



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: December 13, 2005
RE: Steel Dynamics, Inc. / 063-22033-00037
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 13-17-3-4 and 326 IAC 2, this approval is effective immediately, unless a petition for stay of effectiveness is filed and granted, 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 4-21.5-3-7 and IC 13-15-7-3 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 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-MOD.dot 1/10/05



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We make Indiana a cleaner, healthier place to live.

Mitchell E. Daniels, Jr.
Governor

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(800) 451-6027
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Mr. Mike Brooks
Steel Dynamics, Inc.
8000 North County Road 225 East
Pittsboro, IN 46167

December 13, 2005

Re: **063-22033-00037**
Minor Source Modification

Dear Mr. Brooks:

The Office of Air Quality (OAQ) has received an application from Steel Dynamics, Inc. on November 18, 2005, relating to the construction and operation of a new finishing building, consisting of five (5) natural gas fired heat treat furnaces and a quench tank. These emission units will be used for tempering, normalizing, quenching, annealing and stress relieving of steel finished products.

The source may begin construction and operation when the minor source modification has been issued. Operating conditions shall be incorporated into the pending Part 70 operating permit.

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 call (800) 451-6027, and ask for Iryn Calilung or extension 3-5692, or dial (317) 233-5692

Sincerely,

Original Signed By:
Paul Dubenetzky, Assistant Commissioner
Office of Air Quality

Attachments - Minor Source Modification and TSD

cc: File - Hendricks County
Hendricks County Health Department
Air Compliance Section Inspector - RTS
Compliance Data Section
Permit Administrative and Development



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PART 70 MINOR SOURCE MODIFICATION

OFFICE OF AIR QUALITY

Steel Dynamics, Inc. (SDI) - Bar Products Division
8000 North County Road 225 East
Pittsboro, IN 46167

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

This approval is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Minor Source Modification No.: 063-22033-00037	
Issued by: Original Signed By: Paul Dubenetzky, Assistant Commissioner Office of Air Quality	Issuance Date: December 13, 2005



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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 thru 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 2-7-4(c)] [326 IAC 2-7-5(15)] [326 IAC 2-7-1(22)]

The Permittee owns and operates a stationary steel mini-mill that manufactures different types of bars.

Source Name:	Steel Dynamics, Inc. (SDI) - Bar Products Division
Source Location:	8000 North County Road 225 East, Pittsboro, IN 46167
Mailing Address:	8000 North County Road 225 East, Pittsboro, IN 46167
General Telephone Number:	317/892-7000
Responsible Official:	Plant Manager
County:	Hendricks
County Status:	Nonattainment for the 8-hour ozone standard Nonattainment for PM2.5 Attainment for the other regulated pollutants
SIC Code:	3312 (Steel Mill)
Source Categories:	1 of 28 Listed Source Categories Major Source, under PSD and Emission Offset Rules Minor Source, under Section 112 of the Clean Air Act

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

This modification to a stationary source is approved to construct and operate the following:

- (a) Five (5) natural gas fired heat treat furnaces, each furnace has a nominal heat input capacity of 11.6 million (MM) Btu per hour and a maximum capacity of 20 tons of steel input per charge. These furnaces will be located in a new finishing building of the existing mini-mill.

Stack Summary	
Heat Treat Furnace ID	Stack ID
HTF1	HT1
	HT2
HTF2	HT3
	HT4
HTF3	HT5
	HT6
HTF4	HT7
	HT8
HTF5	HT9

Stack Summary	
Heat Teat Furnace ID	Stack ID
	HT10

- (b) One (1) quench tank.

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

This integrated steel mill 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 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).

SECTION B GENERAL CONSTRUCTION CONDITIONS

- B.1 Advanced Source Modification Approval [326 IAC 2-7-5(16)] [326 IAC 2-7-10.5]
Pursuant to 326 IAC 2-7-10.5(f)(4), the emission units specified in Section A.2 are hereby approved for construction.
- B.2 Permit No Defense [IC 13-11 through 13-20][IC 13-22 through 13-25]
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.3 Effective Date of the Permit [IC 13-15-5-3]
Pursuant to IC 13-15-5-3, this permit becomes effective upon its issuance.
- B.4 Revocation of Permits [326 IAC 2-7-10.5(i)]
Pursuant to 326 IAC 2-7-10.5(i), construction must commence within eighteen (18) months of the issuance of this approval.
- B.5 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.

