~~necessary~~ continuous opacity monitoring systems (COMS) and related equipment **required by this permit**. For a boiler, the COMS shall be in operation at all times that the induced draft fan is in operation.
- (b) All ~~COMS continuous opacity monitoring systems~~ **COMS** shall meet the performance specifications of 40 CFR 60, Appendix B, Performance Specification No.1, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5.
- (c) In the event that a breakdown of a ~~COMS continuous opacity monitoring system~~ **COMS** occurs, a record shall be made of the times and reasons of the breakdown and efforts made to correct the problem.
- (d) Whenever a ~~COMS continuous opacity monitor (COM)~~ **COMS** is malfunctioning or ~~will be is~~ down for calibration, maintenance, or repairs for a period of ~~one (1) hour or more;~~ **twenty-four (24) hours** or more; **and a backup COMS is not online within twenty-four (24) hours of shutdown or malfunction of the primary COMS, the**

Permittee shall provide a certified opacity reader, who may be an employee of the Permittee or an independent contractor, to self-monitor the emissions from the emission unit stack. ~~compliance with the applicable opacity limits shall be demonstrated by the following:~~

- ~~(1) Visible emission (VE) notations shall be performed once per hour during daylight operations following the shutdown or malfunction of the primary COM. A trained employee shall record whether emissions are normal or abnormal for the state of operation of the emission unit at the time of the reading.~~
 - ~~(A) 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.~~
 - ~~(B) If abnormal emissions are noted during two consecutive emission notations, the Permittee shall begin Method 9 opacity observations within four hours of the second abnormal notation.~~
 - ~~(C) VE notations may be discontinued once a COM is online or formal Method 9 readings have been implemented.~~
- ~~(2) If a COM is not online within twenty-four (24) hours of shutdown or malfunction of the primary COM, the Permittee shall provide certified opacity reader(s), who may be employees of the Permittee or independent contractors, to self-monitor the emissions from the emission unit stack.~~
 - ~~(1) (A) Visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of (5) consecutive six (6) minute averaging periods beginning not more than twenty-four (24) hours after the start of the malfunction or down time.~~
 - ~~(2) (B) Method 9 opacity readings shall be repeated for a minimum of five (5) consecutive six (6) minute averaging periods at least **twice per day during daylight operations, with at least four (4) hours between each set of readings, until a COMS is online.** ~~once every four(4) hours during daylight operations, until such time that a COM is in operation.~~~~
 - ~~(3) (C) Method 9 readings may be **discontinued** ~~continued~~ once a COMS is online.~~
 - ~~(4) (D) Any opacity exceedances determined by Method 9 readings shall be reported with the Quarterly Opacity Exceedances Reports.~~
- ~~(3) If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.~~
- (e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous opacity monitoring system pursuant to 326 IAC 3-5 or 40 CFR 75.

18. IDEM has revised Condition C.16 (Pressure Gauge and Other Instrument Specifications) as follows because the specifications can only be practically applied to analog units and the accuracy requirements are not as important as having an appropriate range.

C.16 ~~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~~ **When required by any** condition in of this permit, ~~requires an analog instrument used to measure a parameter related to the measurement of pressure drop across any part~~ **operation of the unit or**

~~its an air pollution control device, the measuring device employed shall have a scale such that the expected normal maximum reading for the normal range shall be no less than twenty percent (20%) of full scale. and be accurate within plus or minus two percent ($\pm 2\%$) of full scale reading.~~

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

19. In accordance with the stay agreement, Condition C.19 (Compliance Response Plan – Preparation, Implementation, Records, and Reports) has been replaced with “Response to Excursions or Exceedances” as follows:

~~G.19 Compliance Response Plan – Preparation, Implementation, Records, and Reports [326 IAC 2-7-5] [326 IAC 2-7-6]~~

- ~~(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 or Parametric Monitoring Plan and Start up, Shut down, and Malfunction (SSM) Plan under 40 CFR 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 and HDEM 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 or Parametric Monitoring Plan and Start up, Shut down, and Malfunction (SSM) Plan and the Permittee documents such response in accordance with subsection (c) below, the Permittee shall amend its Compliance Response Plan or Operation, Maintenance, and Monitoring (OMM) Plan or Parametric Monitoring Plan and Start up, Shut down, and Malfunction (SSM) Plan to include such response steps taken.~~

~~The OMM Plan or Parametric Monitoring and SSM Plan shall be submitted within the time frames specified by the applicable 40 CFR 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 Parametric Monitoring Plan and Start up, Shut down, and Malfunction (SSM) Plan; or~~
- ~~(2) If none of the reasonable response steps listed in the Compliance Response Plan or Operation, Maintenance, and Monitoring (OMM) Plan or Parametric Monitoring Plan and Start up, Shut down, and Malfunction (SSM) 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, OAG of the expected date of the shut down. The notification shall also include the status of the applicable compliance monitoring parameter with respect to normal, and the results of the response actions taken up to the time of notification.~~

