



*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: September 22, 2005  
RE: Hoosier Energy-Lawrence County Station / 093-21692-00028  
FROM: Paul Dubenetzky  
Chief, Permits Branch  
Office of Air Quality

### Notice of Decision – Approval

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 326 IAC 2, this approval was effective immediately upon submittal of the application.

If you wish to challenge this decision, IC 4-21.5-3-7 requires 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 from 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-AM.dot 1/10/05



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

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

Mitchell E. Daniels, Jr.  
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Mr. Christopher G. Norris, Manager, Gas Production Facilities      September 22, 2005  
Hoosier Energy Lawrence Generating Station  
P.O. Box 908  
Bloomington, IN 47402-0908

**Re: 093-21692-00028**  
First Notice Only Change to  
MSOP Permit No. 093-14495-00028

Dear Mr. Norris:

Hoosier Energy - Lawrence Generating Station was issued a MSOP on March 6, 2002, for a peaking power generating operation. An application was received August 15, 2005, requesting that the emission statement condition be revised to incorporate the revisions to 326 IAC 2-6 (Emission Reporting) which became effective on March 27, 2004. The emission statement will be due every three years according to the compliance schedule specified in 326 IAC 2-6-3. Pursuant to the provisions of 326 IAC 2-6.1(d)(2) the permit is hereby administratively amended as follows (deletions are marked with a ~~strikeout~~ and the new information is in **bold**):

1. Condition C.17 is revised as follows:

C.17 Emission Statement [326 IAC 2-6]

- ~~(a) The Permittee shall submit an annual emission statement certified pursuant to the requirements of 326 IAC 2-6, that must be received by July 1 of each year and must comply with the minimum requirements specified in 326 IAC 2-6-4. The annual emission statement shall meet the following requirements:~~
- ~~(1) Indicate actual emissions of criteria pollutants from the source, in compliance with 326 IAC 2-6 (Emission Reporting);~~
  - ~~(2) Indicate actual emissions of other regulated pollutants from the source, for purposes of Part 70 fee assessment.~~
- ~~(b) The annual emission statement covers the twelve (12) consecutive month time period starting January 1 and ending December 31. The annual emission statement must be submitted to:~~

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

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

~~The submittal by the Permittee does require the certification by the “authorized individual” as defined by 326 IAC 2-1.1-1.~~

**In accordance with the compliance schedule specified in 326 IAC 2-6-3(b)(3), starting in 2006 and every three (3) years thereafter, the Permittee shall submit by July 1 an emission statement covering the previous calendar year. The emission statement shall contain, at a minimum the information specified in 326 IAC 2-6-4(c) and shall meet the following requirements:**

- (1) Indicate estimated actual emissions of all pollutants listed in 326 IAC 2-6-4(a);**
- (2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1 (32) (“Regulated pollutant, which is used only for purposes of Section 19 of this rule”) from the source for purpose of fee assessment.**

**The statement must be submitted to:**

**Indiana Department of Environmental Management  
Technical Support and Modeling Section, Office of Air Quality  
100 North Senate Avenue  
Indianapolis, Indiana 46204**

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

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

2. Hoosier Energy also requested to change the facility name from Lawrence County Station to Lawrence Generating Station. No change of ownership is involved.

In addition, the permit is revised at the cover page, headers and report forms such that the source name was changed without replication herein.

The Authorized Individual has been changed in Section A.1. General Information. Because of potential future changes in personnel and to avoid excessive administrative permit amendments, only job titles are being listed.

A.1 General Information [326 IAC 2-5.1-3(c)] [326 IAC 2-6.1-4(a)]

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The Permittee owns and operates a stationary peaking power generating facility.

Authorized Individual: ~~Manager Generation Technical Services~~  
**Manager, Gas Production Plant**  
Source Address: 1000 S. Old Palistine Road, Mitchell, Indiana 47446  
Mailing Address: P.O. Box 908, Bloomington, Indiana 47402-0908  
Phone Number: 812-876-0261  
SIC Code: 4911  
County Location: Lawrence  
County Status: Attainment for all criteria pollutants  
Source Status: Minor Source, under PSD;  
Minor Source, Section 112 of the Clean Air Act

The Manager, Gas Production Plant position has been designated the Authorized Individual replacing the Manager, Generation Technical Services.

3. The mailing address of IDEM, Office of Air Quality (OAQ) has changed. All references in the permit to “Post Office Box 6015, Indianapolis, Indiana 46206-6015” have been changed to “**100 North Senate, Indianapolis, Indiana 46204**”.

All other conditions of the permit shall remain unchanged and in effect. Please find a copy of the entire MSOP permit with the revisions.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter, please contact Janet Mobley at 317-232-8369 or at 1-800-451-6027 extension 2-8369.

Sincerely,

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

PD/jm

cc: File – Lawrence County  
Lawrence County Health Department  
Air Compliance Section Inspector – Jim Thorpe  
Compliance Data Section  
Permit Review Section II- Janet Mobley



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Thomas W. Easterly  
 Commissioner

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**NEW SOURCE CONSTRUCTION PERMIT  
 and MINOR SOURCE OPERATING PERMIT  
 OFFICE OF AIR QUALITY**

**Hoosier Energy - Lawrence Generating Station  
 1000 S. Old Palistine Road  
 Mitchell, Indiana 47446**

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

This permit is issued to the above mentioned company under the provisions of 326 IAC 2-1.1, 326 IAC 2-6.1 and 40 CFR 52.780, with conditions listed on the attached pages.

Operation Permit No.: MSOP 093-14495-00028	
Issued by: Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: March 6, 2002  Expiration Date: March 6, 2007

First Significant Permit Revision No.: 093-16653-00028, issued April 29, 2003

First Notice Only Change No.: 093-21692-00028	Pages Affected: Entire Permit
Issued by: Original signed by Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: September 22, 2005



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**Quarterly Report**  
**Annual Notification**

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 and A.2 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 2-5.1-3(c)] [326 IAC 2-6.1-4(a)]

The Permittee owns and operates a stationary peaking power generating facility.

