



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: November 18, 2005
RE: Zachary Confections, Inc / 023-21425-00039
FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval - Effective Immediately

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

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

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

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

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

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

Enclosures
FNPER.dot 1/10/05



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Indianapolis, Indiana 46204-2251
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**FEDERALLY ENFORCEABLE STATE
OPERATING PERMIT (FESOP)
OFFICE OF AIR QUALITY
AND NEW SOURCE REVIEW**

**Zachary Confections, Inc.
2130 West State Road 28
Frankfort, Indiana 46041**

(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.

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.: F023-21425-00039	
Original signed by: Paul Dubenetzky, Assistant Commissioner Office of Air Quality	Issuance Date: November 18, 2005 Expiration Date: November 18, 2010

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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 candy manufacturing plant.

Authorized individual:	Senior Vice President
Source Address:	2130 West State Road 28, Frankfort, Indiana 46041
Mailing Address:	P. O. Box 219, Frankfort, Indiana 46041
General Source Phone:	(765) 659-4751
SIC Code:	2064
County Location:	Clinton
Source Location Status:	Attainment for all other criteria pollutants
Source Status:	Federally Enforceable State Operating Permit (FESOP) Minor Source, under PSD Minor Source, Section 112 of the Clean Air Act Not in 1 of 28 Source Categories

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) natural gas-fired boiler (identified as EU-1), with a maximum heat input capacity of 25 MMBtu per hour and exhausting at stack S1. This unit was installed in 1997.
- (b) Four (4) belt polishers (identified as EU-4, EU-5, EU-6 and EU-7), each with a maximum throughput capacity of 500 pounds of candy per hour and maximum usage of 1.03 pounds of polish per hour; exhausting at stacks S4, S5, S6, and S7. EU-4 and EU-5 were installed in 2000 and 2001; EU-6 and EU-7 were both installed in 2003.
- (c) One (1) coater & polisher unit (identified as EU-8), with a maximum throughput capacity of 720 pounds of candy per hour and 1.50 pounds of polish per hour and exhausting at stack S8. This unit was installed in 1997.
- (d) One (1) candy corn drum coater (identified as EU-9), with a maximum throughput capacity of 7,816 pounds of candy per hour and maximum usage of rate 35.5 pounds of candy coating per hour, and exhausting at stack S9. This unit was installed in 2002.
- (e) One (1) candy corn drum polisher (identified as EU-10), with a maximum throughput capacity of 7,816 pounds of candy per hour and maximum usage rate 19.0 pounds of candy coating per hour, and exhausting at stack S9. This unit was installed in 2002.

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) Mogul operations
 - (1) One (1) Mogul 1 - mold preparation unit (identified as EU-11) with a maximum throughput capacity of 10,286 pounds of candy per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1985. [326 IAC 6-3-2]

- (2) One (1) Mogul 1 - starch conditioning unit (identified as EU-12) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1985. [326 IAC 6-3-2]
- (3) One (1) Mogul 2 - mold preparation unit (identified as EU-13) with a maximum throughput capacity of 10,857 pounds of candy per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1995. [326 IAC 6-3-2]
- (4) One (1) Mogul 2 - starch conditioner dryer (identified as EU-14) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S11. This unit was installed in 1995. [326 IAC 6-3-2]
- (5) One (1) Mogul 2 - starch conditioner cooler (identified as EU-15) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S12. This unit was installed in 1995. [326 IAC 6-3-2].
- (6) One (1) Mogul 3 - mold preparation unit (identified as EU-16) with a maximum throughput capacity of 7,816 pounds of candy per hour, using a fabric filter and exhausting at stack S13. This unit was installed in 2002. [326 IAC 6-3-2]
- (7) One (1) Mogul 3 - starch conditioner dryer (identified as EU-17) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S14. This unit was installed in 2002. [326 IAC 6-3-2]
- (8) One (1) Mogul 3 - starch conditioner cooler (identified as EU-18) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S15. This unit was installed in 2002. [326 IAC 6-3-2]
- (b) One (1) laser cleaner (identified as EU-19) with a maximum throughput capacity of 7,816 pounds of candy per hour, using a fabric filter and exhausting inside the building. This unit was installed in 2002. [326 IAC 6-3-2]
- (c) Six (6) dust top lines (identified as EU-20 through EU-26) each with a maximum throughput capacity of 4,222 pounds of candy per hour, using a fabric filters and exhausting inside the building. These lines were installed prior to 1989. [326 IAC 6-3-2]
- (d) Two (2) natural gas-fired boilers (identified as EU-2 and EU-3) each with a maximum heat input capacity of 8.70 MMBtu per hour and exhausting at stacks S2 and S3. These units were installed in 1958. [326 IAC 6-2-3]

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) for a Federally Enforceable State Operating Permit (FESOP).

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

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

SECTION B GENERAL CONDITIONS

B.1 Permit No Defense [IC 13]

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.

B.2 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.3 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.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. The initial certification shall cover the time period from the date of final permit issuance through December 31 of the same year. All subsequent certifications shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in letter form no later than July 1 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) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, including the following information on each facility:
 - (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and

- (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

If due to circumstances beyond the Permittee's control, the PMPs cannot be prepared and maintained within the above time frame, the Permittee may extend the date an additional ninety (90) days provided the Permittee notifies:

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

The PMP extension notification does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (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 "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (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, except as provided in 326 IAC 2-8-12.
- (b) An emergency, as defined in 326 IAC 2-7-1(12), constitutes an affirmative defense to an action brought for noncompliance with a health-based or technology-based emission limitation if the affirmative defense of an emergency is demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that describes 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 No.: 1-800-451-6027 (ask for Office of Air Quality, Compliance Section) or,
Telephone No.: 317-233-5674 (ask for Compliance Section)
Facsimile No.: 317-233-5967

- (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 "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (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) Operations may continue during an emergency only if the following conditions are met:
 - (1) 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.
 - (2) If an emergency situation causes a deviation from a health-based limit, the Permittee may not continue to operate the affected emissions facilities unless:
 - (A) The Permittee immediately takes all reasonable steps to correct the emergency situation and to minimize emissions; and
 - (B) Continued operation of the facilities is necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw material of substantial economic value.

Any operations shall continue no longer than the minimum time required to prevent the situations identified in (g)(2)(B) of this condition.

- (h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

B.14 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
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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.15 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.16 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:

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- (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.17 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:

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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.18 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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Permits Branch, Office of Air Quality
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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). 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.19 Permit Revision 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.20 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.21 Transfer of Ownership or Operational Control [326 IAC 2-8-10]

- (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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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.22 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.23 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 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]

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.
- (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) 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.

(c) 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 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:

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Asbestos Section, Office of Air Quality
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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.8 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.9 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.10 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 within ninety (90) days of permit issuance. If required by Section D, the Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. If due to circumstances beyond its control, that equipment cannot be installed and operated within ninety (90) days, the Permittee may extend the compliance schedule related to the equipment for an additional ninety (90) days provided the Permittee notifies:

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

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).

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.11 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.12 Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-8-4(3)] [326 IAC 2-8-5(1)]

- (a) Whenever a condition in this permit requires the measurement of pressure drop across any part of the unit or its control device, the gauge employed shall have a scale such that the expected normal reading shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent ($\pm 2\%$) of full scale reading.
- (b) The Permittee may request that the IDEM, OAQ approve the use of 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.13 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.14 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.15 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.16 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.17 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:

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- (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) The first report covered the period commencing on the date of issuance of the original FESOP and ended on the last day of the reporting period. All subsequent reporting periods shall be 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.18 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)]:

- (a) One (1) natural gas-fired boiler (identified as EU-1) with a maximum heat input capacity of 25 MMBtu per hour and exhausting at stack S1. This unit was installed in 1997.

Insignificant Activities:

- (d) Two (2) natural gas-fired boilers (identified as EU-2 and EU-3), each with a maximum heat input capacity of 8.70 MMBtu per hour and exhausting at stacks S2 and S3. These units were installed in 1958. [326 IAC 6-2-3]

(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 6-2-3]

- (a) Pursuant to 326 IAC 6-2-4(a), the particulate emissions from the 25 MMBtu per hour boiler (identified as EU-1) which was existing and in operation after September 21, 1983 shall be limited to 0.41 pounds per MMBtu heat input.

This limitation is based on the following equation:

$$Pt = \frac{1.09}{Q^{0.26}}$$

Where:

Pt = Emission rate limit (lbs PM per MMBtu)

Q = Total source heat input capacity rating in million Btu per hour (42.4 MMBtu per hour)

- (b) Pursuant to 326 IAC 6-2-3 (d) (Particulate Emission Limitations for Sources of Indirect Heating: emission limitations for facilities specified in 326 IAC 6-2-1(c)), PM emissions from all facilities used for indirect heating purposes which were existing and in operation on or before June 8, 1972, shall in no case exceed 0.8 pounds of particulate matter per million British thermal units heat input.

