



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: April 14, 2005

RE: Daimler Chrysler Corporation - Kokomo Transmission Plant / 067-19756-00065

FROM: Paul Dubenetzky  
Chief, Permits Branch  
Office of Air Quality

### Notice of Decision: Approval - Effective Immediately

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

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

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

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

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

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

Enclosures  
FNPER.dot 1/10/05



# INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

*We make Indiana a cleaner, healthier place to live.*

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

April 14, 2005

Mr. James E. Reed, Jr.  
DaimlerChrysler Corporation - Kokomo Transmission Plant  
22401 South Reed Road  
Kokomo, IN 46904

Re: **067-19756-00065**  
Significant Source Modification to:  
Part 70 Operating Permit No.: **T 067-6504-00065**

Dear Mr. Reed:

DaimlerChrysler Corporation was issued Part 70 Operating Permit **T 067-6504-00065** on September 1, 1999 for a transmission manufacturing source. An application to modify the source was received on July 30, 2004. Pursuant to 326 IAC 2-7-10.5 the following emission units are approved for construction at the source:

26. Two (2) natural gas and fuel oil-fired boilers, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr each.
27. One (1) portable natural gas-fired boiler, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr.

The following construction conditions are applicable to the proposed project:

General Construction Conditions

1. The data and information supplied with the application shall be considered part of this source modification approval. Prior to any proposed change in construction which may affect the potential to emit (PTE) of the proposed project, the change must be approved by the Office of Air Quality (OAQ).
2. This approval to construct does not relieve the permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.
3. Effective Date of the Permit  
Pursuant to IC 13-15-5-3, this approval becomes effective upon its issuance.

4. Pursuant to 326 IAC 2-1.1-9 and 326 IAC 2-7-10.5(i), the Commissioner may revoke this approval if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.
5. All requirements and conditions of this construction approval shall remain in effect unless modified in a manner consistent with procedures established pursuant to 326 IAC 2.
6. Pursuant to 326 IAC 2-7-10.5(l) the emission units constructed under this approval shall not be placed into operation prior to revision of the source's Part 70 Operating Permit to incorporate the required operation conditions.

This significant source modification authorizes construction of the new emission units. Operating conditions shall be incorporated into the Part 70 Operating Permit as a significant permit modification in accordance with 326 IAC 2-7-10.5(l)(2) and 326 IAC 2-7-12. Operation is not approved until the significant permit modification has been issued.

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 contact Patrick Brennan, c/o OAQ, 100 North Senate Avenue, Indianapolis, Indiana, 46204, at 631-691-3395, ext. 21 or in Indiana at 1-800-451-6027 (ext 631-691-3395).

Sincerely,

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

Attachments  
PTB/MES

cc: File - Howard County  
Howard County Health Department  
Air Compliance Section Inspector – Marc Goldman  
Compliance Branch  
Administrative and Development Section  
Technical Support and Modeling - Michele Boner



*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](http://www.in.gov/idem)

**PART 70 OPERATING PERMIT  
OFFICE OF AIR QUALITY**

**DaimlerChrysler Corporation  
Kokomo Transmission Plant  
2401 South Reed Road  
Kokomo, Indiana 46904**

(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.

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.

Third Significant Source Modification No. SSM 067-19756-00065	Sections Affected: A.2, D.18
Issued by: Original Signed by Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: April 14, 2005

## TABLE OF CONTENTS

### D.18 FACILITY OPERATION CONDITIONS: Boilers

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

- D.18.1 NO<sub>x</sub> [326 IAC 2-2]
- D.18.2 SO<sub>2</sub> [326 IAC 2-2]
- D.18.3 General Provisions Relating to NESHAP [326 IAC 20-1][40 CFR Part 63, Subpart A]
- D.18.4 National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters [40 CFR Part 63, Subpart DDDDD]
  
- D.18.5 General Provisions Relating to NSPS [326 IAC 12-1] [40 CFR 60, Subpart A]
- D.18.6 Opacity Limitation [40 CFR 60, Subpart Dc] [326 IAC 12-1-1]
- D.18.7 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-1.1-1] [40 CFR 60, Subpart Dc] [326 IAC 12-1]
- D.18.8 Particulate (PM) [326 IAC 6-2-4]
- D.18.9 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

#### **Compliance Determination Requirements**

- D.18.10 NO<sub>x</sub> Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]
- D.18.11 Opacity Testing Requirement [40 CFR 60.45c]
- D.18.12 Sulfur Dioxide Emissions and Sulfur Content [40 CFR 60, Subpart Dc] [326 IAC 12-1]
- D.18.13 CO Testing Requirements [40 CFR Part 63, Subpart DDDDD]
- D.18.14 Fuel Certification [40 CFR Part 63, Subpart DDDDD]

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

- D.18.15 Visible Emissions Notations

#### **Record Keeping Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]**

- D.18.16 Record Keeping Requirements
- D.18.17 Reporting Requirements

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

---

The Permittee owns and operates machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks. The DaimlerChrysler Corporation Kokomo Transmission Plant and DaimlerChrysler Corporation Kokomo Casting Plant have been considered a single Title V major source. The DaimlerChrysler Corporation Kokomo Casting Plant was issued a separate Title V permit under the Part 70 No. T067-5246-00065.

This DaimlerChrysler Corporation Kokomo Transmission Plant significant source modification consists of the following emission units and pollution control devices:

26. Two (2) natural gas and fuel oil-fired boilers, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr each.
27. One (1) portable natural gas-fired boiler, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr.

## SECTION D.18

## FACILITY OPERATION CONDITIONS

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

26. Two (2) natural gas and fuel oil-fired boilers, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr each.
27. One (1) portable natural gas-fired boiler, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr.

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

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

#### D.18.1 NO<sub>x</sub> [326 IAC 2-2]

- (a) NO<sub>x</sub> emissions from the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler shall not exceed 39.0 tons per consecutive twelve (12) month period, with compliance determined at the end of each month. The monthly NO<sub>x</sub> emissions shall be calculated using the following equation:

$$\text{NO}_x \text{ emission (tons/month)} = (A \times 50) + (B \times 16.44)$$

Where: A = total monthly natural gas usage (MMCF/month)  
50 = NO<sub>x</sub> emission limit for natural gas combustion (lbs/MMCF)  
B = total monthly No. 2 fuel oil usage (kilo gallons/month)  
16.44 = NO<sub>x</sub> emission limit for fuel oil combustion (lbs/kilo gallon)

The NO<sub>x</sub> emissions shall not exceed 50 lbs/MMCF when combusting natural gas and 16.44 lbs/kilo gallon when combusting No. 2 fuel oil.

- (b) Compliance with the above limits will ensure that the total NO<sub>x</sub> emissions from Significant Source Modification 067-19756-00065 are less than 40 tons per year. Therefore, the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) do not apply.

#### D.18.2 SO<sub>2</sub> [326 IAC 2-2]

- (a) SO<sub>2</sub> emissions from the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler shall not exceed 39.0 tons per consecutive twelve (12) month period, with compliance determined at the end of each month. The monthly SO<sub>2</sub> emissions shall be calculated using the following equation:

$$\text{SO}_2 \text{ emissions (tons/month)} = (A \times 0.60) + (B \times 71.0) + (C \times 7.1)$$

Where: A = total monthly natural gas usage (MMCF/month)  
0.6 = SO<sub>2</sub> emission limit for natural gas combustion (lbs/MMCF)  
B = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.5% sulfur content  
71.0 = SO<sub>2</sub> emission limit for 0.5% fuel oil combustion (lbs/kilo gallon)  
C = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.05% sulfur content  
7.1 = SO<sub>2</sub> emission limit for 0.05% sulfur fuel oil combustion (lbs/kilo gallon)

The SO<sub>2</sub> emissions shall not exceed 0.6 lbs/MMCF when combusting natural gas, 71.0 lbs/kilo gallon when combusting 0.5% sulfur No. 2 fuel oil, and 7.1 lbs/kilo gallon when combusting 0.05% sulfur No. 2 fuel oil.

- (b) Compliance with the above limit will ensure that the total SO<sub>2</sub> emissions from Significant Source Modification 067-19756-00065 are less than 40 tons per year. Therefore, the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) do not apply.

D.18.3 General Provisions Relating to NESHAP [326 IAC 20-1][40 CFR Part 63, Subpart A]

The provisions of 40 CFR 63 Subpart A - General Provisions, which are incorporated as 326 IAC 20-1-1, apply to the affected source, as designated by 40 CFR 63.7506(b). The Permittee must comply with these requirements on and after the effective date of 40 CFR 63, Subpart DDDDD.

D.18.4 National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters [40 CFR Part 63, Subpart DDDDD]

- (a) The two (2) natural gas and fuel oil-fired boilers are designated as affected sources under 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and institutional Boilers and Process Heaters. This rule was published in the Federal Register on September 13, 2004, and became effective on November 12, 2004.

The two (2) natural gas and fuel oil-fired boilers are classified as large liquid boilers by this rule, because they have a capacity greater than 10 MMBtu/hour, a capacity factor greater than 10 percent, burn no solid fuel, and burn liquid fuel either alone or in conjunction with gaseous fuels. Pursuant to 40 CFR 63, Subpart DDDDD, the two (2) natural gas and fuel oil-fired boilers are subject to the following emission limits and workplace practices:

- (1) Emissions of particulate matter (PM) shall be less than 0.03 pounds per MMBtu of heat input.
- (2) Emissions of hydrogen chloride (HCL) shall be less than 0.0005 pounds per MMBtu of heat input.
- (3) Emissions of carbon monoxide (CO) shall be less than 400 ppm by volume, corrected to 3 percent oxygen.