Authorized Individual: Manager, Gas Production Plant  
Source Address: 1000 S. Old Palistine Road, Mitchell, Indiana 47446  
Mailing Address: P.O. Box 908, Bloomington, Indiana 47402-0908  
Phone Number: 812-876-0261  
SIC Code: 4911  
County Location: Lawrence  
County Status: Attainment for all criteria pollutants  
Source Status: Minor Source, under PSD;  
Minor Source, Section 112 of the Clean Air Act

A.2 Emissions units and Pollution Control Equipment Summary

This stationary source is approved to construct and operate the following emissions units and pollution control devices:

- (a) Six (6) simple cycle, dual fuel turbine generator units combusting pipeline natural gas as a primary fuel and No. 2 fuel oil as a back-up fuel, identified as Turbines 1, 2, 3, 4, 5, and 6, each with a net generating capacity of 43.8 megawatts, and a corresponding heat input capacity of 384.44 million British thermal units per hour, each, equipped with water injection for NO<sub>x</sub> control, and exhausting to Stacks 1, 2, 3, 4, 5, and 6, respectively.
- (b) One (1) diesel fuel storage tank, identified as #1, with a maximum capacity of 1,200,000 gallons.
- (c) One (1) emergency diesel fire pump, identified as pump 1, with a maximum capacity of 208 HP, and exhausts to Stack 7.

A.3 Part 70 Permit Applicability [326 IAC 2-7-2]

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

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

**A.4 Acid Rain Permit Applicability [40 CFR Part 72.30]**

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This stationary source shall be required to have a Phase II, Acid Rain permit by 40 CFR Part 72.30 (Applicability) because:

- (a) The combustion turbines are new units under 40 CR Part 72.6.
- (b) The source cannot operate the combustion units until its Phase II, Acid Rain permit has been issued.

THIS SECTION OF THE PERMIT IS BEING ISSUED UNDER THE PROVISIONS OF 326 IAC 2-1.1 AND 40 CFR 52.780, WITH CONDITIONS LISTED BELOW.

**B.1 Permit No Defense [IC 13]**

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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 thereunder, as well as other applicable local, state, and federal requirements.

**B.2 Definitions**

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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, any applicable definitions found in IC 13-11, 326 IAC 1-2, and 326 IAC 2-1.1-1 shall prevail.

**B.3 Effective Date of the Permit [IC13-15-5-3]**

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

**B.4 Revocation of Permits [326 IAC 2-1.1-9(5)]**

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Pursuant to 326 IAC 2-1.1-9(5)(Revocation of Permits), the Commissioner may revoke this permit if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

**B.5 Modification to Permit [326 IAC 2]**

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Notwithstanding the Section B condition entitled "Minor Source Operating Permit", all requirements and conditions of this construction permit shall remain in effect unless modified in a manner consistent with procedures established for modifications of construction permits pursuant to 326 IAC 2 (Permit Review Rules).

**B.6 Minor Source Operating Permit [326 IAC 2-6.1]**

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This document shall also become a minor source operating permit pursuant to 326 IAC 2-6.1 when, prior to start of operation, the following requirements are met:

- (a) The attached Affidavit of Construction shall be submitted to the Office of Air Quality (OAQ), Permit Administration & Development Section.
  - (1) If the Affidavit of Construction verifies that the facilities covered in this Construction Permit were constructed as proposed in the application, then the facilities may begin operating on the date the Affidavit of Construction is postmarked or hand delivered to IDEM.
  - (2) If the Affidavit of Construction does not verify that the facilities covered in this Construction Permit were constructed as proposed in the application, then the Permittee shall receive an Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section prior to beginning operation of the facilities.
- (b) If construction is completed in phases; i.e., the entire construction is not done continuously, a separate affidavit must be submitted for each phase of construction. Any permit conditions associated with operation start up dates such as stack testing for New Source Performance Standards (NSPS) shall be applicable to each individual phase.
- (c) Upon receipt of the Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section, the Permittee shall attach it to this document.
- (d) The operation permit will be subject to annual operating permit fees pursuant to 326 IAC 2-7-19 (Fees).
- (e) Pursuant to 326 IAC 2-7-4(a)(1)(A)(ii) and 326 IAC 2-5.1-4, the Permittee shall apply for a

Title V operating permit within twelve (12) months of the date on which the source first meets an applicability criterion of 326 IAC 2-7-2.

#### B.7 NSPS Reporting Requirement

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Pursuant to the New Source Performance Standards (NSPS), Part 60.7, the source owner/operator is hereby advised of the requirement to report the following at the appropriate times:

- (a) Commencement of construction date (no later than 30 days after such date);
- (b) Anticipated start-up date (not more than 60 days or less than 30 days prior to such date);
- (c) Actual start-up date (within 15 days after such date); and
- (d) Date of performance testing (at least 30 days prior to such date), when required by a condition elsewhere in this permit.

Reports are to be sent to:

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

The application and enforcement of these standards have been delegated to the IDEM, OAQ. The requirements of 40 CFR Part 60 are also federally enforceable.

Entire Source
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C.1 PSD Minor Source Status [326 IAC 2-2] [40 CFR 52.21]

- (a) The total source potential to emit nitrogen oxides (NOx), sulfur dioxide (SO<sub>2</sub>) and carbon monoxide (CO) for the facilities listed in this construction permit are greater than 250 tons per year. The potential to emit of the above listed pollutants is limited to less than 250 tons per year. Therefore, the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 will not apply.
- (b) Any change or modification which may increase potential to emit to 250 tons per year of any regulated pollutant from this source, shall cause this source to be considered a major source under PSD, 326 IAC 2-2 and 40 CFR 52.21, and shall require approval from IDEM, OAQ prior to making the change.

