



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: October 26, 2006
RE: Lone Star Industries, Inc. / 039-20054-00541
FROM: Nisha Sizemore
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval - Effective Immediately

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

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

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

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

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

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

Enclosures
FNPER.dot 03/23/06



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FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) RENEWAL OFFICE OF AIR QUALITY

**Lone Star Industries, Inc.
55284 Corwin Drive
Elkhart, Indiana 46514**

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

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

Indiana statutes from IC 13 and rules from 326 IAC, quoted in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a FESOP under 326 IAC 2-8.

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

Operation Permit No.: F 039-20054-00541	
Original signed by: Nisha Sizemore, Chief Permits Branch Office of Air Quality	Issuance Date: October 26, 2006 Expiration Date: October 26, 2011

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SECTION A SOURCE SUMMARY

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

A.1 General Information [326 IAC 2-8-3(b)]

The Permittee owns and operates a stationary Portland cement distribution terminal.

Authorized Individual:	Director of Distribution
Source Address:	55284 Corwin Drive, Elkhart, Indiana 46514
Mailing Address:	55284 Corwin Drive, Elkhart, Indiana 46514
General Source Phone:	574 - 674 - 8873
SIC Code:	5032
Source Location Status:	Elkhart
	Attainment for 1-hour ozone standard
	Basic Nonattainment for 8-hour ozone standard
	Attainment for all other criteria pollutants
Source Status:	Federally Enforceable State Operating Permit (FESOP)
	Minor Source, under PSD and Emission Offset Rules
	Minor Source, Section 112 of the Clean Air Act

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-8-3(c)(3)]

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

- (a) One (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, collectively identified as EU-1, installed in 1965/1966, equipped with a common baghouse, identified as BHC1, exhausting to Stack V1, throughput capacity: 100 tons of Portland cement per hour, storage capacity: 1,156 tons of Portland cement.
- (b) One (1) railcar unloading operation, identified as EU-2, installed in 1965/1966, equipped with a baghouse, identified as BH2, installed in 2003, exhausting to Stack V2, throughput capacity: 100 tons of Portland cement per hour.

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

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

- (a) Replacement or repair of bags in baghouses.
- (b) Paved and unpaved roads and parking lots with public access.
- (c) Equipment used to collect any material that might be released during a malfunction, process upset, or spill cleanup, including catch tanks, temporary liquid separators, tanks, and fluid handling equipment.
- (d) Blowdown for any of the following: sight glass; boiler; compressors; pumps; and cooling tower.
- (e) Filter or coalescer media changeout.

- (f) Activities with emissions equal to or less than thresholds: maintenance painting, general cleaning and housekeeping, collect product samples.

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

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

SECTION B GENERAL CONDITIONS

B.1 Definitions [326 IAC 2-8-1]

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

B.2 Permit Term [326 IAC 2-8-4(2)] [326 IAC 2-1.1-9.5]

This permit is issued for a fixed term of five (5) years from the issuance date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date.

B.3 Term of Conditions [326 IAC 2-1.1-9.5]

Notwithstanding the permit term of a permit to construct, a permit to operate, or a permit modification, any condition established in a permit issued pursuant to a permitting program approved in the state implementation plan shall remain in effect until:

- (a) the condition is modified in a subsequent permit action pursuant to Title I of the Clean Air Act; or
- (b) the emission unit to which the condition pertains permanently ceases operation.

B.4 Enforceability [326 IAC 2-8-6]

Unless otherwise stated, all terms and conditions in this permit, including any provisions designed to limit the source's potential to emit, are enforceable by IDEM, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.

B.5 Termination of Right to Operate [326 IAC 2-8-9] [326 IAC 2-8-3(h)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-8-3(h) and 326 IAC 2-8-9.

B.6 Severability [326 IAC 2-8-4(4)]

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

B.7 Property Rights or Exclusive Privilege [326 IAC 2-8-4(5)(D)]

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

B.8 Duty to Provide Information [326 IAC 2-8-4(5)(E)]

- (a) The Permittee shall furnish to IDEM, OAQ, within a reasonable time, any information that IDEM, OAQ, may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1). Upon request, the Permittee shall also furnish to IDEM, OAQ, copies of records required to be kept by this permit.
- (b) For information furnished by the Permittee to IDEM, OAQ, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1 when furnishing copies of requested records directly to U.S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.9 Compliance Order Issuance [326 IAC 2-8-5(b)]

IDEM, OAQ may issue a compliance order to this Permittee upon discovery that this permit is in nonconformance with an applicable requirement. The order may require immediate compliance or contain a schedule for expeditious compliance with the applicable requirement.

B.10 Certification [326 IAC 2-8-3(d)] [326 IAC 2-8-4(3)(C)(i)] [326 IAC 2-8-5(1)]

- (a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by an authorized individual of truth, accuracy, and completeness. This certification, shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.
- (b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. One (1) certification may cover multiple forms in one (1) submittal.
- (c) An authorized individual is defined at 326 IAC 2-1.1-1(1).

B.11 Annual Compliance Certification [326 IAC 2-8-5(a)(1)]

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

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

- (b) The annual compliance certification report required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (c) The annual compliance certification report shall include the following:
 - (1) The appropriate identification of each term or condition of this permit that is the basis of the certification;
 - (2) The compliance status;
 - (3) Whether compliance was continuous or intermittent;
 - (4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-8-4(3); and
 - (5) Such other facts as specified in Sections D of this permit, IDEM, OAQ may require to determine the compliance status of the source.

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

B.12 Preventive Maintenance Plan [326 IAC 1-6-3] [326 IAC 2-8-4(9)] [326 IAC 2-8-5(a)(1)]

- (a) The Permittee shall maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, for the source as described in 326 IAC 1-6-3. At a minimum, the PMPs shall include:
 - (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.
- (b) A copy of the PMPs shall be submitted to IDEM, OAQ, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMPs do not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

B.13 Emergency Provisions [326 IAC 2-8-12]

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

Telephone Number: 1-800-451-6027 (ask for Office of Air Quality, Compliance Section), or
Telephone Number: 317-233-0178 (ask for Compliance Section)
Facsimile Number: 317-233-6865
 - (5) For each emergency lasting one (1) hour or more, the Permittee submitted the attached Emergency Occurrence Report Form or its equivalent, either by mail or facsimile to:

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

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

The notice fulfills the requirement of 326 IAC 2-8-4(3)(C)(ii) and must contain the following:

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

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

- (6) The Permittee immediately took all reasonable steps to correct the emergency.
- (c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
- (d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.
- (e) The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However, IDEM, OAQ, may require that the Preventive Maintenance Plans required under 326 IAC 2-8-3(c)(6) be revised in response to an emergency.
- (f) Failure to notify IDEM, OAQ, by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-8 and any other applicable rules.
- (g) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.
- (h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

B.14 Prior Permits Superseded [326 IAC 2-1.1-9.5]

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

by this permit.