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

D.1.2 Record Keeping Requirements

- (a) Pursuant to 40 CFR 60.48c(g) and 60.48c(i), the Permittee shall maintain daily fuel records for the one (1) 25 MMBtu per hour natural gas-fired boiler (identified as EU-1).
- (b) The Permittee shall submit the initial notification required by 40 CFR 60.48c(a) for one (1) natural gas-fired boiler (identified as EU-1) within thirty (30) days of the date of issuance of this permit.
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:

- (b) Four (4) belt polishers (identified as EU-4, EU-5, EU-6 and EU-7), each with a maximum throughput capacity of 500 pounds of candy per hour and maximum usage rate of 1.03 pounds of polish per hour; exhausting at stacks S4, S5, S6, and S7. EU-4 and EU-5 were installed in 2000 and 2001; EU-6 and EU-7 were both installed in 2003.
- (c) One (1) coater & polisher unit (identified as EU-8), with a maximum throughput capacity of 720 pounds of candy per hour and 1.50 pounds of polish per hour and exhausting at stack S8. This unit was installed in 1997.
- (d) One (1) candy corn drum coater (identified as EU-9), with a maximum throughput capacity of 7,816 pounds of candy per hour and maximum usage rate of 35.5 pounds of candy coating per hour, and exhausting at stack S9. This unit was installed in 2002.
- (e) One (1) candy corn drum polisher (identified as EU-10), with a maximum throughput capacity of 7,816 pounds of candy per hour and maximum usage rate 19.0 pounds of candy coating per hour, and exhausting at stack S9. This unit was installed in 2002.

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

General Construction Conditions

D.2.1 Permit No Defense

This permit to construct does not relieve the Permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated there-under, as well as other applicable local, state, and federal requirements.

Effective Date of the Permit

D.2.2 Effective Date of the Permit [IC13-15-5-3]

Pursuant to IC 13-15-5-3, this section of this permit becomes effective upon its issuance.

D.2.3 Modification to Construction Conditions [326 IAC 2]

All requirements of these construction conditions shall remain in effect unless modified in a manner consistent with procedures established for revisions pursuant to 326 IAC 2.

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

D.2.4 Volatile Organic Compounds (VOCs) [326 IAC 2-8] [326 IAC 8-1-6]

- (a) The amount of VOC delivered to the one (1) candy corn drum coater, identified as EU-9, shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period, with compliance determined at the end of each month.
- (b) The amount of VOC delivered to the one (1) candy corn drum polisher, identified as EU-10 shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period, with compliance determined at the end of each month.

VOC limits in paragraph (a) and (b) plus VOC emissions from units EU-4 through EU-8 and three (3) natural gas-fired boilers (as described in Section D.1) result in VOC emissions from the entire source equal to 67.5 tons per year.

Therefore, compliance the above limits render the requirements of 326 IAC 2-7 (Part 70 Permit Program) and 326 IAC 8-1-6 (BACT) not applicable.

D.2.5 Preventive Maintenance Plan [326 IAC 2-8-4(9)]

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

Compliance Determination Requirements

D.2.6 Volatile Organic Compounds (VOC)

Compliance with the VOC usage limitations contained in Conditions D.2.4 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) by preparing or obtaining from the manufacturer the copies of the "as supplied" and "as applied" VOC data sheets. IDEM, OAQ, reserves the authority to determine compliance using Method 24 in conjunction with the analytical procedures specified in 326 IAC 8-1-4.

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

D.2.7 Record Keeping Requirements

- (a) To document compliance with Condition D.2.4, the Permittee shall maintain records in accordance with (1) and (2) below. Records maintained for (1) and (2) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits established in Condition D.2.4.
 - (1) The amount and VOC content of coating/polisher and solvent used on a monthly basis. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used.
 - (2) The total VOC usage for each month.
- (b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.2.8 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.2.4 shall be submitted to the addresses listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

SECTION D.3

FACILITY OPERATION CONDITIONS

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

- (a) Mogul operations
- (1) One (1) Mogul 1 - mold preparation unit (identified as EU-11) with a maximum throughput capacity of 10,286 pounds of candy per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1985. [326 IAC 6-3-2]
 - (2) One (1) Mogul 1 - starch conditioning unit (identified as EU-12) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1985. [326 IAC 6-3-2]
 - (3) One (1) Mogul 2 - mold preparation unit (identified as EU-13) with a maximum throughput capacity of 10,857 pounds of candy per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1995. [326 IAC 6-3-2]
 - (4) One (1) Mogul 2 - starch conditioner dryer (identified as EU-14) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S11. This unit was installed in 1995. [326 IAC 6-3-2]
 - (5) One (1) Mogul 2 - starch conditioner cooler (identified as EU-15) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S12. This unit was installed in 1995. [326 IAC 6-3-2].
 - (6) One (1) Mogul 3 - mold preparation unit (identified as EU-16) with a maximum throughput capacity of 7,816 pounds of candy per hour, using a fabric filter and exhausting at stack S13. This unit was installed in 2002. [326 IAC 6-3-2]
 - (7) One (1) Mogul 3 - starch conditioner dryer (identified as EU-17) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S14. This unit was installed in 2002. [326 IAC 6-3-2]
 - (8) One (1) Mogul 3 - starch conditioner cooler (identified as EU-18) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S15. This unit was installed in 2002. [326 IAC 6-3-2]
- (b) One (1) laser cleaner (identified as EU-19) with a maximum throughput capacity of 7,816 pounds of candy per hour, using a fabric filter and exhausting inside the building. This unit was installed in 2002. [326 IAC 6-3-2]
- (c) Six (6) dust top lines (identified as EU-20 through EU-26) each with a maximum throughput capacity of 4,222 pounds of candy per hour, using a fabric filters and exhausting inside the building. These lines were installed prior to 1989. [326 IAC 6-3-2]

(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.3.1 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 starch handling facilities shall not exceed the pounds per hour limits as described in the table below:

Equipment Description	Unit ID	Max. Throughput Rate (tons per hour)	Particulate Emission Limit (lbs per hour)
Mogul 1	EU-11	5.14	12.3
Starch Conditioner – Mogul 1	EU-12	9.92	19.1
Mogul 2	EU-13	5.42	12.7
Starch Conditioner Dryer – Mogul 2	EU-14	9.92	19.1
Starch Conditioner Cooler – Mogul 2	EU-15	9.92	19.1
Mogul 3	EU-16	3.91	10.2
Starch Conditioner Dryer – Mogul 3	EU-17	9.92	19.1
Starch Conditioner Cooler – Mogul 3	EU-18	9.92	19.1
Laser Cleaner	EU-19	3.90	10.2
Dust Top Line 1	EU-20	2.11	6.76
Dust Top Line 2	EU-21	2.11	6.76
Dust Top Line 3	EU-22	2.11	6.76
Dust Top Line 4	EU-23	2.11	6.76
Dust Top Line 5	EU-24	2.11	6.76
Dust Top Line 6	EU-25	2.11	6.76
Dust Top Line 7	EU-26	2.11	6.76

The pounds per hour limitation were calculated with the following equation:

Interpolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$$E = 4.10 P^{0.67}$$

where E = rate of emission in pounds per hour;
 and P = process weight rate in tons per hour

D.3.2 Preventive Maintenance Plan [326 IAC 2-8-4(9)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for emission units EU-11 through EU-19 and their control devices.

Compliance Determination Requirements

D.3.3 Particulate Control

- (a) Except as otherwise provided by statute, rule, or this permit, the baghouses for PM control shall be in operation and control emissions at all times the associated coal processing or drop point conveyors are in operation.
- (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.3.4 Visible Emissions Notations

- (a) Daily visible emission notations of the starch handling process lines stack exhaust shall be performed during normal daylight operations when exhausting to the atmosphere. 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.3.5 Parametric Monitoring

The Permittee shall record the pressure drop across the fabric filters used in conjunction with the starch handling process lines at least once per day when the starch handling process lines are in operation when venting to the atmosphere. When for any one reading, the pressure drop across the baghouse is outside the normal range of 3.0 and 6.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- Response to Excursions or Exceedances. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.

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.3.6 Broken or Failed Fabric Filter Detection

- (a) For a single compartment baghouse controlling emissions from a process operated continuously, failed units and the associated process shall be shut down immediately until the failed unit have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).
- (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 the material in the emission units. 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 Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.3.7 Record Keeping Requirements

- (a) To document compliance with Condition D.3.4, the Permittee shall maintain records of visible emission notations of the starch handling process lines stack exhaust once per day.
- (b) To document compliance with Condition D.3.5, the Permittee shall maintain records once per day of the pressure drop during normal operation when venting to the atmosphere.
- (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: Zachary Confections, Inc.
Source Address: 2130 West State Road 28, Frankfort, Indiana 46041
Mailing Address: P.O. Box 219, Frankfort, Indiana 46041
FESOP No.: F023-21425-00039

**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
Phone: 317-233-5674
Fax: 317-233-5967**

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

Source Name: Zachary Confections, Inc.
Source Address: 2130 West State Road 28, Frankfort, Indiana 46041
Mailing Address: P.O. Box 219, Frankfort, Indiana 46041
FESOP No.: F023-21425-00039

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 317-233-5674, ask for Compliance Section); and• The Permittee must submit notice in writing or by facsimile within two (2) working days (Facsimile Number: 317-233-5967), 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**

FESOP Quarterly Report

Source Name: Zachary Confections, Inc.
Source Address: 2130 West State Road 28, Frankfort, Indiana 46041
Mailing Address: P.O. Box 219, Frankfort, Indiana 46041
FESOP No.: F023-21425-00039
Facility: Candy corn drum coater EU-9
Parameter: VOC
Limit: Less than 25 tons per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR: _____

Month	Column 1	Column 2	Column 1 + Column 2
	This Month	Previous 11 Months	12 Month Total
Month 1			
Month 2			
Month 3			

- No deviation occurred in this quarter.
- Deviation/s occurred in this quarter.
Deviation has been reported on: _____

Submitted by: _____
Title / Position: _____
Signature: _____
Date: _____
Phone: _____

Attach a signed certification to complete this report.