C.2 Preventive Maintenance Plan [326 IAC 1-6-3]

- (a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMP) after issuance of this permit, including the following information on each emissions unit:
- (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;
  - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.
- (b) The Permittee shall implement the Preventive Maintenance Plans as necessary to ensure that failure to implement the Preventive Maintenance Plan does not cause or contribute to a violation of any limitation on emissions or potential to emit.
- (c) PMP's shall be submitted to IDEM, OAQ, upon request and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its Preventive Maintenance Plan whenever lack of proper maintenance causes or contributes to any violation.

C.3 Permit Revision [326 IAC 2-5.1-3(e)(3)] [326 IAC 2-6.1-6]

- (a) The Permittee must comply with the requirements of 326 IAC 2-6.1-6 whenever the Permittee seeks to amend or modify this permit.
- (b) Any application requesting an amendment or modification of this permit shall be submitted to:
- Indiana Department of Environmental Management  
Permits Branch, Office of Air Quality  
100 North Senate Avenue  
Indianapolis, Indiana 46204

Any such application should be certified by the "authorized individual" as defined by 326 IAC 2-1.1-1.

- (c) The Permittee shall notify the OAQ within thirty (30) calendar days of implementing a notice-only change. [326 IAC 2-6.1-6(d)]

C.4 Source Modification [326 IAC 2-7-10.5]

- (a) The Permittee must comply with the requirements of 326 IAC 2-7-10.5 whenever the Permittee seeks to construct new emissions units, modify existing emissions units, or otherwise modify the source.
- (b) Any application requesting an amendment or modification of this permit shall be submitted to:

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

Any such application should be certified by the "responsible official" as defined by 326 IAC 2-7-1(34) only if a certification is required by the terms of the applicable rule.

#### C.5 Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)]

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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 permitted source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) Have access to and copy, at reasonable times, any records that must be kept under this title or the conditions of this permit or any operating permit revisions;
- (c) Inspect, at reasonable times, any processes, emissions units (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit or any operating permit revisions;
- (d) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and
- (e) Utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

#### C.6 Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)]

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Pursuant to [326 IAC 2-6.1-6(d)(3)] :

- (a) In the event that ownership of this source is changed, the Permittee shall notify IDEM, OAQ, Permits Branch, within thirty (30) days of the change.
- (b) The written notification shall be sufficient to transfer the permit to the new owner by an notice-only change pursuant to 326 IAC 2-6.1-6(d)(3).
- (c) IDEM, OAQ, shall issue a revised permit.

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.

#### C.7 Permit Revocation [326 IAC 2-1-9]

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Pursuant to 326 IAC 2-1-9(a)(Revocation of Permits), this permit to construct and operate may be revoked for any of the following causes:

- (a) Violation of any conditions of this permit.
- (b) Failure to disclose all the relevant facts, or misrepresentation in obtaining this permit.
- (c) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of this permit shall not require revocation of this permit.
- (d) Noncompliance with orders issued pursuant to 326 IAC 1-5 (Episode Alert Levels) to reduce emissions during an air pollution episode.
- (e) For any cause which establishes in the judgment of IDEM, the fact that continuance of this permit is not consistent with purposes of this article.

#### C.8 Opacity [326 IAC 5-1]

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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.9 Stack Height [326 IAC 1-7]

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The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted by using good engineering practices (GEP) pursuant to 326 IAC 1-7-3.

### Testing Requirements

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

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- (a) Compliance testing on new emissions units shall be conducted within 60 days after achieving maximum production rate, but no later than 180 days after initial start-up, if specified in Section D of this approval. All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

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

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

no later than thirty-five (35) days prior to the intended test date. The Permittee shall submit a notice of the actual test date to the above address so that it is received at least two weeks prior to the test date.

- (b) All test reports must be received by IDEM, OAQ within forty-five (45) days after the completion of the testing. An extension may be granted by the IDEM, OAQ, if the source submits to IDEM, OAQ, a reasonable written explanation within five (5) days prior to the end of the initial forty-five (45) day period.

The documentation submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

## Compliance Monitoring Requirements

### C.11 Compliance Monitoring [326 IAC 2-1.1-11]

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Compliance with applicable requirements shall be documented as required by this permit. The Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. All monitoring and record keeping requirements not already legally required shall be implemented when operation begins.

### C.12 Maintenance of Monitoring Equipment [IC 13-14-1-13]

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- (a) In the event that a breakdown of the monitoring equipment occurs, a record shall be made of the times and reasons of the breakdown and efforts made to correct the problem. To the extent practicable, supplemental or intermittent monitoring of the parameter should be implemented at intervals no less frequent than required in Section D of this permit until such time as the monitoring equipment is back in operation. In the case of continuous monitoring, supplemental or intermittent monitoring of the parameter should be implemented at intervals no less than one (1) hour until such time as the continuous monitor is back in operation.
- (b) The Permittee shall install, calibrate, quality assure, maintain, and operate all necessary monitors and related equipment. In addition, prompt corrective action shall be initiated whenever indicated.

### C.13 Monitoring Methods [326 IAC 3]

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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, or other approved methods as specified in this permit.