SECTION C GENERAL OPERATION CONDITIONS

C.1 Certification [326 IAC 2-7-4(f)][326 IAC 2-7-6(1)][326 IAC 2-7-5(3)(C)]

- (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 a responsible official 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.
- (c) A responsible official is defined at 326 IAC 2-7-1(34).

C.2 Preventive Maintenance Plan [326 IAC 2-7-5(1),(3) and (13)] [326 IAC 2-7-6(1) and (6)] [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 (PMPs) upon initial start up, 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.
- (b) A copy of the PMPs shall be submitted to IDEM, OAQ, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMPs do not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) To the extent the Permittee is required by 40 CFR Part 60 or 40 CFR Part 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.

C.3 Deviations from Permit Requirements and Conditions [326 IAC 2-7-5(3)(C)(ii)]

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

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

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 "responsible official" as defined by 326 IAC 2-7-1(34).

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

C.4 Inspection and Entry [326 IAC 2-7-6][IC 13-14-2-2][IC 13-30-3-1]

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 permitted 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 this title or the conditions of this permit or any operating permit revisions;
- (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 processes, emission units (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit or any operating permit revisions;
- (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.

C.5 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 Part 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.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). 326 IAC 6-4-2(4) is not federally enforceable.

Testing Requirements [326 IAC 2-7-6(1)]

C.7 Performance Testing [326 IAC 3-6][326 IAC 2-1.1-11]

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

A test protocol, except as provided elsewhere in this approval, 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 protocol submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (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 "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) Pursuant to 326 IAC 3-6-4(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 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.

Compliance Requirements [326 IAC 2-1.1-11]

C.8 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 2-7-5(1)] [326 IAC 2-7-6(1)]

C.9 Compliance Monitoring [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

All monitoring and record keeping requirements shall be implemented upon initial startup of the operation. The Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment.

C.10 Monitoring Methods [326 IAC 3] [40 CFR Part 60] [40 CFR Part 63]

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

Corrective Actions and Response Steps [326 IAC 2-7-5] [326 IAC 2-7-6]

C.11 Response to Excursions or Exceedances [326 IAC 2-7-5] [326 IAC 2-7-6]

- (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.12 Emergency Provisions [326 IAC 2-7-16]

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

Telephone Number: 1-800-451-6027
(ask for Office of Air Quality, Compliance Section), or
Telephone Number: 317-233-5674 (ask for Compliance Section)
Facsimile Number: 317-233-5967

Northwest Regional Office
Telephone Number: 219-881-6712
Facsimile Number: 219-881-6745

- (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

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 2-7-5(3)(C)(ii) and must contain the following:

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

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

- (6) The Permittee immediately took all reasonable steps to correct the emergency.
- (c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
- (d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.
- (e) The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However, IDEM, OAQ may require that the Preventive Maintenance Plans required under 326 IAC 2-7-4-(c)(10) 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 2-7 and any other applicable rules.
- (g) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.

C.13 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5] [326 IAC 2-7-6]

- (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 non-compliant stack tests.

The response action documents submitted pursuant to this condition require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

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

C.14 General Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-6]

- (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 when the new or modified equipment begins normal operation.
- (c) If there is a reasonable possibility that a "project" (as defined in 326 IAC 2-2-1(qq)) at an existing emission unit, other than projects at a Clean Unit, which is not part of a "major modification" 326 IAC 2-2-1(ee) may result in a significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr)), the Permittee shall comply with the following:
 - (1) Before beginning actual construction of the "project" (as defined in 326 IAC 2-2-1(qq)) at an existing emission unit, document and maintain the following records:
 - (A) A description of the project;
 - (B) Identification of any emission unit whose emissions of a regulated new source review pollutant could be affected by the project;
 - (C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:
 - (i) Baseline actual emissions;
 - (ii) Projected actual emissions;
 - (iii) Amount of emissions excluded under section 326 IAC 2-2-1(rr)(2)(A)(iii); and
 - (iv) An explanation for why the amount was excluded, and any netting calculations, if applicable.
 - (2) Monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any existing emission unit identified in (1)(B) above; and

- (3) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change if the project increases the design capacity or the potential to emit that regulated NSR pollutant at the emission unit.

