



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: August 21, 2006
RE: Dairy Farmers of America, Inc. / 039-23077-00338
FROM: Nisha Sizemore
Chief, Permits Branch
Office of Air Quality

Notice of Decision – Approval

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to 326 IAC 2, this approval was effective immediately upon submittal of the application.

If you wish to challenge this decision, IC 4-21.5-3-7 requires that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Room 1049, Indianapolis, IN 46204, **within eighteen (18) calendar days from the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

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

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

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

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

Enclosures
FNPER-AM.dot 03/23/06



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We make Indiana a cleaner, healthier place to live.

Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

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Indianapolis, Indiana 46204-2251
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Mr. Robert Gehike
Dairy Farmers of America, Inc.
1110 South Ninth Street
Goshen, IN 46526

August 21, 2006

Re: **039-23077-00338**
Notice-Only change to
MSOP 039-18429-00338

Dear Mr. Gehike:

Dairy Farmers of America, Inc. was issued a permit on April 15, 2004 for a stationary dried milk products manufacturing source. A letter notifying the Office of Air Quality of a new natural gas-fired boiler installation was received on May 10, 2006. Pursuant to the provisions of 326 IAC 2-6.1-6, the permit is hereby revised as follows:

The source is replacing a boiler, identified as B02, and constructed in 1947, with a new, more efficient boiler, identified as B03, burning only natural gas, constructed in 2006. As a result, this source is subject to a New Source Performance Standard (NSPS), 40 CFR 60.40c. Since the NSPS is the most stringent requirement, a Notice-Only change is required.

All other conditions of the permit shall remain unchanged and in effect. For your convenience, the entire revised MSOP, with all revisions and changes made to it, is being provided.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter, please contact Michael A. Morrone, c/o OAQ, 100 North Senate Avenue, Indianapolis, Indiana, 46204-2251, at 631-691-3395 or in Indiana at 1-800-451-6027 (ext 631-691-3395).

Sincerely,

Original signed by
Nisha Sizemore, Chief
Permits Branch
Office of Air Quality

MAM/MES
Attachments

cc: File - Elkhart County
U.S. EPA, Region V
Elkhart County Health Department
Northern Regional Office

Air Compliance Section Inspector – Paul Karkiewicz
Compliance Branch
Administrative and Development Section
Technical Support and Modeling - Michele Boner
Pam Schweitzer, Environmental Management Corporation



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MINOR SOURCE OPERATING PERMIT OFFICE OF AIR QUALITY

**Dairy Farmers of America, Inc.
1110 South Ninth Street
Goshen, Indiana 46526**

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

This permit is issued to the above mentioned company under the provisions of 326 IAC 2-1.1, (326 IAC 2-5.1 if new source), 326 IAC 2-6.1 and 40 CFR 52.780, with conditions listed on the attached pages.

Operation Permit No.: MSOP 039-18429-00338	
Issued by: Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: April 15, 2004 Expiration Date: April 15, 2009
Notice-Only Change No.: 039-23077-00338	Conditions Affected: A.1, A.2, B.11, Emission Unit Description Boxes in D.1 and D.2, D.2.1, D.1.2 and D.2.2 removed and D.2.2 thru D.2.5 are added, Malfunction Report, IDEM/OAQ address in all places in permit
Issued by: Original signed by Nisha Sizemore, Chief Permits Branch Office of Air Quality	Issuance Date: August 21, 2006 Expiration Date: April 15, 2009

TABLE OF CONTENTS

A	SOURCE SUMMARY	4
A.1	General Information [326 IAC 2-5.1-3(c)] [326 IAC 2-6.1-4(a)]	
A.2	Emission Units and Pollution Control Equipment Summary	
B	GENERAL CONDITIONS	5
B.1	Permit No Defense [IC 13]	
B.2	Definitions	
B.3	Effective Date of the Permit [IC 13-15-5-3]	
B.4	Permit Term and Renewal [326 IAC 2-6.1-7(a)] [326 IAC 2-1.1-9.5]	
B.5	Modification to Permit [326 IAC 2]	
B.6	Annual Notification [326 IAC 2-6.1-5(a)(5)]	
B.7	Preventive Maintenance Plan [326 IAC 1-6-3]	
B.8	Permit Revision [326 IAC 2-5.1-3(e)(3)] [326 IAC 2-6.1-6]	
B.9	Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)] [IC 13-14-2-2] [IC 13-17-3-2] [IC 13-30-3-1]	
B.10	Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)]	
B.11	Annual Fee Payment [326 IAC 2-1.1-7]	
C	SOURCE OPERATION CONDITIONS	9
C.1	Particulate Emission Limitation For Processes with Process Weight Rates Less Than One Hundred (100) pounds per hour [326 IAC 6-3-2]	
C.2	Permit Revocation [326 IAC 2-1.1-9]	
C.3	Opacity [326 IAC 5-1]	
C.4	Fugitive Dust Emissions [326 IAC 6-4]	
C.5	Stack Height [326 IAC 1-7]	
C.6	Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]	
C.7	Performance Testing [326 IAC 3-6]	
C.8	Compliance Requirements [326 IAC 2-1.1-11]	
C.9	Compliance Monitoring [326 IAC 2-1.1-11]	
C.10	Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]	
C.11	Pressure Gauge and Other Instrument Specifications [326 IAC 2-1.1-11]	
C.12	Compliance Response Plan - Preparation and Implementation	
C.13	Actions Related to Noncompliance Demonstrated by a Stack Test	
	Record Keeping and Reporting Requirements	
C.14	Malfunctions Report [326 IAC 1-6-2]	
C.15	General Record Keeping Requirements [326 IAC 2-6.1-2]	
C.16	General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]	
D.1	EMISSIONS UNIT OPERATION CONDITIONS - Boiler B01	15
	Emission Limitations and Standards	
D.1.1	Particulate [326 IAC 6-2-3]	
	Compliance Determination Requirements	
D.1.2	Natural Gas	
D.2	EMISSIONS UNIT OPERATION CONDITIONS - Boiler B03	16
	Emission Limitations and Standards	
D.2.1	Particulate [326 IAC 6-2-4]	

New Source Performance Standards (NSPS) Requirements

- D.2.2 General Provisions Relating to NSPS, Subpart Dc [326 IAC 12-1] [40 CFR Part 60, Subpart A]
- D.2.3 NSPS, Subpart Dc, Requirements [40 CFR Part 60, Subpart Dc]
- D.2.4 One Time Deadlines Relating to NSPS, Subpart Dc

D.3 EMISSIONS UNIT OPERATION CONDITIONS - Spray Dryer 21

Emission Limitations and Standards

- D.3.1 Particulate [326 IAC 6-3-2]
- D.3.2 Preventive Maintenance Plan [326 IAC 1-6-3]

Compliance Determination Requirements

- D.3.3 Particulate Control

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

- D.3.4 Visible Emission Notations
- D.3.5 Parametric Monitoring
- D.3.6 Baghouse Inspections
- D.3.7 Broken or Failed Bag Detection

Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

- D.3.8 Record Keeping Requirements

Annual Notification 24

Malfunction Report 26

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 and A.2 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

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

The Permittee owns and operates a stationary dried milk products manufacturing source.

Authorized Individual: Plant Manager
Source Address: 1110 South Ninth Street, Goshen, Indiana 46526
Mailing Address: P.O. Box 557, Goshen, Indiana 46527-0557
General Source Phone: (574) 533-3141
SIC Code: 2023
County Location: Elkhart
Source Location Status: Nonattainment for ozone
Attainment for all other criteria pollutants
Source Status: Minor Source Operating Permit
Minor Source, under PSD and Emission Offset Rules;
Minor Source, Section 112 of the Clean Air Act

A.2 Emissions Units and Pollution Control Equipment Summary

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

- (a) One (1) standby natural gas-fired boiler, identified as B01, constructed in 1981, heat input capacity: 60.0 million British thermal units per hour.
- (b) One (1) boiler, identified as B03, burning only natural gas, constructed in 2006, exhausting to Stack S01, heat input capacity: 42.0 million British thermal units per hour.
- (c) One (1) natural gas-fired spray dryer, constructed in 1978, equipped with a Marriott-Walker baghouse system, capacity: 35.0 million British thermal units per hour and 9,000 pounds of milk per hour.

SECTION B GENERAL CONDITIONS

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

B.1 Permit No Defense [IC 13]

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

B.2 Definitions

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 2-1.1-1 shall prevail.

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

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

B.4 Permit Term and Renewal [326 IAC 2-6.1-7(a)][326 IAC 2-1.1-9.5]

This permit is issued for a fixed term of five (5) years from the issuance date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions of this permit do not affect the expiration date.