### C.14 Compliance Monitoring Plan - Failure to Take Response Steps [326 IAC 1-6]

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- (a) The Permittee is required to implement a compliance monitoring plan to ensure that reasonable information is available to evaluate its continuous compliance with applicable requirements. This compliance monitoring plan is comprised of:
- (1) This condition;
  - (2) The Compliance Determination Requirements in Section D of this permit;
  - (3) The Compliance Monitoring Requirements in Section D of this permit;
  - (4) The Record Keeping and Reporting Requirements in Section C (Monitoring Data Availability, General Record Keeping Requirements, and General Reporting Requirements) and in Section D of this permit; and
  - (5) A Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. CRP's shall be submitted to IDEM, OAQ upon request and shall be subject to review and approval by IDEM, OAQ. The CRP shall be prepared within ninety (90) days after issuance of this permit by the Permittee and maintained on site, and is comprised of :

- (A) Response steps that will be implemented in the event that compliance related information indicates that a response step is needed pursuant to the requirements of Section D of this permit; and
  - (B) A time schedule for taking such response steps including a schedule for devising additional response steps for situations that may not have been predicted.
- (b) For each compliance monitoring condition of this permit, appropriate response steps shall be taken when indicated by the provisions of that compliance monitoring condition. Failure to perform the actions detailed in the compliance monitoring conditions or failure to take the response steps within the time prescribed in the Compliance Response Plan, shall constitute a violation of the permit unless taking the response steps set forth in the Compliance Response Plan would be unreasonable.
  - (c) After investigating the reason for the excursion, the Permittee is excused from taking further response steps for any of the following reasons:
    - (1) The monitoring equipment malfunctioned, giving a false reading. This shall be an excuse from taking further response steps providing that 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 or;
    - (3) An automatic measurement was taken when the process was not operating; or
    - (4) The process has already returned to operating within "normal" parameters and no response steps are required.
  - (d) Records shall be kept of all instances in which the compliance related information was not met and of all response steps taken.

**C.15 Actions Related to Noncompliance Demonstrated by a Stack Test**

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- (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 corrective actions. The Permittee shall submit a description of these corrective actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize emissions from the affected emissions unit while the corrective actions are being implemented. IDEM, OAQ shall notify the Permittee within thirty (30) days, if the corrective actions taken are deficient. The Permittee shall submit a description of additional corrective actions taken to IDEM, OAQ within thirty (30) days of receipt of the notice of deficiency. IDEM, OAQ reserves the authority to use enforcement activities to resolve noncompliant stack tests.
- (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. Failure of the second test to demonstrate compliance with the appropriate permit conditions may be grounds for immediate revocation of the permit to operate the affected emissions unit.

The documents submitted pursuant to this condition do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

## Record Keeping and Reporting Requirements

### C.16 Malfunctions Report [326 IAC 1-6-2]

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Pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

- (a) A record of all malfunctions, including malfunctions during startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) or appointed representative upon request.
- (b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.
- (c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).
- (d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

### C.17 Emission Statement [326 IAC 2-6]

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- (a) In accordance with the compliance schedule specified in 326 IAC 2-6-3(b)(3), starting in 2006 and every three (3) years thereafter, the Permittee shall submit by July 1 an emission statement covering the previous calendar year. The emission statement shall contain, at a minimum the information specified in 326 IAC 2-6-4(c) and shall meet the following requirements:
  - (1) Indicate estimated actual emissions of all pollutants listed in 326 IAC 2-6-4(a);
  - (2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1 (32) ("Regulated pollutant, which is used only for purposes of Section 19 of this rule") from the source for purpose of fee assessment.

The statement must be submitted to:

Indiana Department of Environmental Management  
Technical Support and Modeling Section, Office of Air Quality  
100 North Senate Avenue  
Indianapolis, Indiana 46204

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

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

**C.18 Monitoring Data Availability [326 IAC 2-6.1-2] [IC 13-14-1-13]**

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- (a) With the exception of performance tests conducted in accordance with Section C-Performance Testing, all observations, sampling, maintenance procedures, and record keeping, required as a condition of this permit shall be performed at all times the equipment is operating at normal representative conditions.
- (b) As an alternative to the observations, sampling, maintenance procedures, and record keeping of subsection (a) above, when the equipment listed in Section D of this permit is not operating, the Permittee shall either record the fact that the equipment is shut down or perform the observations, sampling, maintenance procedures, and record keeping that would otherwise be required by this permit.
- (c) If the equipment is operating but abnormal conditions prevail, additional observations and sampling should be taken with a record made of the nature of the abnormality.
- (d) If for reasons beyond its control, the operator fails to make required observations, sampling, maintenance procedures, or record keeping, reasons for this must be recorded.
- (e) At its discretion, IDEM may excuse such failure providing adequate justification is documented and such failures do not exceed five percent (5%) of the operating time in any quarter.
- (f) Temporary, unscheduled unavailability of staff qualified to perform the required observations, sampling, maintenance procedures, or record keeping shall be considered a valid reason for failure to perform the requirements stated in (a) above.

**C.19 General Record Keeping Requirements [326 IAC 2-6.1-2]**

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- (a) Records of all required monitoring data and support information 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 kept at the source location for a minimum of three (3) years and available upon the request of an IDEM, OAQ, representative. 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 written request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.
- (b) Records of required monitoring information shall include, where applicable:
  - (1) The date, place, and time of sampling or measurements;
  - (2) The dates analyses were performed;
  - (3) The company or entity performing the analyses;
  - (4) The analytic techniques or methods used;
  - (5) The results of such analyses; and
  - (6) The operating conditions existing at the time of sampling or measurement.
- (c) Support information shall include, where applicable:
  - (1) Copies of all reports required by this permit;
  - (2) All original strip chart recordings for continuous monitoring instrumentation;

- (3) All calibration and maintenance records;
- (4) Records of preventive maintenance shall be sufficient to demonstrate that failure to implement the Preventive Maintenance Plan did not cause or contribute to a violation of any limitation on emissions or potential to emit. To be relied upon subsequent to any such violation, these records may include, but are not limited to: work orders, parts inventories, and operator's standard operating procedures. Records of response steps taken shall indicate whether the response steps were performed in accordance with the Compliance Response Plan required by Section C - Compliance Monitoring Plan - Failure to take Response Steps, of this permit, and whether a deviation from a permit condition was reported. All records shall briefly describe what maintenance and response steps were taken and indicate who performed the tasks.
- (d) All record keeping requirements not already legally required shall be implemented when operation begins.

