



Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

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

TO: Interested Parties / Applicant
DATE: August 21, 2006
RE: NIPSCO Schahfer Staion / 073-19674-00008
FROM: Nisha Sizemore
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval - Effective Immediately

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

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

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

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

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

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

Enclosures
FNPER.dot 03/23/06



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TITLE IV (ACID RAIN) PERMIT RENEWAL OFFICE OF AIR QUALITY

**Northern Indiana Public Service Company (NIPSCO)
R.M. Schahfer Generating Station
2723 East 1500 North
Wheatfield, Indiana 46392**

The owners and operators (hereinafter collectively known as the Permittee) of the above source are issued this permit under the provisions of 326 Indiana Administrative Code (IAC) 21 with conditions listed on the attached pages.

Operation Permit No.: AR 073-19674-00008	
Original signed by: Nisha Sizemore Branch Chief Office of Air Quality	Issuance Date: August 21, 2006 Expiration Date: August 21, 2011

Title IV Operating Conditions

Title IV Source Description:

- (a) One (1) cyclone coal-fired boiler identified as Unit 14, with a design heat input capacity of 4,650 million Btu per hour (MMBtu/hr), combusting No. 2 fuel oil and/or natural gas for ignition and as supplemental fuels, using an electrostatic precipitator (ESP) for control of particulate matter and exhausting to stack 14. Unit 14 has a selective catalytic reduction (SCR) system, and has continuous emissions monitoring systems (CEMS) for monitoring nitrogen oxides (NOx) and sulfur dioxide (SO₂) and a continuous opacity monitoring (COM) system.
- (b) One (1) dry bottom pulverized coal-fired boiler identified as Unit 15, with a design heat input capacity of 5,100 million Btu per hour (MMBtu/hr), with low NOx burners, combusting No. 2 fuel oil and/or natural gas for ignition and as supplemental fuels, using an electrostatic precipitator (ESP) with a flue gas conditioning (FGC) system for control of particulate matter, and exhausting to stack 15. Unit 15 has continuous emissions monitoring systems (CEMS) for monitoring nitrogen oxides (NOx) and sulfur dioxide (SO₂) and a continuous opacity monitoring (COM) system.
- (c) One (1) dry bottom pulverized coal-fired boiler identified as Unit 17, with a design heat input capacity of 3,967 million Btu per hour (MMBtu/hr), with low NOx burners, combusting No. 2 fuel oil and/or natural gas for ignition and as supplemental fuels, using an electrostatic precipitator (ESP) for control of particulate matter, and exhausting through a limestone-based flue gas desulfurization system to stack 17. Unit 17 is equipped with continuous emissions monitoring systems (CEMS) for monitoring nitrogen oxides (NOx) and sulfur dioxide (SO₂) and a continuous opacity monitoring (COM) system. Unit 17 has been approved to fire blends of coal and petroleum coke.
- (d) One (1) dry bottom pulverized coal-fired boiler identified as Unit 18, with a design heat input capacity of 3,967 million Btu per hour (MMBtu/hr), with low NOx burners, combusting No. 2 fuel oil and/or natural gas for ignition and as supplemental fuels, using an electrostatic precipitator (ESP) for control of particulate matter, and exhausting through a limestone-based flue gas desulfurization system to stack 18. Unit 18 has continuous emissions monitoring systems (CEMS) for monitoring nitrogen oxides (NOx) and sulfur dioxide (SO₂) and a continuous opacity monitoring (COM) system. Unit 18 has been approved to fire blends of coal and petroleum coke.
- (e) Two (2) natural gas-fired combustion turbines, identified as 16A and 16B, with a design heat input capacity of 998 control, exhausting to stacks 16A and 16B, respectively. Units 16A and 16B have continuous emissions monitoring systems (CEMS) for monitoring nitrogen oxides (NOx) for use during the ozone control period, and continuous monitoring systems to measure the water to fuel ratio.

(The information contained in this box is descriptive information and does not constitute enforceable conditions.)

1. Statutory and Regulatory Authorities

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

2. Standard Permit Requirements [326 IAC 21]

- (a) The designated representative has submitted a complete acid rain permit application in accordance with in 40 CFR 72.30.
- (b) The Permittee shall operate Units 14, 15, 17, and 18 in compliance with this permit.

3. Monitoring Requirements [326 IAC 21]

- (a) The Permittee and, to the extent applicable, the designated representative of Units 14, 15, 17, and 18 shall comply with the monitoring requirements as provided in 40 CFR 75 and 76.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 76 shall be used to determine compliance by Units 14, 15, 17, and 18 with the acid rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (c) The requirements of 40 CFR 75 and 76 shall not affect the responsibility of the Permittee to monitor emissions of other pollutants or other emissions characteristics at Units 14, 15, 17, and 18 under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

4. Sulfur Dioxide Requirements [326 IAC 21]

- (a) The Permittee shall:
 - (1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 72.2), in the compliance subaccount of Units 14, 15, 17, and 18, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from Units 14, 15, 17, and 18; and,
 - (2) Comply with the applicable acid rain emissions limitations for sulfur dioxide.
- (b) Each ton of sulfur dioxide emitted in excess of the acid rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.
- (c) Units 14, 15, 17, and 18 shall be subject to the requirements under paragraph 4(a) of the sulfur dioxide requirements as follows:
 - (1) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or,
 - (2) Starting on the latter of January 1, 2000, or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).
- (d) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (e) An allowance shall not be deducted in order to comply with the requirements under paragraph 4(a) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (f) An allowance allocated by the U.S. EPA under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the acid rain permit application, the acid rain permit, the acid rain portion of an operating permit, or the written exemption under 40 CFR 72.7 and 72.8 and 326 IAC 21, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (g) An allowance allocated by U.S. EPA under the Acid Rain Program does not constitute a property right.
- (h) No permit revision may be required for increases in emissions that are authorized by allowances acquired pursuant to the Acid Rain Program, provided that the increases do not require a permit revision under any other applicable requirement. [326 IAC 2-7-5(4)(A)]
- (i) No limit shall be placed on the number of allowances held by the Permittee. The Permittee may not, however, use allowances as a defense to noncompliance with any

applicable requirement other than the requirements of the Acid Rain Program. [326 IAC 2-7-5(4)(B)]

- (j) Units 16A and 16B are natural gas fired and have no annual allocated sulfur dioxide emission allowances established in the Title IV Acid Rain Program. The units will be required to seek sulfur dioxide emission allowances from other units, in order to account for all sulfur dioxide emissions, as required by 40 CFR 72.9(c).
- (k) Sulfur dioxide allowances have been allocated to units at the source as follows:

SO ₂ Annual Allowance Allocations (tons)					
	2005	2006	2007	2008	2009
Unit 14	10,355*	10,355*	10,355*	10,355*	10,355*
Unit 15	10,692*	10,692*	10,692*	10,692*	10,692*
Unit 17	5,222	5,222	5,222	5,222	5,222
Unit 18	5,187*	5,187*	5,187*	5,187*	5,187*

* The number of allowances allocated to Phase II affected units by U.S. EPA may change in a revision to 40 CFR 73 Tables 2, 3 and 4 and 326 IAC 21. In addition, the number of allowances actually held by an affected source in a unit account may differ from the number allocated by U.S. EPA. Neither of the aforementioned conditions necessitates a revision to the unit SO₂ allowance allocations identified in this permit. (See 40 CFR 72.84)

5. Nitrogen Oxides Requirements [326 IAC 21]

- (a) The Permittee shall comply with the applicable acid rain emissions limitation of nitrogen oxides (NOx) for Units 14, 15, 17, and 18.
- (b) NOx Early Election Compliance Plan for Unit 15:

 Pursuant to 40 CFR 76.8(d)(2), the Indiana Department of Environmental Management, Office of Air Quality approves a NOx early election compliance plan for Unit 15. The compliance plan is effective for calendar year 2005 through 2007. Under the compliance plan, the annual average NOx emission rate of Unit 15 for each year, determined in accordance with 40 CFR 75, shall not exceed the applicable emission limitation, under 40 CFR 76.5(a)(2) of 0.50 lb/MMBtu for dry bottom wall-fired boilers. If Unit 15 is in compliance with its applicable emission limitation for each year of the plan, then Unit 15 shall not be subject to the applicable emission limitation, under 40 CFR 76.7(a)(2), of 0.46 lb/MMBtu for dry bottom wall-fired boilers until calendar year 2008.
- (c) NOx Early Election Compliance Plan for Unit 17:

