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

Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

TO: Interested Parties / Applicant

DATE: September 23, 2008

RE: Indiana Michigan Power / 147-25437-00020

FROM: Matthew Stuckey, Deputy Branch Chief
Permits Branch
Office of Air Quality

Notice of Decision: Approval – Effective Immediately

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-15-5-3, this permit is effective immediately, unless a petition for stay of effectiveness is filed and granted, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3-7 and IC 13-15-6-1(b) or IC 13-15-6-1(a) require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Suite N 501E, Indianapolis, IN 46204.

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

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

The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

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

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

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

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

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

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

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

Enclosures
FNTVOP.dot12/3/07

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
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Toll Free (800) 451-6027
www.idem.IN.gov

John LaGrange
Indiana Michigan Power Company
d.b.a. American Electric Power
2791 North US Highway 231
Rockport, Indiana 47635

September 23, 2008

Re: 147-25437-00020
First Significant Permit Modification to
Part 70 Permit No.: T147-6786-00020

Dear Mr. LaGrange:

Indiana Michigan Power Company was issued Part 70 Operating Permit T147-6786-00020 on August 7, 2006 for a stationary electric utility generating station located at 2791 North US Highway 231, Rockport, Indiana 47635. A letter requesting changes to this permit was received on October 1, 2007. Pursuant to the provisions of 326 IAC 2-7-12, a significant permit modification to this permit is hereby approved as described in the attached Technical Support Document.

The modification consists of adding a powdered activated carbon (PAC) injection system, PAC handling and storage systems, associated control equipment and particulate control, recordkeeping, and reporting requirements to the permit.

All other conditions of the permit shall remain unchanged and in effect. Please find attached a copy of the revised permit.

Pursuant to Contract No. A305-5-65, IDEM, OAQ has assigned the processing of this application to Eastern Research Group, Inc., (ERG). Therefore, questions should be directed to Stephen Treimel, ERG,1600 Perimeter Park Drive, Morrisville, North Carolina 27560, or call (919) 468-7902 to speak directly to Mr. Treimel. Questions may also be directed to Duane Van Laningham at IDEM, OAQ, 100 North Senate Avenue, MC 61-53 IGCN 1003, Indianapolis, Indiana, 46204-2251, or call (800) 451-6027 and ask for Duane Van Laningham or extension 3-6878, or dial (317) 233-6878.

Sincerely/Original Signed By:

Tripurari P. Sinha, Section Chief
Permits Branch
Office of Air Quality

Attachments
ERG/ST
cc: File - Spencer County
Spencer County Health Department
IDEM - Southwest Regional Office
Air Compliance Section Inspector
Compliance Data Section
Administrative and Development
Billing, Licensing and Training Section

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PART 70 OPERATING PERMIT
OFFICE OF AIR QUALITY

Indiana Michigan Power - Rockport Plant
d.b.a. American Electric Power (AEP)
2791 North US Highway 231
Rockport, Indiana 47635

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

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

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17. This permit also addresses certain new source review requirements for existing equipment and is intended to fulfill the new source review procedures pursuant to 326 IAC 2-7-10.5, applicable to those conditions.

Operation Permit No.: T147-6786-00020	
Original Issued and Signed by Nisha Sizemore, Chief Permits Branch Office of Air Quality	Issuance Date: August 7, 2006 Expiration Date: August 7, 2011

First Minor Permit Modification No.: 147-25437-00020, issued February 20, 2007

First Significant Permit Modification No. 147-25437-00020	Pages Affected: 7-10, 31-37
Original signed by: Tripurari P. Sinha, Section Chief Permits Branch Office of Air Quality	Issuance Date: September 23, 2008 Expiration Date: August 7, 2011

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SECTION A SOURCE SUMMARY

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

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

The Permittee owns and operates a stationary electric utility generating station.

Source Address:	2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address:	c/o Manager, Air Quality Services, American Electric Power 1 Riverside Plaza, Columbus, OH 43215
Source Telephone:	812-649-9171
SIC Code:	4911
County Location:	Spencer
Source Location Status:	Nonattainment for PM2.5 (Ohio Township) Attainment for all other criteria pollutants
Source Status:	Part 70 Permit Program Major Source, under PSD and Nonattainment NSR Rules; Major Source, Section 112 of the Clean Air Act; 1 of 28 Source Categories

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

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

(a) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB1 (Main Boiler 1), with construction commenced in 1977 and completed in 1984, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system have been installed for NO_X control. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. One (1) powdered activated carbon (PAC) injection system, identified as ACI, approved for construction in 2008, with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2). Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

(b) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB2 (Main Boiler 2), with construction commenced in 1977 and completed in 1989, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system for NO_X control are scheduled for installation in 2004. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. One (1) powdered activated carbon (PAC) injection system, identified as ACI, approved for construction in 2008, with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2). Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide

(SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

(c) Two (2) No. 2 fuel oil-fired boilers, identified as Auxiliary Boiler 1 and Auxiliary Boiler 2, with construction commenced in 1977 and completed in 1983, each with a design heat input capacity of 603 million Btu per hour, both exhausting through Stack AB12.

(d) A coal storage and handling system for MB1 and MB2, with installation started in 1981 and completed in 1984, consisting of the following equipment:

(1) Two (2) barge unloading stations, identified as Stations 1 and 2, each with a baghouse, or a dust extraction system using water injection, and foam or water spray for particulate control, each with a bucket elevator with foam or water spray and partial enclosure for particulate control, and Conveyors 1 and 2 with water spray for particulate control.

(2) Enclosed conveyor systems, including fully and partially enclosed conveyors, with foam, water, or other equivalent dust suppression measures for particulate control, with the transfer points enclosed by buildings with baghouses, or a dust extraction system using water injection, for particulate control at Stations 5, 6 and 7. A stacker reclaim system is used to drop coal to the storage pile(s). The coal handling system has a design throughput capacity of 4000 tons per hour up to the stacker-reclaimers, and 1600 tons per hour from Station 7E and 7W to the coal bunkers in the units.

(3) Coal storage pile(s), with fugitive dust emissions controlled by watering.

(4) Coal crushing Station 8, with a maximum throughput of 1780 tons per hour for the east system and 1649 tons per hour for the west system, with a baghouse for particulate control, or a dust extraction system using water injection.

(5) Blending and transfer Station 9, with foam, water, or other equivalent dust suppression measures for particulate control.

(6) Blending and transfer Station 10.

(7) Two (2) storage silos for Station 9, with foam, water, or other equivalent dust suppression measures for particulate control.

(8) Coal sampling and transfer Stations A and D, each with a baghouse for particulate control, or a dust extraction system using water injection.

(9) Bunkering conveyors AB, BC, CB, DC, and FD, each fully enclosed, each with a baghouse for particulate control, or a dust extraction system using water injection.

(10) Fourteen (14) storage silos for Unit 1, with particulate control as follows:

(A) four (4) bag type filters, two for each set of seven bunkers on each side of Main Boiler 1, or

(B) one or more dust extraction systems using water injection.

(11) Fourteen (14) storage silos for Unit 2, with particulate control as follows:

(A) four (4) bag type filters, two for each set of seven bunkers on each side of Main Boiler 2, or

(B) one or more dust extraction systems using water injection.

(e) Dry fly ash handling:

(1) Fly ash handling for MB1, installed in approximately 1982, including the following:

(A) Vacuum system to convey fly ash to four (4) storage silos with particulate emissions controlled by a bin vent filter on each silo, with a maximum throughput rate of 58 tons per hour.

(B) Each of the four fly ash silos is equipped with two telescoping chutes for loading dry ash into tanker trucks. Each chute has a vacuum system to control dust and transport it back into the storage silo. Process rate for loading the tanker trucks is estimated at 300 tons per hour.

(C) Each of the four fly ash silos is equipped with two wet ash conditioners, for loading ash into open trucks for disposal. Dust is controlled by mixing water with the ash prior to depositing the ash in the truck. Process rate is estimated at 150 tons per hour.

(D) Water spray curtains on each silo can be used to prevent dust generated in the loading operation from leaving the loading gallery in the silo base, if the outdoor temperature is above freezing.

(2) Fly ash handling for MB2, with installation completed in 1986, including the following:

(A) Vacuum system to convey fly ash to four (4) storage silos with particulate emissions controlled by two (2) bin vent filters on each silo, with a maximum throughput rate of 58 tons per hour.

(B) Each of the four fly ash silos is equipped with two telescoping chutes for loading dry ash into tanker trucks. Each chute has a vacuum system to control dust and transport it back into the storage silo. Process rate for loading the tanker trucks is estimated at 300 tons per hour.

(C) Each of the four fly ash silos is equipped with two wet ash conditioners, for loading ash into open trucks for disposal. Dust is controlled by mixing water with the ash prior to depositing the ash in the truck. Process rate is estimated at 150 tons per hour.

(D) Water spray curtains on each silo can be used to prevent dust generated in the loading operation from leaving the loading gallery in the silo base, if the outdoor temperature is above freezing.

(3) One (1) fly ash barge loading facility, with pneumatic unloading system from covered truck to covered barge with a maximum throughput rate of 52.5 tons ash per hour, with a baghouse on a river cell for particulate control.

(4) Rail loading equipment associated with the former fly ash temporary storage facility, with a maximum throughput rate of 52.5 tons ash per hour. The loader has a baghouse for dust control.

(f) Wet process bottom ash handling, with hydroveyors conveying ash to storage ponds, with water level sufficient to prevent ash re-entrainment.

(g) Emergency generators as follows: Three (3) No. 2 fuel oil-fired emergency diesel generators designated as DG1, DG2, and DG3, each with 25.16 MMBtu/hr heat input capacity. [326 IAC 7][326 IAC 2]

(h) Five (5) No. 2 fuel oil-fired space heaters designated as WHU-5, WHU-6, WHU-7, WHU-8, and WHU-9, with heat input capacities of 4.5 MMBtu/hr, 3.0 MMBtu/hr, 2.75

MMBtu/hr, 3.5 MMBtu/hr, and 4.5 MMBtu/hr, respectively.

PAC Handling and Storage Operations

(i) Two (2) pneumatic truck unloading stations and one (1) railcar unloading station for transferring activated carbon from transports to storage silos, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

(j) Two (2) silos for storing activated carbon, each with a maximum storage capacity of 800 tons, approved for construction in 2008, with particulate emissions from each silo controlled by a bin vent filter.

(k) Four (4) capacity metering pressure tanks, each with a maximum capacity of injecting 1,000 pounds per hour of activated carbon into the exhaust ductwork, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

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

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

(a) Space heaters using the following fuels: Fuel oil-fired combustion sources with heat input equal to or less than two million (2,000,000) Btu per hour and firing fuel containing less than three-tenths (0.3) percent sulfur by weight, including space heaters WHU-1 and WHU-2, each with 1.1 MMBtu/hr heat input capacity, and a 2 MMBtu/hr No. 2 fuel oil fired heater located in Station 10. [326 IAC 7]

(b) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6. [326 IAC 8-3]

(c) Cleaners and solvents characterized as follows: [326 IAC 8-3]

(1) Having a vapor pressure equal to or less than 2 kPa; 15 mm Hg; or 0.3 psi measured at 38 degrees C (100°F) or;

(2) Having a vapor pressure equal to or less than 0.7 kPa; 5mm Hg; or 0.1 psi measured at 20°C (68°F); the use of which for all cleaners and solvents combined does not exceed 145 gallons per 12 months.

(d) Coal bunker and coal scale exhausts and associated dust collector vents. [326 IAC 6-3][326 IAC 12][40 CFR 60, Subpart Y]

(e) Other activities or categories not previously identified with potential, uncontrolled emissions equal to or less than thresholds require listing only: Pb 0.6 ton per year or 3.29 pounds per day, SO_2 5 pounds per hour or 25 pounds per day, NO_X 5 pounds per hour or 25 pounds per day, CO 25 pounds per day, PM 5 pounds per hour or 25 pounds per day, VOC 3 pounds per hour or 15 pounds per day:

Ponded bottom ash handling and management, including dredging bottom ash ponds and loading material into trucks. [326 IAC 6-4]

A.4 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

(a) It is a major source, as defined in 326 IAC 2-7-1(22);

(b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 - Applicability); and

(c) It is an affected source under Title IV (Acid Deposition Control) of the Clean Air Act, as defined in 326 IAC 2-7-1(3)

SECTION B GENERAL CONDITIONS

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

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

B.2 Permit Term [326 IAC 2-7-5(2)][326 IAC 2-1.1-9.5][326 IAC 2-7-4(a)(1)(D)][IC13-15-3-6(a)]

(a) This permit, T147-6786-00020, is issued for a fixed term of five (5) years from the issuance date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit or of permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

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

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

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

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

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

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

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

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

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

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

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

(a) The Permittee shall furnish to IDEM, OAQ, 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 "responsible official" as defined by 326 IAC 2-7-1(34). 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.8 Certification [326 IAC 2-7-4(f)][326 IAC 2-7-6(1)][326 IAC 2-7-5(3)(C)]

(a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by the "responsible official" of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

(b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. One (1) certification may cover multiple forms in one (1) submittal.

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

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

(a) The Permittee shall annually submit a compliance certification report which addresses the status of the source's compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. 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 no later than July 1 of each year to:

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

and

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

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

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

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

B.10 Preventive Maintenance Plan [326 IAC 2-7-5(1), (3) and (13)][326 IAC 2-7-6(1) and (6)] [326 IAC 1-6-3]

(a) The Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, for the source as described in 326 IAC 1-6-3. At a minimum, the PMPs shall include:

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

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

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

(b) A copy of the PMPs shall be submitted to IDEM, OAQ 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 PMPs do not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

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

B.11 Emergency Provisions [326 IAC 2-7-16]

(a) An emergency, as defined in 326 IAC 2-7-1(12), is not an affirmative defense for an action brought for noncompliance with a federal or state health-based emission limitation.

(b) An emergency, as defined in 326 IAC 2-7-1(12), constitutes an affirmative defense to an action brought for noncompliance with a technology-based emission limitation if the affirmative defense of an emergency is demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that describe the following:

(1) An emergency occurred and the Permittee can, to the extent possible, identify the causes of the emergency;

(2) The permitted facility was at the time being properly operated;

(3) During the period of an emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards or other requirements in this permit;

(4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAQ 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 Number: 1-800-451-6027 (ask for Office of Air Quality, Compliance Section), or
Telephone Number: 317-233-0178 (ask for Compliance Section)
Facsimile Number: 317-233-6865

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

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

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

The notice fulfills the requirement of 326 IAC 2-7-5(3)(C)(ii) and must contain the following:

(A) A description of the emergency;

(B) Any steps taken to mitigate the emissions; and

(C) Corrective actions taken.

The notification which shall be submitted by the Permittee does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(6) The Permittee immediately took all reasonable steps to correct the emergency.

(c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.

(d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.

(e) The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However, IDEM, OAQ may require that the Preventive Maintenance Plans required under 326 IAC 2-7-4(c)(9) be revised in response to an emergency.

(f) Failure to notify IDEM, OAQ by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-7 and any other applicable rules.

(g) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.

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

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

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

under 326 IAC 2-7 or for applicable requirements for which a permit shield has been granted.

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

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

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

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

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

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

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

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

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

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

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

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

(a) All terms and conditions of permits established prior to T147-6786-00020 and issued pursuant to permitting programs approved into the state implementation plan have been either:

(1) incorporated as originally stated,

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

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

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

B.14 Deviations from Permit Requirements and Conditions [326 IAC 2-7-5(3)(C)(ii)]

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

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

using the attached Quarterly Deviation and Compliance Monitoring Report, or its equivalent. A deviation required to be reported pursuant to an applicable requirement that exists independent of this permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report.

The Quarterly Deviation and Compliance Monitoring Report does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(b) A deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit.

B.15 Permit Modification, Reopening, Revocation and Reissuance, or Termination [326 IAC 2-7-5(6)(C)][326 IAC 2-7-8(a)][326 IAC 2-7-9]

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

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

(1) That this permit contains a material mistake.