C.20 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

- (a) To affirm that the source has met all the compliance monitoring requirements stated in this permit the source shall submit a Quarterly (*or Semi-annual if the source isn't required to do any quarterly reporting*) Compliance Monitoring Report. Any deviation from the requirements and the date(s) of each deviation must be reported. The Compliance Monitoring Report shall include the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:  
  
Indiana Department of Environmental Management  
Compliance Data Section, Office of Air Quality  
100 North Senate Avenue  
Indianapolis, Indiana 46204
- (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, any quarterly report shall be submitted within thirty (30) days of the end of the reporting period. The report does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (e) All instances of deviations must be clearly identified in such reports. A reportable deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit or a rule. It does not include:
  - (1) An excursion from compliance monitoring parameters as identified in Section D of this permit unless tied to an applicable rule or limit; or
  - (2) A malfunction as described in 326 IAC 1-6-2; or
  - (3) Failure to implement elements of the Preventive Maintenance Plan unless lack of maintenance has caused or contributed to a deviation.

- (4) Failure to make or record information required by the compliance monitoring provisions of Section D unless such failure exceeds 5% of the required data in any calendar quarter.

A Permittee's failure to take the appropriate response step when an excursion of a compliance monitoring parameter has occurred or failure to monitor or record the required compliance monitoring is a deviation.

- (f) Any corrective actions or response steps taken as a result of each deviation must be clearly identified in such reports.
- (g) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period.

C.21 Annual Notification [326 IAC 2-6.1-5(a)(5)]

- (a) Annual notification shall be submitted to the Office of Air Quality stating whether or not the source is in operation and in compliance with the terms and conditions contained in this permit.
- (b) Noncompliance with any condition must be specifically identified. If there are any permit conditions or requirements for which the source is not in compliance at any time during the year, the Permittee must provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be, achieved. The notification must be signed by an authorized individual.
- (c) The annual notice shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in the format attached no later than March 1 of each year to:  
  
Compliance Data Section, Office of Air Quality  
Indiana Department of Environmental Management  
100 North Senate Avenue  
Indianapolis, IN 46204
- (d) The notification 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.

## SECTION D.1

## EMISSIONS UNIT OPERATION CONDITIONS

### Facility Description: Six (6) combustion turbines

- (a) Six (6) simple cycle, dual fuel turbine generator units combusting pipeline natural gas as a primary fuel and No. 2 fuel oil as a back-up fuel, identified as Turbines 1, 2, 3, 4, 5, and 6, each with a net generating capacity of 43.8 megawatts, and a corresponding heat input capacity of 384.44 million British thermal units per hour, each, equipped with water injection for NO<sub>x</sub> control, and exhausting to Stacks 1, 2, 3, 4, 5, and 6, respectively.
- (b) One (1) diesel fuel storage tank, identified as #1, with a maximum capacity of 1,200,000 gallons.
- (c) One (1) emergency diesel fire pump, identified as pump 1, with a maximum capacity of 208 HP, and exhausts to Stack 7.

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

### Emission Limitations and Standards

#### D.1.1 PSD Minor Limit [326 IAC 2-2]

- (a) The pipeline natural gas usage from the six (6) turbines shall be limited to less than 4,760.5 million standard cubic feet per twelve (12) consecutive month period with compliance determined at the end of each month equivalent to the following:
  - (1) Less than 248.93 tons of NO<sub>x</sub> per year including start-up and shutdown, based on:
    - (A) An NO<sub>x</sub> emission rate of 0.1106 pounds per million British thermal units heat input when combusting natural gas, and
    - (B) An NO<sub>x</sub> emission rate of 0.1893 pounds per million British thermal units heat input when combusting No. 2 fuel oil.
  - (2) Less than 123.00 tons of CO per year including start-up and shutdown, based on:
    - (A) A CO emission rate of 0.0546 pounds per million British thermal units heat input when combusting natural gas, and
    - (B) A CO emission rate of 0.0547 pounds per million British thermal units heat input when combustion No. 2 fuel oil.
  - (3) Less than 132.82 tons of SO<sub>2</sub> per year, based on:
    - (A) An SO<sub>2</sub> emission rate of 0.0006 pounds per million British thermal units heat input when combusting natural gas, and
    - (B) An SO<sub>2</sub> emission rate of 0.1010 pounds per million British thermal units heat input when combusting No. 2 fuel oil.

For purposes of determining compliance based on NO<sub>x</sub>, 1,000 gallons of No. 2 fuel oil shall be equivalent to 0.2516 million standard cubic feet of natural gas.

- (b) Compliance with these limits and limiting the operation of the emergency diesel fire pump to 500 hours per year makes 326 IAC 2-2 (Preventive of Significant Deterioration) not applicable.
- (c) The sulfur content of the fuel oil shall not exceed 0.05 percent by weight.

D.1.2 General Provisions Relating to NSPS [326 IAC 12-1] [40 CFR Part 60, Subpart A]

The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the facility described in this section except when otherwise specified in 40 CFR Part 60, Subpart GG.

D.1.3 40 CFR Part 60, Subpart GG Applicability (Stationary Gas Turbine)

- (a) The six (6) combustion turbines are subject to 40 CFR Part 60, Subpart GG, because the heat input at peak load is equal to or greater than 10.7 gigajoules per hour, based on the lower heating value of the fuel fired.
- (b) Pursuant to 326 IAC 12-1 and 40 CFR 60, Subpart GG (Stationary Gas Turbines), the Permittee shall:
  - (1) limit nitrogen oxides emissions, as required by 40 CFR 60.332, to:

$$\text{STD} = 0.0075 \frac{(14.4)}{Y} + F,$$

where STD = allowable NO<sub>x</sub> emissions (percent by volume at 15 percent oxygen on a dry basis).