 Pursuant to 40 CFR 76.8(d)(2), the Indiana Department of Environmental Management, Office of Air Quality approves a NOx early election compliance plan for Unit 17. The compliance plan is effective for calendar year 2005 through 2007. Under the compliance plan, the annual average NOx emission rate of Unit 17 for each year, determined in accordance with 40 CFR 75, shall not exceed the applicable emission limitation, under 40 CFR 76.5(a)(2), of 0.50 lb/MMBtu for dry bottom wall-fired boilers. If Unit 17 is in compliance with its applicable emission limitation for each year of the plan, then Unit 17 shall not be subject to the applicable emission limitation, under 40 CFR 76.7(a)(2), of 0.46 lb/MMBtu for dry bottom wall-fired boilers until calendar year 2008.
- (d) NOx Early Election Compliance Plan for Unit 18:

 Pursuant to 40 CFR 76.8(d)(2), the Indiana Department of Environmental Management, Office of Air Quality approves a NOx early election compliance plan for Unit 18. The

compliance plan is effective for calendar year 2005 through 2007. Under the compliance plan, the annual average NO_x emission rate of Unit 18 for each year, determined in accordance with 40 CFR 75, shall not exceed the applicable emission limitation, under 40 CFR 76.5(a)(2), of 0.50 lb/MMBtu for dry bottom wall-fired boilers. If Unit 18 is in compliance with its applicable emission limitation for each year of the plan, then Unit 18 shall not be subject to the applicable emission limitation, under 40 CFR 76.7(a)(2), of 0.46 lb/MMBtu for dry bottom wall-fired boilers until calendar year 2008.

(e) NO_x Emission Averaging Plan for Unit 14:

- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NO_x emission averaging plan for Unit 14, effective from calendar year 2005 through 2009. Under the plan the NO_x emissions from Unit 14 shall not exceed the annual average alternative contemporaneous emission limitation (ACEL) of 0.65 lb/MMBtu. In addition, Unit 14 shall not have a heat input for the calendar year less than 12,800,000 MMBtu specified below except as provided in condition 5(b)(2).
- (2) Under the plan, the actual Btu-weighted annual average NO_x emission rate for Units 14 and 15 shall be less than or equal to the Btu-weighted annual average NO_x emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5, 76.6, or 76.7, except that for any early election units, the applicable emission limitations shall be under 40 CFR 76.7. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then Unit 14 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.
- (3) In addition to the described NO_x compliance plan, Unit 14 shall comply with all other applicable requirements of 40 CFR 76, including the duty to reapply for a NO_x (Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction) compliance plan and requirements covering excess emissions.

(f) NO_x Emission Averaging Plan for Unit 15:

- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NO_x emission averaging plan for Unit 15 effective from calendar year 2005 through 2009. Under the plan the NO_x emissions from Unit 15 shall not exceed the annual average alternative contemporaneous emission limitation (ACEL) of 0.25 lb/MMBtu for the calendar year except as provided in 5(b)(2). In addition, Unit 15 shall not have a heat input for the calendar year less than 25,300,000 MMBtu specified below except as provided in condition 5(b)(2).
- (2) Under the plan, the actual Btu-weighted annual average NO_x emission rate for Unit 15 in the plan shall be less than or equal to the Btu-weighted annual average NO_x emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5, 76.6, or 76.7, except that for any early election units, the applicable emission limitations shall be under 40 CFR 76.7. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then Unit 15 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.
- (3) In addition to the described NO_x compliance plan, Unit 15 shall comply with all other applicable requirements of 40 CFR 76, including the duty to reapply for a NO_x (Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction) compliance plan and requirements covering excess emissions compliance plan and requirements covering excess emissions.
- (4) Notwithstanding the averaging plan described above, if Unit 15 exceeds the

applicable NOx emission limitation under 40 CFR 76.8 (early election) of 0.50 lb/MMBtu for Unit 15, the early election plan for Unit 15 shall be terminated in accordance with 40 CFR 76.8(e)(3) and Unit 15 shall meet, beginning on the effective date of the termination, the applicable NOx emission limitation under 40 CFR 76.7. Such termination shall not terminate the averaging plan described above.

- (g) Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction Program, the natural gas fired combined cycle units, 16A and 16B are not subject to the nitrogen oxide limitations set out in 40 CFR 76.

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

- (a) If Unit 14, 15, 17 or 18 has excess emission of sulfur dioxide in any calendar year, the designated representative shall submit a proposed offset plan to U.S. EPA and IDEM, OAQ as required under 40 CFR 77 and 326 IAC 21.

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

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

and

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

and

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

- (c) If Unit 14, 15, 17 or 18 has excess emissions, as defined in 40 CFR 72.2, in any calendar year, the Permittee shall:
- (1) Pay to U.S. EPA without demand the penalty required, and pay to U.S. EPA upon demand the interest on that penalty, as required by 40 CFR 77 and 326 IAC 21; and,
 - (2) Comply with the terms of an approved sulfur dioxide offset plan, as required by 40 CFR 77 and 326 IAC 21.

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

- (a) Unless otherwise provided, the Permittee shall keep on site each of the following documents for a period of 5 years, as required by 40 CFR 72.9(f), from the date the document is created. This period may be extended for cause, at any time prior to the end of the 5 years, in writing by U.S. EPA or IDEM, OAQ:

- (1) The certificate of representation for the designated representative of Units 14, 15, 17, and 18, and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5 year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

- (2) All emissions monitoring information collected in accordance with 40 CFR 75 shall be retained on site for 3 years;
 - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
 - (4) Copies of all documents used to complete an acid rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (b) The designated representative of Units 14, 15, 17 and 18 shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72, Subpart I, 40 CFR 75, and 326 IAC 21. The required information is to be submitted to the appropriate authority(ies) as specified in 40 CFR 72.90, Subpart I, and 40 CFR 75.

8. Submissions [326 IAC 21]

- (a) The designated representative of Units 14, 15, 17, and 18, shall submit a certificate of representation, and any superseding certificate of representation, to U.S. EPA and IDEM, OAQ in accordance with 40 CFR 72 and 326 IAC 21.
- (b) The designated representative shall submit required information to:
- Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, IN 46204-2251
- and
- U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue, NW
Mail Code (6204N)
Washington, DC 20460
- (c) Each such submission under the Acid Rain Program shall be submitted, signed and certified by the designated representative for all sources on behalf of which the submission is made.
- (d) In each submission under the Acid Rain Program, the designated representative shall certify, by his or her signature, the following statements which shall be included verbatim in the submission:
- (1) "I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made."; and,
 - (2) "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."
- (e) The designated representative of Units 14, 15, 17, and 18, shall notify the Permittee:
- (1) By the date of submission, of any Acid Rain Program submissions by the designated representative;

- (2) Within 10 business days of receipt of any written determination by U.S. EPA or IDEM, OAQ.
- (3) Provided that the submission or determination covers Units 14,15, 17, or 18.
- (f) The designated representative of Units 14, 15, 17, and 18, shall provide the Permittee a copy of any submission or determination under paragraph 8(e) of this section, unless the Permittee expressly waives the right to receive a copy.

