



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
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February 6, 2007

Ms. Nysa Hogue
Indianapolis Power & Light Co.
One Monument Circle
Indianapolis, IN 46204-2901

Re: Review Request No.: 109-23896-00004
Plant ID: 109-00004

Dear Ms. Hogue:

On November 14, 2006, Indianapolis Power & Light Co. submitted a request for a determination of the significant air quality impact levels referenced in 326 IAC 6-2-2(b) and to render a decision on what is to be considered an acceptable determination for air quality impact pursuant to 326 IAC 6-2-2.

1. Clarification of when an air quality analysis would be required for particulate matter for a proposal to reallocate the emission limitations for those indirect heating facilities which were existing and in operation on or before June 8, 1972:

The applicable portion of paragraph (b) of 326 IAC 6-2-2 states the following:

"The particulate emissions from all of the facilities which were in existence on June 8, 1972, may be allocated in any way among these facilities provided that they will not result in a significantly greater air quality impact level at any receptor than that which would result if the particulate emissions from each of these facilities were limited to Pt; and provided that the emission limitations for each facility are specified in its operation permit."

Each indirect heating facility that was existing and in operation on or before June 8, 1972 currently has an emission limitation that is either derived from the equation in 326 IAC 6-2-2(a) or is set at the maximum allowable emission limitation stated in 326 IAC 6-2-2(a). Reallocation of the emission limitations for all indirect heating facilities that were existing and in operation on or before June 8, 1972 is specifically allowed according to 326 IAC 6-2-2(b). Any reallocation of the emission limitations that would cause one or more facility emission limitations to exceed the maximum allowable emission limitation would require an air quality analysis to verify whether the proposed reallocation would result in a significantly greater air quality impact level at any receptor than that which would result if the particulate emissions from each of these facilities were limited to Pt.

2. Clarification of significant air quality impact levels referenced in 326 IAC 6-2-2(b):

Paragraph (b) of 326 IAC 6-2-2 states the following:

“The emission limitations for those indirect heating facilities which were existing and in operation on or before June 8, 1972, shall be calculated using the equation contained in subsection (a) of this section where: Q shall reflect the total source capacity on June 8, 1972. The resulting Pt is the emission limitation for each facility existing on that date and will not be affected by the addition of any subsequent facility. The particulate emissions from all of the facilities which were in existence on June 8, 1972, may be allocated in any way among these facilities provided that they will not result in a significantly greater air quality impact level at any receptor than that which would result if the particulate emissions from each of these facilities were limited to Pt; and provided that the emission limitations for each facility are specified in its operation permit. **Significant impact levels are defined in 326 IAC 2-3(d).**”

The 326 IAC 2-3(d) rule cite referenced under 326 IAC 6-2-2(b) that should define significant impact levels is incorrect. The correct rule cite would have been 326 IAC 2-3-2(d) according to the original promulgation of 326 IAC 2-3. **The current version of 326 IAC 2-3 includes this language in 326 IAC 2-3-2(f).** An errata was filed on December 6, 2006 by the Rules Development Section of the Office of Air Quality (OAQ) to correct the rule cite referenced in 326 IAC 6-2-2(b).

Paragraph (f) of 326 IAC 2-3-2 states the following:

“Major stationary sources or major modifications that would locate in any area designated as attainment or unclassifiable in the state and would exceed the following significant impact levels at any locality, for any pollutant that is designated as nonattainment, must meet the requirements specified in section 3(a)(1) through 3(a)(3) of this rule. All values are expressed in micrograms per cubic meter ($\mu\text{g}/\text{m}^3$):

Pollutant	Annual	24-Hour	8-Hour	3-Hour	1-Hour
Sulfur Dioxide	1	5	X	25	X
Total suspended particulates	1	5	X	X	X
PM ₁₀	1	5	X	X	X
Nitrous oxide	1	X	X	X	X
Carbon monoxide	X	X	500	X	2,000

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 Kimberly Cottrell, of my staff, at 317-233-0870 or 1-800-451-6027, and ask for extension 3-0870.

Sincerely,
Original signed by

Nisha Sizemore, Chief
Permits Branch
Office of Air Quality

KLC

cc: File – Morgan County
Morgan County Health Department
Air Compliance Inspector – Jim Thorpe
IDEM Office of Legal Counsel – Betsy Zlatos
Air Permits – Marcia Earl, Doug Wagner, Iryn Calilung, & Jed Wolkins

Administrative and Development – Permit Tracking

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