- (b) Because the two (2) natural gas and fuel oil-fired boilers burn only fossil fuels and other gases, and do not burn residual oil, pursuant to 40 CFR 63.7506, performance testing is not required to meet emission limits. However, the Permittee must meet the following compliance requirements:

- (1) To demonstrate initial compliance, the source must submit a signed statement in the Notification of Compliance Status report required in 40 CFR 63.7545(e), stating that the source intends to burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels, in the two (2) boilers.
- (2) To demonstrate continuous compliance with the applicable emission limits, the source shall keep records that demonstrate that the two (2) boilers burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels.

- (c) To demonstrate compliance with work practice standards, initial performance testing for CO from the two (2) natural gas and fuel oil-fired boilers shall be completed within 180 days of startup. This test shall be repeated annually thereafter. The permittee shall submit notification of performance testing at least 60 days prior to commencement of the

performance testing. The permittee shall also submit a Notification of Compliance Status, containing the results of the initial compliance demonstration within 60 days of completion of testing.

- (d) The Permittee will develop and implement a written startup, shutdown and malfunction plan (SSMP) prior to the boilers startup date.
- (e) The permittee shall provide notification of the intention to construct, as well as a notification of the boilers actual startup date within 15 days after the startup date.
- (f) The one (1) portable natural gas-fired boiler shall not be at the source for more than 180 consecutive days. It is therefore classified as a temporary boiler under 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and Institutional Boilers and Process Heaters, and is not subject to the requirements of the rule.

The 180 day period shall begin the date that the portable boiler arrives at the source, and the source shall notify IDEM OAQ of this date. The portable boiler shall not remain at the source for more than 180 days without the prior approval of IDEM, OAQ.

#### D.18.5 General Provisions Relating to NSPS [326 IAC 12-1] [40 CFR 60, Subpart A]

The provisions of 40 CFR 60 Subpart A - General Provisions, which are incorporated as 326 IAC 12-1, apply to the two (2) natural gas and fuel oil-fired boilers except when otherwise specified in 40 CFR 60 Subpart Dc.

#### D.18.6 Opacity Limitation [40 CFR 60, Subpart Dc] [326 IAC 12-1-1]

Pursuant to 40 CFR 60.43c(c), Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units), on and after the date on which the initial performance test is completed or required to be completed under 40 CFR 60.8 Subpart A, whichever comes first, the Permittee, when combusting No. 2 fuel oil in the two (2) natural gas and fuel oil-fired boilers, shall not discharge into the atmosphere any gases that exhibit greater than twenty percent (20%) opacity (six (6) minute average), except for one (1) six (6) minute period per hour of no more than twenty-seven (27%) opacity. The opacity standards pursuant to 40 CFR 60.43c apply at all times except during periods of start-up, shutdown, or malfunction.

#### D.18.7 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-1.1-1] [40 CFR 60, Subpart Dc] [326 IAC 12-1]

Pursuant to 326 IAC 7-1.1 (SO<sub>2</sub> Emissions Limitations) and 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units):

- (a) The SO<sub>2</sub> emissions from the two (2) natural gas and fuel oil-fired boilers shall not exceed five tenths (0.5) pounds per million British thermal unit heat input; or
- (b) The sulfur content of the fuel oil shall not exceed five-tenths percent (0.5%) by weight. [40 CFR 60.42c(d)]

Pursuant to 40 CFR 60 Subpart Dc, the fuel oil sulfur content limit applies at all times, including periods of startup, shutdown, and malfunction.

#### D.18.8 Particulate (PM) [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-4 (Particulate Emissions Limitations for Facilities Constructed after September 21, 1983) the particulate emissions from the two (2) natural gas and fuel oil-fired boilers, and the one (1) portable natural gas-fired boiler shall be limited to 0.2025 pound per million British thermal units heat input.

This limitation is based on the following equation:

$$Pt = 1.09/Q^{0.26}$$

where:

Pt = Pounds of particulate matter emitted per million British thermal units (lb/MMBtu) heat input

Q = Total source maximum operating capacity rating in million British thermal units per hour (MMBtu/hr) heat input. The maximum operating capacity rating is defined as the maximum capacity at which the facility is operated or the nameplate capacity, whichever is specified in the facility's permit application, except when some lower capacity is contained in the facility's operation permit; in which case, the capacity specified in the operation permit shall be used.

#### D.18.9 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 the two (2) natural gas and fuel oil-fired boilers and one (1) portable natural gas-fired boiler.

### **Compliance Determination Requirements**

#### D.18.10 NO<sub>x</sub> Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

Within one hundred and eighty (180) days after startup utilizing No. 2 fuel oil, the Permittee shall conduct a performance test to determine compliance with Condition D.18.1 when burning No. 2 fuel oil, utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five years from the date of the most recent valid compliance demonstration. Testing shall be conducted in accordance with Section C - Performance Testing.

If testing shows that the NO<sub>x</sub> emission limit of 16.44 lbs/kilo gallon is exceeded, the permittee shall file a request to adjust the NO<sub>x</sub> emission factor in the equation in Condition D.18.1(a). As long as NO<sub>x</sub> emissions do not exceed 39.0 tons per consecutive twelve (12) month period, exceedance of the emission factor shall not be considered a violation.

#### D.18.11 Opacity Testing Requirement [40 CFR 60, Subpart Dc]

Within one hundred and eighty (180) days after initial startup, in order to comply with Condition D.18.6, the Permittee shall conduct an initial performance test as required under 40 CFR 60.8, and shall conduct subsequent performance tests as requested by IDEM, OAQ to determine compliance with the standards using the procedures and reference methods listed in 40 CFR 60.45c.

#### D.18.12 Sulfur Dioxide Emissions and Sulfur Content [40 CFR 60, Subpart Dc] [326 IAC 12-1]

Pursuant to 40 CFR 60.44c, the Permittee shall demonstrate compliance utilizing one of the following options:

- (a) Providing vendor analysis of fuel delivered, if accompanied by a certification; or
- (b) Analyzing the oil sample to determine the sulfur content of the oil via the procedures in 40 CFR 60, Appendix A, Method 19.
  - (1) Oil samples may be collected from the fuel tank immediately after the fuel tank is filled and before any oil is combusted; and
  - (2) If a partially empty fuel tank is refilled, a new sample and analysis would be required upon filling.

#### D.18.13 CO Testing Requirements [40 CFR 63, Subpart DDDDD]

Within one hundred and eighty (180) days after initial startup, in order to comply with Condition D.18.4(c), the Permittee shall conduct an initial performance test as required under 40 CFR 63.7510(c). This test shall be repeated annually thereafter. The permittee shall submit notification of performance testing at least 60 days prior to commencement of the performance testing. The permittee shall also submit a Notification of Compliance Status, containing the results of the initial compliance demonstration within 60 days of completion of testing.

#### D.18.14 Fuel Certification [40 CFR 63, Subpart DDDDD]

Pursuant to 40 CFR 63.7506, the Permittee shall demonstrate compliance as follows:

- (a) To demonstrate initial compliance, the Permittee shall submit a signed statement in the Notification of Compliance Status report required in 40 CFR 63.7545(e), stating that the source intends to burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels, in the two (2) natural gas and fuel oil-fired boilers.
- (b) To demonstrate continuous compliance with the applicable emission limits, the Permittee shall keep records that demonstrate that the two (2) natural gas and fuel oil-fired boilers burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels.

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

#### D.18.15 Visible Emissions Notations

- (a) Visible emission notations of the boiler stack exhaust shall be performed once per shift during normal daylight operations when combusting No. 2 fuel oil. A trained employee shall record whether emissions are normal or abnormal.
- (b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.
- (c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.
- (e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

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

#### D.18.16 Record Keeping Requirements

- (a) To document compliance with Conditions D.18.1, D.18.2, and D.18.14 (b), the Permittee shall maintain monthly records of the amount of each fuel combusted at the two (2) natural gas and fuel oil-fired boilers, and the one (1) portable natural gas-fired boiler.
- (b) To document compliance with Condition D.18.4(f), the Permittee shall maintain records of the date that the portable natural gas-fired boiler arrived at the source, and the total number of days the portable natural gas-fired boiler was located at the source.

- (c) To document compliance with Conditions D.18.10, D.18.11 and D.18.13, the Permittee shall maintain records of all stack tests.
- (d) To document compliance with Conditions D.18.7, D.18.12 and D.18.14, the Permittee shall maintain records in accordance with (1) through (6) below. Note that pursuant to 40 CFR 60.44c, the fuel oil sulfur limit applies at all times including periods of startup, shutdown, and malfunction.
  - (1) Calendar dates covered in the compliance determination period;
  - (2) Actual fuel oil usage since last compliance determination period and equivalent sulfur dioxide emissions;
  - (3) To certify compliance when burning natural gas only, the Permittee shall maintain records of fuel used.

If the fuel supplier certification is used to demonstrate compliance, when burning alternate fuels and not determining compliance pursuant to 326 IAC 3-7-4, the following, as a minimum, shall be maintained:

- (4) Fuel supplier certifications;
- (5) The name of the fuel supplier; and
- (6) A statement from the fuel supplier that certifies the sulfur content of the No. 2 fuel oil.

The Permittee shall retain records of all recording/monitoring data and support information for a period of five (5) years, or longer if specified elsewhere in this permit, from the date of the monitoring sample, measurement, or report. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit.

- (e) To document compliance with Condition D.18.15, the Permittee shall maintain records of visible emission notations of the boiler stack exhaust once per shift when combusting No. 2 fuel oil.
- (f) To document compliance with Condition D.18.9, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.
- (g) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

#### D.18.17 Reporting Requirements

- (a) A certification, signed by the responsible official, that certifies all of the fuels combusted during the 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 their equivalent, within thirty (30) days after the end of the six (6) month period being reported.

