



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: November 21, 2006
RE: Progress Rail Services Corp / 089-23708-00381
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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Mr. Michael P. Vanden Bergh
Progress Rail Services Corporation
P.O. Box 1037
Albertville, AL 35950

November 21, 2006

Re: 089-23708-00381
Third Administrative Amendment to
FESOP No.089-9922-00381

Dear Mr. Vanden Bergh:

Progress Rail Services Corporation (PRS) was issued federally enforceable state operating permit (FESOP) No. 089-9922-00381 on October 6, 2004 for a stationary locomotive axle and wheel set finishing source located at 175 West Chicago Avenue, East Chicago, IN 46312. A letter requesting changes to the permit was received on October 2, 2006. The requested changes are summarized below and, pursuant to the provisions of 326 IAC 2-8-10(a), the permit is hereby administratively amended according to the following:

1. PRS requests approval to add a vacuum process impregnation (VPI) system. The VPI system will allow the facility to impregnate serviced locomotive engine armatures with insulating varnish. Additionally, PRS plans to spray coat the interiors of locomotive motor housings with insulating varnish and, in some cases, paint the exteriors of the housings. Such will occur at existing paint booth BPB-1. Material safety data sheets (MSDSs) for insulating varnish and reactive monomer for impregnating armatures; bulk and aerosol insulating varnish for the interiors of motor housings; and black paint for the exteriors of motor housings all have volatile organic compound (VOC) contents less than 3.5 pounds per gal (lb/gal).

At the VPI system location, locomotive motors will be disassembled and the armatures, housings and other components will be washed using an aqueous-alkaline solution that contains a small amount of organic compounds (i.e., detergent). The existing parts washer identified as 982 will be utilized for this activity. Armatures will be tested and those requiring service/repair will be impregnated with insulating varnish after repair. The impregnation process will involve placing a rack containing up to 6 serviced/repared armatures into a chamber that is evacuated to produce a vacuum. Insulating varnish will then be transferred from the storage tank (will contain about 1,200 gallons on average) to the evacuated chamber until the armatures are fully immersed. After immersion, the vacuum will be relieved, excess varnish in the chamber will be pumped back to the storage tank, and the rack will be transferred from the chamber to an existing drying oven. PRS estimates 0.45 gallons of insulating varnish will be consumed per armature and, under optimal (i.e., maximum) operating conditions, 12 armatures could be processed in a 24-hour day. Reactive monomer may also be periodically added to the impregnating fluid in the storage tank to adjust viscosity at a maximum conservative amount of 30 gallons per year.

PRS will utilize existing booth BPB-1 to spray coat the interiors of disassembled motor housings. This activity will use up to one quart of insulating varnish, plus up to one can (0.156 gallons) of aerosol varnish if touchup is required. Approximately one-half of the housing exteriors will be coated with black, water-based paint at a rate of 0.3 gallons per housing. Booth BPB-1 is currently approved to apply the same black paint proposed herein to other metal parts at this source. Completed housings and armatures will then be reassembled for shipment to customers.

The emission calculations for pollutants attributable to installation of the VPI system, as submitted by the applicant, have been verified and found to be accurate and correct, and are summarized below (also see Appendix A, four (4) pages).

Facility	Pollutant	Potential to Emit (tpy)
VPI System	VOC	3.18
Existing Booth BPB-1	VOC	3.59
	Particulate (PM/PM ₁₀)	2.96
	Single HAP (as xylene)	2.13
	Total HAPs	3.11

This request is not subject to the permit revision requirements of 326 IAC 2-8-11.1(d) or (f). Pursuant to 326 IAC 2-8-10, the permit is hereby administratively amended as shown following Item No. 5 below.

2. PRS has indicated their plan to utilize existing natural gas fired drying oven, Unit A425, rated at 2.3 million Btu per hour (MMBtu/hr), to dry/bake armatures impregnated with insulating varnish. Pollutant emissions attributable to the proposed VPI process have been accounted for in the preceding paragraph. Since oven A425 was approved in Administrative Amendment No. 089-23190-00381, issued on July 26, 2006, IDEM, OAQ acknowledges the stated plan and no descriptive or conditional changes are required to FESOP No. 089-9922-00381.
3. PRS has indicated their plan to relocate existing paint booth BPB-1 within the plant. The relocated booth, which will be near the planned VPI process, will retain the same stack designation (S-1). No modifications to current monitoring, record keeping, reporting, maintenance procedures or permit limits occur due to this relocation. IDEM acknowledges the relocation, and no descriptive or conditional changes are required to FESOP No. 089-9922-00381.
4. PRS requests approval to construct an axle nickel plating operation. The procedure will involve nickel being plated on recessed parts of axle journals by an Electrochemical Metal Deposition (ECMD) process using brush pad applicators. An estimated 40 ampere/hours will be necessary to plate each axle. Used plating solutions and rinse waters (approximately 5 gallons per axle in total) will be collected and stored in a 1,000 to 1,500-gallon holding tank. Fluid from the holding tank will be directed to a second 250 to 500-gallon tank for pH adjustment and then to a natural gas fired evaporator that will have a stack designated S-41 for the burner exhaust and water vapor (i.e., combined stack). A maximum of 2.5 axles (rate under ideal conditions) can be plated per hour during 8,760 hours of continuous operation. Minor wipe cleaning and Tectyl rust protection applied by brush will occur at the end of the process, using about 0.04 gallons for each of Tectyl and solvent on 2.5 axles/hour.

The calculations of pollutant emissions attributable to the nickel plating operation, including related coating usage, submitted by the applicant have been verified and found to be accurate and correct (see Appendix A, 4 pages). The potential to emit for the proposed operation is 1.67 ton VOC/year from solvent wiping and rust protection; 0.04 tons/year of PM from electroplating; and 0.13 tons total combined HAPs/per year. This request is not subject to the permit revision requirements of 326 IAC 2-8-11.1(d) or (f). Pursuant to 326 IAC 2-8-10, the permit is hereby administratively amended as shown following Item No. 5 below.

5. PRS indicated during application review that the source mailing address and general phone number have changed. Pursuant to 326 IAC 2-8-10(a)(2), the permit is hereby administratively amended as shown below. The new mailing address has been changed on each permit report form without replication herein.

In response to the requests made by the Permittee described above, the following administrative changes are made to the permit. New language is shown in bold and deleted language is shown with a line through it.

A.1 General Information [326 IAC 2-8-3(b)]

The Permittee owns and operates a stationary locomotive axle and wheel set finishing source.

Mailing Address: ~~1185 Industrial Blvd., Boaz, AL 35957~~ **P.O. Box 1037, Albertville, AL 35950**

General Source Phone: ~~256-840-2422~~ **256-505-6022**

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-8-3(c)(3)]

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

- (d) One (1) surface coating spray booth, identified as BPB-1, constructed in 1988, utilizing a HVLP spray application system, coating **either** steel housings at a maximum rate of 6 per hour, ~~or~~ motor exhaust ducts at a maximum rate of 24 per day, **or motor housing interiors at a maximum rate of 12 per day**, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-1;

A.3 Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-8-3(c)(3)(I)]

This stationary source also includes the following insignificant activities, as defined in 326 IAC 2-7-1(21):

- (s) **One (1) Vacuum Process Impregnation (VPI) system, to be installed during November 2006, including a vacuum chamber with a capacity of six (6) locomotive motor armatures and an insulating varnish storage tank containing about 1,200 gallons varnish, processing up to twelve (12) armatures per day, and exhausting fugitively inside the building during rack removal from the vacuum chamber and through oven A425 stacks S-38 and S-40 during drying/baking. [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]**
- (t) **One (1) electrochemical nickel electroplating process, to be installed during 2007, using brush pad applicators, processing up to two and one-half (2.5) axles per hour using a current of approximately 40 ampere-hour to plate each axle. The process also includes one (1) 0.195 MMBtu per hour natural gas fired water evaporator exhausting at stack S-41; and solvent wipe cleaning and brush application of rust protection to plated axles at about 0.04 gallons per 2.5 axles. [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]**

SECTION D.1

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:

- (a) One (1) surface coating spray booth, identified as 1213, constructed in 1988, utilizing a HVLP spray application system, coating a maximum of 12 metal axles per hour, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-21;
- (b) One (1) surface coating spray booth, identified as 1221, constructed in 1988, utilizing a HVLP spray application system, coating a maximum of 3 steel housings per hour or 24 motor exhaust ducts per day, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-20;
- (c) One (1) surface coating spray booth, identified as AXPB, constructed in March 2000, utilizing either a HVLP spray application system or a dip reservoir with cover, coating a maximum of 12 metal axles per hour, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-28;
- (d) One (1) surface coating spray booth, identified as BPB-1, constructed in 1988, utilizing a HVLP spray application system, coating **either** steel housings at a maximum rate of 6 per hour, ~~or~~ motor exhaust ducts at a maximum rate of 24 per day, **or motor housing interiors at a maximum rate of 12 per day**, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-1;

The following insignificant activities, as defined in 326 IAC 2-7-1(21):

- (s) **One (1) Vacuum Process Impregnation (VPI) system, to be installed during November 2006, including a vacuum chamber with a capacity of six (6) locomotive motor armatures and an insulating varnish storage tank containing about 1,200 gallons varnish, processing up to twelve (12) armatures per day, and exhausting fugitively inside the building during rack removal from the vacuum chamber and through oven A425 stacks S-38 and S-40 during drying/baking. [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]**
- (t) **One (1) electrochemical nickel electroplating process, to be installed during 2007, using brush pad applicators, processing up to two and one-half (2.5) axles per hour using a current of approximately 40 ampere-hour to plate each axle. The process also includes one (1) 0.195 MMBtu per hour natural gas fired water evaporator exhausting at stack S-41; and solvent wipe cleaning and brush application of rust protection to plated axles at about 0.04 gallons per 2.5 axles. [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]**

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

D.1.2 Emission Offset Minor Limit [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]

- (a) The total usage of VOCs, including coatings, dilution solvents, and cleaning solvents, input to the source surface coating and degreasing operations, **including the VPI system and axle plating operation** (Sections D.1 and D.2, respectively), shall be limited to less than 24.51 tons per 12 consecutive month period with compliance demonstrated at the end of each month. This usage limit is required to limit the source potential to emit of VOC, including insignificant activities, to less than 25 tons per twelve (12) consecutive month period. Compliance with this limit makes 326 IAC 2-3 (Emission Offset) not applicable. Compliance with the limit shall also satisfy the requirements of 326 IAC 2-8 and make 326 IAC 2-7 (Part 70) not applicable.