The Permittee shall apply for an operation permit renewal at least ninety (90) days prior to the expiration date. If a timely and sufficient permit application for a renewal has been made, this permit shall not expire and all terms and conditions shall continue in effect until the renewal permit has been issued or denied.

B.5 Modification to Permit [326 IAC 2]

All requirements and conditions of this operating permit shall remain in effect unless modified in a manner consistent with procedures established for modifications of construction permits pursuant to 326 IAC 2 (Permit Review Rules).

B.6 Annual Notification [326 IAC 2-6.1-5(a)(5)]

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

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

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

B.7 Preventive Maintenance Plan [326 IAC 1-6-3]

- (a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days (this time frame is determined on a case by case basis but no more than ninety (90) days) after issuance of this permit, including the following information on each emissions unit:
- (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

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

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

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

- (b) The Permittee shall implement the PMPs, including any required record keeping, as necessary to ensure that failure to implement a PMP does not cause or contribute to an exceedance of any limitation on emissions or potential to emit.
- (c) A copy of the PMP's shall be submitted to IDEM, OAQ, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its PMP whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMP does not require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (d) 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.8 Permit Revision [326 IAC 2-5.1-3(e)(3)] [326 IAC 2-6.1-6]

- (a) Permit revisions are governed by the requirements of 326 IAC 2-6.1-6.
- (b) Any application requesting an amendment or modification of this permit shall be submitted to:

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

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

- (c) The Permittee shall notify the OAQ within thirty (30) calendar days of implementing a Notice-Only change. [326 IAC 2-6.1-6(d)]
- (d) No permit amendment or modification is required for the addition, operation or removal of a non-road engine, as defined in 40 CFR 89.2.

B.9 Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)] [IC 13-14-2-2]
[IC13-17-3-2] [IC 13-30-3-1]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, U.S. EPA, or an authorized representative to perform the following:

- (a) Enter upon the Permittee's premises where a permitted source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, have access to and copy, at reasonable times, any records that must be kept under this title or the conditions of this permit or any operating permit revisions;
- (c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect, at reasonable times, any processes, emissions units (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit or any operating permit revisions;
- (d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and
- (e) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

B.10 Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)]

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

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

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

B.11 Annual Fee Payment [326 IAC 2-1.1-7]

- (a) The Permittee shall pay annual fees to IDEM, OAQ within thirty (30) calendar days of receipt of a billing.

- (b) 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.

SECTION C

SOURCE OPERATION CONDITIONS

Entire Source

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 Permit Revocation [326 IAC 2-1.1-9]

Pursuant to 326 IAC 2-1.1-9 (Revocation of Permits), this permit to operate may be revoked for any of the following causes:

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

C.3 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

C.4 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions).

C.5 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 by using good engineering practices (GEP) pursuant to 326 IAC 1-7-3.

C.6 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
Indianapolis, Indiana 46204-2251

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 an "authorized individual" 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

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

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

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

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

no later than thirty-five (35) days prior to the intended test date.

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual date.
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by the IDEM, OAQ, if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

C.8 Compliance Requirements [326 IAC 2-1.1-11]

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

Compliance Monitoring Requirements

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

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

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

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

C.11 Pressure Gauge and Other Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-7-5(3)]
[326 IAC 2-7-6(1)]

- (a) Whenever a condition in this permit requires the measurement of total static pressure drop across any part of the unit or its control device, the gauge employed shall have a scale such that the expected normal reading shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent (2%) of full scale reading.
- (b) Whenever a condition in this permit requires the measurement of a (temperature or flow rate), the instrument employed shall have a scale such that the expected normal reading shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent (2%) of full scale reading.
- (c) The Preventive Maintenance Plan for the pH meter shall include calibration using known standards. The frequency of calibration shall be adjusted such that the typical error found at calibration is less than one pH point.
- (d) The Permittee may request the IDEM, OAQ approve the use of a pressure gauge or other instrument that does not meet the above specifications provided the Permittee can demonstrate an alternative pressure gauge or other instrument specification will adequately ensure compliance with permit conditions requiring the measurement of pressure drop or other parameters.

C.12 Compliance Response Plan - Preparation and Implementation

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

shall also include the status of the applicable compliance monitoring parameter with respect to normal, and the results of the response actions taken up to the time of notification.

- (4) Failure to take reasonable response steps shall be considered a deviation from the permit.
- (c) The Permittee is not required to take any further response steps for any of the following reasons:
 - (1) A false reading occurs due to the malfunction of the monitoring equipment and prompt action was taken to correct the monitoring equipment.
 - (2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for a minor permit modification to the permit, and such request has not been denied.
 - (3) An automatic measurement was taken when the process was not operating.
 - (4) The process has already returned or is returning to operating within "normal" parameters and no response steps are required.
 - (d) Except as otherwise provided by a rule or provided specifically in Section D, all monitoring as required in Section D shall be performed when the emission unit is operating, except for time necessary to perform quality assurance and maintenance activities.

C.13 Actions Related to Noncompliance Demonstrated by a Stack Test

- (a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate response actions. The Permittee shall submit a description of these response actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize excess emissions from the affected emissions unit while the response actions are being implemented.
- (b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ that re-testing in one-hundred and twenty (120) days is not practicable, IDEM, OAQ may extend the re-testing deadline.
- (c) IDEM, OAQ reserves the authority to take any actions allowed under law in response to non-compliant stack tests.

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

Record Keeping and Reporting Requirements

C.14 Malfunctions Report [326 IAC 1-6-2]

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

- (a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years

and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) or appointed representative upon request.

- (b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.
- (c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).
- (d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

C.15 General Record Keeping Requirements [326 IAC 2-6.1-5]

- (a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented when operation begins.

C.16 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

- (a) Reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251
- (b) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (c) Unless otherwise specified in this permit, any quarterly or semi-annual report required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. The report does not require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (d) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period. Reporting periods are based on calendar years.

SECTION D.1

EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

- (a) One (1) standby natural gas-fired boiler, identified as B01, constructed in 1981, heat input capacity: 60.0 million British thermal units per hour.

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

Emission Limitations and Standards

D.1.1 Particulate [326 IAC 6-2-3]

- (a) Pursuant to 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating) the PM emissions from the 60.0 million British thermal units per hour heat input boiler (B01) shall be limited to 0.6 pounds per million British thermal units heat input.

This limitation is based on the following equation:

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

where

C = 50 u/m³

Pt = emission rate limit (lbs/MMBtu)

Q = total source heat input capacity (MMBtu/hr) (120 MMBtu/hr)

N = number of stacks (1)

a = plume rise factor (0.67)

h = stack height (ft) (160 ft.)

- (b) Pursuant to 326 IAC 6-2-3 (e) (Particulate Emission Limitations for Sources of Indirect Heating: emission limitations for facilities specified in 326 IAC 6-2-1 (b)), particulate emissions from any facility used for indirect heating purposes which has 250 MMBtu/hr heat input or less and which began operation after June 8, 1972, shall in no case exceed 0.6 lb/MMBtu heat input.

SECTION D.2

EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

- (b) One (1) boiler, identified as B03, burning only natural gas, constructed in 2006, exhausting to Stack S01, heat input capacity: 42.0 million British thermal units per hour.

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

Emission Limitations and Standards

D.2.1 Particulate [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-4 (Particulate Emissions Limitations for Sources of Indirect Heating), the PM emissions from the 42.0 million British thermal units per hour heat input boiler (B03) shall be limited to 0.33 pounds per million British thermal unit.

This limitation is based on the following calculation:

$$Pt = (1.09)/(Q^{0.26})$$

Where:

Pt = Pounds of particulate matter emitted per million Btu (lb/mmBtu) heat input.

Q = Total source maximum operating capacity rating in million Btu per hour (mmBtu/hr) heat input. The maximum operating capacity rating is defined as the maximum capacity at which the facility is operated or the nameplate capacity, whichever is specified in the facility's permit application, except when some lower capacity is contained in the facility's operation permit; in which case, the capacity specified in the operation permit shall be used. (Q=102 mmBtu/hr)

New Source Performance Standards (NSPS) Requirements

D.2.2 General Provisions Relating to NSPS, Subpart Dc [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 12-1-1 for the one (1) natural gas-fired boiler, identified as B03.

- (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,
Indianapolis, Indiana 46204-2251

D.2.3 NSPS, Subpart Dc, Requirements [40 CFR Part 60, Subpart Dc]

Pursuant to CFR Part 60, Subpart Dc, the Permittee shall comply with the provisions of 40 CFR Part 60, Subpart Dc as specified as follows.

