



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

Mitchell E. Daniels Jr.
Governor

Thomas W. Easterly
Commissioner

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

TO: Interested Parties / Applicant

DATE: July 14, 2008

RE: JFS Milling / 037-26235-00112

FROM: Matthew Stuckey, 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 according to IC 13-15-6-3, 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 and IC 13-15-6-1 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, **within eighteen (18) calendar days of the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

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

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

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

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

Enclosures
FNPER.dot12/03/07



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Minor Source Operating Permit Renewal OFFICE OF AIR QUALITY

JFS Milling, Inc.
5570 East Kalb-Zehr Road
Dubois, Indiana 47527

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

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

Indiana statutes from IC 13 and rules from 326 IAC, quoted in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a MSOP under 326 IAC 2-6.1.

Operation Permit No.: M037-26235-00112	
Original signed by:	Issuance Date: July 14, 2008
Alfred C. Dumauval, Ph. D., Section Chief Permits Branch Office of Air Quality	Expiration Date: July 14, 2018

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

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

The Permittee owns and operates a stationary animal feed mill.

Source Address:	5570 East Kalb-Zehr Road, Dubois, Indiana 47527
Mailing Address:	P.O. Box 501, Huntingburg, IN 47527
General Source Phone Number:	(812) 678-2402
SIC Code:	2048
County Location:	Dubois
Source Location Status:	Nonattainment for PM2.5 standard Attainment for all other criteria pollutants
Source Status:	Minor Source Operating Permit Program Minor Source, under PSD and Emission Offset Rules Minor Source, Section 112 of the Clean Air Act Not 1 of 28 Source Categories

A.2 Emission Units and Pollution Control Equipment Summary

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

- (a) One (1) grain receiving area consisting of:
 - (1) Two (2) truck receiving pits (identified as EU1 and EU2), constructed in 2004, each with a maximum receiving capacity of 42 tons of grains and soft stock per hour, controlled by two (2) baghouses (identified as 1125 and 1225) and exhausting at stacks 1 and 2.
 - (2) One (1) rail receiving pit (identified as EU14), constructed in 2004, with a maximum receiving capacity of 84 tons of grains and soft stock per hour.
- (b) Two (2) hammer mills (identified as EU5 and EU6), constructed in 2004, each with a maximum grinding capacity of 35 tons of grain per hour, controlled by two (2) baghouses (identified as 2230 and 2330) that are integral to the process, and exhausting at stacks 5 and 6.
- (c) One (1) batching system, constructed in 2004, consisting of,
 - (1) One (1) mill receiving turn head (identified as EU3), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse (identified as 1415) and exhausting at stack 3.
 - (2) One (1) ground grain turn head (identified as EU7), with a maximum throughput rate of 70 tons per hour, controlled by a baghouse (identified as 2365) and exhausting at stack 7.
 - (3) One (1) mixed feed turn head (identified as EU8), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse (identified as 3640) and exhausting at stack 8.

- (4) One (1) pneumatic turn head (identified as EU4), with a maximum throughput rate of 25 tons per hour, controlled by a baghouse (identified as 1505) that is integral to the process, and exhausting at stack 4.
- (d) Two (2) pellet cooling systems (identified as EU9 and EU10), constructed in 2004, each with a maximum throughput rate of 42 tons of feed pellets per hour, EU9 controlled by two (2) cyclones (identified as 4368 and 4370) and EU10 controlled by two (2) cyclones (identified as 4468 and 4470) that are integral to the process, and exhausting at stacks 9 and 10.
- (e) One (1) bulk station, constructed in 2004, with a maximum load-out rate of 188 tons of feed pellets per hour.
- (f) Two (2) natural gas fired boilers (identified as EU11 and EU12), constructed in 2004, each with a maximum heat input capacity of 10.5 MMBtu per hour and exhausting at stacks 11 and 12.
- (g) Four (4) whole grain storage silos (identified as S101, S102, S103 and S104), constructed in 2004, each with a maximum capacity of 175,000 bushels of whole grain.
- (h) One (1) corn storage silo (identified as S-105), to be constructed in 2008, with a maximum capacity of 540,000 bushels of #2 yellow corn.

SECTION B GENERAL CONDITIONS

B.1 Definitions [326 IAC 2-1.1-1]

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 2-1.1-1) shall prevail.

B.2 Revocation of Permits [326 IAC 2-1.1-9(5)]

Pursuant to 326 IAC 2-1.1-9(5)(Revocation of Permits), the Commissioner may revoke this permit if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

B.3 Affidavit of Construction [326 IAC 2-5.1-3(h)] [326 IAC 2-5.1-4]

This document shall also become the approval to operate pursuant to 326 IAC 2-5.1-4 when prior to the start of operation, the following requirements are met:

- (a) The attached Affidavit of Construction shall be submitted to the Office of Air Quality (OAQ), verifying that the emission units were constructed as proposed in the application or the permit. The emission units covered in this permit may begin operating on the date the Affidavit of Construction is postmarked or hand delivered to IDEM if constructed as proposed.
- (b) If actual construction of the emission units differs from the construction proposed in the application, the source may not begin operation until the permit has been revised pursuant to 326 IAC 2 and an Operation Permit Validation Letter is issued.
- (c) The Permittee shall attach the Operation Permit Validation Letter received from the Office of Air Quality (OAQ) to this permit.

B.4 Permit Term [326 IAC 2-6.1-7(a)][326 IAC 2-1.1-9.5][IC 13-15-3-6(a)]

- (a) This permit, M037-26235-00112, is issued for a fixed term of ten (10) 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.
- (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, until the renewal permit has been issued or denied.

B.5 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.6 Enforceability

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.7 Severability

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.8 Property Rights or Exclusive Privilege

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

B.9 Duty to Provide Information

- (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 an "authorized individual" as defined by 326 IAC 2-1.1-1(1). Upon request, the Permittee shall also furnish to IDEM, OAQ copies of records required to be kept by this permit.
- (b) For information furnished by the Permittee to IDEM, OAQ, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1. When furnishing copies of requested records directly to U. S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.10 Certification

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

B.11 Annual Notification [326 IAC 2-6.1-5(a)(5)]

- (a) An annual notification shall be submitted by an authorized individual to the Office of Air Quality stating whether or not the source is in operation and in compliance with the terms and conditions contained in this permit.
- (b) The annual notice shall be submitted in the format attached no later than March 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, IN 46204-2251
- (c) The notification shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ on or before the date it is due.