C.15 General Reporting Requirements [326 IAC 2-7-5(3)(C)]

- (a) The source 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 "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) The report required in (a) of this Condition 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, all reports of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (e) 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. Reporting periods are based on calendar years, unless otherwise specified in this permit. For the purpose of this permit "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.
- (f) If the Permittee is required to comply with the recordkeeping provisions of (c) in Section C – General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq)), at an existing emission unit other than an Electric Utility Steam Generating Unit, and the project meets the following criteria, then the Permittee shall submit a report to IDEM, OAQ:
 - (1) The annual emissions, in tons per year, from the project identified in (c)(1) in Section C – General Record Keeping Requirements exceed the baseline actual emissions, as documented and maintained under Section C – General Record Keeping Requirements (c)(1)(C)(i), by a significant amount, as defined in 326 IAC 2-2-1(xx), for that regulated pollutant, and

- (2) The emissions differ from the preconstruction projection as documented and maintained under Section C – General Record Keeping Requirements (c)(1)(C)(ii).
- (g) The report for a project at an existing emission unit shall be submitted within sixty (60) days after the end of the year and contain the following:
- (1) The name, address, and telephone number of the major stationary source.
 - (2) The annual emissions calculated in accordance with (c)(2) in Section C – General Record Keeping Requirements.
 - (3) The emissions calculated under the actual-to-projected-actual test stated in 326 IAC 2-2-2(d)(3).
 - (4) Any other information that the Permittee deems fit to include in this report,

Reports required in this part shall be submitted to:

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

- (h) The Permittee shall make the information required to be documented and maintained in accordance with (c) in Section C – General Record Keeping Requirements available for review upon request for inspection by IDEM, OAQ. The general public may request this information from the IDEM, OAQ under 326 IAC 17.1

SECTION D.1 FACILITY OPERATION CONDITIONS

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

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

- (a) Five (5) natural gas fired heat treat furnaces, each furnace has a nominal heat input capacity of 11.6 million (MM) Btu per hour and a maximum capacity of 20 tons of steel input per charge. These furnaces will be located in a new finishing building of the existing mini-mill.

Stack Summary	
Heat Teat Furnace ID	Stack ID
HTF1	HT1
	HT2
HTF2	HT3
	HT4
HTF3	HT5
	HT6
HTF4	HT7
	HT8
HTF5	HT9
	HT10

- (b) One (1) quench tank.

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

D.1.1 Minor Source Modification [326 IAC 2-7-10.5(d)(3)]

Any change or modification which may increase the potential to emit of any criteria pollutant to 25 tons per year or greater, from the emission units covered in this permit, shall require approval from IDEM, OAQ before such change may occur.

Compliance Determination Requirement

D.1.2 Natural Gas Usage

The five (5) heat treat furnaces shall use natural gas only.

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

None

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

None

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH
100 North Senate Avenue, Indianapolis, IN 46204**

**PART 70 OPERATING PERMIT
CERTIFICATION**

Source Name: Steel Dynamics, Inc. (SDI) - Bar Products Division
Source Location: 8000 North County Road 225 East, Pittsboro, IN 46167

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

Please check what document is being certified:

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, IN 46204**

**PART 70 OPERATING PERMIT
EMERGENCY OCCURRENCE REPORT**

Source Name: Steel Dynamics, Inc. (SDI) - Bar Products Division
Source Location: 8000 North County Road 225 East, Pittsboro, IN 46167

This is an emergency as defined in 326 IAC 2-7-1(12)

The Permittee must notify the Office of Air Quality (OAQ), no later than 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 no later than two (2) working days (Facsimile Number: 317-233-5967), and follow the other requirements of 326 IAC 2-7-16.

Address: 100 North Senate Avenue, Indianapolis, Indiana 46204

This Emergency Occurrence Report consists of 2 pages.

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:

Date/Time Emergency started:

Date/Time Emergency was corrected:

Page 2 of 2 of the Emergency Occurrence Report	
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 reduce 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:
Telephone:

A certification by the responsible official as defined by 326 IAC 2-7-1(34) is NOT required for this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
100 North Senate Avenue, Indianapolis, IN 46204**

**PART 70 OPERATING PERMIT
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT**

Source Name: Steel Dynamics, Inc. (SDI) - Bar Products Division
Source Location: 8000 North County Road 225 East, Pittsboro, IN 46167

Months: _____ to _____ Year: _____

This Quarterly Deviation And Compliance Monitoring Report consists of 2 pages.

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 "No deviations occurred this reporting period".

NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

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:

Page 2 of 2 of Quarterly Deviation And Compliance Monitoring Report	
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:
Telephone:

Attach a signed certification to complete this report.