§ 60.40c Applicability and delegation of authority.

- (a) Except as provided in paragraph (d) of this section, the affected facility to which this subpart applies is each steam generating unit for which construction, modification, or

reconstruction is commenced after June 9, 1989 and that has a maximum design heat input capacity of 29 megawatts (MW) (100 million Btu per hour (Btu/hr)) or less, but greater than or equal to 2.9 MW (10 million Btu/hr).

- (b) In delegating implementation and enforcement authority to a State under section 111(c) of the Clean Air Act, §60.48c(a)(4) shall be retained by the Administrator and not transferred to a State.
- (c) Steam generating units which meet the applicability requirements in paragraph (a) of this section are not subject to the sulfur dioxide (SO₂) or particulate matter (PM) emission limits, performance testing requirements, or monitoring requirements under this subpart (§§60.42c, 60.43c, 60.44c, 60.45c, 60.46c, or 60.47c) during periods of combustion research, as defined in §60.41c.
- (d) Any temporary change to an existing steam generating unit for the purpose of conducting combustion research is not considered a modification under §60.14.

§ 60.41c Definitions.

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

Annual capacity factor means the ratio between the actual heat input to a steam generating unit from an individual fuel or combination of fuels during a period of 12 consecutive calendar months and the potential heat input to the steam generating unit from all fuels had the steam generating unit been operated for 8,760 hours during that 12-month period at the maximum design heat input capacity. In the case of steam generating units that are rented or leased, the actual heat input shall be determined based on the combined heat input from all operations of the affected facility during a period of 12 consecutive calendar months.

Coal means all solid fuels classified as anthracite, bituminous, subbituminous, or lignite by the American Society of Testing and Materials in ASTM D388-77, 90, 91, 95, or 98a, Standard Specification for Classification of Coals by Rank (IBR—see §60.17), coal refuse, and petroleum coke. Coal-derived synthetic fuels derived from coal for the purposes of creating useful heat, including but not limited to solvent refined coal, gasified coal, coal-oil mixtures, and coal-water mixtures, are also included in this definition for the purposes of this subpart.

Coal refuse means any by-product of coal mining or coal cleaning operations with an ash content greater than 50 percent (by weight) and a heating value less than 13,900 kilojoules per kilogram (kJ/kg) (6,000 Btu per pound (Btu/lb) on a dry basis.

Cogeneration steam generating unit means a steam generating unit that simultaneously produces both electrical (or mechanical) and thermal energy from the same primary energy source.

Combined cycle system means a system in which a separate source (such as a stationary gas turbine, internal combustion engine, or kiln) provides exhaust gas to a steam generating unit.

Combustion research means the experimental firing of any fuel or combination of fuels in a steam generating unit for the purpose of conducting research and development of more efficient combustion or more effective prevention or control of air pollutant emissions from combustion, provided that, during these periods of research and development, the heat generated is not used for any purpose other than preheating combustion air for use by that steam generating unit (i.e., the heat generated is released to the atmosphere without being used for space heating, process heating, driving pumps, preheating combustion air for other units, generating electricity, or any other purpose).

Conventional technology means wet flue gas desulfurization technology, dry flue gas desulfurization technology, atmospheric fluidized bed combustion technology, and oil hydrodesulfurization technology.

Distillate oil means fuel oil that complies with the specifications for fuel oil numbers 1 or 2, as defined by the American Society for Testing and Materials in ASTM D396–78, 89, 90, 92, 96, or 98, “Standard Specification for Fuel Oils” (incorporated by reference—see §60.17).

Dry flue gas desulfurization technology means a sulfur dioxide (SO₂) control system that is located between the steam generating unit and the exhaust vent or stack, and that removes sulfur oxides from the combustion gases of the steam generating unit by contacting the combustion gases with an alkaline slurry or solution and forming a dry powder material. This definition includes devices where the dry powder material is subsequently converted to another form. Alkaline reagents used in dry flue gas desulfurization systems include, but are not limited to, lime and sodium compounds.

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 steam generating unit.

Emerging technology means any SO₂ control system that is not defined as a conventional technology under this section, and for which the owner or operator of the affected facility has received approval from the Administrator to operate as an emerging technology under §60.48c(a)(4).

Federally enforceable means all limitations and conditions that are enforceable by the Administrator, including the requirements of 40 CFR Parts 60 and 61, requirements within any applicable State implementation plan, and any permit requirements established under 40 CFR 52.21 or under 40 CFR 51.18 and 40 CFR 51.24.

Fluidized bed combustion technology means a device wherein fuel is distributed onto a bed (or series of beds) of limestone aggregate (or other sorbent materials) for combustion; and these materials are forced upward in the device by the flow of combustion air and the gaseous products of combustion. Fluidized bed combustion technology includes, but is not limited to, bubbling bed units and circulating bed units.

Fuel pretreatment means a process that removes a portion of the sulfur in a fuel before combustion of the fuel in a steam generating unit.

Heat input means heat derived from combustion of fuel in a steam generating unit and does not include the heat derived from preheated combustion air, recirculated flue gases, or exhaust gases from other sources (such as stationary gas turbines, internal combustion engines, and kilns).

Heat transfer medium means any material that is used to transfer heat from one point to another point.

Maximum design heat input capacity means the ability of a steam generating unit to combust a stated maximum amount of fuel (or combination of fuels) on a steady state basis as determined by the physical design and characteristics of the steam generating unit.

Natural gas means (1) a naturally occurring mixture of hydrocarbon and nonhydrocarbon gases found in geologic formations beneath the earth’s surface, of which the principal constituent is methane, or (2) liquefied petroleum (LP) gas, as defined by the American Society for Testing and Materials in ASTM D1835–86, 87, 91, or 97, “Standard Specification for Liquefied Petroleum Gases” (incorporated by reference—see §60.17).

Noncontinental area means the State of Hawaii, the Virgin Islands, Guam, American Samoa, the Commonwealth of Puerto Rico, or the Northern Mariana Islands.

Oil means crude oil or petroleum, or a liquid fuel derived from crude oil or petroleum, including distillate oil and residual oil.

Potential sulfur dioxide emission rate means the theoretical SO₂ emissions (nanograms per joule [ng/J], or pounds per million Btu [lb/million Btu] heat input) that would result from combusting fuel in an uncleaned state and without using emission control systems.

Process heater means a device that is primarily used to heat a material to initiate or promote a chemical reaction in which the material participates as a reactant or catalyst.

Residual oil means crude oil, fuel oil that does not comply with the specifications under the definition of distillate oil, and all fuel oil numbers 4, 5, and 6, as defined by the American Society for Testing and Materials in ASTM D396–78, 89, 90, 92, 96, or 98, “Standard Specification for Fuel Oils” (incorporated by reference—see §60.17).

Steam generating unit means a device that combusts any fuel and produces steam or heats water or any other heat transfer medium. This term includes any duct burner that combusts fuel and is part of a combined cycle system. This term does not include process heaters as defined in this subpart.

Steam generating 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 steam generating unit. It is not necessary for fuel to be combusted continuously for the entire 24-hour period.

Wet flue gas desulfurization technology means an SO₂ control system that is located between the steam generating unit and the exhaust vent or stack, and that removes sulfur oxides from the combustion gases of the steam generating unit by contacting the combustion gases with an alkaline slurry or solution and forming a liquid material. This definition includes devices where the liquid material is subsequently converted to another form. Alkaline reagents used in wet flue gas desulfurization systems include, but are not limited to, lime, limestone, and sodium compounds.

Wet scrubber system means any emission control device that mixes an aqueous stream or slurry with the exhaust gases from a steam generating unit to control emissions of particulate matter (PM) or SO₂.

Wood means wood, wood residue, bark, or any derivative fuel or residue thereof, in any form, including but not limited to sawdust, sanderdust, wood chips, scraps, slabs, millings, shavings, and processed pellets made from wood or other forest residues.

§ 60.43c Standard for particulate matter.

(d) The PM and opacity standards under this section apply at all times, except during periods of startup, shutdown, or malfunction.

(e)(1) On or after the date on which the initial performance test is completed or is required to be completed under §60.8, whichever date comes first, no owner or operator of an affected facility that commences construction, reconstruction, or modification after February 28, 2005, and that combusts coal, oil, gas, wood, a mixture of these fuels, or a mixture of these fuels with any other fuels and has a heat input capacity of 8.7 MW (30 MMBtu/h) or greater shall cause to be discharged into the atmosphere from that affected facility any gases that contain particulate matter emissions in excess of 13 ng/J (0.030 lb/MMBtu) heat input, except as provided in paragraphs (e)(2) and (e)(3) of this section. Affected facilities subject to this paragraph, are also subject to the requirements of paragraphs (c) and (d) of this section.