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

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

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

(d) The reopening and revision of this permit, under 326 IAC 2-7-9(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 2-7-9(a)]

B.16 Permit Renewal [326 IAC 2-7-3][326 IAC 2-7-4][326 IAC 2-7-8(e)]

(a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and shall include the information specified in 326 IAC 2-7-4. Such information shall be included in the application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(40). The renewal application does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Request for renewal shall be submitted to:

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

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

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

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

(c) If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-7 until IDEM, OAQ 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 a reasonable deadline specified in writing by IDEM, OAQ any additional information identified as being needed to process the application. [326 IAC 2-7-4(a)(2)(D) and (E)]

B.17 Source Modification [326 IAC 1-2-42][326 IAC 2-7-10.5][326 IAC 2-2-2]

(a) The Permittee shall obtain approval as required by 326 IAC 2-7-10.5 from the IDEM, OAQ prior to making any modification to the source. Pursuant to 326 IAC 1-2-42, "Modification" means one (1) or more of the following activities at an existing source:

(1) A physical change or change in the method of operation of any existing emissions unit that increases the potential to emit any regulated pollutant that could be emitted from the emissions unit, or that results in emissions of any regulated pollutant not previously emitted.

(2) Construction of one (1) or more new emissions units that have the potential to emit regulated air pollutants.

(3) Reconstruction of one (1) or more existing emission units that increases the potential to emit of any regulated air pollutant.

(b) Any application requesting a source modification shall be submitted to:

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

Any such application shall be certified by the "responsible official" as defined by 326 IAC 2-7-1(34).

(c) The Permittee shall also comply with the applicable provisions of 326 IAC 2-7-11 (Administrative Permit Amendments) or 326 IAC 2-7-12 (Permit Modification) prior to operating the approved modification.

(d) Any modification at an existing major source in an area designated as attainment or unclassifiable is governed by the requirements of 326 IAC 2-2-2.

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

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

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

(c) Any application requesting an amendment or modification of this permit shall be submitted to:

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

Any such application shall be certified by the "responsible official" as defined by 326 IAC 2-7-1(34).

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

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

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

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

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

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

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

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

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

(4) The Permittee notifies the:

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

and

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

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

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

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

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

(3) Any change in emissions; and

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

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

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

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

(e) Backup fuel switches specifically addressed in, and limited under, Section D of this permit

shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.

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

B.21 Inspection and Entry [326 IAC 2-7-6][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 Part 70 source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;

(b) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, have access to and copy any records that must be kept under the conditions of this permit;

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

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

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

B.22 Transfer of Ownership or Operational Control [326 IAC 2-7-11

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

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

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

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

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

B.23 Annual Fee Payment [326 IAC 2-7-19][326 IAC 2-7-5(7)][326 IAC 2-1.1-7]

(a) The Permittee shall pay annual fees to IDEM, OAQ 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) Except as provided in 326 IAC 2-7-19(e), failure to pay may result in administrative enforcement action or revocation of this permit.

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

B.24 Credible Evidence [326 IAC 2-7-5(3)][326 IAC 2-7-6][62 FR 8314][326 IAC 1-1-6]

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

B.25 Termination of Right to Operate [326 IAC 2-7-10][326 IAC 2-7-4(a)]

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

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

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

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

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

C.2 Opacity [326 IAC 5-1]

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

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

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

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

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1. 326 IAC 4-1-3(a)(2)(A) and (B) are not federally enforceable.

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

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

C.5 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

C.6 Motor Vehicle Fugitive Dust Sources [326 IAC 6-4-4]

Pursuant to 326 IAC 6-4-4, no vehicle shall be driven or moved on any public street, road, alley, highway, or other thoroughfare, unless such vehicle is so constructed as to prevent its contents from dripping, sifting, leaking, or otherwise escaping therefrom so as to create conditions which result in fugitive dust. This section applies only to the cargo any vehicle may be conveying and mud tracked by the vehicle.

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

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

C.8 Asbestos Abatement Projects [326 IAC 14-10][326 IAC 18][40 CFR 61, Subpart M]

The Permittee shall comply with the applicable requirements of 326 IAC 14-10, 326 IAC 18, and 40 CFR 61.140.

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

C.9 Performance Testing [326 IAC 3-6]

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

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

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

no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ 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.10 Compliance Requirements [326 IAC 2-1.1-11]

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

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

C.11 Compliance Monitoring [326 IAC 2-7-5(3)][326 IAC 2-7-6(1)]

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

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

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

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

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

C.12 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

(a) The Permittee shall calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment. For a boiler, the COMS shall be in operation at all times that the forced draft fan is in operation, except as otherwise allowed by 326 IAC 3-5 and 40 CFR 60.13.

(b) All COMS shall meet the performance specifications of 40 CFR 60, Appendix B, Performance Specification No. 1, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5.

(c) In the event that a breakdown of a COMS occurs, a record shall be made of the time and reason of the breakdown and efforts made to correct the problem.

(d) Whenever a COMS is malfunctioning or is down for maintenance or repairs for a period of twenty-four (24) hours or more and a backup COMS is not online within twenty-four (24) hours of shutdown or malfunction of the primary COMS, the Permittee shall provide a certified opacity reader, who may be an employee of the Permittee or an independent contractor, to self-monitor the emissions from the emission unit stack.

(1) Visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of five (5) consecutive six (6) minute averaging periods beginning not more than twenty-four (24) hours after the start of the malfunction or down time.

(2) Method 9 opacity readings shall be repeated for a minimum of five (5) consecutive six (6) minute averaging periods at least twice per day during daylight operations, with at least four (4) hours between each set of readings, until a COMS is online.

(3) Method 9 readings may be discontinued once a COMS is online.

(4) Any opacity exceedances determined by Method 9 readings shall be reported with the Quarterly Opacity Exceedances Reports.

(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous opacity monitoring system pursuant to 326 IAC 3-5 and 40 CFR 60.

C.13 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.14 Instrument Specifications [326 IAC 2-1.1-11][326 IAC 2-7-5(3)][326 IAC 2-7-6(1)]

(a) When required by any condition of this permit, an analog instrument used to measure a parameter related to the operation of an air pollution control device shall have a scale such that the expected maximum reading for the normal range shall be no less than twenty percent (20%) of full scale.

(b) The Permittee may request that the IDEM, OAQ approve the use of an instrument that

does not meet the above specifications provided the Permittee can demonstrate that an alternative instrument specification will adequately ensure compliance with permit conditions requiring the measurement of the parameters.

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

C.15 Emergency Reduction Plans [326 IAC 1-5-2][326 IAC 1-5-3]

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

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

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

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

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

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

(c) If the ERP is disapproved by IDEM, OAQ, 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.16 Risk Management Plan [326 IAC 2-7-5(12)][40 CFR 68]

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

C.17 Response to Excursions or Exceedances [326 IAC 2-7-5][326 IAC 2-7-6]

(a) Upon detecting an excursion or exceedance, the Permittee shall restore operation of the emissions unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.

(b) The response shall include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or shutdown conditions). Corrective actions may include, but are not limited to, the following:

(1) initial inspection and evaluation;

(2) recording that operations returned to normal without operator action (such as through response by a computerized distribution control system); or

(3) any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable.

(c) A determination of whether the Permittee has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include, but is not limited to, the following:

(1) monitoring results;

(2) review of operation and maintenance procedures and records; and

(3) inspection of the control device, associated capture system, and the process.

(d) Failure to take reasonable response steps shall be considered a deviation from the permit.

(e) The Permittee shall maintain the following records:

(1) monitoring data;

(2) monitor performance data, if applicable; and

(3) corrective actions taken.

C.18 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5][326 IAC 2-7-6]

(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 "responsible official" as defined by 326 IAC 2-7-1(34).

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

C.19 Emission Statement [326 IAC 2-7-5(3)(C)(iii)][326 IAC 2-7-5(7)][326 IAC 2-7-19(c)][326 IAC 2-6]

(a) Pursuant to 326 IAC 2-6-3(a)(1), the Permittee shall submit by July 1 of each year an emission statement covering the previous calendar year. The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4(c) and shall meet the following requirements:

(1) Indicate estimated actual emissions of all pollutants listed in 326 IAC 2-6-4(a);

(2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1(32) ("Regulated pollutant which is used only for purposes of Section 19 of this rule") from the source, for purposes of fee assessment.

The statement must be submitted to:

Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Quality
100 North Senate Avenue
MC 61-50 IGCN 1003
Indianapolis, Indiana 46204-2251

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

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

C.20 General Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-6][326 IAC 2-2] [326 IAC 2-3]

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

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

(c) Pursuant to 326 IAC 2-2-8(b) and/or 326 IAC 2-3-2(m), if there is a reasonable possibility that a "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, other than projects at a Clean Unit, which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) may result in a significant emissions increase and the Permittee elects to use the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with following:

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

(A) A description of the project.

(B) Identification of any emissions unit whose emissions of a regulated new source review (NSR) pollutant could be affected by the project.

(C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:

(i) Baseline actual emissions;

(ii) Projected actual emissions;

(iii) Amount of emissions excluded under 326 IAC 2-2-1(rr)(2)(A)(iii) and/or 326 IAC 2-3-1(mm)(2)(A)(iii); and

(iv) An explanation for why the amount was excluded, and any netting calculations, if applicable.

(d) If there is a reasonable possibility (as defined in 40 CFR 51.165(a)(6)(vi)(A) and/or 40 CFR 51.166(r)(6)(vi)(a)) that a "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, other than projects at a source with a Plantwide Applicability Limitation (PAL), which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with following:

(1) Monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any existing emissions unit identified in (1)(B) above; and

(2) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change if the project increases the design capacity of or the potential to emit that regulated NSR pollutant at the emissions unit.

C.21 General Reporting Requirements [326 IAC 2-7-5(3)(C)][326 IAC 2-1.1-11][326 IAC 2-2] [326 IAC 2-3]

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

(b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

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

(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 "responsible official" as defined by 326 IAC 2-7-1(34).

(e) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period. Reporting periods are based on calendar years, unless otherwise specified in this permit. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

(f) If the Permittee is required to comply with the recordkeeping provisions of (c) in Section C - General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing Electric Utility Steam Generating Unit, then for that project the Permittee shall:

(1) Submit to IDEM, OAQ a copy of the information required by (c)(1) in Section C - General Record Keeping Requirements.

(2) Submit a report to IDEM, OAQ within sixty (60) days after the end of each year during which records are generated in accordance with (c)(2) and (3) in Section C - General Record Keeping Requirements. The report shall contain all information and data describing the annual emissions for the emissions units during the calendar year that preceded the submission of report.

Reports required in this part shall be submitted to:

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

(g) If the Permittee is required to comply with the recordkeeping provisions of (c) in Section C - General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit other than Electric Utility Steam Generating Unit, and the project meets the following criteria, then the Permittee shall submit a report to IDEM, OAQ:

(1) The annual emissions, in tons per year, from the project identified in (c)(1) in Section C - General Record Keeping Requirements exceed the baseline actual emissions, as documented and maintained under Section C - General Record Keeping Requirements (c)(1)(C)(i), by a significant amount, as defined in 326 IAC 2-2-1(xx) and/or 326 IAC 2-3-1(qq), for that regulated NSR pollutant, and

(2) The emissions differ from the preconstruction projection as documented and maintained under Section C - General Record Keeping Requirements (c)(1)(C)(ii).

(h) The report for a project at an existing emissions unit other than an Electric Utility Steam Generating Unit shall be submitted within sixty (60) days after the end of the year and contain the following:

(1) The name, address, and telephone number of the major stationary source.

(2) The annual emissions calculated in accordance with (c)(2) and (3) in Section C - General Record Keeping Requirements.

(3) The emissions calculated under the actual-to-projected actual test stated in 326 IAC 2-2-2(d)(3) and/or 326 IAC 2-3-2(c)(3).

(4) Any other information that the Permittee deems fit to include in this report.

Reports required in this part shall be submitted to:

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

(i) The Permittee shall make the information required to be documented and maintained in accordance with (c) in Section C - General Record Keeping Requirements available for review upon a request for inspection by IDEM, OAQ. The general public may request this information from the IDEM, OAQ under 326 IAC 17.1. [326 IAC 2-2-8(c) and/or 326 IAC 2-3-2(m)(6)]

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.

(d) Pursuant to 40 CFR 82, Subpart E (The Labeling of Products Using Ozone-Depleting Substances), all containers in which a Class I or Class II substance is stored or transported and all products containing a Class I substance shall be labeled as required under 40 CFR Part 82.

Ambient Monitoring Requirements [326 IAC 7-3]

C.23 Ambient Monitoring [326 IAC 7-3]

(a) The Permittee shall operate continuous ambient sulfur dioxide air quality monitors and a meteorological data acquisition system according to a monitoring plan submitted to the commissioner for approval. The monitoring plan shall include requirements listed in 326 IAC 7-3-2(a)(1), 326 IAC 7-3-2(a)(2) and 326 IAC 7-3-2(a)(3).

(b) A source owner or operator may petition the commissioner for an administrative waiver of all or some of the requirements of 326 IAC 7-3 if such owner or operator can demonstrate that ambient monitoring is unnecessary to determine continued maintenance of the sulfur dioxide ambient air quality standards in the vicinity of the source. The demonstration shall address uncertainties in any air quality dispersion models used in the demonstration and shall address the adequacy of any existing monitoring data to characterize the worst-case ambient concentrations in the vicinity of the source. A waiver shall be effective upon written approval by the commissioner. The commissioner may establish conditions in the approval of a waiver to assure compliance with the provisions of 326 IAC 7. Failure to continuously meet the requirements for obtaining a waiver or failure to comply with any condition contained in the approval of a waiver shall render void any waiver issued. [326 IAC 7-3-2(d)]

SECTION D.1 FACILITY OPERATION CONDITIONS

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

(a) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB1 (Main Boiler 1), with construction commenced in 1977 and completed in 1984, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system have been installed for NO_X control. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. One (1) powdered activated carbon (PAC) injection system, identified as ACI, approved for construction in 2008, with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2). Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

(b) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB2 (Main Boiler 2), with construction commenced in 1977 and completed in 1989, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system for NO_X control are scheduled for installation in 2004. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. One (1) powdered activated carbon (PAC) injection system, identified as ACI, approved for construction in 2008, with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2). Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

PAC Handling and Storage Operations

(i) Two (2) pneumatic truck unloading stations and one (1) railcar unloading station for transferring activated carbon from transports to storage silos, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

(j) Two (2) silos for storing activated carbon, each with a maximum storage capacity of 800 tons, approved for construction in 2008, with particulate emissions from each silo controlled by a bin vent filter.

(k) Four (4) capacity metering pressure tanks, each with a maximum capacity of injecting 1,000 pounds per hour of activated carbon into the exhaust ductwork, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

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

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

D.1.1 Pollution Control Project (PCP) [326 IAC 2-2-1(x)(2)(H)]

Pursuant to Source Modification 147-17468-00020, issued November 13, 2003, and 326 IAC 2-2-1(x)(2)(H):

The replacement of the LNB and the installation of an OFA system for each of the boilers MB1 and MB2 to reduce NO_X emissions are considered to be a pollution control project; therefore, the project's CO collateral emissions are excluded from the 326 IAC 2-2 PSD requirements.

D.1.2 New Source Performance Standard (NSPS) [326 IAC 12][40 CFR 60, Subpart D]

Pursuant to 326 IAC 12 and 40 CFR 60, Subpart D (Standards of Performance for Fossil-Fuel-Fired Steam Generators for Which Construction is Commenced After August 17, 1971), emissions from Boilers MB1 and MB2 shall not exceed the following:

(a) For particulate matter:

(1) 0.10 pound PM per million Btu (MMBtu) heat input derived from fossil fuel. [40 CFR 60.42(a)(1)]

(2) Twenty percent (20%) opacity except for one six-minute period per hour of not more than twenty-seven percent (27%) opacity. [40 CFR 60.42(a)(2)] [40 CFR 60.45(g)(1)]

Pursuant to 40 CFR 60.11(c), this opacity standard is not applicable during periods of startup, shutdown, or malfunction.

(b) For sulfur dioxide:

(1) 0.80 pound SO_2 per million Btu (MMBtu) heat input derived from liquid fossil fuel. [40 CFR 60.43(a)(1)]

(2) 1.2 pound SO_2 per million Btu (MMBtu) heat input derived from solid fossil fuel. [40 CFR 60.43(a)(2)]

(3) When combusting different fossil fuels simultaneously, the applicable SO_2 limit shall be determined using the formula in 40 CFR 60.43(b).