B.12 Preventive Maintenance Plan [326 IAC 1-6-3]

- (a) If required by specific condition(s) in Section D of this permit, the Permittee shall maintain and implement Preventive Maintenance Plans (PMPs) including the following information on each facility:

- (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.
- (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 an "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (c) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

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

- (a) All terms and conditions of permits established prior to M037-26235-00112 and issued pursuant to permitting programs approved into the state implementation plan have been either:
- (1) incorporated as originally stated,
 - (2) revised, or
 - (3) deleted.
- (b) All previous registrations and permits are superseded by this permit.

B.14 Termination of Right to Operate [326 IAC 2-6.1-7(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 ninety (90) days prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-6.1-7.

B.15 Permit Renewal [326 IAC 2-6.1-7]

- (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 2-6.1-7. Such information shall be included in the application for each emission unit at this source. The renewal application does require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Request for renewal shall be submitted to:

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

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

- (1) Submitted at least ninety (90) days 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 2-6.1 until IDEM, OAQ takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by the deadline specified in writing by IDEM, OAQ any additional information identified as being needed to process the application.

B.16 Permit Amendment or Revision [326 IAC 2-5.1-3(e)(3)][326 IAC 2-6.1-6]

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

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

Any such application shall be certified by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (c) The Permittee shall notify the OAQ within thirty (30) calendar days of implementing a notice-only change. [326 IAC 2-6.1-6(d)]

B.17 Source Modification Requirement

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

B.18 Inspection and Entry

[326 IAC 2-5.1-3(e)(4)(B)][326 IAC 2-6.1-5(a)(4)][IC 13-14-2-2][IC 13-17-3-2][IC 13-30-3-1]

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

- (a) Enter upon the Permittee's premises where a permitted source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
- (c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect, at reasonable times, any facilities, equipment (including monitoring and air

pollution control equipment), practices, or operations regulated or required under this permit;

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

B.19 Transfer of Ownership or Operational Control [326 IAC 2-6.1-6]

- (a) The Permittee must comply with the requirements of 326 IAC 2-6.1-6 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 an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (c) The Permittee may implement notice-only changes addressed in the request for a notice-only change immediately upon submittal of the request. [326 IAC 2-6.1-6(d)(3)]

B.20 Annual Fee Payment [326 IAC 2-1.1-7]

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

B.21 Credible Evidence [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.

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

Emission Limitations and Standards [326 IAC 2-6.1-5(a)(1)]

C.1 Permit Revocation [326 IAC 2-1.1-9]

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

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

C.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 thirty percent (30%) 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.

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).

C.6 Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted.

C.7 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

- (a) Notification requirements apply to each owner or operator. If the combined amount of regulated asbestos containing material (RACM) to be stripped, removed or disturbed is at least 260 linear feet on pipes or 160 square feet on other facility components, or at least thirty-five (35) cubic feet on all facility components, then the notification requirements of 326 IAC 14-10-3 are mandatory. All demolition projects require notification whether or not asbestos is present.
- (b) The Permittee shall ensure that a written notification is sent on a form provided by the Commissioner at least ten (10) working days before asbestos stripping or removal work or before demolition begins, per 326 IAC 14-10-3, and shall update such notice as necessary, including, but not limited to the following:
- (1) When the amount of affected asbestos containing material increases or decreases by at least twenty percent (20%); or
- (2) If there is a change in the following:
- (A) Asbestos removal or demolition start date;
- (B) Removal or demolition contractor; or
- (C) Waste disposal site.
- (c) The Permittee shall ensure that the notice is postmarked or delivered according to the guidelines set forth in 326 IAC 14-10-3(2).
- (d) The notice to be submitted shall include the information enumerated in 326 IAC 14-10-3(3).

All required notifications shall be submitted to:

Indiana Department of Environmental Management
Asbestos Section, Office of Air Quality
100 North Senate Avenue
MC 61-52 IGCN 1003
Indianapolis, Indiana 46204-2251

The notice shall include a signed certification from the owner or operator that the information provided in this notification is correct and that only Indiana licensed workers and project supervisors will be used to implement the asbestos removal project. The notifications do not require a certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (e) Procedures for Asbestos Emission Control
The Permittee shall comply with the applicable emission control procedures in 326 IAC 14-10-4 and 40 CFR 61.145(c). Per 326 IAC 14-10-1, emission control requirements are applicable for any removal or disturbance of RACM greater than three (3) linear feet on pipes or three (3) square feet on any other facility components or a total of at least 0.75 cubic feet on all facility components.

- (f) **Demolition and Renovation**
The Permittee shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation will occur for the presence of asbestos pursuant to 40 CFR 61.145(a).
- (g) **Indiana Licensed Asbestos Inspector**
The Permittee shall comply with 326 IAC 14-10-1(a) that requires the owner or operator, prior to a renovation/demolition, to use an Indiana Licensed Asbestos Inspector to thoroughly inspect the affected portion of the facility for the presence of asbestos. The requirement to use an Indiana Licensed Asbestos inspector is not federally enforceable.

Testing Requirements [326 IAC 2-6.1-5(a)(2)]

C.8 Performance Testing [326 IAC 3-6]

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

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

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
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 an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

C.9 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 2-6.1-5(a)(2)]

C.10 Compliance Monitoring [326 IAC 2-1.1-11]

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

C.11 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.12 Instrument Specifications [326 IAC 2-1.1-11]

- (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

C.13 Response to Excursions or Exceedances

- (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/or
 - (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.14 Actions Related to Noncompliance Demonstrated by a Stack Test

- (a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate response actions. The Permittee shall submit a description of these response actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize excess emissions from the affected 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 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 an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

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

C.15 Malfunctions Report [326 IAC 1-6-2]

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

- (a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) or appointed representative upon request.
- (b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.
- (c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).
- (d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

C.16 General Record Keeping Requirements [326 IAC 2-6.1-5]

- (a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.

C.17 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

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

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
- (b) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ on or before the date it is due.
- (c) Unless otherwise specified in this permit, 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 an "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (d) 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.