- (b) All previous registrations and permits are superseded by this permit.

B.15 Deviations from Permit Requirements and Conditions [326 IAC 2-8-4(3)(C)(ii)]

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

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

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

The Quarterly Deviation and Compliance Monitoring Report does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

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

B.16 Permit Modification, Reopening, Revocation and Reissuance, or Termination [326 IAC 2-8-4(5)(C)] [326 IAC 2-8-7(a)] [326 IAC 2-8-8]

- (a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a FESOP modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-8-4(5)(C)] The notification by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAQ determines any of the following:

- (1) That this permit contains a material mistake.
- (2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.
- (3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-8-8(a)]

- (c) Proceedings by IDEM, OAQ to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-8-8(b)]

- (d) The reopening and revision of this permit, under 326 IAC 2-8-8(a), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAQ at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ may provide a shorter time period in the case of an emergency. [326 IAC 2-8-8(c)]

B.17 Permit Renewal [326 IAC 2-8-3(h)]

- (a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and shall include the information specified in 326 IAC 2-8-3. Such information shall be included in the application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(40). The renewal application does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Request for renewal shall be submitted to:

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

- (b) Timely Submittal of Permit Renewal [326 IAC 2-8-3]
- (1) A timely renewal application is one that is:
- (A) Submitted at least nine (9) months prior to the date of the expiration of this permit; and
- (B) If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ on or before the date it is due.
- (2) If IDEM, OAQ, upon receiving a timely and complete permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect until the renewal permit has been issued or denied.
- (c) Right to Operate After Application for Renewal [326 IAC 2-8-9]
If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-8 until IDEM, OAQ takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by the deadline specified in writing by IDEM, OAQ any additional information identified as needed to process the application.

B.18 Permit Amendment or Revision [326 IAC 2-8-10] [326 IAC 2-8-11.1]

- (a) Permit amendments and revisions are governed by the requirements of 326 IAC 2-8-10 or 326 IAC 2-8-11.1 whenever the Permittee seeks to amend or modify this permit.

- (b) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
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Any such application shall be certified by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (c) The Permittee may implement the administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-8-10(b)(3)]
- (d) No permit amendment or modification is required for the addition, operation or removal of a nonroad engine, as defined in 40 CFR 89.2.

B.19 Operational Flexibility [326 IAC 2-8-15] [326 IAC 2-8-11.1]

- (a) The Permittee may make any change or changes at this source that are described in 326 IAC 2-8-15(b) through (d), without prior permit revision, if each of the following conditions is met:

- (1) The changes are not modifications under any provision of Title I of the Clean Air Act;
- (2) Any approval required by 326 IAC 2-8-11.1 has been obtained;
- (3) The changes do not result in emissions which exceed the limitations provided in this permit (whether expressed herein as a rate of emissions or in terms of total emissions);
- (4) The Permittee notifies the:

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100 North Senate Avenue
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and

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

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

- (5) The Permittee maintains records on-site, on a rolling five (5) year basis, which document all such changes and emission trades that are subject to 326 IAC 2-8-15(b) through (d). The Permittee shall make such records available, upon reasonable request, to public review.

Such records shall consist of all information required to be submitted to IDEM, OAQ in the notices specified in 326 IAC 2-8-15(b)(2), (c)(1), and (d).

- (b) Emission Trades [326 IAC 2-8-15(c)]
The Permittee may trade emissions increases and decreases at the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-8-15(c).
- (c) Alternative Operating Scenarios [326 IAC 2-8-15(d)]

The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-8-4(7). No prior notification of IDEM, OAQ or U.S. EPA is required.

- (d) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.

B.20 Source Modification Requirement [326 IAC 2-8-11.1]

A modification, construction, or reconstruction is governed by the requirements of 326 IAC 2 and 326 IAC 2-8-11.1.

B.21 Inspection and Entry [326 IAC 2-8-5(a)(2)] [IC 13-14-2-2] [IC 13-17-3-2] [IC13-30-3-1]

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

- (a) Enter upon the Permittee's premises where a FESOP source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
- (c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;
- (d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and
- (e) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

B.22 Transfer of Ownership or Operational Control [326 IAC 2-8-10] [IC 13-17-3-2]

- (a) The Permittee must comply with the requirements of 326 IAC 2-8-10 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.
- (b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

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100 North Senate Avenue
Indianapolis, Indiana 46204-2251

The application which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-8-10(b)(3)]

B.23 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-8-4(6)] [326 IAC 2-8-16] [326 IAC 2-1.1-7]

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

B.24 Credible Evidence [326 IAC 2-8-4(3)] [326 IAC 2-8-5] [62 FR 8314] [326 IAC 1-1-6]

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

SECTION C

SOURCE OPERATION CONDITIONS

Entire Source

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

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

Pursuant to 326 IAC 6-3-2(e)(2), particulate emissions from any process not exempt under 326 IAC 6-3-1(b) or (c) which has a maximum process weight rate less than one hundred (100) pounds per hour and the methods in 326 IAC 6-3-2(b) through (d) do not apply shall not exceed 0.551 pounds per hour.

C.2 Overall Source Limit [326 IAC 2-8] [326 IAC 2-2]

The purpose of this permit is to limit this source's potential to emit to less than major source levels for the purpose of Section 502(a) of the Clean Air Act.

(a) Pursuant to 326 IAC 2-8:

- (1) The potential to emit any regulated pollutant, except particulate matter (PM), from the entire source shall be limited to less than one hundred (100) tons per twelve (12) consecutive month period. This limitation shall also render the requirements of 326 IAC 2-3 (Emission Offset) not applicable;
- (2) The potential to emit any individual hazardous air pollutant (HAP) from the entire source shall be limited to less than ten (10) tons per twelve (12) consecutive month period; and
- (3) The potential to emit any combination of HAPs from the entire source shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period.

(b) The potential to emit particulate matter (PM) from the entire source shall be limited to less than two hundred fifty (250) tons per twelve (12) consecutive month period. Compliance with this limit renders the requirements of 326 IAC 2-2 (PSD) not applicable.