(4) Compliance shall be based on the total heat input from all fossil fuels burned, including gaseous fuels. [40 CFR 60.43(c)]

(c) For nitrogen oxides:

(1) 0.30 pound NO_X per million Btu (MMBtu) heat input derived from liquid fossil fuel. [40 CFR 60.44(a)(2)]

(2) 0.70 pound NO_X per million Btu (MMBtu) heat input derived from solid fossil fuel (except lignite or a solid fossil fuel containing twenty-five percent (25%), by weight, or more of coal refuse). [40 CFR 60.44(a)(3)]

(3) When combusting different fossil fuels simultaneously, the applicable NO_X limit shall be determined using the formula in 40 CFR 60.44(b).

D.1.3 PSD Limits [40 CFR 52.21][326 IAC 6-2-1(g)][326 IAC 7-1.1-2]

Pursuant to Approval to Construct EPA-5-78-A-1, issued October 27, 1977, 40 CFR 52.21 (Federal Regulations for the Prevention of Significant Deterioration of Air Quality), 326 IAC 6-2-1(g), and 326 IAC 7-1.1-2(a)]:

(a) MB1 and MB2 (a.k.a. Units 1 and 2) must meet emission limitations of 0.1 pound of particulate matter per million BTU heat input and 1.2 pounds of sulfur dioxide per million BTU heat input. These limitations are equivalent to the New Source Performance Standards (40 CFR Part 60) for fossil-fuel fired steam generating units and are defined as best available control technology. This condition is required by 40 CFR 52.21(d)(2)(ii).

(b) The Permittee may not alter the height of the boilerhouse as presented in the construction application. The dispersion modeling in the application relies upon a stack height expressed as 22 times the height of the boilerhouse. Any change in the boilerhouse height would alter the dispersion of sulfur dioxide and particulates.

(c) The Permittee may not alter the design stack parameters identified in the construction application including, but not limited to, exit gas temperature, exit gas velocity and stack diameter (inside top). The air quality analysis relies heavily on the combination of stack parameters, control devices, the emission limitations and any change in those factors could change the results of the air quality analysis. Therefore, design changes in Units 1 and 2 must receive the prior written authorization of IDEM, OAQ.

D.1.4 Opacity Limitations [326 IAC 5-1]

(a) Pursuant to 326 IAC 5-1-2 (Opacity Limitations), the following applies:

(1) Except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity from boilers MB1 and MB2 shall meet the following during time periods exempted from the opacity limit of 40 CFR 60 Subpart D, unless otherwise stated in this permit:

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

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

(2) For sources or facilities that cannot meet the alternative opacity emission limitation requirements of 326 IAC 5-1-3(a), (b), or (c), the commissioner may grant a temporary alternative opacity limitation in accordance with 326 IAC 5-1-3(d). Pursuant to 326 IAC 5-1-3(d)(7) and 326 IAC 5-1-7, the temporary alternative opacity limit shall be submitted to the U.S. EPA as a state implementation plan (SIP) revision and shall not become effective until approved as a SIP revision by the U.S. EPA.

(b) The Permittee is not in compliance with (a) of this condition because a site specific SIP revision has not yet been approved. Until such time that the site specific SIP revision is approved by U.S. EPA, the Permittee shall comply with the following:

(1) When building a new fire in a boiler, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed a total of four (4) hours (forty (40) six (6)-minute averaging periods) during the startup period, or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit at the inlet of the electrostatic precipitator, whichever occurs first.

(2) When shutting down a boiler, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed a total of one (1) hour (ten (10) six (6)-minute averaging periods) during the shutdown period.

(3) Operation of the electrostatic precipitator is not required during these times.

D.1.5 Hourly SO_2 Emission Limitations [326 IAC 2-2]

In accordance with the modeling analysis required for Approval to Construct EPA-5-78-A-1, issued October 27, 1977, and 40 CFR 52.21, the combined SO_2 emission rate for Boilers MB1 and MB2 shall not exceed 28,663 pounds of SO_2 per hour.

D.1.6 General Provisions Relating to NSPS [326 IAC 12-1][40 CFR Part 60, Subpart A]

The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the facilities described in this section except when otherwise specified in 40 CFR Part 60, Subpart D.

D.1.7 Particulate Emission Limitations for Manufacturing Processes [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes), the allowable particulate emission rate from the PAC handling and storage operations shall not exceed the emission limits specified in the table below:

Unit Description	Max. Process Weight Rate (tons/hr)	Allowable Particulate Emission Rate (lbs/hr)
PAC Handling and Storage Operations	25	35.4

The allowable particulate emission rates were calculated using the equation below:

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

Compliance Determination Requirements

D.1.8 Particulate Control [326 IAC 2-7-6(6)]

In order to comply with Condition D.1.8, the bin vent filters for particulate control shall be in operation and control emissions at all times the respective unloading stations, silos and pressure tanks are in operation.

D.1.9 Testing Requirements [326 IAC 2-7-6(1), (6)][326 IAC 2-1.1-11]

By December 31 of 2010, compliance with the PM limitation in Conditions D.1.2 and D.1.3 shall be determined by a performance stack test conducted using methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C - Performance Testing. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

D.1.10 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule, or in this permit, the electrostatic precipitator (ESP) shall be operated at all times that the boiler vented to the ESP is in operation.

D.1.11 Operation of Low NO_X Burners and Overfire Air Systems [326 IAC 2-7-6(6)]

Pursuant to SSM 147-17468-00020, issued November 13, 2003, except as otherwise provided by statute or rule, or in this permit, the low NO_X burners and overfire air system for each boiler, MB1 and MB2, shall be operated at all times that the respective boiler is firing coal.

D.1.12 Continuous Emissions Monitoring [326 IAC 3-5][326 IAC 12][40 CFR 60, Subpart D] [326 IAC 7-2][40 CFR 52.21]

(a) Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), 326 IAC 12, 40 CFR 60.45, Approval to Construct EPA-5-78-A-1, issued October 27, 1977, and 40 CFR 52.21, continuous emission monitoring systems for Units MB1 and MB2 shall be calibrated, maintained, and operated for measuring opacity, SO_2, NO_X, and either CO_2 or O2, which meet the performance specifications of 326 IAC 3-5-2 and 40 CFR 60.45.

(b) Pursuant to 40 CFR 60.11(c), the opacity standard in Condition D.1.2(a)(2) and 40 CFR 60.42(a)(2) shall apply at all times except during periods of startup, shutdown, or malfunction. At all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions [40 CFR 60.11(d)].

(c) Pursuant to 40 CFR 60.13(e), except for system breakdowns, repairs, calibration checks, and zero and span adjustments required under paragraph (d) of 40 CFR 60.13, all continuous monitoring systems shall be in continuous operation and shall meet minimum

frequency of operation requirements as follows:

(1) All continuous monitoring systems referenced by paragraph (c) of 40 CFR 60.13 for measuring opacity of emissions shall complete a minimum of one cycle of sampling and analyzing for each successive 10-second period and one cycle of data recording for each successive 6-minute period.

(2) All continuous monitoring systems referenced by paragraph (c) of 40 CFR 60.13 for measuring emissions, except opacity, shall complete a minimum of one cycle of operation (sampling, analyzing, and data recording) for each successive 15-minute period.

(d) Pursuant to 40 CFR 60.45(g)(2)(i), Approval to Construct EPA-5-78-A-1, and 40 CFR 52.21, excess SO_2 emissions for affected facilities are defined as any three-hour period during which the average emissions (arithmetic average of three contiguous one-hour periods) of sulfur dioxide as measured by a continuous monitoring system exceed the applicable standard under 40 CFR 60.43.

(e) Excess NO_X emissions for affected facilities using a continuous monitoring system for measuring nitrogen oxides are defined as any three-hour period during which the average emissions (arithmetic average of three contiguous one-hour periods) exceed the applicable standards under 40 CFR 60.44. [40 CFR 60.45(g)(3)]

(f) Pursuant to 326 IAC 3-7-5(a), the Permittee shall develop a standard operating procedure (SOP) to be followed for sampling, handling, analysis, quality control, quality assurance, and data reporting of the information collected pursuant to 326 IAC 3-7-2 through 326 IAC 3-7-4. In addition, any revision to the SOP shall be submitted to IDEM, OAQ.

(g) All continuous emission monitoring systems are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3.

(h) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, 40 CFR 60, or 40 CFR 75.

D.1.13 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3-5][326 IAC 7-2][326 IAC 7-1.1-2]

Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the SO_2 limits in Conditions D.1.2 and D.1.3. Compliance with these limits shall be determined using SO_2 CEMS data, and demonstrated using a thirty (30) day rolling weighted average.

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

D.1.14 Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) The ability of the ESP to control particulate emissions shall be monitored once per day, when the unit is in operation, by measuring and recording the number of T-R sets in service and the primary and secondary voltages and the currents of the T-R sets.

(b) Reasonable response steps shall be taken in accordance with Section C - Response to Excursions or Exceedances whenever the percentage of T-R sets in service falls below ninety percent (90%). T-R set failure resulting in less than ninety percent (90%) availability is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

D.1.15 SO_2 Monitoring System Downtime [326 IAC 2-7-6][326 IAC 2-7-5(3)]

Whenever the SO_2 continuous emission monitoring system (CEMS) is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO_2

emissions:

(a) If the CEMS is down for less than twenty-four (24) hours, the Permittee shall substitute an average of the quality-assured data from the hour immediately before and the hour immediately after the missing data period for each hour of missing data.

(b) If the CEMS is down for twenty-four (24) hours or more, fuel sampling shall be conducted as follows:

(1) Solid fuel sampling shall be conducted as specified in 326 IAC 3-7-2(b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.

(2) If fuel oil is fired in the unit during the CEMS downtime, pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7-4, oil sampling and analysis data shall be collected as follows:

(A) The Permittee may rely upon vendor analysis of fuel delivered, if accompanied by a vendor certification [326 IAC 3-7-4(b)]; or,

(B) The Permittee shall perform sampling and analysis of fuel oil samples in accordance with 326 IAC 3-7-4(a).

D.1.16 Visible Emissions Notations

(a) Daily visible emission notations of the exhaust from the bin vent filters on the storage silos shall be performed during normal daylight operations when loading or unloading material. 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, at least eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C – Response to Excursions and Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions and Exceedances, shall be considered a deviation from this permit.

D.1.17 Broken or Failed Bin Vent Filter Detection

In the event that filter failure has been observed, for single compartment filters, failed units and the associated process will be shut down as soon as possible until the failed units have been repaired or replaced.

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

D.1.18 Record Keeping Requirements

(a) To document compliance with Section C - Opacity, Section C - Maintenance of Continuous Opacity Monitoring Equipment, and the particulate matter and opacity

requirements in Conditions D.1.2(a), D.1.3, D.1.4, D.1.12, and D.1.14, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits in Section C - Opacity and Conditions D.1.2(a), D.1.3, and D.1.4.

(1) Data and results from the most recent stack test.

(2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5-6, 40 CFR 60.7, and 40 CFR 60.45.

(3) The results of all Method 9 visible emission readings taken during any periods of COM downtime.

(4) All ESP parametric monitoring readings.

(b) To document compliance with the SO_2 requirements in Conditions D.1.2(b), D.1.3(a), D.1.5, D.1.12, D.1.13, and D.1.15, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the applicable SO_2 limit(s) as required in Conditions D.1.2(b), D.1.3(a), D.1.12, and D.1.13. The Permittee shall maintain records in accordance with (3) and (4) below during SO_2 CEMS malfunction or downtime.

(1) All SO_2 continuous emissions monitoring data, pursuant to 326 IAC 3-5-6, 326 IAC 7-2-1(g), 40 CFR 60.7, and 40 CFR 60.45.

(2) Actual fuel usage since last compliance determination period.

(3) All fuel sampling and analysis data collected for SO_2 CEMS downtime, in accordance with Condition D.1.15.

(4) Actual fuel usage during each SO_2 CEMS downtime.

(c) To document compliance with the NO_X requirements in Conditions D.1.2 and D.1.12, the Permittee shall maintain records of all NO_X and CO_2 or O2 continuous emissions monitoring data, pursuant to 326 IAC 3-5-6, 326 IAC 2-2, 40 CFR 60.7, and 40 CFR 60.45. Records shall be complete and sufficient to establish compliance with the NO_X limits as required in Condition D.1.2.

(d) Pursuant to 326 IAC 2-2 and 326 IAC 2-3, the Permittee shall maintain records as specified by Conditions C.20(c) and (d) (General Record Keeping Requirements).

(e) To document compliance with Condition D.1.16, the Permittee shall maintain records of the visible emission notations required by that condition. The Permittee shall include in its daily record when a visible emission notation is not taken and the reason for the lack of visible emission notation (e.g. the process did not operate that day).

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

D.1.19 Reporting Requirements

(a) A quarterly report of opacity exceedances and a quarterly summary of the information to document compliance with the PM and SO_2 requirements of Conditions D.1.2, D.1.3, D.1.4, and D.1.12 shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(b) Pursuant to 326 IAC 12, 40 CFR 60.7(c), Approval to Construct EPA-5-78-A-1, and 40 CFR 52.21, to document compliance with Conditions D.1.2 and D.1.3 and pursuant to

40 CFR 60.45(g), excess emissions and monitoring system performance (MSP) reports shall be submitted on a quarterly basis. All reports shall be postmarked by the 30th day following the end of each quarter. Each excess emission and MSP report shall include the information required in 40 CFR 60.7(c). These reports shall be submitted to:

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

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

(c) Pursuant to 326 IAC 3-5-7(5), reporting of continuous monitoring system instrument downtime, except for zero (0) and span checks, which shall be reported separately, shall include the following:

(1) Date of downtime.

(2) Time of commencement.

(3) Duration of each downtime.

(4) Reasons for each downtime.

(5) Nature of system repairs and adjustments.

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

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

(c) Two (2) No. 2 fuel oil-fired boilers, identified as Auxiliary Boiler 1 and Auxiliary Boiler 2, with construction commenced in 1977 and completed in 1983, each with a design heat input capacity of 603 million Btu per hour, both exhausting through Stack AB12.

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

D.2.1 Alternative Opacity Monitoring [326 IAC 12][40 CFR 60.13(i)(2)]

Pursuant to the approval letter issued March 18, 2003, by U.S. EPA, and 40 CFR 60.13(i)(2), Auxiliary Boilers 1 and 2 shall comply with the following Alternative Opacity Monitoring requirements:

(a) Neither boiler shall be operated more than 876 hours in a calendar year. If one of the boilers is operated more than 876 hours in a calendar year, AEP shall immediately submit a schedule for installing and certifying a continuous opacity monitor (COM) to IDEM and U.S. EPA. This schedule shall require installation of the COM within six months or less of the 876 hour limit exceedance. IDEM and U.S. EPA shall also be immediately notified that the 876 hour limit has been exceeded.

(b) At least once every four (4) hours of operation, during daylight hours, an observer certified in accordance with U.S. EPA Method 9 shall perform three (3) six-minute observations of each boiler stack.

(c) If the average of any 6-minute set of readings collected in accordance with Condition D.2.1(b) exceeds 10 percent (10%), the observer must collect two additional 6-minute sets of visible emission readings.

(d) AEP shall maintain the boilers in accordance with good air pollution control practices.

D.2.2 New Source Performance Standard (NSPS) [326 IAC 12][40 CFR 60, Subpart D] [326 IAC 6-2-1(f)]

Pursuant to 326 IAC 12 and 40 CFR 60, Subpart D (Standards of Performance for Fossil-Fuel-Fired Steam Generators for Which Construction is Commenced After August 17, 1971), emissions from Auxiliary Boilers 1 and 2 shall not exceed the following:

(a) For particulate matter:

(1) 0.10 pound PM per million Btu (MMBtu) heat input derived from fossil fuel. [40 CFR 60.42(a)(1)][326 IAC 6-2-1(f)]

(2) Twenty percent (20%) opacity except for one six-minute period per hour of not more than twenty-seven percent (27%) opacity. [40 CFR 60.42(a)(2)] [40 CFR 60.45(g)(1)]

Pursuant to 40 CFR 60.11(c), this opacity standard is not applicable during periods of startup, shutdown, or malfunction.