§ 60.45c Compliance and performance test methods and procedures for particulate matter.

- (c) Units that burn only oil containing no more than 0.5 weight percent sulfur or liquid or gaseous fuels with potential sulfur dioxide emission rates of 230 ng/J (0.54 lb/MMBtu) heat input or less are not required to conduct emissions monitoring if they maintain fuel supplier certifications of the sulfur content of the fuels burned.

§ 60.47c Emission monitoring for particulate matter.

- (c) Units that burn only oil that contains no more than 0.5 weight percent sulfur or liquid or gaseous fuels with potential sulfur dioxide emission rates of 230 ng/J (0.54 lb/MMBtu) heat input or less are not required to conduct PM emissions monitoring if they maintain fuel supplier certifications of the sulfur content of the fuels burned.

§ 60.48c Reporting and recordkeeping requirements.

- (a) The owner or operator of each affected facility shall submit notification of the date of construction or reconstruction, anticipated startup, and actual startup, as provided by §60.7 of this part. This notification shall include:
 - (1) The design heat input capacity of the affected facility and identification of fuels to be combusted in the affected facility.
 - (g) The owner or operator of each affected facility shall record and maintain records of the amounts of each fuel combusted during each day. The owner or operator of an affected facility that only burns very low sulfur fuel oil or other liquid or gaseous fuels with potential sulfur dioxide emissions rate of 140 ng/J (0.32 lb/MMBtu) heat input or less shall record and maintain records of the fuels combusted during each calendar month.
 - (i) All records required under this section shall be maintained by the owner or operator of the affected facility for a period of two years following the date of such record.

D.2.4 One Time Deadlines Relating to NSPS, Subpart Dc

The Permittee shall comply with the following requirements by the dates listed:

Requirement	Rule Cite	Affected Facility	Deadline
Notification of the date of construction or reconstruction	40 CFR 60.48c(a)	Boiler B03	no later than 30 days after such date
Notification of the date of anticipated startup and actual startup	40 CFR 60.48c(a)	Boiler B03	within 15 days after such date

Record Keeping [326 IAC 2-8-4(3)]

D.2.5 Record Keeping [326 IAC 12-1]

To document compliance with 326 IAC 12-1, the Permittee shall record and maintain records of the amount of each fuel combusted during each day by the one (1) boiler, identified as B03. All records shall be maintained by the Permittee for a period of two (2) years following the date of such record.

SECTION D.3

EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

- (c) One (1) natural gas-fired spray dryer, constructed in 1978, equipped with a Marriott-Walker baghouse system, capacity: 35.0 million British thermal units per hour and 9,000 pounds of milk per hour.

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

Emission Limitations and Standards

D.3.1 Particulate [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the allowable particulate emission rate from the spray dryer shall not exceed 11.2 pounds per hour when operating at a process weight rate of 9,000 pounds per hour.

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

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

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

D.3.2 Preventive Maintenance Plan [326 IAC 1-6-3]

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

Compliance Determination Requirements

D.3.3 Particulate Control

Pursuant to CP 039-5739-00338, issued on August 7, 1996, and in order to comply with condition D.3.1, the baghouse system for particulate control shall be in operation and control emissions from the spray dryer at all times that the spray dryer is in operation.

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

D.3.4 Visible Emissions Notations

- (a) Daily visible emission notations of the spray dryer stack (S02) exhaust shall be performed during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.
- (b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.
- (c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

- (e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation and Implementation shall be considered a deviation from this permit.

D.3.5 Parametric Monitoring

The Permittee shall record the total static pressure drop across the baghouse used in conjunction with the spray dryer, at least once per shift when the spray dryer is in operation. When for any one reading, the pressure drop across the baghouse is outside the normal range of 4.5 and 7.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- Compliance Response Plan - Preparation and Implementation. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation and Implementation shall be considered a deviation from this permit.

The instrument used for determining the pressure shall comply with Section C - Pressure Gauge and Other Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and shall be calibrated at least once every six (6) months.

D.3.6 Baghouse Inspections

An inspection shall be performed each calendar quarter of all bags controlling the spray dryer. Inspections required by this condition shall not be performed in consecutive months. All defective bags shall be replaced.

D.3.7 Broken or Failed Bag Detection

In the event that bag failure has been observed:

- (a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation and Implementation shall be considered a deviation from this permit. If operations continue after bag failure is observed and it will be 10 days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.
- (b) For single compartment baghouses, if failure is indicated by a significant drop in the baghouse's pressure readings with abnormal visible emissions or the failure is indicated by an opacity violation, or if bag failure is determined by other means, such as gas temperatures, flow rates, air infiltration, leaks, dust traces or triboflows, then failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced.

Record Keeping and Reporting Requirement [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.3.8 Record Keeping Requirements

- (a) To document compliance with Condition D.3.4, the Permittee shall maintain records of daily visible emission notations of the spray dryer stack (S02) exhaust.
- (b) To document compliance with Condition D.3.5, the Permittee shall maintain records of the total static pressure drop once per shift during normal operation.
- (c) To document compliance with Condition D.3.6, the Permittee shall maintain records of the results of the inspections required under Condition D.3.6.
- (d) To document compliance with Condition D.3.2, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.
- (e) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH**

**MINOR SOURCE OPERATING PERMIT
ANNUAL NOTIFICATION**

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

Company Name:	Dairy Farmers of America, Inc.
Address:	1110 South Ninth Street
City:	Goshen
Phone #:	(574) 533-3141
MSOP #:	039-18429-00338

I hereby certify that Dairy Farmers of America, Inc. is still in operation.
 no longer in operation.

I hereby certify that Dairy Farmers of America, Inc. is in compliance with the requirements of MSOP 039-18429-00338.
 not in compliance with the requirements of MSOP 039-18429-00338.

Authorized Individual (typed):
Title:
Signature:
Date:

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

Noncompliance:

MALFUNCTION REPORT

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
FAX NUMBER - 317 233-6865**

**This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6
and to qualify for the exemption under 326 IAC 1-6-4.**

THIS FACILITY MEETS THE APPLICABILITY REQUIREMENTS BECAUSE IT HAS POTENTIAL TO EMIT 25 TONS/YEAR PARTICULATE MATTER ?_____, 25 TONS/YEAR SULFUR DIOXIDE ?_____, 25 TONS/YEAR NITROGEN OXIDES?_____, 25 TONS/YEAR VOC ?_____, 25 TONS/YEAR HYDROGEN SULFIDE ?_____, 25 TONS/YEAR TOTAL REDUCED SULFUR ?_____, 25 TONS/YEAR REDUCED SULFUR COMPOUNDS ?_____, 25 TONS/YEAR FLUORIDES ?_____, 100TONS/YEAR CARBON MONOXIDE ?_____, 10 TONS/YEAR ANY SINGLE HAZARDOUS AIR POLLUTANT ?_____, 25 TONS/YEAR ANY COMBINATION HAZARDOUS AIR POLLUTANT ?_____, 1 TON/YEAR LEAD OR LEAD COMPOUNDS MEASURED AS ELEMENTAL LEAD ?_____, OR IS A SOURCE LISTED UNDER 326 IAC 2-5.1-3(2) ?_____. EMISSIONS FROM MALFUNCTIONING CONTROL EQUIPMENT OR PROCESS EQUIPMENT CAUSED EMISSIONS IN EXCESS OF APPLICABLE LIMITATION _____.

