



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: March 16, 2009

RE: Indianapolis Power & Light - Eagle Valley Generating Station / 109-27356-00004

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 13-17-3-4 and 326 IAC 2, this permit modification is effective immediately, unless a petition for stay of effectiveness is filed and granted, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3-7 and IC 13-15-7-3 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 Environmental Adjudication, 100 North Senate Avenue, Government Center North, Suite N 501E, Indianapolis, IN 46204, **within eighteen (18) 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.

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

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

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

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



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Angelique Oligier
Indianapolis Power & Light Company
One Monument Circle
Indianapolis, IN 46204

March 16, 2009

Re: 109-27356-00004
Significant Permit Modification to
Part 70 Renewal No.: T 109-26292-00004

Dear Ms. Oligier:

Indianapolis Power & Light Company (IPL) was issued a Part 70 Operating Permit Renewal on December 2, 2008, for the Eagle Valley Generating Station, a stationary electric utility generating station.

On July 11, 2008, the D.C. Circuit Court identified flaws in the federal Clean Air Interstate Rule (CAIR) and remanded the rule to the U.S. EPA; therefore, CAIR requirements were not included in Part 70 Operation Permit Renewal issued on December 2, 2008. On December 23, 2008, the U.S. Court of Appeals for the D.C. Circuit decided to remand CAIR to the U.S. EPA without vacature, allowing CAIR to remain in effect until it is replaced by a rule that remedies the flaws identified by the Court.

The modification to include the federal and state provisions of CAIR will be incorporated into the Part 70 Operating Permit Renewal through a significant permit modification issued pursuant to 326 IAC 2-7-12(d) because the modification adds new emission limitations and monitoring, record keeping, and reporting requirements.

Pursuant to the provisions of 326 IAC 2-7-12 a significant permit modification to this permit is hereby approved as described in the attached Technical Support Document. All other conditions of the permit shall remain unchanged and in effect. For your convenience, the entire Part 70 Operating Permit as modified will be provided at issuance.

This decision is subject to the Indiana Administrative Orders and Procedures Act – IC 4-21.5-3-5. If you have any questions on this matter, please contact Kimberly Cottrell, OAQ, 100 North Senate Avenue, MC 61-53, Room 1003, Indianapolis, Indiana, 46204-2251, or call at (800) 451-6027, and ask for Kimberly Cottrell or extension (3-0870), or dial (317) 233-0870.

Sincerely,

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

Attachments:
Updated Permit
Technical Support Document

kic

cc: File – Morgan County
Morgan County Health Department
U.S. EPA, Region V
Air Compliance Branch
Compliance Data Section
Permits Administration and Development

Kyle Noah
Indianapolis Power & Light Company
4040 Blue Bluff Rd
Martinsville, IN 46151

Amanda Hennessy
Keramida Environmental, Inc.
401 N. College Avenue
Indianapolis, IN 46202



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PART 70 OPERATING PERMIT RENEWAL OFFICE OF AIR QUALITY

Indianapolis Power and Light (IPL) Eagle Valley Generating Station (formerly H. T. Pritchard Generating Station) 4040 Blue Bluff Road, Martinsville, Indiana 46151

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

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

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit Renewal No.: T 109-26292-00004	
Issued by/Original Signed By: Tripurari P. Sinha, Ph. D., Section Chief Permits Branch Office of Air Quality	Issuance Date: December 2, 2008 Expiration Date: December 2, 2013

Significant Permit Modification No.: T 109-27356-00004	
Issued by: <i>Tripurari Sinha</i> Tripurari P. Sinha, Ph. D., Section Chief Permits Branch Office of Air Quality	Issuance Date: March 16, 2009 Expiration Date: December 2, 2013

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SECTION A

SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ). The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions.

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

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

Source Address: 4040 Blue Bluff Road, Martinsville, Indiana, 46151
Mailing Address: 4040 Blue Bluff Road, Martinsville, Indiana, 46151
Source Telephone: 765-349-3413
SIC Code: 4911
County Location: Morgan
County Status: Nonattainment for PM_{2.5}
Attainment for all other criteria pollutants
Source Status: Part 70 Operating Permit Program
Major Source, under PSD Rules and Nonattainment NSR;
Major Source, Section 112 of the Clean Air Act
1 of 28 Source Categories

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

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

- (a) Two (2) no. 2 fuel oil fired boilers, identified as Unit 1 and Unit 2, constructed in 1949 and 1950, respectively, each with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), both exhausting to stack 1-1.
- (b) One (1) tangentially-fired wet-bottom coal boiler, identified as Unit 3, constructed in 1951, with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 3 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite and used oil contaminated materials generated onsite may be combusted in Unit 3 as supplemental fuel for energy recovery. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (c) One (1) tangentially-fired dry-bottom coal fired boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with separated overfire air (SOFA) and low NO_x burners (LNB) for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (d) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 5, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 3-1. Unit 5 is equipped with SOFA and LNB for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 5 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).

