INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We make Indiana a cleaner, healthier place to live.

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: July 25, 2007

RE: IMPA - Indiana Municipal Power Agency - Anderson Station / 095-22506-00051

FROM: Nisha Sizemore
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval – Effective Immediately

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-15-5-3, this permit is effective immediately, unless a petition for stay of effectiveness is filed and granted, 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 13-15-6-1(b) or IC 13-15-6-1(a) require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Room 1049, Indianapolis, IN 46204.

For an **initial Title V Operating Permit**, a petition for administrative review must be submitted to the Office of Environmental Adjudication within **thirty (30)** days from the receipt of this notice provided under IC 13-15-5-3, pursuant to IC 13-15-6-1(b).

For a **Title V Operating Permit renewal**, a petition for administrative review must be submitted to the Office of Environmental Adjudication within **fifteen (15)** days from the receipt of this notice provided under IC 13-15-5-3, pursuant to IC 13-15-6-1(a).

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.

Pursuant to 326 IAC 2-7-18(d), any person may petition the U.S. EPA to object to the issuance of an initial Title V operating permit, permit renewal, or modification within sixty (60) days of the end of the forty-five (45) day EPA review period. Such an objection must be based only on issues that were raised with reasonable specificity during the public comment period, unless the petitioner demonstrates that it was impractible to raise such issues, or if the grounds for such objection arose after the comment period.

To petition the U.S. EPA to object to the issuance of a Title V operating permit, contact:

U.S. Environmental Protection Agency
401 M Street
Washington, D.C. 20406

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
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100 North Senate Avenue
MC 61-51 IGCN 1003
Indianapolis, Indiana 46204-2251
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

PART 70 OPERATING PERMIT RENEWAL
OFFICE OF AIR QUALITY
AND
ANDERSON OFFICE OF AIR MANAGEMENT

Indiana Municipal Power Agency - Anderson Station
6035 Park Road
Anderson, Indiana 46011

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

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

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 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.

Operation Permit No.: T095-22506-00051	
Original signed by: Nisha Sizemore, Chief Permits Branch Office of Air Quality	Issuance Date:July 25, 2007 Expiration Date:July 25, 2012

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SECTION A SOURCE SUMMARY

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

A.1 General Information [326 IAC 2-7-4(c)][326 IAC 2-7-5(15)][326 IAC 2-7-1(22)]

The Permittee owns and operates a stationary gas turbine electric generating station.

Source Address:	6035 Park Road, Anderson, Indiana 46011
Mailing Address:	11610 North College Avenue, Carmel, Indiana 46032
General Source Phone Number:	(317) 573-9955
SIC Code:	4911
County Location:	Madison
Source Location Status:	Nonattainment for 8-hour ozone Attainment for all other criteria pollutants
Source Status:	Part 70 Permit Program Minor Source, under PSD Major Source under Emission Offset for Ozone Minor Source, Section 112 of the Clean Air Act Not 1 of 28 Source Categories

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

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

(a) Two (2) 38.7 MW natural gas-fired simple cycle gas turbines, identified as T1 and T2, constructed in 1990, using No. 2 fuel oil as the back-up fuel, controlled by a water injection system, each with a maximum heat input capacity of 431 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 425 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stacks 3 and 4, respectively. Under 40 CFR Part 60, Subpart GG, turbines T1 and T2 are considered stationary gas turbines.

(b) One (1) 84 MW natural gas-fired simple cycle gas turbine, identified as T3, constructed in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine and uses a water injection system as control when combusting No. 2 fuel oil. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

(c) Two (2) diesel-fired start-up engines, identified as D7 and D8, constructed in 1990, each with a maximum power output of 630 horsepower and a maximum heat input of 2 MMBtu/hr, exhausting to stacks 5 and 6, respectively.

A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)][326 IAC 2-7-4(c)][326 IAC 2-7-5(15)]

This stationary source does not include any insignificant activities which are specifically regulated, as defined in 326 IAC 2-7-1(21).

A.4 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 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).

(c) 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);

SECTION B GENERAL CONDITIONS

B.1 Definitions [326 IAC 2-7-1]

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

B.2 Permit Term [326 IAC 2-7-5(2)][326 IAC 2-1.1-9.5][326 IAC 2-7-4(a)(1)(D)][IC 13-15-3-6(a)]

(a) This permit, 177-22508-00040, is issued for a fixed term of five (5) years from the issuance date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit or of permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

(b) If IDEM, OAQ, and Anderson Office of Air Management, upon receiving a timely and complete renewal permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect, including any permit shield provided in 326 IAC 2-7-15, until the renewal permit has been issued or denied.

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

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

(a) the condition is modified in a subsequent permit action pursuant to Title I of the Clean Air Act; or

(b) the emission unit to which the condition pertains permanently ceases operation.

B.4 Enforceability [326 IAC 2-7-7]

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

(b) Unless otherwise stated, all terms and conditions in this permit that are local requirements, including any provisions designed to limit the source's potential to emit, are enforceable by Anderson Office of Air Management.

B.5 Severability [326 IAC 2-7-5(5)]

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

B.6 Property Rights or Exclusive Privilege [326 IAC 2-7-5(6)(D)]

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

B.7 Duty to Provide Information [326 IAC 2-7-5(6)(E)]

(a) The Permittee shall furnish to IDEM, OAQ, and Anderson Office of Air Management, within a reasonable time, any information that IDEM, OAQ, and Anderson Office of Air Management, may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34). Upon request, the Permittee shall also furnish to IDEM, OAQ, and Anderson Office of Air Management, copies of records required to be

kept by this permit.

(b) For information furnished by the Permittee to IDEM, OAQ, and Anderson Office of Air Management, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1. When furnishing copies of requested records directly to U. S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.8 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 the "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. One (1) certification may cover multiple forms in one (1) submittal.

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

B.9 Annual Compliance Certification [326 IAC 2-7-6(5)]

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

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

and

United States Environmental Protection Agency, Region V
Air and Radiation Division, Air Enforcement Branch - Indiana (AE-17J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

(b) The annual compliance certification report required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and Anderson Office of Air Management, on or before the date it is due.

(c) The annual compliance certification report shall include the following:

(1) The appropriate identification of each term or condition of this permit that is the

basis of the certification;

(2) The compliance status;

(3) Whether compliance was continuous or intermittent;

(4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-7-5(3); and

(5) Such other facts, as specified in Sections D of this permit, as IDEM, OAQ, and Anderson Office of Air Management, may require to determine the compliance status of the source.

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

B.10 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 maintain and implement Preventive Maintenance Plans (PMPs) for the source as described in 326 IAC 1-6-2. At a minimum, the PMPs shall include:

(1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;

(2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and

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

(b) A copy of the PMPs shall be submitted to IDEM, OAQ, and Anderson Office of Air Management, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ and Anderson Office of Air Management. IDEM, OAQ and Anderson Office of Air Management, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMPs do not require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

(c) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

B.11 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 Anderson Office of Air Management, within four (4) daytime business hours after the beginning of the emergency, or after the emergency was discovered or reasonably should have been discovered:

IDEM, OAQ
Telephone Number: 1-800-451-6027 (ask for Office of Air Quality, Compliance Section), or
Telephone Number: 317-233-0178 (ask for Compliance Section)
Facsimile Number: 317-233-6865

Anderson Office of Air Management
Telephone Number: 765-648-6158
Facsimile Number: 765-648-5924

(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
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

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, and Anderson Office of Air Management, may require that the Preventive Maintenance Plans required under 326 IAC 2-7-4(c)(9) be revised in response to an emergency.

(f) Failure to notify IDEM, OAQ, and Anderson Office of Air Management, 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.

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

B.12 Permit Shield [326 IAC 2-7-15][326 IAC 2-7-20][326 IAC 2-7-12]

(a) Pursuant to 326 IAC 2-7-15, the Permittee has been granted a permit shield. The permit shield provides that compliance with the conditions of this permit shall be deemed compliance with any applicable requirements as of the date of permit issuance, provided that either the applicable requirements are included and specifically identified in this permit or the permit contains an explicit determination or concise summary of a determination that other specifically identified requirements are not applicable. The Indiana statutes from IC 13 and rules from 326 IAC, referenced in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a Part 70 permit under 326 IAC 2-7 or for applicable requirements for which a permit shield has been granted.

This permit shield does not extend to applicable requirements which are promulgated after the date of issuance of this permit unless this permit has been modified to reflect such new requirements.

(b) If, after issuance of this permit, it is determined that the permit is in nonconformance with an applicable requirement that applied to the source on the date of permit issuance, IDEM, OAQ, and Anderson Office of Air Management, shall immediately take steps to reopen and revise this permit and issue a compliance order to the Permittee to ensure expeditious compliance with the applicable requirement until the permit is reissued. The permit shield shall continue in effect so long as the Permittee is in compliance with the compliance order.

(c) No permit shield shall apply to any permit term or condition that is determined after issuance of this permit to have been based on erroneous information supplied in the permit application. Erroneous information means information that the Permittee knew to be false, or in the exercise of reasonable care should have been known to be false, at the time the information was submitted.

(d) Nothing in 326 IAC 2-7-15 or in this permit shall alter or affect the following:

(1) The provisions of Section 303 of the Clean Air Act (emergency orders), including the authority of the U.S. EPA under Section 303 of the Clean Air Act;

(2) The liability of the Permittee for any violation of applicable requirements prior to or at the time of this permit's issuance;

(3) The applicable requirements of the acid rain program, consistent with Section 408(a) of the Clean Air Act; and

(4) The ability of U.S. EPA to obtain information from the Permittee under Section 114 of the Clean Air Act.

(e) This permit shield is not applicable to any change made under 326 IAC 2-7-20(b)(2) (Sections 502(b)(10) of the Clean Air Act changes) and 326 IAC 2-7-20(c)(2) (trading based on State Implementation Plan (SIP) provisions).

(f) This permit shield is not applicable to modifications eligible for group processing until after IDEM, OAQ, and Anderson Office of Air Management, has issued the modifications. [326 IAC 2-7-12(c)(7)]

(g) This permit shield is not applicable to minor Part 70 permit modifications until after IDEM, OAQ, and Anderson Office of Air Management, has issued the modification. [326 IAC 2-7-12(b)(8)]

B.13 Prior Permits Superseded [326 IAC 2-1.1-9.5][326 IAC 2-7-10.5]

(a) All terms and conditions of permits established prior to T095-22506-00051 and issued pursuant to permitting programs approved into the state implementation plan have been either:

(1) incorporated as originally stated,

(2) revised under 326 IAC 2-7-10.5, or

(3) deleted under 326 IAC 2-7-10.5.

(b) Provided that all terms and conditions are accurately reflected in this combined permit, all previous registrations and permits are superseded by this part 70 operating permit, except for permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control)

B.14 Termination of Right to Operate [326 IAC 2-7-10][326 IAC 2-7-4(a)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-7-3 and 326 IAC 2-7-4(a).

B.15 Deviations from Permit Requirements and Conditions [326 IAC 2-7-5(3)(C)(ii)]

(a) Deviations from any permit requirements (for emergencies see Section B - 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
MC 61-53 IGCN 1003

Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

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.

B.16 Permit Modification, Reopening, Revocation and Reissuance, or Termination [326 IAC 2-7-5(6)(C)][326 IAC 2-7-8(a)][326 IAC 2-7-9]

(a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a Part 70 Operating Permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-7-5(6)(C)] The notification by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

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

(1) That this permit contains a material mistake.

(2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.

(3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-7-9(a)(3)]

(c) Proceedings by IDEM, OAQ, and Anderson Office of Air Management, to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-7-9(b)]

(d) The reopening and revision of this permit, under 326 IAC 2-7-9(c), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAQ, and Anderson Office of Air Management, at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ, and Anderson Office of Air Management, may provide a shorter time period in the case of an emergency. [326 IAC 2-7-9(c)]

B.17 Permit Renewal [326 IAC 2-7-3][326 IAC 2-7-4][326 IAC 2-7-8(e)]

(a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ, and Anderson Office of Air Management, and shall include the information specified in 326 IAC 2-7-4. Such information shall be included in the

application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(40). The renewal application does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Request for renewal shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

(b) A timely renewal application is one that is:

(1) Submitted at least nine (9) months prior to the date of the expiration of this permit; and

(2) 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, and Anderson Office of Air Management, on or before the date it is due.

(c) If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-7 until IDEM, OAQ, and Anderson Office of Air Management, takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by the deadline specified in writing by IDEM, OAQ, and Anderson Office of Air Management, any additional information identified as being needed to process the application.

B.18 Permit Amendment or Modification [326 IAC 2-7-11][326 IAC 2-7-12] [40 CFR 72]

(a) Permit amendments and modification are governed by the requirements of 326 IAC 2-7-11 or 326 IAC 2-7-12 whenever the Permittee seeks to amend or modify this permit.

(b) Pursuant to 326 IAC 2-7-11(b) and 326 IAC 2-7-12(a), administrative Part 70 permit amendments and permit modifications for purposes of the acid rain portion of a Part 70 permit shall be governed by regulations promulgated under Title IV of the Clean Air Act. [40 CFR 72]

(c) 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
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011
Any such application shall be certified by the "responsible official" as defined by 326 IAC 2-7-1(34).

(d) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-7-11(c)(3)]

B.19 Permit Revision Under Economic Incentives and Other Programs [326 IAC 2-7-5(8)][326 IAC 2-7-12(b)(2)]

(a) No Part 70 permit revision shall be required under any approved economic incentives, marketable Part 70 permits, emissions trading, and other similar programs or processes for changes that are provided for in a Part 70 permit.

(b) Notwithstanding 326 IAC 2-7-12(b)(1) and 326 IAC 2-7-12(c)(1), minor Part 70 permit modification procedures may be used for Part 70 modifications involving the use of economic incentives, marketable Part 70 permits, emissions trading, and other similar approaches to the extent that such minor Part 70 permit modification procedures are explicitly provided for in the applicable State Implementation Plan (SIP) or in applicable requirements promulgated or approved by the U.S. EPA.

B.20 Operational Flexibility [326 IAC 2-7-20][326 IAC 2-7-10.5]

(a) The Permittee may make any change or changes at the source that are described in 326 IAC 2-7-20(b),(c), or (e) without a prior permit revision, if each of the following conditions is met:

(1) The changes are not modifications under any provision of Title I of the Clean Air Act;

(2) Any preconstruction approval required by 326 IAC 2-7-10.5 has been obtained;

(2) Any approval required by 326 IAC 2-8-11.1 has been obtained;

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

(4) The Permittee notifies the:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street

Anderson, Indiana 46011

and

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

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

(5) The Permittee maintains records on-site which document, on a rolling five (5) year basis, all such changes and emission trades that are subject to 326 IAC 2-7-20(b),(c), or (e). The Permittee shall make such records available, upon reasonable request, for public review.

Such records shall consist of all information required to be submitted to IDEM, OAQ, and Anderson Office of Air Management, in the notices specified in 326 IAC 2-7-20(b)(1), (c)(1), and (e)(2).

(b) The Permittee may make Section 502(b)(10) of the Clean Air Act changes (this term is defined at 326 IAC 2-7-1(36)) without a permit revision, subject to the constraint of 326 IAC 2-7-20(a). For each such Section 502(b)(10) of the Clean Air Act change, the required written notification shall include the following:

(1) A brief description of the change within the source;

(2) The date on which the change will occur;

(3) Any change in emissions; and

(4) Any permit term or condition that is no longer applicable as a result of the change.

The notification which shall be submitted is not considered an application form, report or compliance certification. Therefore, the notification by the Permittee does not require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

(c) Emission Trades [326 IAC 2-7-20(c)]
The Permittee may trade emissions increases and decreases at in the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-7-20(c).

(d) Alternative Operating Scenarios [326 IAC 2-7-20(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-7-5(9). No prior notification of IDEM, OAQ, and Anderson Office of Air Management, or U.S. EPA is required.

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

(f) This condition does not apply to emission trades of SO_2 or NO_X under 326 IAC 21 or 326 IAC 10-4.

B.21 Source Modification Requirement [326 IAC 2-7-10.5]

A modification, construction, or reconstruction is governed by the requirements of 326 IAC 2 and 326 IAC 2-7-10.5.

B.22 Inspection and Entry [326 IAC 2-7-6][IC 13-14-2-2][IC 13-30-3-1][IC 13-17-3-2]

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, and Anderson Office of Air Management, U.S. EPA, or an authorized representative to perform the following:

(a) Enter upon the Permittee's premises where a Part 70 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 any records that must be kept under the conditions of this permit;

(c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;

(d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and

(e) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

B.23 Transfer of Ownership or Operational Control [326 IAC 2-7-11]

(a) The Permittee must comply with the requirements of 326 IAC 2-7-11 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.

(b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

The application which shall be submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-7-11(c)(3)]

B.24 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-7-5(7)][326 IAC 2-1.1-7]

(a) The Permittee shall pay annual fees to IDEM, OAQ, and Anderson Office of Air Management, within thirty (30) calendar days of receipt of a billing. Pursuant to 326 IAC 2-7-19(b), if the Permittee does not receive a bill from IDEM, OAQ, and Anderson Office of Air Management, the applicable fee is due April 1 of each year.

(b) Except as provided in 326 IAC 2-7-19(e), failure to pay may result in administrative enforcement action or revocation of this permit.

(c) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, Billing, Licensing, and Training Section), to determine the appropriate permit fee.

B.25 Credible Evidence [326 IAC 2-7-5(3)][326 IAC 2-7-6][62 FR 8314] [326 IAC 1-1-6]

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

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

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

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

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

C.2 Opacity [326 IAC 5-1]

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

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

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

C.3 Open Burning [326 IAC 4-1] [IC 13-17-9]

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

C.4 Incineration [326 IAC 4-2] [326 IAC 9-1-2]

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

C.5 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.

C.6 Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted. The provisions of 326 IAC 1-7-1(3), 326 IAC 1-7-2, 326 IAC 1-7-3(c) and (d), 326 IAC 1-7-4, and 326 IAC 1-7-5(a), (b), and (d) are not federally enforceable.

C.7 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

(a) Notification requirements apply to each owner or operator. If the combined amount of regulated asbestos containing material (RACM) to be stripped, removed or disturbed is at least 260 linear feet on pipes or 160 square feet on other facility components, or at least thirty-five (35) cubic feet on all facility components, then the notification requirements of 326 IAC 14-10-3 are mandatory. All demolition projects require notification whether or not asbestos is present.

(b) The Permittee shall ensure that a written notification is sent on a form provided by the Commissioner at least ten (10) working days before asbestos stripping or removal work or before demolition begins, per 326 IAC 14-10-3, and shall update such notice as necessary, including, but not limited to the following:

(1) When the amount of affected asbestos containing material increases or decreases by at least twenty percent (20%); or

(2) If there is a change in the following:

(A) Asbestos removal or demolition start date;

(B) Removal or demolition contractor; or

(C) Waste disposal site.

(c) The Permittee shall ensure that the notice is postmarked or delivered according to the guidelines set forth in 326 IAC 14-10-3(2).

(d) The notice to be submitted shall include the information enumerated in 326 IAC 14-10-3(3).

All required notifications shall be submitted to:

Indiana Department of Environmental Management
Asbestos Section, Office of Air Quality
100 North Senate Avenue
MC 61-52 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

The notice shall include a signed certification from the owner or operator that the information provided in this notification is correct and that only Indiana licensed workers and project supervisors will be used to implement the asbestos removal project. The notifications do not require a certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(e) Procedures for Asbestos Emission Control
The Permittee shall comply with the applicable emission control procedures in 326 IAC 14-10-4 and 40 CFR 61.145(c). Per 326 IAC 14-10-1, emission control requirements are applicable for any removal or disturbance of RACM greater than three (3) linear feet on pipes or three (3) square feet on any other facility components or a total of at least 0.75 cubic feet on all facility components.

(f) Demolition and Renovation
The Permittee shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation will occur for the presence of asbestos pursuant to 40 CFR 61.145(a).

(g) Indiana Accredited Asbestos Inspector
The Permittee shall comply with 326 IAC 14-10-1(a) that requires the owner or operator, prior to a renovation/demolition, to use an Indiana Accredited Asbestos Inspector to thoroughly inspect the affected portion of the facility for the presence of asbestos. The requirement to use an Indiana Accredited Asbestos inspector is not federally enforceable.