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

FESOP Quarterly Report

Source Name: Zachary Confections, Inc.
Source Address: 2130 West State Road 28, Frankfort, Indiana 46041
Mailing Address: P.O. Box 219, Frankfort, Indiana 46041
FESOP No.: F023-21425-00039
Facility: Candy corn drum coater EU-10
Parameter: VOC
Limit: Less than 25 tons per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR: _____

Month	Column 1	Column 2	Column 1 + Column 2
	This Month	Previous 11 Months	12 Month Total
Month 1			
Month 2			
Month 3			

- No deviation occurred in this quarter.
- Deviation/s occurred in this quarter.
Deviation has been reported on: _____

Submitted by: _____
Title / Position: _____
Signature: _____
Date: _____
Phone: _____

Attach a signed certification to complete 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: Zachary Confections, Inc.
 Source Address: 2130 West State Road 28, Frankfort, Indiana 46041
 Mailing Address: P.O. Box 219, Frankfort, Indiana 46041
 FESOP No.: F023-21425-00039

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 ΔNo 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: _____

Attach a signed certification to complete this report.

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

Addendum to the
Technical Support Document (TSD)
for a Federally Enforceable State Operating Permit and
New Source Review

Source Background and Description

Source Name: Zachary Confections, Inc.
Source Location: 2130 West State Road 28, Frankfort, Indiana 46041
County: Clinton
SIC Code: 2064
Operation Permit No.: 023-21425-00039
Permit Reviewer: ERG/SD

On October 4, 2005 the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) had a notice published in The Times, Frankfort, Indiana, stating that Zachary Confections, Inc. had applied for a Federally Enforceable State Operating Permit (FESOP) to construct and operate a stationary candy manufacturing plant. The notice also stated that IDEM, OAQ proposed to issue a permit for this construction and operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

On October 20, 2005, Zachary Confections, Inc. submitted comments on the proposed FESOP. The summary of the comments and responses are shown below. Deleted text is shown in ~~strikeout~~ and new text is shown in **bold**. The Table of Contents has been updated as necessary.

Comment 1:

The Permittee stated that the phrase "EU-1" should be inserted after 40 CFR 60.48c(a) in Condition D.1.2(b) to clarify that the initial notification is only required for emission unit EU-1.

Response to Comment 1:

Condition D.1.2 (b) has been revised as requested.

D.1.2 Record Keeping Requirements

...

(b) The Permittee shall submit the initial notification required by 40 CFR 60.48c(a) **for one (1) natural gas-fired boiler (identified as EU-1)** within thirty (30) days of the date of issuance of this permit.

...

Comment 2:

The Permittee commented that each of the emission units listed under Section D.3 are considered insignificant because each unit has a controlled potential to emit of 0.37 tons per year or less, based on operating 8760 hours per year. Most of the units exhaust inside in areas where workers are present to immediately detect a malfunction. The compliance monitoring requirements and

record keeping requirements included in current Section D.3 are excessive for the insignificant emission units that do not have a reasonable potential to exceed the permit limits.

If IDEM, OAQ does require some type of monitoring, the combination of daily visible emission monitoring, daily pressure drop monitoring, and quarterly fabric filter inspections is too burdensome for the insignificant activities. Specifically, the Permittee requested the following:

- (a) Delete D.3.4 (Visible Emission Notations) because this requirement does not apply to most of the units since ten (10) of the fourteen (14) units exhaust inside the building.
- (b) Delete D.3.5 (Parametric Monitoring) because none of the baghouses are equipped with parametric monitors. Due to their design, parametric gauges cannot be installed on the dust top line units. For those that can be equipped with pressure gauge, the total capital cost for all gauges is estimated at \$3,000, which is a substantial amount.
- (c) Retain D.3.6 (Fabric Filter Inspections) because the Permittee recognizes the need to maintain this equipment in proper working order. Moreover, the existing maintenance schedule includes periodic inspections.
- (d) Delete D.3.8 (Record Keeping Requirements)

Response to Comment 2:

Compliance monitoring conditions such as described in Section D.3 are necessary to demonstrate continuous compliance with the permit requirements. For example, visible emission notations are used to indicate compliance with the provisions of 326 IAC 5-1 (Opacity) and the particulate matter limits pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes). Moreover, compliance monitoring conditions and associated record keeping requirements were included in Section D.3 for fabric filters that were determined by IDEM, OAQ to be integral to the process. This determination allows the Permittee to operate their plant without particulate matter limits under 326 IAC 2-8 (FESOP). For units that exhaust inside the building, the Permittee is not required to perform visible emissions. For this reason, Condition D.3.4(a) and D.3.5 included the phrase "...when exhausting to the atmosphere". IDEM, OAQ has made changes to Conditions D.3.4, D.3.5, D.3.6, D.3.7 and D.3.8 as described below.

- (a) Item (e) under Condition D.3.4 for Visible Emission Notations has been revised to remove references to a Compliance Response Plan because IDEM, OAQ has reconsidered the requirement to develop and follow a Compliance Response Plan as described on Page 7 of 9 of this Addendum.
- (b) Condition D.3.5 for Parametric Monitoring has been revised.
- (c) Condition D.3.6 (Fabric Filter Inspections) has been deleted from the permit. IDEM, OAQ 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. In addition the requirement to keep records of the inspection has been removed.
- (d) Condition D.3.3 - Particulate Control and Condition D.3.6 - Broken or Failed Fabric Filter Detection (formerly D.3.7) have been revised as follows:
 - (1) Paragraph (a) of Condition D.3.7 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 Condition D.3.3 requiring the Permittee to notify IDEM, OAQ if a broken bag is detected and the control device will not be repaired for more than ten (10) days. This notification allows IDEM, OAQ 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.

- (2) Paragraph (b) of Condition D.3.7 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, OAQ is aware there can be safety issues with shutting down a process in the middle of a batch. IDEM, OAQ 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, OAQ 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.
- (e) Condition D.3.7 (formerly D.3.8) for Record Keeping Requirements was revised in lieu of the above changes.

D.3.4 Visible Emissions Notations

- ...
- (e) ~~The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an~~ **If abnormal emissions is 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 - ~~Compliance Response Plan—Preparation, Implementation, Records and Reports~~ **Response to Excursions or Exceedances** shall be considered a deviation from this permit.

D.3.5 Parametric Monitoring

The Permittee shall record the ~~total static~~ pressure drop across the fabric filters used in conjunction with the starch handling process lines at least once per day when the starch handling process lines are in operation when venting to the atmosphere. When for any one reading, the pressure drop across the baghouse is outside the normal range of 3.0 and 6.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- ~~Compliance Response Plan—Preparation, Implementation, Records and Reports~~ **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 - ~~Compliance Response Plan—Preparation, Implementation, Records and Reports~~ **to Excursions or Exceedances** shall be considered a deviation from this permit.

The instrument used for determining the pressure shall comply with Section C - ~~Pressure Gauge and Other 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.3.6 Fabric Filter Inspections~~

~~An inspection shall be performed each calendar quarter of all fabric filters controlling the starch handling process lines when venting to the atmosphere. A fabric filter inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. Inspections required by this condition shall not be performed in consecutive months. All defective fabric filters shall be replaced.~~

D.3.3 Particulate Control

~~In order to comply with Condition D.3.1, the fabric filters for particulate control shall be in operation and control emissions from the starch handling facilities at all times that the starch handling facilities are in operation.~~

- (a) **Except as otherwise provided by statute, rule, or this permit, the baghouses for PM control shall be in operation and control emissions at all times the associated coal processing or drop point conveyors are in operation.**

- (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.

D.3.76 Broken or Failed Fabric Filter Detection

~~In the event that fabric filter failure has been observed:~~

- ~~(a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit. If operations continue after fabric filter failure is observed and it will be 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.~~
- (b) (a) For a single compartment baghouses **controlling emissions from a process operated continuously**, if failure is indicated by a significant drop in the baghouse's pressure readings with abnormal visible emissions or the failure is indicated by an opacity violation, or if bag failure is determined by other means, such as gas temperatures, flow rates, air infiltration, leaks, dust traces or triboflows, then failed units and the associated process **shall** be shut down immediately until the failed units have **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 baghouses **controlling emissions from a batch process**, the feed to the process shall be shut down immediately until the failed units have been repaired or replaced. The emissions unit shall be shut down no later than the completion of the processing of the material in the emission units. 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 Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.3.87 Record Keeping Requirements

- (a) To document compliance with Condition D.3.4, the Permittee shall maintain records of visible emission notations of the starch handling process lines stack exhaust once per day.
- (b) To document compliance with Condition D.3.5, the Permittee shall maintain records once per day of the ~~total static~~ pressure drop during normal operation when venting to the

atmosphere.

- ~~(c) To document compliance with Condition D.3.6, the Permittee shall maintain records of the results of the inspections required under Condition D.3.6.~~
- ~~(d) To document compliance with Condition D.3.2, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.~~
- (ec) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

Comment 3:

The Permittee commented that the potential to emit calculations for emission units EU-16, EU-17, EU-18 and EU-19 should be based on the maximum operating rate of 6,936 hours per year because this correlates to the bottleneck effect of the stoving rooms.

Response to Comment 3:

The stoving rooms were modified to increase the holding capacity from 74, 250 to 148,500 pounds of candy per day and the bottleneck effect to emission units EU-9 and EU-10 were taken into account. The potential to emit estimations in Appendix A are correct. No changes have been made to the TSD because the IDEM, OAQ prefers that the TSD reflect the permit that was on public notice. Changes to the permit that occur after the public notice are documented in this Addendum. This accomplishes the desired result of ensuring that these types of concerns are documented and part of the record regarding this permit decision.