- ~~(4) Failure to take reasonable response steps shall be considered a deviation from the permit.~~
- ~~(e) 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) When implementing reasonable steps in response to a compliance monitoring condition, if the Permittee determines that an exceedance of an emission limitation has occurred, the Permittee shall report such deviations pursuant to Section B Deviations from Permit Requirements and Conditions.~~
- ~~(e) The Permittee shall record all instances when, in accordance with Section D, response steps are taken. In the event of an emergency, the provisions of 326 IAC 2-7-16 (Emergency Provisions) requiring prompt corrective action to mitigate emissions shall prevail.~~
- ~~(f) Except as otherwise provided by a rule or provided specifically in Section D, all monitoring as required in Section D shall be performed when the emission unit is operating, except for time necessary to perform quality assurance and maintenance activities.~~

C.19 Response to Excursions or Exceedances [326 IAC 2-7-5] [326 IAC 2-7-6]

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

- (1) monitoring results;
 - (2) review of operation and maintenance procedures and records;
 - (3) inspection of the control device, associated capture system, and the process.
- (d) Failure to take reasonable response steps shall be considered a deviation from the permit.
- (e) The Permittee shall maintain the following records:
- (1) monitoring data;
 - (2) monitor performance data, if applicable; and
 - (3) corrective actions taken.
20. In Condition C.21 (Emission Statement), the IDEM Technical Support and Modeling Section address has been updated as follows:
- Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Quality
100 North Senate Avenue, P.O. Box 6045
MC 61-50 IGCN 1003
Indianapolis, Indiana ~~46206-6045~~ **46204-2251**
21. IDEM has added the following to Condition C.22 (General Record Keeping Requirements) to reflect New Source Review (NSR) reform provisions at major sources:
- (c) If there is a “project” (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(II)) at an existing emissions unit, other than projects at a source with a Plantwide Applicability Limitation (PAL), which is not part of a “major modification” (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) and the Permittee elects to utilize the “projected actual emissions” (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with the following:
- (1) Before beginning actual construction of the “project” (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(II)) at an existing emissions unit, document and maintain the following records:
 - (A) A description of the project.
 - (B) Identification of any emissions unit whose emissions of a regulated new source review pollutant could be affected by the project.
 - (C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:
 - (i) Baseline actual emissions;
 - (ii) Projected actual emissions;
 - (iii) Amount of emissions excluded under section 326 IAC 2-2-1(rr)(2)(A)(iii) and/or 326 IAC 2-3-1(mm)(2)(A)(iii); and
 - (iv) An explanation for why the amount was excluded, and any netting calculations, if applicable.
 - (2) Monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any existing emissions unit identified in (1)(B) above; and
 - (3) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year

basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change if the project increases the design capacity of or the potential to emit that regulated NSR pollutant at the emissions unit.

22. In Condition C.23 (General Reporting Requirements), IDEM has updated the Compliance Data Section address in section (b) and has added the following sections (f), (g), and (h) to reflect New Source Review (NSR) reform provisions at major sources:

(b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P.O. Box 6045
MC 61-53 IGCN 1003
Indianapolis, Indiana ~~46206-6045~~ **46204-2251**

(f) **If the Permittee is required to comply with the recordkeeping provisions of (c) in Section C- General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1 (ll)) at an existing Electric Utility Steam Generating Unit, then for that project the Permittee shall:**

- (1) **Submit to IDEM, OAQ a copy of the information required by (c)(1) in Section C – General Record Keeping Requirements.**
- (2) **Submit a report to IDEM, OAQ within sixty (60) days after the end of each year during which records are generated in accordance with (c)(2) and (3) in Section C – General Record Keeping Requirements. The report shall contain all information and data describing the annual emissions for the emissions units during the calendar year that preceded the submission of report.**

Reports required in this part shall be submitted to:

Indiana Department of Environmental Management
Air Compliance Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana **46204-2251**

(g) **If the Permittee is required to comply with the recordkeeping provisions of (c) in Section C- General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1 (ll)) at an existing emissions unit other than Electric Utility Steam Generating Unit, and the project meets the following criteria, then the Permittee shall submit a report to IDEM, OAQ:**

- (1) **The annual emissions, in tons per year, from the project identified in (c)(1) in Section C- General Record Keeping Requirements that exceed the baseline actual emissions, as documented and maintained under Section C- General Record Keeping Requirements (c)(1) (C)(i), by a significant amount, as defined in 326 IAC 2-2-1(xx) and/or 326 IAC 2-3-1(qq), for that regulated NSR pollutant, and**
- (2) **The emissions difference from the preconstruction projection as documented and maintained under Section C- General Record Keeping Requirements (c)(1)(C)(ii).**

The report for a project at an existing emissions unit other than Electric Utility Steam Generating Unit shall be submitted within sixty (60) days after the end of the year and shall contain the following:

- (1) The name, address, and telephone number of the major stationary source.
- (2) The annual emissions calculated in accordance with (c)(2) and (3) in Section C- General Record Keeping Requirements.
- (3) The emissions calculated under the actual-to-projected actual test stated in 326 IAC 2-2-2(d)(3) and/or 326 IAC 2-3-2(c)(3).
- (4) Any other information that the Permittee deems fit to include in this report,

Reports required in this part shall be submitted to:

Indiana Department of Environmental Management
Air Compliance Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

- (h) The Permittee shall make the information required to be documented and maintained in accordance with (c) in Section C- General Record Keeping Requirements available for review upon a request for inspection by IDEM, OAQ and HDEM. The general public may request this information from the IDEM, OAQ and HDEM under 326 IAC 17.1.