9. Severability [326 IAC 21]

Invalidation of the acid rain portion of an operating permit does not affect the continuing validity of the rest of the operating permit, nor shall invalidation of any other portion of the operating permit affect the continuing validity of the acid rain portion of the permit. [40 CFR 72.72(b), 326 IAC 21, and 326 IAC 2-7-5(5)]

10. Liability [326 IAC 21]

- (a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to Section 113(c) of the Clean Air Act and shall be subject to enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-3.
- (b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to Section 113(c) of the Clean Air Act, 18 U.S.C. 1001 and IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.
- (c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (d) Units 14, 15, 17 and 18 shall meet the requirements of the Acid Rain Program.
- (e) Any provision of the Acid Rain Program that applies to Unit 14, 15, 17, or 18, including a provision applicable to the designated representative of Unit 14, 15, 17, or 18, shall also apply to the Permittee.
- (f) Any provision of the Acid Rain Program that applies to Unit 14, 15, 17 or 18, including a provision applicable to the designated representative of Units 14, 15, 17 and 18, shall also apply to the Permittee. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NOx averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the Permittee and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not the Permittee or the designated representative and that is located at a source of which they are not the Permittee or the designated representative.
- (g) Each violation of a provision of 40 CFR 72, 73, 75, 76, 77, and 78 by Units 14, 15, 17 or 18, or by the Permittee or designated representative of Unit 14, 15, 17 or 18, shall be a separate violation of the Clean Air Act.

11. Effect on Other Authorities [326 IAC 21]

No provision of the Acid Rain Program, an acid rain permit application, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (a) Except as expressly provided in Title IV of the Clean Air Act (42 USC 7651 to 7651(o)), exempting or excluding the Permittee and, to the extent applicable, the designated representative of Unit 14, 15, 17 or 18 from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

- (b) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Clean Air Act;
- (c) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law;
- (d) Modifying the Federal Power Act (16 USC 791(a) et seq.) or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (e) Interfering with or impairing any program for competitive bidding for power supply in a state in which such a program is established.

Indiana Department of Environmental Management Office of Air Quality

Addendum to the Technical Support Document for Renewal of Acid Rain Permit

Source Name: Northern Indiana Public Service Company (NIPSCO) –
R. M. Schahfer Generating Station
Source Location: 2723 East 1500 North, Wheatfield, Indiana 46392
Operated by: Northern Indiana Public Service Company (NIPSCO)
ORIS Code: 6085
Title IV Permit No.: AR 073-19674-00008
Permit Reviewer: CLB/AKY

On November 3, 2004, the Office of Air Quality (OAQ) had a notice published in the Rensselaer Republican, Rensselaer, Indiana, stating that Northern Indiana Public Service Company had applied for a Title IV (Acid Rain) Permit renewal for the R. M. Schahfer Generating Station. The notice also stated that OAQ proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed. Comments were received from the Permittee for this permit on December 2, 2004.

[**Bolded** language has been added, the language with a line through it has been ~~deleted~~.]

Comment 1:

We understand that this permit will be an appendix to the station's Title V permit. Therefore, we recommend the descriptive information contained in this permit and the TSD be made consistent with the descriptive language in the Title V permit.

Response 1:

IDEM, OAQ the descriptive information is consistent. The language in Conditions 1, 2, and 3 has been revised to clarify which units are affected by the Title IV regulations.

Comment 2:

Condition 4(a) and Condition 4(b) should be clarified to convey the fact that Condition 4(a)(1) establishes the applicable emission limitation for sulfur dioxide under the Acid Rain Program. The affected unit can have actual emissions that are less than or more than the number of allowances originally allocated to the unit and still be in compliance provided the affected unit holds the appropriate number of allowances corresponding to its emissions at the reconciliation deadline. We recommend condition 4(a)(2) be deleted. If not deleted, we recommend that this language be clarified to reflect the above and state that there is no violation of the Clean Air Act provided the affected unit holds the appropriate number of allowances corresponding to its calendar year emissions by the required deadline. The following language would be appropriate:

*4.(a)(2) Comply with the applicable Acid Rain emission limitation for sulfur dioxide by **timely holding the necessary number of allowances as of the allowance transfer deadline as defined in 40 CFR 72.2.***

*4.(b) Each ton of sulfur dioxide emitted for the calendar year in excess of the **number of allowances held in the unit's compliance subaccount as of the allowance transfer deadline as defined in 40 CFR 72.2.** ~~of the acid rain emission limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.~~"*

Response 2:

To clarify Condition 4(a) and (b), the following changes have been made:

4. (a) ~~The owners and operators of each source and each affected unit at the source~~ **Permittee**

Proposed

shall:

- (1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 72.2), in the compliance subaccount of **Units 14, 15, 17 and 18**, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from ~~the unit~~ **Units 14, 15, 17, and 18**; and,
 - (2) Comply with the applicable acid rain emissions limitations for sulfur dioxide.
- (b) Each ton of sulfur dioxide emitted in excess of the acid rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.

Comment 3:

For clarity, Condition 4(c) should be modified by adding the condition number to the reference to paragraph (a)(1) of the sulfur dioxide requirements. The recommended revision is:

*An affected unit shall be subject to the requirements under ~~paragraph~~ **Condition 4(a)** of the sulfur dioxide requirements as follows.:*

Response 3:

To clarify Condition 4(c) the following change has been made:

4. Sulfur Dioxide Requirements [326 IAC 21]

- (c) ~~An affected unit~~ **Units 14, 15, 17, and 18** shall be subject to the requirements under paragraph **4(a)** of the sulfur dioxide requirements as follows:
- (1) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or,
 - (2) Starting on the latter of January 1, 2000, or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).

Comment 4:

For clarity, Condition 4(e) should be modified by adding the condition number to the reference to paragraph (a)(1) of the sulfur dioxide requirements. The recommended revision is:

*An allowance shall not be deducted in order to comply with the requirements under ~~paragraph~~ **Condition 4(a)(1)** of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.*

Response 4:

To clarify Condition 4(e), the following change has been made:

4. (e) An allowance shall not be deducted in order to comply with the requirements under paragraph **4(a)(4)** of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.

Comment 5:

Condition 4(j) should be revised to reflect the fact that the sulfur dioxide allowances have been allocated by EPA to each unit at the source. We recommend the language be changed as follows:

*“(j) Sulfur dioxide allowances ~~shall be~~ **have been** allocated by EPA to each unit at the source. ~~as follows.~~”*

Response 5:

Based upon the EPA on-line allowance allocation chart, as of November, 2004, only units 7 and 8 have been allocated any SO₂ allowances. Unit 16A and Unit 16B have no allocations. To clarify Condition 4(j), the following changes have been made:

Proposed

- (j) **Units 16A and 16B are natural gas fired and have no annual allocated sulfur dioxide emission allowances established in the Title IV Acid Rain Program. The units will be required to seek sulfur dioxide emission allowances from other units, in order to account for all sulfur dioxide emissions, as required by 40 CFR 72.9(c).**
- (k) Sulfur dioxide allowances ~~shall be~~ **have been** allocated to each unit at the source as follows:

Comment 6:

The Table listed in Condition 4(j) is obsolete and should be deleted as the EPA has allocated allowances through the year 2034 to these units.

Response 6:

This permit is for a five year period. The chart contains the applicable data for that five year period per 40 CFR 73.10, Table 2. Below the permit's chart is a reference that the allowance allocations may change but would not necessitate a revision to the unit SO₂ allowance allocations identified in the permit. IDEM, OAQ declines to make any changes to this condition.

Comment 7:

The requirements for Condition 5(b) of the NOx Early Election Compliance Plan for Unit 15 are for a calendar year. In addition, while this plan has been in effect prior to the year 2000, since this permit is to become effective in 2005, we recommend the effective date be changed from 2000 to 2005 to reflect the current, not historical perspective. The existing language should be modified as indicated below to include these concepts.