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

C.8 Performance Testing [326 IAC 3-6]

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

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

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

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, and Anderson Office of Air Management, 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, and Anderson Office of Air Management, not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, and Anderson Office of Air Management, if the Permittee submits to IDEM, OAQ, and Anderson Office of Air Management, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

C.9 Compliance Requirements [326 IAC 2-1.1-11]

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

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

C.10 Compliance Monitoring [326 IAC 2-7-5(3)][326 IAC 2-7-6(1)]

Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance. If required by Section D, the Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. If due to circumstances beyond its control, that equipment cannot be installed and operated within ninety (90) days, the Permittee may extend the compliance schedule related to the equipment for an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

in writing, prior to the end of the initial thirty (30) day compliance schedule, with full justification of the reasons for the inability to meet this date.

The notification which shall be submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Unless otherwise specified in the approval for the new emission unit(s), compliance monitoring for new emission units or emission units added through a source modification shall be implemented when operation begins.

C.11 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

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

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

C.12 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]

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

(a) The Permittee shall prepare written emergency reduction plans (ERPs) consistent with safe operating procedures.

(b) These ERPs shall be submitted for approval to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management

P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

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

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

(c) If the ERP is disapproved by IDEM, OAQ, (and local agency if applicable), the Permittee shall have an additional thirty (30) days to resolve the differences and submit an approvable ERP.

(d) These ERPs shall state those actions that will be taken, when each episode level is declared, to reduce or eliminate emissions of the appropriate air pollutants.

(e) Said ERPs shall also identify the sources of air pollutants, the approximate amount of reduction of the pollutants, and a brief description of the manner in which the reduction will be achieved.

(f) Upon direct notification by IDEM, OAQ, (and local agency if applicable), that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

C.13 Risk Management Plan [326 IAC 2-7-5(12)] [40 CFR 68]

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

C.14 Response to Excursions or Exceedances [326 IAC 2-7-5] [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.15 Actions Related to Noncompliance Demonstrated by a Stack Test Part 70 Operating Permit

(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, and Anderson Office of Air Management, 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, and Anderson Office of Air Management, that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAQ, and Anderson Office of Air Management, may extend the retesting deadline.

(c) IDEM, OAQ, and Anderson Office of Air Management, reserves the authority to take any actions allowed under law in response to noncompliant stack tests.

The response action documents submitted pursuant to this condition do require the certification by the "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.16 Emission Statement [326 IAC 2-7-5(3) (C)(iii)][326 IAC 2-7-5(7)][326 IAC 2-7-19(c)][326 IAC 2-6]

(a) Pursuant to 326 IAC 2-6-3(b)(2), starting in 2008 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
MC 61-50 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

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, and Anderson Office of Air Management, on or before the date it is due.

C.17 General Record Keeping Requirements[326 IAC 2-7-5(3)] [326 IAC 2-7-6] [326 IAC 2-2] [326 IAC 2-3]

(a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

(b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.

(c) If there is a reasonable possibility that a "project" (as defined in 326 IAC 2-2-1 (qq) and/or 326 IAC 2-3-3 (ll) at an existing emissions unit, other than projects at a Clean Unit, which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1 (rr) and/or 326 IAC 2-3-3 (mm), the Permittee shall comply with following:

(1) Before beginning actual construction of the "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll) at an existing emissions unit, document and maintain the following records:

(A) A description of the project.

(B) Identification of any emissions 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/or 326 IAC 2-3-1(mm)(2)(A)(3);

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 emissions 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 of or the potential to emit that regulated NSR pollutant at the emissions unit.

C.18 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11] [326 IAC 2-2] [326 IAC 2-3]

(a) The Permittee shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported. This report shall be submitted within thirty (30) days of the end of the reporting period. The Quarterly Deviation and Compliance Monitoring Report shall include the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(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
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

(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 and Anderson Office of Air Management, on or before the date it is due.

(d) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(e) Reporting periods are based on calendar years, unless otherwise specified in this permit. For the purpose of this permit “calendar year” means the twelve (12) month period from January 1 to December 31 inclusive.

(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) and/or 326 IAC 2-3-1(ll) at an existing emissions unit, and the project meets the following criteria, then the Permittee shall submit a report to IDEM, OAQ and Anderson Office of Air Management:

(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) and/or 326 IAC 2-3-1(qq), for that regulated NSR 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 project at an existing emissions 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) and (3) 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) and/or 326 IAC 2-3-2(c)(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
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

(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 a request for inspection by IDEM, OAQ, and Anderson Office of Air Management, (and local agency if applicable). The general public may request this information from the IDEM, OAQ, and Anderson Office of Air Management,(and local agency if applicable) under 326 IAC 17.1.

Stratospheric Ozone Protection

C.19 Compliance with 40 CFR 82 and 326 IAC 22-1

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

(a) Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR 82.156.

(b) Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.

(c) Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.

SECTION D.1 FACILITY OPERATION CONDITIONS - Turbines

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

(a) Two (2) 38.7 MW natural gas-fired simple cycle gas turbines, identified as T1 and T2, constructed in 1990, using No. 2 fuel oil as the back-up fuel, controlled by a water injection system, each with a maximum heat input capacity of 431 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 425 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stacks 3 and 4, respectively. Under 40 CFR Part 60, Subpart GG, turbines T1 and T2 are considered stationary gas turbines.

(b) One (1) 84 MW natural gas-fired simple cycle gas turbine, identified as T3, constructed in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine and uses a water injection system as control when combusting No. 2 fuel oil. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

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

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

D.1.1 PSD Minor Limits [326 IAC 2-2]

In order to render the requirements of 326 IAC 2-2 (PSD) not applicable, the Permittee shall comply with the following:

(a) The total amount of natural gas equivalents consumed by turbines T1, T2, and T3 shall be limited to 7,900 million standard cubic feet of gas (MMSCF) per twelve (12) consecutive month period with compliance determined at the end of each month.

(1) For every one (1) MMSCF consumed by turbine T3, the natural gas equivalent limit shall be reduced by one (1) MMSCF.

(2) For every one (1) MMSCF consumed by turbine T1 or T2 during normal operation, the natural gas equivalent limit shall be reduced by 2.47 MMSCF.

(3) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T3, the natural gas equivalent limit shall be reduced by 0.392 MMSCF.

(4) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T1 or T2 during normal operation, the natural gas equivalent limit shall be reduced by 0.537 MMSCF.

(b) During normal operation, the NOx and CO emissions from each of turbines T1 and T2 shall not exceed the emission limits listed in the table below:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	153 lbs/MMCF	153 lbs/MMCF
No. 2 Fuel Oil	33.4 lbs/kgal	33.4 lbs/kgal

(c) During normal operation, the NOx and CO emissions from turbine T3 shall not exceed the emission limits listed in the table below:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	62.2 lbs/MMCF	62.2 lbs/MMCF
No. 2 Fuel Oil	24.4 lbs/kgal	24.4 lbs/kgal

(d) When operating in "full-speed, no load" mode, the NOx and CO emissions from each of the turbines (T1, T2 and T3) shall not exceed the emission limits listed in the table below:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	490 lbs/MMCF	490 lbs/MMCF
No. 2 Fuel Oil	183 lbs/kgal	183 lbs/kgal

(e) When operating in "full-speed, no load" mode, the use of one (1) MMSCF of natural gas in turbine T1, T2, or T3 is equivalent to the use of 7.83 MMSCF of equivalent natural gas; the use of 1,000 gallons of No. 2 fuel oil in turbine T1, T2, or T3 is equivalent to the use of 2.92 MMSCF of equivalent natural gas.

(f) The Permittee shall perform NOx and CO stack tests for a turbine if its operating hours in "full-speed, no load" mode exceed 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

(g) The sulfur content of the No. 2 fuel oil combusted in turbine T1, T2, or T3 shall not exceed 0.17% by weight.

Combined with the CO, NO_x, and SO_2 emissions from other emission units, the potential to emit of CO, NO_x and SO_2 are limited to less than 250 tons per year. Therefore, the requirements of 326 IAC 2-2 (PSD) are not applicable.

D.1.2 SO_2 Limitations [326 IAC 7-2]

The SO_2 emissions from the combustion turbines (T1, T2, and T3) are subject to the requirements of 326 IAC 7 (Sulfur Dioxide Emission Limitations). Pursuant to 326 IAC 7-1.1-2, SO_2 emissions from each of the turbines shall not exceed 0.5 lbs/MMBtu while combusting No. 2 fuel oil.

D.1.3 Streamlined Requirements [326 IAC 2-7-24]

Pursuant to CP-048-1841, issued on May 11, 1990, the Permittee shall comply with the following for the turbines T1 and T2:

(a) NOx emissions from each of turbines shall be limited to the following:

(1) Less than 42 ppmv at 15% oxygen while combusting natural gas.

(2) Less than 65 ppmv at 15% oxygen while combusting No. 2 fuel oil.

(b) The sulfur content of any fuel used shall be limited to less than 0.3% sulfur by weight.

(c) Visible emissions shall not exceed 20% opacity.

Compliance with the requirements above ensures compliance with the SO_2 emission limits in 326 IAC 7-1.1-2 and the NOx emission limits in 40 CFR 60, Subpart GG for turbines T1 and T2.

Compliance Determination Requirements

D.1.4 Nitrogen Oxide Control

In order to comply with Condition D.1.3(a), the water injection system for NOx control shall be in operation and control emissions from turbines Units 1 and 2 when these units are in operation.

D.1.5 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

(a) In order to demonstrate compliance with Conditions D.1.1(b) and D.1.1(c), the Permittee shall perform NOx and CO testing for turbines T1, T2, and T3 (for both natural gas and No. 2 fuel oil combustion scenarios during normal operation) before March 25, 2009, utilizing methods as approved by the Commissioner.

(b) In order to demonstrate compliance with Condition D.1.1(f), the Permittee shall perform NOx and CO testing for a turbine within ninety (90) days after the last day of the month when the "full-speed, no load" mode operating hours for such turbine exceed 20 hours per twelve (12) consecutive month period, utilizing methods as approved by the Commissioner.

Testing shall be conducted in accordance with Section C - Performance Testing. These tests shall be repeated at least once every five (5) years from the date of the last valid compliance demonstration.

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

D.1.6 Visible Emissions Notations

(a) Visible emission notations of the turbine stack exhausts (Stacks 3, 4 and 7) shall be performed once per day during normal daylight operations 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) If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.

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

D.1.7 Record Keeping Requirements

(a) To document compliance with Condition D.1.1(a), the Permittee shall maintain monthly records of the natural gas and No. 2 fuel usage.

(b) To document compliance with Conditions D.1.1(f), the Permittee shall maintain the records of operating hours for the "full-speed, no load" mode for each turbine.

(c) To document compliance with Conditions D.1.1(g), D.1.2, and D.1.3(b), the Permittee shall maintain the records of sulfur content of the No. 2 fuel oil combusted in the turbines.

(d) To document compliance with Condition D.1.6, the Permittee shall maintain records of daily visible emission notations of the turbine stack exhausts when combusting No. 2 fuel oil. The Permittee shall include in its daily record when a visible emission notation is not taken and the reason for the lack of visible emission notation (e.g. the process did not operate that day).

(e) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.8 Reporting Requirements

A quarterly summary of the information to document compliance with Conditions D.1.1(a) and D.1.1(f) shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

New Source Performance Standards (NSPS) Requirements [326 IAC 2-7-5(1)]

D.1.9 General Provisions Relating to New Source Performance Standards [326 IAC 12-1] [40 CFR Part 60, Subpart A]

(a) Pursuant to 40 CFR 60.1, the Permittee shall comply with the provisions of 40 CFR Part 60 Subpart A – General Provisions, which are incorporated by reference as 326 IAC 12-1 for the combustion turbines (Turbines T1, T2, and T3), except as otherwise specified in 40 CFR Part 60, Subpart GG.

(b) Pursuant to 40 CFR 60.10, the Permittee shall submit all required notifications and reports to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue,
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

D.1.10 New Source Performance Standards for Stationary Gas Turbines Requirements [40 CFR Part 60, Subpart GG] [326 IAC 12]

Pursuant to 40 CFR Part 60, Subpart GG, the Permittee shall comply with the provisions of New Source Performance Standards for Stationary Gas Turbines, which are incorporated by reference as 326 IAC 12, for the combustion turbines (T1, T2, and T3) as specified as follows:

Subpart GG—Standards of Performance for Stationary Gas Turbines

§ 60.330 Applicability and designation of affected facility.

(a) The provisions of this subpart are applicable to the following affected facilities: All stationary gas turbines with a heat input at peak load equal to or greater than 10.7 gigajoules (10 million Btu) per hour, based on the lower heating value of the fuel fired.

(b) Any facility under paragraph (a) of this section which commences construction, modification, or reconstruction after October 3, 1977, is subject to the requirements of this part except as provided in

paragraphs (e) and (j) of §60.332.

[44 FR 52798, Sept. 10, 1979, as amended at 52 FR 42434, Nov. 5, 1987; 65 FR 61759, Oct. 17, 2000]

§ 60.331 Definitions.

As used in this subpart, all terms not defined herein shall have the meaning given them in the Act and in subpart A of this part.

(a) *Stationary gas turbine* means any simple cycle gas turbine, regenerative cycle gas turbine or any gas turbine portion of a combined cycle steam/electric generating system that is not self propelled. It may, however, be mounted on a vehicle for portability.

(b) *Simple cycle gas turbine* means any stationary gas turbine which does not recover heat from the gas turbine exhaust gases to preheat the inlet combustion air to the gas turbine, or which does not recover heat from the gas turbine exhaust gases to heat water or generate steam.

(c) *Regenerative cycle gas turbine* means any stationary gas turbine which recovers heat from the gas turbine exhaust gases to preheat the inlet combustion air to the gas turbine.

(d) *Combined cycle gas turbine* means any stationary gas turbine which recovers heat from the gas turbine exhaust gases to heat water or generate steam.

(e) *Emergency gas turbine* means any stationary gas turbine which operates as a mechanical or electrical power source only when the primary power source for a facility has been rendered inoperable by an emergency situation.

(f) *Ice fog* means an atmospheric suspension of highly reflective ice crystals.

(g) *ISO standard day conditions* means 288 degrees Kelvin, 60 percent relative humidity and 101.3 kilopascals pressure.

(h) *Efficiency* means the gas turbine manufacturer's rated heat rate at peak load in terms of heat input per unit of power output based on the lower heating value of the fuel.

(i) *Peak load* means 100 percent of the manufacturer's design capacity of the gas turbine at ISO standard day conditions.

(j) *Base load* means the load level at which a gas turbine is normally operated.

(k) *Fire-fighting turbine* means any stationary gas turbine that is used solely to pump water for extinguishing fires.

(l) *Turbines employed in oil/gas production or oil/gas transportation* means any stationary gas turbine used to provide power to extract crude oil/natural gas from the earth or to move crude oil/natural gas, or products refined from these substances through pipelines.

(m) A *Metropolitan Statistical Area* or *MSA* as defined by the Department of Commerce.

(n) *Offshore platform gas turbines* means any stationary gas turbine located on a platform in an ocean.

(o) *Garrison facility* means any permanent military installation.

(p) *Gas turbine model* means a group of gas turbines having the same nominal air flow, combuster inlet pressure, combuster inlet temperature, firing temperature, turbine inlet temperature and turbine inlet pressure.

(q) *Electric utility stationary gas turbine* means any stationary gas turbine constructed for the purpose of supplying more than one-third of its potential electric output capacity to any utility power distribution

system for sale.

(r) *Emergency fuel* is a fuel fired by a gas turbine only during circumstances, such as natural gas supply curtailment or breakdown of delivery system, that make it impossible to fire natural gas in the gas turbine.

(s) *Unit operating hour* means a clock hour during which any fuel is combusted in the affected unit. If the unit combusts fuel for the entire clock hour, it is considered to be a full unit operating hour. If the unit combusts fuel for only part of the clock hour, it is considered to be a partial unit operating hour.

(t) *Excess emissions* means a specified averaging period over which either:

(1) The NO_X emissions are higher than the applicable emission limit in §60.332;

(2) The total sulfur content of the fuel being combusted in the affected facility exceeds the limit specified in §60.333; or

(3) The recorded value of a particular monitored parameter is outside the acceptable range specified in the parameter monitoring plan for the affected unit.

(u) *Natural gas* means a naturally occurring fluid mixture of hydrocarbons (*e.g.*, methane, ethane, or propane) produced in geological formations beneath the Earth's surface that maintains a gaseous state at standard atmospheric temperature and pressure under ordinary conditions. Natural gas contains 20.0 grains or less of total sulfur per 100 standard cubic feet. Equivalents of this in other units are as follows: 0.068 weight percent total sulfur, 680 parts per million by weight (ppmw) total sulfur, and 338 parts per million by volume (ppmv) at 20 degrees Celsius total sulfur. Additionally, natural gas must either be composed of at least 70 percent methane by volume or have a gross calorific value between 950 and 1100 British thermal units (Btu) per standard cubic foot. Natural gas does not include the following gaseous fuels: landfill gas, digester gas, refinery gas, sour gas, blast furnace gas, coal-derived gas, producer gas, coke oven gas, or any gaseous fuel produced in a process which might result in highly variable sulfur content or heating value.

(v) *Duct burner* means a device that combusts fuel and that is placed in the exhaust duct from another source, such as a stationary gas turbine, internal combustion engine, kiln, etc., to allow the firing of additional fuel to heat the exhaust gases before the exhaust gases enter a heat recovery steam generating unit.

(w) *Lean premix stationary combustion turbine* means any stationary combustion turbine where the air and fuel are thoroughly mixed to form a lean mixture for combustion in the combustor. Mixing may occur before or in the combustion chamber. A unit which is capable of operating in both lean premix and diffusion flame modes is considered a lean premix stationary combustion turbine when it is in the lean premix mode, and it is considered a diffusion flame stationary combustion turbine when it is in the diffusion flame mode.

(x) *Diffusion flame stationary combustion turbine* means any stationary combustion turbine where fuel and air are injected at the combustor and are mixed only by diffusion prior to ignition. A unit which is capable of operating in both lean premix and diffusion flame modes is considered a lean premix stationary combustion turbine when it is in the lean premix mode, and it is considered a diffusion flame stationary combustion turbine when it is in the diffusion flame mode.

(y) *Unit operating day* means a 24-hour period between 12:00 midnight and the following midnight during which any fuel is combusted at any time in the unit. It is not necessary for fuel to be combusted continuously for the entire 24-hour period.

[44 FR 52798, Sept. 10, 1979, as amended at 47 FR 3770, Jan. 27, 1982; 65 FR 61759, Oct. 17, 2000; 69 FR 41359, July 8, 2004]

§ 60.332 Standard for nitrogen oxides.

(a) On and after the date on which the performance test required by §60.8 is completed, every owner or operator subject to the provisions of this subpart as specified in paragraphs (b), (c), and (d) of this section shall comply with one of the following, except as provided in paragraphs (e), (f), (g), (h), (i), (j), (k), and (l) of this section.

(1) No owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere from any stationary gas turbine, any gases which contain nitrogen oxides in excess of:

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

where:

STD = allowable ISO corrected (if required as given in §60.335(b)(1)) NO_X emission concentration (percent by volume at 15 percent oxygen and 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, and

F = NO_X emission allowance for fuel-bound nitrogen as defined in paragraph (a)(4) of this section.

(b) Electric utility stationary gas turbines with a heat input at peak load greater than 107.2 gigajoules per hour (100 million Btu/hour) based on the lower heating value of the fuel fired shall comply with the provisions of paragraph (a)(1) of this section.

[44 FR 52798, Sept. 10, 1979, as amended at 47 FR 3770, Jan. 27, 1982; 65 FR 61759, Oct. 17, 2000; 69 FR 41359, July 8, 2004]

§ 60.333 Standard for sulfur dioxide.

On and after the date on which the performance test required to be conducted by §60.8 is completed, every owner or operator subject to the provision of this subpart shall comply with one or the other of the following conditions:

(a) No owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere from any stationary gas turbine any gases which contain sulfur dioxide in excess of 0.015 percent by volume at 15 percent oxygen and on a dry basis.