THIS MALFUNCTION RESULTED IN A VIOLATION OF: 326 IAC _____ OR, PERMIT CONDITION # _____ AND/OR PERM LIMIT OF _____

THIS INCIDENT MEETS THE DEFINITION OF 'MALFUNCTION' AS LISTED ON REVERSE SIDE ? Y N

THIS MALFUNCTION IS OR WILL BE LONGER THAN THE ONE (1) HOUR REPORTING REQUIREMENT ? Y N

COMPANY: _____ PHONE NO. () _____
LOCATION: (CITY AND COUNTY) _____
PERMIT NO. _____ AFS PLANT ID: _____ AFS POINT ID: _____ INSP: _____
CONTROL/PROCESS DEVICE WHICH MALFUNCTIONED AND REASON: _____

DATE/TIME MALFUNCTION STARTED: ____/____/20____ _____ AM / PM

ESTIMATED HOURS OF OPERATION WITH MALFUNCTION CONDITION:

DATE/TIME CONTROL EQUIPMENT BACK-IN SERVICE ____/____/20____ _____ AM/PM

TYPE OF POLLUTANTS EMITTED: TSP, PM-10, SO2, VOC, OTHER: _____

ESTIMATED AMOUNT OF POLLUTANT EMITTED DURING MALFUNCTION: _____

MEASURES TAKEN TO MINIMIZE EMISSIONS: _____

REASONS WHY FACILITY CANNOT BE SHUTDOWN DURING REPAIRS:

CONTINUED OPERATION REQUIRED TO PROVIDE ESSENTIAL* SERVICES: _____

CONTINUED OPERATION NECESSARY TO PREVENT INJURY TO PERSONS: _____

CONTINUED OPERATION NECESSARY TO PREVENT SEVERE DAMAGE TO EQUIPMENT: _____

INTERIM CONTROL MEASURES: (IF APPLICABLE) _____

MALFUNCTION REPORTED BY: _____ TITLE: _____
(SIGNATURE IF FAXED)

MALFUNCTION RECORDED BY: _____ DATE: _____ TIME: _____

*SEE PAGE 2

**Please note - This form should only be used to report malfunctions
applicable to Rule 326 IAC 1-6 and to qualify for
the exemption under 326 IAC 1-6-4.**

326 IAC 1-6-1 Applicability of rule

Sec. 1. This rule applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1.

326 IAC 1-2-39 "Malfunction" definition

Sec. 39. Any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner.

***Essential services** are interpreted to mean those operations, such as, the providing of electricity by power plants. Continued operation solely for the economic benefit of the owner or operator shall not be sufficient reason why a facility cannot be shutdown during a control equipment shutdown.

If this item is checked on the front, please explain rationale:

Indiana Department of Environmental Management Office of Air Quality

Technical Support Document (TSD) for a Notice-Only Change to a Minor Source Operating Permit

Source Background and Description

Source Name:	Dairy Farmers of America, Inc.
Source Location:	1110 South Ninth Street, Goshen, IN 46526
County:	Elkhart
SIC Code:	2023
Operation Permit No.:	MSOP 039-18429-00338
Operation Permit Issuance Date:	April 15, 2004
Notice-Only Change No.:	039-23077-00338
Permit Reviewer:	Michael A. Morrone

The Office of Air Quality (OAQ) has reviewed a Notice-Only application from Dairy Farmers of America, Inc. relating to the construction and operation of the following emission unit:

One (1) boiler, identified as B03, burning only natural gas, constructed in 2006, exhausting to Stack S01, heat input capacity: 42.0 million British thermal units per hour.

The following emission unit has been removed from the source:

One (1) standby natural gas-fired boiler, identified as B02, constructed in 1947, heat input capacity: 60.0 million British thermal units per hour.

History

On May 10, 2006, Dairy Farmers of America, Inc. submitted an application to the OAQ requesting to replace an existing boiler with a new boiler. The old boiler was removed on November 29, 2005 and construction of the new boiler commenced on December 8, 2005. The new boiler began operation on March 28, 2006. One (1) existing natural gas-fired boiler, identified as B01, will now be used as a standby boiler. Dairy Farmers of America, Inc. was issued a Minor Source Operating Permit (MSOP) on April 15, 2004.

Enforcement Issue

The Permittee did not submit a Notice-Only change application within thirty (30) days of commencing construction on the one (1) natural gas-fired boiler, identified as B03. IDEM, OAQ, is reviewing this matter and will take appropriate action.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (EF)
S01	Boiler	39.5	5.5	16,000	340

Recommendation

The staff recommends to the Commissioner that the MSOP Notice-Only Change 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 application for the purposes of this review was received on May 10, 2006.

Emission Calculations

See pages 1-2 of 2 of Appendix A of this document for detailed emissions calculations.

Potential To Emit of New Boiler

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

This table reflects the PTE before controls for the one (1) natural gas-fired boiler, identified as B03. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential To Emit (tons/year)
PM	0.350
PM ₁₀	1.40
SO ₂	0.110
VOC	1.01
CO	15.5
NO _x	18.4

HAPs	Potential To Emit (tons/year)
Benzene	0.0004
Dichlorobenzene	0.0002
Formaldehyde	0.014
Hexane	0.331
Toluene	0.0006
Lead	0.0001
Cadmium	0.0002
Chromium	0.0003
Manganese	0.0001
Nickel	0.0004
TOTAL	0.347

Justification for Revision

The MSOP is being revised through a MSOP Notice-Only Change. Even though the potential to emit NO_x is greater than ten (10) tons per year and less than twenty-five (25) tons per year, which would normally cause this to be a minor permit revision, this revision is being performed pursuant to 326 IAC 2-6.1-6(d)(14), modifications that are subject to a New Source Performance Standard (NSPS) 40 CFR 60.40c and the NSPS is the most stringent requirement.

County Attainment Status

The source is located in Elkhart County.

Pollutant	Status
PM _{2.5}	attainment
PM ₁₀	attainment
SO ₂	attainment
NO ₂	attainment
8-Hour Ozone	basic nonattainment
CO	attainment
Lead	attainment

- (a) Volatile organic compounds (VOC) and nitrogen oxides (NO_x) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NO_x emissions are considered when evaluating the rule applicability relating to ozone. Elkhart County has been designated as nonattainment for ozone. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements of 326 IAC 2-3, Emission Offset.

- (b) Elkhart County has been classified as unclassifiable or attainment for PM_{2.5}. 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 PM_{2.5} emissions, it has directed states to regulate PM₁₀ emissions as a surrogate for PM_{2.5} emissions.
- (c) Elkhart County has been classified as attainment or unclassifiable in Indiana for PM₁₀, SO₂, NO₂, CO, and Lead. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

Source Status

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

Pollutant	Emissions (tons/year)
PM	41.2
PM ₁₀	42.1
SO ₂	0.407
VOC	3.73
CO	57.0
NO _x	67.9

- (a) This existing source is not a major stationary source because no attainment regulated pollutant is emitted at a rate of two-hundred fifty (250) tons per year or more, and it is not one of the twenty-eight (28) listed source categories, and no nonattainment regulated pollutant is emitted at a rate of one-hundred (100) tons per year or more.
- (b) These emissions are based upon pages 1-2 of Appendix A of the TSD for MSOP 039-18429-00338, issued on April 15, 2004, which includes the boiler B02 that has been removed from the source.

Potential to Emit of Entire Source with the New Boiler B03

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units.

Process/facility	Potential to Emit (tons/year)						
	PM	PM ₁₀	SO ₂	VOC	CO	NO _x	HAPs
New Boiler, identified as B03	0.350	1.40	0.110	1.01	15.5	18.4	0.347
Existing Boiler, identified as B01	0.499	2.00	0.158	1.45	22.1	26.3	0.496
Existing Spray Dryer, identified as P01	41.2	42.1	0.092	0.843	12.9	15.3	0.289
Total	42.0	45.5	0.360	3.30	50.5	60.0	1.13
Part 70 Threshold Level	N/A	100	100	100	100	100	10/25

This change to the existing source will **not** change the status of the stationary source because the potential emissions from the entire source will still be less than the Part 70 major source thresholds.

Federal Rule Applicability

- (a) The one (1) boiler, identified as B03, is subject to the New Source Performance Standard, 326 IAC 12, (40 CFR 60.4c, Subpart Dc), Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units because the boiler was constructed or commenced operation after June 9, 1989 and the heat input capacity is less than 100 million British thermal units per hour (mmBTU/hr) and greater than 10 mmBTU/hr.

The one (1) boiler, identified as B03, is subject to the following portions of Subpart Dc. Non applicable portions of the NSPS will not be included in the permit.

- (1) 40 CFR 60.40c(a), (b), (c), and (d)
- (2) 40 CFR 60.41c
- (3) 40 CFR 60.43c(d) and (e)(1)
- (4) 40 CFR 60.45c(c)
- (5) 40 CFR 60.47c(c)
- (6) 40 CFR 60.48c(a)(1),(g), and (i)

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

- (b) There are no other New Source Performance Standards included in the permit for this source.
- (c) This source is not a major source of HAPs. Therefore, the requirements of 40 CFR 63, Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters, are not included in the permit.

- (d) There are no other National Emission Standards for Hazardous Air Pollutants included in the permit for this source.

State Rule Applicability - Individual Facilities

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

All of the attainment criteria pollutants at this source have an unrestricted potential to emit of less than 250 tons per year. In addition, the source is not one (1) of the twenty-eight (28) listed source categories. Therefore, this source is a minor source, pursuant to 326 IAC 2-2, PSD.