(b) For sulfur dioxide:

0.80 pound SO_2 per million Btu (MMBtu) heat input derived from liquid fossil fuel. [40 CFR 60.43(a)(1)]

(c) For nitrogen oxides:

0.30 pound NO_X per million Btu (MMBtu) heat input derived from liquid fossil fuel. [40 CFR 60.44(a)(2)]

D.2.3 National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters [40 CFR Part 63, Subpart DDDDD]

(a) The affected source is subject to the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Industrial, Commercial, and Institutional Boilers and Process Heaters, (40 CFR 63, Subpart DDDDD), as of the effective date of 40 CFR 63, Subpart DDDDD. Pursuant to this rule, the Permittee must comply with 40 CFR 63, Subpart DDDDD on and after September 13, 2007.

(b) The following emissions units comprise the affected source for the large liquid fuel subcategory: Auxiliary Boiler 1 and Auxiliary Boiler 2.

(c) The applicable Subpart DDDDD requirement for the large liquid fuel subcategory is submittal of an Initial Notification containing the information specified in 40 CFR 63.9(b)(2) not later than March 12, 2005. The Initial Notification for Auxiliary Boilers 1 and 2 was received on March 5, 2005.

(d) The definitions of 40 CFR 63, Subpart DDDDD at 40 CFR 63.7575 are applicable to the affected source.

D.2.4 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), when building a new fire in a boiler, or shutting down a boiler, opacity may exceed the forty percent (40%) opacity limitation of 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6)-minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]

D.2.5 Sulfur Dioxide (SO_2) [326 IAC 7-1.1-2]

Pursuant to 326 IAC 7-1.1-2 (Sulfur Dioxide Emission Limitations), the SO_2 emissions from Auxiliary Boilers 1 and 2 shall not exceed 0.5 pounds per million Btu (lbs/MMBtu).

D.2.6 General Provisions Relating to NSPS [326 IAC 12-1][40 CFR Part 60, Subpart A]

The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the facilities described in this section except when otherwise specified in 40 CFR Part 60, Subpart D.

D.2.7 General Provisions Relating to NESHAP [326 IAC 20-1][40 CFR Part 63, Subpart A]

The provisions of 40 CFR 63 Subpart A - General Provisions, which are incorporated as 326 IAC 20-1-1, apply to the affected source, as designated by 40 CFR 63.7506(b), except when otherwise specified in 40 CFR 63 Subpart DDDDD. The Permittee must comply with these requirements on and after the effective date of 40 CFR 63, Subpart DDDDD.

Compliance Determination Requirements

D.2.8 Continuous Emissions Monitoring [326 IAC 3-5][326 IAC 12][40 CFR 60, Subpart D]

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions) and 40 CFR 60.45, no continuous emission monitoring systems are required for Auxiliary Boilers 1 and 2 at this time.

(a) Pursuant to paragraph (b) of 40 CFR 60.45:

(1) For a fossil fuel fired steam generator that does not use a flue gas desulfurization device, a continuous monitoring system for measuring sulfur dioxide emissions is not required if the owner or operator monitors sulfur dioxide emissions by fuel sampling and analysis.

(2) Pursuant to 40 CFR 60.45(b)(3) and the results of the nitrogen oxides (NO_X) stack tests performed January 15 and January 16, 2003, Auxiliary Boilers 1 and 2 are exempted from the NO_X continuous monitoring requirement of 60.45(a).

This exemption is contingent upon continued demonstration that the NO_X emissions are less than 70% of the limit (i.e. < 0.49 pounds per million Btu's).

(3) If an owner or operator does not install any continuous monitoring systems for sulfur oxides and nitrogen oxides, as provided under paragraph (b) of 40 CFR 60.45, a continuous monitoring system for measuring either oxygen or carbon dioxide is not required.

(b) Pursuant to 40 CFR 60.13(i)(2), Auxiliary Boilers 1 and 2 shall comply with the Alternative Opacity Monitoring requirements of the approval letter issued March 18, 2003, by U.S. EPA, in lieu of the continuous opacity monitoring requirements of 40 CFR 60.45.

D.2.9 Testing Requirements [326 IAC 2-7-6(1), (6)][326 IAC 2-1.1-11][326 IAC 3-5-1(c)(2)(A)(ii)]

Performance tests for Auxiliary Boiler 1 and 2 were performed in 2003 pursuant to 40 CFR 60.11. PM and NO_X stack testing shall be repeated using methods as approved by the Commissioner, as follows:

(a) By December 31 of the second calendar year following the most recent stack test; or

(b) If a unit is not operated at least 1,000 hours in the 2 years since the previous stack test, then testing shall be repeated at least once every 1,000 hours of operation for that unit, or five (5) calendar years from the date of the last valid compliance demonstration, whichever occurs first.

Testing shall be conducted in accordance with Section C - Performance Testing. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

D.2.10 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3-7][326 IAC 7-2][326 IAC 12] [40 CFR 60.45(b)(2)]

(a) Pursuant to 40 CFR 60.45(b)(2), the Permittee shall monitor sulfur dioxide emissions by fuel sampling and analysis.

(b) Pursuant to 326 IAC 7-2-1(c)(3), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 0.5 pounds per MMBtu, using a calendar month average.

(c) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7-4, fuel sampling and analysis data shall be collected as follows:

(1) The Permittee may rely upon vendor analysis of fuel delivered, if accompanied by a vendor certification [326 IAC 3-7-4(b)]; or,

(2) The Permittee shall perform sampling and analysis of fuel oil samples in accordance with 326 IAC 3-7-4(a).

(A) Oil samples shall be collected from the tanker truck load prior to transferring fuel to the storage tank; or

(B) Oil samples shall be collected from the storage tank immediately after each addition of fuel to the tank.

(d) Upon written notification to IDEM by a facility owner or operator, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 may be used as the means for determining compliance with the emission limitations in 326 IAC 7. Upon such notification, the other requirements of 326 IAC 7-2 shall not apply. [326 IAC 7-2-1(g)]

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

D.2.11 Method 9 Observations [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

If during the Method 9 opacity readings required by Condition D.2.1(b), opacity emissions are observed from Stack AB12 that are greater than normal for the operating condition of the auxiliary boiler(s), or in excess of the applicable opacity limit, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of greater than normal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

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

D.2.12 Record Keeping Requirements

(a) Pursuant to the approval letter issued March 18, 2003, by U.S. EPA, and 40 CFR 60.13(i)(2), and to document compliance with Section C - Opacity, Condition D.2.1(b) and (c), Condition D.2.3, and Condition D.2.11, the Permittee shall maintain the following records:

(1) Records of the date and time of visible emission observations, along with the results of each observation, must be maintained. Such records must be maintained on-site for a period of five years from the date of the observation.

(2) Records of hours of operation for each boiler must be maintained onsite for a period of five years.

(b) To document compliance with PM and NO_X limits in Condition D.2.2(a) and (c) and Condition D.2.9, the Permittee shall maintain records of the data and results from the most recent stack test. Records shall be complete and sufficient to establish compliance with the PM and NO_X limits established in Condition D.2.2.

(1) Data and results from the most recent stack test;

(2) All sampling and analysis data used to show compliance with 326 IAC 7-1.1 and 40 CFR 60.43(a)(1).

(c) To document compliance with the SO_2 requirements in Conditions D.2.2(b), D.2.4, and D.2.10, the Permittee shall maintain records in accordance with (1) and (2) below. Records and shall be complete and sufficient to establish compliance with the SO_2 limits in Conditions D.2.2 and D.2.4.

(1) All fuel sampling and analysis data used to show compliance with 326 IAC 7-1.1 and 40 CFR 60.43(a)(1).

(2) Actual fuel usage since last compliance determination period.

D.2.13 Reporting Requirements

(a) To document compliance with the applicable opacity limitations and monitoring requirements:

(1) Pursuant to the approval letter issued March 18, 2003, by U.S. EPA, and 40 CFR 60.13(i)(2), within thirty days of the end of each calendar quarter, excess opacity emission reports for Auxiliary Boilers 1 and 2 must be submitted to IDEM and U.S. EPA. The excess emission reports shall identify the number of hours of operation in that quarter, the number of hours of operation in previous quarters within the same calendar year, the total number of observations performed under condition D.2.1(b) and any excess opacity readings observed. The excess emission report shall denote that the boilers must comply with a 20 percent opacity limit over a six-minute average.

(2) Within thirty days of the end of each calendar quarter, a quarterly summary of the information to document compliance with Condition D.2.4 and 326 IAC 5-1-3 shall be submitted to IDEM at the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported.

The Permittee may elect to combine the excess opacity emission report for 326 IAC 5-1-3 with the quarterly reports required under part (a)(1) of this condition. If the Permittee elects to submit combined opacity reports, the reports submitted pursuant to (a) must also identify any excess opacity readings observed during startup and shutdown, and each report must state precisely which state and federal requirements are satisfied by the report.

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

(3) The reports required by Condition D.2.13(a)(1) shall be submitted to:

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

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

(b) To document compliance with the NSPS SO_2 requirements:

(1) To document compliance with Condition D.2.2(b), pursuant to 40 CFR 60.45(b)(2), excess SO_2 emissions reports shall be submitted to the administrator semi-annually for each six month period in the calendar year. All semiannual reports shall be postmarked by the 30th day following the end of each six-month period. Each excess emission and MSP report shall include the information required in 40 CFR 60.7(c).

(2) The reports required by Condition D.2.16(b)(1) shall be submitted to:

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

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

(c) Upon request of the IDEM, OAQ, reports of the calendar month average sulfur content, heat content, fuel consumption, and sulfur dioxide emission rate in pounds per million Btus shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit. [326 IAC 7-2-1(c)(3]

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

SECTION D.3 FACILITY CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

(d) A coal storage and handling system for MB1 and MB2, with installation started in 1981 and completed in 1984, consisting of the following equipment:

(1) Two (2) barge unloading stations, identified as Stations 1 and 2, each with a baghouse, or a dust extraction system using water injection, and foam or water spray for particulate control, each with a bucket elevator with foam or water spray and partial enclosure for particulate control, and Conveyors 1 and 2 with water spray for particulate control.

(2) Enclosed conveyor systems, including fully and partially enclosed conveyors, with foam, water, or other equivalent dust suppression measures for particulate control, with the transfer points enclosed by buildings with baghouses, or a dust extraction system using water injection, for particulate control at Stations 5, 6 and 7. A stacker reclaim system is used to drop coal to the storage pile(s). The coal handling system has a design throughput capacity of 4000 tons per hour up to the stacker-reclaimers, and 1600 tons per hour from Station 7E and 7W to the coal bunkers in the units.

(3) Coal storage pile(s), with fugitive dust emissions controlled by watering.

(4) Coal crushing Station 8, with a maximum throughput of 1780 tons per hour for the east system and 1649 tons per hour for the west system, with a baghouse for particulate control, or a dust extraction system using water injection.

(5) Blending and transfer Station 9, with foam, water, or other equivalent dust suppression measures for particulate control.

(6) Blending and transfer Station 10.

(7) Two (2) storage silos for Station 9, with foam, water, or other equivalent dust suppression measures for particulate control.

(8) Coal sampling and transfer Stations A and D, each with a baghouse for particulate control, or a dust extraction system using water injection.

(9) Bunkering conveyors AB, BC, CB, DC, and FD, each fully enclosed, each with a baghouse for particulate control, or a dust extraction system using water injection.

(10) Fourteen (14) storage silos for Unit 1, with particulate control as follows:

(A) four (4) bag type filters, two for each set of seven bunkers on each side of Main Boiler 1, or

(B) one or more dust extraction systems using water injection.

(11) Fourteen (14) storage silos for Unit 2, with particulate control as follows:

(A) four (4) bag type filters, two for each set of seven bunkers on each side of Main Boiler 2, or

(B) one or more dust extraction systems using water injection.

Insignificant Activities [326 IAC 2-7-1(21)]:

Coal bunker and coal scale exhausts and associated dust collector vents.

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

D.3.1 New Source Performance Standard (NSPS): Coal Preparation Plants [326 IAC 12] [40 CFR 60, Subpart Y]

Pursuant to 326 IAC 12 and 40 CFR 60, Subpart Y (Standards of Performance for Coal Preparation Plants) the emissions from the coal storage and handling system for MB1 and MB2, beginning after the coal storage pile(s), shall not exhibit opacity greater than or equal to twenty percent (20%). [40 CFR 60.252(c)]

D.3.2 Particulate [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), for the coal storage and handling system other than the coal storage piles, at a throughput rate greater than 200 tons per hour the concentration of particulate in the discharge gases to the atmosphere shall be less than 0.10 pounds per one thousand (1,000) pounds of gases.

D.3.3 General Provisions Relating to NSPS [326 IAC 12-1][40 CFR Part 60, Subpart A]

The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the coal storage and handling system for MB1 and MB2, beginning after the coal storage pile(s), except when otherwise specified in 40 CFR Part 60, Subpart Y.

Compliance Determination Requirements

D.3.4 NSPS Test Methods and Procedures [326 IAC 2-7-6(1), (3), (6)][326 IAC 2-1.1-11][40 CFR 60.8][40 CFR 60.46]

If the coal throughput to Crushing Station 8 exceeds 1780 tons in any one hour for the east system or 1649 tons in any one hour for the west system, the owner or operator shall repeat the initial performance tests for NSPS Subpart Y. The required testing shall be performed within 60 days following the date on which the previously demonstrated maximum rate is exceeded. Performance tests shall be conducted and data reduced in accordance with the test methods and procedures contained in 40 CFR 60.8 and 40 CFR 60.254 unless the Administrator approves an alternative in accordance with 40 CFR 60.8(b). [40 CFR 60.8]

D.3.5 NSPS Compliance Provisions [326 IAC 12][40 CFR 60, Subpart Y]

Method 9 and the procedures in 40 CFR 60.11 shall be used to determine opacity. [40 CFR 60.254(b)(2)]

D.3.6 Particulate Control [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, in order to comply with Conditions D.3.1 and D.3.2, the baghouses, dust extraction systems, and dust collectors for particulate control shall be in operation and control emissions at all times the associated processes are in operation, and the foam, water, or other equivalent dust suppression shall be in operation and control emissions at all times the associated processes are in operation.

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

D.3.7 Visible Emissions Notations [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) Visible emission notations of the partially enclosed coal unloading stations shall be performed once per week during normal daylight operations when unloading coal. A trained employee shall record whether emissions are normal or abnormal.

(b) Visible emission notations of the exhaust from the particulate control devices on the coal handling operations shall be performed once per week during normal daylight operations when the associated processes are in operation. A trained employee shall record whether emissions are normal or abnormal.

(c) If abnormal emissions are observed from the coal handling operations, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of abnormal emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

(d) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.

(e) 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.

(f) 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.

D.3.8 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) The Permittee shall record the pressure drop across each baghouse used in conjunction with the unloading stations, transfer stations, coal crusher, and bunkering conveyors at least once per week when the corresponding facility is in operation. When for any one reading, the pressure drop across the baghouse is outside the normal range of 3.0 and 6.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

(b) The instrument used for determining the pressure shall comply with Section C - Instrument Specifications, and shall be calibrated in accordance with the manufacturer's specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

D.3.9 Broken or Failed Bag or Dust Extraction System Detection [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) For a dust extraction system with water injection or a single compartment baghouse controlling emissions from a process operated continuously, a failed unit and the associated process shall be shut down immediately until the failed unit has 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).

(b) For a dust extraction system with water injection or a single compartment baghouse controlling emissions from a batch process, the feed to the process shall be shut down immediately until the failed unit has been repaired or replaced. The emission unit shall be shut down no later than the completion of the processing of the material in the line. 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).

Failure of a dust extraction system can be indicated by abnormal visible emissions, by an opacity violation, or by other means such as air intake rate, water injection rate, or impeller speed.

Bag failure can be indicated by a significant drop in the baghouse's pressure reading with abnormal visible emissions, by an opacity violation, or by other means such as gas temperature, flow rate, air infiltration, leaks, dust traces or triboflows.

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

D.3.10 Record Keeping Requirements

(a) To document compliance with Condition D.3.7 the Permittee shall maintain records of the visible emission notations of the coal unloading station openings and the exhausts from the particulate control devices on the coal handling operations.

(b) To document compliance with Condition D.3.8, the Permittee shall maintain records of the pressure drop across each baghouse.

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

D.3.11 Reporting Requirements [326 IAC 12-1][40 CFR Part 60, Subpart A]

(a) If the coal throughput to Crushing Station 8 exceeds 1780 tons in any one hour for the east system or 1649 tons in any one hour for the west system, the owner or operator shall submit a notification containing the increased throughput rate and the reason for the operational change. This notification shall be submitted not later than 30 days after the increase in throughput.