Y = manufacturer's rated heat rate at manufacturer's rated load (kilojoules per watt hour) or, actual measured heat rate based on lower heating value of fuel as measured at actual peak load for the facility. The value of Y shall not exceed 14.4 kilojoules per watt hour.

F = NO<sub>x</sub> emission allowance for fuel-bound nitrogen as defined in paragraph (a)(3) of 40 CFR 60.332.

- (2) limit sulfur dioxide emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at 15 percent oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to 0.8 percent by weight.

D.1.4 40 CFR Part 60, Subpart Kb Applicability (Volatile Organic Storage Vessels)

- (a) The one (1) fuel oil storage tank is subject to 40 CFR Part 60, Subpart Kb because the maximum capacity is greater than 40 m<sup>3</sup> and is used to store volatile organic liquids (including petroleum) for which construction, reconstruction, or modification commenced after July 23, 1984.
- (b) Pursuant to 40 CFR Part 60, Subpart Kb, the Permittee shall notify the Administrator and IDEM, OAQ, within 30 days when the maximum true vapor pressure of the liquid exceeds the respective maximum true vapor pressure values for each volume range. (Available data on the storage temperature may be used to determine the maximum vapor pressure as determined in 40 CFR Part 60.116b(e)(1)-(3)).

D.1.5 Sulfur Dioxide (SO<sub>2</sub>)

Pursuant to 326 IAC 7-1.1-2 (SO<sub>2</sub> Emissions Limitations) the SO<sub>2</sub> emissions from the fuel combustion shall not exceed five tenths (0.5) pounds per MMBtu heat input.

**D.1.6 Carbon Monoxide Emission Limitations [326 IAC 9-1]**

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This source is subject to 326 IAC 9-1 because it is a stationary source of CO emissions commencing operation after March 21, 1972. There are no applicable CO emission limits, under this state rule, established for this type of operation.

**D.1.7 Preventive Maintenance Plan**

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A Preventive Maintenance Plan, in accordance with Section C - Preventive Maintenance Plan, of this permit, is required for these emission units and their control devices.

**Compliance Determination Requirements**

**D.1.8 Testing Requirements [326 IAC 2-1.1-11] [40 CFR 75.12]**

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- (a) The Permittee shall perform initial performance tests for Turbines 1, 2, 3, 4, 5, and 6, to measure NO<sub>x</sub> emission rates at heat input rate levels corresponding to different load levels and plot the correlation between heat input rate and NO<sub>x</sub> emission rate in order to determine the emission rate of the units. The testing shall be performed in accordance with Section 2.1 of Appendix E of 40 CFR 75.
- (b) The Permittee shall retest the NO<sub>x</sub> emission rate of each turbine prior to the earlier of 3,000 unit operating hours or the five (5) year anniversary and renewal of its operating permit under 40 CFR 72. This testing shall be performed in accordance with Section 2.1 of Appendix E of 40 CFR 75.
- (c) Within sixty (60) days after achieving maximum production rate, but no later than one hundred and eighty (180) days after initial start-up, the Permittee shall conduct CO stack tests for two (2) of the six (6) turbines utilizing methods as approved by the Commissioner. These tests shall be repeated at least once every five (5) years from the date of this valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

**D.1.9 40 CFR Part 60, Subpart GG Compliance Requirements (Stationary Gas Turbines)**

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Pursuant to 40 CFR Part 60, Subpart GG (Stationary Gas Turbines), the Permittee shall monitor the nitrogen and sulfur content of the natural gas on a daily basis as follows:

- (a) install a continuous monitoring system to monitor and record the fuel consumption and the ratio of water to fuel being fired in the turbine, as required by 40 CFR 60.334(a);
- (b) determine compliance with the nitrogen oxides and sulfur dioxide standards in 40 CFR 60.332 and 60.333(a), per the requirements described in 40 CFR 60.335(c);
- (c) determine the sulfur content of the natural gas being fired in the turbine by ASTM methods D 1072-80, D 3031-81, D 4084-82, or D 3246-81. The applicable ranges of some ASTM methods mentioned are not adequate to measure the levels of sulfur in some fuel gases. Dilution of samples before analysis (with verification of the dilution ratio) may be used, subject to the approval of the Administrator;
- (d) determine the nitrogen content of the natural gas being fired in the turbine by using analytical methods and procedures that are accurate to within 5 percent and are approved by the Administrator; and
- (e) report periods of excess emissions, as required by 40 CFR 334(c).

The analyses required above may be performed by the owner or operator, a service contractor retained by the owner or operator, the fuel vendor or any other qualified agency.

Owners, operators or fuel vendors may develop custom schedules for determination of the nitrogen and sulfur content based on the design and operation of the affected facility and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the Administrator before they can be used to comply with the above requirements.

#### D.1.10 326 IAC 7-2 [Sulfur Content Compliance]

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Pursuant to 326 IAC 7-2-1, the Permittee shall demonstrate that the fuel oil sulfur content does not exceed 0.5 pounds per million Btu (lb/MMBtu) by:

- (a) Fuel sampling and analysis data shall be collected pursuant to procedures specified in 326 IAC 3-7-4 for oil combustion, and these data may be used to determine compliance or non-compliance with the emission limitations contained in 326 IAC 7-1.1. Computation of calculated sulfur dioxide emission rates from fuel sampling and analysis data shall be based on AP-42 emission factors, unless other emission factors based on site specific sulfur dioxide measurements are approved by the commissioner and the U.S. EPA. Fuel sampling and analysis data shall be collected as follows:

compliance or noncompliance shall be determined by using a calendar month average sulfur dioxide emission rate in pounds per million Btu unless a shorter averaging time or alternate methodology is specified under 326 IAC 7-2. Analyzing the oil sample to determine the sulfur content of the oil via the procedures in 40 CFR 60, Appendix A, Method 19.