- (c) The permittee shall notify IDEM OAQ of the date that the portable boiler arrives at the source.
  
- (d) A quarterly summary of the information to document compliance with Conditions D.18.1 and D.18.2 shall be submitted to the address listed in Section C - General Reporting Requirements, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the three (3) month period 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).

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

**Part 70 Quarterly Report**

Source Name: DaimlerChrysler Corporation - Kokomo Transmission Plant  
 Source Address: 2401 South Reed Road, Kokomo, Indiana 46904  
 Mailing Address: 2401 South Reed Road, Kokomo, Indiana 46904  
 Part 70 Permit No.: T 067-6504-00065  
 Facilities: Two (2) natural gas and fuel oil-fired boilers  
 One (1) portable natural gas-fired boiler  
 Parameter: NO<sub>x</sub> Emissions  
 Limit: Shall not exceed 39 tons per twelve (12) consecutive month period, with compliance determined at the end of each month.

NO<sub>x</sub> Emissions (tons/month) = (A x 50) + (B x 16.44)

Where A = total monthly natural gas usage (MMCF/month)  
 50 = NO<sub>x</sub> emission limit for natural gas combustion (lb/MMCF)  
 B = total monthly No. 2 fuel oil usage (kilo gallons/month)  
 16.44 = NO<sub>x</sub> emission limit for fuel oil combustion (lb/kilo gallon)

YEAR: \_\_\_\_\_

Month	NO <sub>x</sub> Emissions (tons)	NO <sub>x</sub> Emissions (tons)	NO <sub>x</sub> Emissions (tons)
	This Month	Previous 11 Months	12 Month Total

- 9 No deviation occurred in this month.
- 9 Deviation/s occurred in this month.  
 Deviation has been reported on: \_\_\_\_\_

Submitted by: \_\_\_\_\_

Title/Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Phone: \_\_\_\_\_

Attach a signed certification by a responsible official to complete this report.

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

**Part 70 Quarterly Report**

Source Name: DaimlerChrysler Corporation - Kokomo Transmission Plant  
 Source Address: 2401 South Reed Road, Kokomo, Indiana 46904  
 Mailing Address: 2401 South Reed Road, Kokomo, Indiana 46904  
 Part 70 Permit No.: T 067-6504-00065  
 Facilities: Two (2) natural gas and fuel oil-fired boilers  
 One (1) portable natural gas-fired boiler  
 Parameter: SO<sub>2</sub> Emissions  
 Limit: Shall not exceed 39 tons per twelve (12) consecutive month period, with compliance determined at the end of each month.

SO<sub>2</sub> Emissions (tons/month) = (A x 0.6) + (B x 71) +(C x 7.1)

Where A = total monthly natural gas usage (MMCF/month)  
 0.6 = SO<sub>2</sub> emission limit for natural gas combustion (lb/MMCF)  
 B = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.5% sulfur content  
 71 = SO<sub>2</sub> emission limit for fuel oil combustion (lb/kilo gallon)  
 C = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.05% sulfur content  
 7.1 = SO<sub>2</sub> emission limit for fuel oil combustion (lb/kilo gallon)

YEAR: \_\_\_\_\_

Month	SO <sub>2</sub> Emissions (tons)	SO <sub>2</sub> Emissions (tons)	SO <sub>2</sub> Emissions (tons)
	This Month	Previous 11 Months	12 Month Total

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: \_\_\_\_\_

Submitted: \_\_\_\_\_

Title/Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Phone: \_\_\_\_\_

Attach a signed certification by a responsible official to complete this report.



## Indiana Department of Environmental Management Office of Air Quality

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

#### Source Background and Description

<b>Source Name:</b>	<b>DaimlerChrysler Corporation Kokomo Transmission Plant</b>
<b>Source Location:</b>	<b>2401 South Reed Road, Kokomo, Indiana 46904</b>
<b>County:</b>	<b>Howard</b>
<b>SIC Code:</b>	<b>3714</b>
<b>Operation Permit No.:</b>	<b>T 067-6504-00065</b>
<b>Operation Permit Issuance Date:</b>	<b>September 1, 1999</b>
<b>Significant Source Modification No.:</b>	<b>067-19756-00065</b>
<b>Significant Permit Modification No.:</b>	<b>067-19555-00065</b>
<b>Permit Reviewer:</b>	<b>Patrick Brennan/MES</b>

The Office of Air Quality (OAQ) has reviewed a modification application from DaimlerChrysler Corporation relating to the construction and operation of the following emission units and pollution control devices:

26. Two (2) natural gas and fuel oil-fired boilers, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr each.
27. One (1) portable natural gas-fired boiler, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr.

#### History

On July 30, 2004, the DaimlerChrysler Corporation submitted an application to the OAQ requesting to add two (2) natural gas and fuel oil-fired boilers to their existing plant. These boilers will replace the existing three (3) coal fired boilers. DaimlerChrysler Corporation has also requested to install one (1) portable natural gas fired boiler, which will be used during phase out of the three (3) coal-fired boilers. The portable boiler will be removed after construction of the two (2) new boilers is completed. DaimlerChrysler Corporation was issued a Part 70 permit on September 1, 1999.

#### Source Definition

The operation of machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks consists of two (2) plants:

- (a) Plant 1 is the Kokomo Transmission Plant (KTP), located at 2401 South Reed Road, Kokomo, IN 46904; and
- (b) Plant 2 is the Kokomo Casting Plant (KCP), located at 1001 East Boulevard, Kokomo, IN 46904.

During the Part 70 permitting process, it was determined that the two (2) plants should be treated as one (1) Title V source. Solely for administrative purposes, the plants were issued separate Part 70 permits. The DaimlerChrysler Kokomo Transmission Plant was permitted as Part 70 Permit No. T-067-6504-00065, and the DaimlerChrysler Kokomo Casting Plant was permitted as Part 70 Permit No. T-067-5246-00065. This modification is to the Kokomo Transmission Plant permit only.

### **Enforcement Issue**

On January 19, 2005, U.S. EPA, Region 5, issued a Consent Agreement and Final Order, regarding violations of the PSD regulations as stated in 40 CFR 52.21 and 326 IAC 2-2, and entered into an Administrative Consent Order with the DaimlerChrysler Corporation, regarding operation of the three (3) existing coal-fired boilers at the source. This order establishes limitations on NO<sub>x</sub>, SO<sub>2</sub> and PM emission rates from the existing boilers, requires stack testing, and establishes a schedule for eventual shutdown of the existing boilers. The order requires one (1) coal-fired boiler to be shut down by December 31, 2005, and the remaining two (2) coal-fired boilers to be shut down by December 31, 2006. DaimlerChrysler is required to submit an application for a modification to its Part 70 permit within 60 days of the effective date of the Administrative Consent Order to implement the requirements and provisions of the order.

The two (2) natural gas and fuel oil-fired boilers and the one (1) portable natural-gas fired boiler being permitted in this Significant Source Modification are replacements for the coal-fired boilers that will be shut down as a result of the Administrative Consent Order. There are no stipulations or requirements in the Administrative Consent Order relating to the replacement boilers.

### **Stack Summary**

The two (2) natural gas and fuel oil-fired boilers and the one (1) portable natural-gas fired boiler will utilize the existing common boiler stack. No new stacks will be constructed.

### **Recommendation**

The staff recommends to the Commissioner that the Part 70 Significant Source and Significant Permit Modifications be approved. This recommendation is based on the following facts and conditions:

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

An application for the purposes of this review was received on July 30, 2004.

### **Emission Calculations**

The calculations submitted by the applicant have been verified and found to be accurate and correct. These calculations are provided in Appendix A of this document, pages 1 and 2 of 2. The emission factors used are identical to those used by IDEM, OAQ for natural gas and No. 2 fuel oil combustion, with the exception of the NO<sub>x</sub> factor for No. 2 fuel oil combustion. IDEM OAQ uses an AP-42 emission factor of 20.0 pounds of NO<sub>x</sub> per 1000 gallons of No. 2 fuel oil combusted. The applicant has submitted a factor of 16.44 pounds of NO<sub>x</sub> per 1000 gallons of No. 2 fuel oil combusted, which is a manufacturer's guarantee. This factor will be confirmed by stack testing. If this factor proves to be an underestimation, the fuel oil usage necessary to limit the NO<sub>x</sub> PTE to less than the PSD Significance Level of 40 tons per year will be adjusted.

### **Potential To Emit of Modification**

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as the maximum capacity of a stationary

source 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.

This table reflects the PTE before controls for this modification. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

<b>Pollutant</b>	<b>Potential To Emit (tons/year)</b>
PM	12.7
PM <sub>10</sub>	12.7
SO <sub>2</sub>	449
VOC	4.77
CO	72.9
NO <sub>x</sub>	104

<b>HAPs</b>	<b>Potential To Emit (tons/year)</b>
Formaldehyde	0.06
Benzene	0.0005
Toluene	0.129
Napthalene	0.004
HCL	0.06
TOTAL	0.254

**Justification for Modification**

The Part 70 Operating permit is being modified through a Part 70 Significant Source Modification. This modification is being performed pursuant to 326 IAC 2-7-10.5(f)(4), because the potential to emit of SO<sub>2</sub> and NO<sub>x</sub> are greater than twenty-five (25) tons per year. The proposed operating conditions shall be incorporated into the Part 70 Operating Permit as a Significant Permit Modification (SPM 067-19555-00065) in accordance with 326 IAC 2-7-12(d)(1).

**County Attainment Status**

The source is located in Howard County.