- (e) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 6, constructed in 1956, with a design heat input capacity of 1017 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, exhausting to stack 3-1. Unit 6 is equipped with Closed-coupled Overfire Air (COFA) for control of NO_x emissions, which was voluntarily installed and is not required to operate. Unit 6 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 6 as supplemental fuel for energy recovery. Unit 6 has had low-NO_x burners installed. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (f) One (1) distillate oil fired generator, identified as Unit PR-10, constructed in 1967, with a design heat input capacity of 28.4 million Btu per hour (MMBtu/hr), exhausting to stack PR10-1.
- (g) Coal transfer facilities, with a maximum throughput of 800 tons per hour, with a dust suppression system.
- (h) Rail car unloading, coal pile unloading, and coal storage, with a maximum capacity of 800 tons per hour.
- (i) Coal crushers, identified as 1A and 1B, with a maximum combined capacity of 800 tons per hour, each using an enclosure for dust control.
- (j) One (1) pneumatic fly ash storage silo and handling system, to be constructed in 2009, with a maximum storage capacity of 300 tons and a maximum throughput capacity of 10.0 tons of fly ash per hour. The particulate emissions from the silo loadout to trucks are uncontrolled and exhaust to the atmosphere. The particulate emissions from the silo storage will be controlled by a baghouse, identified as Silo Baghouse, and exhausting to a stack, identified as Silo Stack. The particulate emissions from fly ash conveyance are controlled by a dust collector, identified as Fly Ash Collector, and exhausting to a stack, identified as Vacuum Blower Stack.

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

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

- (a) Coal bunker and coal scale exhausts. [326 IAC 6-3] [326 IAC 5]
- (b) Other activities or categories not previously identified with potential, uncontrolled emissions equal to or less than thresholds require listing only: Pb 0.6 ton per year or 3.29 pounds per day, SO₂ 5 pounds per hour or 25 pounds per day, NO_x 5 pounds per hour or 25 pounds per day, CO 25 pounds per day, PM₁₀ 5 pounds per hour or 25 pounds per day, VOC 3 pounds per hour or 15 pounds per day:
 - (1) Wet process ash handling, with hydroveyors conveying ash to storage ponds. [326 IAC 6-4]
 - (2) Poned ash handling/removal operations. [326 IAC 6-4]
 - (3) Truck traffic on paved road to and from the Silo. [326 IAC 6-4]

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

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

- (a) It is a major source, as defined in 326 IAC 2-7-1(22)
- (b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 - Applicability); and
- (c) It is an affected source under Title IV (Acid Deposition Control) of the Clean Air Act, as defined in 326 IAC 2-7-1(3).

SECTION B

GENERAL CONDITIONS

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

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

B.2 Permit Term [326 IAC 2-1.1-9.5] [326 IAC 2-7-4(a)(1)(D)] [326 IAC 2-7-5(2)] [IC 13-15-3-6(a)]

- (a) This permit, T 109-26292-00004, is issued for a fixed term of five (5) years from the issuance date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit or of permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).
- (b) If IDEM, OAQ, upon receiving a timely and complete renewal permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect, including any permit shield provided in 326 IAC 2-7-15, until the renewal permit has been issued or denied.

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

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

- (a) the condition is modified in a subsequent permit action pursuant to Title I of the Clean Air Act; or
- (b) the emission unit to which the condition pertains permanently ceases operation.

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

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

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

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

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

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

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

- (a) The Permittee shall furnish to IDEM, OAQ, within a reasonable time, any information that IDEM, OAQ, may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34). Upon request, the Permittee shall also furnish to IDEM, OAQ, copies of records required to be kept by this permit.
- (b) For information furnished by the Permittee to IDEM, OAQ, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1. When furnishing copies of requested records directly to U. S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.8 Certification [326 IAC 2-7-4(f)] [326 IAC 2-7-6(1)] [326 IAC 2-7-5(3)(C)]

- (a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.
- (b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. One (1) certification can cover multiple forms in one (1) submittal.
- (c) A responsible official is defined at 326 IAC 2-7-1(34).

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

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

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

and

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

- (b) The annual compliance certification report required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (c) The annual compliance certification report shall include the following:
 - (1) The appropriate identification of each term or condition of this permit that is the basis of the certification;
 - (2) The compliance status;
 - (3) Whether compliance was continuous or intermittent; and
 - (4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-7-5(3).
 - (5) Such other facts, as specified in Sections D of this permit, as IDEM, OAQ may require to determine the compliance status of the source.

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

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

- (a) The Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) for the source as described in 326 IAC 1-6-3. At a minimum, the PMP shall include:
- (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.
- (b) A copy of the PMPs shall be submitted to IDEM, OAQ, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMP do not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) To the extent the Permittee is required by 40 CFR Part 63 to have an Operation, Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

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

- (a) An emergency, as defined in 326 IAC 2-7-1(12), is not an affirmative defense for an action brought for noncompliance with a federal or state health-based emission limitation.
- (b) An emergency, as defined in 326 IAC 2-7-1(12), constitutes an affirmative defense to an action brought for noncompliance with a technology-based emission limitation if the affirmative defense of an emergency is demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that describe the following:
- (1) An emergency occurred and the Permittee can, to the extent possible, identify the causes of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During the period of an emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards or other requirements in this permit;
 - (4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAQ, within four (4) daytime business hours after the beginning of the emergency, or after the emergency was discovered or reasonably should have been discovered;

Telephone Number: 1-800-451-6027 (ask for Office of Air Quality,
Compliance Section), or
Telephone Number: 317-233-0178 (ask for Compliance Section)
Facsimile Number: 317-233-6865.