- (b) *NOx Early Election Compliance Plan for Unit 15:*
*...Office of Air Quality approves a NOx early election compliance plan for Unit 15. **The NOx Early election Compliance Plan** ~~compliance plan~~ is effective for calendar years ~~2000~~ 2005 through 2007. ...Under the compliance plan, this unit's annual average NOx emission rate for each **calendar** year, determined in accordance with ...*

Response 7:

This language, suggested by U.S. EPA, is used by all permitting authorities across the U.S. IDEM wishes to have permit conditions that are consistent with other permitting authorities. Condition 5 is broken down by type of compliance. Sub conditions (b), (c), (d), (e), and (f) apply to specific units. Sub conditions (a), (g), (h), and (i) apply to all affected unit. Sub condition (k) applies to Units 16A and 16B, only. To clarify Condition 5(b) the following change has been made:

5. Nitrogen Oxides Requirements [326 IAC 21]

- (a) ~~The owners and operators of the source and each affected unit at the source~~ **Permittee** shall comply with the applicable acid rain emissions limitation of nitrogen oxides (NOx) for **Units 14, 15, 17, and 18.**
- (b) NOx Early Election Compliance Plan for Unit 15:

Pursuant to 40 CFR 76.8(d)(2), the Indiana Department of Environmental Management, Office of Air Quality approves a NOx early election compliance plan for Unit 15. The compliance plan is effective for calendar years ~~2000~~ 2005 through 2007. Under the compliance plan, ~~this unit's~~ **the** annual average NOx emission rate of Unit 15 for each year, determined in accordance with 40 CFR ~~part~~ 75, shall not exceed the applicable emission limitation, under 40 CFR 76.5(a)(2) of 0.50 lb/~~mm~~MMBtu for dry bottom wall-fired boilers. ~~If the unit Unit 15 is in compliance with its applicable emission limitation for each year of the plan, then the unit Unit 15 shall not be subject to the applicable emission limitation, under 40 CFR 76.7(a)(2), of 0.46 lb/~~mm~~MMBtu for dry bottom wall-fired boilers until calendar year 2008.~~

Comment 8:

The requirements of Condition 5(c) of the NOx Early Election Compliance Plan for Unit 17 are for a

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calendar year. In addition, while this plan has been in effect prior to the year 2000, since this permit is to become effective in 2005, we recommend the effective date be changed for m2000 to 2005 to reflect the current, not the historical perspective. The existing language should be modified as indicated below to include these concepts.

- (c) *NOx Early Election Compliance Plan for Unit 17:*
... Office of Air Quality approves a NOx early election compliance plan for Unit 17. **The NOx Early election Compliance Plan** ~~compliance plan~~ is effective for calendar years ~~2000~~ 2005 through 2007. ... Under the compliance plan, this unit's annual average NOx emission rate for each **calendar** year, determined in accordance with ...

Response 8:

This language, suggested by U.S. EPA, is used by all permitting authorities across the U.S. IDEM wishes to have permit conditions that are consistent with other permitting authorities. Condition 5 is broken down by type of compliance. Sub conditions (b), (c), (d), (e), and (f) apply to specific units. Sub conditions (a), (g), (h), and (i) apply to all affected unit. Sub condition (k) applies to Units 16A and 16B, only. To clarify Condition 5(c), the following changes have been made:

- (c) NOx Early Election Compliance Plan for Unit 17
... approves a NOx early election compliance plan for Unit 17. The compliance plan is effective for calendar year ~~2000~~5 through 2007. Under the compliance plan, ~~this unit's~~ **the** annual average NOx emission rate **of Unit 17** for each year, determined in accordance with 40 CFR ~~part~~ 75, shall not exceed the applicable emission limitation, under 40 CFR 76.5(a)(2) of 0.50 lb/~~mm~~MMBtu for dry bottom wall-fired boilers. If ~~the unit~~ **Unit 17** is in compliance with its applicable emission limitation for each year of the plan, then ~~the unit~~ **Unit 17** shall not be subject to the applicable emission limitation, under 40 CFR 76.7(a)(2), of 0.46 lb/~~mm~~MMBtu for dry bottom wall-fired boilers until calendar year 2008.

Comment 9:

The requirements of Condition 5(d) of the NOx Early Election Compliance Plan for Unit 18 are for a calendar year. In addition, while this plan has been in effect prior to the year 2000, since this permit is to become effective in 2005, we recommend the effective date be changed for m2000 to 2005 to reflect the current, not the historical perspective. The existing language should be modified as indicated below to include these concepts.

- (d) *NOx Early Election Compliance Plan for Unit 18:*
... Office of Air Quality approves a NOx early election compliance plan for Unit 18. **The NOx Early election Compliance Plan** ~~compliance plan~~ is effective for calendar years ~~2000~~ 2005 through 2007. ... Under the compliance plan, this unit's annual average NOx emission rate for each **calendar** year, determined in accordance with ...

Response 9:

This language, suggested by U.S. EPA, is used by all permitting authorities across the U.S. IDEM wishes to have permit conditions that are consistent with other permitting authorities. Condition 5 is broken down by type of compliance. Sub conditions (b), (c), (d), (e), and (f) apply to specific units. Sub conditions (a), (g), (h), and (i) apply to all affected unit. Sub condition (k) applies to Units 16A and 16B, only. To clarify Condition 5(d), the following changes have been made:

- (d) NOx Early Election Compliance Plan for Unit 18
... approves a NOx early election compliance plan for Unit 18. The compliance plan is effective for calendar years ~~2000~~5 through 2007. Under the compliance plan, ~~this unit's~~ **the** annual average NOx emission rate **of Unit 18** for each year, determined in accordance with 40 CFR ~~part~~ 75, shall not exceed the applicable emission limitation, under 40 CFR 76.5(a)(2) of 0.50 lb/~~mm~~MMBtu for dry bottom wall-fired boilers. If ~~the unit~~ **Unit 18** is in compliance with its applicable emission limitation for each year of the plan, then ~~the unit~~ **Unit 18** shall not be subject to the applicable emission limitation, under 40 CFR 76.7(a)(2), of 0.46 lb/~~mm~~MMBtu for dry bottom wall-fired boilers until calendar year

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2008.

Comment 10:

We believe the requirements of Condition 5(e) and Condition 5(g) are both parts of the NOx Emission Averaging Plan for Unit 14 and as such should be relabeled as 5(e)(1) and 5(e)(2). These are intended to describe the two different provisions allowed for compliance contained in 40 CFR 76. However, as currently worded, they appear to imply noncompliance if the provisions of Condition 5(e) are not met when in reality compliance would be demonstrated if the provisions of Condition 5(g) are met. We recommend the following changes to the language of Condition 5(e) and Condition 5(g) to avoid misinterpretation of the requirements and compliance status. We recommend the following revisions including the reformatting to 5(e)(1) and 5(e)(2)

- (e) *NOx Emission Averaging Plan for Unit 14*
 - (1) *Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NOx emissions averaging plan for this unit that includes the following unit, effective from for calendar years 2005 and including 2009. Under the plan this unit's NOx emissions shall not exceed the annual average alternative contemporaneous emission limitation of 0.65 lb/MMBtu- for the calendar year except as provided in condition 5(e)(2). In addition, this unit shall not have an annual a heat input for the calendar year less than the MMBTU specified below except as provided in condition 5(e)(2).*

Calendar Years 2005 through 2009	Emission Limitation per 40 CFR 76.5, 76.6 or 76.7 (lb/MMBTU)	Alternative Limit (lb/MMBTY)	Heat Input Limit (MMBTU)
Unit 14	0.86	0.65	13,800,000

- (2) *Under the averaging plan, the actual BTU-weighted annual average NOx emission rate for the units in the plan shall be less than or equal to the BTU-weighted annual average NOx emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5, 76.6, or 76.7, except for any early election units, the applicable emission limitations shall be under 40 CFR 76.7. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.112 (d)(1)(ii)(A)) is met for a calendar year under the plan, then this unit shall be deemed to be in compliance for that calendar year with its alternative contemporaneous annual emission limitation and annual heat input limit.*

Response 10:

To clarify the draft Condition 5(e)-(k), the following changes have been made:

5. Nitrogen Oxides Requirements [326 IAC 21]

- (e) **NOx Emission Averaging Plan for Unit 14:**
 - (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NOx emissions averaging plan for **Unit 14**, effective from calendar years 2005 through 2009. Under the plan the NOx emissions **from Unit 14** shall not exceed the annual average alternative contemporaneous emission limitation (**ACEL**) of **0.65 lb/MMBtu**. **In addition, Unit 14 shall not have a heat input for the calendar year less than 12,800,000 MMBtu specified below except as provided in condition 5(b)(2).**
 - (2) **Under the plan, the actual Btu-weighted annual average NOx emission rate for Units 14 and 15 shall be less than or equal to the Btu-weighted annual average NOx emission rate for the same units had they each been operated,**

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during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5, 76.6, or 76.7, except that for any early election units, the applicable emission limitations shall be under 40 CFR 76.7. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then Unit 14 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.

