



Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
(800) 451-6027
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TO: Interested Parties / Applicant
DATE: July 2, 2007
RE: FMC Site#2984 East Chicago / 089-24887-00523
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. Paul Birkhauser
FMC Site #2984 East Chicago (Fresenius Medical Care of North America)
95 Hayden Avenue
Lexington, MA 02420-9192

July 2, 2007

Dear Mr. Birkhauser:

Re: Exempt Construction and Operation Status,
089-24887-00523

The application and additional information from FMC Site #2984 East Chicago (Fresenius Medical Care of North America), received on June 6, 2007 and June 19, 2007, have been reviewed. Based on the data submitted and the provisions in 326 IAC 2-1.1-3, it has been determined that the medical care clinic located at 1207 East Chicago Avenue, East Chicago, IN 46312, consisting of the following emission units, is classified as exempt from air pollution permit requirements:

- (a) One (1) emergency diesel generator, approved for construction in 2007, with a maximum capacity of 158 horsepower.
- (b) One (1) fuel storage tank, with a maximum capacity of 214 gallons.

The following conditions shall be applicable:

- (a) 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:
 - (1) 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.
 - (2) 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.
- (b) Pursuant to 326 IAC 6-4(Fugitive Dust Emissions), the source 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) Pursuant to 326 IAC 8-9-6(b), the source shall maintain a record and submit to IDEM, OAQ a report containing the following information for the fuel storage tank:
 - (1) The tank identification number;
 - (2) The tank dimensions; and
 - (3) The tank capacity.

Pursuant to 326 IAC 8-9-6(a), these records shall be maintained for the life of the tank.

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

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

If you have any questions on this matter, please contact Renee Traivaranon, Office of Air Quality, 100 North Senate Avenue, MC 61-53 IGCN 1003, Indianapolis, Indiana, 46204-2251, at 317-233-8397 or at 1-800-451-6027 (ext 3-8397).

Sincerely/Original Signed By:

Nisha Sizemore, Chief
Permits Branch
Office of Air Quality

RT
cc: File - Lake County
Lake County Health Department
Air Compliance Section -- Rick Massoels
Permit Review Section 5 -- R. Traivaranon
IDEM Northwest Regional Office
Permit Administration & Development Section
Billing, Licensing, and Training Section - Dan Stamatkin

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

Technical Support Document (TSD) for an Exemption

Source Background and Description

Source Name:	FMC Site #2984 East Chicago (Fresenius Medical Care of North America)
Source Location:	1207 East Chicago Avenue, East Chicago, IN 46312
County:	Lake
SIC Code:	8092
Operation Permit No.:	089-24887-00523
Permit Reviewer:	Renee Traivaranon

The Office of Air Quality (OAQ) has reviewed an application from FMC Site #2987 East Chicago (Fresenius Medical Care of North America) relating to the construction and operation of new emission units at the existing Kidney Dialysis Clinic.

New Emission Units and Pollution Control Equipment

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

- (a) One (1) emergency diesel generator, approved for construction in 2007, with a maximum capacity of 158 horsepower.
- (b) One (1) fuel storage tank, with a maximum capacity of 214 gallons.

Unpermitted Emission Units and Pollution Control Equipment

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

Existing Approvals

This is the first air approval issued to this source.

Enforcement Issue

There are no enforcement actions pending.

Recommendation

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

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

An application for the purposes of this review was received on June 6, 2007, with additional information received on June 19, 2007.

Emission Calculations

See Appendix A of this TSD for detailed emission calculations (Appendix A, page 1 through 1)

Potential to Emit of the Source Before Controls

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

Pollutant	Potential to Emit (tons/yr)
PM	0.1
PM-10	0.1
SO ₂	0.1
VOC	0.1
CO	0.3
NO _x	1.2
Single HAP	0.3 (Formaldehyde)
Total HAPs	0.7

- (a) The potential to emit (as defined in 326 IAC 2-7-1(29)) of pollutants are less than the levels listed in 326 IAC 2-1.1-3(d)(1). Therefore, the source is subject to the provisions of 326 IAC 2-1.1-3. An exemption will be issued.
- (b) The potential to emit (as defined in 326 IAC 2-7-1(29)) of any single HAP is less than ten (10) tons per year and/or the potential to emit (as defined in 326 IAC 2-7-1(29)) of a combination of HAPs is less than twenty-five (25) tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-1.1-3. An exemption will be issued.
- (c) Fugitive Emissions
 Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2 and 326 IAC 2-3 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive emissions are not counted toward determination of PSD and Emission Offset applicability.

County Attainment Status

The source is located in Lake County.

