



Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
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(800) 451-6027
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TO: Interested Parties / Applicant
DATE: January 31, 2006
RE: Kasle Metal Processing / 019-22372-00119
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.
Governor

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January 31, 2006

Mr. Thomas Woods
Kasle Metal Processing
5146 Maritime Road
Jeffersonville, IN 47130

Dear Mr. Woods:

Re: Exempt Construction and Operation Status,
019-22372-00119

The application from Kasle Metal Processing, received on December 15, 2005 has been reviewed. Based on the data submitted and the provisions in 326 IAC 2-1.1-3, it has been determined that the following steel blanking facility, to be located at 5146 Maritime Road, Jeffersonville, Indiana, is classified as exempt from air pollution permit requirements:

- (a) Two (2) EGL-1 application lines, applying rust preventive surface coating to steel blanks, (identified as EGL Application Line 1 and 2), with a maximum capacity of 300 feet per minute, each, using no control, exhausting to the atmosphere.
- (b) Two (2) wash lines (identified as Wash Line 1 and 2), with a maximum capacity of 300 feet per minute, each, using no control, exhausting to the atmosphere.
- (c) Two (2) 2.5 MMBtu Natural gas-fired boilers, identified as Boiler 1 and 2, using no control, exhausting to the atmosphere.
- (d) Four (4) 1.55 MMBtu Natural gas-fired Air Make-Up Units, with no unit I.D.'s and using no control, exhausting to the atmosphere.

The following conditions shall be applicable:

- (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:
 - (a) Opacity shall not exceed an average of thirty percent (30%) 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 15 minutes (60 readings) in a 6-hour period 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.

- (2) Pursuant to 326 IAC 6-2-4 (Emission limitations for facilities specified in 326 IAC 6-2-1(d)), particulate emissions from indirect heating facilities constructed after September 21, 1983 shall be limited by the following equation:

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

where

Q = total source heat input capacity (MMBtu/hr)

Pt = emission rate limit (lbs/MMBtu)

Therefore, particulate emissions from the two (2) 2.5 MMBtu/hr boilers shall not exceed 0.6 lb/MMBtu heat input.

This exemption is the first air approval issued to this source.

An application or notification shall be submitted in accordance with 326 IAC 2 to the Office of Air Quality (OAQ) if the source proposes to construct new emission units, modify existing emission units, or otherwise modify the source.

Sincerely,

Origin signed by

Nysa L. James, Section Chief
Permits Branch
Office of Air Quality

JF

cc: File - Clark County
Clark County Health Department
Air Compliance – Ray Schick
Permit Review Section #1 – James Farrell

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

Technical Support Document (TSD) for an Exemption

Source Background and Description

Source Name:	Kasle Metal Processing
Source Location:	5146 Maritime Road, Jeffersonville, IN 47130
County:	Clark
SIC Code:	3479
Operation Permit No.:	019-22372-00119
Permit Reviewer:	James Farrell

The Office of Air Quality (OAQ) has reviewed an application from Kasle Metal Processing relating to the construction and operation of a steel blanking facility. The steel blanking process shapes steel coils into blanks and then applies a non-HAP surface coating as a rust preventative.

New Emission Units and Pollution Control Equipment

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

- (a) Two (2) EGL-1 application lines, applying rust preventive surface coating to steel blanks, (identified as EGL Application Line 1 and 2), with a maximum capacity of 300 feet per minute, each, using no control, exhausting to the atmosphere.
- (b) Two (2) wash lines (identified as Wash Line 1 and 2), with a maximum capacity of 300 feet per minute, each, using no control, exhausting to the atmosphere.
- (c) Two (2) 2.5 MMBtu Natural gas-fired boilers, identified as Boiler 1 and 2, using no control, exhausting to the atmosphere.
- (d) Four (4) 1.55 MMBtu Natural gas-fired Air Make-Up Units, with no unit I.D.'s and using no control, exhausting to the atmosphere.

Enforcement Issue

There are no enforcement actions pending.