A related revision is made to the permit quarterly reporting form, as shown at the end of this document.

In addition to the permit amendments presented above, IDEM, OAQ has decided to revise the existing FESOP for the following reasons:

The Indiana Air Pollution Control Board has approved a permanent rule revision to incorporate changes into 326 IAC 1-4-1, including revocation of the one-hour ozone standard in Indiana and a redesignation of Lake County as attainment for sulfur dioxide. The permanent revision to 326 IAC 1-4-1 took effect on October 25, 2006. Therefore, Section A.1 of the permit is revised as follows:

A.1 General Information [326 IAC 2-8-3(b)]

The Permittee owns and operates a stationary locomotive axle and wheel set finishing source.

Source Location Status: Nonattainment for ~~SO₂~~, ~~PM_{2.5}~~, ~~ozone under the 1-hour standard,~~
and ozone under the 8-hour standard
Attainment for all other criteria pollutants

All other conditions of the permit shall remain unchanged and in effect. For your convenience, the entire revised FESOP, with all changes as reflected in this amendment, 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 Hirtler, at (973) 575-2555, ext. 3229 or dial (800) 451-6027, and ask for extension 3-6878.

Sincerely,
Original signed by

Nisha Sizemore, Chief
Permits Branch
Office of Air Quality

Attachments
MH/EVP

cc: File – Lake County
U.S. EPA, Region V
Lake County Health Department
IDEM Northwest Regional Office
Air Compliance Section Inspector - Rick Massoels and Ramesh Tejuja
Compliance Data Section
Administration and Development
Technical Support and Modeling

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

FESOP Quarterly Report

Source Name: Progress Rail Services Corporation
Source Address: 175 West Chicago Avenue, East Chicago, IN 46312
Mailing Address: 1185 Industrial Blvd., Boaz, AL 35957
FESOP No.: F089-9922-00381
Facility: four (4) surface coating spray booths (1213, 1221, AXPB and BPB-1), **VPI system, axle plating operation**, and two (2) cold cleaner degreasers (MPW-1 and SML-1)
Parameter: VOC usage
Limit: The total usage of VOCs, including coatings, dilution solvents, and cleaning solvents, input to the source surface coating and degreasing operations, **including the VPI system and axle plating operation** (Sections D.1 and D.2, respectively), shall be limited to less than 24.51 tons per 12 consecutive month period with compliance demonstrated at the end of each month.

YEAR: _____

Month	VOC Usage this Month	VOC Usage Previous 11 Months	12 Month Total VOC Usage
Month 1			
Month 2			
Month 3			

- No deviation occurred in this month.
 Deviation/s occurred in this month.
Deviation has been reported on: _____

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

Attach a signed certification to complete this report.



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100 North Senate Avenue
Indianapolis, Indiana 46204-2251
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FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)

**Progress Rail Services Corporation
175 West Chicago Avenue
East Chicago, Indiana 46312**

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

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

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-8 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17. This permit also addresses new source review requirements and is intended to fulfill the new source review procedures and permit revision requirements pursuant to 326 IAC 2-8-11.1, applicable to those conditions.

Operation Permit No.: F089-9922-00381	
Issued by: Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: October 6, 2004 Expiration Date: October 6, 2009
First Administrative Amendment 089-21163-00381 Second Administrative Amendment 089-23190-00381	Issuance Date: September 23, 2005 Issuance Date: July 26, 2006
Third Administrative Amendment 089-23708-00381	Pages Amended: 5, 7, 28, 29, 41, 42, 44, 45
Original signed by: Nisha Sizemore, Chief Permits Branch Office of Air Quality	Issuance Date: November 21, 2006 Expiration Date: October 6, 2009

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SECTION A SOURCE SUMMARY

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

A.1 General Information [326 IAC 2-8-3(b)]

The Permittee owns and operates a stationary locomotive axle and wheel set finishing source.

Authorized Individual:	Director of Environmental Services
Source Address:	175 West Chicago Avenue, East Chicago, IN 46312
Mailing Address:	P.O. Box 1037, Albertville, AL 35950
General Source Phone:	256-505-6022
SIC Code:	4789
County Location:	Lake
Source Location Status:	Nonattainment for PM _{2.5} and ozone under the 8-hour standard Attainment for all other criteria pollutants
Source Status:	Federally Enforceable State Operating Permit (FESOP) Minor Source, under Emission Offset and Nonattainment NSR Rules Minor Source, Section 112 of the Clean Air Act

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-8-3(c)(3)]

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

- (a) One (1) surface coating spray booth, identified as 1213, constructed in 1988, utilizing a HVLP spray application system, coating a maximum of 12 metal axles per hour, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-21;
- (b) One (1) surface coating spray booth, identified as 1221, constructed in 1988, utilizing a HVLP spray application system, coating a maximum of 3 steel housings per hour or 24 motor exhaust ducts per day, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-20;
- (c) One (1) surface coating spray booth, identified as AXPB, constructed in March 2000, utilizing either a HVLP spray application system or a dip reservoir with cover, coating a maximum of 12 metal axles per hour, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-28;
- (d) One (1) surface coating spray booth, identified as BPB-1, constructed in 1988, utilizing a HVLP spray application system, coating either steel housings at a maximum rate of 6 per hour, motor exhaust ducts at a maximum rate of 24 per day, or motor housing interiors at a maximum rate of 12 per day, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-1;
- (e) Cold cleaner degreasing operations, consisting of two (2) units constructed in 1988, identified as MPW-1 (exhausting inside) which uses an organic cleaning solvent, and SML-1 (exhausting inside) which uses an aqueous cleaning solvent. These units are not equipped with solvent heaters.

- (f) Cold cleaner degreasing operations using heated non-organic cleaners, including an alkaline solution or hot water, consisting of the following:
 - (1) Seven (7) units constructed in 1988, identified as 059 (stack ID # S-31), 750 (stack ID # S-7), 982 (stack ID # S-10), 1103 (stack ID # S-36), 1218 (stack ID # S-22), 1219 (stack ID # S-19), 1263 (stack ID # S-12); and
 - (2) One (1) unit constructed in 2002, identified as identified as FAW (stack ID # 35).
- (g) Conveyorized degreasing operations using a heated non-organic alkaline solution, consisting of two (2) units identified as 765, constructed in 1988 (stack ID # S-3), and SMPT, constructed in 2000 (stack ID # S-26);
- (h) One (1) mechanical blasting unit, identified as 617, constructed in 2006, with a maximum capacity of 8000 pounds of steel parts per hour, utilizing one (1) baghouse for particulate matter control, and exhausting to stack S-9.

A.3 Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-8-3(c)(3)(I)]

This stationary source also includes the following insignificant activities, as defined in 326 IAC 2-7-1(21):

- (a) One (1) natural gas-fired drying oven, identified as A425, with a maximum heat input rate of 2.3 million British thermal units per hour (MMBtu/hr) and exhausting to four (4) stacks identified as S-37, S-38, S-39 and S40.
- (b) One (1) natural gas-fired carrier furnace, identified as CF-1, with a maximum heat input rate of 0.1 MMBtu/hr.
- (c) One (1) natural gas-fired carrier furnace, identified as CF-2, with a maximum heat input rate of 0.125 MMBtu/hr.
- (d) One (1) natural gas-fired Dayton furnace, identified as DF-1, with a maximum heat input rate of 0.125 MMBtu/hr.
- (e) One (1) natural gas-fired Lennox furnace, identified as LF-1, with a maximum heat input rate of 0.14 MMBtu/hr.
- (f) Sixty seven (67) natural gas-fired radiant space heaters, identified as RH-1 through RH-67, each with a maximum heat input rate of 0.135 MMBtu/hr.
- (g) Five (5) natural gas-fired Trane furnaces, identified as TF-1 through TF-5, each with a maximum heat input rate of 0.25 MMBtu/hr.
- (h) One (1) natural gas-fired Trane furnace, identified as TF-6, with a maximum heat input rate of 0.3 MMBtu/hr.
- (i) Three (3) natural gas-fired water heaters, identified as WH-1, WH-2 and WH-3, each with a maximum heat input rate of 0.2 MMBtu/hr.
- (j) One (1) natural gas-fired solution heater, identified as Solution Heater 750, with a maximum heat input rate of 0.8 MMBtu/hr, and exhausting to one (1) stack, identified as S-8.
- (k) One (1) natural gas-fired solution heater, identified as Solution Heater 765, with a maximum heat input rate of 1.75 MMBtu/hr, and exhausting to one (1) stack, identified as S-2.