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

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

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

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

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

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

- (6) The Permittee immediately took all reasonable steps to correct the emergency.
- (c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
 - (d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.
 - (e) The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However, IDEM, OAQ may require that the Preventive Maintenance Plans required under 326 IAC 2-7-4(c)(9) be revised in response to an emergency.
 - (f) Failure to notify IDEM, OAQ, by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-7 and any other applicable rules.
 - (g) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.
 - (h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

B.12 Permit Shield [326 IAC 2-7-15] [326 IAC 2-7-20] [326 IAC 2-7-12]

- (a) Pursuant to 326 IAC 2-7-15, the Permittee has been granted a permit shield. The permit shield provides that compliance with the conditions of this permit shall be deemed compliance with any applicable requirements as of the date of permit issuance, provided that either the applicable requirements are included and specifically identified in this permit or the permit contains an explicit determination or concise summary of a determination that other specifically identified requirements are not applicable. The Indiana statutes from IC 13 and rules from 326 IAC, referenced in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except
- for the requirement to obtain a Part 70 permit under 326 IAC 2-7 or for applicable requirements for which a permit shield has been granted.
- This permit shield does not extend to applicable requirements which are promulgated after the date of issuance of this permit unless this permit has been modified to reflect such new requirements.
- (b) If, after issuance of this permit, it is determined that the permit is in nonconformance with an applicable requirement that applied to the source on the date of permit issuance, IDEM, OAQ, shall immediately take steps to reopen and revise this permit and issue a compliance order to the Permittee to ensure expeditious compliance with the applicable requirement until the permit is reissued. The permit shield shall continue in effect so long as the Permittee is in compliance with the compliance order.
- (c) No permit shield shall apply to any permit term or condition that is determined after issuance of this permit to have been based on erroneous information supplied in the permit application. Erroneous information means information that the Permittee knew to be false, or in the exercise of reasonable care should have been known to be false, at the time the information was submitted.
- (d) Nothing in 326 IAC 2-7-15 or in this permit shall alter or affect the following:
- (1) The provisions of Section 303 of the Clean Air Act (emergency orders), including the authority of the U.S. EPA under Section 303 of the Clean Air Act;
 - (2) The liability of the Permittee for any violation of applicable requirements prior to or at the time of this permit's issuance;
 - (3) The applicable requirements of the acid rain program, consistent with Section 408(a) of the Clean Air Act; and
 - (4) The ability of U.S. EPA to obtain information from the Permittee under Section 114 of the Clean Air Act.
- (e) This permit shield is not applicable to any change made under 326 IAC 2-7-20(b)(2) (Sections 502(b)(10) of the Clean Air Act changes) and 326 IAC 2-7-20(c)(2) (trading based on State Implementation Plan (SIP) provisions).
- (f) This permit shield is not applicable to modifications eligible for group processing until after IDEM, OAQ, has issued the modifications. [326 IAC 2-7-12(c)(7)]
- (g) This permit shield is not applicable to minor Part 70 permit modifications until after IDEM, OAQ, has issued the modification. [326 IAC 2-7-12(b)(8)]

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

- (a) All terms and conditions of permits established prior to T 109-26292-00004 and issued pursuant to permitting programs approved into the state implementation plan have been either
- (1) incorporated as originally stated,
 - (2) revised under 326 IAC 2-7-10.5, or
 - (3) deleted under 326 IAC 2-7-10.5.
- (b) Provided that all terms and conditions are accurately reflected in this permit, all previous registrations and permits are superseded by this Part 70 operating permit, except for permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

B.14 Termination of Right to Operate [326 IAC 2-7-10] [326 IAC 2-7-4(a)]

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

B.15 Deviations from Permit Requirements and Conditions [326 IAC 2-7-5(3)(C)(ii)]

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

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

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

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

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

B.16 Permit Modification, Reopening, Revocation and Reissuance, or Termination [326 IAC 2-7-5(6)(C)] [326 IAC 2-7-8(a)] [326 IAC 2-7-9]

- (a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a Part 70 permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-7-5(6)(C)] The notification by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAQ, determines any of the following:

- (1) That this permit contains a material mistake.
 - (2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.
 - (3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-7-9(a)(3)]
- (c) Proceedings by IDEM, OAQ, to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-7-9(b)]
- (d) The reopening and revision of this permit, under 326 IAC 2-7-9(a), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAQ at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ, may provide a shorter time period in the case of an emergency. [326 IAC 2-7-9(c)]

B.17 Permit Renewal [326 IAC 2-7-3] [326 IAC 2-7-4] [326 IAC 2-7-8(e)]

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

Request for renewal shall be submitted to:

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

- (b) A timely renewal application is one that is:
- (1) Submitted at least nine (9) months prior to the date of the expiration of this permit; and
 - (2) If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (c) If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-7 until IDEM, OAQ, takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by a reasonable deadline specified in writing by IDEM, OAQ, any additional information identified as being needed to process the application.

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

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

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

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

Any such application shall be certified by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (d) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-7-11(c)(3)]

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

- (a) No Part 70 permit revision shall be required under any approved economic incentives, marketable Part 70 permits, emissions trading, and other similar programs or processes for changes that are provided for in a Part 70 permit.
- (b) Notwithstanding 326 IAC 2-7-12(b)(1) and 326 IAC 2-7-12(c)(1), minor Part 70 permit modification procedures may be used for Part 70 modifications involving the use of economic incentives, marketable Part 70 permits, emissions trading, and other similar approaches to the extent that such minor Part 70 permit modification procedures are explicitly provided for in the applicable State Implementation Plan (SIP) or in applicable requirements promulgated or approved by the U.S. EPA.

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

- (a) The Permittee may make any change or changes at the source that are described in 326 IAC 2-7-20(b), (c), or (e), without a prior permit revision, if each of the following conditions is met:
 - (1) The changes are not modifications under any provision of Title I of the Clean Air Act;
 - (2) Any preconstruction approval required by 326 IAC 2-7-10.5 has been obtained;
 - (3) The changes do not result in emissions which exceed the emissions allowable under this permit (whether expressed herein as a rate of emissions or in terms of total emissions);
 - (4) The Permittee notifies the:

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

and

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

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

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

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

- (b) The Permittee may make Section 502(b)(10) of the Clean Air Act changes (this term is defined at 326 IAC 2-7-1(36)) without a permit revision, subject to the constraint of 326 IAC 2-7-20(a). For each such Section 502(b)(10) of the Clean Air Act change, the required written notification shall include the following:
- (1) A brief description of the change within the source;
 - (2) The date on which the change will occur;
 - (3) Any change in emissions; and
 - (4) Any permit term or condition that is no longer applicable as a result of the change.