Pollutant	Status
PM-2.5	nonattainment
PM-10	attainment
SO ₂	attainment
NO ₂	attainment
8 hr Ozone	nonattainment
CO	attainment
Lead	attainment

Note: On October 25, 2006, the Indiana Air Pollution Control Board finalized a rule revision to 326 INC 1-4-1 revoking the one-hour ozone standard in Indiana.

- (a) U.S.EPA in Federal Register Notice 70 FR 943 dated January 5, 2005 has designated Lake as nonattainment for PM_{2.5}. On March 7, 2005 the Indiana Attorney General's Office on behalf of IDEM filed a law suit with the Court of Appeals for the District of Columbia Circuit challenging U.S. EPA's designation of nonattainment areas without sufficient data. However, in order to ensure that sources are not potentially liable for violation of the Clean Air Act, the OAQ is following the U.S. EPA's guidance to regulate PM₁₀ emissions as surrogate for PM_{2.5} emissions pursuant to the Nonattainment New Source Review requirements. See the State Rule Applicability – Entire Source section.
- (b) Volatile organic compounds (VOC) and Nitrogen Oxides (NO_x) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NO_x emissions are considered when evaluating the rule applicability relating to ozone standards. Lake County has been designated as nonattainment for the 8 hour ozone. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements for Emission Offset 326 IAC 2-3. See the State Rule Applicability – Entire Source section.
- (c) Lake County has been classified as attainment or unclassifiable for other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2. See the State Rule Applicability – Entire Source section.
- (d) Fugitive Emissions
Since this type of operation is not one of the 28 listed source categories under 326 IAC 2-2 or 326 IAC 2-3 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive emissions are not counted toward determination of PSD or Emission Offset applicability.

Source Status

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

Pollutant	Emissions (tons/yr)
PM	0.1
PM-10	0.1
SO ₂	0.1
VOC	0.1
CO	0.3
NO _x	1.2
Single HAP	0.3 (Formaldehyde)
Combination HAPs	0.7

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

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

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

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

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

This is the first air approval issued to this source.

Federal Rule Applicability

- (a) There are no New Source Performance Standards (NSPS) (326 IAC 12 and 40 CFR Part 60) included for this source.
- (b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAP)(326 IAC 14, 20 and 40 CFR Part 61, 63) included for this source.

State Rule Applicability – Entire Source

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

This source will be constructed after the applicability date of August 7, 1977, however, it is not one of the 28 listed source categories defined in 326 IAC 2-2-1(gg)(1), and the uncontrolled potential to emit of all attainment regulated pollutants is less than 250 tons per year. Therefore, the requirements of 326 IAC 2-2 (PSD) are not applicable.

326 IAC 2-3 (Emission Offset)

Lake County has been designated as nonattainment for the 8-hour ozone standard. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for Emission Offset, 326 IAC 2-3. The potential to emit of VOC or nitrogen oxides (NOx) of this source is less than 100 tons per year, therefore, the requirements of 326 IAC 2-3 (Emission Offset) do not apply.

326 IAC 2-1.1-5 (Nonattainment NSR)

Lake County has been classified as nonattainment for PM2.5 in 70 FR 943 dated January 5, 2005. Until U.S. EPA adopts specific New Source Review rules for PM2.5 emissions, it has directed states to regulate PM10 emissions as a surrogate for PM2.5 emissions pursuant to the Nonattainment New Source Review requirements. The potential to emit of PM-10 of source is less than 100 tons per year, therefore, the requirements of 326 IAC 2-1.1-5 are not applicable.

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

The potential to emit of the each facility at the source is less than 10 tons per year of a single HAP or 25 tons per year of a combination of HAPs. Therefore, the requirements of 326 IAC 2-4.1 do not apply.

326 IAC 2-6 (Emission Reporting)

This source is located in Lake County and emit volatile organic compounds (VOC) or oxides of nitrogen (NOx) less than twenty-five (25) tons per year. Therefore, the requirements of 326 IAC 2-6 do not apply.

326 IAC 5-1 (Opacity Limitations)

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

- (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.

326 IAC 6.8-1 (Particulate Emission Limitations for Lake County)

The requirements of 326 IAC 6.8-1 (Particulate Emission Limitations for Lake County) do not apply to source because the actual particulate matter is less than ten (10) tons per year.

326 IAC 6.8-10-3 (Fugitive Dust Emissions)

This source is located in the Lake County but the potential to emit of fugitive particulate matter is less than five (5) tons per year. Therefore, the requirements of 326 IAC 6.8-10-3 (formerly 326 IAC 6-1-11.1) (Lake County Fugitive Particulate Matter Control Requirements) do not apply.