- (3) In addition to the described NOx compliance plan, Unit 14 shall comply with all other applicable requirements of 40 CFR 76, including the duty to reapply for a NOx (Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction) compliance plan and requirements covering excess emissions.
- (f) **NOx Emission Averaging Plan for Unit 15:**
- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NOx emission averaging plan for Unit 15 effective from calendar year 2005 through 2009. Under the plan the NOx emissions from Unit 15 shall not exceed the annual average alternative contemporaneous emission limitation (ACEL) of 0.25 lb/MMBtu for the calendar year except as provided in 5(b)(2). In addition, Unit 15 shall not have a heat input for the calendar year less than 25,300,000 MMBtu specified below except as provided in condition 5(b)(2).
- (2) Under the plan, the actual Btu-weighted annual average NOx emission rate for Unit 15 in the plan shall be less than or equal to the Btu-weighted annual average NOx emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5, 76.6, or 76.7, except that for any early election units, the applicable emission limitations shall be under 40 CFR 76.7. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then Unit 15 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.
- (3) In addition to the described NOx compliance plan, Unit 15 shall comply with all other applicable requirements of 40 CFR 76, including the duty to reapply for a NOx (Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction) compliance plan and requirements covering excess emissions compliance plan and requirements covering excess emissions.
- (4) Notwithstanding the averaging plan described above, if Unit 15 exceeds its applicable NOx emission limitation under 40 CFR 76.8 (early election) of 0.50 lb/MMBtu for Unit 15, the early election plan for Unit 15 shall be terminated in accordance with 40 CFR 76.8(e)(3) and Unit 15 shall meet, beginning on the effective date of the termination, the applicable NOx emission limitation under 40 CFR 76.7. Such termination shall not terminate the averaging plan described above.
- (kg) Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction Program, the natural gas-fired combined cycle systems, Units 16A and 16B are not subject to the nitrogen oxide limitations set out in 40 CFR 76.

Comment 11:

We believe the requirements of Condition 5(f) and Condition 5(g) are both parts of the NOx Emission Averaging Plan for Unit 15 and as such should be relabeled as 5(f)(1) and 5(f)(2). These are intended to describe the two different provisions allowed for compliance contained in 40 CFR 76. However, as currently worded, they appear to imply noncompliance if the provisions of Condition 5(f) are not met when

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in reality compliance would be demonstrated if the provisions of Condition 5(g) are met. We recommend the following changes to the language of Condition 5(f) and Condition 5(g) to avoid misinterpretation of the requirements and compliance status. We recommend the following revisions including the reformatting to 5(f)(1) and 5(f)(2).

- (f) *NOx Emission Averaging Plan for Unit 15*
- (1) *Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) approves a NOx emissions averaging plan for this unit **that includes the following unit**, effective ~~from~~ for calendar years 2005 through and **including** 2009. Under the plan this unit's NOx emissions shall not exceed the annual average alternative contemporaneous emission limitation of 0.65 lb/MMBtu. **for the calendar year except as provided in condition 5(f)(2)**. In addition, this unit shall not have ~~an annual~~ a heat input for the calendar year less than **the MMBTU specified below except as provided in condition 5(f)(2)**.*

Calendar Years 2005 through 2009	Emission Limitation per 40 CFR 76.5, 76.6 or 76.7 (lb/MMBTU)	Alternative Limit (lb/MMBTY)	Heat Input Limit (MMBTU)
Unit 15	0.46	0.25	25,300,000

- (2) *Under the averaging plan, the actual BTU-weighted annual average NOx emission rate for the units in the plan shall be less than or equal to the BTU-weighted annual average NOx emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5, 76.6, or 76.7, except for any early election units, the applicable emission limitations shall be under 40 CFR 76.7. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.112 (d)(1)(ii)(A)) is met for a **calendar year** under the plan, then this unit shall be deemed to be in compliance for that **calendar year** with its alternative contemporaneous annual emission limitation and annual heat input limit.*

Response 11:
 See response to comment 10.

Comment 12:
 As written, Condition 5(h) is applicable to unit 15 only and should be modified to the singular. After the rewording suggested below, we recommend it be relabeled as condition 5(f)(3).

*Notwithstanding the averaging plan described above, if ~~the units~~ **Unit 15** exceeds its applicable NOx emission limitation under 40 CFR 76.8 (early election) of 0.50 lb/MMBtu, the early election plan for this unit shall be terminated in accordance with 40 CFR 76.8(e)(3) and the unit shall meet, beginning on the effective date of the termination, the applicable NOx emission limitation under 40 CFR 76.7. Such termination shall not terminate the averaging plan described above.*

Response 12:
 See response to comment 10.

Comment 13:
 Unit 17 and 18 are also early election units as detailed in Condition 5(c) and Condition 5(d), respectively. However, they are not in the averaging plan. We believe the provisions of current Condition 5(h) would also apply to these units and should be included as subconditions of 5(c)(2) and 5(d)(2) after appropriate modification incorporate the correct emission limitation and deletion of language related to the averaging plan. After incorporation of our comments above for conditions 5(c) and 5(d) these would be relabeled as

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5(c)(1) and 5(d)(1) to accommodate the addition of new conditions 5(c)(2) and 5(d)(2). The new 5(c)(2) and 5(d)(2) are below.

5(c)(2) ~~If Notwithstanding the averaging plan described above, if the units Unit 17 exceeds its applicable NOx emission limitation under 40 CFR 76.8 (early election) or 0.45 lb/MMBtu, the early election plan for this unit shall be terminated in accordance with 40 CFR 76.8(e)(3) and the unit shall meet, beginning on the effective date of the termination, the applicable NOx emission limitation under 40 CFR 76.7. Such termination shall not terminate the averaging plan described above.~~

5(d)(2) ~~If Notwithstanding the averaging plan described above, if the units Unit 18 exceeds its applicable NOx emission limitation under 40 CFR 76.8 (early election) or 0.45 lb/MMBtu, the early election plan for this unit shall be terminated in accordance with 40 CFR 76.8(e)(3) and the unit shall meet, beginning on the effective date of the termination, the applicable NOx emission limitation under 40 CFR 76.7. Such termination shall not terminate the averaging plan described above.~~

Response 13:

See response to comment 10.

Comment 14:

We request IDEM include language in this permit acknowledging the ability of the owner and operator to revise the NOx averaging plan at some future date. We believe this permit should contain an acknowledgment of these rights. The following language is recommended:

The owner and operator may revise the NOx averaging plan following the procedure in 40 CFR 76.

Response 14:

Pursuant to 76.11(b)(1) the designated representative may submit a revision to an approved plan. U.S. EPA holds the sole ability to revise the NOx averaging allowances. IDEM declines to make suggested changes.

Comment 15:

Condition 7(a) specifies the copies of all reports, compliance certifications, other submissions, compliance certifications, emissions monitoring, and all records made or required under the Acid Rain Program be retained on site at the source for 5 years. It would be helpful to change this provision to allow for retention of these documents at the location of the office of the Designated Representative of the affected source. This would facilitate record retention and access, especially for sources for which the Designated Representative is located at a central office instead of the source location.

Response 15:

Pursuant to 40 CFR 72.9 (f) (1), Recordkeeping and Reporting Requirements, the Permittee of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created (certificate of representation for the designated representative for the source, all emissions monitoring information, copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and, copies of all documents used to complete an acid rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program).

Comment 16:

The last sentence of Condition 7(b) is unclear. We believe the intent is to specify where the designated representative is to submit the appropriate reports. We recommend the following revision:

~~Submit~~ **The required information is to be submitted to the appropriate authority(ies) as specified in 40 CFR 72.90, Subpart I, and 40 CFR 75.**

Response 16:

IDEM, OAQ agrees to clarify Condition 7(b) by the following changes:

Proposed

7. (b) The designated representative of ~~an affected source and each affected unit at the source~~ **Units 14, 15, 17 and 18** shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72, Subpart I, 40 CFR 75, and 326 IAC 21. ~~Submit~~ **The required information is to be submitted** to the appropriate authority(ies) as specified in 40 CFR 72.90, Subpart I, and 40 CFR 75.