Upon further review, the IDEM, OAQ has decided to make the following revisions to the permit (bolded language has been added, the language with a line through it has been deleted). The Table of Contents has been updated as necessary.

1. IDEM, OAQ has determined that the Permittee is not required to keep records of all preventive maintenance. 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, OAQ has deleted paragraph (b) of Section B.12 – Preventive Maintenance, and has amended item (e) of Section B.13 – Emergency Provisions condition as follows:

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

...

- ~~(b) The Permittee shall implement the PMPs, including any required record keeping, as necessary to ensure that failure to implement a PMP does not cause or contribute to an exceedance of any limitation on emissions or potential to emit.~~
- (eb) 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 does not require the certification by the “authorized individual” as defined by 326 IAC 2-1.1-1(1).
- (dc) 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]

...

- (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 2-7-4(c)(9) be revised in response to an emergency.**

...

2. For clarification, Condition B.18 has been revised as shown below.

B.18 Operational Flexibility [326 IAC 2-8-15][326 IAC 2-8-11.1]

....

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

....

- (5) The Permittee maintains records on-site, **on a rolling five (5) year basis**, which document, ~~on a rolling five (5) year basis~~, all such changes and emissions trading **trades** that are subject to 326 IAC 2-8-15(b). ~~through (d)~~ **The Permittee shall make and makes** 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 ~~in emissions in~~ at the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-8-15(c).

3. Condition C.7 for Operation of Equipment [326 IAC 2-8-5(a)(4)] has been removed because the same requirements are listed in revised Condition D.3.3. Remaining conditions under Section C were renumbered accordingly.

~~C.7 Operation of Equipment [326 IAC 2-8-5(a)(4)]~~

~~Except as otherwise provided by statute, rule or in this permit, all air pollution control equipment listed in this permit and used to comply with an applicable requirement shall be operated at all times that the emission units vented to the control equipment are in operation.~~

4. IDEM, OAQ realizes that the specifications listed under Condition C.12 (formerly C.13) can only be practically applied to analog units, and has therefore clarified this condition to state that the condition only applies to analog units. Upon further review, IDEM, OAQ 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 (formerly C.13).

C.1312 Pressure Gauge and Other Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-8-4(3)]
[326 IAC 2-8-5(1)]

- (a) Whenever a condition in this permit requires the measurement of pressure drop across any part of the unit or its control device, the gauge employed shall have a scale such that the expected normal reading shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent (2%) of full scale reading.

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

5. IDEM, OAQ 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 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. The Section D conditions that refer to this condition (see Comment 1) have been revised to reflect the new condition title, and the following changes have been made to the Section C condition:

C.1415 Compliance Response Plan—Preparation, Implementation, Records, and Reports Response to Excursions or Exceedances [326 IAC 2-8-4] [326 IAC 2-8-5]

- ~~(a) The Permittee is required to prepare a Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. A CRP shall be submitted to IDEM, OAQ upon request. The CRP shall be prepared within ninety (90) days after issuance of this permit by the Permittee, supplemented from time to time by the Permittee, maintained on site, and is comprised of:~~
- ~~(1) Reasonable response steps that may be implemented in the event that a response step is needed pursuant to the requirements of Section D of this permit; and an expected time frame for taking reasonable response steps.~~
 - ~~(2) If, at any time, the Permittee takes reasonable response steps that are not set forth in the Permittee's current Compliance Response Plan and the Permittee documents such response in accordance with subsection (e) below, the Permittee shall amend its Compliance Response Plan to include such response steps taken.~~
- ~~(b) For each compliance monitoring condition of this permit, reasonable response steps shall be taken when indicated by the provisions of that compliance monitoring condition as follows:~~
- ~~(1) Reasonable response steps shall be taken as set forth in the Permittee's current Compliance Response Plan; or~~
 - ~~(2) If none of the reasonable response steps listed in the Compliance Response Plan is applicable or responsive to the excursion, the Permittee shall devise and implement additional response steps as expeditiously as practical. Taking such additional response steps shall not be considered a deviation from this permit so long as the Permittee documents such response steps in accordance with this condition.~~
 - ~~(3) If the Permittee determines that additional response steps would necessitate that the emissions unit or control device be shut down, and it will be ten (10) days or more until the unit or device will be shut down, then the Permittee shall promptly notify the IDEM, OAQ of the expected date of the shut down. The notification shall also include the status of the applicable compliance monitoring parameter with respect to normal, and the results of the response actions taken up to the time of notification.~~
 - ~~(4) Failure to take reasonable response steps shall be considered a deviation from the permit.~~

- ~~(c) The Permittee is not required to take any further response steps for any of the following reasons:~~
- ~~(1) A false reading occurs due to the malfunction of the monitoring equipment and prompt action was taken to correct the monitoring equipment.~~
 - ~~(2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for an administrative amendment to the permit, and such request has not been denied.~~
 - ~~(3) An automatic measurement was taken when the process was not operating.~~
 - ~~(4) The process has already returned or is returning to operating within "normal" parameters and no response steps are required.~~
- ~~(d) When implementing reasonable steps in response to a compliance monitoring condition, if the Permittee determines that an exceedance of an emission limitation has occurred, the Permittee shall report such deviations pursuant to Section B-Deviations from Permit Requirements and Conditions.~~
- ~~(e) The Permittee shall record all instances when response steps are taken. In the event of an emergency, the provisions of 326 IAC 2-8-12 (Emergency Provisions) requiring prompt corrective action to mitigate emissions shall prevail.~~
- ~~(f) Except as otherwise provided by a rule or provided specifically in Section D, all monitoring as required in Section D shall be performed when the emission unit is operating, except for time necessary to perform quality assurance and maintenance activities.~~
- (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.**

6. IDEM has determined that the Permittee is not required to keep records of all preventive maintenance. 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 D.2.7 as follows.

D.2.7 Record Keeping Requirements

...

- ~~(b) To document compliance with Condition D.2.5, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.~~
- ~~(e)~~**(b)** All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

7. The mailing address for IDEM, OAQ has been changed as follows. This change has been made throughout the permit.

Indiana Department of Environmental Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana ~~46206-6015~~ **46204-2251**

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

**Technical Support Document (TSD) for a
Federally Enforceable State Operating Permit (FESOP) and New
Source Review**

Source Background and Description

Source Name:	Zachary Confections, Inc.
Source Location:	2130 West State Road 28, Frankfort, Indiana 46041
County:	Clinton
SIC Code:	2064
Operation Permit No.:	F023-21425-00039
Permit Reviewer:	ERG/SD

The Office of Air Quality (OAQ) has reviewed a FESOP application from Zachary Confections, Inc. relating to the operation of a stationary candy manufacturing plant.

History

On June 15, 2005, Zachary Confections, Inc., located in Frankfort County, submitted an application to IDEM, OAQ requesting permission to operate their existing candy manufacturing plant under the provisions of 326 IAC 2-6.1 (MSOP).

Zachary Confections, Inc. began manufacturing candy at the Frankfort facility in 1984 and modified its facilities in 1997, 2000, 2002 and 2003. After the 2002 modification (addition of candy corn drum coater (EU-9) and candy corn drum polisher (EU-10)), the potential to emit of VOC from the entire source was equal to 80 tons per year. Therefore, this facility should have submitted an application for an operating permit pursuant to 326 IAC 2-6.1. Zachary Confections, Inc. submitted a self-disclosure statement to IDEM, OAQ on May 31, 2005.

On June 15, 2005, the Permittee also requested permission to modify the equipment that controls the entire production line capacity such that the holding capacity of the three (3) stoving rooms will be increased from 74,250 pounds of candy per day to 148,500 pounds of candy per day. The stoving rooms serve as a bottleneck upstream of the candy corn drum coater (EU-9) and candy corn drum polisher (EU-10) because all candy is cured for a day in the stoving rooms prior to its processing in the coating EU-9 and polisher EU-10. The potential to emit VOC after this modification is greater than 100 tons per year from the entire source, with the majority of emissions resulting from units EU-9 and EU-10. Therefore, the provisions of 326 IAC 2-8 (FESOP) apply and the VOC emissions will be limited to less than major source threshold levels.

Unpermitted Emission Units and Pollution Control Equipment

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

- (a) One (1) natural gas-fired boiler (identified as EU-1), with a maximum heat input capacity of 25 MMBtu per hour and exhausting at stack S1. This unit was installed in 1997.
- (b) Four (4) belt polishers (identified as EU-4, EU-5, EU-6 and EU-7), each with a maximum

throughput capacity of 500 pounds of candy per hour and maximum usage rate of 1.03 pounds of polish per hour; exhausting at stacks S4, S5, S6, and S7. EU-4 and EU-5 were installed in 2000 and 2001; EU-6 and EU-7 were both installed in 2003.

- (c) One (1) coater & polisher unit (identified as EU-8), with a maximum throughput capacity of 720 pounds of candy per hour and maximum usage rate of 1.50 pounds of polish per hour and exhausting at stack S8. This unit was installed in 1997.
- (d) One (1) candy corn drum coater (identified as EU-9), with a maximum throughput capacity of 7,816 pounds of candy per hour and maximum usage rate of 35.5 pounds of candy coating per hour, and exhausting at stack S9. This unit was installed in 2002.
- (e) One (1) candy corn drum polisher (identified as EU-10), with a maximum throughput capacity of 7,816 pounds of candy per hour and maximum usage rate 19.0 pounds of candy coating per hour, and exhausting at stack S9. This unit was installed in 2002.