SECTION D.1 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

- (a) One (1) grain receiving area consisting of:
 - (1) Two (2) truck receiving pits (identified as EU1 and EU2), constructed in 2004, each with a maximum receiving capacity of 42 tons of grains and soft stock per hour, controlled by two (2) baghouses (identified as 1125 and 1225) and exhausting at stacks 1 and 2.
 - (2) One (1) rail receiving pit (identified as EU14), constructed in 2004, with a maximum receiving capacity of 84 tons of grains and soft stock per hour.
- (b) Two (2) hammer mills (identified as EU5 and EU6), constructed in 2004, each with a maximum grinding capacity of 35 tons of grain per hour, controlled by two (2) baghouses (identified as 2230 and 2330) that are integral to the process, and exhausting at stacks 5 and 6.
- (c) One (1) batching system, constructed in 2004, consisting of,
 - (1) One (1) mill receiving turn head (identified as EU3), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse (identified as 1415) and exhausting at stack 3.
 - (2) One (1) ground grain turn head (identified as EU7), with a maximum throughput rate of 70 tons per hour, controlled by a baghouse (identified as 2365) and exhausting at stack 7.
 - (3) One (1) mixed feed turn head (identified as EU8), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse (identified as 3640) and exhausting at stack 8.
 - (4) One (1) pneumatic turn head (identified as EU4), with a maximum throughput rate of 25 tons per hour, controlled by a baghouse (identified as 1505) that is integral to the process, and exhausting at stack 4.
- (d) Two (2) pellet cooling systems (identified as EU9 and EU10), constructed in 2004, each with a maximum throughput rate of 42 tons of feed pellets per hour, EU9 controlled by two (2) cyclones (identified as 4368 and 4370) and EU10 controlled by two (2) cyclones (identified as 4468 and 4470) that are integral to the process, and exhausting at stacks 9 and 10.
- (e) One (1) bulk station, constructed in 2004, with a maximum load-out rate of 188 tons of feed pellets per hour.

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

Emission Limitations and Standards [326 IAC 2-6.1-5(a)(1)]

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

Pursuant to 326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes, the particulate from the animal feed manufacturing plant shall not exceed the particulate emission limit in pounds per hour as shown in the table below.

Emission Unit	Process Weight		Particulate Emissions Limit (lb/hour)
	(ton/hour)	(lb/hour)	
One (1) Rail Receiving	84	168,000	49.5
Each of the two (2) Truck Receiving	42	84,000	43.0
Each of the two (2) Hammermills	35	70,000	41.3
Batching system consisting of:			
Ground Grain Turn Head	70	140,000	47.8
Mills Receiving Turn Head	84	168,000	49.5
Pneumatic Turn Head	25	50,000	35.4
Mixed Feed Turn Head	84	168,000	49.5
Each of the two (2) Pellet Coolers	42	84,000	43.0
One (1) Bulk Station	750	150,000	73.9

D.1.2 Preventative Maintenance Plan [326 IAC 1-6-3]

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

Compliance Determination Requirements

D.1.3 Particulate Control

In order to comply with D.1.1:

- (a) The five (6) baghouses (identified as 1125, 1225, 1415, 2365, and 3640) shall be in operation and control emissions from the two (2) truck receiving pits and the batching system (consisting of mill receiving turn head, ground grain turn head, and mixed feed turn head), at all times that the two (2) truck receiving pits, one (1) batching system (consisting of mill receiving turn head, ground grain turn head, and mixed feed turn head) are in operation.
- (b) The four (4) integral cyclones (identified as 4368, 4370, 4468 and 4470) shall be in operation and control emissions from the two (2) pellet coolers, at all times that the two (2) pellet coolers are in operation.
- (c) The two (2) integral baghouses (identified as 2230 and 2330) shall be in operation and control emissions from the two (2) hammer mills, at all times that the two (2) hammermills are in operation.
- (d) The one (1) integral baghouse (identified as 1505) shall be in operation and control emissions from the pneumatic receiving system, at all times that the pneumatic receiving system is in operation.
- (e) In the event that bag failure is observed in a multi-compartment baghouse, if operations will continue for ten (10) days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.

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

D.1.4 Visible Emissions Notations

- (a) Visible emissions notations of the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) stack exhausts

(identified as stacks 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10) shall be performed once per day during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.

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

D.1.5 Parametric Monitoring

The Permittee shall record the pressure drop across each baghouse used in conjunction with the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head), at least once per day when the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) are in operation. When for any one reading, the pressure drop across each 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.

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

D.1.6 Broken or Failed Bag Detection

- (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 emissions 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.

D.1.7 Cyclone Inspections

An inspection shall be performed each calendar quarter of the four (4) cyclones controlling the two (2) pellet coolers.

D.1.8 Cyclone Failure Detection

In the event that cyclone failure has been observed:

Failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. The emissions unit shall be shut down no later than the completion of the processing of the material in the pellet cooling system. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

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

D.1.9 Record Keeping Requirements

- (a) To document compliance with Condition D.1.4, the Permittee shall maintain records of visible emission notations of the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) stack exhausts (identified as stacks 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10) once per day. The Permittee shall include in its daily record when a visible emission notation is not taken and the reason for the lack of a visible emission notation, (i.e. the process did not operate that day).
- (b) To document compliance with Condition D.1.5, the Permittee shall maintain records once per day of the pressure drop during normal operation. The Permittee shall include in its daily record when a pressure drop reading is not taken and the reason for the lack of a pressure drop reading, (i.e. the process did not operate that day).
- (c) To document compliance with Condition D.1.6 and D.1.8, the Permittee shall maintain records of the results of the inspections required under Condition D.1.6 and D.1.8.
- (d) To document compliance with Condition D.1.2, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.
- (e) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.2 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

- (f) Two (2) natural gas fired boilers (identified as EU11 and EU12), constructed in 2004, each with a maximum heat input capacity of 10.5 MMBtu per hour and exhausting at stacks 11 and 12.

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

Emission Limitations and Standards [326 IAC 2-6.1-5(a)(1)]

D.2.1 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 two (2) boilers (identified as EU11 and EU12) described in this section except when otherwise specified in 40 CFR Part 60, Subpart Dc.

D.2.2 Particulate [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-4(a), the PM emissions from the two (2) 10.5 MMBtu per hour boilers (identified as EU11 and EU12) which will be existing and in operation after September 21, 1983 shall each be limited to 0.49 pounds of particulate matter per MMBtu heat input.

D.2.3 Preventive Maintenance Plan [326 IAC 1-6-3]

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

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

D.2.4 Record Keeping Requirements

- (a) Pursuant to 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial - Commercial - Industrial Steam Generating Units), the Permittee shall maintain daily fuel records for the two (2) natural gas fired boilers (identified as EU11 and EU12).
- (b) To document compliance with Condition D.2.3, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

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

**MINOR SOURCE OPERATING PERMIT
ANNUAL NOTIFICATION**

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

Company Name:	JFS Milling, Inc.
Address:	5570 East Kalb-Zehr Road
City:	Dubois, Indiana 47527
Phone #:	(812) 678-2402
MSOP #:	M037-26235-00112

I hereby certify that JFS Milling, Inc. is :

still in operation.

no longer in operation.

I hereby certify that JFS Milling, Inc. is :

in compliance with the requirements of MSOP M037-26235-00112.

not in compliance with the requirements of MSOP M037-26235-00112.