326 IAC 2-3 (Emission Offset)

The unrestricted potential emissions of VOC and NO_x are both less than one-hundred (100) tons per year. Therefore, this source is a minor source pursuant to 326 IAC 2-3, Emission Offset.

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

The one (1) natural gas-fired boiler, constructed after September 21, 1983, must comply with the PM emission limitations of 326 IAC 6-2-4. This limitation is based on the following equation given in 326 IAC 6-2-4:

$$Pt = (1.09)/(Q^{0.26})$$

Where:

Pt = Pounds of particulate matter emitted per million Btu (lb/MMBtu) heat input.

Q = Total source maximum operating capacity rating in million Btu per hour (MMBtu/hr) heat input. The maximum operating capacity rating is defined as the maximum capacity at which the facility is operated or the nameplate capacity, whichever is specified in the facility's permit application, except when some lower capacity is contained in the facility's operation permit; in which case, the capacity specified in the operation permit shall be used. (60 MMBtu/hr for B01 and 42 MMBtu/hr for B03)

For the one (1) boiler (B03), constructed after September 21, 1983:

$$Pt = (1.09)/(102^{0.26}) = 0.33 \text{ lb/MMBtu}$$

Therefore, the one (1) natural gas-fired boiler (B03) is limited to emissions of 0.33 pounds per million British thermal units.

Based on Appendix A and AP-42, the potential to emit PM from this boiler is:

$$1.90 \text{ lb/MMCF} \times 1 \text{ MMCF}/1,000 \text{ MMBtu} = 0.0019 \text{ lb/MMBtu}$$

Therefore, the one (1) boiler can comply with this rule.

326 IAC 12-1 (New Source Performance Standards)

Pursuant to 326 IAC 1-1-3, unless otherwise indicated, any reference to a provision of the Code of Federal Regulations (CFR) shall mean the July 1, 2005, edition. 40 CFR 60, Subpart Dc was revised on February 27, 2006. Therefore, 326 IAC 12, references the previous version of 40 CFR 60, Subpart Dc, and this source is subject to both versions of the rule. In the previous version of 40 CFR 60, Subpart Dc, there are no applicable requirements for this boiler.

The new 40 CFR 60.48c(g) has not been incorporated into the state rules. Therefore, the source must maintain daily records of the fuels combusted by the one (1) boiler, identified as B03.

The boiler (B03) is required to comply with the requirements of the new version of 40 CFR 60.40c, Subpart Dc, as described in the "Federal Rule Applicability" section of this TSD.

Compliance Requirements

Permits issued under 326 IAC 2-6.1 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 2-6.1. 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 appropriate corrective actions within a specific time period.

There are no compliance monitoring requirements specifically applicable to the one (1) natural gas-fired boiler, identified as B03.

Proposed Changes

The permit language is changed to read as follows (deleted language appears as ~~strikeouts~~, new language appears in bold):

Change 1:

The letterhead of the permit has been revised to indicate the new Governor and the new Commissioner of IDEM. The P.O. Box in the address of the OAQ has been deleted throughout the permit and the ZIP code has been revised as follows:

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

Change 2:

Elkhart County is no longer attainment for all criteria pollutants. Section A.1 has been revised as follows:

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

The Permittee owns and operates a stationary dried milk products manufacturing source.

Authorized Individual: Plant Manager
Source Address: 1110 South Ninth Street, Goshen, Indiana 46526
Mailing Address: P.O. Box 557, Goshen, Indiana 46527-0557

General Source Phone: (574) 533-3141
SIC Code: 2023
County Location: Elkhart
Source Location Status: **Nonattainment for ozone**
Attainment for all **other** criteria pollutants
Source Status: Minor Source Operating Permit
Minor Source, under PSD **and Emission Offset** Rules;
Minor Source, Section 112 of the Clean Air Act

Change 3:

The standby natural gas-fired boiler, identified as B02, and constructed in 1947, has been removed from the source and replaced by a new gas-fired boiler, identified as B03, with a capacity of 42.0 million British thermal units per hour. In addition, the natural gas-fired boiler identified as B01, and constructed in 1981, has been changed to a standby status. Section A.2 has been revised as follows:

A.2 Emissions Units and Pollution Control Equipment Summary

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

- (a) One (1) **standby** natural gas fired boiler, identified as B01, constructed in 1981, heat input capacity: 60.0 million British thermal units per hour.
- (b) ~~One (1) standby natural gas fired boiler, identified as B02, constructed in 1947, heat input capacity: 60.0 million British thermal units per hour.~~ **One (1) boiler, identified as B03, burning only natural gas, constructed in 2006, heat input capacity: 42.0 million British thermal units per hour.**
- (c) One (1) natural gas-fired spray dryer, constructed in 1978, equipped with a Marriott-Walker baghouse system, capacity: 35.0 million British thermal units per hour and 9,000 pounds of milk per hour.

Change 4:

The natural gas fired boiler, identified as B01, is changing to a standby status. The Emission Unit Description box in Section D.1 has been revised as follows:

SECTION D.1

EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

- (a) One (1) **standby** natural gas-fired boiler, identified as B01, constructed in 1981, heat input capacity: 60.0 million British thermal units per hour.

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

Change 5:

The standby natural gas-fired boiler, identified as B02, has been removed from the source and replaced with a new natural gas-fired boiler, identified as B03, and with a heat input capacity of

42.0 million British thermal units per hour. The Emission Unit Description box in Section D.2 and Condition D.2.1 have been revised as follows:

SECTION D.2 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

- (b) ~~One (1) standby natural gas-fired boiler, identified as B02, constructed in 1947, heat input capacity: 60.0 million British thermal units per hour.~~ **One (1) boiler, identified as B03, burning only natural gas, constructed in 2006, exhausting to Stack S01, heat input capacity: 42.0 million British thermal units per hour.**

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

Emission Limitations and Standards

D.2.1 Particulate [326 IAC 6-2-34]

- ~~(a) Pursuant to 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating) the PM emissions from the 60.0 million British thermal units per hour heat input standby boiler (B02) shall be limited to 0.8 pounds per million British thermal units heat input.~~

~~This limitation is based on the following equation:~~

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

~~where~~

~~C = 50 u/m³~~

~~Pt = emission rate limit (lbs/MMBtu)~~

~~Q = total source heat input capacity (MMBtu/hr) (60 MMBtu/hr)~~

~~N = number of stacks (1)~~

~~a = plume rise factor (0.67)~~

~~h = stack height (ft) (160 ft.)~~

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

Pursuant to 326 IAC 6-2-4 (Particulate Emissions Limitations for Sources of Indirect Heating), the PM emissions from the 42.0 million British thermal units per hour heat input boiler (B03) shall be limited to 0.33 pounds per million British thermal unit.

This limitation is based on the following calculation:

$$Pt = (1.09)/(Q^{0.26})$$

Where:

Pt = Pounds of particulate matter emitted per million Btu (lb/mmBtu) heat input.

Q = Total source maximum operating capacity rating in million Btu per hour (mmBtu/hr) heat input. The maximum operating capacity rating is defined as the maximum capacity at which the facility is operated or the nameplate capacity, whichever is specified in the facility's permit application, except when some lower capacity is contained in the facility's operation permit; in which case, the capacity specified in the operation permit shall be used. (Q=102 mmBtu/hr)

Change 6:

The two (2) natural gas-fired boilers, identified as B01 and B03, respectively, are only capable of burning natural gas. Therefore, Conditions D.1.2 and D.2.2 have been removed from the permit as follows:

~~Compliance Determination Requirements~~

~~D.1.2 Natural Gas~~

~~In order to demonstrate compliance with D.1.1, the boiler shall burn only natural gas.~~

~~Compliance Determination Requirements~~

~~D.2.2 Natural Gas~~

~~In order to demonstrate compliance with D.2.1, the boiler shall burn only natural gas.~~

Change 7:

The (1) one natural gas-fired boiler, identified as B03, is subject to the New Source Performance Standard, 326 IAC 12, (40 CFR 60.4c, Subpart Dc), Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units because the boiler was constructed or commenced operation after June 9, 1989 and the heat input capacity is less than 100 million British thermal units per hour (mmBTU/hr) and greater than 10 mmBTU/hr. The permit has been revised as follows:

New Source Performance Standards (NSPS) Requirements

D.2.2 General Provisions Relating to NSPS, Subpart Dc [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 12-1-1 for the one (1) natural gas-fired boiler, identified as B03.**

- (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,
Indianapolis, Indiana 46204-2251**

D.2.3 NSPS, Subpart Dc, Requirements [40 CFR Part 60, Subpart Dc]

Pursuant to CFR Part 60, Subpart Dc, the Permittee shall comply with the provisions of 40 CFR Part 60, Subpart Dc as specified as follows.