(c) This condition shall include all emission points at this source including those that are insignificant as defined in 326 IAC 2-7-1(21). The source shall be allowed to add insignificant activities not already listed in this permit, provided the source's potential to emit does not exceed the above specified limits.

(d) Section D of this permit contains independently enforceable provisions to satisfy this requirement.

C.3 Opacity [326 IAC 5-1]

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

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

Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

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

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1.

C.5 Incineration [326 IAC 4-2] [326 IAC 9-1-2(3)]

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

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

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

C.7 Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted.

C.8 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

- (a) Notification requirements apply to each owner or operator. If the combined amount of regulated asbestos containing material (RACM) to be stripped, removed or disturbed is at least 260 linear feet on pipes or 160 square feet on other facility components, or at least thirty-five (35) cubic feet on all facility components, then the notification requirements of 326 IAC 14-10-3 are mandatory. All demolition projects require notification whether or not asbestos is present.
- (b) The Permittee shall ensure that a written notification is sent on a form provided by the Commissioner at least ten (10) working days before asbestos stripping or removal work or before demolition begins, per 326 IAC 14-10-3, and shall update such notice as necessary, including, but not limited to the following:
 - (1) When the amount of affected asbestos containing material increases or decreases by at least twenty percent (20%); or
 - (2) If there is a change in the following:
 - (A) Asbestos removal or demolition start date;
 - (B) Removal or demolition contractor; or
 - (C) Waste disposal site.
- (c) The Permittee shall ensure that the notice is postmarked or delivered according to the guidelines set forth in 326 IAC 14-10-3(2).
- (d) The notice to be submitted shall include the information enumerated in 326 IAC 14-10-3(3).

All required notifications shall be submitted to:

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

The notice shall include a signed certification from the owner or operator that the information provided in this notification is correct and that only Indiana licensed workers and project supervisors will be used to implement the asbestos removal project. The notifications do not require a certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (e) **Procedures for Asbestos Emission Control**
The Permittee shall comply with the applicable emission control procedures in 326 IAC 14-10-4 and 40 CFR 61.145(c). Per 326 IAC 14-10-1 emission control requirements are applicable for any removal or disturbance of RACM greater than three (3) linear feet on pipes or three (3) square feet on any other facility components or a total of at least 0.75 cubic feet on all facility components.
- (f) **Demolition and renovation**
The Permittee shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation will occur for the presence of asbestos pursuant to 40 CFR 61.145(a).
- (g) **Indiana Accredited Asbestos Inspector**
The Permittee shall comply with 326 IAC 14-10-1(a) that requires the owner or operator, prior to a renovation/demolition, to use an Indiana Accredited Asbestos Inspector to thoroughly inspect the affected portion of the facility for the presence of asbestos. The requirement to use an Indiana Accredited Asbestos inspector is not federally enforceable.

Testing Requirements [326 IAC 2-8-4(3)]

C.9 Performance Testing [326 IAC 3-6]

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

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

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no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

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

Compliance Requirements [326 IAC 2-1.1-11]

C.10 Compliance Requirements [326 IAC 2-1.1-11]

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

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

C.11 Compliance Monitoring [326 IAC 2-8-4(3)] [326 IAC 2-8-5(a)(1)]

Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented upon issuance of this permit. If required by Section D, the Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment.

Unless otherwise specified in the approval for the new emissions unit, compliance monitoring for new emission units or emission units added through a permit revision shall be implemented when operation begins.

C.12 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, 40 CFR 60 Appendix B, 40 CFR 63 or other approved methods as specified in this permit.

C.13 Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-8-4(3)] [326 IAC 2-8-5(1)]

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

Corrective Actions and Response Steps [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

C.14 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]

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

- (a) The Permittee shall prepare written emergency reduction plans (ERPs) consistent with safe operating procedures.
- (b) These ERPs shall be submitted for approval to:

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within ninety (90) days from the date of issuance of this permit.

The ERP does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (c) If the ERP is disapproved by IDEM, OAQ, the Permittee shall have an additional thirty (30) days to resolve the differences and submit an approvable ERP.
- (d) These ERPs shall state those actions that will be taken, when each episode level is declared, to reduce or eliminate emissions of the appropriate air pollutants.
- (e) Said ERPs shall also identify the sources of air pollutants, the approximate amount of reduction of the pollutants, and a brief description of the manner in which the reduction will be achieved.
- (f) Upon direct notification by IDEM, OAQ that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

C.15 Risk Management Plan [326 IAC 2-8-4] [40 CFR 68]

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

C.16 Response to Excursions or Exceedances [326 IAC 2-8-4] [326 IAC 2-8-5]

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

- (1) monitoring results;
 - (2) review of operation and maintenance procedures and records;
 - (3) inspection of the control device, associated capture system, and the process.
- (d) Failure to take reasonable response steps shall be considered a deviation from the permit.
- (e) The Permittee shall maintain the following records:
- (1) monitoring data;
 - (2) monitor performance data, if applicable; and
 - (3) corrective actions taken.

C.17 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-8-4] [326 IAC 2-8-5]

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

The response action documents submitted pursuant to this condition do require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

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

C.18 General Record Keeping Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-5]

- (a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.

C.19 General Reporting Requirements [326 IAC 2-8-4(3)(C)] [326 IAC 2-1.1-11]

- (a) The Permittee shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported. This report shall be submitted within thirty (30) days of the end of the reporting period.

The Quarterly Deviation and Compliance Monitoring Report shall include the certification by the "authorized individual" as defined by 326 IAC2-1.1-1(1).

- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:
- Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251
- (c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ on or before the date it is due.
- (d) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (e) Reporting periods are based on calendar years, unless otherwise specified in this permit. For the purpose of this permit "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

Stratospheric Ozone Protection

C.20 Compliance with 40 CFR 82 and 326 IAC 22-1

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

- (a) Persons opening appliances for maintenance, service, repair or disposal must comply with the required practices pursuant to 40 CFR 82.156
- (b) Equipment used during the maintenance, service, repair or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.
- (c) Persons performing maintenance, service, repair or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]: Silo Unloading and Loading Processes

- (a) One (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, collectively identified as EU-1, installed in 1965/1966, equipped with a common baghouse, identified as BHC1, exhausting to Stack V1, throughput capacity: 100 tons of Portland cement per hour, storage capacity: 1,156 tons of Portland cement.
- (b) One (1) railcar unloading operation, identified as EU-2, installed in 1965/1966, equipped with a baghouse, identified as BH2, installed in 2003, exhausting to Stack V2, throughput capacity: 100 tons of Portland cement per hour.