Comment 17:

The regulatory citations listed in the heading of each of the conditions of the permit only reference 326 IAC 21 despite several different references to Title 326 of the Indiana Administrative Code and references to regulations in Title 40 of the Code of Federal Regulations within the condition. To be consistent with the methodology used in the Title V permits, we recommend the regulatory authority for the various permit conditions be listed in the heading line of each condition, in addition to their current location in the text of the condition.

Response 17:

The Indiana Air Pollution Control Board adopted the acid deposition control program in 326 Indiana Administrative Code 21.

Comment 18 (and 19):

We question the need for the permit to contain two separate certification subconditions in Condition 8(d)(1) and 8(d)(2) when they could be combined into one as is done on the certification form attached to the earlier version of this permit. We recommend condition 8(d)(1) and 8(d)(2) be combined into one condition.

Comment 19:

The language of Condition 8(e) is awkwardly crafted and should be reworded as recommended below. This is based on our understanding that the intent of this condition is to identify the deadlines for the designated representative of a source applicable upon his submission of Acid Rain Program documents or his receipt of any written determinations by EPA or IDEM, OAQ determinations that “cover” the source or unit. We recommend the following language to convey this intent:

- (e) *The designated representative of a source shall ~~notify~~ **provide notification according to the schedule in e)(1) and e)(2) as applicable, to each owner and operator of the source and of an affected unit at the source for each submission he provides or determination he receives that covers the source or the unit.***
- (1) *By the date of submission, of any Acid Rain Program submissions by the designated representative **for the unit;** ~~and,~~*
- (2) *Within 10 business days of receipt of any written determination by the U.S. EPA or IDEM, OAQ **for the unit;** ~~and,~~*
- ~~(3) *Provided that the submission or determination covers the source or the unit.*~~

Response 18 and 19:

Pursuant to 40 CFR 72.21(b) this language is directly from the regulations. To clarify the responsibilities of the Permittee, IDEM, OAQ has made the following changes.

8. Submissions [326 IAC 21]

- (a) The designated representative **of Units 14, 15, 17 and 18** shall submit a certificate of representation, and any superseding certificate of representation, to U.S. EPA and IDEM, OAQ in accordance with 40 CFR 72 and 326 IAC 21.
- (b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
Permits ~~Branch Administration Section~~, Office of Air Quality
100 North Senate Avenue, ~~P.O. Box 6045~~
Indianapolis, Indiana IN ~~46206-6045~~ **46204-2251**

Proposed

- (e) The designated representative of ~~a source of Units 14, 15, 17 and 18~~ shall notify ~~each owner and operator of the source and of an affected unit at the source~~ **the Permittee**:
- (1) By the date of submission, of any Acid Rain Program submissions by the designated representative;
 - (2) Within 10 business days of receipt of any written determination by U.S. EPA or IDEM, OAQ; and,
 - (3) Provided that the submission or determination covers ~~the source or the unit of~~ **Units 14, 15, 17 or 18**.
- (f) The designated representative of ~~a source of Units 14, 15, 17 and 18~~ shall provide ~~each owner and operator of an affected unit at the source~~ **the Permittee** a copy of any submission or determination under ~~condition~~ **paragraph 8(e)** of this section, unless the ~~owner or operator~~ **Permittee** expressly waives the right to receive a copy.

Comment 20:

The language of Condition 10 (c) appears to conflict and interfere with the ability of the permit holder to obtain and utilize legal remedies or judgments that revise the requirements applicable to the permit holder prior to the revision of the permit reflecting those changes. We recommend the following revision to remove this impediment:

- (c) *No permit revisions shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect **unless otherwise allowed by law.***

Response 20:

The permit terms and conditions in this acid rain permit reflect the conditions set out in the acid rain permit application. This language is used by all permitting authorities across the U.S. IDEM wishes to have permit conditions that are consistent with other permitting authorities. IDEM has made the following changes to clarify the responsibilities of the Permittee and designated representative.

10. Liability [326 IAC 21]

- (d) ~~Each affected source and each affected unit of Units 14, 15, 17 and 18~~ shall meet the requirements of the Acid Rain Program.
- (e) Any provision of the Acid Rain Program that applies to ~~an affected source of Unit 14, 15, 17 or 18~~, including a provision applicable to the designated representative of ~~an affected source, of Unit 14, 15, 17 or 18~~ shall also apply to the ~~owners and operators of such source and of the affected units at the source~~ **Permittee**.
- (f) Any provision of the Acid Rain Program that applies to ~~an affected unit of Unit 14, 15, 17 or 18~~, including a provision applicable to the designated representative, of ~~an affected unit of Units 14, 15, 17 and 18~~, shall also apply to the ~~owners and operators of such unit~~ **Permittee**. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NOx averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the ~~owners and operators~~ **Permittee** and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not ~~owners or operators~~ **the Permittee** or the designated representative and that is located at a source of which they are not ~~owners or operators~~ **the Permittee** or the designated representative.
- (g) Each violation of a provision of 40 CFR ~~parts 72, 73, 74, 75, 76, 77, and 78~~ by ~~an affected source or affected unit of Units 14, 15, 17 or 18~~, or by ~~an owner or operator~~ **the Permittee** or designated representative of ~~such source or unit~~, shall be a separate violation of the Clean Air Act.

Proposed

Comment 21:

Condition 9 leads us to believe that this permit is a separate and distinct permit from the Title V operating permit for R. M. Schahfer generating Station and, therefore, this permit will exist independent of the Title V permit. We would appreciate confirmation of this interpretation.

Response 21:

That is correct.

Comment 22:

The reference to the Federal Power Act (16 U.S.C. 791(a) et seq.) contained in Condition 11(d) appears incorrect. We believe the correct reference to this law is 16 U.S.C. 791a. We recommend IDEM correct the reference in the permit.

Response 22:

Pursuant to "The Blue Book, A Uniform System of Citation; 15th Edition"; Rule 12.3.1(a) – Use of the parentheses are appropriate when citing to the subsection of a statute. The purpose of the permit and TSD is to clarify the federal and state statutes. The use of the parentheses throughout these documents assists statute and rule research.

Comment 23:

The reference to the Federal Power Act (42 U.S.C. 7651 to 7651(o).) contained in Condition 11(a) appears incorrect. We believe the correct reference to this law is 42 U.S.C. 7651 to 7651o. We recommend IDEM correct the reference in the permit.

Response 23:

Pursuant to "The Blue Book, A Uniform System of Citation; 15th Edition"; Rule 12.3.1(a) – Use of the parentheses are appropriate when citing to the subsection of a statute. The purpose of the permit and TSD is to clarify the federal and state statutes. The use of the parentheses throughout these documents assists statute and rule research.

Comment 24:

As indicated in comment 1, we recommend the descriptive information contained in the TSD be made consistent with the descriptive language in the Title V permit. At a minimum, the second paragraph (c) that references Unit 16A and Unit 16B should be deleted. These combustion turbines are not affected units under the acid rain program. Also, the heat input label "MMBtu/hr" should be included for each of the affected units.

Response 24:

IDEM, OAQ lists the natural gas units in the description of the permit to acknowledge that such units are not regulated under 40 CFR 72-80. The TSD is an historical document and cannot be changed once it has gone through public notice.

Comment 25:

In the TSD, the sentence immediately preceding the **Existing Approvals** section should be corrected to indicate the permit covers the period for calendar year 2005 **through and including** calendar year 2009.

Response 25:

The TSD is an historical document and cannot be changed once it has gone through public notice. The cover sheet of the permit cites the expiration date by month, day and year.

Comment 26:

Table 1 and the sentence summarizing the SO₂ Allowance Allocations immediately preceding it in the **Specific Sulfur Dioxide (SO₂) Emission Allocation** section of the TSD should be deleted. As currently included in the TSD they incorrectly imply that SO₂ allowance allocations are fixed at this quantity and only provided for the years listed in the table.

Response 26:

The TSD is an historical document and cannot be changed once it has gone through public notice. This

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permit is for 2005 through 2009. SO₂ allowance allocations may change in the future. It is so noted following the SO₂ chart in the permit.