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

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

Noncompliance:

MALFUNCTION REPORT

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

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

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

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

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

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

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

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

ESTIMATED HOURS OF OPERATION WITH MALFUNCTION CONDITION: _____

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

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

ESTIMATED AMOUNT OF POLLUTANT EMITTED DURING MALFUNCTION: _____

MEASURES TAKEN TO MINIMIZE EMISSIONS: _____

REASONS WHY FACILITY CANNOT BE SHUTDOWN DURING REPAIRS:

CONTINUED OPERATION REQUIRED TO PROVIDE ESSENTIAL* SERVICES: _____

CONTINUED OPERATION NECESSARY TO PREVENT INJURY TO PERSONS: _____

CONTINUED OPERATION NECESSARY TO PREVENT SEVERE DAMAGE TO EQUIPMENT: _____

INTERIM CONTROL MEASURES: (IF APPLICABLE) _____

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

MALFUNCTION RECORDED BY: _____ DATE: _____ TIME: _____

*SEE PAGE 2

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

326 IAC 1-6-1 Applicability of rule

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

326 IAC 1-2-39 "Malfunction" definition

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

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

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

Indiana Department of Environmental Management
Office of Air Quality

Technical Support Document (TSD) for a Minor Source Operating Permit Renewal

Source Background and Description

Source Name:	JFS Milling, Inc.
Source Location:	5570 East Kalb-Zehr Road, Dubois, IN 47527
County:	Dubois
SIC Code:	2048
Permit Renewal No.:	M037-26235-00112
Permit Reviewer:	Summer Keown

The Office of Air Quality (OAQ) has reviewed the operating permit renewal application from JFS Milling, Inc. relating to the operation of a stationary animal feed mill.

History

On March 10, 2008, JFS Milling, Inc. submitted an application to the OAQ requesting to renew its operating permit. JFS Milling, Inc. was issued a MSOP, No. M037-17430-00112 on November 21, 2003.

Permitted Emission Units and Pollution Control Equipment

- (a) One (1) grain receiving area consisting of:
 - (1) Two (2) truck receiving pits (identified as EU1 and EU2), constructed in 2004, each with a maximum receiving capacity of 42 tons of grains and soft stock per hour, controlled by two (2) baghouses (identified as 1125 and 1225) and exhausting at stacks 1 and 2.
 - (2) One (1) rail receiving pit (identified as EU14), constructed in 2004, with a maximum receiving capacity of 84 tons of grains and soft stock per hour.
- (b) Two (2) hammer mills (identified as EU5 and EU6), constructed in 2004, each with a maximum grinding capacity of 35 tons of grain per hour, controlled by two (2) baghouses (identified as 2230 and 2330) that are integral to the process, and exhausting at stacks 5 and 6.
- (c) One (1) batching system, constructed in 2004, consisting of,
 - (1) One (1) mill receiving turn head (identified as EU3), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse (identified as 1415) and exhausting at stack 3.
 - (2) One (1) ground grain turn head (identified as EU7), with a maximum throughput rate of 70 tons per hour, controlled by a baghouse (identified as 2365) and exhausting at stack 7.
 - (3) One (1) mixed feed turn head (identified as EU8), with a maximum throughput rate of 84 tons per hour, controlled by a baghouse (identified as 3640) and exhausting at stack 8.

- (4) One (1) pneumatic turn head (identified as EU4), with a maximum throughput rate of 25 tons per hour, controlled by a baghouse (identified as 1505) that is integral to the process, and exhausting at stack 4.
- (d) Two (2) pellet cooling systems (identified as EU9 and EU10), constructed in 2004, each with a maximum throughput rate of 42 tons of feed pellets per hour, EU9 controlled by two (2) cyclones (identified as 4368 and 4370) and EU10 controlled by two (2) cyclones (identified as 4468 and 4470) that are integral to the process, and exhausting at stacks 9 and 10.
- (e) One (1) bulk station, constructed in 2004, with a maximum load-out rate of 188 tons of feed pellets per hour.
- (f) Two (2) natural gas fired boilers (identified as EU11 and EU12), constructed in 2004, each with a maximum heat input capacity of 10.5 MMBtu per hour and exhausting at stacks 11 and 12.
- (g) Four (4) whole grain storage silos (identified as S101, S102, S103 and S104), constructed in 2004, each with a maximum capacity of 175,000 bushels of whole grain.

The source has requested approval to construct and operate the following emission unit:

- (h) One (1) corn storage silo (identified as S-105), to be constructed in 2008, with a maximum capacity of 540,000 bushels of #2 yellow corn.

Existing Approvals

The source has been operating under MSOP No. 037-17430-00112, issued on November 21, 2003.

All terms and conditions of the previous permits issued pursuant to permitting programs approved into the state implementation plan have been either incorporated as originally stated, revised, or deleted by this permit. All previous registrations and permits are superseded by this permit.

Air Pollution Control Justification as an Integral Part of the Process

Pursuant to M037-17430-00112, issued on November 21, 2003:

- (a) The company has submitted the following justification such that the two (2) baghouses be considered as an integral part of the two (2) hammer mills:
 - (1) The air flow is the central processing media for the two (2) hammermills. The negative pressure fan pulls the required cfm level (4,500 cfm per hammermill) of ambient air through the bed of grain product to cool down. This causes the air to pick up some particulate or fines, which is not an optimum condition for the fan to operate because this results in clogging of the fan. Therefore, the two (2) baghouses are required between the hammermills and the fans for the system to function properly.
 - (2) The dollar amount saved from the collected material by this equipment is much more than the annual capital cost of the baghouses. A price quotation submitted by the Permittee estimates the replacement value of corn at \$87 per ton. Using this cost, the value of the 368 tons of corn fines emitted without the control devices is \$32,016. In addition, the price quoted on each of the baghouses is \$9,944. The Permittee estimates a 8.31 month payback for this equipment

IDEM, OAQ has evaluated the justification and agreed that the two (2) baghouses will be considered as an integral part of the two (2) hammer mills. Therefore, the permitting level will be determined using the potential to emit after the two (2) baghouses. Operating conditions in the proposed permit will specify that these two (2) baghouses shall operate at all times when the two (2) hammer mills are in operation.

(b) The company has submitted the following justification such that the two (2) cyclones be considered as an integral part of the two (2) pellet coolers:

(1) The air flow is the central processing media for the two (2) pellet coolers. The negative pressure fan pulls the required cfm level (24,000 cfm per cooler) of ambient air through the bed of warm pellets to cool down. This causes the air to pick up some particulate or fines, which is not an optimum condition for the fan to operate because it results in clogging of the fan. Therefore, the two (2) cyclones are required between the coolers and the fan for the system to function properly.