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

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

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

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the allowable particulate emission rate from the:

- (a) One (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, identified as EU-1, shall not exceed 51.3 pounds per hour when operating at a process weight rate of 100 tons per hour.
- (b) One (1) railcar unloading operation, identified as EU-2, shall not exceed 51.3 pounds per hour when operating at a process weight rate of 100 tons per hour.
- (c) The pounds per hour limitations were calculated using the following equation:

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

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

D.1.2 PSD Minor Limit for Particulate Matter (PM) [326 IAC 2-2]

The PM emissions from:

- (a) EU-1 exhausting through Stack V1 shall be limited to 34.9 pounds per hour.
- (b) EU-2 exhausting through Stack V2 shall be limited to 19.2 pounds per hour.

Compliance with these limits will render the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) not applicable to this source.

D.1.3 PSD Minor Limit for PM₁₀ [326 IAC 2-8-4] [326 IAC 2-2]

Pursuant to AA 039-17373-00541, issued on June 11, 2003, the PM₁₀ emissions from:

- (a) EU-1 exhausting through Stack V1 shall be limited to 20.0 pounds per hour.

- (b) EU-2 exhausting through Stack V2 shall be limited to 2.60 pounds per hour.

Compliance with these limits will render the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) not applicable to this source and satisfies the requirements of 326 IAC 2-8-4.

Compliance Determination Requirements

D.1.4 Particulate Control

- (a) In order to comply with Condition D.1.3, the baghouses for particulate control shall be in operation and control emissions from EU-1 and EU-2 at all times that their respective emission unit is either loading and/or unloading cement.
- (b) In the event that bag failure is observed in a multi-compartment baghouse, if operations will continue for ten (10) days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.

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

D.1.5 Visible Emissions Notations

- (a) Visible emissions notations of the cement loading and unloading processes, identified as EU-1 and EU-2, stack exhausts V1 and V2, shall be performed once per day during normal daylight operations. 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) If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.

D.1.6 Parametric Monitoring

The Permittee shall record the pressure drop across the baghouses, identified as BHC1 and BH2, used in conjunction with the cement loading and unloading processes from EU-1 and EU-2 at least once per day when the loading and/or unloading processes are in operation. When for any one reading, the pressure drop across the baghouses is outside the normal range of 0.5 and 6.5 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

The instrument used for determining the pressure shall comply with Section C - Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ and shall be calibrated at least once every six (6) months.

D.1.7 Broken or Failed Bag Detection

- (a) For a single compartment baghouse controlling emissions from a process operated continuously, a failed unit and the associated process shall be shut down immediately until the failed unit has been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).
- (b) For a single compartment baghouse controlling emissions from a batch process, the feed to the process shall be shut down immediately until the failed unit has been repaired or replaced. The emissions unit shall be shut down no later than the completion of the processing of material in the emission unit. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

Bag failure can be indicated by a significant drop in the baghouse's pressure reading with abnormal visible emissions, by an opacity violation, or by other means such as gas temperature, flow rate, air infiltration, leaks, dust traces or triboflows.

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

D.1.8 Record Keeping Requirements

- (a) To document compliance with Condition D.1.5, the Permittee shall maintain records of visible emission notations of the cement loading and unloading processes, identified as EU-1 and EU-2, stack exhausts V1 and V2, at least once per day when the loading and/or unloading processes are in operation.
- (b) To document compliance with Condition D.1.6, the Permittee shall maintain records once per day of the pressure drop across each of the baghouses, identified as BHC1 and BH2.
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

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

**FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)
CERTIFICATION**

Source Name: Lone Star Industries, Inc.
Source Address: 55284 Corwin Drive, Elkhart, Indiana 46514
Mailing Address: 55284 Corwin Drive, Elkhart, Indiana 46514
FESOP No.: F 039-20054-00541

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

Please check what document is being certified:

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

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

Signature:

Printed Name:

Title/Position:

Date:

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

**FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)
EMERGENCY OCCURRENCE REPORT**

Source Name: Lone Star Industries, Inc.
Source Address: 55284 Corwin Drive, Elkhart, Indiana 46514
Mailing Address: 55284 Corwin Drive, Elkhart, Indiana 46514
FESOP No.: F 039-20054-00541

This form consists of 2 pages

Page 1 of 2

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

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

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

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

Page 2 of 2

Date/Time Emergency started:
Date/Time Emergency was corrected:
Was the facility being properly operated at the time of the emergency? Y N Describe:
Type of Pollutants Emitted: TSP, PM-10, SO ₂ , VOC, NO _x , CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

Form Completed by: _____

Title / Position: _____

Date: _____

Phone: _____

A certification is not required for this report.

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

**FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT**

Source Name: Lone Star Industries, Inc.
Source Address: 55284 Corwin Drive, Elkhart, Indiana 46514
Mailing Address: 55284 Corwin Drive, Elkhart, Indiana 46514
FESOP No.: F 039-20054-00541

Months: _____ to _____ Year: _____

Page 1 of 2

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

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

Form Completed by: _____

Title / Position: _____

Date: _____

Phone: _____

A certification is not required for this report.

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

**Technical Support Document (TSD) for a
Federally Enforceable State Operating Permit (FESOP) Renewal**

Source Background and Description

Source Name:	Lone Star Industries, Inc.
Source Location:	55284 Corwin Drive, Elkhart, Indiana 46514
County:	Elkhart
SIC Code:	5032
Operation Permit No.:	F 039-12300-00541
Operation Permit Issuance Date:	August 10, 2000
Permit Renewal No.:	F 039-20054-00541
Permit Reviewer:	Mark L. Kramer

The Office of Air Quality (OAQ) has reviewed a FESOP renewal application from Lone Star Industries, Inc., formerly known as Lone Star Industries, Inc. d/b/a Buzzi Unicem, relating to the operation of a Portland cement distribution terminal.

Permitted Emission Units and Pollution Control Equipment

The source consists of the following permitted emission units and pollution control devices:

- (a) One (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, collectively identified as EU-1, installed in 1965/1966, equipped with a common baghouse, identified as BHC1, exhausting to Stack V1, throughput capacity: 100 tons of Portland cement per hour, storage capacity: 1,156 tons of Portland cement.
- (b) One (1) railcar unloading operation, identified as EU-2, installed in 1965/1966, equipped with a baghouse, identified as BH2, installed in 2003, exhausting to Stack V2, throughput capacity: 100 tons of Portland cement per hour.

Unpermitted Emission Units and Pollution Control Equipment

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

New Emission Units and Pollution Control Equipment Receiving Advanced Source Modification Approval

There are no proposed emission units during this review process.