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

- (c) Emission Trades [326 IAC 2-7-20(c)]
The Permittee may trade increases and decreases in emissions in the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-7-20(c).
- (d) Alternative Operating Scenarios [326 IAC 2-7-20(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-7-5(9). No prior notification of IDEM, OAQ, or U.S. EPA is required.
- (e) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.
- (f) This condition does not apply to emission trades of SO₂ or NO_x under 326 IAC 21 or 326 IAC 10-4.

B.21 Source Modification Requirement [326 IAC 2-7-10.5]

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

- (b) Any modification at an existing major source is governed by the requirements of 326 IAC 2-2.

B.22 Inspection and Entry [326 IAC 2-7-6] [IC 13-14-2-2] [IC 13-17-3-2] [IC 13-30-3-1]

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

- (a) Enter upon the Permittee's premises where a Part 70 source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, have access to and copy any records that must be kept under the conditions of this permit;
- (c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;
- (d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and
- (e) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

B.23 Transfer of Ownership or Operational Control [326 IAC 2-7-11]

- (a) The Permittee must comply with the requirements of 326 IAC 2-7-11 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.
- (b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

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

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

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

B.24 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-7-5(7)] [326 IAC 2-1.1-7]

- (a) The Permittee shall pay annual fees to IDEM, OAQ, within thirty (30) calendar days of receipt of a billing. Pursuant to 326 IAC 2-7-19(b), if the Permittee does not receive a bill from IDEM, OAQ the applicable fee is due April 1 of each year.
- (b) Except as provided in 326 IAC 2-7-19(e), failure to pay may result in administrative enforcement action or revocation of this permit.
- (c) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, Billing, Licensing, and Training Section), to determine the appropriate permit fee.

B.25 Credible Evidence [326 IAC 2-7-5(3)] [326 IAC 2-7-6] [62 FR 8314] [326 IAC 1-1-6]

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

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

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

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

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

C.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping 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). 326 IAC 6-4-2(4) is not federally enforceable.

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

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

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

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

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

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

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

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

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

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

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

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

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

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

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

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

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

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

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

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

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

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

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

- (a) The Permittee shall calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment. For a boiler, the COM shall be in operation at all times that the induced draft fan is in operation.
- (b) All continuous opacity monitoring systems shall meet the performance specifications of 40 CFR 60, Appendix B, Performance Specification No. 1, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5.
- (c) In the event that a breakdown of a continuous opacity monitoring system occurs, a record shall be made of the time and reason of the breakdown and efforts made to correct the problem.
- (d) Whenever a COM is malfunctioning or down for repairs or adjustments for twenty-four (24) hours or more and a backup COM cannot be brought on-line, the Permittee shall provide a certified opacity reader, who may be an employee of the Permittee or an independent contractor, to self-monitor the opacity from the emission unit stack.
 - (1) Visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of five (5) consecutive six (6) minute averaging periods beginning not later than twenty-four hours after the start of the malfunction or down time; provided, however, that if such 24-hour period ends during the period beginning two (2) hours before sunset and ending two (2) hours after sunrise, then such visible emissions readings shall begin within four (4) hours of sunrise on the day following the expiration of such 24-hour period.

- (2) Method 9 opacity readings shall be repeated for a minimum of five (5) consecutive six (6) minute averaging periods at least twice per day during daylight operations, with at least four (4) hours between each set of readings, until a COMS is online.
- (3) Method 9 readings may be discontinued once a COM is online.
- (4) Any opacity exceedances determined by Method 9 readings shall be reported with the Quarterly Opacity Exceedances Reports.
- (e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous opacity monitoring system pursuant to 326 IAC 3-5.

C.13 Maintenance of Continuous Emission Monitoring Equipment [326 IAC 2-7-5(3)(A)]

- (a) The Permittee shall calibrate, maintain, and operate all necessary continuous emission monitoring systems (CEMS) and related equipment.
- (b) All continuous emission monitoring systems shall meet all applicable performance specifications of 40 CFR 60 and 40 CFR 75 or any other performance specification, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3.
- (c) In the event that a breakdown of a continuous emission monitoring system occurs, a record shall be made of the times and reasons of the breakdown and efforts made to correct the problem.
- (d) Whenever a continuous emission monitor other than an opacity monitor is malfunctioning or will be down for maintenance or repairs, the following shall be used as an alternative to continuous data collection
 - (1) If the CEM is required for monitoring NO_x or SO₂ emissions pursuant to 40 CFR 75 (Title IV Acid Rain program) or 326 IAC 10-4 (NO_x Budget Trading Program), the Permittee shall comply with the relevant requirements of 40 CFR 75 Subpart D - Missing Data Substitution Procedures.
 - (2) IF the CEM is not used to monitor NO_x or SO₂ emissions pursuant to 40 CFR 75 or 326 IAC 10-4, then supplemental or intermittent monitoring of the parameter shall be implemented as specified in Section D of this permit until such time as the emission monitor system is back in operation.
- (e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, 40 CFR 60 or 40 CFR 75.

C.14 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60 Appendix A, 40 CFR 60 Appendix B, 40 CFR 63, or other approved methods as specified in this permit.