§ 60.40c Applicability and delegation of authority.

- (a) Except as provided in paragraph (d) of this section, the affected facility to which this subpart applies is each steam generating unit for which construction, modification, or reconstruction is commenced after June 9, 1989 and that has a maximum design heat input capacity of 29 megawatts (MW) (100 million Btu per hour (Btu/hr)) or less, but greater than or equal to 2.9 MW (10 million Btu/hr).
- (b) In delegating implementation and enforcement authority to a State under section 111(c) of the Clean Air Act, §60.48c(a)(4) shall be retained by the Administrator and not transferred to a State.
- (c) Steam generating units which meet the applicability requirements in paragraph (a) of this section are not subject to the sulfur dioxide (SO₂) or particulate matter (PM) emission limits, performance testing requirements, or monitoring requirements under this subpart (§§60.42c, 60.43c, 60.44c, 60.45c, 60.46c, or 60.47c) during periods of combustion research, as defined in §60.41c.
- (d) Any temporary change to an existing steam generating unit for the purpose of conducting combustion research is not considered a modification under §60.14.

§ 60.41c Definitions.

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

Annual capacity factor means the ratio between the actual heat input to a steam generating unit from an individual fuel or combination of fuels during a period of 12 consecutive calendar months and the potential heat input to the steam generating unit from all fuels had the steam generating unit been operated for 8,760 hours during that 12-month period at the maximum design heat input capacity. In the case of steam generating units that are rented or leased, the actual heat input shall be determined based on the combined heat input from all operations of the affected facility during a period of 12 consecutive calendar months.

Coal means all solid fuels classified as anthracite, bituminous, subbituminous, or lignite by the American Society of Testing and Materials in ASTM D388-77, 90, 91, 95, or 98a, Standard Specification for Classification of Coals by Rank (IBR—see §60.17), coal refuse, and petroleum coke. Coal-derived synthetic fuels derived from coal for the purposes of creating useful heat, including but not limited to solvent refined coal, gasified coal, coal-oil mixtures, and coal-water mixtures, are also included in this definition for the purposes of this subpart.

Coal refuse means any by-product of coal mining or coal cleaning operations with an ash content greater than 50 percent (by weight) and a heating value less than 13,900 kilojoules per kilogram (kJ/kg) (6,000 Btu per pound (Btu/lb) on a dry basis.

Cogeneration steam generating unit means a steam generating unit that simultaneously produces both electrical (or mechanical) and thermal energy from the same primary energy source.

Combined cycle system means a system in which a separate source (such as a stationary gas turbine, internal combustion engine, or kiln) provides exhaust gas to a steam generating unit.

Combustion research means the experimental firing of any fuel or combination of fuels in a steam generating unit for the purpose of conducting research and development of more efficient combustion or more effective prevention or control of air pollutant emissions from combustion, provided that, during these periods of research and development, the heat generated is not used for any purpose other than preheating combustion air for use by that steam generating unit (i.e., the heat generated is released to the atmosphere without being used for space heating, process heating, driving pumps, preheating combustion air for other units, generating electricity, or any other purpose).

Conventional technology means wet flue gas desulfurization technology, dry flue gas desulfurization technology, atmospheric fluidized bed combustion technology, and oil hydrodesulfurization technology.

Distillate oil means fuel oil that complies with the specifications for fuel oil numbers 1 or 2, as defined by the American Society for Testing and Materials in ASTM D396–78, 89, 90, 92, 96, or 98, “Standard Specification for Fuel Oils” (incorporated by reference—see §60.17).

Dry flue gas desulfurization technology means a sulfur dioxide (SO₂) control system that is located between the steam generating unit and the exhaust vent or stack, and that removes sulfur oxides from the combustion gases of the steam generating unit by contacting the combustion gases with an alkaline slurry or solution and forming a dry powder material. This definition includes devices where the dry powder material is subsequently converted to another form. Alkaline reagents used in dry flue gas desulfurization systems include, but are not limited to, lime and sodium compounds.

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 steam generating unit.

Emerging technology means any SO₂ control system that is not defined as a conventional technology under this section, and for which the owner or operator of the affected facility has received approval from the Administrator to operate as an emerging technology under §60.48c(a)(4).

Federally enforceable means all limitations and conditions that are enforceable by the Administrator, including the requirements of 40 CFR Parts 60 and 61, requirements within any applicable State implementation plan, and any permit requirements established under 40 CFR 52.21 or under 40 CFR 51.18 and 40 CFR 51.24.

Fluidized bed combustion technology means a device wherein fuel is distributed onto a bed (or series of beds) of limestone aggregate (or other sorbent materials) for combustion; and these materials are forced upward in the device by the flow of combustion air and the gaseous products of combustion. Fluidized bed combustion technology includes, but is not limited to, bubbling bed units and circulating bed units.

Fuel pretreatment means a process that removes a portion of the sulfur in a fuel before combustion of the fuel in a steam generating unit.

Heat input means heat derived from combustion of fuel in a steam generating unit and does not include the heat derived from preheated combustion air, recirculated flue gases, or exhaust gases from other sources (such as stationary gas turbines, internal combustion engines, and kilns).

Heat transfer medium means any material that is used to transfer heat from one point to another point.

Maximum design heat input capacity means the ability of a steam generating unit to combust a stated maximum amount of fuel (or combination of fuels) on a steady state basis as determined by the physical design and characteristics of the steam generating unit.

Natural gas means (1) a naturally occurring mixture of hydrocarbon and nonhydrocarbon gases found in geologic formations beneath the earth's surface, of which the principal constituent is methane, or (2) liquefied petroleum (LP) gas, as defined by the American Society for Testing and Materials in ASTM D1835–86, 87, 91, or 97, “Standard Specification for Liquefied Petroleum Gases” (incorporated by reference—see §60.17).

Noncontinental area means the State of Hawaii, the Virgin Islands, Guam, American Samoa, the Commonwealth of Puerto Rico, or the Northern Mariana Islands.

Oil means crude oil or petroleum, or a liquid fuel derived from crude oil or petroleum, including distillate oil and residual oil.

Potential sulfur dioxide emission rate means the theoretical SO₂ emissions (nanograms per joule [ng/J], or pounds per million Btu [lb/million Btu] heat input) that would result from combusting fuel in an uncleaned state and without using emission control systems.

Process heater means a device that is primarily used to heat a material to initiate or promote a chemical reaction in which the material participates as a reactant or catalyst.

Residual oil means crude oil, fuel oil that does not comply with the specifications under the definition of distillate oil, and all fuel oil numbers 4, 5, and 6, as defined by the American Society for Testing and Materials in ASTM D396–78, 89, 90, 92, 96, or 98, “Standard Specification for Fuel Oils” (incorporated by reference—see §60.17).

Steam generating unit means a device that combusts any fuel and produces steam or heats water or any other heat transfer medium. This term includes any duct burner that combusts fuel and is part of a combined cycle system. This term does not include process heaters as defined in this subpart.

Steam generating 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 steam generating unit. It is not necessary for fuel to be combusted continuously for the entire 24-hour period.

Wet flue gas desulfurization technology means an SO₂ control system that is located between the steam generating unit and the exhaust vent or stack, and that removes sulfur oxides from the combustion gases of the steam generating unit by contacting the combustion gases with an alkaline slurry or solution and forming a liquid material. This definition includes devices where the liquid material is subsequently converted to another form. Alkaline reagents used in wet flue gas desulfurization systems include, but are not limited to, lime, limestone, and sodium compounds.

Wet scrubber system means any emission control device that mixes an aqueous stream or slurry with the exhaust gases from a steam generating unit to control emissions of particulate matter (PM) or SO₂.

Wood means wood, wood residue, bark, or any derivative fuel or residue thereof, in any form, including but not limited to sawdust, sanderdust, wood chips, scraps, slabs, millings, shavings, and processed pellets made from wood or other forest residues.

§ 60.43c Standard for particulate matter.