(b) No owner or operator subject to the provisions of this subpart shall burn in any stationary gas turbine any fuel which contains total sulfur in excess of 0.8 percent by weight (8000 ppmw).

[44 FR 52798, Sept. 10, 1979, as amended at 69 FR 41360, July 8, 2004]

§ 60.334 Monitoring of operations.

(a) Except as provided in paragraph (b) of this section, the owner or operator of any stationary gas turbine subject to the provisions of this subpart and using water or steam injection to control NO_X emissions shall install, calibrate, maintain and operate a continuous monitoring system to monitor and record the fuel consumption and the ratio of water or steam to fuel being fired in the turbine.

(g) The steam or water to fuel ratio or other parameters that are continuously monitored as described in paragraphs (a), (d) or (f) of this section shall be monitored during the performance test required under §60.8, to establish acceptable values and ranges. The owner or operator may supplement the performance test data with engineering analyses, design specifications, manufacturer's recommendations and other relevant information to define the acceptable parametric ranges more precisely. The owner or operator shall develop and keep on-site a parameter monitoring plan which explains the procedures used to document proper operation of the NO_X emission controls. The plan shall include the parameter(s)

monitored and the acceptable range(s) of the parameter(s) as well as the basis for designating the parameter(s) and acceptable range(s). Any supplemental data such as engineering analyses, design specifications, manufacturer's recommendations and other relevant information shall be included in the monitoring plan. For affected units that are also subject to part 75 of this chapter and that use the low mass emissions methodology in §75.19 of this chapter or the NO_X emission measurement methodology in appendix E to part 75, the owner or operator may meet the requirements of this paragraph by developing and keeping on-site (or at a central location for unmanned facilities) a quality-assurance plan, as described in §75.19 (e)(5) or in section 2.3 of appendix E and section 1.3.6 of appendix B to part 75 of this chapter.

(h) The owner or operator of any stationary gas turbine subject to the provisions of this subpart:

(1) Shall monitor the total sulfur content of the fuel being fired in the turbine, except as provided in paragraph (h)(3) of this section. The sulfur content of the fuel must be determined using total sulfur methods described in §60.335(b)(10). Alternatively, if the total sulfur content of the gaseous fuel during the most recent performance test was less than 0.4 weight percent (4000 ppmw), ASTM D4084–82, 94, D5504–01, D6228–98, or Gas Processors Association Standard 2377–86 (all of which are incorporated by reference-see §60.17), which measure the major sulfur compounds may be used; and

(3) Notwithstanding the provisions of paragraph (h)(1) of this section, the owner or operator may elect not to monitor the total sulfur content of the gaseous fuel combusted in the turbine, if the gaseous fuel is demonstrated to meet the definition of natural gas in §60.331(u), regardless of whether an existing custom schedule approved by the administrator for subpart GG requires such monitoring. The owner or operator shall use one of the following sources of information to make the required demonstration:

(i) The gas quality characteristics in a current, valid purchase contract, tariff sheet or transportation contract for the gaseous fuel, specifying that the maximum total sulfur content of the fuel is 20.0 grains/100 scf or less; or

(ii) Representative fuel sampling data which show that the sulfur content of the gaseous fuel does not exceed 20 grains/100 scf. At a minimum, the amount of fuel sampling data specified in section 2.3.1.4 or 2.3.2.4 of appendix D to part 75 of this chapter is required.

(i) The frequency of determining the sulfur and nitrogen content of the fuel shall be as follows:

(1) *Fuel oil.* For fuel oil, use one of the total sulfur sampling options and the associated sampling frequency described in sections 2.2.3, 2.2.4.1, 2.2.4.2, and 2.2.4.3 of appendix D to part 75 of this chapter (*i.e.*, flow proportional sampling, daily sampling, sampling from the unit's storage tank after each addition of fuel to the tank, or sampling each delivery prior to combining it with fuel oil already in the intended storage tank). If an emission allowance is being claimed for fuel-bound nitrogen, the nitrogen content of the oil shall be determined and recorded once per unit operating day.

(j) For each affected unit that elects to continuously monitor parameters or emissions, or to periodically determine the fuel sulfur content or fuel nitrogen content under this subpart, the owner or operator shall submit reports of excess emissions and monitor downtime, in accordance with §60.7(c). Excess emissions shall be reported for all periods of unit operation, including startup, shutdown and malfunction. For the purpose of reports required under §60.7(c), periods of excess emissions and monitor downtime that shall be reported are defined as follows:

(1) Nitrogen oxides.

(i) For turbines using water or steam to fuel ratio monitoring:

(A) An excess emission shall be any unit operating hour for which the average steam or water to fuel ratio, as measured by the continuous monitoring system, falls below the acceptable steam or water to fuel ratio needed to demonstrate compliance with §60.332, as established during the performance test required in

§60.8. Any unit operating hour in which no water or steam is injected into the turbine shall also be considered an excess emission.

(B) A period of monitor downtime shall be any unit operating hour in which water or steam is injected into the turbine, but the essential parametric data needed to determine the steam or water to fuel ratio are unavailable or invalid.

(C) Each report shall include the average steam or water to fuel ratio, average fuel consumption, ambient conditions (temperature, pressure, and humidity), gas turbine load, and (if applicable) the nitrogen content of the fuel during each excess emission. You do not have to report ambient conditions if you opt to use the worst case ISO correction factor as specified in §60.334(b)(3)(ii), or if you are not using the ISO correction equation under the provisions of §60.335(b)(1).

(2) Sulfur dioxide. If the owner or operator is required to monitor the sulfur content of the fuel under paragraph (h) of this section:

(i) For samples of gaseous fuel and for oil samples obtained using daily sampling, flow proportional sampling, or sampling from the unit's storage tank, an excess emission occurs each unit operating hour included in the period beginning on the date and hour of any sample for which the sulfur content of the fuel being fired in the gas turbine exceeds 0.8 weight percent and ending on the date and hour that a subsequent sample is taken that demonstrates compliance with the sulfur limit.

(ii) If the option to sample each delivery of fuel oil has been selected, the owner or operator shall immediately switch to one of the other oil sampling options (*i.e.*, daily sampling, flow proportional sampling, or sampling from the unit's storage tank) if the sulfur content of a delivery exceeds 0.8 weight percent. The owner or operator shall continue to use one of the other sampling options until all of the oil from the delivery has been combusted, and shall evaluate excess emissions according to paragraph (j)(2)(i) of this section. When all of the fuel from the delivery has been burned, the owner or operator may resume using the as-delivered sampling option.

(iii) A period of monitor downtime begins when a required sample is not taken by its due date. A period of monitor downtime also begins on the date and hour of a required sample, if invalid results are obtained. The period of monitor downtime shall include only unit operating hours, and ends on the date and hour of the next valid sample.

(5) All reports required under §60.7(c) shall be postmarked by the 30th day following the end of each 6-month period.

[44 FR 52798, Sept. 10, 1979, as amended at 47 FR 3770, Jan. 27, 1982; 65 FR 61759, Oct. 17, 2000; 69 FR 41360, July 8, 2004; 71 FR 9457, Feb. 24, 2006]

§ 60.335 Test methods and procedures.

(a) The owner or operator shall conduct the performance tests required in §60.8, using either

(1) EPA Method 20,

(2) ASTM D6522–00 (incorporated by reference, see §60.17), or

(3) EPA Method 7E and either EPA Method 3 or 3A in appendix A to this part, to determine NO_X and diluent concentration.

(4) Sampling traverse points are to be selected following Method 20 or Method 1, (non-particulate procedures) and sampled for equal time intervals. The sampling shall be performed with a traversing single-hole probe or, if feasible, with a stationary multi-hole probe that samples each of the points sequentially. Alternatively, a multi-hole probe designed and documented to sample equal volumes from each hole may be used to sample simultaneously at the required points.

(5) Notwithstanding paragraph (a)(4) of this section, the owner or operator may test at few points than are specified in Method 1 or Method 20 if the following conditions are met:

(i) You may perform a stratification test for NO_X and diluent pursuant to

(A) [Reserved]

(B) The procedures specified in section 6.5.6.1(a) through (e) appendix A to part 75 of this chapter.

(ii) Once the stratification sampling is completed, the owner or operator may use the following alternative sample point selection criteria for the performance test:

(A) If each of the individual traverse point NO_X concentrations, normalized to 15 percent O_2, is within ±10 percent of the mean normalized concentration for all traverse points, then you may use 3 points (located either 16.7, 50.0, and 83.3 percent of the way across the stack or duct, or, for circular stacks or ducts greater than 2.4 meters (7.8 feet) in diameter, at 0.4, 1.2, and 2.0 meters from the wall). The 3 points shall be located along the measurement line that exhibited the highest average normalized NO_X concentration during the stratification test; or

(B) If each of the individual traverse point NO_X concentrations, normalized to 15 percent O_2, is within ±5 percent of the mean normalized concentration for all traverse points, then you may sample at a single point, located at least 1 meter from the stack wall or at the stack centroid.

(6) Other acceptable alternative reference methods and procedures are given in paragraph (c) of this section.

(b) The owner or operator shall determine compliance with the applicable nitrogen oxides emission limitation in §60.332 and shall meet the performance test requirements of §60.8 as follows:

(1) For each run of the performance test, the mean nitrogen oxides emission concentration (NO_{Xo}) corrected to 15 percent O_2 shall be corrected to ISO standard conditions using the following equation. Notwithstanding this requirement, use of the ISO correction equation is optional for: Lean premix stationary combustion turbines; units used in association with heat recovery steam generators (HRSG) equipped with duct burners; and units equipped with add-on emission control devices:

$$NO_X=(NO_{Xo})(P_r/P_o)^{0.5} e^{19 (Ho-0.00633) (288°K/T_a)^{1.53}}$$

Where:

NO_X = emission concentration of NO_X at 15 percent O_2 and ISO standard ambient conditions, ppm by volume, dry basis,

NO_{Xo} = mean observed NO_X concentration, ppm by volume, dry basis, at 15 percent O_2,

P_r = reference combustor inlet absolute pressure at 101.3 kilopascals ambient pressure, mm Hg,

P_o = observed combustor inlet absolute pressure at test, mm Hg,

H_o = observed humidity of ambient air, g H_2O/g air,

e = transcendental constant, 2.718, and

T_a = ambient temperature, °K.

(2) The 3-run performance test required by §60.8 must be performed within ±5 percent at 30, 50, 75, and 90-to-100 percent of peak load or at four evenly-spaced load points in the normal operating range of the gas turbine, including the minimum point in the operating range and 90-to-100 percent of peak load, or at the highest achievable load point if 90-to-100 percent of peak load cannot be physically achieved in practice. If the turbine combusts both oil and gas as primary or backup fuels, separate performance testing

is required for each fuel. Notwithstanding these requirements, performance testing is not required for any emergency fuel (as defined in §60.331).

(4) If water or steam injection is used to control NO_X with no additional post-combustion NO_X control and the owner or operator chooses to monitor the steam or water to fuel ratio in accordance with §60.334(a), then that monitoring system must be operated concurrently with each EPA Method 20, ASTM D6522–00 (incorporated by reference, see §60.17), or EPA Method 7E run and shall be used to determine the fuel consumption and the steam or water to fuel ratio necessary to comply with the applicable §60.332 NO_X emission limit.

(8) If the owner or operator elects under §60.334(f) to monitor combustion parameters or parameters indicative of proper operation of NO_X emission controls, the appropriate parameters shall be continuously monitored and recorded during each run of the initial performance test, to establish acceptable operating ranges, for purposes of the parameter monitoring plan for the affected unit, as specified in §60.334(g).

(10) If the owner or operator is required under §60.334(i)(1) or (3) to periodically determine the sulfur content of the fuel combusted in the turbine, a minimum of three fuel samples shall be collected during the performance test. Analyze the samples for the total sulfur content of the fuel using:

(i) For liquid fuels, ASTM D129–00, D2622–98, D4294–02, D1266–98, D5453–00 or D1552–01 (all of which are incorporated by reference, *see* §60.17); or

(ii) For gaseous fuels, ASTM D1072–80, 90 (Reapproved 1994); D3246–81, 92, 96; D4468–85 (Reapproved 2000); or D6667–01 (all of which are incorporated by reference, see §60.17). The applicable ranges of some ASTM methods mentioned above 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 prior approval of the Administrator.

(11) The fuel analyses required under paragraphs (b)(9) and (b)(10) of this section 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.

(c) The owner or operator may use the following as alternatives to the reference methods and procedures specified in this section:

(1) Instead of using the equation in paragraph (b)(1) of this section, manufacturers may develop ambient condition correction factors to adjust the nitrogen oxides emission level measured by the performance test as provided in §60.8 to ISO standard day conditions.

[69 FR 41363, July 8, 2004, as amended at 71 FR 9458, Feb. 24, 2006]

D.1.11 One Time Deadlines Relating to New Source Performance Standards for Electric Utility Steam Generating Units for Stationary Gas Turbines [40 CFR Part 60, Subpart GG]

Requirement	Rule Cite	Affected Facility	Deadline
Notification of the Date of Construction	40 CFR 60.7(a)(1)	T3	Within 30 days after construction was commenced.
Notification of the Date of Initial Startup	40 CFR 60.7(a)(3)	T3	Within 15 days after initial startup.
Initial Performance Test	40 CFR 60.8(a) and 40 CFR 60.335	T3	Within 60 days after achieving the maximum production rate, but not later than 180 days after initial startup.

SECTION D.2 FACILITY OPERATION CONDITIONS – Diesel Engines

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

(b) Two (2) diesel fired start-up engines, identified as D7 and D8, constructed in 1990, each with a maximum power output of 630 horsepower and a maximum heat input of 2 MMBtu/hr, and exhausting to stacks 5 and 6, respectively.

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

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

D.2.1 PSD Minor Limits [326 IAC 2-2]

In order to render the requirements of 326 IAC 2-2 (PSD) not applicable, the Permittee shall comply with the following:

(a) The total amount of fuel used in the diesel engines (D7 and D8) shall not exceed 2,200 gallons per twelve (12) consecutive month period with compliance determined at the end of each month.

(b) The NOx and CO emissions from each of the diesel fired engines (D7 and D8) shall not exceed the following:

Type of Fuel	NOx Emission Limit (lbs/gal)	CO Emission Limit (lbs/gal)
Diesel	0.445	0.118

Combined with the CO, NO_x, and SO_2 emissions from other emission units, the potential to emit CO, NO_x, and SO_2 of the entire source is limited to less than 250 tons per year. Therefore, the requirements of 326 IAC 2-2 (PSD) are not applicable.

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

D.2.2 Record Keeping Requirements

(a) To document compliance with Condition D.2.1(a), the Permittee shall maintain monthly records of total diesel usage for engines D7 and D8.

(b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.2.3 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.2.1(a) shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

SECTION E.1 TITLE IV CONDITIONS

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

(a) Two (2) 38.7 MW natural gas fired simple cycle gas turbines, identified as T1 and T2, construction in 1990, using No. 2 fuel oil as the back-up fuel, controlled by a water injection system, each with a maximum heat input capacity of 431 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 425 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stacks 3 and 4, respectively. Under 40 CFR Part 60, Subpart GG, turbines T1 and T2 are considered stationary gas turbines.

(b) One (1) 84 MW natural gas fired simple cycle gas turbines, identified as T3, construction in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine and uses a water injection system as control when combusting No. 2 fuel oil. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

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

Acid Rain Program

E.1.1 Acid Rain Permit [326 IAC 2-7-5(1)(C)] [326 IAC 21] [40 CFR 72 through 40 CFR 78]

Pursuant to 326 IAC 21 (Acid Deposition Control), the Permittee shall comply with all provisions of the Acid Rain permit issued for this source, and any other applicable requirements contained in 40 CFR 72 through 40 CFR 78. The Acid Rain permit for this source is attached to this permit as Appendix A, and is incorporated by reference.

E.1.2 Title IV Emissions Allowances [326 IAC 2-7-5(4)] [326 IAC 21]

Emissions exceeding any allowances that the Permittee lawfully holds under the Title IV Acid Rain Program of the Clean Air Act are prohibited, subject to the following limitations:

(a) No revision of this permit shall be required for increases in emissions that are authorized by allowances acquired under the Title IV Acid Rain Program, provided that such increases do not require a permit revision under any other applicable requirement.

(b) No limit shall be placed on the number of allowances held by the Permittee. The Permittee may not use allowances as a defense to noncompliance with any other applicable requirement.

(c) Any such allowance shall be accounted for according to the procedures established in regulations promulgated under Title IV of the Clean Air Act.

SECTION F.1 Nitrogen Oxides Budget Trading Program - NO_x Budget Permit for NO_x Budget Units Under 326 IAC 10-4-1(a)

ORIS Code: 7336

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

(a) Two (2) 38.7 MW natural gas fired simple cycle gas turbines, identified as T1 and T2, construction in 1990, using No. 2 fuel oil as the back-up fuel, controlled by a water injection system, each with a maximum heat input capacity of 431 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 425 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stacks 3 and 4, respectively. Under 40 CFR Part 60, Subpart GG, turbines T1 and T2 are considered stationary gas turbines.

(b) One (1) 84 MW natural gas fired simple cycle gas turbines, identified as T3, construction in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine and uses a water injection system as control when combusting No. 2 fuel oil. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

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

F.1.1 Automatic Incorporation of Definitions [326 IAC 10-4-7(e)]

This NOx budget permit is deemed to incorporate automatically the definitions of terms under 326 IAC 10-4-2.

F.1.2 Standard Permit Requirements [326 IAC 10-4-4(a)]

(a) The owners and operators of the NO_X budget source and each NO_X budget unit shall operate each unit in compliance with this NO_X budget permit.

(b) The NO_X budget units subject to this NO_X budget permit are: T1, T2, and T3.

F.1.3 Monitoring Requirements [326 IAC 10-4-4(b)]

(a) The owners and operators and, to the extent applicable, the NOx authorized account representative of the NOx budget source and each NOx budget unit at the source shall comply with the monitoring requirements of 40 CFR 75 and 326 IAC 10-4-12.

(b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 326 IAC 10-4-12 shall be used to determine compliance by each unit with the NOx budget emissions limitation under 326 IAC 10-4-4(c) and Condition F.1.4, Nitrogen Oxides Requirements.

F.1.4 Nitrogen Oxides Requirements [326 IAC 10-4-4(c)]

(a) The owners and operators of the NOx budget source and each NOx budget unit at the source shall hold NOx allowances available for compliance deductions under 326 IAC 10-4-10(j), as of the NOx allowance transfer deadline, in each unit's compliance account and the source's overdraft account in an amount:

(1) Not less than the total NOx emissions for the ozone control period from the unit, as determined in accordance with 40 CFR 75 and 326 IAC 10-4-12;

(2) To account for excess emissions for a prior ozone control period under 326 IAC 10-4-10(k)(5); or

(3) To account for withdrawal from the NOx budget trading program, or a change in regulatory status of a NOx budget opt-in unit.

(b) Each ton of NOx emitted in excess of the NOx budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.

(c) NOX allowances shall be held in, deducted from, or transferred among NOx allowance tracking system accounts in accordance with 326 IAC 10-4-9 through 11, 326 IAC 10-4-13, and 326 IAC 10-4-14.

(d) A NOx allowance shall not be deducted, in order to comply with the requirements under (a) above and 326 IAC 10-4-4(c)(1), for an ozone control period in a year prior to the year for which the NOx allowance was allocated.

(e) A NOx allowance allocated under the NOx budget trading program is a limited authorization to emit one (1) ton of NOx in accordance with the NOx budget trading program. No provision of the NOx budget trading program, the NOx budget permit application, the NOx budget permit, or an exemption under 326 IAC 10-4-3 and no provision of law shall be construed to limit the authority of the U.S. EPA or IDEM, OAQ to terminate or limit the authorization.

(f) A NOx allowance allocated under the NOx budget trading program does not constitute a property right.

(g) Upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NOx allowance to or from each NOx budget unit's compliance account or the overdraft account of the source where the unit is located is deemed to amend automatically, and become a part of, this NOx budget permit of the NOx budget unit by operation of law without any further review.