C.15 Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

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

- (b) The Permittee may request that the IDEM, OAQ approve the use of an instrument that does not meet the above specifications provided the Permittee can demonstrate that an alternative instrument specification will adequately ensure compliance with permit conditions requiring the measurement of the parameters.

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

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

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

- (a) The Permittee shall maintain the most recently submitted written emergency reduction plans (ERPs) consistent with safe operating procedures.
- (b) Upon direct notification by IDEM, OAQ that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

C.17 Risk Management Plan [326 IAC 2-7-5(12)] [40 CFR 68]

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

C.18 Response to Excursions or Exceedances [326 IAC 2-7-5] [326 IAC 2-7-6]

- (a) Upon detecting an excursion or exceedance, the Permittee shall restore operation of the emissions unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.
- (b) The response shall include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or shutdown conditions). Corrective actions may include, but are not limited to, the following:
 - (1) initial inspection and evaluation;
 - (2) recording that operations returned to normal without operator action (such as through response by a computerized distribution control system); or
 - (3) any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable.
- (c) A determination of whether the Permittee has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include, but is not limited to, the following:
 - (1) monitoring results;
 - (2) review of operation and maintenance procedures and records; and/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.19 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5] [326 IAC 2-7-6]

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

The response action documents submitted pursuant to this condition do require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34)

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

C.20 Emission Statement [326 IAC 2-7-5(3)(C)(iii)] [326 IAC 2-7-5(7)] [326 IAC 2-7-19(c)] [326 IAC 2-6]

- (a) Pursuant to 326 IAC 2-6-3(a)(1), the Permittee shall submit by July 1 of each year an emission statement covering the previous calendar year. The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4(c) and shall meet the following requirements:
 - (1) Indicate estimated actual emissions of all pollutants listed in 326 IAC 2-6-4(a);
 - (2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1(32) ("Regulated pollutant which is used only for purposes of Section 19 of this rule") from the source, for purposes of fee assessment.

The statement must be submitted to:

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

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

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

C.21 General Record Keeping Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-6] [326 IAC 2-2]
[326 IAC 2-3]

- (a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.
- (c) If there is a reasonable possibility (as defined in 40 CFR 51.165(a)(6)(vi)(A), 40 CFR 51.165(a)(6)(vi)(B), 40 CFR 51.166(r)(6)(vi)(a), and/or 40 CFR 51.166(r)(6)(vi)(b)) that a "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(II)) at an existing emissions unit, other than projects at a source with a Plantwide Applicability Limitation (PAL), which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with following:
 - (1) Before beginning actual construction of the "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(II)) at an existing emissions unit, document and maintain the following records:
 - (A) A description of the project.
 - (B) Identification of any emissions unit whose emissions of a regulated new source review pollutant could be affected by the project.
 - (C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:
 - (i) Baseline actual emissions;
 - (ii) Projected actual emissions;
 - (iii) Amount of emissions excluded under section 326 IAC 2-2-1(rr)(2)(A)(iii) and/or 326 IAC 2-3-1 (mm)(2)(A)(iii); and
 - (iv) An explanation for why the amount was excluded, and any netting calculations, if applicable.
- (d) If there is a reasonable possibility (as defined in 40 CFR 51.165(a)(6)(vi)(A) and/or 40 CFR 51.166(r)(6)(vi)(a)) that a "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(II)) at an existing emissions unit, other than projects at a source with a Plantwide Applicability Limitation (PAL), which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with following:

- (1) Monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any existing emissions unit identified in (1)(B) above; and
- (2) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change if the project increases the design capacity of or the potential to emit that regulated NSR pollutant at the emissions unit.

C.22 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11] [326 IAC 2-2] [326 IAC 2-3]

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

Indiana Department of Environmental Management
Compliance and Enforcement Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
- (c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (d) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (e) Reporting periods are based on calendar years, unless otherwise specified in this permit. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.
- (f) If the Permittee is required to comply with the recordkeeping provisions of (d) in Section C - General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1 (qq) and/or 326 IAC 2-3-1 (ll)) at an existing emissions unit, and the project meets the following criteria, then the Permittee shall submit a report to IDEM, OAQ:
 - (1) The annual emissions, in tons per year, from the project identified in (c)(1) in Section C- General Record Keeping Requirements exceed the baseline actual emissions, as documented and maintained under Section C- General Record Keeping Requirements (c)(1)(C)(i), by a significant amount, as defined in 326 IAC 2-2-1 (xx) and/or 326 IAC 2-3-1 (qq), for that regulated NSR pollutant, and
 - (2) The emissions differ from the preconstruction projection as documented and maintained under Section C - General Record Keeping Requirements (c)(1)(C)(ii).

- (g) The report for project at an existing emissions unit shall be submitted within sixty (60) days after the end of the year and contain the following:
- (1) The name, address, and telephone number of the major stationary source.
 - (2) The annual emissions calculated in accordance with (d)(1) and (2) in Section C - General Record Keeping Requirements.
 - (3) The emissions calculated under the actual-to-projected actual test stated in 326 IAC 2-2-2(d)(3) and/or 326 IAC 2-3-2(c)(3).
 - (4) Any other information that the Permittee deems fit to include in this report.

Reports required in this part shall be submitted to:

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

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

Stratospheric Ozone Protection

C.23 Compliance with 40 CFR 82 and 326 IAC 22-1

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

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

SECTION D.1

FACILITY OPERATION CONDITIONS

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

- (a) Two (2) no. 2 fuel oil-fired boilers, identified as Unit 1 and Unit 2, constructed in 1949 and 1950, respectively, each with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), both exhausting to stack 1-1.