- (l) One (1) natural gas-fired solution heater, identified as Solution Heater 982, with a maximum heat input rate of 1.6 MMBtu/hr, and exhausting to one (1) stack, identified as S-11.
- (m) One (1) natural gas-fired solution heater, identified as Solution Heater 1218, with a maximum heat input rate of 0.8 MMBtu/hr, and exhausting to one (1) stack, identified as S-23.
- (n) One (1) natural gas-fired solution heater, identified as Solution Heater SMPT, with a maximum heat input rate of 2.0 MMBtu/hr, and exhausting to one (1) stack, identified as S-25.
- (o) Paved and unpaved roads and parking lots with public access.
- (p) One (1) propane tank, identified as Propane, with a maximum tank capacity of 1,000 gallons.
- (q) One (1) natural gas-fired solution heater, identified as Solution Heater FAW, with a maximum heat input rate of 1.5 MMBtu/hr, and exhausting to one (1) stack, identified as # 34.
- (r) The following equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment.
 - (1) Six (6) welding stations utilized as follows:
 - (A) Metal inert gas welding tasks conducted at five (5) stations, with a maximum hourly consumption of 1.0 pound of wire per station;
 - (B) Stick welding tasks conducted at three (3) stations, with a maximum hourly consumption of 0.75 pounds of electrode per station;
 - (C) Tungsten inert gas welding tasks conducted at one (1) station, with a maximum hourly consumption of 1.5 sticks per hour;
 - (2) One (1) flame cutting station utilizing oxyacetylene, with a maximum cutting rate of 18 inches per minute; and
 - (3) One (1) air arc steel cutting station, identified as AAB (stack ID # S-32 and S-33), with an electrode consumption rate of 0.26 pounds per hour.
- (s) One (1) Vacuum Process Impregnation (VPI) system, to be installed during November 2006, including a vacuum chamber with a capacity of six (6) locomotive motor armatures and an insulating varnish storage tank containing about 1,200 gallons varnish, processing up to twelve (12) armatures per day, and exhausting fugitively inside the building during rack removal from the vacuum chamber and through oven A425 stacks S-38 and S-40 during drying/baking. [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]
- (t) One (1) electrochemical nickel electroplating process, to be installed during 2007, using brush pad applicators, processing up to two and one-half (2.5) axles per hour using a current of approximately 40 ampere-hour to plate each axle. The process also includes one (1) 0.195 MMBtu per hour natural gas fired water evaporator exhausting at stack S-41; and solvent wipe cleaning and brush application of rust protection to plated axles at about 0.04 gallons per 2.5 axles. [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]

A.4 FESOP Applicability [326 IAC 2-8-2]

This stationary source, otherwise required to have a Part 70 permit as described in 326 IAC 2-7-2(a), has applied to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) for a Federally Enforceable State Operating Permit (FESOP).

A.5 Prior Permits Superseded [326 IAC 2-1.1-9.5]

(a) All terms and conditions of previous permits issued pursuant to permitting programs approved into the state implementation plan have been either

(1) incorporated as originally stated,

(2) revised, or

(3) deleted

by this permit.

(b) All previous registrations and permits are superseded by this permit.

SECTION B

GENERAL CONDITIONS

B.1 Permit No Defense [IC 13]

Indiana statutes from IC 13 and rules from 326 IAC, quoted in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a FESOP under 326 IAC 2-8.

B.2 Definitions [326 IAC 2-8-1]

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

B.3 Permit Term [326 IAC 2-8-4(2)] [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, modifications, or amendments of this permit do not affect the expiration date.

B.4 Enforceability [326 IAC 2-8-6]

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

B.5 Termination of Right to Operate [326 IAC 2-8-9] [326 IAC 2-8-3(h)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-8-3(h) and 326 IAC 2-8-9.

B.6 Severability [326 IAC 2-8-4(4)]

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

B.7 Property Rights or Exclusive Privilege [326 IAC 2-8-4(5)(D)]

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

B.8 Duty to Provide Information [326 IAC 2-8-4(5)(E)]

(a) The Permittee shall furnish to IDEM, OAQ, within a reasonable time, any information that IDEM, OAQ, may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1). Upon request, the Permittee shall also furnish to IDEM, OAQ, copies of records required to be kept by this permit.

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

B.9 Compliance Order Issuance [326 IAC 2-8-5(b)]

IDEM, OAQ may issue a compliance order to this Permittee upon discovery that this permit is in nonconformance with an applicable requirement. The order may require immediate compliance or contain a schedule for expeditious compliance with the applicable requirement.

B.10 Certification [326 IAC 2-8-3(d)] [326 IAC 2-8-4(3)(C)(i)] [326 IAC 2-8-5(1)]

- (a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by an authorized individual of truth, accuracy, and completeness. This certification, shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.
- (b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. One (1) certification may cover multiple forms in one (1) submittal.
- (c) An authorized individual is defined at 326 IAC 2-1.1-1(1).

B.11 Annual Compliance Certification [326 IAC 2-8-5(a)(1)]

- (a) The Permittee shall annually submit a compliance certification report which addresses the status of the source's compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. The initial certification shall cover the time period from the date of final permit issuance through December 31 of the same year. All subsequent certifications shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in letter form no later than April 15 of each year to:

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

- (b) The annual compliance certification report required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (c) The annual compliance certification report shall include the following:
 - (1) The appropriate identification of each term or condition of this permit that is the basis of the certification;
 - (2) The compliance status;
 - (3) Whether compliance was continuous or intermittent;
 - (4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-8-4(3); and
 - (5) Such other facts as specified in Sections D of this permit, IDEM, OAQ, may require to determine the compliance status of the source.

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(1).

B.12 Preventive Maintenance Plan [326 IAC 1-6-3] [326 IAC 2-8-4(9)] [326 IAC 2-8-5(a)(1)]

- (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 after issuance of this permit, including the following information on each facility:
- (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

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 the "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 PMPs shall be submitted to IDEM, OAQ, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMP does not require the certification by the "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 (OM&M) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

B.13 Emergency Provisions [326 IAC 2-8-12]

- (a) An emergency, as defined in 326 IAC 2-7-1(12), is not an affirmative defense for an action brought for noncompliance with a federal or state health-based emission limitation, except as provided in 326 IAC 2-8-12.
- (b) An emergency, as defined in 326 IAC 2-7-1(12), constitutes an affirmative defense to an action brought for noncompliance with a health-based or technology-based emission limitation if the affirmative defense of an emergency is demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that describes the following:
- (1) An emergency occurred and the Permittee can, to the extent possible, identify the causes of the emergency;
 - (2) The permitted facility was at the time being properly operated;

- (3) During the period of an emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards or other requirements in this permit;
- (4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAQ, within four (4) daytime business hours after the beginning of the emergency, or after the emergency was discovered or reasonably should have been discovered;

Telephone No.: 1-800-451-6027 (ask for Office of Air Quality, Compliance Section) or,
Telephone No.: 317-233-0178 (ask for Compliance Section)
Facsimile No.: 317-233-6865

IDEM Northwest Regional Office:
Telephone No.: 219-757-0265
Facsimile No.: 219-757-0267

- (5) For each emergency lasting one (1) hour or more, the Permittee submitted the attached Emergency Occurrence Report Form or its equivalent, either by mail or facsimile to:

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

within two (2) working days of the time when emission limitations were exceeded due to the emergency.

The notice fulfills the requirement of 326 IAC 2-8-4(3)(C)(ii) and must contain the following:

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

The notification which shall be submitted by the Permittee does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (6) The Permittee immediately took all reasonable steps to correct the emergency.
- (c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
 - (d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.
 - (e) IDEM, OAQ, may require that the Preventive Maintenance Plans required under 326 IAC 2-8-3(c)(6) be revised in response to an emergency.

- (f) Failure to notify IDEM, OAQ, by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-8 and any other applicable rules.
- (g) Operations may continue during an emergency only if the following conditions are met:
 - (1) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.
 - (2) If an emergency situation causes a deviation from a health-based limit, the Permittee may not continue to operate the affected emissions facilities unless:
 - (A) The Permittee immediately takes all reasonable steps to correct the emergency situation and to minimize emissions; and
 - (B) Continued operation of the facilities is necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw material of substantial economic value.

Any operations shall continue no longer than the minimum time required to prevent the situations identified in (g)(2)(B) of this condition.
- (h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

B.14 Deviations from Permit Requirements and Conditions [326 IAC 2-8-4(3)(C)(ii)]

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

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

using the attached Quarterly Deviation and Compliance Monitoring Report, or its equivalent. A deviation required to be reported pursuant to an applicable requirement that exists independent of this permit, shall be reported according to the schedule stated in the applicable requirement and does need to be included in this report.

The Quarterly Deviation and Compliance Monitoring Report does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (b) A deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit.

B.15 Permit Modification, Reopening, Revocation and Reissuance, or Termination
[326 IAC 2-8-4(5)(C)] [326 IAC 2-8-7(a)] [326 IAC 2-8-8]

- (a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a FESOP modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-8-4(5)(C)] The notification by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAQ determines any of the following:
 - (1) That this permit contains a material mistake.
 - (2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.
 - (3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-8-8(a)]
- (c) Proceedings by IDEM, OAQ, to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-8-8(b)]
- (d) The reopening and revision of this permit, under 326 IAC 2-8-8(a), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAQ, at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ, may provide a shorter time period in the case of an emergency. [326 IAC 2-8-8(c)]

B.16 Permit Renewal [326 IAC 2-8-3(h)] [326 IAC 2-8-9]

- (a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and shall include the information specified in 326 IAC 2-8-3. Such information shall be included in the application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(40). The renewal application does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Request for renewal shall be submitted to:

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

- (b) Timely Submittal of Permit Renewal [326 IAC 2-8-3]
 - (1) A timely renewal application is one that is:
 - (A) Submitted at least nine (9) months prior to the date of the expiration of this permit; and

- (B) If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (2) If IDEM, OAQ upon receiving a timely and complete permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect until the renewal permit has been issued or denied.
- (c) **Right to Operate After Application for Renewal [326 IAC 2-8-9]**
If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-8 until IDEM, OAQ takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by the deadline specified in writing by IDEM, OAQ, any additional information identified as needed to process the application.

B.17 Permit Amendment or Revision [326 IAC 2-8-10] [326 IAC 2-8-11.1]

- (a) Permit amendments and revisions are governed by the requirements of 326 IAC 2-8-10 or 326 IAC 2-8-11.1 whenever the Permittee seeks to amend or modify this permit.
- (b) Any application requesting an amendment or modification of this permit shall be submitted to:

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

Any such application shall be certified by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (c) The Permittee may implement the administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-8-10(b)(3)]
- (d) No permit amendment or modification is required for the addition, operation or removal of a nonroad engine, as defined in 40 CFR 89.2.