F.1.5 Excess Emissions Requirements [326 IAC 10-4-4(d)]

The owners and operators of each NOx budget unit that has excess emissions in any ozone control period shall do the following:

(a) Surrender the NOx allowances required for deduction under 326 IAC 10-4-10(k)(5).

(b) Pay any fine, penalty, or assessment or comply with any other remedy imposed under 326 IAC 10-4-10(k)(7).

F.1.6 Record Keeping Requirements [326 IAC 10-4-4(e)] [326 IAC 2-7-5(3)]

Unless otherwise provided, the owners and operators of the NOx budget source and each NOx budget unit at the source shall keep, either on site at the source or at a central location within Indiana for those owners or operators with unattended sources, each of the following documents for a period of five (5) years:

(a) The account certificate of representation for the NOx authorized account representative for the source and each NOx budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 326 IAC 10-4-6(h). The certificate and documents shall be retained either on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond the five (5) year period until the documents are superseded because of the submission of a new account certificate of representation changing the NOx authorized account representative.

(b) All emissions monitoring information, in accordance with 40 CFR 75 and 326 IAC 10-4-12, provided that to the extent that 40 CFR 75 and 326 IAC 10-4-12 provide for a three (3) year period for record keeping, the three (3) year period shall apply.

(c) Copies of all reports, compliance certifications, and other submissions and all records made or required under the NOx budget trading program.

(d) Copies of all documents used to complete a NOx budget permit application and any other submission under the NOx budget trading program or to demonstrate compliance with the requirements of the NOx budget trading program.

This period may be extended for cause, at any time prior to the end of five (5) years, in writing by IDEM, OAQ or the U.S. EPA. Records retained at a central location within Indiana shall be available immediately at the location and submitted to IDEM, OAQ or U.S. EPA within three (3) business days following receipt of a written request. Nothing in 326 IAC 10-4-4(e) shall alter the record retention requirements for a source under 40 CFR 75. Unless otherwise provided, all records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

F.1.7 Reporting Requirements [326 IAC 10-4-4(e)]

(a) The NOx authorized account representative of the NOx budget source and each NOx budget unit at the source shall submit the reports and compliance certifications required under the NOx budget trading program, including those under 326 IAC 10-4-8, 326 IAC 10-4-12, or 326 IAC 10-4-13.

(b) Pursuant to 326 IAC 10-4-4(e) and 326 IAC 10-4-6(e)(1), each submission shall include the following certification statement by the NOx authorized account representative: "I am authorized to make this submission on behalf of the owners and operators of the NOx budget sources or NOx budget units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

(c) Where 326 IAC 10-4 requires a submission to IDEM, OAQ and Anderson Office of Air Management, the NOx authorized account representative shall submit required information to:

Indiana Department of Environmental Management
Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

(d) Where 326 IAC 10-4 requires a submission to U.S. EPA, the NOx authorized account representative shall submit required information to:

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue, NW
Mail Code 6204N
Washington, DC 20460

F.1.8 Liability [326 IAC 10-4-4(f)]

The owners and operators of each NOx budget source shall be liable as follows:

(a) Any person who knowingly violates any requirement or prohibition of the NOx budget trading program, a NOx budget permit, or an exemption under 326 IAC 10-4-3 shall be subject to enforcement pursuant to applicable state or federal law.

(b) Any person who knowingly makes a false material statement in any record, submission, or report under the NOx budget trading program shall be subject to criminal enforcement pursuant to the applicable state or federal law.

(c) No permit revision shall excuse any violation of the requirements of the NOx budget trading program that occurs prior to the date that the revision takes effect.

(d) Each NOx budget source and each NOx budget unit shall meet the requirements of the NOx budget trading program.

(e) Any provision of the NOx budget trading program that applies to a NOx budget source, including a provision applicable to the NOx authorized account representative of a NOx budget source, shall also apply to the owners and operators of the source and of the NOx budget units at the source.

(f) Any provision of the NOx budget trading program that applies to a NOx budget unit, including a provision applicable to the NOx authorized account representative of a NOx budget unit, shall also apply to the owners and operators of the unit. Except with regard to the requirements applicable to units with a common stack under 40 CFR 75 and 326 IAC 10-4-12, the owners and operators and the NOx authorized account representative of one (1) NOx budget unit shall not be liable for any violation by any other NOx budget unit of which they are not owners or operators or the NOx authorized account representative and that is located at a source of which they are not owners or operators or the NOx authorized account representative.

F.1.9 Effect on Other Authorities [326 IAC 10-4-4(g)]

No provision of the NOx budget trading program, a NOx budget permit application, a NOx budget permit, or an exemption under 326 IAC 10-4-3 shall be construed as exempting or excluding the owners and operators and, to the extent applicable, the NOx authorized account representative of a NOx budget source or NOx budget unit from compliance with any other provision of the applicable, approved state implementation plan, a federally enforceable permit, or the CAA.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
AND
ANDERSON OFFICE OF AIR MANAGEMENT

PART 70 OPERATING PERMIT
CERTIFICATION

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051

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

Please check what document is being certified:

9 Annual Compliance Certification Letter

9 Test Result (specify)

9 Report (specify)

9 Notification (specify)

9 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
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
Phone: 317-233-0178
Fax: 317-233-6865
and
Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

PART 70 OPERATING PERMIT
EMERGENCY/DEVIATION OCCURRENCE REPORT

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051

This form consists of 2 pages **Page 1 of 2**

9 This is an emergency as defined in 326 IAC 2-7-1(12) and lasting one (1) hour or more.
$ The Permittee must notify the Office of Air Quality (OAQ), within four (4) business hours (1-800-451-6027 or 317-233-0178, ask for Compliance Section); and
$ The Permittee must submit notice in writing or by facsimile within two (2) working days (Facsimile Number: 317-233-6865), and follow the other requirements of 326 IAC 2-7-16.

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

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

If any of the following are not applicable, mark N/A **Page 2 of 2**

Date/Time Emergency started:
Date/Time Emergency was corrected:
Was the facility being properly operated at the time of the emergency? Y N Describe: Type of Pollutants Emitted: TSP, PM-10, SO_2, VOC, NO_X, CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

Form Completed by:_____

Title / Position: _____

Date:_____

Phone: _____

A certification is not required for this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: T1, T2, and T3
Parameter: Total Natural Gas Equivalent Usage
Limit: Less than 7,900 MMSCF per twelve consecutive month period with compliance determined at the end of each month.

Natural Gas equivalent conversion factors:

(1) For every one (1) MMSCF consumed by turbine T3, the natural gas equivalent limit shall be reduced by one (1) MMSCF.

(2) For every one (1) MMSCF consumed by turbine T1 or T2, the natural gas equivalent limit shall be reduced by 2.47 MMSCF.

(3) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T3, the natural gas equivalent limit shall be reduced by 0.392 MMSCF.

(4) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T1 or T2, the natural gas equivalent limit shall be reduced by 0.537 MMSCF.

(5) When operating in "full-speed, no load" mode, the use of one (1) MMSCF of natural gas in turbine T1, T2, or T3 is equivalent to the use of 7.83 MMSCF of equivalent natural gas; the use of 1,000 gallons of No. 2 fuel oil in turbine T1, T2, or T3 is equivalent to the use of 2.92 MMSCF of equivalent natural gas.

YEAR:

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

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

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

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: Turbine T1
Parameter: The operating hours for "full-speed, no load" mode.
Trigger for Stack Testing: Less than 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR:

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

9 No deviation occurred in this quarter.

9 Deviation/s occurred in this quarter.
Deviation has been reported on:

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

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: Turbine T2
Parameter: The operating hours for "full-speed, no load" mode.
Trigger for Stack Testing: Less than 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR:

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

9 No deviation occurred in this quarter.

9 Deviation/s occurred in this quarter.
Deviation has been reported on:

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

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: Turbine T3
Parameter: The operating hours for "full-speed, no load" mode.
Limit: Less than 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR:

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

9 No deviation occurred in this quarter.

9 Deviation/s occurred in this quarter.
Deviation has been reported on:

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

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: Turbine T3
Parameter: The operating hours for "full-speed, no load" mode.
Trigger for Stack Testing: Less than 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR:

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

9 No deviation occurred in this quarter.

9 Deviation/s occurred in this quarter.
Deviation has been reported on:

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

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

PART 70 OPERATING PERMIT
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051

Months: _____ to _____ Year: _____

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. Deviations that are required to be reported by an applicable requirement shall be reported according to the schedule stated in the applicable requirement and do 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 ANo deviations occurred this reporting period@.

9 NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

9 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

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

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

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

Form Completed by:______________________________

Title / Position: ________________________________

Date:____

Phone: _______________________________________

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We make Indiana a cleaner, healthier place to live.

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

Phase II
ACID RAIN PERMIT RENEWAL
OFFICE OF AIR QUALITY

Anderson Combustion Turbine Facility
6035 Park Road
Anderson, Indiana, 46011
ORIS: 7336

The owners and operators (hereinafter collectively known as the Permittee) of the above source are issued this permit under the provisions of 326 Indiana Administrative Code (IAC) 21 with conditions listed on the attached pages.

Operation Permit No.: AR 095-19863-00051	
Issued by: Paul Dubenetzky, Chief Permits Branch Office of Air Quality	Issuance Date: August 3, 2005 Expiration Date: August 3, 2010

Title IV Operating Conditions

Title IV Source Description:

Two (2) 38.7 megawatt (net) simple cycle gas turbines using natural gas as the primary fuel with No. 2 fuel oil used as a backup identified as ACT1 and ACT2 (known as T1 and T2 in Title V permit), and using a water injection system as control, with each turbine exhausting to stacks, identified as S/V 3 and S/V 4, respectively.

One (1) 84 megawatt simple cycle gas turbine, using natural gas as the primary fuel and No. 2 fuel oil as backup fuel, identified as ACT3 (known as T3 in the Title V permit) using water injection for NOx control when fuel oil is used, and exhausting to stack S/V 7. When using natural gas, ACT3 has a maximum heat input capacity of 858 MMBtu/hr. When using No. 2 fuel oil, ACT3 has a maximum heat input capacity of 850 MMBtu/hr.

(The information contained in this box is descriptive information and does not constitute enforceable conditions.)

1. Statutory and Regulatory Authorities

In accordance with IC 13-17-3-4, and IC 13-17-3-11 as well as Titles IV and V of the Clean Air Act, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) issues this permit pursuant to 326 IAC 2 and 326 IAC 21 (incorporates by reference 40 Code of Federal Regulations (CFR) 72 through 78).

2. Standard Permit Requirements [326 IAC 21]

(a) The designated representative has submitted a complete acid rain permit application in accordance with the deadlines in 40 CFR 72.30.

(b) The Permittee shall operate ACT1, ACT2, and ACT3 in compliance with this permit.

3. Monitoring Requirements [326 IAC 21]

(a) The Permittee and, to the extent applicable, the designated representative of ACT1, ACT2, and ACT3 shall comply with the monitoring requirements as provided in 40 CFR 75.

(b) The emissions measurements recorded and reported in accordance with 40 CFR 75 shall be used to determine compliance by ACT1, ACT2, and ACT3 with the acid rain emissions limitations and emissions reduction requirements for sulfur dioxide under the Acid Rain Program.

(c) The requirements of 40 CFR 75 shall not affect the responsibility of the Permittee to monitor emissions of other pollutants or other emissions characteristics at ACT1, ACT2, and ACT3 under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

4. Sulfur Dioxide Requirements [326 IAC 21]

(a) The Permittee shall:

(1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 72.2), in the compliance subaccount of ACT1, ACT2, and ACT3, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from ACT1, ACT2, and ACT3; and,

(2) Comply with the applicable acid rain emissions limitations for sulfur dioxide.

(b) Each ton of sulfur dioxide emitted in excess of the acid rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.

(c) ACT1, ACT2, and ACT3 shall be subject to the requirements under paragraph 4(a) of the sulfur dioxide requirements as follows:

(1) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or,

(2) Starting on the latter of January 1, 2000, or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).

(d) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.

(e) An allowance shall not be deducted in order to comply with the requirements under paragraph 4(a) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.

(f) ACT1, ACT2, and ACT3 were not allocated allowances by United States Environmental Protection Agency (U.S. EPA) under 40 CFR part 73.10. However, ACT1, ACT2, and ACT3 must still comply with the requirement to hold allowances to account for sulfur dioxide emissions under paragraph 4(a) and 326 IAC 21.

(g) An allowance allocated by the U.S. EPA under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the acid rain permit application, the acid rain permit, the acid rain portion of an operating permit, or the written exemption under 40 CFR 72.7 and 72.8 and 326 IAC 21, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.

(h) An allowance allocated by U.S. EPA under the Acid Rain Program does not constitute a property right.

(i) No permit revision may be required for increases in emissions that are authorized by allowances acquired pursuant to the Acid Rain Program, provided that the increases do not require a permit revision under any other applicable requirement. [326 IAC 2-7-5(4)(A)]

(j) No limit shall be placed on the number of allowances held by the Permittee. The Permittee may not, however, use allowances as a defense to noncompliance with any applicable requirement other than the requirements of the Acid Rain Program. [326 IAC 2-7-5(4)(B)]

5. Nitrogen Oxides Requirements [326 IAC 21]

Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction Program, ACT1, ACT2, and ACT3 are not subject to the nitrogen oxide limitations set out in 40 CFR 76.

6. Excess Emissions Requirements [40 CFR 77] [326 IAC 21]

(a) If ACT1, ACT2, or ACT3 has excess emissions of sulfur dioxide in any calendar year, the designated representative shall submit a proposed offset plan to U.S. EPA and IDEM, OAQ as required under 40 CFR 77 and 326 IAC 21.

(b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
Air Compliance Section 1, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

and

Ms. Cecilia Mijares
Air and Radiation Division
U.S. Environmental Protection Agency, Region V
77 West Jackson Boulevard
Chicago, IL 60604-3590

and

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue, NW
Mail Code (6204N)
Washington, DC 20460

(c) If ACT 1, ACT 2 or ACT3 has excess emissions, as defined in 40 CFR 72.2, in any calendar year the Permittee shall:

(1) Pay to U.S. EPA without demand the penalty required, and pay to U.S. EPA upon demand the interest on that penalty, as required by 40 CFR 77 and 326 IAC 21; and,

(2) Comply with the terms of an approved sulfur dioxide offset plan, as required by 40 CFR 77 and 326 IAC 21.

7. Record Keeping and Reporting Requirements [326 IAC 21]

(a) Unless otherwise provided, the Permittee shall keep on site each of the following documents for a period of 5 years, as required by 40 CFR 72.9(f), from the date the document is created. This period may be extended for cause, at any time prior to the end of the 5 years, in writing by U.S. EPA or IDEM, OAQ:

(1) The certificate of representation for the designated representative for ACT1, ACT2, and ACT3 and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5 year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

(2) All emissions monitoring information collected in accordance with 40 CFR 75 shall be retained on site for 3 years;

(3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

(4) Copies of all documents used to complete an acid rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

(b) The designated representative of ACT1, ACT2, and ACT3 shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72.90 subpart I, 40 CFR 75, and 326 IAC 21. The required information is to be

submitted to the appropriate authority(ies) as specified in 40 CFR 72.90 subpart I and 40 CFR 75.

8. Submissions [326 IAC 21]

(a) The designated representative of ACT1, ACT2, and ACT3 shall submit a certificate of representation, and any superseding certificate of representation, to U.S. EPA and IDEM, OAQ in accordance with 40 CFR 72 and 326 IAC 21.

(b) The designated representative shall submit required information to:

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

and

Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

and

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue, NW
Mail Code (6204N)
Washington, DC 20460

(c) Each such submission under the Acid Rain Program shall be submitted, signed and certified by the designated representative for all sources on behalf of which the submission is made.

(d) In each submission under the Acid Rain Program, the designated representative shall certify, by his or her signature, the following statements which shall be included verbatim in the submission:

(1) "I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made."; and,

(2) "I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

(e) The designated representative of ACT1, ACT2, and ACT3 shall notify the Permittee:

(1) By the date of submission, of any Acid Rain Program submissions by the designated representative;

(2) Within 10 business days of receipt of any written determination by U.S. EPA or IDEM, OAQ; and,

(3) Provided that the submission or determination covers the ACT1, ACT2, or ACT3.

(f) The designated representative of ACT1, ACT2, and ACT3 shall provide the Permittee a copy of any submission or determination under paragraph 8(e) of this section, unless the Permittee expressly waives the right to receive a copy.

9. Severability [326 IAC 21]

Invalidation of the acid rain portion of an operating permit does not affect the continuing validity of the rest of the operating permit, nor shall invalidation of any other portion of the operating permit affect the continuing validity of the acid rain portion of the permit. [40 CFR 72.72(b), 326 IAC 21, and 326 IAC 2-7-5(5)]

10. Liability [326 IAC 21]

(a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to Section 113(c) of the Clean Air Act and shall be subject to enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-3.

(b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to Section 113(c) of the Clean Air Act, 18 U.S.C. 1001 and IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.

(c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.

(d) ACT1, ACT2, and ACT3 shall meet the requirements of the Acid Rain Program.

(e) Any provision of the Acid Rain Program that applies to ACT1, ACT2, or ACT3, including a provision applicable to the designated representative of ACT1, ACT2, or ACT3, shall also apply to the Permittee.

(f) Any provision of the Acid Rain Program that applies to ACT1, ACT2, or ACT3, including a provision applicable to the designated representative, shall also apply to the Permittee. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NOx averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the Permittee and the designated representative of one affected unit, shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(g) Each violation of a provision of 40 CFR parts 72, 73, 75, 77, and 78 by ACT1, ACT2, or ACT3, or by the Permittee or designated representative, shall be a separate violation of the Clean Air Act.

11. Effect on Other Authorities [326 IAC 21]

No provision of the Acid Rain Program, an acid rain permit application, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

(a) Except as expressly provided in Title IV of the Clean Air Act (42 USC 7651 to 7651(o)), exempting or excluding the Permittee and, to the extent applicable, the designated representative of ACT1, ACT2, or ACT3, from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

(b) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Clean Air Act;

(c) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law;

(d) Modifying the Federal Power Act (16 USC 791(a) et seq.) or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,

(e) Interfering with or impairing any program for competitive bidding for power supply in a state in which such a program is established.

Indiana Department of Environmental Management
Office of Air Quality
And
Anderson Office of Air Management

Addendum to the Technical Support Document for a Part 70 Operating Permit Renewal

Source Background and Description

Source Name:	Indiana Municipal Power Agency - Anderson Station
Source Location:	6035 Park Road, Anderson, Indiana 46011
County:	Madison
SIC Code:	4911
Operation Permit No.:	T095-12389-00051
Operation Permit Issuance Date:	December 7, 2001
Permit Renewal No.:	T095-22506-00051
Permit Reviewer:	ERG/YC

On February 2, 2007, the Office of Air Quality (OAQ) had a notice published in the Herald Bulletin, Anderson, Indiana, stating that Indiana Municipal Power Agency - Anderson Station had applied for a Part 70 Operation Permit Renewal to operate a stationary gas turbine electric generating station. The notice also stated that OAQ proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

On February 26, 2007 and April 3, 2007, Mr. Anthony C. Sullivan, on behalf of Indiana Municipal Power Agency - Anderson Station submitted comments on the proposed Part 70 Operating Permit Renewal. The summary of the comments is as follows (bolded language has been added, the language with a line through it has been deleted):

Comment 1:

Condition D.1.1 - PSD Minor Limits. The Permittee proposed the following changes to this condition:

(a) Condition D.1.1 should be modified to include a different "equivalent" value for times when the units are operated in a "full-speed, no load" mode. This mode of operation is necessary to test the units and to run diagnostics. This mode of operation occurs infrequently, and lasts for short spans of time. The actual "full-speed, no load" mode is around 4 or 5 hours per year. When in this mode, the turbine does not reach a high enough level of fuel flow for the control device to run. Thus, emissions during these time periods would be equivalent to un-controlled emission rates.

(b) The Permittee requested to revise the NOx emission limit for Turbines T1 and T2 in Condition D.1.1(b) to 153 lbs/MMCF based on the recent stack test results for turbine T2. The NOx emission limit of 133 lbs/MMCF for turbines T1 and T2 in the draft is the emission factor listed in AP-42 and is not appropriate for these units.