<b>Pollutant</b>	<b>Status</b>
PM <sub>10</sub>	attainment
SO <sub>2</sub>	attainment
NO <sub>2</sub>	attainment
1-Hour Ozone	attainment
8-Hour Ozone	attainment
CO	attainment
Lead	attainment

- (a) Volatile organic compounds (VOC) and nitrogen oxides (NO<sub>x</sub>) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NO<sub>x</sub> emissions are considered when evaluating the rule applicability relating to ozone. Howard County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NO<sub>x</sub> emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (b) Howard County has been classified as attainment or unclassifiable in Indiana for all remaining criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (c) Fugitive Emissions  
 Since this type of operation is not one of the 28 listed source categories under 326 IAC 2-2 or 2-3 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive particulate matter (PM) and volatile organic compound (VOC) emissions are not counted toward determination of PSD and Emission Offset applicability.

**Source Status**

Existing Source PSD or Emission Offset Definition (emissions after controls, based upon 8760 hours of operation per year at rated capacity and/or as otherwise limited):

<b>Pollutant</b>	<b>Emissions (tons/year)</b>
PM	greater than 250
PM <sub>10</sub>	greater than 250
SO <sub>2</sub>	greater than 250
VOC	greater than 250
CO	greater than 250
NO <sub>x</sub>	greater than 250

- (a) This existing source is a major stationary source because an attainment regulated pollutant

is emitted at a rate of two hundred fifty (250) tons per year or more, and it is not one of the 28 listed source categories.

- (b) These emissions are based upon information contained in the Technical Support Document for the Part 70 permit for this source, T 067-6504-00065.

**Potential to Emit of Modification After Issuance**

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 source modification.

<b>Pollutant</b>	<b>PM</b> (tons/yr)	<b>PM<sub>10</sub></b> (tons/yr)	<b>SO<sub>2</sub></b> (tons/yr)	<b>VOC</b> (tons/yr)	<b>CO</b> (tons/yr)	<b>NO<sub>x</sub></b> (tons/yr)
Proposed Modification	5.90	5.90	39.0	4.30	65.6	39.0
Contemporaneous Increases	-	-	-	-	-	-
Contemporaneous Decreases	-	-	-	-	-	-
Net Emissions	5.90	5.90	39.0	4.30	65.6	39.0
PSD Significant Level	25	15	40	40	100	40

- (a) This modification to an existing major stationary source is not major because the emissions increase is less than the PSD significant levels. Therefore, pursuant to 326 IAC 2-2, the PSD requirements do not apply.
- (b) Emissions of SO<sub>2</sub> and NO<sub>x</sub> will be limited to less than PSD significance levels through limitations on fuel usage. The fuel usage limitations are described in the State Rules - Individual Facilities section of this document under 326 IAC 2-2 (Prevention of Significant Deterioration (PSD)).

**Federal Rule Applicability**

- (a) This source does involve a pollutant-specific emissions unit as defined in 40 CFR 64.1 that has the potential to emit before controls equal to or greater than the major source threshold for SO<sub>2</sub> and NO<sub>x</sub>, and is subject to emission limitations or standards for SO<sub>2</sub> and NO<sub>x</sub>. However, the emission unit does not use a control device as defined in 40 CFR Part 64.1 to comply with that emission limitation or standard.

Therefore, the requirements of 40 CFR Part 64, Compliance Assurance Monitoring, are not applicable to this source modification.

- (b) The two (2) natural gas and fuel oil-fired boilers are subject to the New Source Performance Standard, 326 IAC 12, 40 CFR Part 60.48c, Subpart Dc, (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units), because the two (2) natural gas and fuel oil-fired boilers will be constructed after June 9, 1989, and have heat input capacities of 29 megawatts (MW) (100 million British thermal units per hour) or less, but greater than or equal to 2.9 MW (10 million British thermal units per hour). The two (2) boilers will use either natural gas or No. 2 fuel oil based on market conditions. Neither fuel is considered primary or backup. The following requirements are applicable:

- (1) The provisions of 40 CFR 60 Subpart A - General Provisions, which are incorporated as 326 IAC 12-1, apply to the facilities described in this section except when otherwise specified in 40 CFR 60 Subpart Dc.
- (2) Pursuant to 40 CFR 60.42c, Standards for Sulfur Dioxide, the two (2) natural gas and fuel oil-fired boilers are subject to the following standards for sulfur dioxide when using No. 2 fuel oil:
  - (A) Pursuant to 40 CFR 60.42c(d), the Permittee shall not cause to be discharged into the atmosphere from the two (2) boilers any gases that contain SO<sub>2</sub> in excess of 215 ng/J (0.50 pound per million British thermal units per hour) heat input; or, as an alternative, no owner or operator of an affected facility that combusts oil shall combust oil in the affected facility that contains greater than 0.5 weight percent sulfur.
  - (B) Pursuant to 40 CFR 60.42c(h), compliance with the emission limits or fuel oil sulfur limits under this section may be determined based on a certification from the fuel supplier, as described under 40 CFR 60.48c(f)(1).
- (3) Pursuant to 40 CFR 60.44c (Compliance and performance test methods and procedures for sulfur dioxide), two (2) natural gas and fuel oil-fired boilers are subject to the following compliance and performance test methods and procedures for sulfur dioxide, when using distillate fuel oil, if the Permittee seeks to demonstrate compliance with the fuel oil sulfur limits under 40 CFR 60.42c based on shipment fuel sampling:

The initial performance test shall consist of sampling and analyzing the oil in the initial tank of oil to be fired in the steam generating unit to demonstrate that the oil contains 0.5 weight percent sulfur or less. Thereafter, the Permittee shall sample the oil in the fuel tank after each new shipment of oil is received, as described under Sec. 60.46c(d)(2).
- (4) Pursuant to 40 CFR 60.44c(g), Emission monitoring for sulfur dioxide, the following emission monitoring for sulfur dioxide applies to the two (2) boilers when using distillate fuel oil:

Pursuant to 40 CFR 60.46c(d)(2), as an alternative fuel sampling procedure for the two (2) boilers combusting oil, oil samples may be collected from the fuel tank for each unit immediately after the fuel tank is filled and before any oil is combusted. The Permittee shall analyze the oil sample to determine the sulfur content of the oil. If a partially empty fuel tank is refilled, a new sample and analysis of the fuel in the tank would be required upon filling. Results of the fuel analysis taken after each new shipment of oil is received shall be used as the daily value when calculating the thirty (30) consecutive day average until the next shipment is received. If the fuel analysis shows that the sulfur content in the fuel tank is greater than 0.5 weight percent sulfur, the Permittee shall ensure that the sulfur content of subsequent oil shipments is low enough to cause the thirty (30) consecutive day average sulfur content to be 0.5 weight percent sulfur or less.
- (5) Pursuant to 40 CFR 60.43c, (Standard for particulate matter), the two (2) natural gas and fuel oil-fired boilers having heat input capacities of greater than thirty (30) million British thermal units per hour are subject to the following standards for particulate matter, when using No. 2 fuel oil:

On and after the date on which the initial performance test is completed or required to be completed under 40 CFR 60.8, whichever date comes first, the Permittee shall not cause to be discharged into the atmosphere from the two (2) natural gas and fuel oil-fired boilers any gases that exhibit greater than twenty percent (20%) opacity (six (6) minute average), except for one (1) six (6) minute period per hour of not more than twenty-seven percent (27%) opacity, except during periods of startup, shutdown, or malfunction.

- (6) Pursuant to 40 CFR 60.45c (Compliance and performance test methods and procedures for particulate matter) the following shall apply:

In order to comply with the opacity standards under 40 CFR 60.43c, the Permittee shall conduct an initial performance test as required under 40 CFR 60.8, and shall conduct subsequent performance tests as requested by IDEM, OAQ to determine compliance with the standards using the procedures and reference methods listed in 40 CFR 60.45c.

- (7) Pursuant to 40 CFR 60.48c (Reporting and Recordkeeping Requirements), the two (2) natural gas and fuel oil-fired boilers are subject to the following reporting and record keeping requirements:

- (A) The Permittee shall submit notification of the date of construction or reconstruction, anticipated startup, and actual startup, as provided by 40 CFR. 60.7 of this part. This notification shall include:
- (i) The design heat input capacity of each boiler and identification of fuels to be combusted in each boiler.
  - (ii) If applicable, a copy of any Federally enforceable requirement that limits the annual capacity factor for any fuel or mixture of fuels under 40 CFR 60.42c, or 40 CFR 60.43c.
  - (iii) The annual capacity factor at which the Permittee anticipates operating the two (2) natural gas and fuel oil-fired boilers based on all fuels fired and based on each individual fuel fired.
  - (iv) Notification if an emerging technology will be used for controlling SO<sub>2</sub> emissions. The IDEM, OAQ will examine the description of the control device and will determine whether the technology qualifies as an emerging technology. In making this determination, the IDEM, OAQ may require the Permittee to submit additional information concerning the control device. The two (2) natural gas and fuel oil-fired boilers are subject to the provisions of 40 CFR 60.42c(a) or (b)(1), unless and until this determination is made by the IDEM, OAQ.
- (B) Pursuant to 40 CFR 60.48c(d), the Permittee shall submit quarterly reports to IDEM, OAQ. The initial quarterly report shall be postmarked by the 30<sup>th</sup> day of the third month following the completion of the initial performance test. Each subsequent quarterly report shall be postmarked by the 30<sup>th</sup> day following the end of the reporting period.
- (C) Pursuant to 40 CFR 60.48c(e), the Permittee shall keep records and submit quarterly reports as required under paragraph (d) of this section, including the information listed in 40 CFR 60.48c(e), as applicable.