B.18 Operational Flexibility [326 IAC 2-8-15][326 IAC 2-8-11.1]

- (a) The Permittee may make any change or changes at this source that are described in 326 IAC 2-8-15(b) through (d), without prior permit revision, if each of the following conditions is met:
 - (1) The changes are not modifications under any provision of Title I of the Clean Air Act;
 - (2) Any approval required by 326 IAC 2-8-11.1 has been obtained;
 - (3) The changes do not result in emissions which exceed the emissions allowable under this permit (whether expressed herein as a rate of emissions or in terms of total emissions);

- (4) The Permittee notifies the:

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

and

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

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

- (5) The Permittee maintains records on-site which document, on a rolling five (5) year basis, all such changes and emissions trading that are subject to 326 IAC 2-8-15(b) through (d) and makes such records available, upon reasonable request, to public review.

Such records shall consist of all information required to be submitted to IDEM, OAQ, in the notices specified in 326 IAC 2-8-15(b)(2), (c)(1), and (d).

- (b) Emission Trades [326 IAC 2-8-15(c)]
The Permittee may trade increases and decreases in emissions in the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-8-15(c).
- (c) Alternative Operating Scenarios [326 IAC 2-8-15(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-8-4(7). No prior notification of IDEM, OAQ or U.S. EPA is required.
- (d) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.

B.19 Permit Revision Requirement [326 IAC 2-8-11.1]

A modification, construction, or reconstruction is governed by the requirements of 326 IAC 2 and 326 IAC 2-8-11.1.

B.20 Inspection and Entry [326 IAC 2-8-5(a)(2)] [IC 13-14-2-2] [IC 13-17-3-2][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 FESOP 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 the conditions of this permit;
- (c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;
- (d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor, 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.21 Transfer of Ownership or Operational Control [326 IAC 2-8-10]

- (a) The Permittee must comply with the requirements of 326 IAC 2-8-10 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.
- (b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

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

The application which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-8-10(b)(3)]

B.22 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-8-4(6)] [326 IAC 2-8-16][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. Pursuant to 326 IAC 2-7-19(b), if the Permittee does not receive a bill from IDEM, OAQ the applicable fee is due April 1 of each year.
- (b) Failure to pay may result in administrative enforcement action, or revocation of this permit.
- (c) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4320 (ask for OAQ, Billing, Licensing, and Training Section), to determine the appropriate permit fee.

B.23 Credible Evidence [326 IAC 2-8-4(3)][326 IAC 2-8-5][62 FR 8314]

Notwithstanding the conditions of this permit that state specific methods that may be used to demonstrate compliance with, or a violation of, applicable requirements, any person (including the Permittee) may also use other credible evidence to demonstrate compliance with, or a violation of, any term or condition of this permit.

SECTION C

SOURCE OPERATION CONDITIONS

Entire Source

Emissions Limitations and Standards [326 IAC 2-8-4(1)]

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

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

C.2 Overall Source Limit [326 IAC 2-8]

The purpose of this permit is to limit this source's potential to emit to less than major source levels for the purpose of Section 502(a) of the Clean Air Act.

(a) Pursuant to 326 IAC 2-8:

- (1) The potential to emit volatile organic compounds (VOCs) from the entire source shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period. This limitation shall make the requirements of 326 IAC 2-3 (Emission Offset) and Nonattainment New Source Review not applicable;
- (2) The potential to emit any regulated pollutant from the entire source, except particulate matter (PM) and volatile organic compounds (VOCs), shall be limited to less than one-hundred (100) tons per twelve (12) consecutive month period;
- (3) The potential to emit any individual hazardous air pollutant (HAP) from the entire source shall be limited to less than ten (10) tons per twelve (12) consecutive month period; and
- (4) The potential to emit any combination of HAPs from the entire source shall be limited to less than twenty-five (25) tons per twelve (12) consecutive month period.

(b) The potential to emit particulate matter (PM) from the entire source shall be limited to less than one-hundred (100) tons per twelve (12) consecutive month period. This limitation shall make the requirements of 326 IAC 2-3 (Emission Offset) not applicable.

(c) This condition shall include all emission points at this source including those that are insignificant as defined in 326 IAC 2-7-1(21). The source shall be allowed to add insignificant activities not already listed in this permit, provided the source's potential to emit does not exceed the above specified limits.

(d) Section D of this permit contains independently enforceable provisions to satisfy this requirement.

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 twenty percent (20%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

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

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

C.5 Incineration [326 IAC 4-2] [326 IAC 9-1-2(3)]

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

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

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

C.7 Fugitive Dust Emissions [326 IAC 6.8-10-3]

Pursuant to 326 IAC 6.8-10-3 (formerly 326 IAC 6-1-11.1) (Lake County Fugitive Particulate Matter Control Requirements), the particulate matter emissions from source wide activities shall meet the following requirements:

- (a) The average instantaneous opacity of fugitive particulate emissions from a paved road shall not exceed ten percent (10%).
- (b) The average instantaneous opacity of fugitive particulate emissions from an unpaved road shall not exceed ten percent (10%).
- (c) The average instantaneous opacity of fugitive particulate emissions from batch transfer shall not exceed ten percent (10%).
- (d) The opacity of fugitive particulate emissions from continuous transfer of material onto and out of storage piles shall not exceed ten percent (10%) on a three (3) minute average.
- (e) The opacity of fugitive particulate emissions from storage piles shall not exceed ten percent (10%) on a six (6) minute average.
- (f) There shall be a zero (0) percent frequency of visible emission observations of a material during the inplant transportation of material by truck or rail at any time.
- (g) The opacity of fugitive particulate emissions from the inplant transportation of material by front end loaders and skip hoists shall not exceed ten percent (10%).
- (h) There shall be a zero (0) percent frequency of visible emission observations from a building enclosing all or part of the material processing equipment, except from a vent in the building.

- (i) The PM₁₀ emissions from building vents shall not exceed twenty-two thousandths (0.022) grains per dry standard cubic foot and ten percent (10%) opacity.
- (j) The opacity of particulate emissions from dust handling equipment shall not exceed ten percent (10%).
- (k) Any facility or operation not specified in 326 IAC 6.8-10-3 shall meet a twenty percent (20%), three (3) minute average opacity standard.

C.8 Operation of Equipment [326 IAC 2-8-5(a)(4)]

Except as otherwise provided by statute, rule or in this permit, all air pollution control equipment listed in this permit and used to comply with an applicable requirement shall be operated at all times that the emission units vented to the control equipment are in operation.

C.9 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.

C.10 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 the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (e) **Procedures for Asbestos Emission Control**
The Permittee shall comply with the applicable emission control procedures in 326 IAC 14-10-4 and 40 CFR 61.145(c). Per 326 IAC 14-10-1 emission control requirements are applicable for any removal or disturbance of RACM greater than three (3) linear feet on pipes or three (3) square feet on any other facility components or a total of at least 0.75 cubic feet on all facility components.
- (f) **Demolition and Renovation**
The Permittee shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation will occur for the presence of asbestos pursuant to 40 CFR 61.145(a).
- (g) **Indiana Accredited Asbestos Inspector**
The Permittee shall comply with 326 IAC 14-10-1(a) that requires the owner or operator, prior to a renovation/demolition, to use an Indiana Accredited Asbestos Inspector to thoroughly inspect the affected portion of the facility for the presence of asbestos. The requirement to use an Indiana Accredited Asbestos inspector is not federally enforceable.

Testing Requirements [326 IAC 2-8-4(3)]

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

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

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

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

no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (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 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.12 Compliance Requirements [326 IAC 2-1.1-11]

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

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

C.13 Compliance Monitoring [326 IAC 2-8-4(3)] [326 IAC 2-8-5(a)(1)]

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

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

in writing, prior to the end of the initial ninety (90) day compliance schedule with full justification of the reasons for inability to meet this date.

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(1).

Unless otherwise specified in the approval for the new emissions unit, compliance monitoring for new emission units or emission units added through a permit revision shall be implemented when operation begins.

C.14 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.15 Pressure Gauge and Other Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-8-4(3)] [326 IAC 2-8-5(1)]

- (a) Whenever a condition in this permit requires the measurement of 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 ($\pm 2\%$) 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 ($\pm 2\%$) of full scale reading.
- (c) 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.

Corrective Actions and Response Steps [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

C.16 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]

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

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

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

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

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

The ERP does require the certification by the “authorized individual” as defined by 326 IAC 2-1.1-1(1).

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

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

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

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

C.17 Risk Management Plan [326 IAC 2-8-4] [40 CFR 68]

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

C.18 Compliance Response Plan - Preparation, Implementation, Records, and Reports [326 IAC 2-8-4] [326 IAC 2-8-5]

(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 is 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 and the Permittee documents such response in accordance with subsection (e) below, 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 an administrative amendment 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) When implementing reasonable steps in response to a compliance monitoring condition, if the Permittee determines that an exceedance of an emission limitation has occurred, the Permittee shall report such deviations pursuant to Section B-Deviations from Permit Requirements and Conditions.
- (e) The Permittee shall record all instances when, in accordance with Section D, response steps are taken. In the event of an emergency, the provisions of 326 IAC 2-8-12 (Emergency Provisions) requiring prompt corrective action to mitigate emissions shall prevail.
- (f) 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.19 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-8-4]
[326 IAC 2-8-5]

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

The response action documents submitted pursuant to this condition do require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

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

C.20 General Record Keeping Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-5]

- (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 within ninety (90) days of permit issuance.