(c) The Permittee stated that the NOx and CO emission rates limits in Conditions D.1.1(b) and D.1.1(c) are over stringent. The Permittee stated that it is inappropriate to use emission factors as the emission limits in the permit. The Permittee requested the NOx

and CO emission limits for turbines T1, T2, and T2 be adjusted to the numbers listed in the table below:

Emission Limits for T1 and T2 (Normal Operation)		
Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	~~133~~ **153** lbs/MMCF	~~30.6~~ **153** lbs/MMCF
No. 2 Fuel Oil	33.4 lbs/kgal	~~10.6~~ **33.4** lbs/kgal

Emission Limits for T3 (Normal Operation)		
Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	~~38.0~~ **62.2** lbs/MMCF	62.2 lbs/MMCF
No. 2 Fuel Oil	24.4 lbs/kgal	~~6.55~~ **24.4** lbs/kgal

With the above revised NOx and CO emission limits, the total potential to emit CO and NOx from turbines T1, T2, and T3 are limited to less than 245 tons per year. Combined with the emissions from other existing units, the potential to emit NOx and CO from the entire source will still remain less than 250 tons per year.

(d) The Permittee stated that the fuel conversion factor of 3.49 in Condition D.1.1(a)(2) is overly stringent. The Permittee proposed a ratio of 2.47 for each MMCF used by turbine T1 and T2. The total equivalent natural gas use is 7,900 MMCF per year. When only combusting natural gas in turbines T1 and T2, the potential to emit NOx and CO from the entire source are each less than 250 tons per year (i.e., (7,900 MMCF/yr) / 2.47 x 153 lbs/MMCF x 1 ton/2000 lbs = 245 tons/yr). Therefore, using the ratio of 2.47 can still limit the potential to emit CO and NOx from the entire source to less than 250 tons/yr effectively.

(e) The "equivalent" value in Condition D.1.1(a)(4) should be changed from 0.631 MMSCF to 0.537 MMSCF. The 0.631 MMSCF was calculated by using the ratio of CO emission factors for the three units (see page 3 of 8 of Technical Support Document, Appendix A). However, since NOx emissions are controlling and would be the constituent used to ensure compliance with the 250 tons per year limit, the use of CO has no basis and the NOx ratio should be used. The NOx ratio is 1.37 (= 33.4 lbs/kgal / 24.4 lbs/kgal) and using that ratio calculates an equivalent value of 0.537 MMSCF (= 0.392 MMSCF x 1.37).

Based on the comments above, the Permittee proposed the following changes to Condition D.1.1:

D.1.1 PSD Minor Limits [326 IAC 2-2]

In order to render the requirements of 326 IAC 2-2 (PSD) not applicable, the Permittee shall comply with the following:

(a) The total amount of natural gas equivalents consumed by turbines T1, T2, and T3 shall be limited to 7,900 million standard cubic feet of gas (MMSCF) per twelve consecutive month period with compliance determined at the end of each month.

(1) For every one (1) MMSCF consumed by turbine T3, the natural gas equivalent limit shall be reduced by one (1) MMSCF.

(2) For every one (1) MMSCF consumed by turbine T1 or T2, the natural gas equivalent limit shall be reduced by **2.47** ~~3.49~~ MMSCF.

(3) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T3, the natural gas equivalent limit shall be reduced by 0.392 MMSCF.

(4) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T1 or T2, the natural gas equivalent limit shall be reduced by **0.537** ~~0.631~~ MMSCF.

(5) When operating in "full-speed, no load" mode, for every one (1) MMSCF consumed by turbine T3, the natural gas equivalent should be reduced by 8.4 MMSCF.

(6) When operating in "full-speed, no load" mode, for every one (1) MMSCF consumed by turbine T1 or T2, the natural gas equivalent should be reduced by 8.4 MMSCF.

(7) When operating in "full-speed, no load" mode, for every one (1) thousand gallons of fuel oil (Kgal) consumed by turbine T3, the natural gas equivalent should be reduced by 1.96 MMSCF.

(8) When operating in "full-speed, no load" mode, for every one (1) thousand gallons of fuel oil (Kgal) consumed by turbine T1 or T2, the natural gas equivalent should be reduced by 1.96 MMSCF.

. . .

Response to Comment 1:

Turbines T1 and T2 are controlled by water injection systems. Turbine T3 is a lean-premix combustion turbine. When operating in "full-speed, no load" mode, the water injection systems are not injecting water to turbines T1 and T2 and the pre-mix process does not occur for turbine T3. Therefore, the NOx and CO emissions emitted from turbines T1 through T3 during the "full-speed, no load" operating mode are equivalent to uncontrolled emissions. The uncontrolled stack testing data for turbines T1 through T3 are not available. According to AP-42, Table 3.1-1, the uncontrolled NOx and CO emission factors for the turbines are listed in the table below:

Type of Fuel	NOx Emission Factor	CO Emission Factor
Natural Gas	0.32 lbs/MMBtu	0.082 lbs/MMBtu
No. 2 Fuel Oil	0.88 lbs/MMBtu	0.0033 lbs/MMBtu

Since there are no testing results available for the "full-speed, no load" operating mode, the Permittee has agreed to comply with emission factors that are 50% greater than those specified in AP-42. Therefore, the emission limits during the "full-speed, no load" operating mode are calculated as follows:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	1,020 MMBtu/MMCF x 0.32 lbs/MMBtu x 1.5 = 490 lbs/MMCF	490 lbs/MMCF (same as the NOx limit)
No. 2 Fuel Oil	139 MMBtu/kgal x 0.88 lbs/MMBtu x 1.5 = 183 lbs/kgal	183 lbs/kgal (same as the NOx limit)

IDEM agrees to adjust the NOx and CO emission limits in Conditions D.1.1(b) and D.1.1(c) to the proposed numbers as shown below for the normal operating mode since the potential to emit CO and NOx from the entire source will remain less than 250 tons per year.

Emission Limits for T1 and T2 (Normal Operation)		
Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	~~133~~ **153** lbs/MMCF	~~30.6~~ **153** lbs/MMCF
No. 2 Fuel Oil	33.4 lbs/kgal	~~10.6~~ **33.4** lbs/kgal

Emission Limits for T3 (Normal Operation)		
Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	~~38.0~~ **62.2** lbs/MMCF	62.2 lbs/MMCF
No. 2 Fuel Oil	24.4 lbs/kgal	~~6.55~~ **24.4** lbs/kgal

IDEM agrees to revise the conversion factor in Condition D.1.1(a)(2) from 3.49 to 2.47. When only combusting natural gas in turbines T1 and T2 during normal operation, the potential to emit NOx and CO from all the turbines is (7,900 MMCF/yr) / 2.47 x 153 lbs/MMCF x 1 ton/2000 lbs = 245 tons/yr. Therefore, the proposed conversion factor for Condition D.1.1(a)(2) can still limit the potential to emit CO and NOx from the entire source to less than 250 tons/yr effectively.

IDEM agrees to revise the conversion factor in Condition D.1.1(a)(4) 0.631 to 0.537. When only combusting fuel oil in turbines T1 and T2 during normal operation, the potential to emit NOx and CO from the all the turbines is (7,900 MMCF/yr) / 0.537 x 33.4 lbs/MMCF x 1 ton/2000 lbs = 246 tons/yr. Therefore, the proposed conversion factor for Condition D.1.1(a)(4) can still limit the potential to emit CO and NOx from the entire source to less than 250 tons/yr effectively.

In addition, when operating in "full-speed, no load" mode, the use of one (1) MMSCF of natural gas in turbine T1, T2, or T3 is equivalent to the use of 490 lbs/MMCF x 1 MMSCF / 62.2 lbs/MMCF = 7.83 MMSCF of equivalent natural gas usage. The use of 1,000 gallons of No. 2 fuel oil during "full-speed, no load" mode is equivalent to the use of 183 lbs/kgal x 1 kgal / 62.2 lbs/MMCF = 2.92 MMSCF of equivalent natural gas usage.

Since the source stated that the operation in "full-speed, no load" mode is around 4 or 5 hours per year, compliance stack tests for this operating mode to demonstrate compliance with the emission limits for this mode are not required. However, the Permittee has agreed to test the NOx and CO emissions from the turbines during "full-speed, no load" operating mode if the operating hours for this mode exceeds 20 hours per twelve (12) consecutive month period.

Therefore, IDEM has made the following changes to the conditions in Section D.1 and the associated quarterly report form to address the changes discussed above. The changes to Condition D.1.5 - Testing Requirements are included in the response to Comment 3.

D.1.1 PSD Minor Limits [326 IAC 2-2]

In order to render the requirements of 326 IAC 2-2 (PSD) not applicable and as requested by the Permittee, the Permittee shall comply with the following:

(a) The total amount of natural gas equivalents consumed by turbines T1, T2, and T3 shall be limited to 7,900 million standard cubic feet of gas (MMSCF) per twelve **(12)** consecutive month period with compliance determined at the end of each month.

(1) For every one (1) MMSCF consumed by turbine T3, the natural gas equivalent limit shall be reduced by one (1) MMSCF.

(2) For every one (1) MMSCF consumed by turbine T1 or T2 **during normal operation**, the natural gas equivalent limit shall be reduced by **2.47** ~~3.49~~ MMSCF.

(3) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T3, the natural gas equivalent limit shall be reduced by 0.392 MMSCF.

(4) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T1 or T2 **during normal operation**, the natural gas equivalent limit shall be reduced by **0.537** ~~0.631~~ MMSCF.

(b) **During normal operation, the** ~~The~~ NOx and CO emissions from each of turbines T1 and T2 shall not exceed the emission limits listed in the table below:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	~~133~~ **153** lbs/MMCF	~~30.6~~ **153** lbs/MMCF
No. 2 Fuel Oil	33.4 lbs/kgal	~~10.6~~ **33.4** lbs/kgal

(c) **During normal operation, the** ~~The~~ NOx and CO emissions from turbine T3 shall not exceed the emission limits listed in the table below:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	~~38.0~~ **62.2** lbs/MMCF	62.2 lbs/MMCF
No. 2 Fuel Oil	24.4 lbs/kgal	~~6.55~~ **24.4** lbs/kgal

(d) When operating in "full-speed, no load" mode, the NOx and CO emissions from each of the turbines (T1, T2 and T3) shall not exceed the emission limits listed in the table below:

Type of Fuel	**NOx Emission Limit**	**CO Emission Limit**
Natural Gas	**490 lbs/MMCF**	**490 lbs/MMCF**
No. 2 Fuel Oil	**183 lbs/kgal**	**183 lbs/kgal**

(e) When operating in "full-speed, no load" mode, the use of one (1) MMSCF of natural gas in turbine T1, T2, or T3 is equivalent to the use of 7.83 MMSCF of equivalent natural gas; the use of 1,000 gallons of No. 2 fuel oil in turbine T1, T2, or T3 is equivalent to the use of 2.92 MMSCF of equivalent natural gas.

(f) The Permittee shall perform NOx and CO stack tests for a turbine if its operating hours in "full-speed, no load" mode exceed 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

(~~d~~**g**) The sulfur content of the No. 2 fuel oil combusted in turbine T1, T2, or T3 shall not exceed 0.17% by weight.

. . .

D.1.7 Record Keeping Requirements

. . .

(b) To document compliance with Conditions D.1.1(f), the Permittee shall maintain the records of operating hours for the "full-speed, no load" mode for each turbine.

(~~b~~**c**) To document compliance with Conditions D.1.1(~~d~~**g**), D.1.2, and D.1.3(b), the Permittee shall maintain the records of sulfur content of the No. 2 fuel oil combusted in the turbines.

(~~c~~**d**) To document compliance with Condition D.1.6, the Permittee shall maintain records of daily visible emission notations of the turbine stack exhausts when combusting No. 2 fuel oil. **The Permittee shall include in its daily record when a visible emission notation is not taken and the reason for the lack of visible emission notation (e.g. the process did not operate that day).**

(~~d~~**e**) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.8 Reporting Requirements

A quarterly summary of the information to document compliance with Condition**s** D.1.1(a) and D.1.1**(f)** shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: T1, T2, and T3
Parameter: Total Natural Gas Equivalent Usage
Limit: Less than 7,900 MMSCF per twelve consecutive month period with compliance determined at the end of each month.

Natural Gas equivalent conversion factors:

(1) For every one (1) MMSCF consumed by turbine T3, the natural gas equivalent limit shall be reduced by one (1) MMSCF.

(2) For every one (1) MMSCF consumed by turbine T1 or T2, the natural gas equivalent limit shall be reduced by ~~3.49~~ **2.47** MMSCF.

(3) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T3, the natural gas equivalent limit shall be reduced by 0.392 MMSCF.

(4) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T1 or T2, the natural gas equivalent limit shall be reduced by ~~0.631~~ **0.537** MMSCF.

(5) When operating in "full-speed, no load" mode, the use of one (1) MMSCF of natural gas in turbine T1, T2, or T3 is equivalent to the use of 7.83 MMSCF of equivalent natural gas; the use of 1,000 gallons of No. 2 fuel oil in turbine T1, T2, or T3 is equivalent to the use of 2.92 MMSCF of equivalent natural gas.

. . .

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: Turbine T1
Parameter: The operating hours for "full-speed, no load" mode.
Trigger for Stack Testing: Less than 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR:

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

9 **No deviation occurred in this quarter.**

9 **Deviation/s occurred in this quarter.**
Deviation has been reported on:

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

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: Turbine T2
Parameter: The operating hours for "full-speed, no load" mode.
Trigger for Stack Testing: Less than 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR:

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

9 **No deviation occurred in this quarter.**

9 **Deviation/s occurred in this quarter.**
Deviation has been reported on:

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

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
Compliance Data Section
and
Anderson Office of Air Management

Part 70 Quarterly Report

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051
Facilities: Turbine T3
Parameter: The operating hours for "full-speed, no load" mode.
Trigger for Stack Testing: Less than 20 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

YEAR:

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

9 **No deviation occurred in this quarter.**

9 **Deviation/s occurred in this quarter.**
Deviation has been reported on:

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

Attach a signed certification to complete this report.

Comment 2:

Conditions D.1.1(b) and (c) - PSD Minor Limits. This condition should be modified to remove the CO emission limit. The purpose of the NOx and CO emission limits is to limit the fuel use so as to ensure that the emissions of criteria pollutants do not exceed 250 tons per year. Since the NOx emission factor for both fuels is greater than the CO emission factor, limiting fuel use so that NOx emissions are below 250 tons per year necessarily limits the CO emissions to less than 250 tons per year.

Response to Comment 2:

Since both the unlimited potential to emit CO and NOx from this source is greater than 250 tons per year, it is necessary to include the emission limits for both NOx and CO. Therefore, the CO emission limits in Conditions D.1.1(b) and D.1.1(c) remain in the permit. No change has been made as a result of this comment.

Comment 3:

Condition D.1.5 - Testing Requirements. The CO emission testing requirement should be removed since the CO emission limit should be removed as described in Comment 2 above. The 1992 stack testing results (see the table below) confirmed that the CO emission factor is less than the NOx emission factor. If testing is required, the Permittee requested that the frequency be maintained on the existing five-year cycle, and not be required within 180 days of permit issuance, and that all pollutants being tested be set on the same schedule.

Unit	**NOx Emissions (ppmdv)**		**CO Emissions (ppmdv)**	
Type of Fuel	Natural Gas	No. 2 Fuel Oil	Natural Gas	No. 2 Fuel Oil
Turbine Unit 1	46	65	3	9
Turbine Unit 2	38	42	< 2.5	6

Response to Comment 3:

There are no IDEM approved stack test results for the CO emissions from T1, T2, or T3. In order to demonstrate compliance with the CO emission limits in Condition D.1.1, the Permittee must perform CO stack testing for the turbines. IDEM agrees to revise the stack testing schedule for all three (3) turbines to be within five (5) years from the date of the last valid compliance stack testing for NOx emissions. The source conducted a NOx emission test for Turbine T3 on March 25, 2004. In addition to the changes to the NOx and CO testing requirements, IDEM has added a condition specifying that stack testing is required when the operating hours for the "full-speed, no load" operating mode exceed 20 hours per twelve (12) consecutive month period. Therefore, Condition D.1.5 has been revised as follows:

D.1.5 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

(a) In order to demonstrate compliance with Conditions D.1.1(b) and D.1.1(c), the Permittee shall perform **NOx and CO testing for turbines T1, T2, and T3 (for both natural gas and No. 2 fuel oil combustion scenarios during normal operation) before March 25, 2009,** ~~the following tests~~ utilizing methods as approved by the Commissioner~~:~~**.**

~~(a) NOx and CO testing for turbines T1 and T2 (for both natural gas and No. 2 fuel oil combustion scenarios) within five (5) years of the last compliance test.~~

~~(b) NOx testing for turbine T3 (for both natural gas and No. 2 fuel oil combustion scenarios) within five (5) years of the last compliance test.~~

~~(c) CO testing for turbine T3 (for both natural gas and No. 2 fuel oil combustion scenarios) within 180 days after issuance of this Part 70 permit renewal.~~

(b) In order to demonstrate compliance with Condition D.1.1(f), the Permittee shall perform NOx and CO testing for a turbine within ninety (90) days after the last day of the month when the "full-speed, no load" mode operating hours for such turbine exceed 20 hours per twelve (12) consecutive month period, utilizing methods as approved by the Commissioner.

Testing shall be conducted in accordance with Section C - Performance Testing. These tests shall be repeated at least once every five (5) years from the date of the last valid compliance demonstration.

Comment 4:

Condition D.1.11 - One Time Deadlines Relating to New Source Performance Standards for Electric Utility Steam Generating Units for Stationary Gas Turbines. This condition should be deleted because the deadlines set forth therein have already passed. If any of these sub-conditions are retained, at a minimum, the deadlines for T1 and T2 should be removed since they were constructed in 1990 and IMPA is not required to maintain these records for more than five years. The Permittee requested to revise Condition D.1.11 as follows:

D.1.11 One Time Deadlines Relating to New Source Performance Standards for Electric Utility Steam Generating Units for Stationary Gas Turbines [40 CFR Part 60, Subpart GG]

Requirement	Rule Cite	Affected Facility	Deadline
Notification of the Date of Construction	40 CFR 60.7(a)(1)	~~T1, T2, and~~ T3	Within 30 days after construction was commenced.
Notification of the Date of Initial Startup	40 CFR 60.7(a)(3)	~~T1, T2, and~~ T3	Within 15 days after initial startup.
Initial Performance Test	40 CFR 60.8(a) and 40 CFR 60.335	~~T1, T2, and~~ T3	Within 60 days after achieving the maximum production rate, but not later than 180 days after initial startup.

Response to Comment 4:

Condition D.1.11 has been revised as follows as the result of this comment:

D.1.11 One Time Deadlines Relating to New Source Performance Standards for Electric Utility Steam Generating Units for Stationary Gas Turbines [40 CFR Part 60, Subpart GG]

Requirement	Rule Cite	Affected Facility	Deadline
Notification of the Date of Construction	40 CFR 60.7(a)(1)	~~T1, T2, and~~ T3	Within 30 days after construction was commenced.
Notification of the Date of Initial Startup	40 CFR 60.7(a)(3)	~~T1, T2, and~~ T3	Within 15 days after initial startup.
Initial Performance Test	40 CFR 60.8(a) and 40 CFR 60.335	~~T1, T2, and~~ T3	Within 60 days after achieving the maximum production rate, but not later than 180 days after initial startup.

Comment 5:

Part 70 Operating Permit Emergency/Deviation Occurrence Report. This form should indicate that the emergencies which are required to be reported using this form are only emergencies that last one hour or more, pursuant to 326 IAC 2-7-16(b)(4). In a meeting with IDEM in May, 2007, the Permittee asked for a clarification on whether the "full-speed, no load" operating mode is considered an emergency or deviation.

Response to Comment 5:

The "full-speed, no load" operating mode is a scheduled operation and the emissions from this operating mode are limited in Condition D.1.1(e). Therefore, the "full-speed, no load" operating mode is not considered an emergency or deviation.