23. Condition C.25 (Application Requirements for Section 112(j) of the Clean Air Act) has been removed as follows because it no longer applies:

Part 2 Mact Application Submittal Requirement

~~C.25 Application Requirements for Section 112(j) of the Clean Air Act [40 CFR 63.52(c)] [40 CFR 63.56(a)] [40 CFR 63.9(b)] [326 IAC 2-7-12]~~

- ~~(a) The Permittee shall submit a Part 2 MACT Application in accordance with 40 CFR 63.52(c)(1). The Part 2 MACT Application shall meet the requirements of 40 CFR 63.53(b).~~
- ~~(b) Notwithstanding paragraph (a), the Permittee is not required to submit a Part 2 MACT Application if the Permittee no longer meets the applicability criteria of 40 CFR 63.50 by the application deadline in 40 CFR 63.52(c)(1). For example, the Permittee would not have to submit a Part 2 MACT Application if, by the application deadline: _____~~
 - ~~(1) The source is no longer a major source of hazardous air pollutants, as defined in 40 CFR 63.2;~~
 - ~~(2) The source no longer includes one or more units in an affected source category for which the U.S. EPA failed to promulgate an emission standard by May 15, 2002; or~~
 - ~~(3) The MACT standard or standards for the affected source categories included at the source are promulgated.~~
- ~~(e) Notwithstanding paragraph (a), pursuant to 40 CFR 63.56(a), the Permittee shall comply with an applicable promulgated MACT standard in accordance with the schedule provided in the MACT standard if the MACT standard is promulgated prior to the Part 2 MACT Application deadline or prior to the issuance of a permit with a case by case Section 112(j) MACT determination. The MACT requirements include the applicable General Provisions requirements of 40 CFR 63, Subpart A. Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than 120 days after the effective date of the MACT, unless the MACT specifies otherwise. The initial notification 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~~

and

~~United States Environmental Protection Agency, Region V
Director, Air and Radiation Division
77 West Jackson Boulevard
Chicago, Illinois 60604-3590~~

and

~~Hammond Department of Environmental Management
5925 Calumet Avenue, Room 304
Hammond, Indiana 46320~~

Parts of the D Sections of the permit have been affected by the stay agreement, rule cite changes, and other updates and corrections deemed necessary by IDEM.

24. The rule cites in Conditions D.1.2, D.1.3, and D.1.5(b) have been updated as follows:

D.1.2 Particulate Emission Limitations ~~[326 IAC 6-1-2]~~ **[326 IAC 6.8-1-2]**

Pursuant to ~~326 IAC 6-1-2~~ **326 IAC 6.8-1-2** (Non-attainment Area Particulate **Emission** Limitations), particulate emissions from the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers shall be limited to 0.03 grains per dry standard cubic foot of exhaust air.

D.1.3 Fugitive Dust Emissions ~~[326 IAC 6-1-11.1]~~ **[326 IAC 6.8-10]**

Pursuant to ~~326 IAC 6-1-11.1~~ **326 IAC 6.8-10** (Lake County: Fugitive Particulate Matter) ~~Control Requirements~~, the fugitive particulate matter emissions from the Rotary Car Dumper and Coal Storage Pile activities shall meet the opacity and visible emission standards in Section C of this permit, Fugitive Dust Emissions ~~[326 IAC 6-1-11.1]~~ (**326 IAC 6.8-10**).

D.1.5 Particulate Emissions Control ~~[326 IAC 2-7-6(6)] [326 IAC 6-1-2] [326 IAC 6-1-11.1]~~ **[326 IAC 6.8-1-2] [326 IAC 6.8-10]**

(b) The Permittee shall achieve the fugitive particulate emissions limitations for the Rotary Car Dumper and Coal Storage Pile activities by controlling fugitive particulate matter emissions according to the latest approved revision of their Fugitive Dust Control Plan required by ~~326 IAC 6-1-11.1~~ **326 IAC 6.8-10**.

25. The Visible Emissions Notations Condition D.1.6, sections (c) and (d) have been revised as follows in accordance with the stay agreement:

D.1.6 Visible Emissions Notations ~~[326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]~~

(c) If any visible emissions of dust are observed from the Rotary Car Dumper enclosure doorways, the Permittee shall take reasonable response steps in accordance with Section C – **Response to Excursions or Exceedances**. ~~Compliance Response Plan—Preparation, Implementation, Records, and Reports~~. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C – **Response to Excursions or Exceedances** ~~Compliance Response Plan—Preparation, Implementation, Records, and Reports~~, shall be considered a deviation from this permit.

- (d) If abnormal emissions are observed at any baghouse exhaust, the Permittee shall take reasonable response steps in accordance with Section C - **Response to Excursions or Exceedances**. ~~Compliance Response Plan—Preparation, Implementation, Records, and Reports.~~ Observation of abnormal emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - **Response to Excursions or Exceedances** ~~Compliance Response Plan—Preparation, Implementation, Records, and Reports,~~ shall be considered a deviation from this permit.