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

Technical Support Document (TSD)
for a Part 70 Minor Source Modification

Source Description and Location

Source Name:	Steel Dynamics, Inc. (SDI) - Bar Products Division
Source Location:	8000 North County Road 225 East, Pittsboro, IN 46167
Mailing Address:	8000 North County Road 225 East, Pittsboro, IN 46167
General Telephone Number:	317/892-7000
Responsible Official:	Plant Manager
County:	Hendricks
SIC Code:	3312 (Steel Mill)
Source Status:	1 of 28 Listed Source Categories Major Source, under PSD and Emission Offset Rules Minor Source, under Section 112 of the CAA
Minor Source Modification:	063-22033-00037
Permit Writer:	Iryn Calilung 317/233-5692

SDI owns and operates a steel mini-mill that manufactures different types of bars, located at 8000 North County Road 225 East, Pittsboro, IN 46167

Existing Approvals

The Office of Air Quality (OAQ) received an application from SDI for a Part 70 Operating Permit on March 15, 2005. At this time, this application is still under review. The source is operating under PSD Permit No. 063-16628-00037, issued on August 29, 2003.

County Attainment Status

The source is located in Hendricks County.

Table 1 - - County Status	
Pollutant	Status
PM10	Attainment
PM2.5	Nonattainment
SO ₂	Attainment
NO ₂	Attainment
1-Hour Ozone	Attainment
8-Hour Ozone	Nonattainment
CO	Attainment
Lead	Attainment

- (1) **8-Hour Ozone Standard**
Volatile organic compounds (VOC) and Nitrogen Oxides (NOx) 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 NOx emissions are considered when evaluating the rule applicability relating to the ozone standards. Hendricks County has been designated as nonattainment for the 8-hour ozone standard. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for emission offset, 326 IAC 2-3.
- (2) **PM2.5**
U.S. EPA, in the Federal Register Notice 70 FR 943 dated January 5, 2005, has designated Hendricks County as nonattainment for PM2.5. On March 7, 2005 the Indiana Attorney General's Office, on behalf of IDEM, filed a law suit with the Court of Appeals for the District of Columbia Circuit challenging U.S. EPA's designation of nonattainment areas without sufficient data. However, in order to ensure that sources are not potentially liable for a violation of the Clean Air Act, the OAQ is following the U.S. EPA's guidance to regulate PM10 emissions as a surrogate for PM2.5 emissions pursuant to the requirements of Emission Offset, 326 IAC 2-3.
- (3) Hendricks County has been classified as attainment or unclassifiable in Indiana for the other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (4) Since this source is classified as a steel mini-mill, it is considered one of the twenty-eight (28) listed source categories, as specified in 326 IAC 2-2-1(gg)(1) and fugitive emissions are counted toward the determination of PSD and Emission Offset applicability.

Source Status

- (1) This existing source is a major stationary source, under PSD (326 IAC 2-2) and Emission Offset (326 IAC 2-3), because at least one (1) regulated pollutant is emitted at a rate of 100 tons per year or more, and it is one of the twenty-eight (28) listed source categories, as specified in 326 IAC 2-2-1(gg)(1).
- (2) This existing source is not a major source of HAPs, as defined in 40 CFR 63.41, because HAPs emissions are less than ten (10) tons per year for a single HAP and twenty-five (25) tons per year of a combination of HAPs. Therefore, this source is an area source under Section 112 of the Clean Air Act (CAA).

Actual Emissions

No previous emission data can be found in the OAQ Emission Inventory from this source, under SDI.

Background and Description of Proposed Modification

The Office of Air Quality (OAQ) has received an application from SDI on November 18, 2005, relating to the construction and operation of a new finishing building, consisting of five (5) natural gas fired heat treat furnaces and a quench tank. These emission units will be used for tempering, normalizing, quenching, annealing and stress relieving of steel finished products.

The following is a list of the new emission units:

- (a) Five (5) natural gas fired heat treat furnaces, each furnace has a nominal heat input capacity of 11.6 million (MM) Btu per hour and a maximum capacity of 20 tons of steel input per charge. These furnaces will be located in a new finishing building of the existing mini-mill.

Stack Summary	
Heat Treat Furnace ID	Stack ID
HTF1	HT1
	HT2
HTF2	HT3
	HT4
HTF3	HT5
	HT6
HTF4	HT7
	HT8
HTF5	HT9
	HT10

- (b) One (1) quench tank.

Enforcement Issues

There are no pending enforcement actions related to this proposed modification.