(2) The dollar amount saved from the collected material by this equipment is much more than the annual capital cost of the cyclones. A price quotation submitted by the Permittee, estimates the replacement value of the feed at \$ 162.50 per ton. Using this cost, the value of the feed material emitted from the two (2) coolers without the operation of the two (2) cyclones, is estimated at \$215,312.50. In addition, the price quoted on the two (2) cyclones is \$38,292. The Permittee estimates a 2.13 month payback for this equipment. In addition, a November 14, 1995 EPA memorandum, titled "Calculating PTE and other Guidance for Grain Handling Facilities, states that:

"control measures are inherent to an operation when they are always operated and maintained for reasons other than community air quality protection. Examples of inherent control measures include (a) product collection devices for which the value of the product collected greatly exceeds the cost of the collection device, and (b) devices for which the primary purpose is to improve product-quality control, to recover product, or to enhance production operating efficiency (for example, product recovery cyclones associated with operations such as pellet cooling at feed mills)."

Hence, the potential to emit of PM10 from pellet coolers 1 and 2 will be calculated after the controls.

IDEM, OAQ has evaluated the justification and agreed that the two (2) cyclones will be considered as an integral part of the two (2) pellet coolers. Therefore, the permitting level will be determined using the potential to emit after the two (2) cyclones. Operating conditions in the proposed permit will specify that these two (2) cyclones shall operate at all times when the two (2) pellet coolers are in operation.

(c) The company has submitted the following justification such that the one (1) baghouse be considered as an integral part of the pneumatic receiving system:

The pneumatic receiving system is a dilute phase pneumatic conveying system, that is the system itself receives the full product flow. The baghouse is used to separate the product from the air stream.

IDEM, OAQ has evaluated the justification and agreed that the one (1) baghouse will be considered as an integral part of the pneumatic receiving system because the pneumatic receiving system is inoperable without a functioning baghouse. Therefore, the permitting level will be determined using the potential to emit after the one (1) baghouse. Operating

conditions in the proposed permit will specify that the one (1) baghouse shall operate at all times when the pneumatic receiving system is in operation.

Enforcement Issue

There are no enforcement actions pending.

Emission Calculations

See Appendix A, pages 1 through 9, of this document for detailed emission calculations.

County Attainment Status

The source is located in Dubois County.

Pollutant	Designation
SO ₂	Better than national standards.
CO	Unclassifiable or attainment effective November 15, 1990.
O ₃	Unclassifiable or attainment effective June 15, 2004, for the 8-hour standard. ¹
PM ₁₀	Unclassifiable effective November 15, 1990.
NO ₂	Cannot be classified or better than national standards.
Pb	Not designated.
¹ Unclassifiable or attainment effective October 18, 2000, for the 1-hour ozone standard which was revoked effective June 15, 2005. Basic nonattainment designation effective federally April 5, 2005, for PM2.5.	

(a) Ozone Standards

- (1) 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.
- (2) On September 6, 2007, the Indiana Air Pollution Control Board finalized a temporary emergency rule to re-designate Allen, Clark, Elkhart, Floyd, LaPorte, St. Joseph as attainment for the 8-hour ozone standard.
- (3) On November 9, 2007, the Indiana Air Pollution Control Board finalized a temporary emergency rule to re-designate Boone, Clark, Elkhart, Floyd, LaPorte, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, Shelby, and St. Joseph as attainment for the 8-hour ozone standard.
- (4) 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. Dubois 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) PM2.5

Dubois County has been classified as nonattainment for PM2.5 in 70 FR 943 dated January 5, 2005. Until U.S. EPA adopts specific New Source Review rules for PM2.5 emissions, it has directed states to regulate PM10 emissions as a surrogate for PM2.5 emissions pursuant to the requirements of Nonattainment New Source Review, 326 IAC 2-1.1-5.

- (c) **Other Criteria Pollutants**
 Dubois County has been classified as attainment or unclassifiable in Indiana 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) **Fugitive Emissions**
 Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2 or 326 IAC 2-3, fugitive emissions are not counted toward the determination of PSD and Emission Offset applicability.

Unrestricted Potential Emissions

Appendix A, pages 1 through 9, of this TSD reflects the unrestricted potential emissions of the source.

- (a) The potential to emit (as defined in 326 IAC 2-7-1(29)) of all criteria pollutants is less than 100 tons per year. The source is not subject to the provisions of 326 IAC 2-7. Therefore, the source will be issued an MSOP
- (b) The potential to emit (as defined in 326 IAC 2-7-1(29)) of any single HAP is less than ten (10) tons per year and/or the potential to emit (as defined in 326 IAC 2-7-1(29)) of a combination of HAPs is less than twenty-five (25) tons per year.
- (c) Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-7, fugitive emissions are not counted toward the determination of Part 70 applicability.

Potential to Emit After Issuance

The table below summarizes the potential to emit, reflecting all limits of the emission units. Any control equipment is considered enforceable only after issuance of this MSOP and only to the extent that the effect of the control equipment is made practically enforceable in the permit.

Process/ Emission Unit	Potential To Emit (tons/year)							Individual HAPs	Total HAPs
	PM	PM ₁₀	SO ₂	VOC	CO	NO _x			
2 Natural Gas Fired Boilers	0.17	0.7	0.06	0.51	7.73	9.20	0.17	0.17	
Grain Receiving	6.25	0.92	0	0	0	0	0	0	
2 Hammer Mills	3.68	3.68	0	0	0	0	0	0	
Ground Grain Turn Head	18.70	10.42	0	0	0	0	0	0	
Mill Receiving Turn Head	22.44	12.51	0	0	0	0	0	0	
Pneumatic Turn Head	0.67	0.37	0	0	0	0	0	0	
Mixed Feed Turn Head	22.44	12.51	0	0	0	0	0	0	
2 Pellet Cooling Systems	55.19	27.59	0	0	0	0	0	0	
Feed Loadout	10.84	2.63	0	0	0	0	0	0	
Corn Storage Silo Conveyor	0.93	0.52	0	0	0	0	0	0	
Total Emissions	141.31	71.85	0.06	0.51	7.73	9.20	0.17	0.17	

- (a) This existing stationary source is not major for PSD because the emissions of each criteria pollutant are less than two hundred fifty (<250) tons per year, and it is not one of the twenty-eight (28) listed source categories.

- (b) This existing stationary source is not major for Emission Offset because the emissions of the nonattainment pollutant, PM_{2.5}, are less than one hundred (<100) tons per year.
- (c) Fugitive Emissions
Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2 or 326 IAC 2-3, fugitive emissions are not counted toward the determination of PSD and Emission Offset applicability.