26. Condition D.1.7 (Baghouse Parametric Monitoring) has been modified as follows in accordance with the stay agreement:

D.1.7 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The Permittee shall record the total static pressure drop across each of the baghouses used in conjunction with the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers at least once per ~~week~~ **shift** when the units are in operation. When for any one reading, the pressure drop across a baghouse is outside the normal range of 0.5 and 8.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C - **Response to Excursions or Exceedances**. ~~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 - **Response to Excursions or Exceedances** ~~Compliance Response Plan—Preparation, Implementation, Records, and Reports,~~ shall be considered a deviation from this permit.
- (b) The instrument used for determining the pressure **drop** shall comply with Section C - ~~Pressure Gauge and Other~~ Instrument Specifications, and shall be calibrated in accordance with the manufacturer's specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

27. Condition D.1.8 (Baghouse Inspections) has been removed in accordance with the stay agreement, but is replaced as follows with a reference to the CCP required in Condition C.13:

D.1.8 Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)] **Continuous Compliance Plan [326 IAC 6.8-8]**

- ~~(a) An inspection shall be performed each calendar quarter of all bags controlling particulate emissions from the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers. All defective bags shall be replaced.~~
- ~~(b) If an abnormal or improper condition is found during an inspection, the Permittee shall take reasonable response steps in accordance with Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports. Discovery of an abnormal or improper condition is not a deviation from this permit. Failure to take response steps in accordance with Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.~~

Inspections shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

28. Condition D.1.9 (Broken or Failed Bag Detection) has been revised as follows in accordance with the stay agreement:

D.1.9 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

In the event that bag failure has been observed:

- (a) For a single compartment baghouse controlling emissions from a process operated continuously, the source shall use water suppression to control emissions until the failed unit has been repaired or replaced.
- (b) For a single compartment baghouse controlling emissions from a batch process, the source shall use water suppression to control emissions until the failed unit has been repaired or replaced.
- (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 pressure reading 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, or dust traces, then failed units and the associated process without secondary water spray dust suppression 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).

29. In Condition D.1.10 (Record Keeping Requirements), section (d) has been removed because of the removal of Condition D.1.8:

D.1.10 Record Keeping Requirements

- (d) To document compliance with Condition D.1.8, the Permittee shall maintain records of the results of the baghouse inspections, including any additional inspections prescribed by the Preventive Maintenance Plan.
- (e) (d) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

30. The rule cite in Condition D.2.1 has been updated as follows:

D.2.1 Particulate Matter less than 10 microns in diameter (PM10) [326 IAC 6-1-10.1(d)] [326 IAC 6.8-2]

Pursuant to ~~326 IAC 6-1-10.1(d)~~ **326 IAC 6.8-2** (Lake County: PM10 Emission Requirements), the PM10 emissions from Unit 3 Boiler shall not exceed 0.100 pounds per million Btu heat input (lbs/MMBtu) and 213.0 lbs/hr.

31. The rule cite in Condition D.2.4 has been updated as follows:

D.2.4 Sulfur Dioxide (SO2) [326 IAC 7-4-1.1] [326 IAC 7-4.1]

Pursuant to ~~326 IAC 7-4-1.1~~ **326 IAC 7-4.1-18** (Lake County Sulfur Dioxide Emission Limitations), ~~section (e)(5)~~, the SO2 emissions from Unit 3 Boiler shall not exceed 1.2 pounds per million Btu (lbs/MMBtu), ~~based on a 30-day rolling average.~~ **and 2,556 pounds per hour.**

32. IDEM has determined that sections (b) and (c) of Condition D.2.5, do not need to be included in the permit, since they are regulated by other agencies.

D.2.5 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet ASTM specifications for classification as coal (ASTM D388).
- ~~(b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids evaporated in the boiler, and any binding agent or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.~~
- ~~(c) Used oils that are generated on site may be combusted as supplemental fuel for energy recovery in compliance with 40 CFR 279 (Standards for the Management of Used Oil) and 329 IAC 13 (Used Oil Management). Used oils that are generated on site shall be combusted in Unit 3 and Unit 4 Boilers.~~
- ~~(d)~~ (b) Any boiler tube chemical cleaning waste liquids evaporated in the boiler shall only contain the cleaning solution and no more than two full volume boiler rinses.