Permitted Emission Units and Pollution Control Equipment

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

Insignificant Activities

The source also consists of the following insignificant activities, as defined in 326 IAC 2-7-1(21):

- (a) Mogul operations
 - (1) One (1) Mogul 1 - mold preparation unit (identified as EU-11) with a maximum throughput capacity of 10,286 pounds of candy per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1985. [326 IAC 6-3-2]
 - (2) One (1) Mogul 1 - starch conditioning unit (identified as EU-12) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1985. [326 IAC 6-3-2]
 - (3) One (1) Mogul 2 - mold preparation unit (identified as EU-13) with a maximum throughput capacity of 10,857 pounds of candy per hour, using a fabric filter and exhausting at stack S10. This unit was installed in 1995. [326 IAC 6-3-2]
 - (4) One (1) Mogul 2 - starch conditioner dryer (identified as EU-14) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S11. This unit was installed in 1995. [326 IAC 6-3-2]
 - (5) One (1) Mogul 2 - starch conditioner cooler (identified as EU-15) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S12. This unit was installed in 1995. [326 IAC 6-3-2].
 - (6) One (1) Mogul 3 - mold preparation unit (identified as EU-16) with a maximum throughput capacity of 7,816 pounds of candy per hour, using a fabric filter and exhausting at stack S13. This unit was installed in 2002. [326 IAC 6-3-2]
 - (7) One (1) Mogul 3 - starch conditioner dryer (identified as EU-17) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S14. This unit was installed in 2002. [326 IAC 6-3-2]
 - (8) One (1) Mogul 3 - starch conditioner cooler (identified as EU-18) with a maximum throughput capacity of 19,842 pounds of starch per hour, using a fabric filter and exhausting at stack S15. This unit was installed in 2002. [326 IAC 6-3-2]
- (b) One (1) laser cleaner (identified as EU-19) with a maximum throughput capacity of 7,816

pounds of candy per hour, using a fabric filter and exhausting inside the building. This unit was installed in 2002. [326 IAC 6-3-2]

- (c) Six (6) dust top lines (identified as EU-20 through EU-26) each with a maximum throughput capacity of 4,222 pounds of candy per hour, using a fabric filter and exhausting inside the building. These lines were installed prior to 1989. [326 IAC 6-3-2]
- (d) Two (2) natural gas-fired boilers (identified as EU-2 and EU-3) each with a maximum heat input capacity of 8.70 MMBtu per hour and exhausting at stacks S2 and S3. These units were installed in 1958. [326 IAC 6-2-3]

Note: This source also consists of three (3) stoving rooms that currently have a maximum holding capacity of 74,250 pounds of candy per day. The Permittee intends to modify the holding capacity of the stoving rooms from 74,250 to 148,500 pounds of candy per day. As previously discussed, this modification increases the throughput of units EU-9 and EU-10. However, there are no air emissions from the stoving rooms.

Existing Approvals

There are no previous approvals issued to this source.

Air Pollution Control Justification as an Integral Part of the Process

The company has submitted the following justification such that the fabric filters used in conjunction with the mold preparation units, starch conditioner, starch conditioner dryer and cooler, and dust top lines be considered as an integral part of these processes:

- (a) The primary purpose of the fabric filters is to collect materials (seasoned starch) necessary for production.

Mogul operations (i.e. mold preparation and starch conditioning) involve preparing a candy mold with starch, which is seasoned or conditioned (i.e. moisture content is reduced) prior to its application. The seasoned starch is deposited onto a board to form a mold for the candy shape. Liquid ingredients are added and then removed once they solidify. The seasoned starch serves three functions after being deposited: It holds the shape of the mold, does not stick to the print board, and removes moisture from the candy.

Use of unconditioned starch is not practical because it has a high moisture content, which does not hold its form once deposited and sticks to the print board. Furthermore, use of unconditioned starch does not create a significant difference in the moisture content between the starch and the liquid ingredients that is deemed necessary in order to remove moisture from the candy. Presence of high moisture in candy will result in distorted shapes and cause fermentation or mold growth. Therefore, the target moisture content range for conditioned starch is between 6 to 8 percent, with absolute maximum of 9 percent; while for the unconditioned starch it is typically at 12 percent. When running a high moisture item like marshmallows, the conditioned starch moisture content increases to 9 percent. The starch conditioning equipment is then employed to reduce the moisture content of the starch from 9 percent to the target range.

Use of new starch for every production run would prove inefficient since it would take considerable time for starch conditioning, i.e. reducing the moisture content from 12 percent to the target range. According to the Permittee, when new equipment (mogul for candy corn) was purchased, all trays contained new starch and the operation ran for seven days without any candy production in order to condition the starch such that it began to hold a good print and release properly from the print board. The purpose of the high efficiency fabric filters is to collect the seasoned starch to be reused in production after being removed from the board.

(b) The operation of fabric filters result in a significant cost savings.

(1) Dust Tops Lines EU-20 through EU-26

A typical dust top line fabric filter collects 50 pounds of starch in 9.5 hours and operates 2,600 hours per year. The starch is returned to the moguls for reuse for mold preparation. If the starch was not collected and discharged, it would need to be replaced with new starch at an equivalent rate. The cost of starch is \$0.215 per pound and the source operates seven (7) dust top lines. Therefore, annual savings are equal to:

$$50 \text{ lbs}/9.5 \text{ hours} * \$ 0.215 /\text{lb starch} * 2,600 \text{ hours}/\text{year} * 7 \text{ units} = \$ 20,813 \text{ per year.}$$

According to the Permittee, the combined capital cost for all of the dust top line fabric filters is equal to \$1,680; and the combined operation & maintenance cost is equal to \$4,200 per year. Therefore, there is a significant cost savings as compared to the cost of the controls.

(2) Laser Cleaner EU-19

The laser cleaner fabric filter collects 125 pounds of starch per hour, and operates 1,188 hours per year. The starch is returned to the moguls for reuse. If the starch was not collected and re-used, it would need to be replaced with new starch at an equivalent rate. The cost of starch is \$ 0.215 per pound. Therefore, the annual savings are equal to:

$$125 \text{ lbs}/\text{hour} * \$ 0.215 /\text{lb starch} * 1,188 \text{ hours}/\text{year} = \$ 31,927 \text{ per year.}$$

According to the Permittee, the capital cost for the laser cleaner fabric filter is equal to \$1,680; and the operation & maintenance cost is equal to \$4,200 per year. Therefore, there is a significant cost savings as compared to the cost of the controls.

(3) Units EU-11 through EU-18

Three (3) moguls are used in conjunction with starch handling facilities identified as EU-11 through EU-18. One mogul operates at a rate of 28 boards per minute and uses 11 pounds of starch per board. This is equivalent to 18,480 pounds of starch per hour. The facility adds approximately 1,000 pounds of new starch per day to each mogul, equivalent to 105 pounds of new starch per hour (when operating 9.5 hours per day). If the fabric filters used in conjunction with the moguls were not in operation, the starch cannot be collected for reuse. Therefore, the net increase of new starch consumption would be equal to 18,375 pounds of starch per hour (18,480 – 105). The cost of starch is equal to \$ 0.215 per pound. Therefore, for one hour an addition of new starch per mogul would cost \$3,950.63. For 2,600 hours of operation per year, the annual losses are equal to:

$$18,375 \text{ lbs starch}/\text{hour} * \$ 0.215 /\text{lb starch} * 2,600 \text{ hours}/\text{year} * 3 \text{ units} = \$30,814,875 \text{ per year.}$$

According to the Permittee, the capital cost for the fabric filters used in conjunction with the moguls is equal to \$25,920; and the operation & maintenance cost is equal to \$105,000 per year. Therefore, there is a significant cost savings as compared to the cost of the controls. Furthermore, since the new starch has a moisture content of approximately 12 percent, it would be necessary to condition it in order to reduce the moisture content to the target range. The conditioners (dryers and coolers) are not capable of seasoning the new starch fast enough to keep up with production rate. Therefore, this would lead to additional losses.

IDEM, OAQ has evaluated the justifications and agreed that the fabric filters will be considered as an integral part of the starch handling facilities because the filters are used as collection devices and their operation results in a significant cost savings. Therefore, the permitting level will be

determined using the potential to emit after the fabric filters. Operating conditions in the proposed permit will specify that the fabric filters shall operate at all times when the starch handling facilities are in operation.

Enforcement Issues

- (a) The emission units located at this plant have been operated prior to receipt of the proper permit.
- (b) IDEM is aware that the emission units located at this source were constructed prior to receipt of the proper permit. The specific equipment is listed in this Technical Support Document under the condition entitled "Unpermitted Emission Units and Pollution Control Equipment".
- (c) IDEM is reviewing this matter and will take appropriate action. This proposed permit is intended to satisfy the requirements of the operation permit rules.
- (d) IDEM, OAQ is aware that the one (1) 25 MMBtu per hour natural gas-fired boiler (identified as EU-1) is not in compliance with the requirements of 40 CFR 60.48c(a) and 40 CFR 60.48c(g) from 1997 through present. IDEM, OAQ is reviewing this matter and will take appropriate action.

Recommendation

The staff recommends to the Commissioner that the FESOP 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 application for the purposes of this review was received on June 15, 2005. Additional information was received on July 11, 2005.

Emission Calculations

See Appendix A of this document for detailed emissions calculations (pages 1 through 6).