Comment 27:

The heading of farthest left column in Table 2 in the **Specific NOx Compliance and Averaging Plan** section of the TSD incorrectly implies that the applicable calendar years does not include or could end prior to the end of calendar year 2009. We recommend the heading be revised to "...-Calendar Years 2005 ~~to through~~ 2009".

Response 27: See response to Comment 10.

Upon further review, OAQ has decided to make the following revisions to the permit.

Change 1:

In order to clarify the name of this permit, the title has been changed.

Phase II
TITLE IV (ACID RAIN) PERMIT RENEWAL

Change 2:

To clarify the term "Permittee" the following change has been made to the cover page of the permit:

The owners and operators (hereinafter collectively known as the Permittee) of the above source are issued ~~This permit is issued~~ under the provisions of 326 Indiana Administrative Code (IAC) 21 with conditions listed on the attached pages.

Change 3:

To clarify which units are subject to Title IV regulations and to clarify the responsibilities of the Permittee, the following changes have been made.

1. ~~Statutory and Regulatory Authorities~~

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

2. ~~Standard Permit Requirements [326 IAC 21]~~

- (a) The designated representative has submitted a complete acid rain permit application in accordance with the deadlines in 40 CFR 72.30.
- (b) ~~The owners and operators of each affected source and each affected unit~~ **Permittee** shall operate ~~the unit~~ **Units 14, 15, 17 and 18** in compliance with this permit.

3. ~~Monitoring Requirements [326 IAC 21]~~

- (a) ~~The owners and operators~~ **Permittee** and, to the extent applicable, the designated representative of ~~each affected source and each affected unit at the source of~~ **Units 14, 15, 17 and 18** shall comply with the monitoring requirements as provided in 40 CFR 75 and 76.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 76 shall be used to determine compliance by ~~the unit of~~ **Units 14, 15, 17 and 18** with the acid rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.

Proposed

- (c) ~~The requirements of 40 CFR 75 and 76 shall not affect the responsibility of the owners and operators of each source and each affected unit at the source~~ **Permittee** to monitor emissions of other pollutants or other emissions characteristics at the unit of **Units 14, 15, 17 and 18** under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

4. Sulfur Dioxide Requirements [326 IAC 21]

- (a) ~~The owners and operators of each source and each affected unit at the source~~ **Permittee** shall:
- (i) No limit shall be placed on the number of allowances held by ~~an affected source~~ **the Permittee**. ~~An affected source~~ **The Permittee** may not, however, use allowances as a defense to noncompliance with any applicable requirement other than the requirements of the Acid Rain Program. [326 IAC 2-7-5(4)(B)]
- (k) Sulfur dioxide allowances have been allocated to units at the source as follows:

SO ₂ Annual Allowance Allocations (tons) for Unit 14					
year	2005	2006	2007	2008	2009
Tons Unit 14	10,357*	10,357*	10,357*	10,357*	10,357*
	10,355*	10,355*	10,355*	10,355*	10,355*
SO ₂ Allowance Allocations for Unit 15					
year	2005	2006	2007	2008	2009
Tons Unit 15	10,692*	10,692*	10,692*	10,692*	10,692*
	10,692*	10,692*	10,692*	10,692*	10,692*
SO ₂ Allowance Allocations for Unit 17					
year	2005	2006	2007	2008	2009
Tons Unit 17	5,222	5,222	5,222	5,222	5,222
	5,222	5,222	5,222	5,222	5,222
SO ₂ Allowance Allocations for Unit 18					
year	2005	2006	2007	2008	2009
Tons Unit 18	5,187*	5,187*	5,187*	5,187*	5,187*
	5,187*	5,187*	5,187*	5,187*	5,187*

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

- (a) ~~The designated representative of an affected unit that~~ **If Unit 14, 15, 17 or 18** has excess emission of sulfur dioxide in any calendar year, ~~the designated representative~~ shall submit a proposed offset plan to U.S. EPA and IDEM, OAQ as required under 40 CFR 77 and 326 IAC 21.
- (b) The designated representative shall submit required information to:
- Indiana Department of Environmental Management
 Air Compliance ~~Branch Section I~~, Office of Air Quality
 100 North Senate Avenue, P.O. Box 6015
 Indianapolis, IN Indiana ~~46206-6015~~ **46204-2251**
- (c) ~~The owners and operators of an affected unit that~~ **If Unit 14, 15, 17 or 18** has excess emissions, as defined in 40 CFR 72.2, in any calendar year, ~~the ...~~

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

- (a) Unless otherwise provided, the **Permittee** shall keep on site each of the following documents for a period of 5 years, as required by 40 CFR 72.9(f), from the date the document is created. This period may be extended for cause, at any time prior to the end of the 5 years, in writing by U.S. EPA or IDEM, OAQ:

Proposed

- (1) The certificate of representation for the designated representative of **Units 14, 15, 17, and 18**, and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5 year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

11. Effect on Other Authorities [326 IAC 21]

No provision of the Acid Rain Program, an acid rain permit application, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (a) Except as expressly provided in Title IV of the Clean Air Act (42 USC 7651 to 7651(o)), exempting or excluding the **Permittee** and, to the extent applicable, the designated representative of **Unit 14, 15, 17 or 18** from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

Indiana Department of Environmental Management Office of Air Quality

Technical Support Document
For a Phase II Acid Rain Permit Renewal

Source Background and Description

Source Name:	NIPSCO R. M. Schahfer Generating Station
Source Location:	2723 East 1500 North, Wheatfield, Indiana, 46392
Mailing Address:	801 East 86th Street, Merrillville, Indiana, 46410
County:	Jasper
Operated By:	Northern Indiana Public Service Company (NIPSCO)
Designated Representative:	John W. Flegel
ORIS Code:	6085
Previous Phase II Permit No.:	073-5302-00008
Phase II Renewal Permit No.:	073-19674-00008
Permit Reviewer:	Cynthia Bymaster, (317) 233-2641

The Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) has reviewed a Phase II Acid Rain permit renewal application submitted by Northern Indiana Public Service Company (NIPSCO) on July 6, 2004. The application is for the operation of the following affected units at R M Schahfer Generating Station located at 2723 East 1500 North, Wheatfield, Indiana.

- (a) Unit 14: cyclone coal-burning, tangentially-fired boiler with design heat input capacity of 4,650 MMBtu/hr;
- (b) Unit 15: dry bottom pulverized coal-burning wall-fired boilers with design heat input of 5,100;
- (c) Unit 17: dry bottom pulverized coal-burning wall-fired boilers with design heat input of 3,967;
- (d) Unit 18: dry bottom pulverized coal-burning wall-fired boilers with design heat input of 3,967; and
- (c) Unit 16A and 16B: two natural gas-fired combustion turbines with design heat input of 998 each.

The permit renewal covers calendar years 2005 to 2009 affected units as indicated in the initial acid rain permit and adding two (2) natural gas-fired turbines.

Existing Approvals

The source has been operating under the following previous approvals:

- (a) AR 073-5302-00008, issued on December 31, 1997; and
- (b) AAR 073-8932-00008, issued on May 14, 1998.

Northern Indiana Public Service Company (NIPSCO) was issued a Title IV permit for the R. M. Schahfer Generating Station, effective from January 1, 2000 to December 31, 2004. June 24, 1997, Northern Indiana Public Service Company (NIPSCO) submitted a Phase II NO_x Compliance Plan and incorporated a Phase II NO_x Averaging Plan for the R. M. Schahfer Generating Station.

Northern Indiana Public Service Company (NIPSCO), R. M. Schahfer Generating Station submitted a revised Title IV Emissions Averaging Plan, adding two natural gas turbines on November 11, 1998. Northern Indiana Public Service Company (NIPSCO), R. M. Schahfer Generating Station submitted a Phase II Acid Rain renewal application on July 6, 2004. The second revision has been combined into this renewal permit.

Program Description

The following information is provided to explain the Acid Rain Program.