Insignificant Activities

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

- (a) Replacement or repair of bags in baghouses.
- (b) Paved roads and parking lots with public access.

- (c) Equipment used to collect any material that might be released during a malfunction, process upset, or spill cleanup, including catch tanks, temporary liquid separators, tanks, and fluid handling equipment.
- (d) Blowdown for any of the following: sight glass; boiler; compressors; pumps; and cooling tower.
- (e) Filter or coalescer media changeout.
- (f) Activities with emissions equal to or less than thresholds: maintenance painting, general cleaning and housekeeping, collect product samples.

Existing Approvals

The source has been operating under the previous FESOP 039-12300-00541, issued on August 21, 2000 and the following amendments and revisions:

- (a) 1st AA 039-17373-00541, issued on June 11, 2003;
- (b) 2nd AA 039-19256-00541, issued on July 30, 2004; and
- (c) 3rd AA 039-21138, issued on May 25, 2005.

The following terms and conditions from previous approvals have been revised or added in this FESOP:

- (a) IDEM has determined that the Permittee is not required to keep records of all preventive maintenance. The Permittee has opted to have a general condition for the Preventive Maintenance Plan in Section B only. However, where the Permittee seeks to demonstrate that an emergency has occurred, the Permittee must provide, upon request, records of preventive maintenance in order to establish that the lack of proper maintenance did not cause or contribute to the deviation. Therefore, IDEM has deleted paragraph (b) of Condition B.13 (Preventive Maintenance Plan) and has amended Condition B.14 (Emergency Provisions).
- (b) Indiana was required to incorporate credible evidence provisions into state rules consistent with the SIP call published by U.S. EPA in 1997 (62 FR 8314). Indiana has incorporated the credible evidence provision in 326 IAC 1-1-6. This rule is effective March 16, 2005; therefore, a new condition, entitled, Credible Evidence, reflecting this rule will be incorporated into Section B of the permit.
- (c) IDEM realizes that the instrument specifications can only be practically applied to analog units, and has therefore clarified Condition C.12 to state that the condition only applies to analog units. IDEM has also determined that the accuracy of the instruments is not nearly as important as whether the instrument has a range that is appropriate for the normal expected reading of the parameter. Therefore, the accuracy requirements have been removed from Condition C.12.
- (d) IDEM has reconsidered the requirement to develop and follow a Compliance Response Plan. The Permittee will still be required to take reasonable response steps when a compliance monitoring parameter is determined to be out of range or abnormal. Replacing the requirement to develop and follow a Compliance Response Plan (Condition C.14) with a requirement to take reasonable response steps will ensure that the control equipment is returned to proper operation as soon as practicable, while still allowing the Permittee the flexibility to respond to situations that were not anticipated.

- (e) All references to the condition entitled, Compliance Monitoring Plan - Failure to Take Response Steps, have been revised to reflect the new condition title, Response to Excursions or Exceedances.
- (f) IDEM has determined that once per day monitoring of visible emission notations is generally sufficient to ensure proper operation of the cement loading and unloading exhausts. IDEM has also determined that monitoring this parameter once per day is sufficient to satisfy the requirements of the of the FESOP rules at 326 IAC 2-8-4.
- (g) IDEM has determined that once per day monitoring of the baghouses is generally sufficient to ensure proper operation of the control device. IDEM has also determined that monitoring pressure drop once per day is sufficient to satisfy the requirements of the of the FESOP rules at 326 IAC 2-8-4.
- (h) Paragraph (a) of the Broken or Failed Baghouse condition has been deleted. For multi-compartment baghouses, the permit will not specify what actions the Permittee needs to take in response to a broken bag. However, a requirement has been added to Particulate Control condition requiring the Permittee to notify IDEM if a broken bag is detected and the control device will not be repaired for more than ten (10) days. This notification allows IDEM to take any appropriate actions if the emission unit will continue to operate for a long period of time while the control device is not operating in optimum condition.

Paragraph (b) of the Broken or Failed Baghouse condition has been revised for those processes that operate in batch mode. The condition required an emission unit to be shut down immediately in case of baghouse failure. However, IDEM is aware there can be safety issues with shutting down a process in the middle of a batch. IDEM also realizes that in some situations, shutting down an emissions unit mid-process can cause equipment damage. Therefore, since it is not always possible to shut down a process with material remaining in the equipment, IDEM has revised the condition to state that in the case of baghouse failure, the feed to the process must be shut off immediately, and the process shall be shut down as soon as practicable.

The following terms and conditions from previous approvals have been determined no longer applicable; therefore, were not incorporated into this proposed FESOP:

- (a) Since the requirements of Condition C.6 (Operation of Equipment) have been incorporated in the D Section, Condition C.6 has been removed from the permit.
- (b) IDEM has determined that it is the Permittee's responsibility to include routine control device inspection requirements in the applicable preventive maintenance plan. Since the Permittee is in the best position to determine the appropriate frequency of control device inspections and the details regarding which components of the control device should be inspected, Condition D.1.7 requiring baghouse inspections has been removed from the permit. In addition, the requirement to keep records of the inspections in Condition D.1.9 has been removed.

Air Pollution Control Justification as an Integral Part of the Process

IDEM, OAQ's response to a petition for reconsideration of review request, 039-14069-00541, was dated February 10, 2003. The additional information submitted by Lone Star Industries did not support a finding that any of the three (3) criteria was met. IDEM, OAQ did not modify its previous position that the baghouse is not integral to Lone Star Industries' cement transfer operations.

Therefore, the permitting level will be determined using the potential to emit before the baghouse.

Enforcement Issue

There are no enforcement actions pending.

Recommendation

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

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

An administratively complete FESOP renewal application for the purposes of this review was received on September 7, 2004.

There was no notice of completeness letter mailed to the source.

Emission Calculations

See Page 1 of 1 of Appendix A of this document for detailed emission calculations.

Unrestricted Potential Emissions

This table reflects the unrestricted potential emissions of the source, excluding the emission limits that were contained in the previous FESOP including fugitives.

Pollutant	Unrestricted Potential Emissions (tons/yr)
PM	238
PM ₁₀	154
SO ₂	-
VOC	1
CO	-
NO _x	-

HAPs	Unrestricted Potential Emissions (tons/yr)
Total	0.5

The potential to emit (as defined in 326 IAC 2-7-1(29)) of PM₁₀ is equal to or greater than one hundred (100) tons per year. The source will continue to operate under a FESOP.