Condition B.11(b)(5) - Emergency Provisions states that the Permittee shall submit the Emergency Occurrence Report Form or its equivalent, for each emergency lasting one (1) hour or more. For clarification, the Emergency/Deviation Occurrence Report Form in the permit has been revised as follows to specify that only emergencies lasting one (1) hour or more are required to be reported:

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
Phone: 317-233-0178
Fax: 317-233-6865
and
Anderson Office of Air Management
P.O. Box 2100
120 East 8th Street
Anderson, Indiana 46011

PART 70 OPERATING PERMIT
EMERGENCY/DEVIATION OCCURRENCE REPORT

Source Name: Indiana Municipal Power Agency – Anderson Station
Source Address: 6035 Park Road, Anderson, Indiana 46011
Mailing Address: 11610 North College Avenue, Carmel, Indiana 46032
Part 70 Permit No.: T095-22506-00051

This form consists of 2 pages

Page 1 of 2

9 This is an emergency as defined in 326 IAC 2-7-1(12) **and lasting one (1) hour or more.**
$ The Permittee must notify the Office of Air Quality (OAQ), within four (**4**) business hours (1-800-451-6027 or 317-233-0178, ask for Compliance Section); and
$ The Permittee must submit notice in writing or by facsimile within two (**2**) working days (Facsimile Number: 317-233-6865), and follow the other requirements of 326 IAC 2-7-16.

. . .

Upon further review, IDEM, OAQ has decided to make the following revisions to the permit.

1. The title of the responsible official is no longer required to be listed in the permit. Therefore, Condition A.1 has been revised as follows:

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 gas turbine electric generating station.

~~Responsible Official:~~	~~Executive Vice President & COO~~
Source Address:	6035 Park Road, Anderson, Indiana 46011
Mailing Address:	11610 North College Avenue, Carmel, Indiana 46032
General Source Phone Number:	(317) 573-9955
SIC Code:	4911
County Location:	Madison
Source Location Status:	Nonattainment for 8-hour ozone Attainment for all other criteria pollutants
Source Status:	Part 70 Permit Program Minor Source, under PSD Major Source under Emission Offset for Ozone Minor Source, Section 112 of the Clean Air Act

Not 1 of 28 Source Categories

2. Turbine T3 uses a water injection system as control when combusting No. 2 fuel oil. This information was not specified in the draft permit but was included in the source's First Significant Source Modification # 095-15883-00051, issued on November 8, 2002. In order to describe the turbine T3 correctly, the unit descriptions for Turbine T3 in Condition A.2 and Sections D.1, E.1, and F.1 have been revised as follows:

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

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

. . .

(b) One (1) 84 MW natural gas-fired simple cycle gas turbine, identified as T3, constructed in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine **and uses a water injection system as control when combusting No. 2 fuel oil**. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

SECTION D.1 FACILITY OPERATION CONDITIONS - Turbines

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

. . .

(b) One (1) 84 MW natural gas-fired simple cycle gas turbine, identified as T3, constructed in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine **and uses a water injection system as control when combusting No. 2 fuel oil**. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

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

SECTION E.1 TITLE IV CONDITIONS

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

. . .

(b) One (1) 84 MW natural gas fired simple cycle gas turbines, identified as T3, construction in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine **and uses a water injection system as control when combusting No. 2 fuel oil**. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

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

SECTION F.1 Nitrogen Oxides Budget Trading Program - NO_x Budget Permit for NO_x Budget Units Under 326 IAC 10-4-1(a)

ORIS Code: 7336

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

. . .

(b) One (1) 84 MW natural gas fired simple cycle gas turbines, identified as T3, construction in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine **and uses a water injection system as control when combusting No. 2 fuel oil**. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

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

3. The specific mail codes (MC) for each of the IDEM branches has been added to improve mail delivery, as follows:

Permits Branch: **MC 61-53 IGCN 1003**
Compliance Branch: **MC 61-53 IGCN 1003**
Asbestos Section: **MC 61-52 IGCN 1003**
Technical Support and Modeling: **MC 61-50 IGCN 1003**

Indiana Department of Environmental Management
Office of Air Quality

Technical Support Document (TSD) for the Renewal of
a Part 70 Operating Permit

Source Background and Description

Source Name:	Indiana Municipal Power Agency – Anderson Station
Source Location:	6035 Park Road, Anderson, Indiana 46011
County:	Madison
SIC Code:	4911
Operation Permit No.:	T095-12389-00051
Operation Permit Issuance Date:	December 7, 2001
Permit Renewal No.:	T095-22506-00051
Permit Reviewer:	ERG/YC

The Office of Air Quality (OAQ) has reviewed a Part 70 Operating Permit Renewal application from Indiana Municipal Power Agency – Anderson Station relating to the operation of a gas turbine electric generating plant.

Permitted Emission Units and Pollution Control Equipment

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

(a) Two (2) 38.7 MW natural gas-fired simple cycle gas turbines, identified as T1 and T2, constructed in 1990, using No. 2 fuel oil as the back-up fuel, controlled by a water injection system, each with a maximum heat input capacity of 431 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 425 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stacks 3 and 4, respectively. Under 40 CFR Part 60, Subpart GG, turbines T1 and T2 are considered stationary gas turbines.

(b) One (1) 84 MW natural gas-fired simple cycle gas turbine, identified as T3, constructed in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

(c) Two (2) diesel-fired start-up engines, identified as D7 and D8, constructed in 1990, each with a maximum power output of 630 horsepower and a maximum heat input of 2 MMBtu/hr, exhausting to stacks 5 and 6, respectively.

Unpermitted Emission Units and Pollution Control Equipment

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

New Emission Units and Pollution Control Equipment

There are no new emission units or pollution control equipment included in this Part 70 operating permit renewal.

Insignificant Activities

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

(a) Natural gas-fired combustion sources with heat input equal to or less than ten million (10,000,000) Btu per hour, including one the following:

(1) One (1) natural gas-fired heater, constructed in 2002, with a maximum heat input capacity of 2 MMBtu/hr.

(2) One (1) natural gas-fired heater, with a maximum heat input capacity of 0.003 MMBtu/hr.

(b) Combustion source flame safety purging on startup.

(c) Storage tanks with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons, including two (2) diesel storage tanks, each with a maximum capacity of 350 gallons.

(d) Closed loop heating and cooling systems.

(e) Activities associated with the treatment of wastewater streams with an oil and grease content less than or equal to 1% by volume.

(f) Heat exchanger cleaning and repair.

(g) Purging of gas lines and vessels that is related to routine maintenance and repair of buildings, structures, or vehicles at the source where air emissions from those activities would not be associated with any production process.

(h) Equipment used to collect any material that might be released during a malfunction, process upset, or spill cleanup, including catch tanks, temporary liquid separators, tanks, and fluid handling equipment.

(i) Blowdown for any of the following: sight glass; boiler; compressors; pumps; and cooling tower.

(j) Filter or coalescer media changeout.

(k) Emission units, not regulated by a NESHAP, with PM10, NOx, and SO_2 emissions less than five (5) pounds per hour or twenty-five (25) pounds per day, CO emissions less than twenty-five (25) pounds per day, VOC emissions less than three (3) pounds per hour or fifteen (15) pounds per day, lead emissions less than six-tenths (0.6) tons per year or three and twenty-nine hundredths (3.29) pounds per day, and emitting greater than one (1) pound per day but less than five (5) pounds per day or one (1) ton per year of a single HAP, or emitting greater than one (1) pound per day but less than twelve and five tenths (12.5) pounds per day or two and five tenths (2.5) tons per year of any combination of HAPs, including two (2) No. 2 fuel oil storage tanks, identified as FT10 and FT11, constructed in 1990, each with a maximum storage capacity of 300,000 gallons.

Existing Approvals

The source has been operating under Operating Permit T095-12389-00051, issued on December 7, 2001 and the following approvals:

(a) First Significant Source Modification #095-15883-00051, issued on November 8, 2002.

(b) First Significant Permit Modification #095-16149-00051, issued on January 13, 2003.

(c) First Minor Permit Modification #095-19367-00051, issued on January 31, 2005.

(d) Acid Rain Permit Renewal #095-19863-00051, issued on August 3, 2005.

All conditions from previous approvals were incorporated into this Part 70 permit except the following:

(a) SPM #095-16149-00051, issued on January 13, 2003:

Condition D.1.1
The total amount of natural gas equivalents consumed by turbines T1, T2, and T3 shall be limited to 8,003 million standard cubic feet of gas (MMSCF) per twelve (12) consecutive month period with compliance determined at the end of each month.

(1) For every one million standard cubic feet of gas (MMSCF) consumed by turbine T3, the natural gas equivalent limit shall be reduced by one million standard cubic feet (MMCF).

(2) For every one million standard cubic feet of gas (MMSCF) consumed by turbine T1, the natural gas equivalent limit shall be reduced by 2.40 million standard cubic feet.

(3) For every one million standard cubic feet of gas (MMSCF) consumed by turbine T2, the natural gas equivalent limit shall be reduced by 2.55 million standard cubic feet.

(4) For every one thousand gallons of fuel oil (kgal) consumed by turbine T3, the natural gas equivalent limit shall be reduced by 0.392 million standard cubic feet.

(5) For every one thousand gallons of fuel oil (kgal) consumed by turbines T1 or T2, the natural gas equivalent limit shall be reduced by 0.471 million standard cubic feet.

Changes to original conditions:
The above limitations are equivalent to 249 tons/yr of NOx and CO emissions from turbines T1, T2, and T3. However, combining the emissions from the diesel engines (D7 and D8) and the insignificant activities, the PTE of NOx and CO of the entire source exceeds 250 tons/yr. In order to maintain the PSD minor source status, the total equivalent natural gas usage limit has been decreased to 7,900 MMCF/yr in this renewal permit. The actual fuel usage at this source has never exceeded 7,900 MMCF/yr of natural gas equivalent.

In addition, the sulfur content of the No. 2 fuel oil used in turbines T1, T2, and T3 shall be limited to less than 0.17% by weight as specified in Condition D.1.5 of SPM #095-16149-00051, issued on January 13, 2003. This sulfur content limit will be included as part of the PSD minor limits in order to ensure that the SO_2 emissions from the entire source are less than 250 tons/yr.

The fuel equivalent conversion factors in SPM #095-16149-00051, issued on January 13, 2003 were calculated using the CO and NOx emission factors provided by the source which is less than the emission factors listed in AP-42 for combustion turbines. In order to ensure compliance with the PSD minor limits, the emission calculations have been revised to use the AP-42 emission factors for turbines T1 and T2 and the vendor's information for turbine T3. Additional CO and NOx emission limits for turbine T3, as listed in the table below, have been added to the permit as part of the PSD minor limits.

Type of Fuel	NOx Emission Limit (lbs/MMBtu)	CO Emission Limit (lbs/MMBtu)
Natural Gas	0.0373	0.061
No. 2 Fuel Oil	0.1758	0.0471

According to the emission calculations on page 3 of Appendix A, the conversion factors for the equivalent fuel usage have been revised as follow:

(1) For every one million standard cubic feet of gas (MMSCF) consumed by turbine T1, the natural gas equivalent limit shall be reduced by 3.49 million standard cubic feet.

(2) For every one million standard cubic feet of gas (MMSCF) consumed by turbine T2, the natural gas equivalent limit shall be reduced by 3.49 million standard cubic feet.

(3) For every one thousand gallons of fuel oil (kgal) consumed by turbines T1 or T2, the natural gas equivalent limit shall be reduced by 0.631 million standard cubic feet.

Enforcement Issue

There are no enforcement actions pending.

Recommendation

The staff recommends to the Commissioner that the Part 70 operating permit renewal be approved. This recommendation is based on the following facts and conditions:

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

An administratively complete Part 70 permit renewal application for the purposes of this review was received on January 12, 2006. Additional information was received on April 10, 2006, April 11, 2006, and April 12, 2006.

Emission Calculations

See Appendix A of this document for detailed calculations (pages 1 through 8).

Uncontrolled Potential to Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, inclulding 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.”

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential To Emit (tons/year)
PM	93.3
PM10	93.3
SO_2	3,782
VOC	20.7
CO	647
NO_x	6,685

Note: For the purpose of determining Title V applicability for particulates, PM10, not PM, is the regulated pollutant in consideration.

HAPs	Potential to Emit (tons/yr)
Formaldehyde	5.34
Xylene	0.48
Toluene	0.98
Acetaldehyde	0.30
Ethylbenzene	0.24
Total	7.34

(a) The potential to emit (as defined in 326 IAC 2-7-1(29)) of SO_2, CO, and NOx are equal to or greater than 100 tons per year. Therefore, this source is be subject to the provisions of 326 IAC 2-7.

(b) This source is subject to Title IV of the CAA (Acid Rain Program). Therefore, the source is subject to the provisions of 326 IAC 2-7 (Part 70 Permit), pursuant 326 IAC 2-7-2(a)(4).

(c) Pursuant to 326 IAC 2-7-1(22)(B), all fugitive emissions are counted toward the total potentail to emit to determine applicablity of Part 70 permit.

County Attainment Status

The source is located in Madison County.

Pollutant	Status
PM10	Attainment
PM2.5	Attainment
SO_2	Attainment
NO_2	Attainment
8-hour Ozone	Nonattainment
CO	Attainment
Lead	Attainment

Note: On October 25, 2006, the Indiana Air Pollution Control Board finalized a rule revision to 326 IAC 1-4-1 redesignating Delaware, Greene, Jackson, Vanderburgh, Vigo and Warrick Counties to attainment for the eight-hour ozone standard and revoking the one-hour ozone standard in Indiana.

(a) Madison County has been classified as attainment for PM2.5. U.S. EPA has not yet established the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 for PM 2.5 emissions. Therefore, until the U.S.EPA adopts specific provisions for PSD review for PM2.5 emissions, it has directed states to regulate PM10 emissions as a surrogate for PM2.5 emissions.

(b) 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. Madison 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.

(c) Madison County has been classified as attainment or unclassifiable in Indiana for all other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

Potential to Emit of the Source After Issuance

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, inclulding 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."

The source was issued a Part 70 Operating Permit on December 7, 2001. The table below summarizes the potential to emit, reflecting all limits, of the emission units. Any control equipment is considered enforceable only after issuance of the original Part 70 operating Permit and only to the extent that the effect of the control equipment is made practically enforceable in the permit.

	Potential to Emit (tons/year)						
Process/facility	PM	PM-10	SO_2	VOC	CO	NO_X	HAPs
Turbines (T1, T2, and T3)	Less than 26.6	Less than 26.6	Less than 240	Less than 8.46	Less than 246	Less than 246	Less than 3.93
Diesel Engines (D7 and D8)	Less than 0.02	Less than 0.02	Less than 0.08	Less than 0.01	Less than 0.13	Less than 0.49	Negligible
NG Fired Heaters (Insignificant)	0.07	0.07	Negligible	0.05	0.74	0.88	Negligible
Storage Tanks (Insignificant)	-	-	-	Less than 1.00	-	-	Negligible
PTE of the Entire Source	Less than 26.7	Less than 26.7	Less than 241	Less than 9.52	Less than 247	Less than 248	Less than 3.93
TV Major Source Thresholds	NA	100	100	100	100	100	Less than 10 for a single HAP and 25 for total HAPs

"-" Emissions are negligible.

(a) The potential to emit of the entire source is limited to less than 250 tons per year. Therefore, this existing source is a minor source under 326 IAC 2-2 (PSD).

(b) Fugitive Emissions
The gas turbines at this source are single cycle turbines, which do not generate steam. Therefore, this source is not considered a steam electric plant, and it is not in one of the 28 listed source categories under 326 IAC 2-2. However, there are applicable New Source Performance Standards that were in effect on August 7, 1980 (40 CFR 60, Subpart GG). Since NSPS, Subpart GG regulates the NOx and SO_2 emissions from the combustion turbines, the fugitive NOx and SO_2 emissions from the combustion turbine are counted toward determination of PSD review.

Actual Emissions

The following table shows the actual emissions from the source. This information reflects the 2002 OAQ emission data.

Pollutant	Actual Emissions (tons/year)
PM	1.0
PM10	1.0
SO_2	1.0
VOC	1.0
CO	9.0
NO_x	5.0
A single HAP	Not Reported
Total HAPs	Not Reported

Part 70 Permit Conditions

This source is subject to the requirements of 326 IAC 2-7, pursuant to which the source has to meet the following:

(a) Emission limitations and standards, including those operational requirements and limitations that assure compliance with all applicable requirements at the time of issuance of Part 70 permits.

(b) Monitoring and related record keeping requirements which assume that all reasonable information is provided to evaluate continuous compliance with the applicable requirements.

Federal Rule Applicability

(a) The three (3) combustion turbines (T1, T2, and T3) are subject to the Standards of Performance for Stationary Gas Turbines (40 CFR 60.330-60.335, Subpart GG), which is incorporated by reference as 326 IAC 12. These three (3) turbines are subject to the requirements of this rule because they have heat input capacities greater than 10 MMBtu/hr and were constructed after October 3, 1977.

Nonapplicable portions of the NSPS will not be included in the permit. The NOx emissions from turbines T1 and T2 are controlled by water injection systems. Turbine T3 is a lean premix combustion turbine. Turbines T1, T2, and T3, which use No. 2 fuel oil as a back-up fuel, are subject to the following portions of Subpart GG:

1. 40 CFR 60.330
2. 40 CFR 60.331
3. 40 CFR 60.332(a)(1) and (b)
4. 40 CFR 60.333(a), (b)
5. 40 CFR 60.334(a), (g), (h)(1), (h)(3), (i)(1), (j)(1)(i), (j)(2), (j)(5)
6. 40 CFR 60.335(a), (b)(1), (b)(2), (b)(4), (b)(8), (b)(10), (b)(11), and (c)(1)

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

(b) No. 2 fuel oil storage tanks FT10 and FT11 were constructed in 1990 and each has a maximum capacity greater than 75 cubic meters (19,813 gallons). However, the liquids stored in these tanks have a maximum true vapor pressure of less than 3.5 kPa. Therefore, tanks FT10 and FT11 are exempt from the requirements of the Standards of Performance for Volatile Organic Liquid Storage Vessels for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984 (40 CFR 60.110b - 117b, Subpart Kb), pursuant to 40 CFR 60.110b(b).

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

(d) This existing source is a minor source for HAPs. Therefore, the National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines (40 CFR 63,

Subpart YYYY) are not included in this permit.

(e) This existing source is a minor source for HAPs. Therefore, the National Emission Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines (40 CFR 63, Subpart ZZZZ) are not included in this permit.

(f) This source is subject to the requirements of 40 CFR Part 72 through 40 CFR Part 80 (Acid Rain Program). The requirements of this program are detailed in the Acid Rain Permit Renewal #095-19863-00051, issued on August 3, 2005, included as Appendix A to the permit.

(g) This Part 70 operating permit does involve a pollutant-specific emissions unit (turbines T1, T2, and T3) as defined in 40 CFR 64.1 for NOx:

(1) with the potential to emit before controls equal to or greater than the major source threshold for NOx;

(2) that is subject to an emission limitation or standard for NOx; and

(3) uses control devices (selective catalytic reduction systems) as defined in 40 CFR Part 64.1 to comply with that emission limitation or standard.

However, pursuant to 40 CFR 64.2(b)(1), any facility subject to the requirements of Sections 404 through 407(b) or 410 of the Acid Rain Program are exempt from the requirements of 40 CFR 64. Since turbines T1, T2, and T3 are subject to requirements of the Acid Rain Program, these units are exempt from the requirements of 40 CFR 64 (Continuous Assurance Monitoring).

State Rule Applicability – Entire Source

326 IAC 2-3 (Emission Offset)

This electric utility generating plant was constructed in 1990 and modified in 2002. Madison County was redesignated as nonattainment under 8-hour ozone standard in 2004; however, no modifications occurred after 2004. Therefore, the requirements of 326 IAC 2-3 (Emission Offset) are not applicable.

The Permittee has elected to comply with the fuel usage limits and emission rate limits to maintain a PSD minor source status (see the discussion for 326 IAC 2-2 below). The fuel usage limits also limit the potential to emit NOx of the entire source to less than 250 tons/yr but greater than 100 tons/yr. Therefore, this source is a major source under 326 IAC 2-3 (Emission Offset).