Federal Rule Applicability

The following federal rules are applicable to the source:

- (a) The two (2) boilers, identified as EU11 and EU12, are subject to the New Source Performance Standard for Small Industrial-Commercial-Institutional Steam Generating Units (40 CFR 60, Subpart Dc), which is incorporated by reference as 326 IAC 12. These two (2) boilers were constructed after June 9, 1989 and have heat input capacities greater than 10 MMBtu/hr and less than 100 MMBtu/hr. However, these boilers are subject to only the reporting and recordkeeping requirements in 40 CFR 60.48c, because they are natural gas-fired boilers. As per the reporting and recordkeeping requirements, the source must maintain daily records of the amount of natural gas combusted.
- (b) Although the animal feed mill was constructed in 2003 and the truck receiving pits, hammer mills, pellet coolers, and the batching system (consisting of mills receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) are located at a grain elevator, they are not subject to the requirements of the New Source Performance Standard for Grain Elevators (40 CFR, Subpart DD), which is incorporated by reference as 326 IAC 12, because the grain elevator has a permanent grain storage capacity less than one (1) million bushels as defined under 40 CFR 60.301(f). Therefore, the source is not considered a "grain storage elevator" which is one of the affected facilities at this site.
- (c) There are no other New Source Performance Standards (NSPS) (326 IAC 12 and 40 CFR Part 60) included in this permit renewal.
- (b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAP) (326 IAC 14, 326 IAC 20 and 40 CFR Part 63) included in this permit renewal.

State Rule Applicability - Entire Source

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

JFS Milling, Inc. was constructed in 2004 and is not one (1) of the twenty-eight (28) source categories defined in 326 IAC 2-2-1(gg)(1). The potential to emit of each criteria pollutant before control will be less than two hundred and fifty (250) tons per year PSD threshold. Therefore, the source is a minor source under PSD and the requirements of 326 IAC 2-2 are not applicable.

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

The operation of this animal feed mill will emit less than 10 tons per year of a single HAP and less than 25 tons per year of a combination of HAPs. Therefore, 326 IAC 2-4.1 does not apply.

326 IAC 2-6 (Emission Reporting)

This source is located in Dubois County and the potential to emit of each criteria pollutant is less than one hundred (100) tons per year. Therefore, 326 IAC 2-6 does not apply.

326 IAC 5-1 (Opacity Limitations)

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

326 IAC 6-4-2 (Fugitive Dust Emissions: Emission Limitations)

A source generating fugitive dust shall be in violation of this rule (326 IAC 6-4) if either of the following criteria are violated:

- (a) The ground level ambient air concentrations exceed fifty (50) micrograms per cubic meter above background concentrations for a sixty (60) minute period, or
- (b) If fugitive dust is visible crossing the boundary or property line of a source.

326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations)

This source is not subject to the requirements of 326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations) because the source does not have fugitive emissions exceeding twenty-five (25) tons per year.

State Rule Applicability – Animal Feed Processing

326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes)

Pursuant to 326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes, the particulate from the animal feed manufacturing plant shall not exceed the particulate emission limit in pounds per hour as shown in the table below.

Emission Unit	Process Weight		Particulate Emissions Limit (lb/hour)
	(ton/hour)	(lb/hour)	
One (1) Rail Receiving	84	168,000	49.5
Each of the two (2) Truck Receiving	42	84,000	43.0
Each of the two (2) Hammermills	35	70,000	41.3
Batching system consisting of:			
Ground Grain Turn Head	70	140,000	47.8
Mills Receiving Turn Head	84	168,000	49.5
Pneumatic Turn Head	25	50,000	35.4
Mixed Feed Turn Head	84	168,000	49.5
Each of the two (2) Pellet Coolers	42	84,000	43.0
One (1) Bulk Station	750	150,000	73.9

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

and

Interpolation and extrapolation of the data for the process weight rate in excess of sixty thousand (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

The five (5) baghouses (identified as 1125, 1225, 1415, 2365, and 3640) shall be in operation at all times the two (2) truck receiving pits and the batching system (consisting of mills receiving turn head, ground grain turn head, and mixed feed turn head) are in operation, in order to comply with these limits.

The four (4) cyclones (identified as 4368, 4370, 4468, and 4470) shall be in operation at all times the two (2) pellet coolers are in operation, in order to comply with these limits.

The two (2) integral baghouses (identified as 2230 and 2330) shall be in operation at all times the two (2) hammer mills are in operation, in order to comply with this limit.

The one (1) integral baghouse (identified as 1505) shall be in operation and control emissions from the pneumatic receiving system, at all times that the pneumatic receiving system is in operation.

There are no controls associated with the one (1) rail receiving pit or the one (1) bulk station. Based on the calculations provided in Appendix A, these emission units will be in compliance with this rule.

State Rule Applicability – Two (2) Natural Gas Fired Boilers

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

Pursuant to 326 IAC 6-2-4(a), the particulate from the two (2) 10.5 MMBtu/hr boilers, identified as EU11 and EU12, shall each be limited to 0.49 pounds of particulate matter per MMBtu heat input.

This limit is based on the following equation:

$$Pt = \frac{1.09}{Q^{0.26}}$$

where: Pt = Emission Rate Limit (lb per MMBtu)
Q = Total source heat input capacity rating in million Btu per hour

Compliance Determination and Monitoring Requirements

The compliance monitoring requirements applicable to this source are as follows:

The two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) have applicable compliance determination conditions as specified below:

(a) Visible Emissions Notations

- (1) Visible emissions notations of the two (2) truck receiving pits, two (2) hammer mills, two (2) pellet coolers, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) stack exhausts (identified as stacks 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10) shall be performed once per day during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.

- (2) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.
 - (3) 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.
 - (4) 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.
 - (5) If abnormal emissions are observed, 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.
- (b) Baghouse Monitoring
- (1) The Permittee shall record the pressure drop across each baghouse (identified as 1125, 1225, 2230, 2330, 1415, 2365, 3640, and 1505) used in conjunction with the two (2) truck receiving pits, two (2) hammer mills, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head), at least once per day when the two (2) truck receiving pits, two (2) hammer mills, and one (1) batching system (consisting of mill receiving turn head, ground grain turn head, mixed feed turn head, and pneumatic turn head) are in operation. When for any one reading, the pressure drop across each 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.
 - (2) In the event that bag failure is observed in a multi-compartment baghouse, if operations will continue for (10) days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.
 - (3) 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)
 - (4) 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 emissions 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)

- (5) 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 any other means such as gas temperature, flow rate, air infiltration, leaks, dust traces, or triboflows.

(c) Cyclone Monitoring

- (1) An inspection shall be performed each calendar quarter of the four (4) cyclones (identified as 4368, 4370, 4468, and 4470) controlling the two (2) pellet coolers.