C.21 General Reporting Requirements [326 IAC 2-8-4(3)(C)] [326 IAC 2-1.1-11]

- (a) The Permittee shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported. This report shall be submitted within thirty (30) days of the end of the reporting period. The Quarterly Deviation and Compliance Monitoring Report shall include the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

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

- (c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (d) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by the “authorized individual” as defined by 326 IAC 2-1.1-1(1).
- (e) The first report covered the period commencing on the date of issuance of the original FESOP and ended on the last day of the reporting period. All subsequent reporting periods shall be based on calendar years, unless otherwise specified in this permit. For the purpose of this permit “calendar year” means the twelve (12) month period from January 1 to December 31 inclusive.

Stratospheric Ozone Protection

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

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

- (a) Persons opening appliances for maintenance, service, repair or disposal must comply with the required practices pursuant to 40 CFR 82.156
- (b) Equipment used during the maintenance, service, repair or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.
- (c) Persons performing maintenance, service, repair or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.

SECTION D.1

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:

- (a) One (1) surface coating spray booth, identified as 1213, constructed in 1988, utilizing a HVLP spray application system, coating a maximum of 12 metal axles per hour, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-21;
- (b) One (1) surface coating spray booth, identified as 1221, constructed in 1988, utilizing a HVLP spray application system, coating a maximum of 3 steel housings per hour or 24 motor exhaust ducts per day, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-20;
- (c) One (1) surface coating spray booth, identified as AXPB, constructed in March 2000, utilizing either a HVLP spray application system or a dip reservoir with cover, coating a maximum of 12 metal axles per hour, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-28;
- (d) One (1) surface coating spray booth, identified as BPB-1, constructed in 1988, utilizing a HVLP spray application system, coating either steel housings at a maximum rate of 6 per hour, motor exhaust ducts at a maximum rate of 24 per day, or motor housing interiors at a maximum rate of 12 per day, using dry filters for particulate matter control, and exhausting to one (1) stack, identified as S-1;

The following insignificant activities, as defined in 326 IAC 2-7-1(21):

- (s) One (1) Vacuum Process Impregnation (VPI) system, to be installed during November 2006, including a vacuum chamber with a capacity of six (6) locomotive motor armatures and an insulating varnish storage tank containing about 1,200 gallons varnish, processing up to twelve (12) armatures per day, and exhausting fugitively inside the building during rack removal from the vacuum chamber and through oven A425 stacks S-38 and S-40 during drying/baking. [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]
- (t) One (1) electrochemical nickel electroplating process, to be installed during 2007, using brush pad applicators, processing up to two and one-half (2.5) axles per hour using a current of approximately 40 ampere-hour to plate each axle. The process also includes one (1) 0.195 MMBtu per hour natural gas fired water evaporator exhausting at stack S-41; and solvent wipe cleaning and brush application of rust protection to plated axles at about 0.04 gallons per 2.5 axles. [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]

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

Emission Limitations and Standards [326 IAC 2-8-4(1)]

D.1.1 Volatile Organic Compounds (VOC) [326 IAC 8-2-9]

- (a) Pursuant to 326 IAC 8-2-9 (Miscellaneous Metal Coating Operations), the volatile organic compound (VOC) content of coating delivered to the applicator at the four (4) surface coating spray booths (1213, 1221, AXPB and BPB-1) shall be limited to 3.5 pounds of VOCs per gallon of coating less water, for forced warm air dried coatings.
- (b) Solvent sprayed from application equipment during cleanup or color changes shall be directed into containers. Such containers shall be closed as soon as such solvent spraying is complete, and the waste solvent shall be disposed of in such a manner that evaporation is minimized.

D.1.2 Emission Offset Minor Limit [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]

- (a) The total usage of VOCs, including coatings, dilution solvents, and cleaning solvents, input to the source surface coating and degreasing operations, including the VPI system and axle plating operation (Sections D.1 and D.2, respectively), shall be limited to less than 24.51 tons per 12 consecutive month period with compliance demonstrated at the end of each month. This usage limit is required to limit the source potential to emit of VOC, including insignificant activities, to less than 25 tons per twelve (12) consecutive month period. Compliance with this limit makes 326 IAC 2-3 (Emission Offset) not applicable. Compliance with the limit shall also satisfy the requirements of 326 IAC 2-8 and make 326 IAC 2-7 (Part 70) not applicable.
- (b) Compliance with D.1.2(a) shall also make 326 IAC 8-7 (Specific VOC Reduction Requirements for Lake, Porter, Clark, and Floyd Counties), not applicable, with the exception of 326 IAC 8-7-6 (Certification, record keeping, and reporting requirements for coating facilities).

D.1.3 Particulate [326 IAC 6-3-2(d)]

Pursuant to 325 IAC 6-3-2(d), particulate from the four (4) surface coating spray booths (1213, 1221, AXPB and BPB-1) shall be controlled by a dry filter, and the Permittee shall operate the control device in accordance with manufacturer's specifications.

D.1.4 Preventive Maintenance Plan [326 IAC 2-8-4(9)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for these facilities and any control devices.

Compliance Determination Requirements

D.1.5 Volatile Organic Compounds (VOC) [326 IAC 8-1-2][326 IAC 8-1-4]

Compliance with the VOC content and usage limitations contained in Conditions D.1.1 and D.1.2 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) by preparing or obtaining from the manufacturer the copies of the "as supplied" and "as applied" VOC data sheets. IDEM, OAQ reserves the authority to determine compliance using Method 24 in conjunction with the analytical procedures specified in 326 IAC 8-1-4.

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

D.1.6 Monitoring

- (a) Once per shift inspections shall be performed to verify the placement, integrity and particle loading of the filters and plenums. To monitor the performance of the dry filters, weekly observations shall be made of the overspray from the four (4) surface coating spray booth stacks, S-21, S-20, S-28 and S-1, while one or more of the booths are in operation. If inclement weather prevents safe access to the rooftop for an entire week, then the Permittee is excused from the requirement to perform the observation of overspray from stack S-28 for that week. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

- (b) Quarterly inspections shall be performed of the coating emissions from the stack and the presence of overspray on the rooftops and the nearby ground. Inspections required by this condition shall not be performed in consecutive months. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when a noticeable change in overspray emission, or evidence of overspray emission is observed. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (c) Additional inspections and preventive measures shall be performed as prescribed in the Preventive Maintenance Plan.

Record Keeping and Reporting Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.1.7 Record Keeping and Reporting Requirements [326 IAC 8-7]

- (a) Pursuant to 326 IAC 8-7-6, the Permittee shall submit the following certification:
 - (1) the name and address of the source and the name and telephone number of the company representative;
 - (2) identification of each VOC emitting facility together with a description of the purpose each facility serves;
 - (3) a listing of facilities which meet the requirements of 326 IAC 8-7-2(a);
 - (4) baseline actual emissions for each facility identified in 326 IAC 8-7-6(3) together with the following information:
 - (A) maximum design rate, maximum production, or maximum throughput; and
 - (B) VOC emission factors with reference to the source of the emission factors and procedures as to how the emission factors were estimated, for example, the type of each fuel or process chemicals used and the baseline year used; and
 - (5) procedures that will be used to monitor the source's potential emissions to ensure that they remain below twenty-five (25) tons per year.
- (b) Records required by this rule or records used to demonstrate that a source is exempt from the requirements of this rule shall be submitted to the department, the IDEM Northwest Indiana Office or the U.S. EPA within thirty (30) days of the receipt of a written request. If such records are not available, the source shall be considered subject to the emission limits contained in 326 IAC 8-7-3.
- (c) Sources subject to this rule shall notify the department at least thirty (30) days prior to the addition or modification of a facility which may result in a potential increase in VOC emissions.
- (d) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.8 Record Keeping Requirements

- (a) To document compliance with Conditions D.1.1 and D.1.2, the Permittee shall maintain records in accordance with (1) through (5) below for spray booths 1213, 1221, AXPB and BPB-1. Records maintained for (1) through (5) shall be taken monthly and shall be complete and sufficient to establish compliance with the respective VOC emission and usage limits established in Conditions D.1.1 and D.1.2. Records necessary to demonstrate compliance shall be available within 30 days of the end of each compliance period.
- (1) The VOC content of each coating material and solvent used.
 - (2) The amount of coating material and solvent less water used on a monthly basis.
 - (A) Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used.
 - (B) Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents.
 - (3) The cleanup solvent usage for each month;
 - (4) The total VOC usage for each month; and
 - (5) The weight of VOCs emitted for each compliance period.
- (b) To document compliance with Condition D.1.6, the Permittee shall maintain a log of weekly overspray observations, once per shift filter/plenum and quarterly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan. If overspray observations of stack S-28 were not performed for any week due to inclement weather, the Permittee shall make a record of the type(s) of inclement weather and an explanation of why the inclement weather made rooftop access unsafe for purposes of observing the stack.
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.9 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.1.2 shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

SECTION D.2

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:

- (e) Cold cleaner degreasing operations, consisting of two (2) units constructed in 1988, identified as MPW-1 (exhausting inside) which uses an organic cleaning solvent, and SML-1 (exhausting inside) which uses an aqueous cleaning solvent. These units are not equipped with solvent heaters;
- (f) Cold cleaner degreasing operations using heated non-organic cleaners, including an alkaline solution or hot water, consisting of the following:
 - (1) Seven (7) units constructed in 1988, identified as 059 (stack ID # S-31), 750 (stack ID # S-7), 982 (stack ID # S-10), 1103 (stack ID # S-36), 1218 (stack ID # S-22), 1219 (stack ID # S-19), 1263 (stack ID # S-12); and
 - (2) One (1) unit constructed in 2002, identified as identified as FAW (stack ID # 35).
- (g) Conveyorized degreasing operations using a heated non-organic alkaline solution, consisting of two (2) units identified as 765, constructed in 1988 (stack ID # S-3), and SMPT, constructed in 2000 (stack ID # S-26);

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

Emission Limitations and Standards [326 IAC 2-8-4(1)]

D.2.1 Emission Offset Minor Limit [326 IAC 2-3] [326 IAC 2-8] [326 IAC 8-7]

- (a) The total usage of VOCs, including coatings, dilution solvents, and cleaning solvents, input to the source surface coating and degreasing operations (Sections D.1 and D.2, respectively), shall be limited to less than 24.51 tons per 12 consecutive month period with compliance demonstrated at the end of each month. This usage limit is required to limit the source potential to emit of VOC, including insignificant activities, to less than 25 tons per twelve (12) consecutive month period. Compliance with this limit makes 326 IAC 2-3 (Emission Offset) not applicable. Compliance with the limit shall also satisfy the requirements of 326 IAC 2-8 and make 326 IAC 2-7 (Part 70) not applicable.
- (b) Compliance with D.2.1(a) shall also make 326 IAC 8-7 (Specific VOC Reduction Requirements for Lake, Porter, Clark, and Floyd Counties), not applicable, with the exception of 326 IAC 8-7-6 (Certification, record keeping, and reporting requirements for coating facilities).