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

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

D.1.1 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-2-2]

- (a) Pursuant to 326 IAC 6-2-2(a) (Particulate Emissions Limitations for Sources of Indirect Heating: Emission limitations for facilities specified in 326 IAC 6-2-1(b)), the PM emissions from Units 1, 2, 3, 4, 5, and 6 shall not exceed 0.23 pound per million Btu heat input (lb/MMBtu). This limitation was calculated using the following equation:

$$Pt = \frac{0.87}{Q^{0.16}} \quad \text{Where } Q = \text{total source capacity (MMBtu/hr) on June 8, 1972} \\ = 4,071 \text{ MMBtu/hr}$$

- (b) Pursuant to 326 IAC 6-2-2(b), the PM emissions from Units 1 and 2 shall not exceed 0.10 pound per million Btu heat input (lb/MMBtu), which is less than 0.23 lb/MMBtu, as requested by the source in a letter dated August 26, 2008.

D.1.2 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

- (a) Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), the following applies to Eagle Valley Units 1 and 2:
- (1) When starting a fire in a boiler, or shutting down a boiler, opacity may exceed the forty percent (40%) opacity limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6)-minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]
 - (2) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the forty percent (40%) opacity limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods in excess of the limit set in 326 IAC 5-1-2 shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]
- (b) If this facility cannot meet the opacity limitations in (a)(1) and (a)(2) of this condition, the Permittee may submit a written request to IDEM, OAQ, for a temporary alternative opacity limitation in accordance with 326 IAC 5-1-3(d). The Permittee must demonstrate that the alternative limit is needed and justifiable.

D.1.3 Sulfur Dioxide (SO₂) [326 IAC 7-4-11]

Pursuant to 326 IAC 7-4-11 (Morgan County Sulfur Dioxide Emission Limitations), the SO₂ emissions from Unit 1 and Unit 2 shall not exceed 0.37 pounds per million Btu (lbs/MMBtu) each. Pursuant to 326 IAC 7-2-1, compliance shall be demonstrated using a calendar month average.

Compliance Determination Requirements

D.1.4 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11] [326 IAC 3-6]

Compliance with the particulate limitations in Condition D.1.1(b) and with the Opacity limits in Section C - Opacity and Temporary Alternative Opacity Limitations for startup shall be determined as follows:

- (a) Compliance with the particulate limitations shall be determined by a performance stack test conducted utilizing methods as approved by the Commissioner. PM testing with both units operating and exhausting to the common stack is permitted. [326 IAC 3-6]
- (b) Opacity testing shall be performed in conjunction with the particulate emissions testing in accordance with 40 CFR 60, Appendix A, Method 9. The Method 9 opacity testing (VE readings) shall be recorded for the full duration of the sampling time for each sampling repetition that occurs during daylight hours. [326 IAC 3-5-1(c)(2)(A)(ii)] [326 IAC 5-1-4(a)(1)]
- (c) To demonstrate compliance with the Temporary Alternative Opacity Limitation for boiler startups, opacity testing shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, during daylight hours of the startup from light-off to completion of start-up. [326 IAC 3-5-1(c)(2)(A)(ii)] [326 IAC 5-1-4(a)(1)]
- (d) The PM stack testing and Method 9 opacity testing shall be repeated as follows:
 - (1) By December 31 of every second calendar year following this valid compliance demonstration; or
 - (2) If a unit is not operated at least 1,000 hours in the 2 years since the previous stack test, then testing shall be repeated at least once every 1,000 hours of operation for that unit, or five (5) calendar years from the date of the last valid compliance demonstration, whichever occurs first.

For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

- (e) Testing shall be conducted in accordance with Section C - Performance Testing.

D.1.5 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-11]

Compliance shall be determined utilizing one of the following options:

- (a) Pursuant to 326 IAC 3-7-4, 326 IAC 7-2, and 326 IAC 7-4-11, the Permittee shall demonstrate that the fuel oil sulfur content does not exceed the equivalent of 0.37 pounds per MMBtu each, using a calendar month average, by:
 - (1) Providing vendor analysis of fuel delivered, accompanied by a vendor certification; or
 - (2) Providing analysis of fuel oil samples collected and analyzed in accordance with 326 IAC 3-7-4(a).
 - (A) Oil samples shall be collected from the tanker truck load during or prior to transferring fuel to the storage tank; or
 - (B) Oil samples shall be collected from the storage tank immediately after each addition of fuel to the tank.

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

D.1.6 Nitrogen Oxides Monitoring Requirement [326 IAC 10-4-4(b)(1)] [326 IAC 10-4-12(b) and (c)] [40 CFR 75]

The Permittee has met the monitoring requirements of 326 IAC 10-4-12(b)(1) through (b)(3) that are applicable to their monitoring systems for the NO_x budget units. The Permittee shall record, report, and quality assure the data from the monitoring systems in accordance with 326 IAC 10-4-12 and 40 CFR 75.

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

D.1.7 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Visible emission notations of the fuel oil-fired boiler exhaust shall be performed once per day during normal daylight operations when one or both of Units 1 and 2 are in operation and burning fuel oil. 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 at any boiler exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

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

D.1.8 Record Keeping Requirements [326 IAC 2-7-5(3)]

- (a) To document compliance with the applicable opacity limits and Conditions D.1.1 and D.1.2, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the opacity and particulate limits established in Section C - Opacity and Conditions D.1.1 and D.1.2.
 - (1) Data and results from the most recent stack test and accompanying Method 9 visible emissions evaluation results for Units 1 and 2.
 - (2) Results of the visible emission notations of the stack 1-1 exhaust.