Recommendation

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

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

A complete application for the purposes of this review was received on December 15, 2005.

Emission Calculations

The calculations submitted by the applicant have been verified and found to be accurate and correct. The calculations can be found in the application file.

Potential to Emit Source Before Controls

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

Pollutant	Potential to Emit (tons/yr)
PM	0.38
PM-10	0.38
SO ₂	0.03
VOC	3.17
CO	4.12
NO _x	4.91

HAPs	Potential to Emit (tons/yr)
Single HAP	<10
Combination HAPs	<25

- (a) The potential to emit (as defined in 326 IAC 2-7-1(29)) of pollutants are less than the levels listed in 326 IAC 2-1.1-3(d)(1). Therefore, the source is subject to the provisions of 326 IAC 2-1.1-3. An exemption will be issued.
- (b) The potential to emit (as defined in 326 IAC 2-7-1(29)) of any single HAP is less than ten (10) tons per year and the potential to emit (as defined in 326 IAC 2-7-1(29)) of a combination of HAPs is less than twenty-five (25) tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-1.1-3. An exemption will be issued.

County Attainment Status

The source is located in Clark County.

Pollutant	Status Status
PM-10	Attainment
PM-2.5	Nonattainment
SO ₂	Attainment
NO ₂	Attainment
1-hour Ozone	Attainment
8-hour Ozone	Basic Nonattainment
CO	Attainment
Lead	Attainment

- (a) Volatile organic compounds (VOC) and Nitrogen Oxides (NO_x) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NO_x emissions are considered when evaluating the rule applicability relating to the ozone standards. Clark County has been designated as nonattainment for the 8-hour ozone standard. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements for nonattainment new source review.
- (b) Clark County has been classified as nonattainment for PM_{2.5} in 70 FR 943 dated January 5, 2005. Until U.S. EPA adopts specific New Source Review rules for PM_{2.5} emissions, it has directed states to regulate PM₁₀ emissions as surrogate for PM_{2.5} emissions pursuant to the Non-attainment New Source Review requirements.
- (c) Clark County has been classified as attainment or unclassifiable in Indiana for all remaining criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (d) Fugitive Emissions
Since this type of operation is not one of the 28 listed source categories under 326 IAC 2-2 or 2-3 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive particulate matter (PM) and volatile organic compound (VOC) emissions are not counted toward determination of PSD and Emission Offset applicability.

Source Status

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

Pollutant	Emissions (tons/yr)
PM	<5
PM-10	<5
SO ₂	<10
VOC	<10
CO	<25
NO _x	<10
Single HAP	<10
Combination HAPs	<25

- (a) This new source is not a major stationary source because no attainment pollutant is emitted at a rate of 250 tons per year or greater, no nonattainment pollutant is emitted at a rate of 100 tons per year or greater, and it is not in one of the 28 listed source categories. Therefore, pursuant to 326 IAC 2-2 and 2-3, the PSD and Emission Offset requirements do not apply.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

This new source is not subject to the Part 70 Permit requirements because the potential to emit (PTE) of:

- (a) each criteria pollutant is less than 100 tons per year,
- (b) a single hazardous air pollutant (HAP) is less than 10 tons per year, and
- (c) any combination of HAPs is less than 25 tons per year.

This is the first air approval issued to this source.