326 IAC 6-4 (Fugitive Dust Emissions)

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

326 IAC 8-1-6 (VOC rules: General Reduction Requirements for New Facilities)

The requirements of 326 IAC 8-1-6 are not applicable, since each of the emission units; the emergency diesel generator or the fuel storage tank at this source does not have the potential to emit greater than twenty-five (25) tons of VOCs per year.

326 IAC 10-1 (Nitrogen Oxides Control)

The source is not subject to 326 IAC 10 (Nitrogen Oxides Control) because the source is not located in Clark or Floyd Counties.

State Rule Applicability - emergency diesel generator

326 IAC 4-2-2 (Incinerators)

The emergency diesel generator is not an incinerator, as defined by 326 IAC 1-2-34, since they do not burn waste substances. Therefore, the diesel generator is not subject to 326 IAC 4-2-2.

326 IAC 6-2 (Particulate Emissions from Indirect Heating Units)

The emergency diesel generator is not subject to 326 IAC 6-2 as it is not a source of indirect heating.

326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes)

The requirements of 326 IAC 6-3 do not apply to Emergency Generator because it is not a manufacturing process.

326 IAC 7-1.1-1 (Sulfur dioxide emission limitations: applicability)

The emergency generator is not subject to the requirements of 326 IAC 7-1.1, because the potential to emit of the generator is less than twenty-five (25) tons per year or ten (10) pounds per hour of sulfur dioxide.

State Rule Applicability - fuel storage tank

326 IAC 8-4-3 (Volatile Organic Compounds; Petroleum Liquid Storage Facilities)

The fuel storage tank has storage capacity less than thirty-nine thousand (39,000) gallons, therefore it is not subject to the requirements of 326 IAC 8-4-3.

326 IAC 8-9 (Volatile Organic Compounds; Volatile Organic Liquid Storage Vessels)

The fuel storage tank is subject to the requirements of 326 IAC 8-9, since it will be installed in Lake County, is not subject to 40 CFR 60, Subpart Kb, and will store a volatile organic liquid (VOL) as defined by 326 IAC 8-9-3(10). The requirement applicability of 326 IAC 8-9 is as follows:

Pursuant to 326 IAC 8-9-1(b), each stationary vessel with a capacity of less than thirty-nine thousand (39,000) gallons is subject to the following reporting and record keeping provisions of 326 IAC 8-9-6(a) and 326 IAC 8-9-6(b) and are exempt from all other provisions of 326 IAC 8-9:

Pursuant to 326 IAC 8-9-6(b), the source shall maintain a record and submit to IDEM, OAQ a report containing the following information for the fuel storage tank:

- (1) The tank identification number;
- (2) The tank dimensions; and
- (3) The tank capacity.

Pursuant to 326 IAC 8-9-6(a), these records shall be maintained for the life of the tank.

Conclusion

The construction and operation of the new emission units at the existing Kidney Dialysis Clinic shall be subject to the conditions of the Exemption 089-24887-00523.

**Appendix A: Emissions Calculations
Emergency Generator**

Company Name: FMC Site #2984 East Chicago (Fresenius Medical Care of North America)
Address, City IN Zip: 1207 East Chicago Avenue, East Chicago, IN 46312
Permit #: 089-24887-00523
Reviewer: R. Traivaranon
Date: June 25, 2007

Heat Input Capacity
Horsepower(hp)

158

Criteria Pollutants

Emission Factor (lb/hp-hr)	Pollutant				
	PM/PM10 2.2E-03	SO2 2.1E-03	NOx 3.1E-02	VOC* 2.5E-03	CO 6.7E-03
Potential to Emit (ton/yr)	0.09	0.08	1.22	0.10	0.26

METHODOLOGY

Since this facility is an emergency generator, the PTEs listed are based on 500 operating hr./yr.

Emission Factors are from AP-42, Ch. 3.3, Table 3.3-1

* Emission Factor for VOC is from AP-42, Ch. 3.3, Table 3.3-2 using combined aromatic hydrocarbons

Emission (tons/yr) = Heat Input Capacity (hp) x Emission Factor (lb/hp-hr) x 500 hr/yr x 1/2000 ton/lb

HAPs

Emission Factor in lb/MMBtu	HAPs				
	Benzene 9.3E-04	Toluene 4.1E-04	Xylene 2.9E-04	Formaldehyde 1.2E-03	Acetaldehyde 7.7E-04
Potential to Emit (ton/yr)	2.58E-04	1.13E-01	7.88E-02	3.26E-01	2.12E-01

METHODOLOGY

Emission (tons/yr) = Heat Input Capacity (Hp) x Emission Factor (lb/MMBtu) x 500 hr/yr x 1/2000 ton/lb x 7000 Btu/hp-hr x 1 MMBtu/1000000Btu