(b) The notification required by paragraph (a) shall be submitted to:

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

The notification requires the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(c) If the initial performance tests for NSPS Subpart Y are repeated to demonstrate compliance at an increased coal throughput rate, the owner or operator shall furnish the Administrator a written report of the results of the performance tests and of any subsequent performance tests required by the Administrator under section 114 of the Clean Air Act, in accordance with 40 CFR 60.8.

SECTION D.4 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

(e) Dry fly ash handling:

(1) Fly ash handling for MB1, installed in approximately 1982, including the following:

(A) Vacuum system to convey fly ash to four (4) storage silos with particulate emissions controlled by a bin vent filter on each silo, with a maximum throughput rate of 58 tons per hour.

(B) Each of the four fly ash silos is equipped with two telescoping chutes for loading dry ash into tanker trucks. Each chute has a vacuum system to control dust and transport it back into the storage silo. Process rate for loading the tanker trucks is estimated at 300 tons per hour.

(C) Each of the four fly ash silos is equipped with two wet ash conditioners, for loading ash into open trucks for disposal. Dust is controlled by mixing water with the ash prior to depositing the ash in the truck. Process rate is estimated at 150 tons per hour.

(D) Water spray curtains on each silo can be used to prevent dust generated in the loading operation from leaving the loading gallery in the silo base, if the outdoor temperature is above freezing.

(2) Fly ash handling for MB2, with installation completed in 1986, including the following:

(A) Vacuum system to convey fly ash to four (4) storage silos with particulate emissions controlled by two (2) bin vent filters on each silo, with a maximum throughput rate of 58 tons per hour.

(B) Each of the four fly ash silos is equipped with two telescoping chutes for loading dry ash into tanker trucks. Each chute has a vacuum system to control dust and transport it back into the storage silo. Process rate for loading the tanker trucks is estimated at 300 tons per hour.

(C) Each of the four fly ash silos is equipped with two wet ash conditioners, for loading ash into open trucks for disposal. Dust is controlled by mixing water with the ash prior to depositing the ash in the truck. Process rate is estimated at 150 tons per hour.

(D) Water spray curtains on each silo can be used to prevent dust generated in the loading operation from leaving the loading gallery in the silo base, if the outdoor temperature is above freezing.

(3) One (1) fly ash barge loading facility, with pneumatic unloading system from covered truck to covered barge with a maximum throughput rate of 52.5 tons ash per hour, with a baghouse on a river cell for particulate control.

(4) Rail loading equipment associated with the former fly ash temporary storage facility, with a maximum throughput rate of 52.5 tons ash per hour. The loader has a baghouse for dust control.

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

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

(a) Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the particulate emission rates shall not exceed the following:

(1) 46 pounds per hour from the fly ash vacuum conveying system to storage silos when operating at a process weight rate of 58 tons per hour.

(2) 55 pounds per hour from the ash loading to open trucks from the storage silos when operating at a process weight rate of 150 tons per hour.

(3) 45 pounds per hour from fly ash barge loading when operating at a maximum process weight rate of 52.5 tons per hour.

(4) 45 pounds per hour from fly ash rail loading when operating at a maximum process weight rate of 50 tons per hour.

These pounds per hour limitations were calculated using the following equation:

Interpolation and extrapolation of the data for the process weight rate in excess of 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 55.0 P^{0.11} - 40$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

(b) Pursuant to 326 IAC 6-3-2(e)(3) (Particulate Emission Limitations for Manufacturing Processes), for dry fly ash loading to tanker trucks from the storage silos at a maximum throughput rate greater than 200 tons per hour, the concentration of particulate in the discharge gases to the atmosphere shall be less than 0.10 pounds per one thousand (1,000) pounds of gases.

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

D.4.2 Visible Emissions Notations [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) Visible emission notations of the ash silo unloading station openings shall be performed at least once per day during normal daylight operations when ash is being unloaded. A trained employee shall record whether emissions are normal or abnormal.

(b) Visible emission notations of each ash silo bin vent filter exhaust, barge and rail loading baghouse exhaust, and the nozzle of each telescoping chute shall be performed at least once per day during normal daylight operations when transferring ash to the respective silo or through the respective ash transfer facilities. A trained employee shall record whether emissions are normal or abnormal.

(c) If abnormal emissions of ash are observed from the ash silo unloading station openings, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

(d) If abnormal emissions are observed at a bin vent filter or baghouse exhaust or from the nozzle of the telescoping chute, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of abnormal emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

(e) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.

(f) 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.

(g) 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.

D.4.3 Baghouse and Bin Vent Filter Parametric Monitoring [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) The Permittee shall record the pressure drop across each bin vent filter and baghouse used in conjunction with the ash handling at least once per day when the ash handling is in operation. When for any one reading, the pressure drop across the bin vent filter or baghouse is outside the normal range of 3.0 and 6.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

(b) The instrument used for determining the pressure shall comply with Section C - Instrument Specifications, and shall be calibrated in accordance with the manufacturer's specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

D.4.4 Broken or Failed Bag Detection [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) For a single compartment baghouse controlling emissions from a process operated continuously, a failed unit and the associated process shall be shut down immediately until the failed unit has 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).

(b) For a single compartment baghouse controlling emissions from a batch process, the feed to the process shall be shut down immediately until the failed unit has been repaired or replaced. The emission unit shall be shut down no later than the completion of the processing of the material in the line. 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).

Bag failure can be indicated by a significant drop in the baghouse's pressure reading with abnormal visible emissions, by an opacity violation, or by other means such as gas temperature, flow rate, air infiltration, leaks, dust traces or triboflows.

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

D.4.5 Record Keeping Requirements

(a) To document compliance with Condition D.4.2, the Permittee shall maintain records of the visible emission notations of the ash silo unloading station openings and the baghouse and bin vent exhausts.

(b) To document compliance with Condition D.4.3, the Permittee shall maintain records of the pressure drop across each baghouse and bin vent filter.

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

SECTION D.5 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

(f) Wet process bottom ash handling, with hydroveyors conveying ash to storage ponds, with water level sufficient to prevent ash re-entrainment.

Insignificant Activities [326 IAC 2-7-1(21)]:

Ponded bottom ash handling and management, including dredging bottom ash ponds and loading material into trucks.

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

D.5.1 Fugitive Dust Emission Limitations [326 IAC 6-4-2]

Pursuant to 326 IAC 6-4-2:

(a) Any ash storage pond generating fugitive dust shall be in violation of this rule (326 IAC 6-4) if any of the following criteria are violated:

(1) A source or combination of sources which cause to exist fugitive dust concentrations greater than sixty-seven percent (67%) in excess of ambient upwind concentrations as determined by the following formula:

$$P = \frac{100 (R - U)}{U}$$

Where:

P = Percentage increase
R = Number of particles of fugitive dust measured at downward receptor site
U = Number of particles of fugitive dust measured at upwind or background site

(2) The fugitive dust is comprised of fifty percent (50%) or more respirable dust, then the percent increase of dust concentration in subdivision (1) of this section shall be modified as follows:

$$P_R = (1.5 \pm N) P$$

Where:

N = Fraction of fugitive dust that is respirable dust;
P_R = allowable percentage increase in dust concentration above background; and
P = no value greater than sixty-seven percent (67%).

(3) The ground level ambient air concentrations exceed fifty (50) micrograms per cubic meter above background concentrations for a sixty (60) minute period.

(4) If fugitive dust is visible crossing the boundary or property line of a source. This subdivision may be refuted by factual data expressed in subdivisions (1), (2) or (3) of this section. 326 IAC 6-4-2(4) is not federally enforceable.

(b) Pursuant to 326 IAC 6-4-6(6) (Exceptions), fugitive dust from a source caused by adverse meteorological conditions will be considered an exception to this rule (326 IAC 6-4) and therefore not in violation.

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

D.5.2 Visible Emissions Notations [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) Visible emission notations of the ash storage pond area(s) and any bottom ash storage piles shall be performed at least once per day during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.

(b) If visible emissions are observed crossing the property line or boundaries of the property, right-of-way, or easement on which the source is located, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

(c) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.

(d) 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.

(e) 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.

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

D.5.3 Record Keeping Requirements

(a) To document compliance with Conditions D.5.1 and D.5.2, the Permittee shall maintain records of visible emission notations of the ash storage pond area(s) and any bottom ash storage piles.

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

SECTION D.6 FACILITY CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

(g) Emergency generators as follows: Three (3) No. 2 fuel oil-fired emergency diesel generators designated as DG1, DG2, and DG3, each with 25.16 MMBtu/hr heat input capacity. [326 IAC 7][326 IAC 2]

(h) Five (5) No. 2 fuel oil-fired space heaters designated as WHU-5, WHU-6, WHU-7, WHU-8, and WHU-9, with heat input capacities of 4.5 MMBtu/hr, 3.0 MMBtu/hr, 2.75 MMBtu/hr, 3.5 MMBtu/hr, and 4.5 MMBtu/hr, respectively.

Insignificant Activities [326 IAC 2-7-1(21)]:

Space heaters using the following fuels: Fuel oil-fired combustion sources with heat input equal to or less than two million (2,000,000) Btu per hour and firing fuel containing less than three-tenths (0.3) percent sulfur by weight, including space heaters WHU-1 and WHU-2, each with 1.1 MMBtu/hr heat input capacity, and a 2 MMBtu/hr No. 2 fuel oil fired heater located in Station 10.

Emergency generators as follows: Diesel generators not exceeding 1600 horsepower.

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

D.6.1 Hours of Operation Limit [326 IAC 2-2]

In order to make the requirements of 326 IAC 2-2-1(x) and 326 IAC 2-2-1(jj) (PSD Requirements) not applicable to the diesel generators DG1, DG2, and DG3, during periods when both of the Unit 1 and Unit 2 main boilers are in service the total operating hours for all three diesel generators (DG1, DG2, and DG3) taken together shall not exceed 780 hours per twelve (12) consecutive month period with compliance determined at the end of each month.

D.6.2 Sulfur Dioxide (SO_2) [326 IAC 7]

Pursuant to 326 IAC 7-1.1-2 (Sulfur Dioxide Emission Limitations), the SO_2 emissions from the distillate oil-fired emergency generators and space heaters shall not exceed 0.5 pounds per million Btu (lbs/MMBtu).

D.6.3 PSD Minor Limit [326 IAC 2-2]

(a) In order to make the requirements of 326 IAC 2-2-1(x) and 326 IAC 2-2-1(jj) (PSD Requirements) not applicable to the fuel oil-fired space heaters WHU-1, WHU-2, WHU-5, WHU-6, WHU-7, WHU-8, and WHU-9, the emissions from the heaters shall be limited to less than forty (40) tons of sulfur dioxide (SO_2) per twelve (12) consecutive month period. Compliance with this limit shall be determined at the end of each month.

(b) The sulfur content of the fuel oil fired in space heaters WHU-1, WHU-2, WHU-5, WHU-6, WHU-7, WHU-8, and WHU-9 shall not exceed 0.3%, based on a higher heating value of 140 million Btu's per thousand gallons of fuel oil. If a fuel oil with a lower heating value is fired, the percent sulfur content must be correspondingly lower.

(c) The operation of space heaters WHU-1, WHU-2, WHU-5, WHU-6, WHU-7, WHU-8, and WHU-9 shall not exceed 11,510 hours per twelve (12) consecutive month period with compliance determined at the end of each month. This condition and condition D.6.3(b) limit the SO_2 emissions from these seven (7) heaters to not more than 37.4 tons per year.

Compliance Determination Requirements

D.6.4 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3][326 IAC 7-2][326 IAC 7-1.1-2] [326 IAC 2-2]

(a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions from the emergency generators and the space heaters do not exceed the equivalent of five-tenths (0.5) pound per million Btu heat input, using a calendar month average.

(b) The Permittee shall demonstrate that the fuel oil sulfur content does not exceed the percentage required for compliance with D.6.3(b).

(c) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7-4, fuel sampling and analysis data shall be collected as follows:

(1) The Permittee may rely upon vendor analysis of fuel delivered, if accompanied by a vendor certification [326 IAC 3-7-4(b)]; or,

(2) The Permittee shall perform sampling and analysis of fuel oil samples in accordance with 326 IAC 3-7-4(a).

(A) Oil samples shall be collected from the tanker truck load prior to transferring fuel to the storage tank; or

(B) Oil samples shall be collected from the storage tank immediately after each addition of fuel to the tank.

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

D.6.5 Record Keeping Requirements

(a) To document compliance with the requirements in Condition D.6.1, the Permittee shall maintain records of the following for each period of operation of any one of the diesel generators:

(1) Identification of generator(s) in service.

(2) Operation start time and end time, and total generator hours of operation (example: two generators operating for 3 hours equals 6 generator hours)

(3) The status of the Main Boilers MB1 and MB2 during periods of diesel generator operation.

(b) To document compliance with the requirements in Conditions D.6.2 and D.6.3(b), the Permittee shall maintain records of all fuel sampling and analysis data, pursuant to 326 IAC 7-2. Records and shall be complete and sufficient to establish compliance with the limits in Conditions D.6.2 and D.6.3(b).

(c) To document compliance with the requirements in Condition D.6.3(c), the Permittee shall maintain records of all periods of operation of space heaters WHU-1, WHU-2, WHU-5, WHU-6, WHU-7, WHU-8, and WHU-9. These records shall include the times of the start and end of operation, the operating time for that period (in hours) and the total cumulative operating time (in hours) for that calendar month.

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

D.6.6 Record Keeping Requirements

(a) A quarterly summary of the information to document compliance with Condition D.6.1 shall be submitted to the address listed in Section C - General Reporting Requirements, of this approval, 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 require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(b) A quarterly summary of the information to document compliance with Condition D.6.3 shall be submitted to the address listed in Section C - General Reporting Requirements, of this approval, 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 require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

SECTION D.7 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Insignificant Activities [326 IAC 2-7-1(21)]:

Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6.

Cleaners and solvents characterized as follows:

(1) Having a vapor pressure equal to or less than 2 kPa; 15 mm Hg; or 0.3 psi measured at 38 degrees C (100°F) or;

(2) Having a vapor pressure equal to or less than 0.7 kPa; 5mm Hg; or 0.1 psi measured at 20°C (68°F); the use of which for all cleaners and solvents combined does not exceed 145 gallons per 12 months.

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

D.7.1 Organic Solvent Degreasing Operations: Cold Cleaner Operation [326 IAC 8-3-2]

Pursuant to 326 IAC 8-3-2 (Cold Cleaner Operations), for cold cleaning operations constructed after January 1, 1980, 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;

(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.7.2 Organic Solvent Degreasing Operations: Cold Cleaner Degreaser Operation and Control [326 IAC 8-3-5]

(a) Pursuant to 326 IAC 8-3-5(a) (Cold Cleaner Degreaser Operation and Control), for cold cleaner degreaser operations without remote solvent reservoirs, constructed after July 1, 1990, 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 (38°C) (one hundred degrees Fahrenheit (100°F));

(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 (38°C) (one hundred degrees Fahrenheit (100°F)), 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 (38°C) (one hundred degrees Fahrenheit (100°F)), or if the solvent is heated to a temperature greater than forty-eight and nine-tenths degrees Celsius (48.9°C) (one hundred twenty degrees Fahrenheit (120°F)):

(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 of 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 construction of which commenced after July 1, 1990, 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.

SECTION E TITLE IV CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

(a) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB1 (Main Boiler 1), with construction commenced in 1977 and completed in 1984, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system have been installed for NO_X control. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

(b) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB2 (Main Boiler 2), with construction commenced in 1977 and completed in 1989, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system for NO_X control are scheduled for installation in 2004. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

Acid Rain Program

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

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

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

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

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

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

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

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

ORIS Code: 6166

NO_X Budget Source [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

(a) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB1 (Main Boiler 1), with construction commenced in 1977 and completed in 1984, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system have been installed for NO_X control. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

(b) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB2 (Main Boiler 2), with construction commenced in 1977 and completed in 1989, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system for NO_X control are scheduled for installation in 2004. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

(c) Two (2) No. 2 fuel oil-fired boilers, identified as Auxiliary Boiler 1 and Auxiliary Boiler 2, with construction commenced in 1977 and completed in 1983, each with a design heat input capacity of 603 million Btu per hour, both exhausting through Stack AB12.