33. Condition D.2.6 has been removed in accordance with the stay agreement, but is replaced as follows with a reference to the CCP required in Condition C.13:

D.2.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)] **Continuous Compliance Plan [326 IAC 6.8-8]**

~~A Preventive Maintenance Plan (PMP), in accordance with Section B – Preventive Maintenance Plan, of this permit, is required for this facility and any control device.~~

Inspections shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

34. The rule cite in the heading of Condition D.2.10 has been updated as follows:

D.2.10 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-4-1.1] **[326 IAC 7-4.1]**

35. Condition D.2.11 is no longer necessary because of the removal of D.2.5 (b) and (c).

~~D.2.11 Cleaning Waste Characterization [326 IAC 2-1.1-5(a)(4)] [40 CFR 261]~~

~~The Permittee shall use appropriate methodology as identified in 40 CFR Part 261 to characterize all boiler chemical cleaning wastes that will be evaporated, to determine compliance with the Operation Standards in Condition D.2.5.~~

36. In accordance with the stay agreement, Condition D.2.12 has been revised as follows:

~~D.2.12~~ **D.2.11** Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The Permittee shall record the total static pressure drop across the baghouse used in conjunction with the Unit 3 Boiler at least once per ~~shift~~ **day** when the unit is in operation. When for any one reading, the pressure drop across the baghouse is outside the normal range of 2.0 to 10.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C – **Response to Excursions or Exceedances** ~~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 – **Response to Excursions or Exceedances**, ~~Compliance Response Plan—Preparation, Implementation, Records, and Reports~~, shall be considered a deviation from this permit.

- (b) The instrument used for determining the pressure **drop** shall comply with Section C – ~~Pressure Gauge and Other Instrument Specifications~~, and shall be calibrated in accordance with the manufacturer's specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

37. In accordance with the stay agreement, Condition D.2.13 has been revised as follows:

~~D.2.13~~ **D.2.12** Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

Inspections of all bags controlling Unit 3 Boiler shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

- (a) ~~An inspection shall be performed semi-annually of all bags controlling the Unit 3 Boiler. Defective bags shall be replaced.~~
- (b) ~~If an abnormal or improper condition is found during an inspection, the Permittee shall take reasonable response steps in accordance with Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports. Discovery of an abnormal or improper condition is not a deviation from this permit. Failure to take response steps in accordance with Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.~~

38. In accordance with the stay agreement, Condition D.2.14 has been revised as follows:

~~D.2.14~~ **D.2.13** Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

In the event that bag failure has been observed:

For the Unit 3 baghouse (U3BH), the failed units shall be repaired or replaced when the unit is off line and sufficiently cooled to allow entry. In the meantime, appropriate response steps shall be taken in accordance with Section C – **Response to Excursions or Exceedances**. ~~Continuous Compliance Plan and Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports~~. Failure to take response steps in accordance with Section C – **Response to Excursions or Exceedances** ~~Continuous Compliance Plan and Section C—Compliance Response Plan—Preparation, Implementation, Records, and Reports~~, shall be considered a deviation from this permit.

39. In accordance with the stay agreement, the record keeping requirements in Condition D.2.16 has been revised as follows:

~~D.2.16~~ **D.2.15** Record Keeping Requirements

- (a) To document compliance with Section C – Opacity and Conditions D.2.7 through ~~D.2.15~~ **D.2.14**, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C – Opacity and in Conditions D.2.1, D.2.2, and D.2.4.
- (1) Data and results from the most recent stack test.
- (2) All continuous opacity monitoring data pursuant to 326 IAC 3-5-6 and 40 CFR 75.

- (3) The results of all Method 9 visible emission readings taken **pursuant to Section C – Maintenance of Continuous Opacity Monitoring Equipment** ~~during applicable periods of COM downtime in accordance with Section C – Maintenance of Continuous Opacity Monitoring Equipment.~~
- (4) All baghouse parametric monitoring readings.
- (b) To document compliance with Conditions D.2.4 and ~~D.2.15~~ **D.2.14**, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO₂ limit as required in Condition D.2.4. The Permittee shall maintain records in accordance with (2) below during SO₂ CEM system downtime.
 - (1) All SO₂ continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g) and 40 CFR 75 with calendar dates and beginning and ending times of any CEM downtime.
 - (2) All fuel sampling and analysis data, pursuant to 326 IAC 7-2 or substitute data according to the missing data substitution procedures in 40 CFR 75.
- (c) ~~To document compliance with Conditions D.2.6 and D.2.13, the~~ **The** Permittee shall maintain records of the results of all boiler and emission control equipment inspections, ~~including any additional inspections prescribed by the Preventive Maintenance Plan-~~ **and Continuous Compliance Plan.**
- (d) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

40. IDEM has determined that Condition D.2.18 does not need to be included in the permit, because those requirements are regulated by other agencies.

~~D.2.18 Used Oil Requirements [326 IAC 2-1.1-5(a)(4)] [40 CFR 279] [329 IAC 13]~~

~~The used oil burned in Unit 3 and Unit 4 Boilers shall comply with the used oil requirements specified in 329 IAC 13 (Used Oil Management). Pursuant to 329 IAC 13-3-2 (Used Oil Specifications), used oil burned for energy recovery that is classified as off-specification used oil fuel shall comply with the provisions of 329 IAC 13-8 (Used Oil Burners Who Burn Off-specification Used Oil For Energy Recovery), including:~~

- ~~(a) Receipt of an EPA identification number as outlined in 329 IAC 13-8-3 (Notification);~~
- ~~(b) Compliance with the used oil storage requirements specified in 329 IAC 13-8-5 (Used Oil Storage), and~~
- ~~(c) Maintaining records pursuant to 329 IAC 13-8-6 (Tracking).~~

~~The burning of mixtures of used oil and hazardous waste that is regulated under 329 IAC 3.1 is prohibited at this source.~~

41. The rule cite in Condition D.3.1 has been updated as follows:

D.3.1 Particulate Matter less than 10 microns in diameter (PM10) [326 IAC 6-1-10.1(d)] [326 IAC 6.8-2]

Pursuant to ~~326 IAC 6-1-10.1(d)~~ **326 IAC 6.8-2** (Lake County: PM10 Emission Requirements), the PM10 emissions from Unit 4 Boiler shall not exceed 0.100 pounds per million Btu heat input (lbs/MMBtu) and 356.8 lbs/hr.