Potential to Emit After Issuance

The source has opted to remain a FESOP source. The table below summarizes the potential to emit, reflecting all limits of the emission units. Any control equipment is considered enforceable only after issuance of this FESOP and only to the extent that the effect of the control equipment is made practically enforceable in the permit. Since the source has not constructed any new emission units, the source's potential to emit is based on the emission units included in the original FESOP.

Process/Emission Unit	Potential To Emit (tons/year)						
	PM	PM ₁₀	SO ₂	VOC	CO	NO _x	HAPs
Truck & Railcar Unloading, Truck Loading & Silo Filling and Unloading (EU-1)	153	87.6	-	-	-	-	-
Railcar Unloading (EU-2)	84.3	11.3	-	-	-	-	-
Insignificant Activities	-	-	-	1	-	-	0.5
Total Emissions	237	98.9	-	1	-	-	Single Less than 10 Combination Less than 25

- (a) Since EU-1 or EU-2 can perform the same operation (railcar unloading), but both can not operate 8,760 hours per year and perform the same operation, the potential to emit emissions have been proportioned assuming that either EU-1 or EU-2 may perform railcar unloading during the year. The balance of the potential to emit was assigned to EU-1 (237 - 84.3 = 153 tons per year). Since the potential to emit is close to the PSD major source level of 250 tons per year of PM, the potential to emit emissions have been equated to hourly limits to maintain the minor PSD source status pursuant to 326 IAC 2-2, PSD.

Pursuant to AA 039-17373-00541, issued on June 11, 2003, the PM₁₀ emissions from EU-1 exhausting through Stack V1 are limited to 20.0 pounds per hour, equivalent to 87.6 tons per year and the PM₁₀ emissions from EU-2 exhausting through Stack V2 are limited to 2.60 pounds per hour, equivalent to 11.3 tons per year. Compliance with these limits satisfies the requirement of 326 IAC 2-8-4 and makes the requirements of 326 IAC 2-7 not applicable to the entire source.

County Attainment Status

The source is located in Elkhart County.

Pollutant	Status
PM _{2.5}	attainment
PM ₁₀	attainment
SO ₂	attainment
NO ₂	attainment
8-Hour Ozone	basic nonattainment
CO	attainment
Lead	attainment

- (a) Volatile organic compounds (VOC) and nitrogen oxides (NO_x) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NO_x emissions are considered when evaluating the rule applicability relating to the ozone standards. Elkhart County has been designated as nonattainment for the 8-hour ozone standard. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements of 326 IAC 2-3, Emission Offset. See the State Rule Applicability - Entire Source section of this document.
- (b) Elkhart County has been classified as unclassifiable or attainment for PM_{2.5}. U.S. EPA has not yet established the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 for PM_{2.5} emissions. Therefore, until the U.S.EPA adopts specific provisions for PSD review for PM_{2.5} emissions, it has directed states to regulate PM₁₀ emissions as a surrogate for PM_{2.5} emissions. See the State Rule Applicability - Entire Source section of this document.
- (c) Elkhart 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. See the State Rule Applicability - Entire Source section of this document.
- (d) 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, Part 70, or FESOP Definition (emissions after controls, based on 8,760 hours of operation per year at rated capacity and/or as otherwise limited):

Pollutant	Emissions (tons/yr)
PM	Less than 250
PM ₁₀	Less than 100
SO ₂	-
VOC	1
CO	-
NO _x	-
Single HAP	-
Combination HAPs	0.5

- (a) This existing source is **not** a major stationary source because no attainment regulated pollutant is emitted at a rate of two-hundred fifty (250) tons per year or greater and it is not in one of the twenty-eight (28) listed source categories.

- (b) This existing source is **not** a major stationary source because no nonattainment regulated pollutant is emitted at a rate of one hundred (100) tons per year or greater, and it is not in one of the twenty-eight (28) listed source categories.

Federal Rule Applicability

- (a) The requirements of the New Source Performance Standard, 326 IAC 12 (40 CFR 60.670, Subpart OOO – Standards of Performance for Nonmetallic Mineral Processing Plants), are not included in the permit for this source because this source does not include crushing or grinding of nonmetallic minerals.

In the revisions to Subpart OOO, published in the June 9, 1997 Federal Register on page 31354, the comments section specifically clarifies that EPA did not intend to regulate stand-alone distribution operations at plants that have no crushers. Plants that do not employ crushing or grinding, by definition are not considered nonmetallic mineral processing plants and thus are not subject to Subpart OOO.

- (b) The requirements of the New Source Performance Standard for Portland Cement Plants, 326 IAC 12 (40 CFR 60.60, Subpart F), are not included in the permit for this source because this source does not manufacture Portland cement by either the wet or dry process.
- (c) The requirements of the National Emission Standards for Hazardous Air Pollutants, 326 IAC 20, (40 CFR 63.1340, Subpart LLL – National Emission Standards for Hazardous Air Pollutants From the Portland Cement Manufacturing Industry) are not included in the permit because this source does not manufacture Portland cement and the SIC code is not 3241.
- (d) There are no other National Emission Standards for Hazardous Air Pollutants included in the permit for this source.

State Rule Applicability – Entire Source

326 IAC 1-6-3 (Preventive Maintenance Plan)

A Preventive Maintenance Plan (PMP) is required for the one (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, identified as EU-1 and one (1) railcar unloading operation, identified as EU-2.

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

This source is not classified as one of the 28 listed source categories because the source distributes but does not manufacture Portland cement.

This source constructed in 1965/66 did not need to undergo PSD review and has remained a minor PSD source for PM and PM₁₀. Only a control device was added to the rail unloading operation in 2003. At that time, there were no alterations to the existing railcar unloading system other than venting to the new baghouse rather than to the existing common baghouse, identified as BHC1.

- (a) The PM emissions from EU-1, exhausting through Stack V1, have been limited to 34.9 pounds per hour, equivalent to 153 tons per year and the PM emissions from EU-2, exhausting through Stack V2, have been limited to 19.2 pounds per hour, equivalent to

84.3 tons per year. These PM limits retain the minor PSD source status of this Portland cement distribution terminal.

- (b) Pursuant to AA 039-17373-00541, issued on June 11, 2003, the PM₁₀ emissions from EU-1, exhausting through Stack V1, are limited to 20.0 pounds per hour, equivalent to 87.6 tons per year and the PM₁₀ emissions from EU-2, exhausting through Stack V2, are limited to 2.60 pounds per hour, equivalent to 11.3 tons per year. Compliance with these PM₁₀ limits makes the requirements of 326 IAC 2-2, PSD, not applicable to this Portland cement distribution terminal.