Stack Summary

Table 2 - - Stack Summary of the Proposed Modification					
Furnace ID	Stack ID	Height (feet)	Diameter (inches)	Flow Rate (acfm)	Temperature (°F)
HTF1	HT1	29	25	--	--
	HT2	32	25	--	--
HTF2	HT3	29	25	--	--
	HT4	32	25	--	--
HTF3	HT5	29	25	--	--
	HT6	32	25	--	--
HTF4	HT7	29	25	--	--
	HT8	32	25	--	--
HTF5	HT9	29	25	--	--
	HT10	32	25	--	--

Emission Calculations

Table 3 - - Potential to Emit of the Proposed Modification

Pollutant	Emission Factor (EF) (lb/MMCF)	PTE (tons/year)
SO ₂	0.6	0.15
NO _x	100	24.91
VOC	5.5	1.83
CO	84	20.92
PM	7.6	1.89
PM10	7.6	1.89
Benzene	0.0021	0.000523
Formaldehyde	0.075	0.0187
Hexane	1.8	0.6
Toluene	0.0034	0.000847
Lead	0.00005	0.000124
Chromium	0.0014	0.000349

Methodology and Assumptions:

- (a) Total Nominal capacity = (11.6 MMBtu/hour)*(5 furnaces) = 58 MMBtu/hour
- (b) PM EF is filterable only.
- (c) PM₁₀ EF is condensable and filterable combined.
- (d) EFs are from AP-42, Chapter 1.4. Tables 1.4-1,1.4-2, 1.4-3, SCC # 1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03 (Supplement D 7/98).
- (e) PTE = (58 MMBtu/hour)(EF lb/MMCF)(1 MMCF/1,020 MMBtu)(8760 hours/year)(1 ton/2000 lb) = tons/year
- (f) Emissions are from natural gas combustion.

Permit Level Determination – Part 70

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source or emission 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, IDEM, or the appropriate local air pollution control agency.”

The following table is used to determine the appropriate permit level of the proposed modification under 326 IAC 2-7-10.5. This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Table 4 - - PTE Before Controls of the Proposed Modification	
Pollutant	Potential To Emit (tons/year)
PM	1.89
PM10	1.89
SO ₂	0.15
VOC	1.83
CO	20.94
NO _x	24.91
Lead	0.000124
Single HAP	Less than 10
Combination of HAPs	Less than 25

The proposed modification is being processed as a minor source modification to an existing Part 70 source, in accordance with 326 IAC 2-7-10.5(d)(3), because the potential to emit of the proposed modification is less than 25 tons per year.

Permit Level Determination – PSD or Emission Offset

The table below summarizes the potential to emit, reflecting all limits, of the emission units. Any control equipment is considered federally enforceable only after issuance of this Part 70 source modification, and only to the extent that the effect of the control equipment is made practically enforceable in the permit.

Table 5 - - Potential to Emit After Control (tons/year)							
Process/Emission Unit	PM	PM10	SO ₂	VOC	CO	NO _x	Lead
PTE of the Modification	1.89	1.89	0.15	1.83	20.92	24.91	0.000124
PSD and EO Significant Levels	25	15	40	40	100	40	0.2
PSD or EO (Yes/No)	No	No	No	No	No	No	No

- (1) This modification to an existing major stationary source is not major because the PM, PM10, SO₂, CO, and Lead emission increases are less than the PSD significant levels. Therefore, pursuant to 326 IAC 2-2, the PSD requirements do not apply.
- (2) This modification to an existing major stationary source is not major because the VOC and NO_x emission increases are less than the Emission Offset significant levels. Therefore, pursuant to 326 IAC 2-3, the Emission Offset requirements do not apply.
- (3) Hendricks County has been designated as nonattainment for PM_{2.5} in 70 FR 943 dated January 5, 2005. According to the April 5, 2005 EPA memo titled "Implementation of New Source Review Requirements in PM_{2.5} Nonattainment Areas" authored by Steve Page, Director of OAQPS, until EPA promulgates the PM_{2.5} major NSR regulations, states should assume that a major stationary source's PM₁₀ emissions represent PM_{2.5} emissions. IDEM will use the PM₁₀ nonattainment major NSR program as a surrogate to address the requirements of nonattainment major NSR for the PM_{2.5} NAAQS. A significant emissions increase would be a net emissions increase or the potential of fifteen (15) tons per year or greater of PM₁₀. The potential to emit of PM₁₀ from the modification is less than fifteen (15) tons per year. Therefore, assuming that PM₁₀ emissions represent PM_{2.5} emissions, 326 IAC 2-3 does not apply for PM_{2.5}.