- (b) To document compliance with Conditions D.1.3 and D.1.5, the Permittee shall maintain records in accordance with (1) through (5) below. Records maintained shall be complete and sufficient to establish compliance with the SO₂ limit as required in Conditions D.1.3 and D.1.5.
 - (1) Calendar dates covered in the compliance determination period.
 - (2) Monthly weighted average sulfur content.
 - (3) Fuel heat content.
 - (4) Fuel consumption.
 - (5) Monthly weighted average sulfur dioxide emission rate in pounds per million Btus (lb/MMBtu).
- (c) To document compliance with Condition D.1.7, the Permittee shall maintain daily records of the visible emission notations of the Boiler stack exhaust. 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, (e.g. the process did not operate that day).
- (d) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.9 Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 7-2(c)]

A quarterly report of opacity exceedances and a quarterly summary of the information to document compliance with Condition D.1.3 shall be submitted to the address listed in Section C - General Reporting Requirements of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

SECTION D.2

FACILITY OPERATION CONDITIONS

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

- (b) One (1) tangentially-fired wet-bottom coal boiler, identified as Unit 3, constructed in 1951, with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 3 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite and used oil contaminated materials generated onsite may be combusted in Unit 3 as supplemental fuel for energy recovery. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (c) One (1) tangentially-fired dry-bottom coal fired boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with separated overfire air (SOFA) and low NO_x burners (LNB) for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (d) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 5, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 3-1. Unit 5 is equipped with SOFA and LNB to control NO_x emissions. Unit 5 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (e) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 6, constructed in 1956, with a design heat input capacity of 1017 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, exhausting to stack 3-1. Unit 6 is equipped with Closed-coupled Overfire Air (COFA) to control NO_x emissions. Unit 6 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 6 as supplemental fuel for energy recovery. Unit 6 has had low-NO_x burners installed. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).

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

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

D.2.1 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-2-2]

- (a) Pursuant to 326 IAC 6-2-2 (Particulate Emissions for Sources of Indirect Heating: Emission limitations for facilities specified in 326 IAC 6-2-1(b)), the PM emissions from Units 1, 2, 3, 4, 5, and 6 shall not exceed 0.23 pound per million Btu heat input (lb/MMBtu). This limitation was calculated using the following equation:

$$Pt = \frac{0.87}{Q^{0.16}} \quad \text{Where } Q = \begin{array}{l} \text{total source capacity (MMBtu/hr) on June 8, 1972} \\ = 4,071 \text{ MMBtu/hr} \end{array}$$

- (b) Pursuant to 326 IAC 6-2-2(b), the PM emissions from Units 3, 4, 5 and 6 shall not exceed 0.27 pound per million Btu heat input (lb/MMBtu), as requested by Indianapolis Power and Light Company in a letter dated April 12, 1988.

D.2.2 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

- (a) Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), the following applies:
- (1) When building a new fire in a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed two and one-half (2.5) hours (twenty-five (25) six (6)-minute averaging periods) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit, whichever occurs first. [326 IAC 5-1-3(e)]
 - (2) When shutting down a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one (1) hour (ten (10) six (6)-minute averaging periods). [326 IAC 5-1-3(e)]
 - (3) Operation of the electrostatic precipitator is not required during these times.
 - (4) During the above startup and shutdown periods all reasonable efforts shall be made to minimize the number and magnitude of the exceedances.
- (b) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods in excess of the limit set in 326 IAC 5-1-2 shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

D.2.3 Sulfur Dioxide (SO₂) [326 IAC 7-4-11]

Pursuant to 326 IAC 7-4-11 (Sulfur Dioxide Emission Limitations for Morgan County):

- (a) SO₂ emissions from Unit 3 shall not exceed 0.37 pounds per million Btu (lbs/MMBtu), compliance with which shall be determined as specified in 326 IAC 7-2-1(c), using a thirty (30) day rolling weighted average. [326 IAC 7-4-11(2)]
- (b) SO₂ emissions from Units 4, 5, and 6 shall not exceed 3.04 pounds per million Btu (lbs/MMBtu) each, compliance with which shall be determined as specified in 326 IAC 7-2-1(c), using a thirty (30) day rolling weighted average. [326 IAC 7-4-11(2)]
- (c) As an exception to the emission limitations specified in (a) and (b), pursuant to 326 IAC 7-4-11(7), at any time in which IPL burns coal on Unit 3, the thirty (30) day rolling weighted average for sulfur dioxide emissions from Units 3, 4, 5, and 6 shall be limited to two and fifty-seven hundredths (2.57) pounds per million Btu each. [326 IAC 7-4-11(3)]

Compliance Determination Requirements

D.2.4 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

In order to determine compliance with the PM limitation in Condition D.2.1(b) for each units (Units 3, 4, 5 and 6), the Permittee shall conduct before December 31, 2009 a performance stack test utilizing methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive. Testing shall be conducted in accordance with Section C - Performance Testing.

D.2.5 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitators (ESPs) shall be operated at all times that the boilers vented to the ESPs are in operation. Each flue gas conditioning (FGC) system on Unit 3, Unit 4 and Unit 5 shall be used with the corresponding ESP as necessary to maintain compliance with this permit.