- (2) In the event that cyclone failure has been observed:

Failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. The emissions unit shall be shut down no later than the completion of the processing of the material in the emissions unit. 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).

Recommendation

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

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

An application for the purposes of this review was received on March 10, 2008.

Conclusion

The operation of this stationary animal feed mill shall be subject to the conditions of the attached MSOP Renewal No. M037-26235-00112

Appendix A: Emissions Calculations
Emissions Summary

Company Name: JFS Milling, Inc.
Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527
Permit Number: M037-26235-00112
Reviewer: Summer Keown
Date: 3/31/2008

UNCONTROLLED POTENTIAL TO EMIT IN TONS PER YEAR*

Emission Units	PM	PM10	SO2	NOx	VOC	CO	Single HAPs	Total HAPs
2 Natural Gas Fired Boilers	0.17	0.7	0.06	9.20	0.51	7.73	0.17	0.17
Grain Receiving	6.25	0.92	0	0	0	0	0	0
2 Hammer Mills*	3.68	3.68	0	0	0	0	0	0
Batching system consisting of:								
Ground Grain Turn Head	18.70	10.42	0	0	0	0	0	0
Mill Receiving Turn Head	22.44	12.51	0	0	0	0	0	0
Pneumatic Turn Head*	0.67	0.37	0	0	0	0	0	0
Mixed Feed Turn Head	22.44	12.51	0	0	0	0	0	0
2 Pellet Cooling Systems*	55.19	27.59	0	0	0	0	0	0
Feed Loadout	10.84	2.63	0	0	0	0	0	0
Corn Storage Silo: Conveyor	0.93	0.52	0	0	0	0	0	0
TOTAL	141.31	71.85	0.06	9.20	0.51	7.73	0.17	0.17

CONTROLLED POTENTIAL TO EMIT IN TONS PER YEAR*

Emission Units	PM	PM10	SO2	NOx	VOC	CO	Single HAPs	Total HAPs
2 Natural Gas Fired Boilers	0.17	0.7	0.06	9.20	0.51	7.73	0.17	0.17
Grain Receiving	6.25	0.92	0	0	0	0	0	0
2 Hammer Mills*	3.68	3.68	0	0	0	0	0	0
Batching system consisting of:								
Ground Grain Turn Head	18.70	10.42	0	0	0	0	0	0
Mill Receiving Turn Head	22.44	12.51	0	0	0	0	0	0
Pneumatic Turn Head*	0.67	0.37	0	0	0	0	0	0
Mixed Feed Turn Head	22.44	12.51	0	0	0	0	0	0
2 Pellet Cooling Systems*	55.19	27.59	0	0	0	0	0	0
Feed Loadout	10.84	2.63	0	0	0	0	0	0
Corn Storage Silo: Conveyor	0.93	0.52	0	0	0	0	0	0
TOTAL	141.31	71.85	0.06	9.20	0.51	7.73	0.17	0.17

*Controls for these devices are considered integral to the process: the two (2) baghouses controlling emissions from the two (2) hammer mills, the two (2) cyclones controlling the two (2) pellet coolers, and the one (1) baghouse controlling the pneumatic receiving system.

Appendix A: Emissions Calculations
Two (2) Natural Gas Fired Boilers (identified as EU11 and EU12)

Company Name: JFS Milling, Inc.
Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527
Permit Number: M037-26235-00112
Reviewer: Summer Keown
Date: 3/31/2008

Heat Input Capacity
MMBtu/hr

Potential Throughput
MMCF/yr

21.0

184.0

Emission Factor in lb/MMCF	Pollutant					
	PM*	PM10*	SO2	NOx	VOC	CO
	1.9	7.6	0.6	100.0 **see below	5.5	84.0
Potential Emission in tons/yr	0.17	0.70	0.06	9.20	0.51	7.73

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

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

Methodology

All emission factors are based on normal firing.

MMBtu = 1,000,000 Btu

MMCF = 1,000,000 Cubic Feet of Gas

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

Emission Factors are from AP 42, Chapter 1.4, Tables 1.4-1, 1.4-2, 1.4-3, SCC #1-02-006-02, 1-01-006-02, 1-03-006-02, and 1-03-006-03 (SUPPLEMENT D 3/98)

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

See page 3 for HAPs emissions calculations.

Appendix A: Emissions Calculations

Natural Gas Combustion Only

MM BTU/HR <100

HAPs Emissions

Company Name: JFS Milling, Inc.

Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527

Permit Number: M037-26235-00112

Reviewer: Summer Keown

Date: 3/31/2008

HAPs - Organics					
	Benzene	Dichlorobenzene	Formaldehyde	Hexane	Toluene
Emission Factor in lb/MMc	2.1E-03	1.2E-03	7.5E-02	1.8E+00	3.4E-03
Potential Emission in tons/	1.932E-04	1.104E-04	6.899E-03	1.656E-01	3.127E-04

HAPs - Metals					
	Lead	Cadmium	Chromium	Manganese	Nickel
Emission Factor in lb/MMc	5.0E-04	1.1E-03	1.4E-03	3.8E-04	2.1E-03
Potential Emission in tons/	4.599E-05	1.012E-04	1.288E-04	3.495E-05	1.932E-04

Methodology is the same as page 1.

Total HAP 0.17

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

Additional HAPs emission factors are available in AP-42, Chapter 1

**Appendix A: Emissions Calculations
PM/PM10 Emissions from Grain Receiving Pits**

Company Name: JFS Milling, Inc.
Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527
Permit Number: M037-26235-00112
Reviewer: Summer Keown
Date: 3/31/2008

Potential to Emit Before Controls

Unit	Max. Receiving Rate (ton/hour)	*Emission Factor for PM (lb/ton)	PTE of PM		*Emission Factor for PM10 (lb/ton)	PTE of PM10	
			(lb/hour)	(ton/year)		(lb/hour)	(ton/year)
Rail Receiving Pit	84	0.017	1.43	6.25	0.0025	0.21	0.92
Two (2) Truck Receiving Pits	84	0.017	1.43	6.25	0.0025	0.21	0.92
Worst Case Emissions				6.25		0.92	

Potential to Emit After Controls

Unit	Control Efficiency (%)	PTE of PM (ton/year)	PTE of PM10 (ton/year)
Rail Receiving Pit	0%	6.25	0.92
Two (2) Truck Receiving Pits	99%	0.06	0.01
Worst Case Emissions		6.25	0.92
TOTAL		6.25	0.92

*Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Grain Receiving, SCC 3-02-008-02 (March, 2003)
 Controls = Choke-fed enclosed pit for rail car receiving pit and two (2) baghouses for truck receiving pits.

Note: The rail pit and the two truck pits will utilize the same material handling system, hence they cannot run concurrently. Therefore, the potential to emit is the worst case scenerio between the two (2) types of receiving processes.