326 IAC 2-2 (Prevention of Significant Deterioration)

This electric utility generating plant was constructed in 1990 and modified in 2002. This source is not in 1 of the 28 source categories and the potential to emit CO, NO_x, and SO_2 from the entire source are greater than 250 tons/yr before control.

In order to render the requirements of 326 IAC 2-2 (PSD) not applicable, the Permittee shall comply with the following:

(a) The total amount of natural gas equivalents consumed by turbines T1, T2, and T3 shall be limited to 7,900 million standard cubic feet of gas (MMSCF) per twelve consecutive month period with compliance determined at the end of each month.

(1) For every one (1) MMSCF consumed by turbine T3, the natural gas equivalent limit shall be reduced by one (1) MMSCF.

(2) For every one (1) MMSCF consumed by turbine T1 or T2, the natural gas equivalent limit shall be reduced by 3.49 MMSCF.

(3) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T3, the natural gas equivalent limit shall be reduced by 0.392 MMSCF.

(4) For every one (1) thousand gallons of fuel oil (kgal) consumed by turbine T1 or T2, the natural gas equivalent limit shall be reduced by 0.631 MMSCF.

(b) The NOx and CO emissions from each of turbines T1 and T2 shall not exceed the emission limits listed in the table below:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	1,020 MMBtu/MMCF x 0.13 lbs/MMBtu = 133 lbs/MMCF	1,020 MMBtu/MMCF x 0.03 lbs/MMBtu = 30.6 lbs/MMCF
No. 2 Fuel Oil	139 MMBtu/kgal x 0.24 lbs/MMBtu = 33.4 lbs/kgal	139 MMBtu/kgal x 0.076 lbs/MMBtu = 10.6 lbs/kgal

Note: The emission limits above are based on the emission factors from AP-42, Table 3.1-1 for water-steam injection controlled turbines.

(c) The NOx and CO emissions from turbine T3, which were provided by the vender, shall not exceed the emission limits listed in the table below:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Natural Gas	1,020 MMBtu/MMCF x 0.0373 lbs/MMBtu = 38.0 lbs/MMCF	1,020 MMBtu/MMCF x 0.061 lbs/MMBtu = 62.2 lbs/MMCF
No. 2 Fuel Oil	139 MMBtu/kgal x 0.1758 lbs/MMBtu = 24.4 lbs/kgal	139 MMBtu/kgal x 0.0471 lbs/MMBtu = 6.55 lbs/kgal

(d) The sulfur content of the No. 2 fuel oil combusted in turbine T1, T2, or T3 shall not exceed 0.17% by weight.

(e) The total amount of diesel used in the diesel engines (D7 and D8) shall not exceed 2,200 gallons per twelve (12) consecutive month period with compliance determined at the end of each month.

(f) The NOx and CO emissions from each of the diesel fired engines (D7 and D8) shall not exceed the following:

Type of Fuel	NOx Emission Limit	CO Emission Limit
Diesel	3.20 lbs/MMBtu x 0.139 MMBtu/gal = 0.445 lbs/gal	0.85 lbs/MMBtu x 0.139 MMBtu/gal = 0.118 lbs/gal

Note: The emission limits above are based on the emission factors from AP-42, Table 3.4-1 for diesel fired engines.

Combined with the emissions from the insignificant activities, the potential to emit CO, NO_x, and SO_2 for the entire source is limited less than 250 tons/yr. Therefore, this source is a PSD minor source and the requirements of 326 IAC 2-2 (PSD) are not applicable.

326 IAC 2-4.1 (Hazardous Air Pollutants)

This electric utility generating plant was constructed in 1990 and modified in 2002. The modification in 2002 does not have potential to emit HAPs greater than 10 tons/yr for a single HAP or greater than 25 tons/yr for total HAPs. Therefore, the requirements of 326 IAC 2-4.1 are not applicable.

326 IAC 2-6 (Emission Reporting)

This source is subject to 326 IAC 2-6 (Emission Reporting) because it is required to have an operating permit under 326 IAC 2-7, Part 70 program. This source is located in Madison County.

Pursuant to 326 IAC 2-6-3, the Permittee shall submit an emission statement triennially by July 1, starting in 2008. This statement must be received in accordance with the compliance schedule specified in 326 IAC 2-6-3 and must comply with the minimum requirements specified in 326 IAC 2-6-4. The submittal should cover the period identified in 326 IAC 2-6.

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 for sources shall meet the following, unless otherwise stated in this permit:

(a) Opacity shall not exceed an average of fourty 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.

State Rule Applicability – Combustion Turbines (T1, T2, and T3)

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

The combustion turbines (T1, T2, and T3) are not subject to the requirements of 326 IAC 6-2 because they are not sources of indirect heating.

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

Combustion turbines are not considered manufacturing processes. Therefore, the requirements of 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes) are not applicable to turbines T1, T2, and T3.

326 IAC 7-1.1 (Sulfur Dioxide Emission Limitations)

The potential to emit SO_2 emissions from each of the combustion turbines (T1, T2, and T3) is greater than 25 tons/yr when burning No. 2 fuel oil. Therefore, these units are subject to the requirements of 326 IAC 7-1. Pursuant to 326 IAC 7-1.1-2, SO_2 emissions from each of the turbines shall not exceed 0.5 lbs/MMBtu while combusting No. 2 fuel oil.

326 IAC 10-4 (NOx Budget Trading Program)

Pursuant to 326 IAC 10-4-2(16), each combustion turbine at this source (T1, T2, and T3) is considered an “electricity generating unit (EGU)” because:

(a) Turbines T1 and T2 commenced operation before January 1, 1977, and serve a generator that has a nameplate capacity greater than twenty-five (25) megawatts that produces electricity for sale under a firm contract to the electric grid; and

(b) Turbine T3 commenced operation after January 1, 1997 and the unit serves a generator that has a nameplate capacity greater than twenty-five (25) megawatts that produces electricity for sale under a firm contract to the electric grid.

Pursuant to 326 IAC 10-4-1(a)(1), an “EGU” is a NO_x budget unit. Because this source meets the criteria of having one (1) or more NO_x budget units, it is a NO_x budget source. The Permittee shall be subject to the requirements of 326 IAC 10-4 (NO_x Budget Trading Program). The NO_x budget permit is included in Section F of this Part 70 operating permit. The Technical Support Document for the NO_x budget permit is provided as Appendix B to this Technical Support Document.

The requirements of 326 IAC 2-7-20(a) and (c) do not apply to emission trades of SO_2 or NO_x in accordance with 326 IAC 21 or 326 IAC 10-4; therefore, no pre-notification of a trade under one of these rules is required.

326 IAC 2-7-24 (Streamlined Requirements)

Pursuant to CP-048-1841, issued on May 11, 1990, the Permittee shall comply with the following

for the turbines T1 and T2:

(a) NOx emissions from each of turbines shall be limited to the following:

(1) Less than 42 ppmv at 15% oxygen while combusting natural gas.

(2) Less than 65 ppmv at 15% oxygen while combusting No. 2 fuel oil.

(b) The sulfur content of any fuel used shall be limited to less than 0.3% sulfur by weight.

(c) Visible emissions shall not exceed 20% opacity.

Compliance with the requirements above ensures compliance with the SO_2 emission limits in 326 IAC 7-1.1-2 and the NOx emission limits in 40 CFR 60, Subpart GG for turbines T1 and T2.

State Rule Applicability – Diesel Engines (D7 and D8)

326 IAC 7-1.1 (Sulfur Dioxide Emission Limitations)
The potential to emit SO_2 from each of the diesel engines (D7 and D8) is less than 25 tons/yr. Therefore, these units are not subject to the requirements of 326 IAC 7-1.1.

326 IAC 9-1-2 (Carbon Monoxide Emission Requirements)
This source is not among the listed source categories in 326 IAC 9-1-2. Therefore, the requirements of 326 IAC 9-1-2 are not applicable.

326 IAC 10-1 (Nitrogen Oxide Emission Requirements)
This source is not located in Clark or Floyd County. Therefore, the requirements of 326 IAC 10-1 are not applicable.

State Rule Applicability – Natural Gas-Fired Heaters (Insignificant Activities)

326 IAC 6-2 (Particulate Emissions Limitations for Sources of Indirect Heating)
The natural gas-fired heaters are not subject to the requirements of 326 IAC 6-2 because they are not sources of indirect heating.

326 IAC 6-3-2 (Particulate Emissions Limitations for Manufacturing Processes)
The natural gas-fired heaters are not considered manufacturing processes. Therefore, the requirements of 326 IAC 6-3-2 are not applicable.

326 IAC 7-1.1 (Sulfur Dioxide Emission Limitations)
The potential to emit SO_2 from each natural gas-fired heater is less than 25 tons per year; therefore, the requirements of 326 IAC 7-1.1 are not applicable.

State Rule Applicability – Storage Tanks (Insignificant Activities)

326 IAC 8-9 (Volatile Organic Liquid Storage Vessels)
This source is not located in Clark, Floyd, Lake, or Porter County. Therefore, the requirements of 326 IAC 8-9 are not applicable to the storage tanks at this source.

Testing Requirements

The Permittee performed the NOx and CO testing for turbines T1 and T2 in July 2005 and the NO testing for turbine T3 on March 31, 2004. In order to demonstrate continuous compliance with 326 IAC 2-2 (PSD), the Permittee shall perform the following tests:

(a) NOx and CO testing for turbines T1 and T2 (for both natural gas and No. 2 fuel oil combustion scenarios) within five (5) years of the last compliance test.

(b) NOx testing for turbine T3 (for both natural gas and No. 2 fuel oil combustion scenarios)

within five (5) years of the last compliance test.

(c) CO testing for turbine T3 (for both natural gas and No. 2 fuel oil combustion scenarios) within 180 days after issuance of this Part 70 permit renewal.

These tests shall be repeated at least once every five (5) years from the date of the last valid compliance demonstration.

The emissions from the diesel fired engines (D7 and D8) are limited to less than 1.0 ton per year for each pollutant by limiting the usage of diesel fuel. Therefore, no stack testing is required for the diesel fired engines.

Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAQ in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also in Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the approporiate corrective actions within a specific time period.

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

1. The combustion turbines (T1, T2, and T3) have applicable compliance monitoring conditions as specified below:

   Visible emissions notations of the turbine stack exhausts (Stacks 3, 4, and 7) shall be performed once per day during normal daylight operations when combusting No. 2 fuel oil. A trained employee will record whether emissions are normal or abnormal. For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time. In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions. A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process. If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C- Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances shall be considered a deviation from this permit.

   These monitoring conditions are necessary to ensure compliance with 326 IAC 5-1 (Opacity Limitations).

2. There are no specific compliance monitoring requirements for the diesel fired start-up engines (D7 and D8).

Conclusion

The operation of this stationary gas turbine electric generating plant shall be subject to the conditions of this Part 70 Operating Permit Renewal T095-22506-00051.

Appendix A: Emission Calculations
Criteria Pollutants
From Turbines T1, T2, and T3

Company Name: Indiana Municipal Power Agency - Anderson Station
Address: 6035 Park Rd., Anderson, IN 46011
TV Renewal #: T095-22506-00051
Reviewer: ERG/YC
Date: December 22, 2006

1. Unlimited PTE While Combusting NG before Control:

Heat Input Capacity (for NG) MMBtu/hr: 1,716 (3 units total)

Sulfur Content (S) (%): 0.00008 (sulfur content of NG)

	Pollutant					
	PM*	PM10*	SO_2	NOx	VOC	CO
Emission Factor in lbs/MMBtu	6.60E-03	6.60E-03	7.52E-05 *(0.94S)*	3.20E-01	2.10E-03	0.082
Unlimited PTE (tons/yr)	**49.6**	**49.6**	**0.57**	**2,405**	**15.8**	**616**

*PM and PM10 emission factors are condensable and filterable PM combined. Assume PM10 emissions equal PM emissions.
Emission Factors from AP-42, Chapter 3.1, Tables 3.1-1 and 3.1-2: Emission Factors for Stationary Gas Turbines (04/00).

Methodology

Unlimited PTE (tons/yr) = Max. Input Capcity (MMBtu/hr) x Emission Factor (lbs/MMBtu) x 8760 hr/yr x 1 ton/2000 lbs

2. Unlimited PTE While Combusting No. 2 Fuel Oil before Control:

Heat Input Capacity (for fuel oil) MMBtu/hr: 1,700 (3 units total)

Sulfur Content (S) (%): 0.5

	Pollutant					
	PM*	PM10*	SO_2	NOx	VOC	CO
Emission Factor in lbs/MMBtu	1.20E-02	1.20E-02	5.05E-01 *(1.01S)*	8.80E-01	4.10E-04	0.003
Unlimited PTE (tons/yr)	**89.4**	**89.4**	**3,760**	**6,552**	**3.05**	**24.6**

*PM and PM10 emission factors are condensable and filterable PM combined. Assume PM10 emissions equal PM emissions.
Emission Factors from AP-42, Chapter 3.1, Tables 3.1-1 and 3.1-2: Emission Factors for Stationary Gas Turbines (04/00).

Methodology

Unlimited PTE (tons/yr) = Max. Input Capcity (MMBtu/hr) x Emission Factor (lbs/MMBtu) x 8760 hr/yr x 1 ton/2000 lbs

3. Unlimited PTE of the Turbines:

Pollutant	PM	PM10	SO_2	NOx	VOC	CO
Unlimited PTE (tons/yr)	**89.4**	**89.4**	**3,760**	**6,552**	**15.8**	**616**

Methodology

Total Limited PTE (tons/yr) = Worst Case PTE (tons/yr) between Combusting NG and No. 2 Fuel Oil.

Appendix A: Emission Calculations
Criteria Pollutants
From Turbines T1, T2, and T3 with Limits

Company Name: Indiana Municipal Power Agency - Anderson Station
Address: 6035 Park Rd., Anderson, IN 46011
TV Renewal #: T095-22506-00051
Reviewer: ERG/YC
Date: December 22, 2006

Turbine T3 is a lean-premix unit which has the lowest NOx emissions. Therefore, the equivalent fuel usage limits were calculated based on the emission factors for Turbine T3.

1. Limited PTE While Combusting Only NG after Control:

Fuel Usage Limit MMCF/yr	Sulfur Content (S) (%)	
	0.00008	(sulfur content of NG)
7,900	(3 units total)	

	Pollutant					
	PM*	PM10*	SO_2	NOx**	VOC	CO**
Emission Factor in lbs/MMBtu	6.60E-03	6.60E-03	7.52E-05 *(0.94S)*	0.0373	2.10E-03	0.061
Limited PTE (tons/yr)	**26.6**	**26.6**	**0.30**	**150**	**8.46**	**246**

* PM and PM10 emission factors are condensable and filterable PM combined. Assume PM10 emissions equal PM emissions.
** These are the emission factors for turbine T3, which were provided by the vendor. The NOx emission factor has been verified by the stack test on 03/31/04.
Emission factors for PM/PM10, SO_2, and VOC are from AP-42, Chapter 3.1, Tables 3.1-1 and 3.1-2: Emission Factors for Stationary Gas Turbines (04/00).

Methodology

Limited PTE (tons/yr) = Fuel Usage Limit (MMCF/yr) x 1,020 MMBtu/MMCF x Emission Factor (lbs/MMBtu) x 1 ton/2000 lbs

2. Limited PTE While Combusting Only No. 2 Fuel Oil after Control:

Fuel Usage Limit kgal/yr	Sulfur Content (S) (%)	
	0.17	(permit condition)
20,153	(3 units total = (NG Usage Limit) / (0.392 MMCF/kgal))	

	Pollutant					
	PM*	PM10*	SO_2	NOx**	VOC	CO**
Emission Factor in lbs/MMBtu	1.20E-02	1.20E-02	1.72E-01 *(1.01S)*	0.1758	4.10E-04	0.0471
Limited PTE (tons/yr)	**16.8**	**16.8**	**240**	**246**	**0.57**	**66.0**

* PM and PM10 emission factors are condensable and filterable PM combined. Assume PM10 emissions equal PM emissions.
** These are the emission factors for turbine T3, which were provided by the vendor. The NOx emission factor has been verified by the stack test on 03/31/04.
Emission factors for PM/PM10, SO_2, and VOC are from AP-42, Chapter 3.1, Tables 3.1-1 and 3.1-2: Emission Factors for Stationary Gas Turbines (04/00).

Methodology

Limited PTE (tons/yr) = Fuel Usage Limit (kgal/yr) x 139 MMBtu/kgal x Emission Factor (lbs/MMBtu) x 1 ton/2000 lbs

3. PTE of the Turbines after Control:

Pollutant	PM	PM10	SO_2	NOx	VOC	CO
Limited PTE (tons/yr)	**26.6**	**26.6**	**240**	**246**	**8.46**	**246**

Methodology

Limited PTE (tons/yr) = Worst Case PTE (tons/yr) Between Combusting NG and No. 2 Fuel Oil.

Appendix A: Emission Calculations
Fuel Usage Conversion Factors for Turbines T1 and T2

Company Name: Indiana Municipal Power Agency - Anderson Station
Address: 6035 Park Rd., Anderson, IN 46011
TV Renewal #: T095-22506-00051
Reviewer: ERG/YC
Date: December 22, 2006

Since the fuel usage limits were based on the usages in turbine T3 and the emission factors for turbines T1 and T2 are different from the ones for turbine T3, the following calucations show the fuel equivalent conversion factors for turbines T1 and T2.

1. While Combusting NG:

	Control Technology	NOx	CO	Source of EF
Emission Factors for T1 and T2 (lbs/MMBtu)	Water Injection	0.13	0.03	AP-42
Emission Factors for T3 (lbs/MMBtu)	Lean-Premix	0.0373	0.061	Vendor
Fuel Equivalent Conversion Factor		3.49	0.49	

Worst Case Conversion Factor = 3.49 (MMCF in T3/MMCF in T1 or T2)

Methodology

Fuel Equivalent Conversion Factor = (Emission Factors for T1 and T2)/(Emission Factors for T3)

2. While Combusting No. 2 Fuel Oil:

	Control Technology	NOx	CO	Source of EF
Emission Factors for T1 and T2 (lbs/MMBtu)	Water Injection	0.24	0.076	AP-42
Emission Factors for T3 (lbs/MMBtu)	Lean-Premix	0.1758	0.047	Vendor
Fuel Equivalent Conversion Factor		1.37	1.61	

Worst Case Conversion Factor = 1.61 (kgal in T3/kgal in T1 or T2)

= 1.61 x 0.392 (MMCF in T3/kgal in T3) = 0.631 MMCF in T3/kgal in T1 or T2

Methodology

Fuel Equivalent Conversion Factor = (Emission Factors for T1 and T2)/(Emission Factors for T3)

Appendix A: Emission Calculations
Unlimited HAP Emissions
From Three (3) Gas Turbines (T1, T2, and T3)

Company Name: Indiana Municipal Power Agency - Anderson Station
Address: 6035 Park Rd., Anderson, IN 46011
TV Renewal #: T095-22506-00051
Reviewer: ERG/YC
Date: December 22, 2006

1. Unlimited PTE While Combusting NG:

Max. Heat Input (for NG)
MMBtu/hr

1,716 (3 units total)

	Pollutant					
Emission Factor in lbs/MMBtu	Formaldehyde 7.10E-04	Toluene 1.30E-04	Xylene 6.40E-05	Acetaldehyde 4.00E-05	Ethylbenzene 3.20E-05	Total 0.001
Unlimited PTE (tons/yr)	**5.34**	**0.98**	**0.48**	**0.30**	**0.24**	**7.34**

Note: Emission factors are from AP-42, Table 3.1-3 for NG fired gas turbines (AP-42, 04/00).

Methodology

Unlimited PTE (tons/yr) = Max. Heat Input (MMBtu/hr) x Emission Factor (lbs/MMBtu) x 8760 hr/yr x 1 ton/2000 lbs

2. Unlimited PTE While Combusting No. 2 Fuel Oil:

Max. Heat Input (for No. 2 fuel)
MMBtu/hr

1,700 (3 units total)

	Pollutant					
Emission Factor in lbs/MMBtu	Formaldehyde 2.80E-04	Benzene 5.50E-05	PAH 4.00E-05	Naphthalene 3.50E-05	1,3-Butadiene 1.60E-05	Total 4.260E-04
Unlimited PTE (tons/yr)	**2.08**	**0.41**	**0.30**	**0.26**	**0.12**	**3.17**

Note: Emission factors are from AP-42, Table 3.1-4 for distillate oil-fired gas turbines (AP-42, 04/00).