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U.S. EPA, the department, or the appropriate local air pollution control agency."

Pollutant	Potential To Emit (tons/year)
PM	5.12
PM10	5.12
SO ₂	0.11
VOC	145
CO	15.6
NO _x	18.6

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

HAPs	Potential to Emit (tons/year)
Benzene	3.90E-04
Dichlorobenzene	2.23E-04
Formaldehyde	1.39E-02
Hexane	3.34E-01
Toluene	6.31E-04
Total	3.49E-01

- (a) The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of VOC is equal to or greater than 100 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7. The source will be issued a FESOP because the source will limit its emissions below the Title V levels.
- (b) The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of any single HAP is less than ten (10) tons per year and the potential to emit (as defined in 326 IAC 2-1.1-1(16)) of a combination of HAPs is less than twenty-five (25) tons per year.
- (c) Fugitive Emissions
 Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive particulate matter (PM) and volatile organic compound (VOC) emissions are not counted toward determination of PSD and Emission Offset applicability.

Potential to Emit After Issuance

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.

Emission Unit	Potential to Emit (tons/year)						
	PM	PM10	SO ₂	VOC	NO _x	CO	HAPs
Three NG-Fired Boilers	1.41	1.41	0.11	1.02	18.6	15.6	3.49E-01
**Starch Handling Facilities –Mogul 1, 2 and 3 EU-11 through EU-18	1.09	1.09	0.0	0.0	0.0	0.0	0.0
**Laser Cleaner/Dust Top Lines EU-19 through EU-26	2.71	2.71	0.0	0.0	0.0	0.0	0.0
Belt Polisher EU-4	0.0	0.0	0.0	3.02	0.0	0.0	0.0
Belt Polisher EU-5	0.0	0.0	0.0	3.02	0.0	0.0	
Belt Polisher EU-6	0.0	0.0	0.0	3.02	0.0	0.0	
Belt Polisher EU-7	0.0	0.0	0.0	3.02	0.0	0.0	
Coater & Polisher EU-8	0.0	0.0	0.0	4.34	0.0	0.0	
* Candy Corn Drum Coater EU-9	0.0	0.0	0.0	Less than 25	0.0	0.0	
* Candy Corn Drum Polisher EU-10	0.0	0.0	0.0	Less than 25	0.0	0.0	
Stoving Rooms	0.0	0.0	0.0	Negligible	0.0	0.0	
Total Emissions from the Entire Source	5.21	5.21	0.11	Less than 67.5	18.6	15.6	3.49E-01

* The potential VOC emissions from EU-9 and EU-10 are limited to less than 25 tons per twelve consecutive month period, with compliance determined at the end of each month to render the requirements of 326 IAC 8-1-6 not applicable.

** The potential hourly particulate emissions from these emission units are limited by 326 IAC 6-3. The values shown in this table are the potential from these units after the integral controls.

County Attainment Status

The source is located in Clinton County.

Pollutant	Status
PM10	Attainment
PM2.5	Attainment
SO ₂	Attainment
NO ₂	Attainment
1-hour Ozone	Attainment
8-hour Ozone	Attainment
CO	Attainment
Lead	Attainment

- (a) Clinton County has been classified as unclassifiable or attainment for PM2.5. U.S. EPA has not yet established the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 for PM2.5 emissions. Therefore, until the U.S. EPA adopts specific provisions for PSD review for PM2.5 emissions, it has directed states to regulate PM10 emissions as surrogate for PM2.5 emissions. See the State Rule Applicability for the entire source section.
- (b) 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. Clinton County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2. See the State Rule Applicability for the entire source section.
- (c) Clinton County has been classified as attainment or unclassifiable in Indiana for all other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD) and 326 IAC 2-2. See the State Rule Applicability for the entire source section.

Source Status

Existing Source PSD, Part 70, or FESOP definition (emissions after controls, based on 8760 hours of operation per year at rated capacity and/or as otherwise limited):

Pollutant	Emissions (tons/year)
PM	5.21
PM10	5.21
SO ₂	0.11
VOC	145
CO	15.6
NO _x	18.6
Single HAP	<10
Combination HAPs	<25

- (a) This existing source is not a major stationary source under PSD because no attainment regulated pollutant is emitted at a rate of 250 tons per year or greater and it is not in one of the 28 listed source categories.
- (b) These emissions were based on the potential to emit calculations for the source as detailed in Appendix A.

Federal Rule Applicability

- (a) The requirements of 40 CFR Part 60, Compliance Assurance Monitoring are not applicable because the Permittee has accepted limitations on its potential to emit of all criteria pollutants and agreed to operate under the provisions of 326 IAC 2-8 (Federally Enforceable State Operating Permit).
- (b) One (1) 25 MMBtu per hour natural gas-fired boiler (identified as EU-1) is subject to the requirements of the New Source Performance Standard, 40 CFR Part 60, Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units (326 IAC 12) because it was constructed after June 9, 1989, the applicability date for this rule and has a heat input capacity greater than 10 MMBtu per hour and less than 100 MMBtu per hour. However, EU-1 is subject to only the reporting requirements in 40 CFR Part 60.48c(g) and (i) because it combusts only natural gas.
- (1) As per the reporting requirements, the source shall maintain daily records of the amount of natural gas combusted.
- (2) If the source desires to change the timing of the recording of the fuel combusted from daily record to monthly record, then the source must send a request for this change to the following address:
- George Czerniak
c/o United States Environmental Protection Agency, Region V
Air and Radiation Division, Air Enforcement Branch - Indiana (AE-17 J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590
- This request should reference the NSPS requirement.
- (3) The Permittee shall submit an initial notification required by 40 CFR 60.48c(a) within thirty (30) days of issuance of this Permit.
- (c) The two (2) 8.7 MMBtu per hour natural gas-fired boilers (identified as EU-2 and EU-3) are not subject to the requirements of the New Source Performance Standard, 40 CFR Part 60, Subparts Da, Db, and Dc (326 IAC 12) because they have heat input capacities that are less than 10 MMBtu per hour.
- (d) There are no other New Source Performance Standards included in this permit.
- (e) The natural gas-fired boilers (identified as EU-1, EU-2, and EU-3) are not subject to the National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters, 40 CFR 63, Subpart DDDDD because these units are located at a source which is minor for hazardous air pollutant emissions.

There are no other National Emission Standards for Hazardous Air Pollutants (NESHAPs) (326 IAC 14, 326 IAC 20, 40 CFR Part 61, or 40 CFR Part 63) included in this permit.

State Rule Applicability – Entire Source

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

Zachary Confections, Inc. began its manufacturing operations in 1984 and it is not in one (1) of the twenty-eight (28) source categories. The source was modified as follows:

Units Installed	Year of Modification
EU-13, EU-14, and EU-15	1995
Boiler EU-1	1997
Belt Polisher EU-4	2000
Belt Polisher EU-5	2001
Candy Corn Drum Coater EU-9	2002
Candy Corn Drum Polisher EU-10	
Mold Preparation EU-16	
Starch Conditioner Dryer and Cooler EU-17 and EU-18	2003
Belt Polisher EU-06 and EU-07	

After each modification, the potential to emit of each criteria pollutant from the entire source remained less than 250 tons per year. On June 15, 2005, the Permittee submitted an application to request permission to modify the equipment that controls the entire production line capacity such that the holding capacity of the three (3) stoving rooms will be increased from 74,250 pounds of candy per day to 148,500 pounds of candy per day. The stoving rooms serve as a bottleneck upstream of the candy corn drum coater (EU-9) and candy corn drum polisher (EU-10). The potential to emit of VOC after this modification is greater than 100 tons per year and less than 250 tons per year. Therefore, this modification is not subject to the requirements of 326 IAC 2-2 (PSD).

After this modification, the potential to emit of all other criteria pollutants remains less than 250 tons per year. Therefore, this source is a minor source under 326 IAC 2-2 (PSD).

326 IAC 2-8 (Federally Enforceable State Operating Permit (FESOP))

The Permittee has requested permission to operate its candy manufacturing plant under the provisions of 326 IAC 2-8 (FESOP). In order to operate under the FESOP program, Zachary Confections, Inc., will limit the VOC emissions from the entire source to less than major source threshold levels. Therefore, pursuant to 326 IAC 2-8(FESOP):

- (a) The amount of VOC delivered to the one (1) candy corn drum coater, identified as EU-9 shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period, with compliance determined at the end of each month.
- (b) The amount of VOC delivered to the one (1) candy corn drum polisher, identified as EU-10 shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period, with compliance determined at the end of each month.

Compliance with VOC limits in paragraph (a) and (b) plus unrestricted VOC emissions from units EU-4 through EU-8 and three (3) natural gas-fired boilers result in VOC emissions from the entire source are equal to 67.5 tons per year and render the requirements of 326 IAC 2-7 (Part 70 Permit Program) not applicable.

326 IAC 2-4.1 (Major Sources of Hazardous Air Pollutants (HAP))

The operation of this stationary candy manufacturing plant does not have a potential to emit a single or combination of HAPs equal to or greater than ten (10) and twenty-five (25) tons per year, respectively. Therefore, the requirements of 326 IAC 2-4.1 are not applicable.

326 IAC 2-6 (Emission Reporting)

This source is located in Clinton County and is not required to operate under a Part 70 permit. Therefore, 326 IAC 2-6 does not apply.