326 IAC 2-3 (Emission Offset)

The unrestricted potential VOC emissions and the unrestricted potential NO_x emissions are each less than one hundred (100) tons per year. Therefore, this source is a minor source pursuant to 326 IAC 2-3, Emission Offset.

326 IAC 2-6 (Emission Reporting)

This source is not located in Lake or Porter County does not emit five (5) tons per year or more of lead and does not require a Part 70 Operating Permit. Therefore, the requirements of 326 IAC 2-6 do not apply.

326 IAC 2-8-4 (FESOP)

Pursuant to AA 039-17373-00541, issued on June 11, 2003, the PM₁₀ emissions from:

- (a) EU-1 exhausting through Stack V1 are limited to less than 20.0 pounds per hour, equivalent to 87.6 tons per year.
- (b) EU-2 exhausting through Stack V2 are limited to 2.60 pounds per hour, equivalent to 11.3 tons per year.

Compliance with these limits satisfies the requirements of 326 IAC 2-8-4 and makes the requirements of 326 IAC 2-2 (PSD) and 326 IAC 2-7 not applicable to the entire source.

326 IAC 5-1 (Opacity Limitations)

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

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

326 IAC 6-4 (Fugitive Dust Emissions)

Fugitive dust will not escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions).

326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations)

This source located in Elkhart County is not subject to the requirements of this rule because Elkhart County has not been designated as a nonattainment area for particulate matter.

State Rule Applicability – Individual Facilities

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

Pursuant to 326 IAC 6-3-2, the particulate from the one (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, identified as EU-1 and one (1) railcar unloading operation, identified as EU-2, shall each not exceed 51.3 pounds per hour when operating at a process weight rate of 100 tons per hour each.

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

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

The baghouses, identified as BHC1 and BH2 shall be in operation at all times one (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, identified as EU-1 and one (1) railcar unloading operation, identified as EU-2, are in operation, in order to comply with these limits.

The potential to emit PM after controls of the one (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, identified as EU-1 from page 1 of 1 of Appendix A is 0.540 pounds per hour, which complies with the 51.3 pounds per hour limit pursuant to the rule.

The potential to emit PM after controls of the railcar unloading operation, identified as EU-2, from page 1 of 1 of Appendix A is 0.300 pounds per hour, which complies with the 51.3 pounds per hour limit pursuant to the rule.

Testing Requirements

There have been no previous stack tests.

Since the emission factors for loading and unloading are based on AP-42/FIRES v.6.25, no stack testing is proposed since the baghouses need approximately a 35% control for EU-1 to meet the 153 ton per year limited potential to emit PM and approximately a 35% control for EU-2 to meet the 84.3 ton per year limited potential to emit PM. No stack testing is proposed since the baghouses need approximately a 43% control for EU-1 to meet the 87.6 ton per year limited potential to emit PM₁₀ and approximately a 83% control for EU-2 to meet the 11.3 ton per year limited potential to emit PM₁₀. Therefore since baghouses typically achieve over 90% control, no stack testing is required.

Compliance Requirements

Permits issued under 326 IAC 2-8 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 2-8-4. 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 in Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

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

The one (1) truck loading and unloading operation and one (1) railcar unloading operation, consisting of one (1) storage silo, identified as Nazareth Steel Fabricators No. 1 silo, identified as EU-1, and one (1) railcar unloading operation, identified as EU-2, have applicable compliance monitoring conditions as specified below:

- (a) Visible emissions notations of the cement loading and unloading processes, identified as EU-1 and EU-2 Stack exhausts V1 and V2 shall be performed once per day 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 start up 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. If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.
- (b) The Permittee shall record the pressure drop across the baghouses, identified as BHC1 and BH2, used in conjunction with the cement loading and unloading processes from EU-1 and EU-2 at least once per day when the loading and/or unloading processes are in operation. When for any one reading, the pressure drop across the baghouses is outside the normal range of 0.5 and 6.5 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.

The instrument used for determining the pressure shall comply with Section C – Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ and shall be calibrated at least once every six (6) months.

- (c) For a single compartment baghouse controlling emissions from a process operated continuously, a failed unit and the associated process shall be shut down immediately until the failed unit has been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

- (d) For a single compartment baghouse controlling emissions from a batch process, the feed to the process shall be shut down immediately until the failed unit has been repaired or replaced. The emissions unit shall be shut down no later than the completion of the processing of material in the emission unit. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

Bag failure can be indicated by a significant drop in the baghouse's pressure reading with abnormal visible emissions, by an opacity violation, or by other means such as gas temperature, flow rate, air infiltration, leaks, dust traces or triboflows.

These monitoring conditions are necessary because the baghouses for the cement loading and unloading processes from EU-1 and EU-2 must operate properly to ensure compliance with 326 IAC 5-1, 326 IAC 6-3 and 326 IAC 2-8 (FESOP).

Conclusion

The operation of this Portland cement distribution terminal shall be subject to the conditions of the **FESOP 039-20054-00541**.

Appendix A: Potential Emission Calculations
Company Name: Lone Star Industries, Inc.
Address City IN Zip: 55284 Corwin Drive, Elkhart, Indiana 46514
FESOP: F 039-20054
Plt ID: 039-00541
Reviewer: Mark L. Kramer
Application Date: September 7, 2004

Emission Unit	Truck/Railcar Unloading		Silo Filling		Control	Emission	Emission
	Maximum Rate of	Emission Factor	Uncontrolled Rate	Uncontrolled Emission			
Pollutant	Portland Cement (tons/hr)	(lbs/tons)	(lbs/hr)	(tons/yr)	Efficiency (%)	Rate (lbs/hr)	Rate (tons/yr)
PM	100	0.30	30.00	131.40	99.0%	0.300	1.31
PM-10	100	0.15	15.000	65.700	99.0%	0.150	0.657

PM and PM-10
 AIRS SCC 3-05-006-12
 and FIRES v. 6.25

Emission Unit	Truck Loading		Silo Unloading		Control	Emission	Emission
	Maximum Rate of	Emission Factor	Uncontrolled Rate	Uncontrolled Emission			
Pollutant	Portland Cement (tons/hr)	(lbs/tons)	(lbs/hr)	(tons/yr)	Efficiency (%)	Rate (lbs/hr)	Rate (tons/yr)
PM	100	0.24	24.00	105.12	99.0%	0.240	1.05
PM-10	100	0.20	20.00	87.60	99.0%	0.200	0.876

PM and PM-10
 AIRS SCC 3-05-006-19
 and FIRES v. 6.25

Summary

EU-1 and EU-2	Before Controls	After Controls	Before Controls	After Controls	Before & After Controls	
	PM (tons/yr)	PM	PM-10 (tons/yr)	PM-10 (tons/yr)	VOC	HAPs
Truck/Railcar Unloading	131.4	1.31	65.7	0.657	0.000	0.000
Truck Loading	105.1	1.05	87.6	0.876	0.000	0.000
Insignif Activities	1.000	1.000	1.000	1.000	1.000	0.500
Total	238	3.37	154	2.53	1.00	0.500

Insignificant Activities have been estimated based on the definitions of insignificant activities for those listed in the TSD.