42. The rule cite in Condition D.3.4 has been updated as follows:

D.3.4 Sulfur Dioxide (SO₂) [326 IAC 7-4-1.1] [326 IAC 7-4.1]

Pursuant to ~~326 IAC 7-4-1.1~~ **326 IAC 7-4.1-18** (Lake County Sulfur Dioxide Emission Limitations), ~~section (c)(5),~~ the SO₂

emissions from Unit 4 Boiler shall not exceed 1.2 pounds per million Btu (lbs/MMBtu), ~~based on a 30-day rolling average,~~
and 4,054.8 pounds per hour.

43. IDEM has determined that sections (b) and (c) of Condition D.3.5, do not need to be included in the permit, since they are regulated by other agencies.

D.3.5 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet ASTM specifications for classification as coal (ASTM D388).
- ~~(b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids evaporated in the boiler, and any binding agent or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.~~
- ~~(c) Used oils that are generated on site may be combusted as supplemental fuel for energy recovery in compliance with 40 CFR 279 (Standards for the Management of Used Oil) and 329 IAC 13 (Used Oil Management). Used oils that are generated on site shall be combusted in Unit 3 and Unit 4 Boilers.~~
- ~~(d)~~ (b) Any boiler tube chemical cleaning waste liquids evaporated in the boiler shall only contain the cleaning solution and no more than two full volume boiler rinses.

44. In accordance with the stay agreement, Condition D.3.6(a) has been stayed and D.3.6(b) has been revised as follows:

D.3.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)] **Continuous Compliance Plan [326 IAC 6.8-8]**

- ~~(a) A Preventive Maintenance Plan (PMP), in accordance with Section B Preventive Maintenance Plan, of this permit, is required for this facility and any control device.~~
- ~~(b) The PMP for an electrostatic precipitator shall include the following inspections, performed according to the indicated schedules:~~
 - ~~(1) Plate and electrode alignment, every major maintenance outage, but no less than every 2 years;~~
 - ~~(2) ESP TR set components, performed whenever there is an outage of any nature lasting more than three days, unless such inspections have been performed within the last six months. At a minimum, the following inspections shall be performed:~~
 - ~~(A) Internal inspection of shell for corrosion (including but not limited to doors, hatches, insulator housings, and roof area).~~
 - ~~(B) Effectiveness of rapping (including but not limited to buildup of dust on discharge electrodes and plates).~~
 - ~~(C) Gas distribution (including but not limited to buildup of dust on distribution plates and turning vanes).~~
 - ~~(D) Dust accumulation (including but not limited to buildup of dust on shell and support members that could result in grounds or promote advanced corrosion).~~
 - ~~(E) Major misalignment of plates (including but not limited to a visual check of plate alignment).~~

- ~~(F) Rapper, vibrator and TR set control cabinets (including but not limited to motors and lubrication).~~
- ~~(G) Rapper assembly (including but not limited to loose bolts, ground wires, water in air lines, and solenoids).~~
- ~~(H) Vibrator and rapper seals (including but not limited to air in leakage, wear, and deterioration).~~
- ~~(I) TR set controllers (including but not limited to low voltage trip point, over current trip point, and spark rate).~~
- ~~(J) Vibrator air pressure settings.~~
- ~~(3) Air and water infiltration, once/month. The recommended method for this inspection is for audible checks around ash hoppers/hatches, duct expansion joints, and areas of corrosion.~~

Inspections shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

45. The rule cite in the heading of Condition D.3.10 has been updated as follows:

~~D.3.10~~ Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-4 1.1] [326 IAC 7-4.1]

46. Condition D.3.11 is no longer necessary because of the removal of D.3.5 (b) and (c).

~~D.3.11~~ Cleaning Waste Characterization [326 IAC 2-1.1-5(a)(4)] [40 CFR 261]

~~The Permittee shall use appropriate methodology as identified in 40 CFR Part 261 to characterize all boiler chemical cleaning wastes that will be evaporated, to determine compliance with the Operation Standards in Condition D.3.5.~~

47. Condition 3.12 (Transformer-Rectifier (T-R) Sets) is revised as follows in accordance with the stay agreement.

~~D.3.12~~ **D.3.11** Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The ability of the ESP to control particulate emissions shall be monitored once per ~~shift~~ **day**, when the unit is in operation, by measuring and recording the number of T-R sets in service and the primary and secondary voltages and the currents of the transformer-rectifier (T-R) sets.
- (b) Reasonable response steps shall be taken in accordance with Section C – **Response to Excursions or Exceedances** ~~Continuous Compliance Plan and Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports~~ whenever the percentage of T-R sets in service falls below ninety percent (90%). The opacity monitor readings and the current Load vs. Emissions chart (for Unit 4) shall be consulted to determine whether a load reduction is necessary. T-R set failure resulting in less than 90 percent (90%) availability is not a deviation from this permit. Failure to take response steps in accordance with Section C – **Response to Excursions or Exceedances** ~~Continuous Compliance Plan and Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports~~, shall be considered a deviation from this permit.