Methodology

Unlimited PTE (tons/yr) = Max. Heat Input (MMBtu/hr) x Emission Factor (lbs/MMBtu) x 8760 hr/yr x 1 ton/2000 lbs

Appendix A: Emission Calculations
Limited HAP Emissions
From Three (3) Gas Turbines (T1, T2, and T3)

Company Name: Indiana Municipal Power Agency - Anderson Station
Address: 6035 Park Rd., Anderson, IN 46011
TV Renewal #: T095-22506-00051
Reviewer: ERG/YC
Date: December 22, 2006

1. Limited PTE While Combusting NG:

Fuel Usage Limit
MMCF/yr

7,900 (3 units total)

	Pollutant					
Emission Factor in lbs/MMBtu	Formaldehyde 7.10E-04	Toluene 1.30E-04	Xylene 6.40E-05	Acetaldehyde 4.00E-05	Ethylbenzene 3.20E-05	Total 0.001
Limited PTE (tons/yr)	**2.86**	**0.52**	**0.26**	**0.16**	**0.13**	**3.93**

Note: Emission factors are from AP-42, Table 3.1-3 for NG fired gas turbines (AP-42, 04/00).

Methodology

Limited PTE (tons/yr) = Fuel Usage Limit (MMCF/yr) x 1,020 MMBtu/MMCF x Emission Factor (lbs/MMBtu) x 1 ton/2000 lbs

2. Limited PTE While Combusting No. 2 Fuel Oil:

Fuel Usage Limit
kgal/yr

20,153 (3 units total = (NG Usage Limit) / (0.392 MMCF/kgal))

	Pollutant					
Emission Factor in lbs/MMBtu	Formaldehyde 2.80E-04	Benzene 5.50E-05	PAH 4.00E-05	Naphthalene 3.50E-05	1,3-Butadiene 1.60E-05	Total 4.260E-04
Limited PTE (tons/yr)	**3.92E-01**	**7.70E-02**	**5.60E-02**	**4.90E-02**	**2.24E-02**	**0.60**

Note: Emission factors are from AP-42, Table 3.1-4 for distillate oil-fired gas turbines (AP-42, 04/00).

Methodology

Limited PTE (tons/yr) = Fuel Usage Limit (kgal/yr) x 139 MMBtu/kgal x Emission Factor (lbs/MMBtu) x 1 ton/2000 lbs

Appendix A: Emission Calculations
Criteria Pollutants
From the Two (2) 630 HP Diesel Engines (D7 and D8)

Company Name: Indiana Municipal Power Agency - Anderson Station
Address: 6035 Park Rd., Anderson, IN 46011
TV Renewal #: T095-22506-00051
Reviewer: ERG/YC
Date: December 22, 2006

1. Unlimited PTE:

Max. Power Output Horsepower (HP)

1,260 (2 units total)

S = Weight % Sulfur: 0.5

	Pollutant					
Emission Factor in lbs/hp-hr	PM* 7.00E-04	PM10* 7.00E-04	SO_2 4.05E-03 (8.09E-3S)	NO_x 2.40E-02	**VOC 7.05E-04	CO 5.50E-03
Unlimited Potential to Emit in tons/yr	**3.86**	**3.86**	**22.3**	**132**	**3.89**	**30.4**

Note: Emission factors are from AP-42, Table 3.4-1 (AP-42, 10/96).
*Assume PM10 emissions are equal to PM emissions.
** Assume TOC (total organic compounds) emissions are equal to VOC emissions.

Methodology

Unlimited PTE (tons/yr) = Max. Power Output (hp) x Emission Factor (lbs/hp-hr) x 8760 hr/yr x 1 ton/2000 lbs

2. Limited PTE:

Max. Power Output Horsepower (HP)

Fuel Usage Limit gal/yr

1,260 (2 units total)

2,200 (2 units total)

S = Weight % Sulfur: 0.5

	Pollutant					
Emission Factor in lbs/MMBtu	PM* 0.10	PM10* 0.10	SO_2 0.51 (1.01*S)	NO_x 3.20	**VOC 0.09	CO 0.85
Limited Potential to Emit in tons/yr	**0.02**	**0.02**	**0.08**	**0.49**	**0.01**	**0.13**

Note: Emission factors are from AP-42, Table 3.4-1 (AP-42, 10/96).
*Assume PM10 emissions are equal to PM emissions.
** Assume TOC (total organic compounds) emissions are equal to VOC emissions.

Methodology

Limited PTE (tons/yr) = Fuel Usage Limit (gal/yr) x 0.14 MMBtu/gal x Emission Factor (lbs/MMBtu) x 1 ton/2000 lbs

Appendix A: Emission Calculations
Natural Gas Combustion
(MMBtu/hr < 100)
From NG Fired Heaters (Insignificant)

Company Name: Indiana Municipal Power Agency - Anderson Station
Address: 6035 Park Rd., Anderson, IN 46011
TV Renewal #: T095-22506-00051
Reviewer: ERG/YC
Date: December 22, 2006

Heat Input Capacity MMBtu/hr		Potential Throughput MMCF/yr
2.003	(2 units total)	17.5

	Pollutant					
	PM*	PM10*	SO_2	**NO_x	VOC	CO
Emission Factor in lbs/MMCF	7.6	7.6	0.6	100	5.5	84.0
Potential to Emit in tons/yr	**0.07**	**0.07**	**5.3E-03**	**0.88**	**0.05**	**0.74**

*PM and PM10 emission factors are condensable and filterable PM10 combined.
**Emission factors for NO_x: Uncontrolled = 100 lbs/MMCF.
Emission factors are from AP-42, Chapter 1.4, Tables 1.4-1, 1.4-2, and 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03 (AP-42 Supplement D 07/98)

Methodology

All emission factors are based on normal firing.
MMBtu = 1,000,000 Btu
MMCF = 1,000,000 Cubic Feet of Gas

Potential Throughput (MMCF/yr) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu
Potential to Emit (tons/yr) = Potential Throughput (MMCF/yr) x Emission Factor (lbs/MMCF) x 1 ton/2000 lbs

Appendix A: Emission Calculations
Limited PTE Summary

Company Name: Indiana Municipal Power Agency - Anderson Station
Address: 6035 Park Rd., Anderson, IN 46011
TV Renewal #: T095-22506-00051
Reviewer: ERG/YC
Date: December 22, 2006

Limited Potential To Emit after Control

Emission Units	PM	PM10	SO_2	NO_x	VOC	CO	Total HAPs
Turbines (T1, T2, and T3)	26.6	26.6	240	246	8.46	246	3.93
Engines (D7 and D8)	0.02	0.02	0.08	0.49	0.01	0.13	Negligible
NG Fired Heaters	0.07	0.07	0.01	0.88	0.05	0.74	Negligible
Storage Tanks* (Insignficant)	-	-	-	-	1.00	-	Negligible
Total PTE	**26.7**	**26.7**	**241**	**248**	**9.52**	**247**	**3.93**

* The PTE of storage tanks was calculated using the EPA TANKS software and is less than 1.0 tons/yr.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Air Quality

Technical Support Document (TSD) for the NO_X Budget Permit

Source Background and Description

Source Name:	**Indiana Municipal Power Agency – Anderson Station**
Source Location:	**6035 Park Road, Anderson, Indiana 46011**
County:	**Madison**
SIC Code:	**4911**
Operated By:	**Indiana Municipal Power Agency**
Owned By:	**Indiana Municipal Power Agency**
ORIS:	**7336**
Operation Permit No.:	**T095-12389-00051**
Operating Permit Issuance Date:	**December 7, 2001**
Operation Permit Renewal No:	**T095-22506-00051**
Permit Reviewer:	**Madhurima D. Moulik**

NO_X Budget Permit Application and Rule Applicability

A complete Nitrogen Oxides (NO_X) Budget Permit Application for this NO_X budget source was received on October 4, 2001. The Office of Air Quality (OAQ) has reviewed a NO_X budget permit application from Indiana Municipal Power Agency under 326 IAC 10-4-7 for the operation of the NO_X budget source. The NO_X budget source includes all NO_X Budget Units at the source, including opt-in units, if applicable. The following units at the source are NO_X Budget Units:

(a) Two (2) 38.7 MW natural gas fired simple cycle gas turbines, identified as T1 and T2, construction in 1990, using No. 2 fuel oil as the back-up fuel, controlled by a water injection system, each with a maximum heat input capacity of 431 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 425 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stacks 3 and 4, respectively. Under 40 CFR Part 60, Subpart GG, turbines T1 and T2 are considered stationary gas turbines.

(b) One (1) 84 MW natural gas fired simple cycle gas turbines, identified as T3, construction in 2002, using No. 2 fuel oil as the back-up fuel, with a maximum heat input capacity of 858 MMBtu/hr while combusting natural gas and a maximum heat input capacity of 850 MMBtu/hr while combusting No. 2 fuel oil (at ISO conditions), and exhausting to stack 7. This unit is a lean premix combustion turbine. Under 40 CFR Part 60, Subpart GG, turbine T3 is considered a stationary gas turbine.

Pursuant to 326 IAC 10-4-2(16), gas turbine T1 and T2 are each considered an “electricity generating unit (EGU)” because they commenced operation before January 1, 1997 and each unit serves a generator during 1995 or 1996 that had a nameplate capacity greater than twenty-five (25) megawatts that produces electricity for sale under a firm contract to the electric grid. Pursuant to 326 IAC 10-4-2(16), gas turbine T3 is considered an “electricity generating unit (EGU)” because it commenced operation after January 1, 1997 and the unit serves a generator

at any time that has a nameplate capacity greater than twenty-five (25) megawatts that produces electricity for sale under a firm contract to the electric grid. Pursuant to 326 IAC 10-4-1(a)(1), an "EGU" is a NO_X budget unit. Because this source meets the criteria of having one (1) or more NO_X budget units, it is a NO_X budget source.

The NO_X budget permit is in Section F of the Part 70 permit renewal.

The requirements of 326 IAC 2-7-20(a) and (c) do not apply to emission trades of SO_2 or NO_X in accordance with 326 IAC 21 or 326 IAC 10-4; therefore, no pre-notification of a trade under one of these rules is required.

Pursuant to 326 IAC 10-4-7, the NO_X budget permit shall be a complete and segregable portion of the Part 70 permit and the NO_X budget portion of the Part 70 permit shall be administered in accordance with 326 IAC 2-7, except as provided otherwise by 326 IAC 10-4-7.

Program Description

On October 27, 1998, the U.S. EPA promulgated final federal rules requiring 22 states and the District of Columbia to submit state implementation plan (SIP) revisions to reduce the regional transport of ozone. The federal rule focused on reducing NO_X emissions in the affected states. In the federal rule, the U.S. EPA established a NO_X emission "budget" for each of the affected states and the District of Columbia. The "budget" represents a reduction from emissions in the year 2007 that the U.S. EPA believes will reduce the transport of NO_X emissions and will assist downwind areas in meeting ozone air quality standards. The states must demonstrate compliance with the "budget" by implementing control measures to reduce NO_X emissions beginning May 31, 2004. While the rule does not mandate which sources will have to reduce emissions, the rule did provide options that would result in a 65% reduction of NO_X emissions from utility boilers and a 60% reduction from large industrial (non-utility) boilers and turbines. IDEM developed the NO_X Budget Trading Program in 326 IAC 10-4 in response to this mandate. The NO_X reductions that will be achieved by this rule will result in significant air quality improvements throughout the state of Indiana, and will be especially important in those areas of the state where ozone levels exceed or regularly approach state and federal air quality health standards.

The Nitrogen Oxides Budget Trading Program is a regional cap and trade program among all the states subject to the NO_X SIP call. Electricity generating units (EGUs) and non-electricity generating units (non-EGUs) are allocated allowances for tons of NO_X that they are allowed to emit during the ozone season. IDEM allocates NO_X allowances for the affected units, and owners or operators of these units are able to buy, sell, or trade allowances, as necessary, to demonstrate compliance with the unit's NO_X emissions cap. Because this program is a regional program administered by U.S. EPA, sources are able to buy, sell or trade allowances across state boundaries and between different types of units and sources. More information about the NO_X SIP Call can be found at: http://www.epa.gov/airmarkets/fednox/index.html and http://www.in.gov/idem/air/standard/Sip/index.html.

326 IAC 10-4 (NO_X Budget Trading Program) Requirements

(a) Pursuant to 326 IAC 10-4-4(b), the owners and operators and, to the extent applicable, the NO_X authorized account representative of the NO_X budget source and each NO_X budget unit at the source shall comply with the monitoring requirements of 40 CFR 75 and 326 IAC 10-4-12. The emissions measurements recorded and reported in accordance with 40 CFR 75 and 326 IAC 10-4-12 shall be used to determine compliance by each unit with the NO_X budget emissions limitation under 326 IAC 10-4-4(c).

(b) Pursuant to 326 IAC 10-4-4(c), the owners and operators of the NO_X budget source and each NO_X budget unit at the source shall hold NO_X allowances available for compliance

deductions under 326 IAC 10-4-10(j), as of the NO_X allowance transfer deadline, in each unit's compliance account and the source's overdraft account in an amount:

(1) Not less than the total NO_X emissions for the ozone control period from the unit, as determined in accordance with 40 CFR 75 and 326 IAC 10-4-12;

(2) To account for excess emissions for a prior ozone control period under 326 IAC 10-4-10(k)(5); or

(3) To account for withdrawal from the NO_X budget trading program, or a change in regulatory status of a NO_X budget opt-in unit.

(c) Pursuant to 326 IAC 10-4-4(d), the owners and operators of each NO_X budget unit that has excess emissions in any ozone control period shall do the following:

(1) Surrender the NO_X allowances required for deduction under 326 IAC 10-4-10(k)(5).

(2) Pay any fine, penalty, or assessment or comply with any other remedy imposed under 326 IAC 10-4-10(k)(7).

(d) Pursuant to 326 IAC 10-4-4(e)(1), unless otherwise provided, the owners and operators of the NO_X budget source and each NO_X budget unit at the source shall keep either on site at the source or at a central location within Indiana for those owners or operators with unattended sources, each of the following documents for a period of five (5) years:

(1) The account certificate of representation for the NO_X authorized account representative for the source and each NO_X budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 326 IAC 10-4-6(h). The certificate and documents shall be retained either on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond the five (5) year period until the documents are superseded because of the submission of a new account certificate of representation changing the NO_X authorized account representative.

(2) All emissions monitoring information, in accordance with 40 CFR 75 and 326 IAC 10-4-12, provided that to the extent that 40 CFR 75 and 326 IAC 10-4-12 provide for a three (3) year period for record keeping, the three (3) year period shall apply.

(3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO_X budget trading program.

(4) Copies of all documents used to complete a NO_X budget permit application and any other submission under the NO_X budget trading program or to demonstrate compliance with the requirements of the NO_X budget trading program.

This period may be extended for cause, at any time prior to the end of five (5) years, in writing by IDEM, OAQ or the U.S. EPA. Records retained at a central location within Indiana shall be available immediately at the location and submitted to the IDEM, OAQ or U.S. EPA within three (3) business days following receipt of a written request. Nothing in 326 IAC 10-4-4(e) shall alter the record retention requirements for a source under 40 CFR 75. Unless otherwise provided, all records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

(e) Pursuant to 326 IAC 10-4-4(e)(2), the NO_X authorized account representative of the NO_X budget source and each NO_X budget unit at the source shall submit the reports and compliance certifications required under the NO_X budget trading program, including those under 326 IAC 10-4-8, 326 IAC 10-4-12, or 326 IAC 10-4-13.

Monitoring

The NO_X Budget Trading Program references monitoring and reporting requirements from the Acid Rain program at 40 CFR Part 75. These provisions require, for most sources, the use of continuous emissions monitors (CEMs). A CEM is a system composed of various equipment that continuously measures the amount of nitrogen oxides emitted into the atmosphere in exhaust gases from the NO_X budget unit's stack.

Excepted monitoring systems under 40 CFR Part 75, Appendix E are allowed for gas-fired peaking units and oil-fired peaking units as defined in 40 CFR 72.2. The excepted monitoring system methodology involves performing stack tests to determine the average NO_X emissions rate from a unit at four, equally-spaced load levels, in accordance with specific US EPA test methods, to establish a "load curve". The "load curve" correlates emissions to heat input rate such that emissions can be estimated based on the actual hourly heat input.

NO_x Emissions Allocations

(a) Pursuant to 326 IAC 10-4-7(e), this NO_X budget permit is deemed to incorporate automatically, upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NO_X allowance to or from the compliance accounts of the NO_X budget units or the overdraft account of the NO_X budget source covered by this permit. The allocations for each ozone season and transaction information can be found at: http://www.epa.gov/airmarkets/tracking/factsheet.html. In addition, IDEM, OAQ posts proposed allocations prior to submitting them to the U.S. EPA on the following web site: http://www.in.gov/idem/air/standard/Sip/index.html.

(b) The following requirements from 326 IAC 10-4-4(c) apply to NO_X allowances:

(1) Each ton of NO_X emitted in excess of the NO_X budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.

(2) NO_X allowances shall be held in, deducted from, or transferred among NO_X allowance tracking system accounts in accordance with 326 IAC 10-4-9 through 11, 326 IAC 10-4-13, and 326 IAC 10-4-14.

(3) A NO_X allowance shall not be deducted, in order to comply with the requirements under 326 IAC 10-4-4(c)(1), for an ozone control period in a year prior to the year for which the NO_X allowance was allocated.

(4) A NO_X allowance allocated under the NO_X budget trading program is a limited authorization to emit one (1) ton of NO_X in accordance with the NO_X budget trading program. No provision of the NO_X budget trading program, the NO_X budget permit application, the NO_X budget permit, or an exemption under 326 IAC 10-4-3 and no provision of law shall be construed to limit the authority of the U.S. EPA or IDEM, OAQ to terminate or limit the authorization.

(5) A NO_X allowance allocated under the NO_X budget trading program does not constitute a property right.

(6) Upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NO_X allowance to or from a NO_X budget unit's compliance account or the overdraft account of the source where the unit is located is deemed to amend automatically, and become a part of, this NO_X budget permit of the NO_X budget unit by operation of law without any further review.

Other Record Keeping and Reporting Requirements

Pursuant to 326 IAC 10-4-7(g), except as provided in 326 IAC 10-7-4(e), IDEM, OAQ shall revise the NO_X budget permit, as necessary, in accordance with the permit modification and revision provisions under 326 IAC 2-7.

Pursuant to 326 IAC 10-4-7(b)(1)(C), for permit renewal, the NO_X authorized account representative shall submit a complete NO_X budget permit application covering the NO_X budget units at the source in accordance with 326 IAC 2-7-4(a)(1)(D) with the Part 70 permit renewal.

Submissions

The NO_X authorized account representative for each NO_X budget source on behalf of which a submission is made must sign and certify every report or other submission required by the NO_X budget permit. The NO_X authorized account representative must include the following certification statement in every submission: "I am authorized to make this submission on behalf of the owners and operators of the NO_X budget sources or NO_X budget units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

Recommendation

The staff recommends to the Commissioner that the NO_X budget permit be approved.

Unless otherwise stated, information used in this review was derived from the application.

Additional Information

Questions regarding the NO_X budget permit can be directed to Madhurima Moulik at the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ), 100 North Senate Avenue, Indianapolis, Indiana 46204-2251 or by telephone at (317) 233-0868 or toll free at 1-800-451-6027 extension 3-0868.

The source will be inspected by IDEM's compliance inspection staff. Persons seeking to obtain information regarding the source's compliance status or to report any potential violation of any permit condition should contact Dan Hancock at the Office of Air Quality (OAQ) address or by telephone at (317) 2232-8429 or toll free at 1-800-451-6027 extension 3-0863.

Copies of the Code of Federal Regulations (CFR) referenced in the permit may be obtained from:

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

or
The Government Printing Office
Washington, D.C. 20402
or
on the Government Printing Office web site at
http://www.access.gpo.gov/nara/cfr/index.html