Pursuant to 40 CFR 60.48c(e)(11), if fuel supplier certification is used to demonstrate compliance, records of fuel supplier certification as described under to 40 CFR 60.48c (f)(1),(2), or (3) as applicable. In addition to records of fuel supplier certifications, the quarterly report shall include a certified statement signed by the Permittee that the records of fuel supplier certifications submitted represent all of the fuel combusted during the quarter.

- (D) Pursuant to 40 CFR 60.48c(f), fuel supplier certification shall include the following information:

For No. 2 fuel oil:

- (i) The name of the oil supplier; and
- (ii) A statement from the oil supplier that the oil complies with the specifications under the definition of distillate oil in Sec. 60.41c.

- (E) To document compliance with 40 CFR 60.48c(g) and (i), the Permittee of the two (2) natural gas and fuel oil-fired boilers shall record and maintain records of the amount of each fuel combusted during each day.

- (F) All records required under this section shall be maintained by the Permittee for a period of two (2) years following the date of such record.

(c) The one (1) portable natural gas-fired boiler could be subject to the New Source Performance Standard, 326 IAC 12, (40 CFR Part 60.48c, Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units), because the portable boiler will be constructed after June 9, 1989, and have a heat input capacity of 29 megawatts (MW) (100 million British thermal units per hour) or less, but greater than or equal to 2.9 MW (10 million British thermal units per hour). The applicant has stated that the one (1) portable natural gas-fired boiler will not be at the source for more than 180 consecutive days. It will therefore be removed from the site prior to the compliance dates that would be required pursuant 40 CFR Part 60.48c, Subpart Dc, and is not subject to the requirements of the rule. The portable boiler shall not remain at the source for more than 180 consecutive days without the prior approval of IDEM, OAQ. The 180 period shall begin the day that the portable boiler arrives on site, and the permittee shall notify IDEM OAQ of the portable boiler arrival date.

(d) The two (2) natural gas and fuel oil-fired boilers are designated as affected sources under 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and Institutional Boilers and Process Heaters. This rule was published in the Federal Register on September 13, 2004, and became effective on November 12, 2004. The two (2) natural gas and fuel oil-fired boilers are classified as large liquid boilers by this rule, because they have a capacity greater than 10 MMBtu/hour, a capacity factor greater than 10 percent, burn no solid fuel, and burn liquid fuel either alone or in conjunction with gaseous fuels. Pursuant to 40 CFR 63, Subpart DDDDD, the two (2) natural gas and fuel oil-fired boilers are subject to the following requirements.

- (1) The provisions of 40 CFR 63 Subpart A - General Provisions, which are incorporated as 326 IAC 20-1-1, apply to the facility described in this section except when otherwise specified in 40 CFR 63 Subpart DDDDD.
- (2) The two (2) natural gas and fuel oil-fired boilers are subject to the following emission limits and workplace practices:

- (A) Emissions of particulate matter (PM) shall be less than 0.03 pounds per MMBtu of heat input.
  - (B) Emissions of hydrogen chloride (HCL) shall be less than 0.0005 pounds per MMBtu of heat input.
  - (C) Emissions of carbon monoxide (CO) shall be less than 400 ppm by volume, corrected to 3 percent oxygen.
- (3) Because the two (2) boilers burn only fossil fuels and other gases, and do not burn residual oil, pursuant to 40 CFR 63.7506, performance testing for PM and HCL is not required. However, the Permittee must meet the following compliance requirements:
- (A) To demonstrate initial compliance, the source must submit a signed statement in the Notification of Compliance Status report required in 40 CFR 63.7545(e), stating that the source intends to burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels, in the two (2) boilers.
  - (B) To demonstrate continuous compliance with the applicable emission limits, the source shall keep records that demonstrate that the two (2) boilers burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels.
- (4) Initial performance testing for CO shall be completed within 180 days of startup. This test shall be repeated annually thereafter. The permittee shall submit notification of performance testing at least 60 days prior to commencement of the performance testing. The permittee shall also submit a Notification of Compliance Status, containing the results of the initial compliance demonstration within 60 days of completion of testing.
- (5) The Permittee will develop and implement a written startup, shutdown and malfunction plan (SSMP) prior to the boilers startup date.
- (6) The permittee shall provide notification of the intention to construct, as well as a notification of the boilers actual startup date within 15 days after the startup date.
- (e) The applicant has stated that the one (1) portable natural gas-fired boiler will not be at the source for more than 180 days. It is therefore classified as a temporary boiler under 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and institutional Boilers and Process Heaters, and is not subject to the requirements of the rule. The portable boiler shall not remain at the source for more than 180 days without the prior approval of IDEM, OAQ.

### **State Rule Applicability - Individual Facilities**

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

This modification to an existing major stationary source is not major because the emissions increase will be limited to less than the PSD threshold levels through a combined limitation on the usage of natural gas and No. 2 fuel oil:

- (a) Nitrogen Oxides (NO<sub>x</sub>) - Fuel usage at the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler shall be limited such that NO<sub>x</sub> emissions will not

exceed 39 tons per twelve (12) consecutive month period, with compliance determined at the end of each month. NO<sub>x</sub> emissions shall be limited to 50 lbs/MMCF when combusting natural gas, and 16.44 lbs/kilo gallon when combusting No. 2 fuel oil. The monthly NO<sub>x</sub> emissions shall be calculated using the following equation:

$$\text{NO}_x \text{ emissions (tons/month)} = (A \times 50) + (B \times 16.44)$$

Where: A = total monthly natural gas usage (MMCF/month)  
50 = NO<sub>x</sub> emission limit for natural gas combustion (lbs/MMCF)  
B = total monthly No. 2 fuel oil usage (kilo gallons/month)  
16.44 = NO<sub>x</sub> emission limit for fuel oil combustion (lbs/kilo gallon)

The NO<sub>x</sub> emission limit of 16.44 lbs NO<sub>x</sub>/kilo gallon is a manufacturer's specified emission rate, to be confirmed by stack testing.

- (b) Sulfur Dioxide (SO<sub>2</sub>) - Fuel usage at the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler, shall be limited such that SO<sub>2</sub> emissions will not exceed 39 tons per twelve (12) consecutive month period, with compliance determined at the end of each month. SO<sub>2</sub> emissions shall be limited to 0.6 lbs/MMCF when combusting natural gas, 71.0 lbs/kilo gallon when combusting 0.5% sulfur No. 2 fuel oil, and 7.1 lbs/kilo gallon when combusting 0.05% sulfur No. 2 fuel oil. The monthly SO<sub>2</sub> emissions shall be calculated using the following equation:

$$\text{SO}_2 \text{ emissions (tons/month)} = (A \times 0.60) + (B \times 71.0) + (C \times 7.1)$$

Where: A = total monthly natural gas usage (MMCF/month)  
0.6 = SO<sub>2</sub> emission limit for natural gas combustion (lbs/MMCF)  
B = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.5% sulfur content  
71.0 = SO<sub>2</sub> emission limit for 0.5% fuel oil combustion (lbs/kilo gallon)  
C = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.05% sulfur content  
7.1 = SO<sub>2</sub> emission limit for 0.05% sulfur fuel oil combustion (lbs/kilo gallon)

Emission factors are from AP-42, Tables 1.3-1, 1.3-2 and 1.3-3 (SCC 1-03-005-01/02/03)

- (c) Monthly records of natural gas and fuel oil usage, and quarterly reporting of emissions calculated from the above equations will be used to determine compliance with the NO<sub>x</sub> and SO<sub>2</sub> limits.
- (d) Potential emissions of PM, PM<sub>10</sub>, VOC and CO are all less than PSD significance levels without fuel limitations.

Therefore, pursuant to 326 IAC 2-2, the PSD requirements do not apply.

#### 326 IAC 6-2-4 (Emission limitations for facilities specified in 326 IAC 6-2-1(d), Sources of Indirect Heating)

The two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler will be constructed after January 21, 1983, and are therefore subject to the particulate matter emission limitations of 326 IAC 6-2-1(d).

Pursuant to 326 IAC 6-2-1(d), the particulate emissions from the two (2) natural gas and fuel oil-fired boilers and the one (1) natural gas-fired portable boiler shall not exceed 0.2025 pounds per million British thermal units as determined by the following equation:

$$Pt = 1.09/Q^{0.26}$$

Where:

Pt = Pounds of particulate matter emitted per million British thermal units (lbs/MMBtu) heat input.

Q = Total source maximum operating capacity rating in million British thermal units per hour (MMBtu/hr) heat input. The maximum operating capacity rating is defined as the maximum capacity at which the facility is operated or the nameplate capacity, whichever is specified in the facility's permit application, except when some lower capacity is contained in the facility's operation permit; in which case, the capacity specified in the operation permit shall be used.

The total heat input capacity for the source, including the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler, is 648 million British thermal units per hour. Therefore, Q is equal to 648 MMBtu/hr, and the allowable particulate matter emission rate is:

$$Pt = 1.09/(648)^{0.26} = 0.2025 \text{ lb/MMBtu heat input}$$

Based on Appendix A, the potential particulate emission rate is:

$$5.90 \text{ tons/yr} \times (2000 \text{ lbs/ton}/8760 \text{ hrs/yr}) = 1.347 \text{ lb/hr}$$

And the particulate emission rate per MMBtu is:

$$(1.347 \text{ lb/hr}/648 \text{ MMBtu/hr}) = 0.0021 \text{ lb PM per MMBtu}$$

Therefore, the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler will comply with this rule.