Federal Rule Applicability

- (a) This source is not subject to the requirements of the New Source Performance Standard, 326 IAC 12, 40 CFR 60.460, Subpart TT – Standards and Performance for Metal Coil Surface Coating Operations, which applies to prime coat, finish coat and prime and finish coat combined operations because it is not a prime or finish coat operation. Therefore, this NSPS is not included in this exemption.
- (b) This source is not subject to the requirements of the New Source Performance Standard, 326 IAC 12, 40 CFR 60.40c, Subpart Dc – Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, which applies to steam generating units constructed, modified or reconstructed after June 9, 1989 and has a maximum design heat input capacity of 29 megawatts (MW) (100 million Btu per hour (Btu/hr)) or less, but greater than or equal to 2.9 MW (10 million Btu/hr) because each of the boilers have heat input values of less than 10 million Btu/hr. Therefore, this NSPS is not included in this exemption.
- (c) The metal coil surface coating unit is not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP), Subpart M – (Surface Coating of Miscellaneous Metal Part and Products) because it does not apply topcoat to automobile or light-duty truck body parts and is not a major source of HAPs.
- (d) The metal coil surface coating unit is not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP), Subpart SSSS – (Surface Coating of Metal Coil) because it is not a major source of HAPs.
- (e) The two (2) 2.5 MMBtu/hr boilers are not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP), Subpart DDDDD – Standards for Industrial, Commercial and Institutional Boilers and Process Heaters, because it is not a major source of HAPs.

State Rule Applicability – Entire Source

326 IAC 2-6 (Emission Reporting)

This source is not required to have an operating permit under 326 IAC 2-7, does not emit lead into the ambient air at levels ≥ 5 tpy, and is located in Clark County. Therefore, 326 IAC 2-6 does not apply.

326 IAC 5-1 (Opacity Limitations)

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

- (a) Opacity shall not exceed an average of thirty percent (30%) 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 15 minutes (60 readings) in a 6-hour period as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor in a six (6) hour period.

State Rule Applicability – Individual Facilities

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

The operation of this steel blanking facility will emit less than 10 tons per year of a single HAP and less than 25 tons per year of a combination of HAPs. Therefore, 326 IAC 2-4.1 does not apply.

326 IAC 6-2-4 (Emission limitations for facilities specified in 326 IAC 6-2-1(d))
Pursuant to 326 IAC 6-2-4(a) particulate emissions from indirect heating constructed after September 21, 1983 shall be limited by the following equation:

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

where

Q = total source heat input capacity (MMBtu/hr)
Pt = emission rate limit (lbs/MMBtu)

Therefore, particulate emissions from the two (2) 2.5 MMBtu/hr boiler shall not exceed 0.6 lb/mmBtu heat input because the total source maximum operating capacity heat input for indirect heating is less than 10 MMBtu/hr.

326 IAC 6-2-4 (Emission limitations for facilities specified in 326 IAC 6-2-1(d))
This rule is not applicable to the air make-up units because they are not sources of indirect heating. Therefore, the requirements of 326 IAC 6-2-4 do not apply to the air make-up units.

326 IAC 6-3-1 (Particulate Emission Limitations for Manufacturing Processes)
Pursuant to 6-3-1(b)(1), the two (2) 2.5 MMBtu boilers are exempt from the requirements of 6-3-1 because it uses combustion for indirect heating. Therefore, the requirements of 326 IAC 6-3-1 do not apply to the boilers.

326 IAC 6-3-2 (Particulate Emission Limitations, Work Practices, and Control Technologies)
The emission units at this source have negligible Particulate emissions. Therefore the requirements of 326 IAC 6-3-2 do not apply.

326 IAC 8-1-6 (New Facilities; General Reduction Requirements)
The potential emissions from this steel blanking facility are less than 25 tons per year. Therefore, 326 IAC 8-1-6 does not apply.

326 IAC 8-2-1 (Surface Coating Emissions Limitations)
This source is located in Clark County, the potential to emit of VOC from the facility is less than twenty-five (25) tons per year and actual emissions are less than fifteen (15) pounds per day. Therefore, pursuant to 326 IAC 8-2-1, 326 IAC 8-2-4 (Coil Coating Operations) and 326 IAC 8-2-9 (Miscellaneous Metal Coating Operations) do not apply.

326 IAC 8-7-1 (Specific VOC Reduction Requirements for Lake, Porter, Clark, and Floyd Counties)
This source is located in Clark County, and the potential to emit of VOC is less than 100 tons per year and the coating facility has less than ten (10) tons per year of VOC. Therefore, 326 IAC 8-7-1 does not apply.

Conclusion

The construction and operation of this steel blanking facility shall be subject to the conditions of the Exemption 019-22372-00119.