- (d) The PM and opacity standards under this section apply at all times, except during periods of startup, shutdown, or malfunction.**
- (e)(1) On or after the date on which the initial performance test is completed or is required to be completed under §60.8, whichever date comes first, no owner or operator of an affected facility that commences construction, reconstruction, or modification after February 28, 2005, and that combusts coal, oil, gas, wood, a mixture of these fuels, or a mixture of these fuels with any other fuels and has a heat input capacity of 8.7 MW (30 MMBtu/h) or greater shall cause to be discharged into the atmosphere from that affected facility any gases that contain particulate matter emissions in excess of 13 ng/J (0.030 lb/MMBtu) heat input, except as provided in paragraphs (e)(2) and (e)(3) of this section. Affected facilities subject to this paragraph, are also subject to the requirements of paragraphs (c) and (d) of this section.**

§ 60.45c Compliance and performance test methods and procedures for particulate matter.

- (c) Units that burn only oil containing no more than 0.5 weight percent sulfur or liquid or gaseous fuels with potential sulfur dioxide emission rates of 230 ng/J (0.54 lb/MMBtu) heat input or less are not required to conduct emissions monitoring if they maintain fuel supplier certifications of the sulfur content of the fuels burned.**

§ 60.47c Emission monitoring for particulate matter.

- (c) Units that burn only oil that contains no more than 0.5 weight percent sulfur or liquid or gaseous fuels with potential sulfur dioxide emission rates of 230 ng/J (0.54 lb/MMBtu) heat input or less are not required to conduct PM emissions monitoring if they maintain fuel supplier certifications of the sulfur content of the fuels burned.**

§ 60.48c Reporting and recordkeeping requirements.

- (a) The owner or operator of each affected facility shall submit notification of the date of construction or reconstruction, anticipated startup, and actual startup, as provided by §60.7 of this part. This notification shall include:**
 - (1) The design heat input capacity of the affected facility and identification of fuels to be combusted in the affected facility.**
- (g) The owner or operator of each affected facility shall record and maintain records of the amounts of each fuel combusted during each day. The owner or operator of an affected facility that only burns very low sulfur fuel oil or other liquid or gaseous fuels with potential sulfur dioxide emissions rate of 140 ng/J (0.32 lb/MMBtu) heat input or less shall record and maintain records of the fuels combusted during each calendar month.**
- (i) All records required under this section shall be maintained by the owner or operator of the affected facility for a period of two years following the date of such record.**

D.2.4 One Time Deadlines Relating to NSPS, Subpart Dc

The Permittee shall comply with the following requirements by the dates listed:

Requirement	Rule Cite	Affected Facility	Deadline
Notification of the date of construction or reconstruction	40 CFR 60.48c(a)	Boiler B03	no later than 30 days after such date
Notification of the date of anticipated startup and actual startup	40 CFR 60.48c(a)	Boiler B03	within 15 days after such date

Change 8:

The new 40 CFR 60.48c(g) has not been incorporated into the state rules. Therefore, the source must maintain daily records of fuels combusted. As such, Condition D.2.5 has been added to the permit as follows:

Record Keeping [326 IAC 2-8-4(3)]

D.2.5 Record Keeping [326 IAC 12-1]

To document compliance with 326 IAC 12-1, the Permittee shall record and maintain records of the amount of each fuel combusted during each day by the one (1) boiler, identified as B03. All records shall be maintained by the Permittee for a period of two (2) years following the date of such record.

Change 9:

The name of the appropriate section has been updated in Condition B.11 as follows:

B.11 Annual Fee Payment [326 IAC 2-1.1-7]

- (a) The Permittee shall pay annual fees to IDEM, OAQ within thirty (30) calendar days of receipt of a billing.
- (b) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, ~~I/M~~ & Billing, **Licensing, and Training** Section), to determine the appropriate permit fee.

Change 10:

The fax number has been changed on the malfunction report, on page 26 of the permit as follows:

FAX NUMBER - 317 233-~~5967~~**6865**

Change 11:

The first two (2) digits of the year on the malfunction report form has been updated as follows:

Conclusion

The operation of this proposed revision shall be subject to the conditions of the attached proposed MSOP Notice-Only Change No. 039-23077-00338.

**Appendix A: Emissions Calculations
Natural Gas Combustion Only
MM BTU/HR <100**

**Company Name: Dairy Farmers of America, Inc.
Address City IN Zip: 1110 South Ninth Street, Goshen, IN 46526
Notice-Only Change: 039-23077-00338
Plt ID: 039-00338
Reviewer: Michael A. Morrone
Application Date: May 10, 2006**

New Boiler (B03)

Emission Factor in lb/MMCF	Pollutant					
	PM*	PM10*	SO2	NOx	VOC	CO
	1.90	7.60	0.600	100	5.50	84.0
				**see below		

*PM emission factor is filterable PM only. PM-10 emission factor is filterable and condensable PM-10 combined.

**Emission Factors for NOx: Uncontrolled = 100, Low NOx Burner = 50, Low NOx Burners/Flue gas recirculation = 32

Equipment	Heat Input Capacity MMBtu/hr	Potential Throughput MMCF/yr	Potential Emission in tons/yr					
			PM*	PM10*	SO2	NOx	VOC	CO
Boiler B03	42.00	367.92	0.350	1.398	0.110	18.396	1.012	15.453
Total	42.00	368	0.350	1.40	0.110	18.4	1.01	15.5

HAPs - Organics

Emission Factor in lb/MMcf	Benzene	Dichlorobenzene	Formaldehyde	Hexane	Toluene
	0.0021	0.0012	0.0750	1.8000	0.0034
Potential Emission in tons/yr	0.0004	0.0002	0.014	0.331	0.0006

HAPs - Metals

Emission Factor in lb/MMcf	Lead	Cadmium	Chromium	Manganese	Nickel	Total HAPs
	0.0005	0.0011	0.0014	0.0004	0.0021	
Potential Emission in tons/yr	0.0001	0.0002	0.0003	0.0001	0.0004	0.347

Methodology

The five highest organic and metal HAPs emission factors are provided above.

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

All emission factors are based on normal firing.

MMBtu = 1,000,000 Btu

MMCF = 1,000,000 Cubic Feet of Gas

Potential Throughput (MMCF) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu

Emission Factors are from AP 42, Chapter 1.4, Tables 1.4-1, 1.4-2, 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03

(SUPPLEMENT D 3/98)

Emission (tons/yr) = Throughput (MMCF/yr) x Emission Factor (lb/MMCF)/2,000 lb/ton

**Appendix A: Emissions Calculations
Natural Gas Combustion Only
MM BTU/HR <100**

**Company Name: Dairy Farmers of America, Inc.
Address City IN Zip: 1110 South Ninth Street, Goshen, IN 46526
Notice-Only Change: 039-23077-00338
Plt ID: 039-00338
Reviewer: Michael A. Morrone
Application Date: May 10, 2006**

Total Source PTE after modification

Emission Factor in lb/MMCF	Pollutant					
	PM*	PM10*	SO2	NOx	VOC	CO
	1.90	7.60	0.600	100	5.50	84.0
				**see below		

*PM emission factor is filterable PM only. PM10 emission factor is filterable and condensable PM10 combined.

**Emission Factors for NOx: Uncontrolled = 100, Low NOx Burner = 50, Low NOx Burners/Flue gas recirculation = 32

Equipment	Heat Input Capacity MMBtu/hr	Potential Throughput MMCF/yr	Potential Emission in tons/yr					
			PM*	PM10*	SO2	NOx	VOC	CO
Boiler B01	60.00	525.6	0.499	1.997	0.158	1.997	1.445	22.075
Boiler B03	42.00	367.92	0.350	1.398	0.110	18.396	1.012	15.453
Spray dryer	35.00	306.6	0.291	1.165	0.092	15.330	0.843	12.877
Total	137.00	1200	1.14	4.56	0.360	60.0	3.30	50.4

HAPs - Organics

Emission Factor in lb/MMcf	Benzene	Dichlorobenzene	Formaldehyde	Hexane	Toluene
	0.002	0.001	0.075	1.80	0.003
Potential Emission in tons/yr	0.001	0.001	0.045	1.08	0.002

HAPs - Metals

Emission Factor in lb/MMcf	Lead	Cadmium	Chromium	Manganese	Nickel	Total HAPs
	0.0005	0.001	0.001	0.0004	0.002	
Potential Emission in tons/yr	0.0003	0.001	0.001	0.0002	0.001	1.13

Methodology

The five highest organic and metal HAPs emission factors are provided above.

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

All emission factors are based on normal firing.

MMBtu = 1,000,000 Btu

MMCF = 1,000,000 Cubic Feet of Gas

Potential Throughput (MMCF) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu

Emission Factors are from AP 42, Chapter 1.4, Tables 1.4-1, 1.4-2, 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03

(SUPPLEMENT D 3/98)

Emission (tons/yr) = Throughput (MMCF/yr) x Emission Factor (lb/MMCF)/2,000 lb/ton