D.2.2 Volatile Organic Compounds (VOC) [326 IAC 8-3-2]

Pursuant to 326 IAC 8-3-2 (Cold Cleaner Operations), for each of the cold cleaner degreasing units MPW-1 and SML-1, the Permittee shall:

- (a) Equip the cleaner with a cover;
- (b) Equip the cleaner with a facility for draining cleaned parts;
- (c) Close the degreaser cover whenever parts are not being handled in the cleaner;
- (d) Drain cleaned parts for at least fifteen (15) seconds or until dripping ceases;
- (e) Provide a permanent, conspicuous label summarizing the operation requirements; and
- (f) Store waste solvent only in covered containers and not dispose of waste solvent or transfer it to another party, in such a manner that greater than twenty percent (20%) of the waste solvent (by weight) can evaporate into the atmosphere.

D.2.3 Volatile Organic Compounds (VOC) [326 IAC 8-3-5]

- (a) Pursuant to 326 IAC 8-3-5(a) (Cold Cleaner Degreaser Operation and Control), for each of the cold cleaner degreaser operations MPW-1 and SML-1, the Permittee shall ensure that the following control equipment requirements are met:
- (1) Equip the degreaser with a cover. The cover must be designed so that it can be easily operated with one (1) hand if:
 - (A) The solvent volatility is greater than two (2) kiloPascals (fifteen (15) millimeters of mercury or three-tenths (0.3) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF));
 - (B) The solvent is agitated; or
 - (C) The solvent is heated.
 - (2) Equip the degreaser with a facility for draining cleaned articles. If the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury) or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF)), then the drainage facility must be internal such that articles are enclosed under the cover while draining. The drainage facility may be external for applications where an internal type cannot fit into the cleaning system.
 - (3) Provide a permanent, conspicuous label which lists the operating requirements outlined in subsection (b).
 - (4) The solvent spray, if used, must be a solid, fluid stream and shall be applied at a pressure which does not cause excessive splashing.
 - (5) Equip the degreaser with one (1) of the following control devices if the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury) or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF)), or if the solvent is heated to a temperature greater than forty-eight and nine-tenths degrees Celsius (48.9EC) (one hundred twenty degrees Fahrenheit (120EF)):
 - (A) A freeboard that attains a freeboard ratio of seventy-five hundredths (0.75) or greater.
 - (B) A water cover when solvent is used is insoluble in, and heavier than, water.
 - (C) Other systems of demonstrated equivalent control such as a refrigerated chiller or carbon adsorption. Such systems shall be submitted to the U.S. EPA as a SIP revision.
- (b) Pursuant to 326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control), the owner or operator of a cold cleaning facility shall ensure that the following operating requirements are met:
- (1) Close the cover whenever articles are not being handled in the degreaser.

- (2) Drain cleaned articles for at least fifteen (15) seconds or until dripping ceases.
- (3) Store waste solvent only in covered containers and prohibit the disposal or transfer of waste solvent in any manner in which greater than twenty percent (20%) of the waste solvent by weight could evaporate.

D.2.4 Volatile Organic Compounds [326 IAC 8-3-2] [326 IAC 8-3-5] [326 IAC 8-3-4] [326 IAC 8-3-7]

The Permittee shall not use organic solvents in the eight (8) cold cleaner degreasing units identified as 059, 750, 982, 1103, 1218, 1219, 1263, FAW; and the two (2) conveyORIZED degreasing units identified as 765 and SMPT.

Compliance with this condition shall make the requirements of 326 IAC 8-3-2 (Cold Cleaner Operations), 326 IAC 8-3-5 (Cold Cleaner Degreaser Operation and Control), 326 IAC 8-3-4 (ConveyORIZED Degreaser Operation) and 326 IAC 8-3-7 (ConveyORIZED Degreaser Operation and Control) not applicable to these eight (8) degreasing units. Any change or modification which may alter this determination shall require prior approval from the Office of Air Quality (OAQ) before such change can occur.

D.2.5 Volatile Organic Compounds (VOC) [326 IAC 8-3-8]

Pursuant to 326 IAC 8-3-8(c)(2) (Material Requirements for Cold Cleaning Degreasers), the Permittee shall not operate the cold cleaner degreaser units MPW-1 and SML-1 with a solvent vapor pressure that exceeds one (1) millimeter of mercury (nineteen-thousandths (0.019) pound per square inch) measured at twenty (20) degrees Celsius (sixty-eight (68) degrees Fahrenheit).

Record Keeping and Reporting Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.2.6 Record Keeping Requirements [326 IAC 8-3-8]

- (a) Pursuant to 326 IAC 8-3-8(d)(2), the Permittee shall maintain each of the following records relating to each purchase of solvent used at the cold cleaner degreasers MPW-1 and SML-1:
 - (1) The name and address of the solvent supplier.
 - (2) The date of purchase.
 - (3) The type of solvent.
 - (4) The volume of each unit of solvent.
 - (5) The total volume of the solvent.
 - (6) The true vapor pressure of the solvent measured in millimeters of mercury at twenty (20) degrees Celsius (sixty-eight (68) degrees Fahrenheit).
- (b) Pursuant to 326 IAC 8-3-8(e), all records required in paragraph (a) shall be retained on-site for the most recent three (3) year period and shall be reasonably accessible for an additional two (2) year period.

D.2.7 Record Keeping and Reporting Requirements [326 IAC 8-7]

- (a) Pursuant to 326 IAC 8-7-6, the Permittee shall submit the following certification for the cold cleaner degreasers identified as MPW-1 and SML-1:
 - (1) the name and address of the source and the name and telephone number of the company representative;

- (2) identification of each VOC emitting facility together with a description of the purpose each facility serves;
 - (3) a listing of facilities which meet the requirements of 326 IAC 8-7-2(a);
 - (4) baseline actual emissions for each facility identified in 326 IAC 8-7-6(3) together with the following information:
 - (A) maximum design rate, maximum production, or maximum throughput; and
 - (B) VOC emission factors with reference to the source of the emission factors and procedures as to how the emission factors were estimated, for example, the type of each fuel or process chemicals used and the baseline year used.
 - (5) procedures that will be used to monitor the source's potential emissions to ensure that they remain below twenty-five (25) tons per year.
- (b) Records required by this rule or records used to demonstrate that a source is exempt from the requirements of this rule shall be submitted to the department, the IDEM Northwest Indiana Office or the U.S. EPA within thirty (30) days of the receipt of a written request. If such records are not available, the source shall be considered subject to the emission limits contained in 326 IAC 8-7-3.
 - (c) Sources subject to this rule shall notify the department at least thirty (30) days prior to the addition or modification of a facility which may result in a potential increase in VOC emissions.
 - (d) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.2.8 Record Keeping Requirements

- (a) To document compliance with Condition D.2.1, the Permittee shall maintain records in accordance with (1) through (4) below for degreasing units MPW-1 and SML-1. Records maintained for (1) through (4) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limit established in Condition D.2.1. Records necessary to demonstrate compliance shall be available within 30 days of the end of each compliance period.
 - (1) The VOC content of the degreasing solvent used
 - (2) The amount of the VOC degreasing solvent used on monthly basis. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used.
 - (3) The total VOC usage for each month; and
 - (4) The weight of VOCs emitted for each compliance period.
- (b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.2.9 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.2.1 shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

SECTION D.3 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:
 (h) One (1) mechanical blasting unit, identified as 617, constructed in 2006, with a maximum capacity of 8000 pounds of steel parts per hour, utilizing one (1) baghouse for particulate matter control, and exhausting to stack S-9.
 (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-8-4(1)]

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 following facilities shall not exceed the limits as stated when operating at the respective process weight rates:

Emission Unit	Process Weight Rate (tons/hr)	Allowable Particulate Emission Rate (326 IAC 6-3-2) (lb/hr)
Mechanical Blaster (617)	4.0	10.37

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

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

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

D.3.2 Particulate (PM) and PM10 [326 IAC 2-8][326 IAC 2-3][326 IAC 6.8-1-1(a)(2)]

The PM and PM10 emitted from the following processes shall be limited as follows:

Emission Unit	Allowable PM Emission Rate (lb/hr)	Allowable PM10 Emission Rate (lb/hr)
Mechanical Blaster (617)	9.15	9.15

These limits are required to limit the potential to emit of PM and PM10 of the source, including other significant and insignificant activities, to less than 100 tons per twelve (12) consecutive month period. Compliance with these limits shall make the requirements of 326 IAC 2-7 (Part 70) and 326 IAC 2-3 (Emission Offset) not applicable, and the requirements of 326 IAC 6.8 (Particulate Matter Limitations for Lake County) not applicable for emissions of PM.

D.3.3 Preventive Maintenance Plan [326 IAC 2-8-4(9)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for mechanical blaster 617 and its control device.

Compliance Determination Requirements

D.3.4 Particulate and PM10 Control

In order to comply with D.3.1 and D.3.2, the baghouse for particulate and PM10 control shall be in operation and control emissions from the abrasive blasting unit at all times that mechanical blasting unit 617 is in operation.