326 IAC 5-1 (Opacity Limitations)

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

- (a) Opacity shall not exceed an average of forty percent (40%) any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

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

State Rule Applicability – Belt Polishers, Coater & Polisher, Candy Corn Drum Coaters

326 IAC 8-1-6 (New Facilities: General Reduction Requirement)

- (a) The belt polishers (identified as EU-4, EU-5, EU-6, and EU-7), Coater & polisher unit (identified as EU-8) are not subject to the provisions of 326 IAC 8-1-6 because they each have potential VOC emissions less than 25 tons per year. Any change or modification that would result in potential VOC emissions equal to or greater than 25 tons per year from any of the above units must receive prior approval from IDEM, OAQ.
- (b) The candy corn drum coater (EU-9) and candy corn drum polisher (EU-10) were constructed in 2002. At the time of construction, the potential VOC emissions from EU-9 and EU-10 were equal to 41.2 and 22.2 tons per year, respectively. The potential VOC emissions from these units were re-estimated using the revised capacities and Material Safety Data Sheets (MSDS) of the candy coatings and polish used, as submitted by the Permittee in their application, dated June 15, 2005. The revised potential VOC emissions from EU-09 and EU-10 are equal to 82.6 and 44.5 tons per year, respectively. However, the actual VOC emissions based on the candy coating and polish usage data for the years 2002, 2003, 2004 and January 1, 2005 through June 26, 2005 were as follows:

Year	Actual VOC Emissions (tons/year)	
	EU-9	EU-10
2002	3.01	1.62
2003	8.93	4.81
2004	11.1	6.00
Jan 1, 2005 through June 26, 2005	3.61	1.94

The Permittee has now requested a limit on the amount of VOC delivered to the candy corn drum coater (EU-9) and candy corn drum polisher (EU-10), which will limit each unit to less than twenty-five (25) tons each per twelve (12) consecutive month period with compliance determined at the end of each month.

Compliance with these limits, render the requirements of 326 IAC 8-1-6 (New Facilities: General Reduction Requirements) not applicable.

State Rule Applicability – Two (2) Natural Gas-Fired Boilers (EU-2 and EU-3)

326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating)

The natural gas-fired boilers (identified as EU-2 and EU-3) were constructed in 1958 and each has a maximum heat input capacity of 8.7 MMBtu per hour. Therefore, pursuant to 326 IAC 6-2-3(a), the particulate emissions from the two (2) natural gas-fired boilers (identified as EU-2 and EU-3), which were existing and in operation before September 21, 1983 shall be calculated using the following equation:

$$Pt = \frac{C \cdot a \cdot h}{76.5 \cdot Q^{0.75} \cdot N^{0.25}}$$

Where:

- Pt = Emission rate limit (lbs PM per MMBtu)
- C = 50 ug/m³
- a = Plume rise factor (0.67)
- Q = Total source heat input capacity rating in million Btu per hour (17.4 MMBtu per hour)
- N = Number of stacks (2)
- h = Average Stack height (30.5 feet)

The emission rate limit using the above equation is equal to 1.32 pounds PM per MMBtu. However, pursuant to 326 IAC 6-2-3 (d) (Particulate Emission Limitations for Sources of Indirect Heating: Emission Limitations for Facilities Specified in 326 IAC 6-2-1(c)), PM emissions from all facilities used for indirect heating purposes which were existing and in operation on or before June 8, 1972, shall in no case exceed 0.8 pounds of particulate matter per million British thermal units heat input. Therefore, each of the two (2) boilers (identified as EU-2 and EU-3) shall not exceed 0.8 pounds of PM per MMBtu heat input.

State Rule Applicability – One (1) Natural Gas-Fired Boiler (EU-1)

326 IAC 6-2-4 (a) (Particulate Emissions Limitations for Sources of Indirect Heating)

The natural gas-fired boiler (identified as EU-1) was installed in 1997 and has a maximum heat input capacity of 25 MMBtu per hour. Therefore, pursuant to 326 IAC 6-2-4(a), the particulate emissions from the 25 MMBtu per hour boiler (identified as EU-1) which was existed and was in operation after September 21, 1983, shall be limited to 0.41 pounds per MMBtu heat input.

This limitation is based on the following equation:

$$Pt = \frac{1.09}{Q^{0.26}}$$

Where:

Pt = Emission rate limit (lbs PM per MMBtu)

Q = Total source heat input capacity rating in million Btu per hour (42.4 MMBtu per hour)

State Rule Applicability – Starch Handling Process Lines (EU-11 through EU-26)

326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes)

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the particulate emissions from the starch handling process lines (identified as EU-11 through EU-26) shall not exceed the pounds per hour limit as shown in the table below.

Equipment Description	Unit ID	Max. Throughput Rate (tons per hour)	Particulate Emission Limit (lbs per hour)
Mogul 1	EU-11	5.14	12.3
Starch Conditioner – Mogul 1	EU-12	9.92	19.1
Mogul 2	EU-13	5.42	12.7
Starch Conditioner Dryer – Mogul 2	EU-14	9.92	19.1
Starch Conditioner Cooler – Mogul 2	EU-15	9.92	19.1
Mogul 3	EU-16	3.91	10.2
Starch Conditioner Dryer – Mogul 3	EU-17	9.92	19.1
Starch Conditioner Cooler – Mogul 3	EU-18	9.92	19.1
Laser Cleaner	EU-19	3.90	10.2
Dust Top Line 1	EU-20	2.11	6.76
Dust Top Line 2	EU-21	2.11	6.76
Dust Top Line 3	EU-22	2.11	6.76
Dust Top Line 4	EU-23	2.11	6.76
Dust Top Line 5	EU-24	2.11	6.76
Dust Top Line 6	EU-25	2.11	6.76
Dust Top Line 7	EU-26	2.11	6.76

The pounds per hour limitations were calculated using the following equation:

Interpolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$$E = 4.10 P^{0.67} \quad \text{where } E = \text{rate of emission in pounds per hour; and } P = \text{process weight rate in tons per hour}$$

The fabric filters for particulate control shall be in operation and control emissions from the starch handling facilities at all times that the starch handling facilities are in operation.

Testing Requirements

No stack test is required in this FESOP because compliance with the VOC usage limits (major pollutant) can be determined by keeping records of the amount of VOC used.

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 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 starch handling process lines have applicable compliance monitoring conditions as specified below:

- (a) **Visible Emission Notations:**
Daily visible emission notations of the starch handling process lines stack exhaust shall be performed during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal. For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time. In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions. A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan – Preparation, Implementation, Records and Reports shall be considered a deviation from this permit.
- (b) **Parametric Monitoring:**
The Permittee shall record the total static pressure drop across the fabric filters used in conjunction with the starch handling process lines at least once per day when the starch handling process lines are in operation when venting to the atmosphere. When for any one reading, the pressure drop across the baghouse is outside the normal range of 3.0 and 6.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- Compliance Response Plan – Preparation, Implementation, Records and Reports. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records and Reports shall be considered a deviation from this permit. The instrument used for determining the pressure shall comply with Section C

- Pressure Gauge and Other 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) Fabric Filter Inspections:

An inspection shall be performed each calendar quarter of all fabric filters controlling the starch handling process lines when venting to the atmosphere. A fabric filter inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. Inspections required by this condition shall not be performed in consecutive months. All defective fabric filters bags shall be replaced.

(d) In the event that fabric filter failure has been observed:

- (1) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Response Plan -Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit. If operations continue after fabric filter failure is observed and it will be 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.
- (2) For single compartment fabric filters, if failure is indicated by a significant drop in the fabric filter's pressure readings with abnormal visible emissions or the failure is indicated by an opacity violation, or if filter failure is determined by other means, such as gas temperatures, flow rates, air infiltration, leaks, dust traces or triboflows, then failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

Conclusion

The operation of this stationary candy manufacturing plant shall be subject to the conditions of the FESOP No.: 023-21425-00039.

**Appendix A: Emission Calculations
Three (3) Natural Gas-Fired Boilers**

Company Name: Zachary Confections, Inc.
Address: 2130 West State Road 28, Frankfort, Indiana 46403
FESOP: 023-21425
Pit ID: 023-21425
Reviewer: ERG/SD
Date: September 15, 2005

Heat Input Capacity
(MMBtu/hour)

Potential Throughput
(MMCF/year)

42.4 (3 units)

371

Emission Factor (lbs/MMCF)	* PM 7.6	* PM10 7.6	SO ₂ 0.6	** NO _x 100	VOC 5.5	CO 84.0
Potential To Emit (tons/year)	1.41	1.41	0.11	18.6	1.02	15.6

* PM and PM10 emission factors are filterable and condensable PM and PM10 combined.

** Emission factor for NO_x (Uncontrolled) = 100 lb/MMCF.

Emission factors are from AP-42, Chapter 1.4, Tables 1.4-1, 1.4-2, and 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03 (July, 1998).

All emission factors are based on normal firing.

MMBtu = 1,000,000 Btu

MMCF = 1,000,000 Cubic Feet of Gas

METHODOLOGY

Potential Throughput (MMCF/year) = Heat Input Capacity (MMBtu/hour) * 8760 hours/year * 1 MMCF/1000 MMBtu

Potential To Emit (tons/year) = Potential Throughput (MMCF/year) * Emission Factor (lb/MMCF) * 1 ton/2000 lbs

See next page for HAPs emissions calculations.

**Appendix A: Emission Calculations
Three (3) Natural Gas-Fired Boilers**

Company Name: Zachary Confections, Inc.