Federal Rule Applicability Determination

- (1) New Source Performance Standards (NSPS) 40 CFR Part 60 and 326 IAC 12
There are no NSPS included in this permit for the proposed modification.
- (2) National Emission Standards for Hazardous Air Pollutants (NESHAPs) 40 CFR Part 63, 326 IAC 14, and 326 IAC 20
There are no NESHAPs included in this permit for the proposed modification.
- (3) Compliance Assurance Monitoring (CAM)
Pursuant to 40 CFR 64.2, CAM is applicable to new or modified emission units that involve a pollutant-specific emission unit and meet the following criteria:
 - (a) has a potential to emit before or after controls equal to or greater than the major source threshold for the pollutant involved;
 - (b) is subject to an emission limitation or standard for that pollutant; and
 - (c) uses a control device, as defined in 40 CFR 64.1, to comply with that emission limitation or standard.

The following table is used to identify the applicability of each of the applicability criteria, under 40 CFR 64.1, to each new emission units involved in the proposed modification:

Table 6 - - CAM Applicability							
Emission Unit	Control Device Used	Emission Limitation (Y/N)	Uncontrolled PTE (tons/year)	Controlled PTE (tons/year)	Major Source Threshold (tons/year)	CAM Applicable (Y/N)	Large Unit (Y/N)
Five (5) Heat Treat Furnaces and Quench Tank	None	None	Less than 100	Less than 100	100	No	No

Based on this evaluation, the requirements of 40 CFR Part 64, CAM is not applicable to the five (5) natural gas fired heat treat furnaces and quench tank.

State Rule Applicability Determination

- (1) Pursuant to 326 IAC 2-1.1-4 (Federal Provisions), in case of a conflict between the state rules and a provision of federal law or regulation, the more stringent requirement applies.
- (2) 326 IAC 2-2 and 2-3 (PSD and Emission Offset)
PSD and Emission Offset applicability is discussed under the Permit Level Determination - PSD and Emission Offset section of this TSD.
- (3) 326 IAC 2-4.1 (Major Sources of Hazardous Air Pollutants (HAP))
The operation of the five (5) natural gas fired heat treat furnaces and quench tank will emit less than ten (10) tons per year for a single HAP and less than twenty-five (25) tons per year for a combination of HAPs. Therefore, 326 IAC 2-4.1 does not apply.
- (4) 326 IAC 2-6 (Emission Reporting)
Even prior to this proposed modification, this source is subject to 326 IAC 2-6 (Emission Reporting). The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4.
- (5) 326 IAC 5-1 (Opacity Limitations)
The five (5) natural gas fired heat furnaces and quench tank are subject to the opacity limitation of 40% as specified in 326 IAC 5-1-2(1).

Compliance Determination and Monitoring Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with all applicable state and federal rules on a continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a continuous demonstration. When this occurs IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, Compliance Determination Requirements are included in the permit. The Compliance determination requirements of the permit are those conditions that are found directly within state and federal rules and the violation of which serves as grounds for enforcement action.

If the Compliance Determination Requirements are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements. 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 demonstration of the five (5) heat treat furnaces is determined by the use of natural gas as fuel.

Conclusion and Recommendation

- (1) The construction and operation of this proposed modification shall be subject to the conditions of the attached proposed Part 70 Minor Source Modification No. **063-22033-00037**. The staff recommend to the Commissioner that this Part 70 Minor Source Modification be approved.
- (2) Unless otherwise stated, information used in this review was derived from the application received by the Office of Air Quality (OAQ) on November 18, 2005.
- (3) Copies of the application and findings have been provided to the Brownsburg Public Library, 450 South Jefferson, Brownsburg, IN 46112
- (4) A copy of the preliminary findings is also available on the Internet at: www.IN.gov/idem/air/permits/Air-Permits-Online.

IDEM Contact

Questions regarding this proposed permit can be directed to Ms. Iryn Calilung at the Indiana Department Environmental Management, Office of Air Quality, 100 North Senate Avenue, Indianapolis, Indiana 46204 or by telephone at (317) 233-5692 or toll free at 1-800-451-6027 extension 3-5692.

For additional information about air permits and how the public can participate, see IDEM's Guide for Citizen Participation and Permit Guide on the Internet at: www.IN.gov/idem/guides.