48. Condition 3.13 (SO₂ Monitoring System Downtime) is revised as follows in accordance with the stay agreement.

~~D.3.13~~ **D.3.12** SO₂ Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the SO₂ continuous emission monitoring (CEM) system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO₂ emissions:

- (a) If the CEM system is down for less than **twenty-four (24) eight (8) hours, the relevant requirements of 40 CFR 75, Subpart D – Missing Data Substitution Procedures shall be used to provide substitute data.** ~~the Permittee shall substitute an average of the quality assured data from the hour immediately before and the hour immediately after the missing data period for each hour of missing data.~~
- (b) If the CEM system is down for **twenty-four (24) eight (8) hours or more, fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b), except that all samples shall be collected after the bunker.** Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.

49. Condition 3.14 (Record Keeping Requirements) is revised as follows in accordance with the stay agreement.

~~D.3.14~~ **D.3.13** Record Keeping Requirements

- (a) To document compliance with Section C- Opacity and Conditions D.3.7 through ~~D.3.13~~ **D.3.12**, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C – Opacity and in Conditions D.3.1, D.3.2, and D.3.4.
 - (1) Data and results from the most recent stack test.
 - (2) All continuous opacity monitoring data pursuant to 326 IAC 3-5-6 and 40 CFR 75.
 - (3) The results of all Method 9 visible emission readings taken **pursuant to** ~~during applicable periods of COM downtime in accordance with~~ Section C – Maintenance of Continuous Opacity Monitoring Equipment.
 - (4) All ESP parametric monitoring readings.
- (b) To document compliance with Conditions D.3.4 and ~~D.3.13~~ **D.3.12**, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO₂ limit as required in Condition D.3.4. The Permittee shall maintain records in accordance with (2) below during SO₂ CEM system downtime.
 - (1) All SO₂ continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g) and 40 CFR 75 with calendar dates and beginning and ending times of any CEM downtime.
 - (2) All fuel sampling and analysis data, pursuant to 326 IAC 7-2 or substitute data according to the missing data substitution procedures in 40 CFR 75.
- (c) ~~To document compliance with Conditions D.3.6,~~ The Permittee shall maintain records of the results of all boiler and emission control equipment inspections, ~~including any additional inspections~~ prescribed by the Preventive Maintenance Plan **and Continuous Compliance Plan**.
- (d) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

50. IDEM has determined that Condition D.3.16 does not need to be included in the permit, because those requirements are regulated by other agencies.

~~D.3.16 Used Oil Requirements [326 IAC 2-1.1-5(a)(4)] [40 CFR 279] [329 IAC 13]~~

~~The used oil burned in Unit 3 and Unit 4 Boilers shall comply with the used oil requirements specified in 329 IAC 13 (Used Oil Management). Pursuant to 329 IAC 13-3-2 (Used Oil Specifications), used oil burned for energy recovery that is classified as off-specification used oil fuel shall comply with the provisions of 329 IAC 13-8 (Used Oil Burners Who Burn Off-specification Used Oil For Energy Recovery), including:~~

- ~~(a) Receipt of an EPA identification number as outlined in 329 IAC 13-8-3 (Notification);~~
~~(b) Compliance with the used oil storage requirements specified in 329 IAC 13-8-5 (Used Oil Storage), and~~
~~(c) Maintaining records pursuant to 329 IAC 13-8-6 (Tracking).~~

~~The burning of mixtures of used oil and hazardous waste that is regulated under 329 IAC 3.1 is prohibited at this source.~~

51. The rule cites in Conditions D.4.3 and D.4.4 have been updated as follows:

D.4.3 Particulate Matter (PM) [326 IAC 6-1-2] [326 IAC 6.8-1-2]

Pursuant to ~~326 IAC 6-1-2(b)(5)~~ **326 IAC 6.8-1-2** (Particulate **Emission Rules, Non-attainment Area** Limitations), emissions of particulate matter (PM) from fuel combustion steam generators that burn natural gas only shall be limited to 0.01 grains per dry standard cubic foot (gr/dscf).

D.4.4 Particulate Matter (PM) [326 IAC 6-1-2] [326 IAC 6.8-1-2]

In order to demonstrate compliance with the particulate matter (PM) emissions limitation in Condition D.4.3, the Nebraska/Wabash Packaged Boiler shall only burn natural gas.