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

D.3.5 Visible Emissions Notations

- (a) Visible emission notations of mechanical blasting unit 617 stack exhaust shall be performed once per shift 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, Implementation, Records, and Reports, shall be considered a deviation from this permit.

D.3.6 Parametric Monitoring

The Permittee shall record the total static pressure drop across the baghouse used in conjunction with mechanical blasting unit 617, at least once per shift when the mechanical blasting unit is in operation when venting to the atmosphere. When for any one reading, the pressure drop across the baghouse is outside the normal range of 1.0 and 6.5 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, Implementation, Records, and Reports. A pressure reading that is outside the above mentioned ranges is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan – Preparation, Implementation, Records and Reports 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.3.7 Baghouse Inspections

An inspection shall be performed each calendar quarter of all bags controlling mechanical blasting unit 617 when venting to the atmosphere. A baghouse inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. Inspections required by this condition shall not be performed in consecutive months. All defective bags shall be replaced.

D.3.8 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, Implementation, Records, and Reports, 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. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

Record Keeping and Reporting Requirement [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.3.9 Record Keeping Requirements

- (a) To document compliance with Condition D.3.5, the Permittee shall maintain records of once per shift visible emission notations of the mechanical blasting unit 617 stack exhaust.
- (b) To document compliance with Condition D.3.6, the Permittee shall maintain once per shift records of the total static pressure drop during normal operation when venting to the atmosphere.
- (c) To document compliance with Condition D.3.7, the Permittee shall maintain records of the results of the inspections required under Condition D.3.7 and the dates the vents are redirected.
- (d) To document compliance with Condition D.3.3, 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.

SECTION D.4

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-8-4(10)]:

The following insignificant activities, as defined in 326 IAC 2-7-1(21):

- (q) The following equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment.
 - (1) Six (6) welding stations utilized as follows:
 - (A) Metal inert gas welding tasks conducted at five (5) stations, with a maximum hourly consumption of 1.0 pound of wire per station;
 - (B) Stick welding tasks conducted at three (3) stations, with a maximum hourly consumption of 0.75 pounds of electrode per station;
 - (C) Tungsten inert gas welding tasks conducted at one (1) station, with a maximum hourly consumption of 1.5 sticks per hour;
 - (2) One (1) flame cutting station utilizing oxyacetylene, with a maximum cutting rate of 18 inches per minute; and
 - (3) One (1) air arc steel cutting station, identified as AAB (stack ID # S-32 and S-33), with an electrode consumption rate of 0.26 pounds 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 [326 IAC 2-8-4(1)]

D.4.1 Particulate [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2(e) (Particulate Emission Limitations for Manufacturing Processes), the allowable particulate emission rate from the welding and cutting operations, which have a process weight rate less than 100 pounds per hour, shall be limited to 0.551 pounds per hour each.

Compliance Determination Requirements

There are no specific compliance determination requirements applicable to these facilities.

Compliance Monitoring Requirements [326 IAC 2-8-4] [326 IAC 2-8-5(a)(1)]

There are no specific compliance monitoring requirements applicable to these facilities.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT OFFICE OF AIR QUALITY

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) CERTIFICATION

Source Name: Progress Rail Services Corporation
Source Address: 175 West Chicago Avenue, East Chicago, IN 46312
Mailing Address: P.O. Box 1037, Albertville, AL 35950
FESOP No.: F089-9922-00381

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

Please check what document is being certified:

- Annual Compliance Certification Letter
- Test Result (specify) _____
- Report (specify) _____
- Notification (specify) _____
- Affidavit (specify) _____
- Other (specify) _____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

Signature:

Printed Name:

Title/Position:

Date:

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH
100 North Senate Avenue
Indianapolis, Indiana 46204-2251
Phone: 317-233-0178
Fax: 317-233-6865**

**FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP)
EMERGENCY OCCURRENCE REPORT**

Source Name: Progress Rail Services Corporation
Source Address: 175 West Chicago Avenue, East Chicago, IN 46312
Mailing Address: P.O. Box 1037, Albertville, AL 35950
FESOP No.: F089-9922-00381

This form consists of 2 pages

Page 1 of 2

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

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

Facility/Equipment/Operation:

Control Equipment:

Permit Condition or Operation Limitation in Permit:

Description of the Emergency:

Describe the cause of the Emergency:

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

Page 2 of 2

Date/Time Emergency started:
Date/Time Emergency was corrected:
Was the facility being properly operated at the time of the emergency? Y N Describe:
Type of Pollutants Emitted: TSP, PM-10, SO ₂ , VOC, NO _x , CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

Form Completed by: _____
Title / Position: _____
Date: _____
Phone: _____

A certification is not required for this report.

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

FESOP Quarterly Report

Source Name: Progress Rail Services Corporation
Source Address: 175 West Chicago Avenue, East Chicago, IN 46312
Mailing Address: P.O. Box 1037, Albertville, AL 35950
FESOP No.: F089-9922-00381
Facility: four (4) surface coating spray booths (1213, 1221, AXPB and BPB-1), VPI system, axle plating operation, and two (2) cold cleaner degreasers (MPW-1 and SML-1)
Parameter: VOC usage
Limit: The total usage of VOCs, including coatings, dilution solvents, and cleaning solvents, input to the source surface coating and degreasing operations, including the VPI system and axle plating operation (Sections D.1 and D.2, respectively), shall be limited to less than 24.51 tons per 12 consecutive month period with compliance demonstrated at the end of each month.

YEAR: _____

Month	VOC Usage this Month	VOC Usage Previous 11 Months	12 Month Total VOC Usage
Month 1			
Month 2			
Month 3			

- No deviation occurred in this month.
 Deviation/s occurred in this month.
Deviation has been reported on: _____

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

Attach a signed certification to complete this report.

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

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT

Source Name: Progress Rail Services Corporation
 Source Address: 175 West Chicago Avenue, East Chicago, IN 46312
 Mailing Address: P.O. Box 1037, Albertville, AL 35950
 FESOP No.: F089-9922-00381

Months: _____ to _____ Year: _____

Page 1 of 2

This report shall be submitted quarterly based on a calendar year. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. A deviation required to be reported pursuant to an applicable requirement that exists independent of the permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report. Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".	
<input type="checkbox"/> NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.	
<input type="checkbox"/> THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD	
Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	
Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

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

Form Completed By: _____

Title/Position: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

Appendix A: Emission Calculations Summary

Company Name: Progress Rail Services Corporation
Address City IN Zip: 175 West Chicago Avenue, East Chicago, IN 46312
Administrative Amendment No.: 089-23709-00381 to FESOP No. 089-9922-00381
Reviewer: MH/EVP

Uncontrolled Potential to Emit (tons/year)				
Emissions Generating Activity				
Pollutant	VPI and Surface Coating	Nickel Electroplating Operation	Natural Gas Evaporator	TOTAL
PM	2.96	0.04	0.00	3.01
PM-10	2.96	0.04	0.01	3.01
SO2	0.00	0.00	0.00	0.00
NOx	0.00	0.00	0.09	0.09
VOC	6.77	1.67	0.00	8.45
CO	0.00	0.00	0.07	0.07
total HAPs	3.11	0.13	0.00	3.24
worst case single HAP (xylene)	2.13	0.09	0.00	2.13
Total emissions based on rated capacity at 8,760 hours/year without controls and limitations.				
Limited Potential to Emit (tons/year)				
Emissions Generating Activity				
Pollutant	VPI and Surface Coating	Nickel Electroplating Operation	Natural Gas Evaporator	TOTAL
PM	2.96	0.04	0.00	3.01
PM-10	2.96	0.04	0.01	3.01
SO2	0.00	0.00	0.00	0.00
NOx	0.00	0.00	0.09	0.09
VOC	6.77	1.67	0.00	8.45
CO	0.00	0.00	0.07	0.07
total HAPs	3.11	0.13	0.00	3.24
worst case single HAP (xylene)	2.13	0.09	0.00	2.22
Total emissions based on rated capacity at 8,760 hours/year, after enforceable controls and limitations.				

**Appendix A: Emission Calculations
VPI & Surface Coating**

Company Name: Progress Rail Services Corporation
Address City IN Zip: 175 West Chicago Avenue, East Chicago, IN 46312
Administrative Amendment No.: 089-23709-00381 to FESOP No. 089-9922-00381
Reviewer: MH/EVP

Vacuum Process Impregnation (VPI) System:

The VPI system, including storage tank, is closed and under vacuum and there are no emissions during impregnation. The pollutant PTE for the impregnation process occurs during rack removal from the vacuum chamber:

PTE of VOC = (12 armatures/day x 365 day/yr x 0.45 gal/unit x 3 lb VOC/gal armature varnish + 30 gal monomer/yr x 7.5 lb VOC/gal) / 2000 lb/ton =
 PTE of VOC = 3.07 tons per year
 PTE of HAPs = 0 (wt % HAPs in VON ROLL varnish)

A 2,000 gallon alkaline-based aqueous wash station precedes the VPI system (existing tank 982). The alkaline solution, which contains a small amount of detergent, is used in a dilute form (1 :20). At a resultant VOC content of 0.019 lb VOC/gal (0.38 lb VOC/gal / 20); an estimated maximum solution usage rate of 12,000 gallons per year (one system exchange every 2-3 months); and assuming all organic material in the cleaner is emitted instead of being recled
 PTE of VOC = 0.114 tons per year

Existing Booth BPB-1:

PTE of VOC = (12 armatures/day x 365 day/yr x (0.25 gal/unit x 3.42 lb VOC/gal housing varnish + 0.156 gal/unit x 3.25 lb VOC/gal aerosol varnish) +
 (6 housings/day x 365 day/yr x 0.3 gal/unit x 1.84 lb VOC/gal black paint)) / 2000 lb/ton =
 PTE of VOC = 3.59 tons per year
 PTE of HAPs = 24.2 wt% xylene in Glyptal 1201B varnish = 12 arm/day*365day/yr*0.25gal/unit*11.9lb/gal*0.242 (wt%)/2000 = 1.58 tpy
 100 wt% xylene, ethyl benzene (50%/50%) in aerosol varnish = 12 arm/day*365day/yr*0.156 gal/unit*3.25 lb/gal/2000 = 1.11 tpy (i.e., 0.56 tpy each of xylene & ethyl benzene)
 15 wt% glycol ethers in black paint = 6 arm/day*365day/yr*0.3gal/unt*8.57lb/gal*0.15(wt%)/2000 = 0.42 tpy

PTE of PM/PM10* = (12 armatures/day x 365 days/yr x (0.25 gal/unit x 8.48 lb solids/gal varnish + 0.156 gal/unit x 5.76 lb solids/gal aerosol varnish) +
 (6 housings/day x 365 day/yr x 0.3 gal/unit x 2.44 lb solids/gal black paint)) x (1-0.6) / 2000 lb/ton =
 PTE of PM/PM10* = 2.96 tons per year
 Controlled PTE of PM* = 1.33 tons per year (no control is assumed for aerosol usage)

*Based on a conservative 60% transfer efficiency for HVLP applicators and 75% filter efficiency, as taken from Permit No. F089-9922-00381, issued October 6, 2004, and based on AP-40.