F.1 Automatic Incorporation of Definitions [326 IAC 10-4-7(e)]

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

F.2 Standard Permit Requirements [326 IAC 10-4-4(a)]

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

(b) The NO_X budget units subject to this NO_X budget permit are MB1, MB2, Auxiliary Boiler 1 and Auxiliary Boiler 2.

F.3 Monitoring Requirements [326 IAC 10-4-4(b)]

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

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

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

(a) The owners and operators of the NO_X budget source and each NO_X budget unit at the

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

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

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

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

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

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

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

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

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

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

F.5 Excess Emissions Requirements [326 IAC 10-4-4(d)]

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

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

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

F.6 Record Keeping Requirements [326 IAC 10-4-4(e)][326 IAC 2-7-5(3)]

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

(a) The account certificate of representation for the NO_X authorized account representative for the source and each NO_X budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 326 IAC 10-4-6(h). The certificate and documents shall be retained

either on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond the five (5) year period until the documents are superseded because of the submission of a new account certificate of representation changing the NO_X authorized account representative.

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

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

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

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

F.7 Reporting Requirements [326 IAC 10-4-4(e)]

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

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

(c) Where 326 IAC 10-4 requires a submission to IDEM, OAQ, the NO_X authorized account representative shall submit required information to:

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

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

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

F.8 Liability [326 IAC 10-4-4(f)]

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

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

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

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

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

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

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

F.9 Effect on Other Authorities [326 IAC 10-4-4(g)]

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

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY

PART 70 OPERATING PERMIT
CERTIFICATION

Source Name: Indiana Michigan Power Company (d.b.a. American Electric Power) Rockport Plant
Source Address: 2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address: c/o Manager, Air Quality Services, American Electric Power
1 Riverside Plaza, Columbus, OH 43215
Part 70 Permit No.: T147-6786-00020

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:

Telephone:

Date:

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY, COMPLIANCE BRANCH
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
Phone: 317-233-0178
Fax: 317-233-6865

PART 70 OPERATING PERMIT
EMERGENCY OCCURRENCE REPORT

Source Name: Indiana Michigan Power Company (d.b.a. American Electric Power) Rockport Plant
Source Address: 2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address: c/o Manager, Air Quality Services, American Electric Power
1 Riverside Plaza, Columbus, OH 43215
Part 70 Permit No.: T147-6786-00020

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:

Page 2 of 2

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

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: _____

Telephone:_____

A certification is not required for this report.

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

Part 70 Quarterly Report: Auxiliary Boiler Hours of Operation

Source Name: Indiana Michigan Power Company (d.b.a. American Electric Power) Rockport Plant
Source Address: 2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address: c/o Manager, Air Quality Services, American Electric Power
1 Riverside Plaza, Columbus, OH 43215
Part 70 Permit No.: T147-6786-00020
Facilities: Auxiliary Boilers 1 and 2
Parameter: NSPS Alternate Opacity Monitoring Approval
Limits: Neither boiler shall be operated more than 876 hours in a calendar year.

YEAR: _____

Month	THIS MONTH Hours of operation for each Auxiliary Boiler	PREVIOUS TOTAL Hours of Operation in this Calendar Year, for each Auxiliary Boiler	12 MONTH TOTAL hours of operation for each Auxiliary Boiler
	Aux Boiler 1:	Aux Boiler 1:	Aux Boiler 1:
	Aux Boiler 2:	Aux Boiler 2:	Aux Boiler 2:
	Aux Boiler 1:	Aux Boiler 1:	Aux Boiler 1:
	Aux Boiler 2:	Aux Boiler 2:	Aux Boiler 2:
	Aux Boiler 1:	Aux Boiler 1:	Aux Boiler 1:
	Aux Boiler 2:	Aux Boiler 2:	Aux Boiler 2:

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

Submitted by: _____

Title / Position: _____

Signature: _____

Date: _____

Telephone: _____

Attach a signed certification to complete this report.

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

Part 70 Quarterly Report: Emergency Generators Hours of Operation

Source Name: Indiana Michigan Power Company (d.b.a. American Electric Power) Rockport Plant
Source Address: 2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address: c/o Manager, Air Quality Services, American Electric Power
1 Riverside Plaza, Columbus, OH 43215
Part 70 Permit No.: T147-6786-00020
Facilities: Diesel Generators DG1, DG2, DG3
Parameter: NO_X
Limits: 780 hours total per twelve (12) consecutive month period for all three generators during periods when both main boilers, Unit 1 and Unit 2, are in service.

YEAR: _____

Month	THIS MONTH Hours of operation for each generator	THIS MONTH Hours of generator operation when both main boilers were in operation	PREVIOUS 11 MONTHS TOTAL hours of generator operation when both main boilers were in operation	12 MONTH TOTAL hours of generator operation when both main boilers were in operation
	DG1:	DG1:		
	DG2:	DG2:		
	DG3	DG3:		
	DG1:	DG1:		
	DG2:	DG2:		
	DG3:	DG3:		
	DG1:	DG1:		
	DG2:	DG2:		
	DG3:	DG3:		

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

Submitted by: _____

Title / Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

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

Part 70 Quarterly Report: Space Heaters Hours of Operation

Source Name: Indiana Michigan Power Company (d.b.a. American Electric Power) Rockport Plant
Source Address: 2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address: c/o Manager, Air Quality Services, American Electric Power
1 Riverside Plaza, Columbus, OH 43215
Part 70 Permit No.: T147-6786-00020
Facility: Space Heaters WHU-1, WHU-2, WHU-5, WHU-6, WHU-7, WHU-8, WHU-9
Parameter: Sulfur Dioxide (SO_2)
Limits: 0.3 pounds SO_2 per MMBtu heat input; 0.3 percent (%) fuel sulfur content; 11,510 total hours of operation per year

YEAR: _____

Month	Hours Operation This Month	Hours Operation Last 12 Mos. Rolled Average	Average Weight % Sulfur in Fuel Oil	Higher Heating Value (HHV) of Fuel Oil (MMBtu/kgal)	SO_2 Emissions (lb/MMBtu)
LIMIT:		**11,510**	**0.3**		

Notes: 1. SO_2 Emissions (lb/MMBtu) = (142 x S) / HHV
where: S = average weight % of sulfur in the No. 2 fuel oil; and
HHV = Higher Heating Value (HHV) of the No. 2 fuel oil (MMBtu/kgal)

2. facility consists of seven (7) No. 2 fuel oil fired space heaters
3. Hours of operation Last 12 Months = Sum of Hours of Operation Over the Last 12 Months

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

Submitted by: _____

Title / Position: _____

Signature: _____

Date: _____

Telephone: _____

Attach a signed certification to complete this report.

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

Part 70 Quarterly Report

Source Name: Indiana Michigan Power Company (d.b.a. American Electric Power) Rockport Plant
Source Address: 2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address: c/o Manager, Air Quality Services, American Electric Power
1 Riverside Plaza, Columbus, OH 43215
Part 70 Permit No.: T147-6786-00020
Facility: Activated Carbon Injection System (ACI)
Parameter: Throughput of activated carbon
Limit: 3,160 tons per twelve (12) consecutive month period with compliance determined at the end of each month.

QUARTER : YEAR:

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

☐ No deviation occurred in this quarter.

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

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

Attach a signed certification to complete this report.

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

PART 70 OPERATING PERMIT
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT

Source Name: Indiana Michigan Power Company (d.b.a. American Electric Power) Rockport Plant
Source Address: 2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address: c/o Manager, Air Quality Services, American Electric Power
1 Riverside Plaza, Columbus, OH 43215
Part 70 Permit No.: T147-6786-00020

Months: _____ **to** _____ **Year:** _____

Page 1 of 2

This report shall be submitted quarterly based on a calendar year. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive. 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".

☐ NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

☐ THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD

Permit Requirement (specify permit condition #)

Date of Deviation:	**Duration of Deviation:**

Number of Deviations:

Probable Cause of Deviation:

Response Steps Taken:

Permit Requirement (specify permit condition #)

Date of Deviation:	**Duration of Deviation:**

Number of Deviations:

Probable Cause of Deviation:

Response Steps Taken:

Page 2 of 2 of Quarterly Deviation And Compliance Monitoring Report

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: _____

Telephone: _____

Attach a signed certification to complete this report.

Indiana Department of Environmental Management
Office of Air Quality

Addendum to the Technical Support Document
for a Significant Source Modification and Significant Permit Modification
to a Part 70 Operating Permit

Source Background and Description

Source Name:	Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant
Source Location:	2791 North US Highway 231, Rockport, Indiana 47635
County:	Spencer
SIC Code:	4911 (Electric Services)
Significant Source Modification No.:	147-25360-00020
Significant Permit Modification No.:	147-25437-00020
Permit Reviewer:	ERG/ST

On July 31, 2008, the Office of Air Quality (OAQ) had a notice published in The Journal Democrat, Rockport, Indiana, stating that Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant had applied for a Significant Source Modification and Significant Permit Modification to a Part 70 Operating Permit. The notice also stated that OAQ proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

On August 29, 2008, Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant submitted comments on the proposed Significant Source Modification and Significant Permit Modification. The summary of the comments is as follows:

Comment 1:

Based on the limited changes being made to the Title V permit to allow the installation and operation of the Activated Carbon Injection System at Rockport, the permittee requests that the description of the control devices for the PAC Handling and Storage Operations be revised as follows to clarify the location of the bin vent filters:

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

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

PAC Handling and Storage Operations

(i) Two (2) pneumatic truck unloading stations and one (1) railcar unloading station for transferring activated carbon from transports to storage silos, approved for construction in 2008, with particulate emissions controlled by a bin vent filter **located on the silos described in Condition A.2(j)**.

.

IDEM Response to Comment 1:

The following changes have been made to the permit:

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

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

PAC Handling and Storage Operations

(i) Two (2) pneumatic truck unloading stations and one (1) railcar unloading station for transferring activated carbon from transports to storage silos, approved for construction in 2008, with particulate emissions controlled by a bin vent filter **located on the silos described in Condition A.2(j)**.

(j) Two (2) silos for storing activated carbon, each with a maximum storage capacity of 800 tons, approved for construction in 2008, with particulate emissions from each silo controlled by a bin vent filter.

Comment 2:

In accordance with Condition D.1.9, the permittee just completed the required testing to show compliance with Conditions D.1.2 and D.1.3. The permittee notes that the revised testing language in Condition D.1.9 could allow for the interpretation that a second test would be required by the end of 2008 or during the first quarter of 2009. The permittee does not believe IDEM intended to require a second test in 2008 and requests that the language in this condition be restored to it's original state.

IDEM Response to Comment 2:

IDEM agrees that the permittee has met the testing requirements for 2008 and has revised the language in this condition as follows:

D.1.9 Testing Requirements [326 IAC 2-7-6(1), (6)][326 IAC 2-1.1-11]

~~By December 31, 2008,~~ **By December 31 of 2010,** ~~or within 180 days after issuance of this permit, whichever is later,~~ compliance with the PM limitation in Conditions D.1.2 and D.1.3 shall be determined by a performance stack test conducted using methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C - Performance Testing. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

Indiana Department of Environmental Management
Office of Air Quality

Technical Support Document (TSD) for a Part 70 Significant Source Modification and a Part 70 Significant Permit Modification

Source Description and Location

Source Name:	Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant
Source Location:	2791 North US Highway 231, Rockport, Indiana 47635
County:	Spencer
SIC Code:	4911 (Electric Services)
Operation Permit No.:	T147-6786-00020
Operation Permit Issuance Date:	August 7, 2006
Significant Source Modification No.:	147-25360-00020
Significant Permit Modification No.:	147-25437-00020
Permit Reviewer:	ERG/ST

Existing Approvals

The source was issued a Part 70 Operating Permit No. T147-6786-00020 on August 7, 2006. The source has since received the following approvals:

(a) Title IV (Acid Rain) Permit Renewal AR 147-16151-00020, issued August 17, 2006; and

(b) Minor Permit Modification 147-23860-00020, issued on February 20, 2007.

County Attainment Status

The source is located in Spencer County, Ohio Township.

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

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

(a) Volatile organic compounds (VOC) and nitrogen oxides (NOx) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NOx emissions are considered when evaluating the rule applicability relating to ozone. Spencer County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

(b) U.S. EPA, in the Federal Register Notice 70 FR 943 dated January 5, 2005, has designated Spencer County, Ohio as nonattainment for PM2.5. 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 a violation of the Clean Air Act, the OAQ is following the U.S. EPA's New Source Review Rule for PM2.5 promulgated on May 8th, 2008, and effective on July 15th 2008. Therefore, direct PM2.5 and SO2 emissions were reviewed pursuant to the requirements of Nonattainment New Source Review, 326 IAC 2-1.1-5.

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

(d) Since this source is classified as an electric utility generating station, it is considered to be in one of the twenty-eight (28) listed source categories, as specified in 326 IAC 2-2-1(gg)(1).

(e) Fugitive Emissions
Since this type of operation is in one of the twenty-eight (28) listed source categories under 326 IAC 2-2 or 326 IAC 2-3, fugitive emissions are counted toward the determination of PSD and Emission Offset applicability.

Source Status

The table below summarizes the potential to emit of the entire source, prior to the proposed modification, after consideration of all enforceable limits established in the effective permits:

Pollutant	Potential To Emit (tons/year)
PM	Greater than 100
PM10	Greater than 100
PM2.5	Greater than 100
SO_2	Greater than 100
VOC	Greater than 100
CO	Greater than 100
NO_x	Greater than 100
Single HAP	Greater than 10
TOTAL HAPs	Greater than 25

(a) This existing source is a major stationary source, under PSD (326 IAC 2-2), because an attainment regulated pollutant is emitted at a rate of 100 tons per year or more, and it is in one of the twenty-eight (28) listed source categories, as specified in 326 IAC 2-2-1(gg)(1).

(b) This existing source is a major stationary source under Emission Offset (326 IAC 2-3) because the nonattainment regulated pollutant PM10 (as surrogate for $PM_{2.5}$) is emitted at a rate of 100 tons per year or more.

(c) This existing source is a major stationary source, under nonattainment new source review rules (326 IAC 2-1.1-5) since direct PM2.5 and/or SO2 is emitted at a rate of 100 tons per year or more.

(d) This existing source is a major source of HAPs, as defined in 40 CFR 63.41, because HAP emissions are greater than ten (10) tons per year for a single HAP and greater than twenty-five (25) tons per year for a combination of HAPs. Therefore, this source is a major source under Section 112 of the Clean Air Act (CAA).

(e) These emissions are based upon the TSD for Part 70 Operating Permit No. T147-6786-00020.

Actual Emissions

The following table shows the actual emissions from the source. This information reflects the 2005 OAQ emission data.

Pollutant	Emissions (tons/yr)
PM	Not Reported
PM10	173
PM2.5	Not Reported
SO_2	68,364
NO_x	21,659
VOC	290
CO	2,424
Lead	0.22
Worst Single HAP	Not Reported
Total HAPs	Not Reported

Description of Proposed Modification

The Office of Air Quality (OAQ) has reviewed a modification application, submitted by Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant on October 1, 2007. relating to the addition of an activated carbon injection system to the utility boiler stack exhaust for control of mercury emissions, with associated storage and handling facilities for the activated carbon.

The following is a list of the emission units and pollution control devices addressed by this proposed modification:

Modified Emission Units

(1) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB1 (Main Boiler 1), and

(2) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB2 (Main Boiler 2).

MB1 and MB2 will be outfitted with a powdered activated carbon (PAC) injection system that will reduce mercury emissions from the boilers. The PAC injection system identified as ACI, approved for construction in 2008, with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2), with particulate emissions controlled by an electrostatic precipitator (ESP) system, will exhaust through stack CS012

New Emission Units

(1) Two (2) pneumatic truck unloading stations and one (1) railcar unloading station for transferring activated carbon from transports to storage silos, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

(2) Two (2) silos for storing activated carbon, approved for construction in 2008, each with a maximum storage capacity of 800 tons, with particulate emissions from each silo controlled by a bin vent filter.

(3) Four (4) capacity metering pressure tanks, approved for construction in 2008, each with a maximum capacity of injecting 1,000 pounds per hour of activated carbon into the exhaust ductwork, with particulate emissions controlled by a bin vent filter.

Enforcement Issues

There are no pending enforcement actions related to this modification.

Stack Summary

There are no new stacks associated with this modification. The two (2) silos are each equipped with a bin vent filter. Emissions due to injection of pulverized activated carbon (PAC) into the exhaust ductwork will be controlled by existing electrostatic precipitator system and exhausted through existing stack CS012.