52. The rule cite in Condition D.5.1 has been updated as follows:

D.5.1 Particulate Matter (PM) [326 IAC 6-1-2] [326 IAC 6.8-1-2]

Pursuant to ~~326 IAC 6-1-2~~ **326 IAC 6.8-1-2** (Particulate Emission Limitations; ~~General Sources~~), emissions of particulate matter (PM) from the Fly Ash Truck Loading at the 500 Ton Silo and Fly Ash Truck Loading at the 1000 Ton Silo shall be limited to 0.03 grains per dry standard cubic foot, each.

53. The Visible Emissions Notations Condition D.5.5, sections (b) and (c) have been revised as follows in accordance with the stay agreement:

- (b) If visible emissions are observed crossing the property line or boundaries of the property, right-of-way, or easement on which the source is located, the Permittee shall take reasonable response steps in accordance with Section C – **Response to Excursions or Exceedances** ~~Compliance Response Plan—Preparation, Implementation, Records, and Reports~~. **Failure to take response steps in accordance with Section C – Response to Excursions or Exceedances shall be considered a deviation from this permit.** ~~Fugitive dust crossing the property line is a violation.~~
- (c) If any visible emissions of ash are observed from the Fly Ash Truck Loading System enclosures or stack exhausts, the Permittee shall take reasonable response steps in accordance with Section C - **Response to**

~~Excursions or Exceedances Compliance Response Plan Preparation, Implementation, Records, and Reports.~~ **Observation of v**isible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not deviations from this permit. Failure to take response steps in accordance with Section C – **Response to Excursions or Exceedances Compliance Response Plan Preparation, Implementation, Records, and Reports**, shall be considered a deviation from this permit.

54. Condition D.5.6 (Baghouse Parametric Monitoring) has been revised as follows in accordance with the stay agreement:

D.5.6 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The Permittee shall record the total static pressure drop across each baghouse used in conjunction with the Fly Ash Truck Loading at least once per ~~shift~~ **day** when the unit is in operation. When for any one reading, the pressure drop across a baghouse is outside the normal range of 0.5 and 8.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C – **Response to Excursions or Exceedances 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 – **Response to Excursions or Exceedances Compliance Response Plan Preparation, Implementation, Records, and Reports**, shall be considered a deviation from this permit.
- (b) The instrument used for determining the pressure **drop** shall comply with Section C – ~~Pressure Gauge and Other~~ Instrument Specifications, and shall be calibrated in accordance with the manufacturer's specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

55. Condition D.5.7 (Baghouse Inspections) has been revised as follows in accordance with the stay agreement:

D.5.7 Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

The baghouse inspections for all bags controlling the 500 and 1000 ton Silo Fly Ash Truck Loading Systems shall be performed in the manner and frequency as set forth in the most recently approved Continuous Compliance Plan (CCP).

- ~~(a) An inspection shall be performed each calendar quarter of all bags in each baghouse controlling the 500 and 1000 Ton Silo Fly Ash Truck Loading Systems. All defective bags shall be replaced.~~
- ~~(b) If an abnormal or improper condition is found during an inspection, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan Preparation, Implementation, Records, and Reports. Discovery of an abnormal or improper condition is not a deviation from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.~~

56. Section (a) of Condition D.5.8 (Broken or Failed Bag Detection) has been revised as follows in accordance with the stay agreement:

D.5.8 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

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 – **Response to Excursions or Exceedances** 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.

57. The rule cite in Condition D.7.1 has been updated as follows:

D.7.1 Sulfur Dioxide (SO₂) ~~[326 IAC 7-4-1.1]~~ **[326 IAC 7-4.1]**

Pursuant to ~~326 IAC 7-4-1.1~~ **326 IAC 7-4.1-18**, Lake County Sulfur Dioxide Emission Limitations, ~~section (c)(5)(A),~~ sulfur dioxide emissions from the Auxiliary Emergency Generator shall be limited to 0.3 lbs/MMBtu **and 1.35 lbs/hr.**

58. The rule cite in the heading of Condition D.7.2 has been updated as follows:

D.7.2 Sulfur Dioxide Emissions and Sulfur Content ~~[326 IAC 3-7-4]~~ ~~[326 IAC 7-4-1.1]~~ **[326 IAC 7-4.1]**

59. The Emergency Occurrence Report Form at the end of the permit has been updated as follows:

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH
100 North Senate Avenue
P.O. Box 6045
Indianapolis, Indiana ~~46206-6045~~ 46204-2251
Phone: 317-233-5674 0178
Fax: 317-233-5967 6865**

This form consists of 2 pages

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- ___ This is an emergency as defined in 326 IAC 2-7-1(12)
- The Permittee must notify the Office of Air Quality (OAQ), within four (4) business hours (1-800-451-6027 or 317-233-~~5674~~ **0178**, ask for Compliance Section); and
 - The Permittee must submit notice in writing or by facsimile within two (2) working days (Facsimile Number: 317-233-~~5967~~ **6865**), and follow the other requirements of 326 IAC 2-7-16.

Conclusion and Recommendation

This significant permit modification was prepared to resolve the January 3, 2007 Second Joint Agreement Regarding Stay (Cause No. 04-A-E-3404) between State Line Energy, LLC and the Indiana Department of Environmental Management. The staff recommends to the Commissioner that this Part 70 Significant Permit Modification No. 089-19439-00210 be approved.