METHODOLOGY

PTE before controls (lb/hour) = Max. receiving rate (ton/hour) * Emission factor (lb/ton)
 PTE before controls (ton/year) = Max. receiving rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1 ton/2000 lbs
 PTE after control (ton/year) = PTE before controls (ton/year) * (1-Control Efficiency %)

**Appendix A: Emissions Calculations
PM/PM10 Emissions from Grinding Facility**

Company Name: JFS Milling, Inc.
Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527
Permit Number: M037-26235-00112
Reviewer: Summer Keown
Date: 3/31/2008

Potential to Emit

Unit	Max. Throughput Rate (ton/hour)	*Emission Factor for PM/PM10 (lb/ton)	PTE of PM/PM10	
			(lb/hour)	(ton/year)
Two (2) Hammermills	70	0.012	0.84	3.68
TOTAL				3.68

*Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Hammermill, SCC 3-02-008-17 (March 2003)

**Per AP-42, assume all PM emissions are equal to PM10 emissions.

Controls = Two (2) Baghouses with 99% control efficiency are considered integral to control.

METHODOLOGY

PTE after controls (lb/hour) = Max. throughput rate (ton/hour) * Emission factor (lb/ton)

PTE after controls (ton/year) = Max. throughput rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1 ton/2000 lbs

**Appendix A: Emissions Calculations
PM/PM10 Emissions from Batching System**

Company Name: JFS Milling, Inc.
Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527
Permit Number: M037-26235-00112
Reviewer: Summer Keown
Date: 3/31/2008

Potential to Emit

Unit	Max. Handling Rate (ton/hour)	*Emission Factor for PM (lbs/ton)	PTE of PM		*Emission Factor for PM10 (lbs/ton)	PTE of PM10	
			(lb/hour)	(ton/year)		(lb/hour)	(ton/year)
Ground Grain Turn Head	70	0.061	4.27	18.70	0.034	2.38	10.42
Mill Receiving Turn Head	84	0.061	5.12	22.44	0.034	2.86	12.51
**Pneumatic Turn Head	25	0.061	1.53	0.67	0.034	0.85	0.37
Mixed Feed Turn Head	84	0.061	5.12	22.44	0.034	2.86	12.51
TOTAL			64.26			35.82	

*Emission factors are from AP-42, Table 9.9.1-1 Headhouse and Internal Handling, SCC 3-02-005-30 (March 2003)

**Control = Four (4) baghouses with a control efficiency of 90%. The baghouses for the pneumatic turn head are considered integral to control.

METHODOLOGY

PTE of PM/PM10 before controls (lb/hour) = Max. handling rate (ton/hour) * Emission factor (lb/ton)

PTE of PM/PM10 before controls (ton/year) = Max. handling rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1 ton/2000 lbs

PTE of PM/PM10 from Pneumatic Turn Head (ton/year) = Max. handling rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1 ton/2000 lbs * (1-Control Efficiency %)

Appendix A: Emissions Calculations
PM/PM10 Emissions from Two (2) Pellet Cooling Systems

Company Name: JFS Milling, Inc.
Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527
Permit Number: M037-26235-00112
Reviewer: Summer Keown
Date: 3/31/2008

Potential to Emit

Unit	Max. Handling Rate (ton/hour)	*Emission Factor for PM (lbs/ton)	PTE of PM		*Emission Factor for PM10 (lbs/ton)	PTE of PM10	
			(lb/hour)	(ton/year)		(lb/hour)	(ton/year)
Pellet Cooler 1 and 2	84	0.15	12.6	55.19	0.075	6.3	27.59
TOTAL				55.19			27.59

*Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Pelletizing, SCC 3-02-008-16 (March 2003)
 PM10 emission factors have been estimated by taking 50% of the PM emission factor (See footnote (g) to Table 9.9.1-2, AP-42)
 Controls = Two High Efficiency (2) Cyclones, determined to be integral to control.

METHODOLOGY

PTE of PM/PM10 (lb/hour) = Max. pelleting rate (ton/hour) * Emission factor (lb/ton)
 PTE of PM/PM10 (ton/year) = Max. pelleting rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1 ton/2000 lbs

**Appendix A: Emissions Calculations
PM/PM10 Emissions from Feed Loadout**

Company Name: JFS Milling, Inc.
Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527
Permit Number: M037-26235-00112
Reviewer: Summer Keown
Date: 3/31/2008

Potential to Emit

Unit	Max. Handling Rate (ton/hour)	*Emission Factor for PM (lbs/ton)	PTE of PM		*Emission Factor for PM10 (lbs/ton)	PTE of PM10	
			(lb/hour)	(ton/year)		(lb/hour)	(ton/year)
Loadout	750	0.0033	2.475	10.84	0.0008	0.6	2.63
TOTAL				10.84			2.63

*Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Pelletizing, SCC 3-02-008-16 (March 2003)
 PM10 emission factors have been estimated by taking 50% of the PM emission factor (See footnote (g) to Table 9.9.1-2, AP-42)
 Controls = Two High Efficiency (2) Cyclones, determined to be integral to control.

METHODOLOGY

PTE of PM/PM10 (lb/hour) = Max. loadout rate (ton/hour) * Emission factor (lb/ton)
 PTE of PM/PM10 (ton/year) = Max. loadout rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1 ton/2000 lbs

Appendix A: Emissions Calculations
PM/PM10 Emissions from Conveyor Associated with Corn Storage Silo S-105

Company Name: JFS Milling, Inc.
Address City IN Zip: 5570 East Kalb-Zehr Road, Dubois IN 47527
Permit Number: M037-26235-00112
Reviewer: Summer Keown
Date: 3/31/2008

Potential to Emit

Unit	Max. Handling Rate (ton/hour)	*Emission Factor for PM (lbs/ton)	PTE of PM		*Emission Factor for PM10 (lbs/ton)	PTE of PM10	
			(lb/hour)	(ton/year)		(lb/hour)	(ton/year)
Conveyor	3.47	0.061	0.21167	0.93	0.034	0.11798	0.52
TOTAL				0.93		0.52	

*Emission factors are from AP-42, Table 9.9.1-2 Animal Feed Mills - Headhouse and Grain Handling, SCC 3-02-005-30 (March 2003)
Source stated a maximum throughput rate of 30,420.00 tons/year.
Conveyor is enclosed.

METHODOLOGY

PTE of PM/PM10 (lb/hour) = Max. loadout rate (ton/hour) * Emission factor (lb/ton)

PTE of PM/PM10 (ton/year) = Max. loadout rate (ton/hour) * Emission factor (lb/ton) * 8760 hours/year * 1 ton/2000 lbs