Emission Calculations

See Appendix A of this document for detailed emission calculations (pages 1 through 5).

Permit Level Determination – Part 70

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source or emission 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, IDEM, or the appropriate local air pollution control agency."

The following table is used to determine the appropriate permit level under 326 IAC 2-7-10.5. This table reflects the PTE of the modification before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential to Emit (tons/yr)
PM	Greater than 25
PM10	Greater than 25
PM2.5	Greater than 25
SO_2	0
VOC	0
CO	0
NO_X	0
HAPs	0

This source modification is subject to 326 IAC 2-7-10.5(f)(4) because this modification has a potential to emit greater than or equal to twenty-five (25) tons per year of particulate matter (PM) or particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM10). Additionally, the modification will be incorporated into the Part 70 Operating Permit through a significant permit modification issued pursuant to 326 IAC 2-7-12(d) because this modification requires a case-by-case determination of an emission limitation or other standard.

Permit Level Determination – PSD, Emission Offset, or Nonattainment New Source Review

The table below summarizes the emissions increase, reflecting all limits, of the emission units being added in this modification. Any control equipment is considered federally enforceable only after issuance of this Part 70 Source Modification and Part 70 Permit Modification, and only to the extent that the effect of the control equipment is made practically enforceable in the permit.

Process/Emission Unit	PM	PM10	PM2.5	SO2
PAC Loading and Storage	0.011	0.0073	0.0073	0.0
PAC Injection	23.1	5.3	2.33	0.0
Paved and Unpaved Roads	0.53	0.11	0.0	0.0
Total for Modification	**23.6**	**5.42**	**2.34**	**0.0**
Significant Level or Major Source Threshold	25	15	10	40

This modification to an existing major stationary source is not major because the emissions increase is less than the Emission Offset and Nonattainment NSR significant levels. Therefore, pursuant to 326 IAC 2-3 and 326 IAC 2-1.1-5, the Emission Offset and Nonattainment NSR requirements do not apply.

The Permittee completed an Actual to Potential test (pursuant to 326 IAC 2-2-2, 326 IAC 2-3-2, and 326 IAC 2-1.1-5) for this modification at a major stationary source that indicates that the modification will not be major for Prevention of Significant Deterioration (PSD) (326 IAC 2-2), Emission Offset (326 IAC 2-3), or Nonattainment NSR (326 IAC 2-1.1.5). IDEM, OAQ has not reviewed this information and will not be making any determination in this regard as part of this approval. The applicant will be required to keep records and report in accordance with 326 IAC 2-2-8 (Source Obligation).

This modification to an existing major stationary source is not major because the limited emissions increase is less than the Prevention of Significant Deterioration (326 IAC 2-2), Emission Offset (326 IAC 2-3), and Nonattainment NSR (326 IAC 2-1.1-5) significant levels. Therefore, pursuant to 326 IAC 2-2 (PSD), 326 IAC 2-3 (Emission Offset), and 326 IAC 2-1.1-5 (Non-attainment NSR), the PSD, Emission Offset and Nonattainment NSR requirements do not apply.

Federal Rule Applicability Determination

The following federal rules are applicable to the source due to this modification:

(a) There are no New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) included in this modification.

(b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAP)(326 IAC 14, 20 and 40 CFR 61, 63) included in this modification.

(c) Pursuant to 40 CFR 64.2, Compliance Assurance Monitoring (CAM) is applicable to new or modified emission units that involve a pollutant-specific emission unit and meet the following criteria:

(1) has a potential to emit before controls equal to or greater than the major source threshold for the pollutant involved;

(2) is subject to an emission limitation or standard for that pollutant; and

(3) uses a control device, as defined in 40 CFR 64.1, to comply with that emission limitation or standard.

The following table is used to identify the applicability of each of the criteria, under 40 CFR 64.1, to each new or modified emission unit involved:

Emission Unit	Control Device Used	Emission Limitation (Y/N)	Uncontrolled PTE (tons/year)	Controlled PTE (tons/year)	Major Source Threshold (tons/year)	CAM Applicable (Y/N)	Large Unit (Y/N)
PAC Injection (PM)	ESP	Y	3,160	23.1	100	Y	N
PAC Injection (PM10)	ESP	Y	727	5.33	100	Y	N
PAC Handling and Storage (PM)	Bin Vent Filter	Y	1.15	0.01	100	N	N
Paved Roads (PM)	None	Y	0.53	0.53	100	N	N

Based on this evaluation, the requirements of 40 CFR Part 64, CAM are applicable for PM and PM10 upon issuance of the Title V Renewal. A CAM plan must be submitted as part of the Renewal application.

State Rule Applicability Determination

The following state rules are applicable to the source due to the modification:

326 IAC 2-2, 2-3, and 2-1.1 (Prevention of Significant Deterioration (PSD), Emission Offset (EO), and Nonattainment New Source Review (NSR))

Source status

This source belongs to one of the listed 28 PSD source categories with a PSD major threshold of 100 tons per year.

Evaluation of PSD and EO Applicability

As indicated in the *Description of Modification* section of this document, this modification involves a physical change to an existing unit at a major PSD source. In order to determine the emissions increases of the modification (or "project" pursuant to 326 IAC 2-2 and 326 IAC 2-3), the OAQ used the "actual-to-projected actual test" described in 326 IAC 2-2-2(d)(3) and 326 IAC 2-3-2(c)(3). The following paragraphs describe how the test was conducted and how the emissions increases of the project were calculated. See *Appendix A* for detailed emission calculations.

The actual-to-projected actual test specifies how the emission increases from new and modified units should be calculated in order to evaluate the applicability of 326 IAC 2-2 and 326 IAC 2-3:

The emissions increases are the difference between a unit's projected actual emissions and baseline actual emissions excluding the portion of emissions that a unit could have accommodated during the baseline period (as provided by 326 IAC 2-2-1(rr)(2)(A)(iii) and 326 IAC 2-3-1(mm)(2)(A)(iii)).

Pursuant to 326 IAC 2-2-1, fugitive emissions, to the extent quantifiable, must be included in the assessment of baseline actual and projected actual emissions. Fugitive emissions from vehicular traffic associated with this modification have been evaluated.

Finally, the net emissions increase of the modification is equal to the sum of the emission increases from new, modified and increasingly utilized units coupled with the contemporaneous and creditable emissions increases and decreases. Since the emissions increases are less than the PSD significant thresholds, an evaluation of net emissions increases is not necessary. As indicated by the *Permit Level Determination - PSD* section of this document and the emission calculations in Appendix A, the emissions increases of the project is less than the relevant PSD significant thresholds for all pollutants.

Therefore, this modification is not subject to the requirements of 326 IAC 2-2 or 326 IAC 2-3.

Evaluation of Nonattainment New Source Review Applicability

Nonattainment New Source Review applicability is discussed under the Permit Level Determination – PSD, Emission Offset, Nonattainment New Source Review section.

Source Obligation Under 326 IAC 2-2 and 326 IAC 2-3

Pursuant to 326 IAC 2-2-8 and 326 IAC 2-3-1(m), the following requirements apply to this modification:

The following provisions apply to projects at an existing emissions unit at a major stationary source, other than projects at a source with a PAL, in circumstances where there is a reasonable possibility that a project that is not a part of a major modification may result in a significant emissions increase and the owner or operator elects to use the method specified in section 1(rr)(2)(A) of this rule for calculating projected actual emissions:

(1) Before beginning actual construction of the project, the owner or operator shall document and maintain a record of the following information:

(A) A description of the project.

(B) Identification of any emissions unit whose emissions of a regulated NSR pollutant could be affected by the project.

(C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:

(i) the baseline actual emissions;

(ii) the projected actual emissions;

(iii) the amount of emissions excluded under section 1(rr)(2)(A)(iii) of this rule; and

(iv) an explanation for why the amount was excluded, and any netting calculations, if applicable.

(2) If the unit is an existing unit other than an electric utility steam generating unit, the owner or operator shall submit a report to the department if the annual emissions, in tons per year, from the project identified in subdivision (1) exceed the baseline actual emissions, as documented and maintained under subdivision (1)(C), by a significant amount, as defined in section 1(xx) of this rule, for that regulated NSR pollutant and if the emissions differ from the preconstruction projection as documented and maintained under subdivision (1)(C). The report shall be submitted to the department within sixty (60) days after the end of the year. The report shall contain the following:

(A) The name, address, and telephone number of the major stationary source.

(B) The annual emissions as calculated under subdivision (3).

(C) The emissions calculated under the actual-to-projected actual test stated in section 2(d)(3) of this rule.

(D) Any other information that the owner or operator wishes to include in the report, such as an explanation as to why the emissions differ from the preconstruction projection.

The owner or operator of the source shall make the information required to be documented and maintained under subsection (b) available for review upon a request for inspection by the department. The general public may request this information from the department under 326 IAC 17.1.

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

The operation of the activated carbon injection (ACI) and the activated carbon handling and storage operations will emit less than ten (10) tons per year for a single HAP and less than twenty-five (25) tons per year for a combination of HAPs. Therefore, 326 IAC 2-4.1 does not apply.

326 IAC 6-4 (Fugitive Dust Emissions)

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

326 IAC 6-5 (Fugitive Particulate Emissions Limitations)

Although constructed after December 13, 1985, the provisions of 326 IAC 6-5 do no apply to this modification because the fugitive emissions from this modification are less than 5 tons per year.

326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes)

Pursuant to 326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes), the allowable particulate emission rate from the PAC handling and storage operations shall not exceed the emission limits specified in the table below:

Unit Description	Max. Process Weight Rate (tons/hr)	Allowable Particulate Emission Rate (lbs/hr)
PAC Handling and Storage	25	35.4

The allowable particulate emission rates were calculated using the equation below:

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

In order to comply with this limit, the electrostatic precipitator and the bin vent filters for the PAC injection and the PAC handling and storage operations shall be in operation and control emissions from the facilities at all times when the facilities are in operation.

Compliance Determination and Monitoring Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with all applicable state and federal rules on a continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a continuous demonstration. When this occurs IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, Compliance Determination Requirements are included in the permit. The Compliance Determination Requirements in Section D of the permit are those conditions that are found directly within state and federal rules and the violation of which serves as grounds for enforcement action.

If the Compliance Determination Requirements are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also in Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will

arise through a source's failure to take the appropriate corrective actions within a specific time period.

The Permittee is required to perform daily visible emission notations of the exhaust from the bin vent filters on the storage silos.

Proposed Changes

The changes listed below have been made to Part 70 Operating Permit No. 147-6786-00020. Deleted language appears as ~~strikethroughs~~ and new language appears in **bold**:

1. Sections A.2 and D.1 have been revised to include the new emission units and their requirements as follows:

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

The Permittee owns and operates a stationary electric utility generating station.

Source Address:	2791 North US Highway 231, Rockport, Indiana 47635
Mailing Address:	c/o Manager, Air Quality Services, American Electric Power 1 Riverside Plaza, Columbus, OH 43215
Source Telephone:	812-649-9171
SIC Code:	4911
County Location:	Spencer
Source Location Status:	Nonattainment for PM2.5 (Ohio Township) Attainment for all other criteria pollutants
Source Status:	Part 70 Permit Program Major Source, under PSD ~~Rules~~ and ~~Emission Offset~~ **Nonattainment NSR** Rules; Major Source, Section 112 of the Clean Air Act; 1 of 28 Source Categories

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

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

(a) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB1 (Main Boiler 1), with construction commenced in 1977 and completed in 1984, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system have been installed for NO_X control. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. **One (1) powdered activated carbon (PAC) injection system, identified as ACI, approved for construction in 2008, with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2).** Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

(b) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB2 (Main Boiler 2), with construction commenced in 1977 and completed in 1989, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system for NO_X control are scheduled for installation in 2004. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. **One (1) powdered activated carbon (PAC) injection system, identified as ACI, approved for construction in 2008,**

with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2). Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

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PAC Handling and Storage Operations

(i) Two (2) pneumatic truck unloading stations and one (1) railcar unloading station for transferring activated carbon from transports to storage silos, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

(j) Two (2) silos for storing activated carbon, each with a maximum storage capacity of 800 tons, approved for construction in 2008, with particulate emissions from each silo controlled by a bin vent filter.

(k) Four (4) capacity metering pressure tanks, each with a maximum capacity of injecting 1,000 pounds per hour of activated carbon into the exhaust ductwork, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

C.20 General Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-6][326 IAC 2-2] [326 IAC 2-3]

…

(c) Pursuant to 326 IAC 2-2-8(b) and/or 326 IAC 2-3-2(m), if there is a reasonable possibility that a "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, other than projects at a Clean Unit, which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) may result in a significant emissions increase and the Permittee elects to use the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with following:

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

(A) A description of the project.

(B) Identification of any emissions unit whose emissions of a regulated new source review (NSR) pollutant could be affected by the project.

(C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:

(i) Baseline actual emissions;

(ii) Projected actual emissions;

(iii) Amount of emissions excluded under 326 IAC 2-2-1(rr)(2)(A)(iii) and/or 326 IAC 2-3-1(mm)(2)(A)(iii); and

(iv) An explanation for why the amount was excluded, and any netting calculations, if applicable.

~~(2) Monitor the emissions of any regulated NSR pollutant that could increase as a~~

~~result of the project and that is emitted by any emissions unit identified in (1)(B) above; and~~

~~(3) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change if the project increases the design capacity of or the potential to emit that regulated NSR pollutant at the emissions unit.~~

(d) If there is a reasonable possibility (as defined in 40 CFR 51.165(a)(6)(vi)(A) and/or 40 CFR 51.166(r)(6)(vi)(a)) that a "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, other than projects at a source with a Plantwide Applicability Limitation (PAL), which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with following:

(1) Monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any existing emissions unit identified in (1)(B) above; and

(2) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change if the project increases the design capacity of or the potential to emit that regulated NSR pollutant at the emissions unit.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

(a) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB1 (Main Boiler 1), with construction commenced in 1977 and completed in 1984, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system have been installed for NO_X control. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. **One (1) powdered activated carbon (PAC) injection system, identified as ACI, approved for construction in 2008, with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2).** Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

(b) One (1) pulverized coal opposed wall fired dry bottom boiler, identified as MB2 (Main Boiler 2), with construction commenced in 1977 and completed in 1989, with a design heat input capacity of 12,374 million Btu per hour, with an electrostatic precipitator (ESP) system for control of particulate matter. Low NO_X burners and an overfire air (OFA) system for NO_X control are scheduled for installation in 2004. No. 2 fuel oil is fired during startup, shutdown, and load stabilization periods. No. 2 fuel oil may also be burned to maintain boiler temperature to ensure boiler availability on short notice, and to maintain boiler temperature required during chemical cleaning. **One (1) powdered activated carbon (PAC) injection system, identified as ACI, approved for construction in 2008, with a combined maximum capacity of injecting 2,100 pounds of activated carbon per hour into the exhaust ductwork for Boilers 1 and 2 (MB1 and MB2).** Emissions from Units MB1 and MB2 are exhausted through the common stack, Stack CS012. Continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_X) and for sulfur dioxide (SO_2) and a continuous opacity monitoring (COM) system are located on the common stack.

. . .

PAC Handling and Storage Operations

(i) Two (2) pneumatic truck unloading stations and one (1) railcar unloading station for transferring activated carbon from transports to storage silos, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

(j) Two (2) silos for storing activated carbon, each with a maximum storage capacity of 800 tons, approved for construction in 2008, with particulate emissions from each silo controlled by a bin vent filter.

(k) Four (4) capacity metering pressure tanks, each with a maximum capacity of injecting 1,000 pounds per hour of activated carbon into the exhaust ductwork, approved for construction in 2008, with particulate emissions controlled by a bin vent filter.

D.1.7 Particulate Emission Limitations for Manufacturing Processes [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes), the allowable particulate emission rate from the PAC handling and storage operations shall not exceed the emission limits specified in the table below:

Unit Description	Max. Process Weight Rate (tons/hr)	Allowable Particulate Emission Rate (lbs/hr)
PAC Handling and Storage Operations	25	35.4

The allowable particulate emission rates were calculated using the equation below:

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**

Compliance Determination Requirements

D.1.8 Particulate Control [326 IAC 2-7-6(6)]

In order to comply with Condition D.1.8, the bin vent filters for particulate control shall be in operation and control emissions at all times the respective unloading stations, silos and pressure tanks are in operation.