#### 326 IAC 10-4 (NO<sub>x</sub> Budget Trading Program)

The two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler are not subject to 326 IAC 10-4-1 because they are not "Electricity Generating Units" or "EGU's" as defined in 326 IAC 10-4-2(16) and are not "large affected units" as defined in 326 IAC 10-4-2(27). These units are not EGU's because they will not serve a generator that has a nameplate capacity greater than twenty-five (25) megawatts and produce electricity for sale under a firm contract to the electric grid. The units are not large affected units because they will not have a maximum design heat input greater than two hundred fifty million (250,000,000) Btu's per hour.

#### Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less 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 requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also 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.

The compliance monitoring requirements applicable to this source are as follows:

The two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler have applicable compliance monitoring conditions as specified below:

- (a) When the boilers are operating on fuel oil, visible emissions notations of the boiler stack exhaust shall be performed once per shift during normal daylight operations. A trained employee will record whether emissions are normal or abnormal. For processes operated continuously "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time. 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. 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. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (b) To demonstrate compliance with 40 CFR Part 60.Subpart Dc, the Permittee shall provide a certification from the fuel supplier or perform fuel sampling to demonstrate that the fuel oil being burned contains 0.5 weight percent sulfur or less.
- (c) To demonstrate compliance with 40 CFR Part 63, Subpart DDDDD, the Permittee shall submit a signed statement in the Notification of Compliance Status report stating that the source intends to burn only fossil fuels or other residual oils, either alone or in combination with gaseous fuels, and maintain records of fuels burned.

These monitoring conditions are necessary to ensure compliance with 326 IAC 2-2, Prevention of Significant Deterioration (PSD), 40 CFR Part 60, Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and Institutional Boilers and Process Heaters.

### Testing Requirements

The two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler have applicable compliance determination conditions as specified below:

- (a) Performance testing for NO<sub>x</sub> will be required within 180 days of startup when utilizing No. 2 fuel oil, to determine compliance with the emission limit of 16.44 pounds of NO<sub>x</sub> per kilo gallon when burning No. 2 fuel oil.
- (b) Performance testing for opacity will be required within 180 days of startup to determine compliance with 40 CFR Part 60, Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units.
- (c) Performance testing for CO will be required within 180 days of startup to determine compliance with the work practices standards of , 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and Institutional Boilers and Process Heaters.

### Proposed Changes

The permit language is changed to read as follows (deleted language appears as ~~strikeouts~~, new language appears in bold):

1. Section A.2 has been revised to add the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler to the equipment list.

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

The Permittee owns and operates machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks. The DaimlerChrysler Corporation Kokomo Transmission Plant and DaimlerChrysler Corporation Kokomo Casting Plant have been considered a single Title V major source. The DaimlerChrysler Corporation Kokomo Casting Plant was issued a separate Title V permit under the Part 70 No. T067-5246-00065.

This DaimlerChrysler Corporation Kokomo Transmission Plant significant source modification consists of the following emission units and pollution control devices:

26. **Two (2) natural gas and fuel oil-fired boilers, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr each.**
27. **One (1) portable natural gas-fired boiler, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr.**

2. Section D.18 has been added to the permit as follows:

### SECTION D.18 FACILITY OPERATION CONDITIONS

<p><b>Facility Description [326 IAC 2-7-5(15)]: Boilers</b></p> <ol style="list-style-type: none"><li>26. <b>Two (2) natural gas and fuel oil-fired boilers, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr each.</b></li><li>27. <b>One (1) portable natural gas-fired boiler, exhausting through the common boiler stack, with a maximum capacity of 99 MMBtu/hr.</b></li></ol> <p><b>(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)</b></p>
--

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

#### D.18.1 NO<sub>x</sub> [326 IAC 2-2]

- (a) **NO<sub>x</sub> emissions from the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler shall not exceed 39.0 tons per consecutive twelve (12) month period, with compliance determined at the end of each month. The monthly NO<sub>x</sub> emissions shall be calculated using the following equation:**

$$\text{NO}_x \text{ emission (tons/month)} = (A \times 50) + (B \times 16.44)$$

- Where:
- |              |  |
|--------------|--|
| <b>A</b>     | = total monthly natural gas usage (MMCF/month)                             |
| <b>50</b>    | = NO <sub>x</sub> emission limit for natural gas combustion (lbs/MMCF)     |
| <b>B</b>     | = total monthly No. 2 fuel oil usage (kilo gallons/month)                  |
| <b>16.44</b> | = NO <sub>x</sub> emission limit for fuel oil combustion (lbs/kilo gallon) |

The NO<sub>x</sub> emissions shall not exceed 50 lbs/MMCF when combusting natural gas and 16.44 lbs/kilo gallon when combusting No. 2 fuel oil.

- (b) Compliance with the above limits will ensure that the total NO<sub>x</sub> emissions from Significant Source Modification 067-19756-00065 are less than 40 tons per year. Therefore, the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) do not apply.

**D.18.2 SO<sub>2</sub> [326 IAC 2-2]**

- (a) SO<sub>2</sub> emissions from the two (2) natural gas and fuel oil-fired boilers, and the one (1) natural gas-fired portable boiler shall not exceed 39.0 tons per consecutive twelve (12) month period, with compliance determined at the end of each month. The monthly SO<sub>2</sub> emissions shall be calculated using the following equation:

$$\text{SO}_2 \text{ emissions (tons/month)} = (A \times 0.60) + (B \times 71.0) + (C \times 7.1)$$

Where: A = total monthly natural gas usage (MMCF/month)  
0.6 = SO<sub>2</sub> emission limit for natural gas combustion (lbs/MMCF)  
B = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.5% sulfur content  
71.0 = SO<sub>2</sub> emission limit for 0.5% fuel oil combustion (lbs/kilo gallon)  
C = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.05% sulfur content  
7.1 = SO<sub>2</sub> emission limit for 0.05% sulfur fuel oil combustion (lbs/kilo gallon)

The SO<sub>2</sub> emissions shall not exceed 0.6 lbs/MMCF when combusting natural gas, 71.0 lbs/kilo gallon when combusting 0.5% sulfur No. 2 fuel oil, and 7.1 lbs/kilo gallon when combusting 0.05% sulfur No. 2 fuel oil.

- (b) Compliance with the above limit will ensure that the total SO<sub>2</sub> emissions from Significant Source Modification 067-19756-00065 are less than 40 tons per year. Therefore, the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) do not apply.

**D.18.3 General Provisions Relating to NESHAP [326 IAC 20-1][40 CFR Part 63, Subpart A]**

The provisions of 40 CFR 63 Subpart A - General Provisions, which are incorporated as 326 IAC 20-1-1, apply to the affected source, as designated by 40 CFR 63.7506(b). The Permittee must comply with these requirements on and after the effective date of 40 CFR 63, Subpart DDDDD.

**D.18.4 National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters [40 CFR Part 63, Subpart DDDDD]**

- (a) The two (2) natural gas and fuel oil-fired boilers are designated as affected sources under 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and institutional Boilers and Process Heaters. This rule was published in the Federal Register on September 13, 2004, and became effective on November 12, 2004.

The two (2) natural gas and fuel oil-fired boilers are classified as large liquid boilers by this rule, because they have a capacity greater than 10 MMBtu/hour, a capacity factor greater than 10 percent, burn no solid fuel, and burn liquid fuel either alone or

in conjunction with gaseous fuels. Pursuant to 40 CFR 63, Subpart DDDDD, the two (2) natural gas and fuel oil-fired boilers are subject to the following emission limits and workplace practices:

- (1) Emissions of particulate matter (PM) shall be less than 0.03 pounds per MMBtu of heat input.
  - (2) Emissions of hydrogen chloride (HCL) shall be less than 0.0005 pounds per MMBtu of heat input.
  - (3) Emissions of carbon monoxide (CO) shall be less than 400 ppm by volume, corrected to 3 percent oxygen.
- (b) Because the two (2) natural gas and fuel oil-fired boilers burn only fossil fuels and other gases, and do not burn residual oil, pursuant to 40 CFR 63.7506, performance testing is not required to meet emission limits. However, the Permittee must meet the following compliance requirements:
- (1) To demonstrate initial compliance, the source must submit a signed statement in the Notification of Compliance Status report required in 40 CFR 63.7545(e), stating that the source intends to burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels, in the two (2) boilers.
  - (2) To demonstrate continuous compliance with the applicable emission limits, the source shall keep records that demonstrate that the two (2) boilers burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels.
- (c) To demonstrate compliance with work practice standards, initial performance testing for CO from the two (2) natural gas and fuel oil-fired boilers shall be completed within 180 days of startup. This test shall be repeated annually thereafter. The permittee shall submit notification of performance testing at least 60 days prior to commencement of the performance testing. The permittee shall also submit a Notification of Compliance Status, containing the results of the initial compliance demonstration within 60 days of completion of testing.
- (d) The Permittee will develop and implement a written startup, shutdown and malfunction plan (SSMP) prior to the boilers startup date.
- (e) The permittee shall provide notification of the intention to construct, as well as a notification of the boilers actual startup date within 15 days after the startup date.
- (f) The one (1) portable natural gas-fired boiler shall not be at the source for more than 180 consecutive days. It is therefore classified as a temporary boiler under 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and Institutional Boilers and Process Heaters, and is not subject to the requirements of the rule.

The 180 day period shall begin the date that the portable boiler arrives at the source, and the source shall notify IDEM OAQ of this date. The portable boiler shall not remain at the source for more than 180 days without the prior approval of IDEM, OAQ.

**D.18.5 General Provisions Relating to NSPS [326 IAC 12-1] [40 CFR 60, Subpart A]**

The provisions of 40 CFR 60 Subpart A - General Provisions, which are incorporated as 326 IAC 12-1, apply to the two (2) natural gas and fuel oil-fired boilers except when otherwise specified in 40 CFR 60 Subpart Dc.