Methodology: PM/PM-10 Emission Rate (lbs/hr) = Rate of Portland Cement (tons/hr) x Emission Factor (lbs/tons)
 PM/PM-10 Emission Rate (tons/yr) = PM/PM-10 (lbs/hr) x 8,760 hours/yr x 1 ton/2,000 lbs
 Controlled PM/PM-10 Emission Rate = PM/PM-10 Emission Rate x (1 - Control Efficiency (%))



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

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November 13, 2006

Mr. Hollis Swafford
Lone Star Industries, Inc.
55284 Corwin Drive
Elkhart, IN 46514

Re: F 039-20054-00541

Dear Mr. Swafford:

The IDEM, OAQ Permits Branch did not receive the comments submitted by Mr. Swercheck of Buzzi Unicem USA on behalf of Lone Star Industries, Inc. until October 26, 2006, after the issuance of the FESOP Renewal. Each comment and IDEM, OAQ's response follows:

Comment 1:

Condition B.12 identifies the requirement for the source to submit a Preventive Maintenance Plan (PMP) in accordance with 326 IAC 2-8-4(9) and 326 IAC 1-6-3. Condition D.1.4 also requires the development of a PMP.

Buzzi Unicem believes that the requirement to prepare a PMP is not applicable for our source. 326 IAC 2-8-4(9) requires a FESOP to contain a provision that the source maintains a PMP as required under section 326 IAC 2-8-3(c)(6) of this rule. Section 3(c)(6) states that FESOP applications contain confirmation that a source maintains a PMP as described in 326 IAC 1-6-3. 326 IAC 1-6-3 states any person responsible for operation of a facility described in 326 IAC 1-6-1 shall prepare and maintain a PMP. 326 IAC 1-6-1 discusses the applicability of facilities needing a PMP and states that the rule applies to owners and operators of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1. 326 IAC 2-5.1 is applicable only to the construction of new sources and 326 IAC 2-5.1-1(2) specifically exempts our facility because we are currently operating under a FESOP. 326 IAC 2-6.1 is applicable only to the minor source operating permit programs, and 326 IAC 2-6.1-1(2)(B) specifically exempts our facility because we have been operating under a FESOP. Therefore, preparation of a PMP is not applicable to our source and all references to the requirement of preparing a PMP should be removed from the permit.

Response 1:

326 IAC 2-5.1-1 (Exemptions) under Construction of New Sources (326 IAC 2-5.1) states that if the source is currently operating under 326 IAC 2-6.1 (MSOP), 326 IAC 2-7 (Part 70 Operating Permit) or 326 IAC 2-8 (FESOP), the source can no longer obtain an exemption pursuant 326 IAC 2-5.1-1.

326 IAC 2-8-3(c)(6) states that the FESOP source maintain an onsite PMP as described in 326 IAC 1-6-3. 326 IAC 1-6-3 provides a description of the required PMP and should not be used to determine the applicability of PMPs to source that are operating under MSOP, FESOP or Part 70 Permits.

The relevant rule citation that requires a FESOP source to prepare a PMP is 326 IAC 2-8-4(9) which states that all sources shall maintain an onsite PMP. Therefore all reference to PMPs throughout the permit can not be deleted.

Comment 2:

Condition C.1 discusses particulate emission limitations and references 326 IAC 6-3-2(e)(2) as being the applicable regulation.

Buzzi Unicem believes this limitation is not applicable and should be removed from the permit. 326 IAC 6-3-2(e)(2) is applicable to manufacturing processes. A manufacturing process is defined in 326 IAC 6-3-1.5(2) as requiring a "mechanical, physical, or chemical transformation of material..." Furthermore the definition goes on to state the process must "emit, or have the potential to emit, particulate in the production of the product." There is no transformation of the material in our distribution process and the facility is not producing a product. All material at the facility is brought in as cement and leaves the facility as cement with the same characteristics. The facility is only utilized as a transfer and storage site for cement.

Response 2:

A manufacturing process is defined in 326 IAC 6-3-1.5(2) and means any single or series of actions, operations, or treatment in which a mechanical, physical or chemical transformation of material occurs that emits or has the potential to emit particulate in the production of the product. The term includes transference, conveyance or repair of a product. The term manufacturing process includes the transference of cement products at Lone Star Industries, Inc. Therefore, Condition C.1 is applicable to Lone Star Industries, Inc. and can not be deleted from the permit.

Comment 3:

Section C.7 references the applicable stack height provision of 326 IAC 1-7.

Buzzi Unicem believes these stack height provisions are not applicable to our source. 326 IAC 1-7-5 establishes the exemptions and limitations to the stack height provisions found elsewhere in 326 IAC 1-7. 326 IAC 1-7-5(a) states that sources with less than twenty-five (25) tons per year of actual emissions, after controls, are exempt from the stack height provisions found in 326 IAC 1-7-3(a). This exemption makes all stack height provisions not applicable to our facility and all references to such provisions should be removed from the permit.

Response 3:

The potential to emit before controls and limits is much greater than twenty-five (25) tons per year. Since the FESOP does not limit particulate emissions to less than twenty-five (25) tons per year, the actual PM emissions in any given year can be less than or greater than twenty-five (25) tons per year without exceeding any of the particulate limits in this permit.

Therefore, IDEM, OAQ has retained Condition C.7 as the source is not required to submit an annual emissions statement and there are no permit conditions that require a specific control efficiency to assure that actual emissions are less than twenty-five (25) tons per year for every year.

Sincerely,

Original signed by

**Nisha Sizemore, Chief
Permits Branch
Office Of Air Quality**

MLK/MES

cc: File - Elkhart County
Elkhart County Health Department
Air Compliance - Paul Karkiewicz
Permit Tracking
Compliance Data Section
Northern Regional Office
Adam N. Swercheck
David Pedzinski (Elkhart Terminal)