~~D.1.7~~ **D.1.9** Testing Requirements [326 IAC 2-7-6(1), (6)][326 IAC 2-1.1-11]

By December 31, 2008, ~~By December 31 of the second calendar year following the most recent stack test,~~ or within 180 days after issuance of this permit, whichever is later, compliance with the PM limitation in Conditions D.1.2 and D.1.3 shall be determined by a performance stack test conducted using methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C - Performance Testing. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

~~D.1.8~~ **D.1.10** Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule, or in this permit, the electrostatic precipitator (ESP) shall be operated at all times that the boiler vented to the ESP is in operation.

~~D.1.9~~ **D.1.11** Operation of Low NO_X Burners and Overfire Air Systems [326 IAC 2-7-6(6)]

~~D.1.10~~ **D.1.12** Continuous Emissions Monitoring [326 IAC 3-5][326 IAC 12][40 CFR 60, Subpart D] [326 IAC 7-2][40 CFR 52.21]

~~D.1.11~~ **D.1.13** Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3-5][326 IAC 7-2][326 IAC 7-1.1-2]

~~D.1.12~~ **D.1.14** Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

~~D.1.13~~ **D.1.15** SO_2 Monitoring System Downtime [326 IAC 2-7-6][326 IAC 2-7-5(3)]

D.1.16 Visible Emissions Notations

(a) Daily visible emission notations of the exhaust from the bin vent filters on the storage silos shall be performed during normal daylight operations when loading or unloading material. 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, at least eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C – Response to Excursions and Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions and Exceedances, shall be considered a deviation from this permit.

D.1.17 Broken or Failed Bin Vent Filter Detection

In the event that filter failure has been observed, for single compartment filters, failed units and the associated process will be shut down as soon as possible until the failed units have been repaired or replaced.

~~D.1.14~~ **D.1.18** Record Keeping Requirements

(a) To document compliance with Section C - Opacity, Section C - Maintenance of Continuous Opacity Monitoring Equipment, and the particulate matter and opacity requirements in Conditions D.1.2(a), D.1.3, D.1.4, ~~D.1.10~~ **D.1.12**, and ~~D.1.12~~ **D.1.14**, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits in Section C - Opacity and Conditions D.1.2(a), D.1.3, and D.1.4.

. . .

(b) To document compliance with the SO_2 requirements in Conditions D.1.2(b), D.1.3(a), D.1.5, ~~D.1.10~~ **D.1.12**, ~~D.1.11~~ **D.1.13**, and ~~D.1.13~~ **D.1.15**, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the applicable SO_2 limit(s) as required in Conditions D.1.2(b), D.1.3(a), ~~D.1.10~~ **D.1.12**, and ~~D.1.11~~ **D.1.13**. The Permittee shall maintain records in accordance with (3) and (4) below during SO_2 CEMS malfunction or downtime.

. . .

(3) All fuel sampling and analysis data collected for SO_2 CEMS downtime, in accordance with Condition ~~D.1.13~~ **D.1.15**.

. . .

(c) To document compliance with the NO_X requirements in Conditions D.1.2 and ~~D.1.10~~ **D.1.12**, the Permittee shall maintain records of all NO_X and CO_2 or O2 continuous emissions monitoring data, pursuant to 326 IAC 3-5-6, 326 IAC 2-2, 40 CFR 60.7, and 40 CFR 60.45. Records shall be complete and sufficient to establish compliance with the NO_X limits as required in Condition D.1.2.

(d) Pursuant to 326 IAC 2-2 and 326 IAC 2-3, the Permittee shall maintain records as specified by Conditions C.20(c) and (d) (General Record Keeping Requirements).

(e) To document compliance with Condition D.1.16, the Permittee shall maintain records of the visible emission notations required by that condition. The Permittee shall include in its daily record when a visible emission notation is not taken and the reason for the lack of visible emission notation (e.g. the process did not operate that day).

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

~~D.1.15~~ **D.1.19** Reporting Requirements

(a) A quarterly report of opacity exceedances and a quarterly summary of the information to document compliance with the PM and SO_2 requirements of Conditions D.1.2, D.1.3, D.1.4, and ~~D.1.10~~ **D.1.12** shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

. . .

2. IDEM, OAQ has updated its telephone numbers and decided to add the specific mail codes (MC) for each of the IDEM branches to improve mail delivery, as follows:

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

3. IDEM, OAQ has removed the identification of the Responsible Official in Condition A.1. IDEM will continue to maintain records of the name, title, and contact information for the responsible official.

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

The Permittee owns and operates a stationary electric utility generating station.

~~Responsible Official: Plant Manager~~

. . .

Conclusion and Recommendation

The construction of this proposed modification shall be subject to the conditions of the attached proposed Part 70 Significant Source Modification No. 147-25360-00020 and Part 70 Significant Permit Modification No. 147-25437-00020. The staff recommends to the Commissioner that this Part 70 Significant Source Modification and Significant Permit Modification be approved.

Appendix A: Emission Calculations
Powdered Activated Carbon Silo Loading and Transfer to Pressure Tank

Company Name: Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant
Address: 2791 North US Highway 231, Rockport, Indiana 47635
SPM to TV: 147-25437-00020
Reviewer: ERG/ST
Date: July 11, 2008

Particulate Emissions from Powered Activated Carbon (PAC) Handling and Storage

Emissions are generated when:1) the PAC is loaded into the storage silos from trucks or railcar, and 2) when it is transferred to the pressure tank from the storage silos.

Process Description	Maximum Throughput (tons/yr)	PM Emission Factor * (lbs/ton)	PM10 Emission Factor * (lbs/ton)	PTE of PM Before Controls (tons/yr)	PTE of PM10 Before Controls (tons/yr)	Control Efficiency (%)	PTE of PM After Controls (tons/yr)	PTE of PM10 After Controls (tons/yr)
Silo Loading and Storage	3,160	0.72	0.46	1.14	0.73	99.0%	1.1E-02	7.3E-03
Pressure Tank Loading	3,160	5.1E-03	2.4E-03	0.008	0.004	99.0%	8.1E-05	3.8E-05
			Totals	**1.15**	**0.73**		**0.011**	**0.007**

* Emission factors are from AP-42, Chapter 11.12, Table 11.12.2-2 (6/06).
NOTE: For the purpose of determining NSR applicability, the emissions increases associated with the silo loading and pressure tank loading are equal to the controlled potential to emit (PTE).

Methodology
PTE of PM/PM10 Before Controls (tons/yr) = Maximum Yearly Throughput (tons/yr) x PM/PM10 Emission Factor (lbs/ton) x 1 ton/2000 lbs
PTE of PM/PM10 After Controls (tons/yr) = PTE of PM/PM10 Before Controls (tons/yr) x (1 - Control Efficiency %)

Appendix A: Emission Calculations
Particulate Emissions from the Boiler Stack

Company Name: Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant
Address: 2791 North US Highway 231, Rockport, Indiana 47635
SPM to TV: 147-25437-00020
Reviewer: ERG/ST
Date: July 11, 2008

Projected Actual Emissions

Unit	Throughput [2]	Units of Throughput	PM Emission Factor [3]	PM10 Emission Factor [3]	PM2.5 Emission Factor [3]	Units of Emission Factor	PM Emissions (tons/yr)	PM10 Emissions (tons/yr)	PM2.5 Emissions (tons/yr)
Boiler Operation (MB1 and MB2) [1]	205,060,000	MMBtu/yr	0.0288	0.0193	0.0085	lbs/MMBtu	2975.9	1983.7	872.8

Baseline Actual Emissions

Unit	Throughput	Units of Throughput	PM Emission Factor [3]	PM10 Emission Factor [3]	PM2.5 Emission Factor [3]	Units of Emission Factor	PM Emissions (tons/yr)	PM10 Emissions (tons/yr)	PM2.5 Emissions (tons/yr)
Boiler Operation (MB1 and MB2) [5]	205,060,000	MMBtu/yr	0.0288	0.0193	0.0085	lbs/MMBtu	2952.9	1978.4	870.5

(1) Projected actual emissions include emissions from the injection of activated carbon.

(2) Projected fuel consumption following the installation of the PAC injection system. Aside from what the boilers' are already capable of accommodating, the projected fuel consumption of the boilers is not expected to exceed the average fuel consumption of the baseline period.

(3) The PM emission factor is from testing completed on 8/31/06 and accounts for the effect of the ESP. According to AP42, Table 1.1-6, PM10 is estimated to be 23% of PM and PM2.5 is estimated to be 44% of PM10.

(5) Baseline fuel consumption for the boilers is equal to the average 12 month fuel use over the baseline period. The baseline period is from 10/1/02 to 9/31/04.

Methodology
PM/PM10/PM2.5 Emissions from Boiler Operation = Throughput (MMBtu/yr) x Emission Factor (lbs/MMBtu) x 1/2000 ton/lb

Appendix A: Emission Calculations
Particulate Emissions from PAC Injection

Company Name: Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant
Address: 2791 North US Highway 231, Rockport, Indiana 47635
SPM to TV: 147-25437-00020
Reviewer: ERG/ST
Date: July 11, 2008

Emissions Associated with PAC Injection (1)

	Throughput (4)	Units of Throughput	PM Emission Factor (2)	PM10 Emission Factor (3)	PM2.5 Emission Factor (3)	Units of Emission Factor	PM Emissions (tons/yr)	PM10 Emissions (tons/yr)	PM2.5 Emissions (tons/yr)
PAC Injection	3,160	ton/yr	23.1	5.3	2.3	ton/yr	23.1	5.3	2.3

(1) Emissions from the injection of PAC into the boiler stack prior to the ESP.
(2) The PM emission factor is from testing completed on 8/31/06 and accounts for an ESP control efficiency of 99.27%.
(3) According to AP42, Table 1.1-6, PM10 is estimated to be 23% of PM and PM2.5 is estimated to be 44% of PM10.
(4) Expected PAC injection rate.

Methodology
PM/PM10/PM2.5 Emissions = Emission Factor (lb/hr) x 8760 hr/yr x 1/2000 ton/lb.
The Emission Factors are equal to the amount of uncontrolled PAC injected into the stack.

Appendix A: Emission Calculations
Fugitive Emissions from Unpaved Roads

Company Name: Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant
Address: 2791 North US Highway 231, Rockport, Indiana 47635
SPM to TV: 147-25437-00020
Reviewer: ERG/ST
Date: July 11, 2008

Unpaved Roads

According to AP-42, Chapter 13.2.2 - Unpaved Roads (11/06), the PM/PM10 emission factors for unpaved roads can be estimated from the following equation:

Method: $Ef = k * [(s/12)^a] * [(W/3)^b] * [(365-p) / 365]$

where:	k =	4.9	(Particle size multiplier) (k = 4.9 for PM, k = 1.5 for PM10)
	s =	6.0	mean % silt content of unpaved roads
	a =	0.7	Empirical constant (a = 0.7 for PM-30 or TSP, a = 0.9 for PM10)
	b =	0.45	Empirical constant (b = 0.45 for PM and PM10)
	W =	25	tons average vehicle weight
	p =	120	no. of days with at least 0.254 mm of precipitation

PM Emission Factor (trucks) = $(4.9 \times (6.0/12)^{0.7} \times (25/3)^{0.45}) \times ((365 - 120)/365)$ = 5.26 lbs/mile

PM10 Emission Factor (trucks) = $(1.5 \times (6.0/12)^{0.9} \times (25/3)^{0.45} \times ((365 - 120)/365)$ = 1.40 lbs/mile

Length of Unpaved Roads in One Direction = 0.08 miles

Potential to Emit (PTE) of PM/PM10 Before Control from Unpaved Roads:

PAC Delivery - Maximum Yearly Throughput: 3,160 tons/year

Vehicle Type	Maximum Trucks Per Year	Average Vehicle Weight	Total Trip Number	Traffic Component	Vehicle Mile Traveled (VMT)	PTE of PM	PTE of PM10
		(tons)	(trips/yr)	(%)	(miles/yr)	(tons/yr)	(tons/yr)
Truck (PAC Delivery)	158	25	158	100.0%	25	0.07	0.02

NOTE: For the purpose of determining NSR applicability, the emissions increases associated with vehicular traffic on unpaved roads are equal to the potential to emit (PTE).

Methodology

PTE of PM/PM10 (tons/yr) = Vehicle Miles Traveled (mi/yr) x PM/PM10 Emission Factor (lbs/mi) x 1 ton/2,000 lbs

Appendix A: Emission Calculations
Fugitive Emissions from Paved Roads

Company Name: Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant
Address: 2791 North US Highway 231, Rockport, Indiana 47635
SPM to TV: 147-25437-00020
Reviewer: ERG/ST
Date: July 11, 2008

Emission Factors: AP-42

According to AP-42, Chapter 13.2.1 - Paved Roads (11/06), the PM/PM10 emission factors for paved roads can be estimated from the following equation:

$$E = (k \times (sL/2)^a \times (w/3)^b - C) \times (1 - p/(4 \times 365))$$

where:

E =	emission factor (lb/vehicle mile traveled)	
sL =	road surface silt loading (g/m^2) =	12.0 (g/m^2)
w =	mean vehicle weight (tons) =	25.0 tons
k =	empirical constant =	0.082 for PM and 0.016 for PM10
a =	empirical constant =	0.65
b =	empirical constant =	1.5
C =	emission factor for exhaust, brake and tire wear	0.00047 for PM and PM10
p =	number of days per year with 0.01 inches precipitation	120

PM Emission Factor (trucks) = $(0.082 \times (7.0/2)^{0.65} \times (25/3)^{1.5} - 0.00047) \times (1 - 120/1460)$ = 5.80 lbs/mile

PM10 Emission Factor (trucks) = $(0.016 \times (7.0/2)^{0.65} \times (25/3)^{1.5} - 0.00047) \times (1 - 120/1460)$ = 1.13 lbs/mile

Length of Paved Roads in One Direction = 0.50 miles

Potential to Emit (PTE) of PM/PM10 Before Control from Paved Roads:

PAC Delivery - Maximum Yearly Throughput: 3,160 tons/year

Vehicle Type	Maximum Trucks Per Year	Average Vehicle Weight	Total Trip Number	Traffic Component	Vehicle Mile Traveled (VMT)	PTE of PM	PTE of PM10
		(tons)	(trips/yr)	(%)	(miles/yr)	(tons/yr)	(tons/yr)
Truck (PAC Delivery)	158	25	158	100.0%	158	0.46	0.09

NOTE: For the purpose of determining NSR applicability, the emissions increases associated with vehicular traffic on paved roads are equal to the potential to emit (PTE).

Methodology

Average Vehicle Weight (tons) = (Weight of Unloaded Vehicles + Weight of Loaded Vehicles) / 2
Total Trip Number (trips/yr) = Maximum Yearly Throughput / 25 tons per load
VMT (miles/yr) = Length of Paved Roads in One Direction (miles) x 2 x Total Trip Number (trips/yr)
PTE of PM/PM10 (tons/yr) = VMT (miles/yr) x Emission Factor (lbs/mile) x 1 tons/ 2000 lbs

Appendix A: Emission Calculations
Emissions Summary

Company Name: Indiana Michigan Power d.b.a. American Electric Power (AEP) Rockport Plant
Address: 2791 North US Highway 231, Rockport, Indiana 47635
SPM to TV: 147-25437-00020
Reviewer: ERG/ST
Date: July 11, 2008

	Projected Actual Emissions (tpy)			Baseline Actual Emissions [1] (tpy)			Emissions Increases (tpy)		
Activity	**PM**	**PM10**	**PM2.5**	**PM**	**PM10**	**PM2.5**	**PM**	**PM10**	**PM2.5**
PAC Handling	0.01	0.01	0.0	0.0	0.0	0.0	0.01	0.01	0.00
Boiler Operation	2975.9	1983.7	872.8	2952.9	1978.4	870.5	23.07	5.31	2.33
Unpaved Roads	0.07	0.02	0.0	0.0	0.0	0.0	0.07	0.02	0.00
Paved Roads	0.5	0.1	0.0	0.0	0.0	0.0	0.46	0.09	0.00
	Total Emissions Increases for the Modification						**23.60**	**5.42**	**2.33**

(1) Baseline Actual Emissions for PAC Handling, Unpaved Roads and Paved Roads are zero because these are new units/operations.