**D.18.6 Opacity Limitation [40 CFR 60, Subpart Dc] [326 IAC 12-1-1]**

Pursuant to 40 CFR 60.43c(c), Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units), on and after the date on which the initial performance test is completed or required to be completed under 40 CFR 60.8 Subpart A, whichever comes first, the Permittee, when combusting No. 2 fuel oil in the two (2) natural gas and fuel oil-fired boilers, shall not discharge into the atmosphere any gases that exhibit greater than twenty percent (20%) opacity (six (6) minute average), except for one (1) six (6) minute period per hour of no more than twenty-seven (27%) opacity. The opacity standards pursuant to 40 CFR 60.43c apply at all times except during periods of start-up, shutdown, or malfunction.

**D.18.7 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-1.1-1] [40 CFR Part 60, Subpart Dc] [326 IAC 12-1]**

Pursuant to 326 IAC 7-1.1 (SO<sub>2</sub> Emissions Limitations) and 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units):

- (a) The SO<sub>2</sub> emissions from the two (2) natural gas and fuel oil-fired boilers shall not exceed five tenths (0.5) pounds per million British thermal unit heat input; or
- (b) The sulfur content of the fuel oil shall not exceed five-tenths percent (0.5%) by weight. [40 CFR 60.42c(d)]

Pursuant to 40 CFR 60 Subpart Dc, the fuel oil sulfur content limit applies at all times, including periods of startup, shutdown, and malfunction.

**D.18.8 Particulate (PM) [326 IAC 6-2-4]**

Pursuant to 326 IAC 6-2-4 (Particulate Emissions Limitations for Facilities Constructed after September 21, 1983) the particulate emissions from the two (2) natural gas and fuel oil-fired boilers, and the one (1) portable natural gas-fired boiler shall be limited to 0.2025 pound per million British thermal units heat input.

This limitation is based on the following equation:

$$Pt = 1.09/Q^{0.26}$$

where:

Pt = Pounds of particulate matter emitted per million British thermal units (lb/MMBtu) heat input

Q = Total source maximum operating capacity rating in million British thermal units per hour (MMBtu/hr) when some lower capacity is contained in the facility's operation permit; in which case, the capacity specified in the operation permit shall be used.

**D.18.9 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 the two (2) natural gas and fuel oil-fired boilers and one (1) portable natural gas-fired boiler.

**Compliance Determination Requirements**

**D.18.10 NO<sub>x</sub> Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]**

Within one hundred and eighty (180) days after startup utilizing No. 2 fuel oil, the Permittee shall conduct a performance test to determine compliance with Condition D.18.1 when burning No. 2 fuel oil, utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five years from the date of the most recent valid compliance demonstration. Testing shall be conducted in accordance with Section C - Performance Testing.

If testing shows that the NO<sub>x</sub> emission limit of 16.44 lbs/kilo gallon is exceeded, the permittee shall file a request to adjust the NO<sub>x</sub> emission factor in the equation in Condition D.18.1(a). As long as NO<sub>x</sub> emissions do not exceed 39.0 tons per consecutive twelve (12) month period, exceedance of the emission factor shall not be considered a violation.

**D.18.11 Opacity Testing Requirement [40 CFR 60, Subpart Dc]**

Within one hundred and eighty (180) days after initial startup, in order to comply with Condition D.18.6, the Permittee shall conduct an initial performance test as required under 40 CFR 60.8, and shall conduct subsequent performance tests as requested by IDEM, OAQ to determine compliance with the standards using the procedures and reference methods listed in 40 CFR 60.45c.

**D.18.12 Sulfur Dioxide Emissions and Sulfur Content [40 CFR 60, Subpart Dc] [326 IAC 12-1]**

Pursuant to 40 CFR 60.44c, the Permittee shall demonstrate compliance utilizing one of the following options:

- (a) Providing vendor analysis of fuel delivered, if accompanied by a certification; or
- (b) Analyzing the oil sample to determine the sulfur content of the oil via the procedures in 40 CFR 60, Appendix A, Method 19.
  - (1) Oil samples may be collected from the fuel tank immediately after the fuel tank is filled and before any oil is combusted; and
  - (2) If a partially empty fuel tank is refilled, a new sample and analysis would be required upon filling.

**D.18.13 CO Testing Requirement [40 CFR 63, Subpart DDDDD]**

Within one hundred and eighty (180) days after initial startup, in order to comply with Condition D.18.4(c), the Permittee shall conduct an initial performance test as required under 40 CFR 63.7. This test shall be repeated annually thereafter. The permittee shall submit notification of performance testing at least 60 days prior to commencement of the performance testing. The permittee shall also submit a Notification of Compliance Status, containing the results of the initial compliance demonstration within 60 days of completion of testing.

**D.18.14 Fuel Certification [40 CFR 63, Subpart DDDDD]**

---

Pursuant to 40 CFR 63.7506, the Permittee shall demonstrate compliance as follows:

- (a) To demonstrate initial compliance, the Permittee shall submit a signed statement in the Notification of Compliance Status report required in 40 CFR 63.7545(e), stating that the source intends to burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels, in the two (2) natural gas and fuel oil-fired boilers.
- (b) To demonstrate continuous compliance with the applicable emission limits, the Permittee shall keep records that demonstrate that the two (2) natural gas and fuel oil-fired boilers burn only liquid fossil fuels other than residual oils, either alone or in combination with gaseous fuels.

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

**D.18.15 Visible Emissions Notations**

---

- (a) Visible emission notations of the boiler stack exhaust shall be performed once per shift during normal daylight operations when combusting No. 2 fuel oil. A trained employee shall record whether emissions are normal or abnormal.
- (b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.
- (c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.
- (e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

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

**D.18.16 Record Keeping Requirements**

---

- (a) To document compliance with Conditions D.18.1, D.18.2, and D.18.14(b), the Permittee shall maintain monthly records of the amount of each fuel combusted at the two (2) natural gas and fuel oil-fired boilers, and the one (1) portable natural gas-fired boiler.
- (b) To document compliance with Condition D.18.4(f), the Permittee shall maintain records of the date that the portable natural gas-fired boiler arrived at the source, and the total number of days the portable natural gas-fired boiler was located at the source.
- (c) To document compliance with Conditions D.18.10, D.18.11 and D.18.13, the Permittee shall maintain records of all stack tests.

- (d) To document compliance with Conditions D.18.7, D.18.12 and D.18.14, the Permittee shall maintain records in accordance with (1) through (6) below. Note that pursuant to 40 CFR 60.44c, the fuel oil sulfur limit applies at all times including periods of startup, shutdown, and malfunction.
- (1) Calendar dates covered in the compliance determination period;
  - (2) Actual fuel oil usage since last compliance determination period and equivalent sulfur dioxide emissions;
  - (3) To certify compliance when burning natural gas only, the Permittee shall maintain records of fuel used.

If the fuel supplier certification is used to demonstrate compliance, when burning alternate fuels and not determining compliance pursuant to 326 IAC 3-7-4, the following, as a minimum, shall be maintained:

- (4) Fuel supplier certifications;
- (5) The name of the fuel supplier; and
- (6) A statement from the fuel supplier that certifies the sulfur content of the No. 2 fuel oil.

The Permittee shall retain records of all recording/monitoring data and support information for a period of five (5) years, or longer if specified elsewhere in this permit, from the date of the monitoring sample, measurement, or report. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit.

- (e) To document compliance with Condition D.18.15, the Permittee shall maintain records of visible emission notations of the boiler stack exhaust once per shift when combusting No. 2 fuel oil.
- (f) To document compliance with Condition D.18.9, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.
- (g) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

#### D.18.17 Reporting Requirements

- (a) A certification, signed by the responsible official, that certifies all of the fuels combusted during the 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 their equivalent, within thirty (30) days after the end of the six (6) month period being reported.

- (c) **The permittee shall notify IDEM OAQ of the date that the portable boiler arrives at the source.**
  - (d) **A quarterly summary of the information to document compliance with Conditions D.18.1 and D.18.2 shall be submitted to the address listed in Section C - General Reporting Requirements, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the three (3) month period 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).**
3. Two (2) quarterly reporting forms for NO<sub>x</sub> and SO<sub>2</sub> emissions from the new boilers have been added to the permit as follows:

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

**Part 70 Quarterly Report**

**Source Name:** DaimlerChrysler Corporation - Kokomo Transmission Plant  
**Source Address:** 2401 South Reed Road, Kokomo, Indiana 46904  
**Mailing Address:** 2401 South Reed Road, Kokomo, Indiana 46904  
**Part 70 Permit No.:** T 067-6504-00065  
**Facilities:** Two (2) natural gas and fuel oil-fired boilers  
 One (1) portable natural gas-fired boiler  
**Parameter:** NO<sub>x</sub> Emissions  
**Limit:** Shall not exceed 39 tons per twelve (12) consecutive month period, with compliance determined at the end of each month.