- (1) Oil samples may be collected from the fuel tank immediately after the fuel tank is filled and before any oil is combusted; and
- (2) If a partially empty fuel tank is refilled, a new sample and analysis would be required upon filling.
- (b) Compliance or noncompliance with the emission limitation specified in 326 IAC 7-1.1 may be determined by conducting a stack test for sulfur dioxide emissions from the six (6) combustion turbines, using 40 CFR 60, Appendix A, Method 6, 6A, 6C, or 8, in accordance with the procedures in 326 IAC 3-6.
- (c) A determination of noncompliance pursuant to either of the methods specified in (a) or (b) above shall not be refuted by evidence of compliance pursuant to the other method.

#### D.1.11 Nitrogen Oxides Monitoring Requirement [326 IAC 10-4-4(b)(1)] [326 IAC 10-4-12(b) and (c)] [40 CFR 75]

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The Permittee shall meet the monitoring requirements of 326 IAC 10-4-12(b)(1) through (b)(3) that are applicable to their monitoring systems for the NO<sub>x</sub> budget units on or before the later of the dates listed in paragraphs (a) and (b). The Permittee shall record, report, and quality assure the data from the monitoring systems on and after the later of the following dates in accordance with 326 IAC 10-4-12 and 40 CFR 75:

- (a) May 1, 2003.
- (b) The earlier of:
- (1) one hundred eighty (180) days after the date on which the first unit commences operation; or

- (2) ninety (90) days after the date the first unit commences commercial operation.

#### D.1.12 NO<sub>x</sub> Control

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In order to comply with Conditions D.1.1(a)(1)(A), D.1.1(a)(1)(B) and D.1.3(b)(1), the water injection for NO<sub>x</sub> control shall be operation and control emissions from each of the six (6) combustion turbines at all times that the combustion turbines are in operation.

### **Compliance Monitoring Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]**

#### D.1.13 Visible Emissions Notations

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- (a) Visible emission notations of the Turbines 1, 2, 3, 4, 5, and 6 stack exhausts shall be performed after four (4) hours of continuous operation once per shift during normal daylight operation when combusting No. 2 fuel oil. A trained employee shall record whether emissions are normal or abnormal.
- (b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.
- (c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.
- (e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation and Implementation shall be considered a violation of this permit.

#### D.1.14 Operation and Maintenance Plan

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The Permittee shall prepare and maintain an Operation and Maintenance Plan for each combustion turbine. This plan shall insure that the six (6) combustion turbines are operated and maintained properly in accordance with manufacturer specifications and good air pollution control practices for minimizing emissions. The Operation and Maintenance Plan shall be kept onsite at all times.

#### D.1.15 NO<sub>x</sub> Monitoring [40 CFR 75.12(d)]

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- (a) Pursuant to 40 CFR 72.9 and 40 CFR 75.12, the Permittee has elected to monitor NO<sub>x</sub> emissions from the six (6) combustion turbines pursuant to 40 CFR 75, Appendix E, which is used for peaking units. Appendix E includes, but is not limited to, the following requirements:
- (1) The Permittee shall perform initial performance tests for each turbine to measure NO<sub>x</sub> emission rates at heat input rate levels corresponding to different load levels and plot the correlation between heat input rate and NO<sub>x</sub> emission rate in order to determine the emission rate of the units. This testing shall be performed in accordance with Section 2.1 of Appendix E.
- (2) The Permittee shall retest the NO<sub>x</sub> emission rate for the turbines prior to the earlier of 3,000 unit operating hours or the five (5) year anniversary and renewal of its operating permit under 40 CFR Part 72.
- (3) The Permittee shall record the time (hour and minute), load (megawatt), fuel flow

rate and heat input rate (using the procedures in Section 2.1.3 of Appendix E) for each hour during which the unit combusts fuel. The Permittee shall calculate the total hourly heat input using equation E-1 of Appendix E and record the heat input rate for each fuel to the nearest 0.1 million British thermal units per hour. During partial unit operating hours, heat input must be represented as an hourly rate in million British thermal units per hour, as if the fuel were combusted for the entire hour at that rate in order to ensure proper correlation with the NO<sub>x</sub> emission rate graph.

- (4) The Permittee shall use the graph of the baseline correlation results to determine the NO<sub>x</sub> emission rate (pounds per million British thermal units) corresponding to the heat input rate (million British thermal units per hour) and input this correlations into the data acquisition and handling system for the turbines. The data shall be linearly interpolation to 0.1 million British thermal units per hour heat input rate and 0.01 pounds per million British thermal units.
- (b) If any combustion turbine exceeds a capacity factor of twenty percent (20%) in any given year, or exceeds an average capacity factor of ten percent (10%) for the previous three (3) years, then the Permittee shall install, certify, and operate an NO<sub>x</sub> continuous emissions monitoring system (CEMS) by December 31 of the following calendar year on that turbine. The NO<sub>x</sub> CEMS shall meet the minimum requirements of 40 CFR Part 75 and 326 IAC 3-5. If the required CEMS has not been installed and certified by that date, the Permittee shall report the maximum potential NO<sub>x</sub> emission rate (MER) (as defined in 40 CFR 72.2) for each unit operating hour, starting with the first unit operating hour after the deadline and continuing until the CEMS has been provisionally certified.