**Appendix A: Emission Calculations
Nickel Electroplating**

Company Name: Progress Rail Services Corporation
Address City IN Zip: 175 West Chicago Avenue, East Chicago, IN 46312
Administrative Amendment No.: 089-23709-00381 to FESOP No. 089-9922-00381
Reviewer: MH/EVP

(1) Uncontrolled total particulate matter emissions from nonchromium electroplating tanks
PTE PM/PM10 = EF * Capacity * 8,760 hrs/yr * lbs/7000 grains * ton/2000 lbs
= **0.04** tons/yr

Where: EF = 0.63 Uncontrolled emission factor for particulate matter, grains/A-hr, AP-42
Maximum Capacity = 100 amp (2.5 axles per hour @ 40 amps each axle)

(1) Uncontrolled nickel emissions from nonchromium electroplating tanks
PTE PM/PM10 = EF * Capacity * 8,760 hrs/yr * lbs/7000 grains * ton/2000 lbs
= **0.04** tons/yr

Where: EF = 0.63 Uncontrolled emission factor for nickel, grains/A-hr, AP-42
Maximum Capacity = 100 amp (2.5 axles per hour @ 40 amps each axle)



Minor VOC emissions will also result from use of solvent for minor wipe cleaning and the application of Tectyl by brush for rust protection; About 0.04 gallons of each of Tectyl and solvent are used per 2.5 axles, and the PTE of VOC is:

PTE of VOC = 0.04 gal/hr x 3.15 (lbs VOC/gal in Tectyl) + 0.04 gal/hr x 6.4 (lbs/gallon of solvent) * 4.38 tpy / lb/hr = 1.67 ton/year
PTE of HAP = 7 (wt. % glycol ethers in Tectyl 506 EH-WD) = 0.04 gal/hr x 7.5 lb/gal x 0.07 * 4.38 tpy/lb/hr = 0.09 ton/year

Methodology:

Emission Calculations are based on AP-42 -Table 12.20-4 (Supplement B 7/96), for nickel electroplating tank (SCC 3-09-010-68)

¹Activity rate assumes a maximum plating rate of 2.5 axles per hour. Each axle is project to require a current of 40 amp applied to each axle for every hour of usage, using 24 hrs/day and 365 days/year in the PTE calculations. There are no emission controls used in this process.

What if you are not satisfied with this decision and you want to file an appeal?

Who may file an appeal?

The decision described in the accompanying Notice of Decision may be administratively appealed. Filing an appeal is formally known as filing a “Petition for Administrative Review” to request an “administrative hearing.”

If you object to this decision issued by the Indiana Department of Environmental Management (IDEM) and are: 1) the person to whom the decision was directed, 2) a party specified by law as being eligible to appeal, or 3) aggrieved or adversely affected by the decision, you are entitled to file an appeal. (An aggrieved or adversely affected person is one who would be considered by the court to be negatively impacted by the decision. If you file an appeal because you feel that you are aggrieved, it will be up to you to demonstrate in your appeal how you are directly impacted in a negative way by the decision).

The Indiana Office of Environmental Adjudication (OEA) was established by state law – see Indiana Code (IC) 4-21.5-7 – and is a separate state agency independent of IDEM. The jurisdiction of the OEA is limited to the review of environmental pollution concerns or any alleged technical or legal deficiencies associated with the IDEM decision making process. Once your request has been received by OEA, your appeal may be considered by an Environmental Law Judge.

What is required of persons filing an appeal?

Filing an appeal is a legal proceeding, so it is suggested that you consult with an attorney. Your request for an appeal must include your name and address and identify your interest in the decision (Or, if you are representing someone else, his or her name and address and their interest in the decision). In addition, please include a photocopy of the accompanying Notice of Decision or list the permit number and name of the applicant, or responsible party, in your letter.

Before a hearing is granted, you must identify the reason for the appeal request and the issues proposed for consideration at the hearing. You also must identify the permit terms and conditions that, in your judgment, would appropriately satisfy the requirements of law with respect to the IDEM decision being appealed. That is, you must suggest an alternative to the language in the permit (or other order, or decision) being appealed, and your suggested changes must be consistent with all applicable laws (See Indiana Code 13-15-6-2) and rules (See Title 315 of the Indiana Administrative Code, or 315 IAC).

The effective date of this agency action is stated on the accompanying Notice of Decision (or other IDEM decision notice). If you file a “Petition for Administrative Review” (appeal), you may wish to specifically request that the action be “stayed” (temporarily halted) because most appeals do not allow for an automatic “stay.” If, after an evidentiary hearing, a “stay” is granted, the IDEM-approved action may be halted altogether, or only allowed to continue in part, until a final decision has been made regarding the appeal. However, if the action is not “stayed” the IDEM-approved activity will be allowed to continue during the appeal process.

(See reverse side)

Where can you file an appeal?

If you wish to file an appeal, you must do so in writing. There are no standard forms to fill out and submit, so you must state your case in a letter (called a petition for administrative review) to the Indiana Office of Environmental Adjudication (OEA). Do not send the original copy of your appeal request to IDEM. Instead, send or deliver your letter to:

The Indiana Office of Environmental Adjudication
100 North Senate Ave.
Indiana Government Center North
Room 1049
Indianapolis, IN 46204

If you file an appeal, also please send a copy of your appeal letter to the IDEM contact person identified in the Notice of Decision, and to the applicant (person receiving an IDEM permit, or other approval).

Your appeal (petition for administrative review) must be received by the Office of Environmental Adjudication in a timely manner. Different types of permit approvals have different deadlines for filing an appeal. The accompanying Notice of Decision (NOD) explains how to determine the due date for filing an appeal for this particular permit decision. To ensure that you meet this filing requirement, your appeal request must be:

- 1) Delivered in person to the OEA by the close-of-business on the due date. (If the due date falls on a day when the Office of Environmental Adjudication (OEA) is closed for the weekend or for a state holiday, then your petition will be accepted on the next business day on which OEA is open.); or
- 2) Given to a private carrier who will deliver it to the OEA on your behalf, (and from whom you must obtain a receipt dated on or before the due date); or
- 3) For those appeal requests sent by U.S. Mail, your letter must be postmarked by no later than midnight of the due date; or
- 4) Faxed to the OEA at 317/233-9372 before the close-of-business of the due date, provided that the original signed "Petition for Administrative Review" is also sent, or delivered, to the OEA in a timely manner.

What are the costs associated with filing an appeal?

The OEA does not charge a fee for filing documents for an administrative review or for the use of its hearing facilities. However, OEA does charge a fifteen cent (\$.15) per page fee for copies of any documents you may request. Another cost that could be associated with your appeal would be for attorney's fees. Although you have the option to act as your own attorney, the administrative review and associated hearing are complex legal proceedings; therefore, you should consider whether your interests would be better represented by an experienced attorney.

What can you expect from the Office of Environmental Adjudication (OEA) after you file for an appeal?

The OEA will provide you with notice of any prehearing conferences, preliminary hearings, hearings, "stays," or orders disposing of the review of this decision. In addition, you may contact the OEA by phone at 317/232-8591 with any scheduling questions. However, technical questions should be directed to IDEM at the number indicated on the Notice of Decision.

Do not expect to discuss details of your case with the OEA other than in a formal setting such as a prehearing conference, a formal hearing, or a settlement conference. The OEA is not allowed to discuss a case without all sides being present. All parties to the proceeding are expected to appear at the initial prehearing conference.

**Appendix A: Emission Calculations
Nat. Gas Fired Water Evaporator**

Company Name: Progress Rail Services Corporation
Address City IN Zip: 175 West Chicago Avenue, East Chicago, IN 46312
Administrative Amendment No.: 089-23709-00381 to FESOP No. 089-9922-00381
Reviewer: MH/EVP

Heat Input Capacity
MMBtu/hr

Potential Throughput
MMCF/yr

0.195

1.7

Pollutant

	PM*	PM10*	SO2	NOx	VOC	CO
Emission Factor in lb/MMCF	1.9	7.6	0.6	100.0	5.5	84.0
				**see below		**see below
Potential Emission in tons/yr	0.00	0.01	0.00	0.09	0.00	0.07

*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

**Emission Factors for CO: Uncontrolled = 40 for heat input capacity < 0.3 MMBtu/hr; = 84 for heat input capacity =>0.3 MMBtu/hr

Methodology

All emission factors are based on normal firing.

MMBtu = 1,000,000 Btu

MMCF = 1,000,000 Cubic Feet of Gas

Potential Throughput (MMCF) = 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