NO<sub>x</sub> Emissions (tons/month) = (A x 50) + (B x 16.44)

Where A = total monthly natural gas usage (MMCF/month)  
 50 = NO<sub>x</sub> emission limit for natural gas combustion (lb/MMCF)  
 B = total monthly No. 2 fuel oil usage (kilo gallons/month)  
 16.44 = NO<sub>x</sub> emission limit for fuel oil combustion (lb/kilo gallon)

YEAR: \_\_\_\_\_

Month	NO <sub>x</sub> Emissions (tons)	NO <sub>x</sub> Emissions (tons)	NO <sub>x</sub> Emissions (tons)
	This Month	Previous 11 Months	12 Month Total

- No deviation occurred in this month.
- Deviation/s occurred in this month.  
 Deviation has been reported on: \_\_\_\_\_

**Submitted by:** \_\_\_\_\_  
**Title/Position:** \_\_\_\_\_  
**Signature:** \_\_\_\_\_  
**Date:** \_\_\_\_\_  
**Phone:** \_\_\_\_\_

**Attach a signed certification by a responsible official to complete this report.**

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

**Part 70 Quarterly Report**

**Source Name:** DaimlerChrysler Corporation - Kokomo Transmission Plant  
**Source Address:** 2401 South Reed Road, Kokomo, Indiana 46904  
**Mailing Address:** 2401 South Reed Road, Kokomo, Indiana 46904  
**Part 70 Permit No.:** T 067-6504-00065  
**Facilities:** Two (2) natural gas and fuel oil-fired boilers  
 One (1) portable natural gas-fired boiler  
**Parameter:** SO<sub>2</sub> Emissions  
**Limit:** Shall not exceed 39 tons per twelve (12) consecutive month period, with compliance determined at the end of each month.

$$\text{SO}_2 \text{ Emissions (tons/month)} = (A \times 0.6) + (B \times 71) + (C \times 7.1)$$

Where A = total monthly natural gas usage (MMCF/month)  
 0.6 = SO<sub>2</sub> emission limit for natural gas combustion (lb/MMCF)  
 B = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.5% sulfur content  
 71 = SO<sub>2</sub> emission limit for fuel oil combustion (lb/kilo gallon)  
 C = total monthly No. 2 fuel oil usage (kilo gallons/month) 0.05%

7.1

YEAR: \_\_\_\_\_

Month	SO <sub>2</sub> Emissions (tons)	SO <sub>2</sub> Emissions (tons)	SO <sub>2</sub> Emissions (tons)
	This Month	Previous 11 Months	12 Month Total

- No deviation occurred in this month.
  - Deviation/s occurred in this month.  
 Deviation has been reported on: \_\_\_\_\_
- Submitted by: \_\_\_\_\_  
 Title/Position: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Phone: \_\_\_\_\_

Attach a signed certification by a responsible official to complete this report.

## **Conclusion**

The construction and operation of this proposed modification shall be subject to the conditions of the attached proposed Part 70 Significant Source Modification No. 067-19756-00065 and Significant Permit Modification No 067-19555-00065.

**Appendix A: Summary of Applicant Submitted Emissions Calculations  
Natural Gas and No. 2 Fuel Oil Combustion**

**Company Name: DaimlerChrysler Corporation - Kokomo Transmission Plant**  
**Address City IN Zip: 2401 South Reed Road, Kokomo, IN 46904**  
**Permit Number: SSM 067-19756-00065**  
**Pit ID: 067-00065**  
**Reviewer: Patrick Brennan/MES**  
**Application Date: July 30, 2004**

Source Description	Quantity	Rating, MMBtu/hr		Operation	Fuel Usage		NOx		
		Each	Total		Hrs/yr	Potential MMCF 1,000 Gal	Allowable MMCF 1,000 Gal	EF	Emissions
		lbs/1,000 gal	Potential Tons/yr	Allowable Tons/yr		lbs/MMCF lbs/1,000 gal	Potential Tons/yr	Allowable Tons/yr	
Boilers - Natural Gas (MMCF)	2	99	198	8,760	1,734	1,560	50.00	43.36	39.00
Boilers - 0.5% Sulfur Fuel Oil No. 2 (Gallons)	2	99	198	8,760	12,660	1,099	16.44	104.07	9.03
Boilers - 0.05% Sulfur Fuel Oil No. 2 (Gallons)	2	99	198	8,760	12,660	4,745	16.44	104.07	39.00
<b>MAXIMUM POTENTIAL TOTALS</b>								<b>104.1</b>	<b>39.0</b>

Source Description	CO			VOC			PM <sub>10</sub>		
	EF	Emissions		EF	Emissions		EF	Emissions	
	lbs/MMCF lbs/1,000 gal	Potential Tons/yr	Allowable Tons/yr	lbs/MMCF lbs/1,000 gal	Potential Tons/yr	Allowable Tons/yr	lbs/MMCF lbs/1,000 gal	Potential Tons/yr	Allowable Tons/yr
Boilers - Natural Gas (MMCF)	84.0	72.85	65.52	5.50	4.77	4.29	7.60	6.59	5.93
Boilers - 0.5% Sulfur Fuel Oil No. 2 (Gallons)	5	31.65	2.75	0.340	1.27	0.11	2.00	12.66	1.10
Boilers - 0.05% Sulfur Fuel Oil No. 2 (Gallons)	5	31.65	11.86	0.340	1.27	0.47	2.00	12.66	4.74
<b>MAXIMUM POTENTIAL TOTALS</b>		<b>72.85</b>	<b>65.52</b>		<b>4.77</b>	<b>4.29</b>		<b>12.66</b>	<b>5.90</b>

Source Description	SO <sub>2</sub>			Lead			HCl		
	EF	Emissions		EF	Emissions		EF	Emissions	
	lbs/MMCF lbs/1,000 gal	Potential Tons/yr	Allowable Tons/yr	lbs/MMCF lbs/1,000 gal	Potential Tons/yr	Allowable Tons/yr	lbs/MMCF	Potential Tons/yr	Allowable Tons/yr
Boilers - Natural Gas (MMCF)	0.60	0.50	0.50	5.00E-04	0.00	0.00	N/A	N/A	N/A
Boilers - 0.5% Sulfur Fuel Oil No. 2 (Gallons)	71.0	449	39.0	9.00E-06	0.00	0.00	7.10E-05	0.06	0.055
Boilers - 0.05% Sulfur Fuel Oil No. 2 (Gallons)	7.1	45	3.9	9.00E-06	0.00	0.00	7.10E-05	0.06	0.055
<b>MAXIMUM POTENTIAL TOTALS</b>		<b>449.0</b>	<b>39.0</b>		<b>0.0</b>	<b>0.0</b>		<b>0.06</b>	<b>0.055</b>

Note: All emission factors are identical to the AP-42 factors routinely used by IDEM OAQ, except for the 16.44 lbs/1000 gallon factor used for NOx emissions from No. 2 fuel oil combustion. This value is a manufacturer's specification, and will be confirmed by stack testing.



**Appendix A: Summary of Applicant Submitted Emissions Calculations  
Natural Gas and No. 2 Fuel Oil Combustion**

**Company Name:** DaimlerChrysler Corporation - Kokomo Transmission Plant  
**Address City IN Zip:** 2401 South Reed Road, Kokomo, IN 46904  
**Permit Number:** SSM 067-19756-00065  
**Plt ID:** 067-00065  
**Reviewer:** Patrick Brennan/MES

**POTENTIAL EMISSIONS**

Emissions Sources	POLLUTANTS - Tons per Year (TPY)					
	NOx	CO	VOC	PM <sub>10</sub>	SO <sub>2</sub>	Lead
Boilers - Natural Gas	43.36	72.85	4.77	6.59	0.52	0.00
Boilers - 0.5% Sulfur Fuel Oil No. 2	104.07	31.65	1.27	12.66	449.4	0.0
Boilers - 0.05% Sulfur Fuel Oil No. 2	104.07	31.65	1.27	12.66	44.9	0.0
<b>Maximum Total Potential Emissions</b>	<b>104.1</b>	<b>72.9</b>	<b>4.8</b>	<b>12.7</b>	<b>449.4</b>	<b>0.0</b>
PSD Significance Threshold	40	100	40	15	40	1
Exemption Threshold	< 10	< 25	< 10	< 5	< 10	< 0.2
Registration Threshold	< 25	< 100	< 25	< 25	< 25	< 5

**PROPOSED ALLOWABLE EMISSIONS**

Emissions Sources	POLLUTANTS - Tons per Year (TPY)					
	Criteria Pollutants					
	NOx	CO	VOC	PM <sub>10</sub>	SO <sub>2</sub>	Lead
EUBOILERS 1, 2 and EUPORTABLE	39.0	65.6	4.3	5.9	39.0	0.0

**NATURAL GAS COMBUSTION HAP EMISSIONS (AP 42 SCC 1-02-005-01)**

Pollutant	Usage (MMCF)	EF (lb/MMCF)	EF Rating	PTE (TPY)
Formaldehyde	1,560	7.50E-02	B	0.06
Benzene	1,300	2.10E-03	B	0.00
Toluene	1,300	3.40E-03	C	0.00
<b>Total (TPY)</b>				<b>0.06</b>

**FUEL OIL COMBUSTION HAP EMISSIONS (AP 42 SCC 1-02-005-01)**

Pollutant	Fuel Usage (1,000 gal)	EF (lb/1,000)	EF Rating	PTE (lb/yr)
Benzene	4,745	2.14E-04	C	1.0
Formaldehyde	7,800	3.30E-02	C	257.4
Naphthalene	7,800	1.13E-03	C	8.8
<b>Total (TPY)</b>				<b>0.13</b>

**MACT STANDARD CALCULATIONS**

Pollutant	Estimated Emissions <sup>1,2</sup> (lb/MMBTU)	Proposed MACT Limit (lb/MMBTU)
PM	0.001460	0.030
HCl	7.10E-05	0.0005

1. PM emission for Fuel Oil cited from AP-42 (SCC 1-02-005-01) based upon Fuel Oil Heat Content of 137,000 BTU/gal.

2. HCl emission factor cited from page 13 of Appendix A of the EPA Air Docket for proposed boiler MACT titled "Development of Average Emission Factors and Baseline Emission Estimates for the Industrial, Commercial, and Institutional Boilers and Process Heaters National Emission Standard for Hazardous Air Pollutants."