(a) Goal of the Program

The goal of the 1990 Clean Air Act (CAA) Amendments, Acid Rain Program is to reduce the impact of man-made emissions of sulfur dioxide (SO₂) and nitrogen oxide (NO_x) on lakes, streams, forests, crops and, most important, the health of the public, by a nationwide SO₂ allocation of emissions from power plants. While it may not seem to be a local problem, the information collected shows a need for this reduction. This is because these emissions can be transported great distances. Results of the SO₂ and NO_x program, along with past, present and future plans, can be found on the Internet at <http://www.epa.gov/airmarkets/arp/>. Additional information in the form of maps showing the results of the SO₂ and NO_x limitations can be found on the Internet at <http://nadp.sws.uiuc.edu/>.

The U.S. EPA has set a limit on the amount of sulfur dioxide emissions and the emission rate of nitrogen oxides for all regulated power plants, for each year from 2000 through 2009. The total sulfur dioxide emissions for all affected power plants in the nation have been limited to 9.4 million tons every year. That amount is 10 million tons less than the total emissions of sulfur dioxide in 1980. In 1993, U.S. EPA allocated a certain amount of sulfur dioxide emissions allowances to each power plant regulated by Phase II of the Acid Rain Program. Emissions of nitrogen oxides are being reduced by at least 2 million tons per year, by setting limits on the emission rate of nitrogen oxides from coal-fired power plant boilers.

(b) Federal Rules

The emission allowances and conditions in this draft Phase II permit were taken from the limits developed by the U.S. EPA for the Acid Rain Program pursuant to Title IV of the Clean Air Act, 42 United States Code 7401, as amended by Public Law 101-5049 (November 15, 1990). Parts 72 through 78 of Title 40 of the Code of Federal Regulations (CFR), 61 Federal Register (FR) 59142, 61 FR 67111, 61 FR 68821, and 62 FR 3463, apply to regulated power plants.

(c) Indiana's Rules

Title 326 of the Indiana Administrative Code (IAC) Article 21, Acid Deposition Control, has adopted the federal rule by referencing 40 CFR 72 through 78, 61 FR 59142, 61 FR 67111, 61 FR 68821, and 62 FR 3463. The rule incorporates the requirements of Title IV, Clean Air Act Acid Rain Program, of the 1990 Clean Air Act (CAA).

(d) Sulfur Dioxide (SO₂) Emission Allocations

The sulfur dioxide allowance allocation rule (40 CFR Part 73) was revised in August 1998. The nation wide allocated sulfur dioxide emissions are 9,480,000 tons per year for 2000 through 2009. The 2010 cap is projected to reduce sulfur dioxide emissions to 8,900,000 tons per year. No allocations were made for new sources. New regulated power plants have to obtain sulfur dioxide emission allocations by purchasing them from pre-existing power plants that have received U.S. EPA allocations. A regulated power plant may have emission allocations to sell because the plant purchased newer, less polluting, equipment. The U.S. EPA keeps track of the transfer of all sulfur dioxide emission allocations in an official accounting system.

- (e) Nitrogen Oxide Emission (NO_x) Limitations
 Pursuant to 40 CFR 76, nitrogen oxide (NO_x) emission limitations are applicable only to coal-fired utility and coal-fired substitution units that are subject to Phase I and Phase II sulfur dioxide (SO₂) reduction requirements.

Specific Sulfur Dioxide (SO₂) Emission Allocations

There are four (4) affected units, identified as Units 14, 15, 17, and 18, in this generating station. Table 1 below summarizes the SO₂ Allowance Allocations for these units.

Table 1					
SO ₂ Allowance Allocations (tons/year)					
	2005	2006	2007	2008	2009
Unit 14	10,357	10,357	10,357	10,357	10,357
Unit 15	10,692	10,692	10,692	10,692	10,692
Unit 17	5,222	5,222	5,222	5,222	5,222
Unit 18	5,187	5,187	5,187	5,187	5,187

The natural gas-fired combustion turbine generators, 16A and 16B, have no annual allocated sulfur dioxide emission allowances established in the Title IV Acid Rain Program. The unit will be required to seek sulfur dioxide emission allowances from other units, in order to account for all sulfur dioxide emissions, as required by 40 CFR 72.9(c).

Specific NO_x Compliance and Averaging Plan

There are four affected units, identified as Units 14, 15, 17 and 18, in this generating station. Table 2 and 3 below summarize the NO_x compliance and averaging plan for these units.

Table 2			
Calendar Years 2005 to 2009	Emission Limitation per 40 CFR 76.5, 76.6 or 76.7 (lb/MMBTU)	Alternative Limit (lb/MMBTU)	Heat Input Limit (MMBTU)
Unit 14	0.86	0.65	13,800,000
Unit 15	0.76	0.25	25,300,000
Unit 17	0.45	N/A	n/a
Unit 18	0.45	N/A	n/a

The BTU weighted annual emission rate average over the units if they are operated in accordance with the proposed averaging plans = BTU weighted annual average emission rate for same units operated in compliance with 40 CFR 76 = 0.76

Table 3	
List of Sources Participating in the NO _x Averaging Plan – Calendar Years 2005 to 2009	
Source Names	No. of Units
NIPSCO, Bailly Generating Station, IN	2
NIPSCO, Michigan City Generating Station, IN	1
NIPSCO, R. M. Schahfer Generating Station, IN	2
Total Number of Units	5

Unit 16A and 6B will not burn coal as a fuel. The natural gas-fired combustion turbine generators, are not subject to Nitrogen Oxides Limitation Requirements

Emissions Monitoring Requirements

The owners and operators and, to the extent applicable, the designated representative for the source must comply with the monitoring requirements set out in 40 CFR 75 and 72.9(b)(1) and (2). The source must measure and record its emissions of sulfur dioxide. The source must report these measurements to IDEM and U.S. EPA. These records and reports are used to determine if the source is in compliance with the sulfur dioxide allocation program. The requirements of the Phase II permit do not affect the source's responsibility to monitor emissions of other pollutants or other emissions characteristics required by the Clean Air Act and other operating permit provisions. Monitoring requirements outlined in the source's Phase II permit renewal application are considered as part of the Phase II renewal permit.

Other Record Keeping and Reporting Requirements

The source must keep copies of all reports and compliance certifications that it submits to demonstrate compliance with the requirements of the Phase II permit for five years. The source must submit the reports and compliance certifications required by the Phase II permit to the U.S. EPA and IDEM, OAQ. Record keeping and reporting requirements outlined in the Phase II renewal application are considered part of the Phase II renewal permit.

Submissions

The designated representative for each emissions unit must sign and certify every report or other submission required by the Phase II renewal permit. The designated representative must include the following certification statement in every submission:

"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."

The designated representative must send each owner and operator of the source a notification regarding every submission. The designated representative must also notify each owner and operator of the source within ten (10) business days of the receipt of any written determination made by U.S. EPA or IDEM.

Draft Phase II Permit Renewal

Based on the information IDEM received from the proposed operator, IDEM has preliminarily determined that the source meets the requirement of Indiana Code (IC) 13-17-3-4, IC 13-17-3-11,

IC 13-17-8-1, and IC 13-17-8-2, as well as Title IV of the Clean Air Act. IDEM proposes this draft Phase II permit renewal pursuant to 326 IAC 21.

Recommendation

The staff recommends to the IDEM's Commissioner that the Title IV Acid Rain permit renewal be approved. This recommendation is based on the following facts and conditions:

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

A Phase II Acid Rain permit renewal application for the purposes of this review was received on July 6, 2004

IDEM Contact

- (a) **Permit**
Questions regarding the proposed Phase II renewal permit can be directed to Cynthia Bymaster at the Indiana Department Environmental Management (IDEM), Office of Air Quality (OAQ), 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana 46206-6015 or by telephone at (317) 233-2641 or toll free at 1-800-451-6027 extension 3-2641.
- (b) **Compliance Inspection**
The source will be inspected by IDEM's compliance inspection staff. Persons seeking to obtain information regarding the source's compliance status or to report any potential violation of any permit condition should contact Dan Hancock at the Office of Air Quality (OAQ) address or by telephone at (317) 232-8429 or toll free at 1-800-451-6027 extension 232-8429.
- (c) **Copies**
Copies of the Code of Federal Regulations (CFR) referenced in the permit may be obtained from:

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

or

The Government Printing Office
Washington, D.C. 20402

or

on the Government Printing Office website at
<http://www.access.gpo.gov/nara/cfr/index.html>