## **Record Keeping and Reporting Requirements [326 IAC 2-1-3]**

### D.1.16 Record Keeping Requirements

- (a) To document compliance with Conditions D.1.1 the Permittee shall maintain records of the following:
  - (1) amount of natural gas combusted (in million standard cubic feet) and No. 2 fuel oil (in gallons) per unit (turbine, heating equipment and fire pump engine) during each month;
  - (2) the percent sulfur content of the natural gas (if other than pipeline quality natural gas which is defined as natural gas that is provided by a supplier through a pipeline; 40 CFR Part 72.2) and No. 2 fuel oil of each unit (turbine and fire pump engine); and
  - (3) the Permittee shall maintain records required under 326 IAC 3-5-6 at the source in a manner so that they may be inspected by the IDEM, OAQ, or the U.S. EPA, if so requested or required.
- (b) To document compliance with D.1.3, the source shall maintain records of the natural gas analyses, including the sulfur and nitrogen content of the gas, for a period of three (3) years.
- (c) To document compliance with Condition D.1.4, the Permittee shall:
  - (1) maintain the records of the volatile organic liquid (VOL) stored;
  - (2) the period of storage;
  - (3) the maximum true vapor pressure of the volatile organic liquid (VOL) during the respective storage period; and

- (4) shall keep readily accessible records showing the dimension of the storage vessel and an analysis showing the capacity of the storage vessel.
- (d) To document compliance with Condition D.1.13, the Permittee shall maintain records of visible emission notations of the six (6) combustion turbines stack exhausts when combusting No. 2 fuel oil for four (4) continuous hours.
- (e) To document compliance with Condition D.1.14, the Permittee shall keep records of the maintenance performed on each combustion turbine including the date and description of the maintenance activities.
- (f) To document compliance with Condition D.1.15, the Permittee shall record the time (hour and minute), load (megawatt), fuel flow rate and heat input (using the procedures in Section 2.1.3 of Appendix E) for each fuel to the nearest 0.1 million British thermal units per hour. During partial unit operating hours, heat input must be represented as an hourly rate in million British thermal units per hour, as if the fuel were combusted for the entire hour at that rate in order to ensure proper correlation to the NO<sub>x</sub> emission rate graph.
- (g) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

D.1.17 Nitrogen Oxides Budget Trading Program [326 IAC 10-4-4(a)(1)] [326 IAC 10-4-9(e)(2)]

For NO<sub>x</sub> budget units that will commence operation on or after May 1, 2000, the NO<sub>x</sub> authorized account representative shall submit a request for NO<sub>x</sub> allowances in accordance with 326 IAC 10-4-9(e) by September 1 of the calendar year that is one (1) year in advance of the first ozone control period for which the NO<sub>x</sub> allowance allocation is requested. The NO<sub>x</sub> authorized account representative shall submit a request each year that the units will require allowances from the new unit set aside until the units are allocated allowances from the existing source pool. These requests shall be submitted by the NO<sub>x</sub> authorized account representative to:

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

D.1.18 Reporting Requirements

- (a) A quarterly summary of the information to document compliance with Condition D.1.1 shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported.
- (b) The Permittee shall report periods of excess emissions, as required by 40 CFR 60.334(c).
- (c) The Permittee shall submit reports of calendar month average sulfur content, heat content, fuel consumption, and sulfur dioxide emission rate in pounds per million Btu upon request based on fuel sampling and analysis data in accordance with procedures specified under 326 IAC 3-7-4 to document compliance with Condition D.1.10.
- (d) These reports shall be submitted within thirty (30) calendar days following the end of each calendar quarter and shall be in accordance with Section C – General Reporting Requirements of this permit.

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

**Part 70 Quarterly Report**

Source Name: Hoosier Energy - Lawrence Generating Station  
 Source Address: 1000 S. Old Palistine Road, Mitchell, Indiana 47446  
 Mailing Address: P.O. Box 908, Bloomington, Indiana 47402-0908  
 Permit No.: MSOP 093-14495-00028  
 Facilities: Six (6) Combustion Turbines  
 Parameter: Fuel Usage  
 Limit: Less than a total of 4,760.5 million standard cubic feet of natural gas per twelve (12) consecutive month period with compliance determined at the end of each month where 1000 gallons of No. 2 fuel oil shall be equivalent to 0.2516 million standard cubic feet of natural gas equivalent to less than 248.93 tons of NO<sub>x</sub> per year, less than 123.00 tons of CO per year, and less than 132.82 tons of SO<sub>2</sub> per year.

YEAR:

Month	Fuel Usage This Month	Fuel Usage Previous 11 Months	Fuel Usage 12 Month Total
	Natural Gas (mmscf) Including Equivalent No. 2 Fuel Oil	Natural Gas (mmscf) Including Equivalent No. 2 Fuel Oil	Natural Gas (mmscf) Including Equivalent No. 2 Fuel Oil

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

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

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

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

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

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

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

Attach a signed certification to complete this report.

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

**MINOR SOURCE OPERATING PERMIT  
ANNUAL NOTIFICATION**

This form should be used to comply with the notification requirements under 326 IAC 2-6.1-5(a)(5).

<b>Company Name:</b>	<b>Hoosier Energy - Lawrence Generating Station</b>
<b>Address:</b>	<b>1000 S. Old Palistine Road</b>
<b>City:</b>	<b>Mitchell, Indiana 47446</b>
<b>Phone #:</b>	<b>(812) 876-2021</b>
<b>MSOP #:</b>	<b>093-14495-00028</b>

I hereby certify that Hoosier Energy - Lawrence Generating Station is  still in operation.  
 no longer in operation.

I hereby certify that Hoosier Energy - Lawrence Generating Station is  in compliance with the requirements of MSOP 093-14495-00028  
 not in compliance with the requirements of MSOP 093-14495-00028

<b>Authorized Individual (typed):</b>
<b>Title:</b>
<b>Signature:</b>
<b>Date:</b>

If there are any conditions or requirements for which the source is not in compliance, provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be achieved.

<b>Noncompliance:</b>