Address: 2130 West State Road 28, Frankfort, Indiana 46403

FESOP: 023-21425

Pit ID: 023-21425

Reviewer: ERG/SD

Date: September 15, 2005

HAPs - Organics

	Benzene	Dichlorobenzene	Formaldehyde	Hexane	Toluene
Emission Factor (lbs/MMCF)	2.1E-03	1.2E-03	7.5E-02	1.8E+00	3.4E-03
Potential To Emit (tons/year)	3.90E-04	2.23E-04	1.39E-02	3.34E-01	6.31E-04

HAPs - Metals

	Lead	Cadmium	Chromium	Manganese	Nickel
Emission Factor (lbs/MMCF)	5.0E-04	1.1E-03	1.4E-03	3.8E-04	2.1E-03
Potential To Emit (tons/year)	9.29E-05	2.04E-04	2.60E-04	7.06E-05	3.90E-04

Methodology is the same as previous page.

The five highest organic and metal HAPs emission factors provided above are from AP-42, Chapter 1.4, Table 1.4-2, 1.4-3 and 1.4-4 (July, 1998).

Additional HAPs emission factors are available in AP-42, Chapter 1.4.

**Appendix A: Emission Calculations
PTE of Volatile Organic Compounds**

Company Name: Zachary Confections, Inc.
Address: 2130 West State Road 28, Frankfort, Indiana 46403
FESOP: 023-21425
Pit ID: 023-21425
Reviewer: ERG/SD
Date: September 15, 2005

Unit Name	Unit ID	Process Description	Operation (Panning Department)	Maximum Process Rate (lbs/hour)	* Weight % VOC	PTE of VOC (lbs/hour)	PTE of VOC (tons/year)	Installation Date
Belt Polisher No. 1	EU #4	Liquid polish is sprayed on candy as it is tumbled out on a rotating belt	Belt Polish Unit	1.03	67%	0.69	3.02	
Belt Polisher No. 2	EU #5			1.03	67%	0.69	3.02	
Belt Polisher No. 3	EU #6			1.03	67%	0.69	3.02	
Belt Polisher No. 4	EU #7			1.03	67%	0.69	3.02	
Coater & Polisher	EU #8	Liquid polish is applied to candy	Dumonlin Coater/Polisher	1.48	67%	0.99	4.34	
Candy Corn Drum Coater	** EU #9	Liquid coating is sprayed as candy rotates in a horizontal drum	Mellow Crème Drum Coater	35.6	67%	23.8	82.6	May-02
Candy Corn Drum Coater	** EU #10	Liquid coating is sprayed as candy rotates in a horizontal drum	Mellow Crème Drum Polisher	19.2	67%	12.8	44.5	May-02

* Weight % VOC from the MSDS as provided by the Permittee.

** All materials processed through EU #9 and EU #10 are first processed through the three (3) stoving rooms, with a combined holding capacity of 148, 500 lbs of candy per day. The candy is cured for a day in these rooms before it can be processed through the coaters.

METHODOLOGY

PTE of VOC (lbs/hour) = Maximum Process Rate (lbs/hour) * Weight % VOC

PTE of VOC from EU #4 through EU #8 (tons/year) = Maximum Process Rate (lbs/hour) * Weight % VOC * 8760 hours/year * 1 ton/2000 lbs

PTE of VOC from EU #9 and EU #10 (tons/year) = Maximum Process Rate (lbs/hour) * Weight % VOC * 6936 hours/year * 1 ton/2000 lbs

Appendix A: Emission Calculations
PTE of PM and PM10

Company Name: Zachary Confections, Inc.

Address: 2130 West State Road 28, Frankfort, Indiana 46403

FESOP: 023-21425

Plt ID: 023-21425

Reviewer: ERG/SD

Date: September 15, 2005

Control ID	Unit ID	Equipment Description	Stack ID	Fabric Filters - Integral to Process	PTE After Control (tons/year)	* Particulate Emission Limit (lbs/hour)	
DC1M1	EU #11 EU #12 EU #13	Mold Preparation - Mogul 1 Starch Conditioner - Mogul 1 Mold Preparation - Mogul 2	S10	Fabric Filter		0.24	12.3
				Grain Loading (grains/acf)	0.001		
				Air Flow Rate (acf/minute)	6300		
				Control Efficiency (%)	99%		12.7
DC2M2	EU #14	Starch Cond. Dryer - Mogul 2	S11	Fabric Filter		0.20	19.1
				Grain Loading (grains/acf)	0.0009		
				Air Flow Rate (acf/minute)	6000		
				Control Efficiency (%)	99%		
DC3M2	EU #15	Starch Cond. Cooler - Mogul 2	S12	Fabric Filter		0.20	19.1
				Grain Loading (grains/acf)	0.0009		
				Air Flow Rate (acf/minute)	6000		
				Control Efficiency (%)	99%		
DC1M3	EU #16	Mold Preparation - Mogul 3	S13	Fabric Filter		0.06	10.2
				Grain Loading (grains/acf)	0.0004		
				Air Flow Rate (acf/minute)	4000		
				Control Efficiency (%)	99%		
DC2M3	EU #17	Starch Cond. Dryer - Mogul 3	S14	Fabric Filter		0.18	19.1
				Grain Loading (grains/acf)	0.0007		
				Air Flow Rate (acf/minute)	7000		
				Control Efficiency (%)	99%		
DC3M3	EU #18	Starch Cond. Cooler - Mogul 3	S15	Fabric Filter		0.20	19.1
				Grain Loading (grains/acf)	0.0009		
				Air Flow Rate (acf/minute)	6000		
				Control Efficiency (%)	99%		

TOTAL PTE in tons per year = 1.09

Assume all PM emissions are equal to PM10, and all PM10 emissions are equal to PM2.5.

* As calculated using the Process Weight Rule [326 IAC 6-3-2]

METHODOLOGY

After Control PTE of PM/PM10 (tons/year) = Grain loading (gr/acf) * Air flow rate (acf/minute) * 60 minute/hour * 1 lb/7000 grains * 8760 hours/year * 1 ton/2000 lbs.

Appendix A: Emission Calculations
PTE of PM and PM10

Company Name: Zachary Confections, Inc.
Address: 2130 West State Road 28, Frankfort, Indiana 46403
FESOP: 023-21425
Plt ID: 023-21425
Reviewer: ERG/SD
Date: September 15, 2005

Control ID	Unit ID	Equipment Description	Stack ID	Fabric Filters - Integral to Process	PTE After Control (tons/year)	* Particulate Emission Limit (lbs/hour)
DC1LC1	EU #19	Laser Cleaner	NA	Fabric Filter Grain Loading (grains/acf) 0.001 Air Flow Rate (acf/minute) 3000 Control Efficiency (%) 99%	0.11	10.2
DC1DT	EU #20	Dust Top Line 1	NA	Fabric Filter Grain Loading (grains/acf) 0.011 Air Flow Rate (acf/minute) 900 Control Efficiency (%) 99%	0.37	6.76
DC2DT	EU #21	Dust Top Line 2	NA	Fabric Filter Grain Loading (grains/acf) 0.011 Air Flow Rate (acf/minute) 900 Control Efficiency (%) 99%	0.37	6.76
DC3DT	EU #22	Dust Top Line 3	NA	Fabric Filter Grain Loading (grains/acf) 0.011 Air Flow Rate (acf/minute) 900 Control Efficiency (%) 99%	0.37	6.76
DC4DT	EU #23	Dust Top Line 4	NA	Fabric Filter Grain Loading (grains/acf) 0.011 Air Flow Rate (acf/minute) 900 Control Efficiency (%) 99%	0.37	6.76
DC5DT	EU #24	Dust Top Line 5	NA	Fabric Filter Grain Loading (grains/acf) 0.011 Air Flow Rate (acf/minute) 900 Control Efficiency (%) 99%	0.37	6.76
DC6DT	EU #25	Dust Top Line 6	NA	Fabric Filter Grain Loading (grains/acf) 0.011 Air Flow Rate (acf/minute) 900 Control Efficiency (%) 99%	0.37	6.76
DC7DT	EU #26	Dust Top Line 7	NA	Fabric Filter Grain Loading (grains/acf) 0.011 Air Flow Rate (acf/minute) 900 Control Efficiency (%) 99%	0.37	6.76

TOTAL PTE in tons per year = 2.71

Assume all PM emissions are equal to PM10, and all PM10 emissions are equal to PM2.5.

* As calculated using the Process Weight Rule [326 IAC 6-3-2]

METHODOLOGY

After Control PTE of PM/PM10 (tons/year) = Grain loading (gr/acf) * Air flow rate (acf/minute) * 60 minute/hour * 1 lb/7000 grains * 8760 hours/year * 1 ton/2000 lbs.

**Appendix A: Emission Calculations
Summary**

Company Name: Zachary Confections, Inc.
Address: 2130 West State Road 28, Frankfort, Indiana 46403
FESOP: 023-21425
Pit ID: 023-21425
Reviewer: ERG/SD
Date: September 15, 2005

Emission Unit	PM	PM10	SO ₂	NOX	VOC	CO
3 Natural Gas-Fired Boilers	1.41	1.41	0.11	18.6	1.02	15.6
EU-11 through EU-18	1.09	1.09				
EU-19 through EU-26	2.71	2.71				
Belt Polisher EU-4					3.02	
Belt Polisher EU-5					3.02	
Belt Polisher EU-6					3.02	
Belt Polisher EU-7					3.02	
Coater & Polisher EU-8					4.34	
Candy Corn Drum Coater EU-9					82.6	
Candy Corn Drum Coater EU-10					44.5	
TOTAL =	5.21	5.21	0.11	18.6	145	15.6