D.2.6 Continuous Emissions Monitoring [326 IAC 3-5]

- (a) Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous emission monitoring systems for Units 3, 4, 5 and 6 shall be calibrated, maintained, and operated for measuring opacity, SO₂, and either CO₂ or O₂, which meet the performance specifications of 326 IAC 3-5-2.
- (b) All continuous emission monitoring systems are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3.
- (c) Pursuant to 326 IAC 3-5-4, if revisions are made to the continuous monitoring standard operating procedures (SOP), the Permittee shall submit updates to the department biennially.
- (d) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, or 40 CFR 75.
- (e) Pursuant to 326 IAC 3-7-5(a), the Permittee shall develop a standard operating procedure (SOP) to be followed for sampling, handling, analysis, quality control, quality assurance, and data reporting of the information collected pursuant to 326 IAC 3-7-2 through 326 IAC 3-7-4. In addition, any revision to the SOP shall be submitted to IDEM, OAQ.

D.2.7 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-11]

- (a) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data obtained in accordance with procedures specified under 326 IAC 3-7 may be used to demonstrate compliance as follows:
 - (1) Pursuant to 326 IAC 7-4-11(6), on a day for which Unit 3 does not burn any coal, compliance with the sulfur dioxide emission limitations in 326 IAC 7-4-11(2) shall be determined as specified in 326 IAC 7-2-1(c), using a thirty (30) day rolling weighted average.
 - (2) Pursuant to 326 IAC 7-4-11(7), on a day for which Unit 3 burns any coal, if the thirty (30) day rolling weighted average for any unit is above two and fifty-seven hundredths (2.57) pounds per million Btu, then 326 IAC 7-2-1(c)(1) does not apply, and the daily average emission rate for that unit for that day shall not exceed two and fifty-seven hundredths (2.57) pounds per million Btu.

In the alternative, SO₂ emissions may be determined by use of CEM in lieu of any other method prescribed herein.

- (b) Pursuant to 326 IAC 7-4-11(8), for the purposes of determining compliance under 326 IAC 7-2-1(b), stack tests performed on Units 3, 4, 5, and 6 shall demonstrate compliance with the most stringent set of limits in effect at any time during the day prior to or during the test based on the Unit 3 operating status and fuel type as indicated by the log maintained pursuant to 326 IAC 7-4-11(9).

D.2.8 Nitrogen Oxides Monitoring Requirement [326 IAC 10-4-4(b)(1)] [326 IAC 10-4-12(b) and (c)] [40 CFR 75]

The Permittee has met the monitoring requirements of 326 IAC 10-4-12(b)(1) through (b)(3) that are applicable to their monitoring systems for the NO_x budget units. The Permittee shall record, report, and quality assure the data from the monitoring systems in accordance with 326 IAC 10-4-12 and 40 CFR 75.

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

D.2.9 Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)] [40 CFR 64]

- (a) The ability of the ESP to control particulate emissions shall be monitored once per day, when the unit is in operation, by measuring and recording the number of T-R sets in service and the primary and secondary voltages and the currents of the transformer-rectifier (T-R) sets.
- (b) Reasonable response steps shall be taken in accordance with Section C – Response to Exceedances or Excursions whenever the percentage of T-R sets in service falls below 90 percent (90%). T-R set failure resulting in less than 90 percent (90%) availability is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Exceedances or Excursions shall be considered a deviation from this permit.

D.2.10 Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) In the event of emissions exceeding thirty percent (30%) average opacity for three (3) consecutive six (6) minute averaging periods, appropriate response steps shall be taken in accordance with Section C - Response to Exceedances or Excursions such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below thirty percent (30%). Examples of expected response steps include, but are not limited to, boiler loads being reduced, adjustment of flue gas conditioning rate, and ESP T-R sets being returned to service.
- (b) Opacity readings in excess of thirty percent (30%) but not exceeding the opacity limit for the unit are not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Exceedances or Excursions, shall be considered a deviation from this permit.

D.2.11 SO₂ Monitor Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

- (a) Whenever the SO₂ continuous emission monitoring (CEM) system is malfunctioning or down for repairs or adjustments and a backup CEM is not brought on-line, the following shall be used to provide information related to SO₂ emissions:
 - (1) If the CEM system is down for less than twenty-four (24) hours and a backup CEM is not brought on-line, the Permittee shall substitute an average of the quality-assured data from the hour immediately before and the hour immediately after the missing data period for each hour of missing data.
 - (2) If the CEM system is down for twenty-four (24) hours or more and a backup CEM is not brought on-line, the Permittee shall either:

- (A) Conduct fuel sampling as specified in 326 IAC 3-7-2(b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring: or
- (B) Comply with the relevant requirements of 40 CFR Part 75. Subpart D - Missing Data Substitution Procedures

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

D.2.12 Record Keeping Requirements

- (a) To document compliance with the applicable opacity and particulate limits and Conditions D.2.1 and D.2.2, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the opacity and particulate limits in Section C - Opacity and in Conditions D.2.1 and D.2.2.
 - (1) Data and results from the most recent stack test.
 - (2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5.
 - (3) The results of all visible emission (VE) notations and Method 9 visible emission readings taken during any periods of COM downtime.
 - (4) All ESP parametric monitoring readings.
- (b) To document compliance with SO₂ Condition D.2.3, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO₂ limits as required in Condition D.2.3. The Permittee shall maintain records in accordance with (2) and (3) or (4) below during SO₂ CEM system downtime.
 - (1) All SO₂ continuous emissions monitoring data, pursuant to 326 IAC 3-5-6 and 326 IAC 7-2-1(g).
 - (2) All fuel sampling and analysis data collected for SO₂ CEM downtime, in accordance with Condition D.2.11.
 - (3) Calculated actual fuel usage during each SO₂ CEM downtime for the Unit(s) affected by CEM downtime lasting 24 or more hours.
 - (4) The substitute data used for the missing data periods if data substitution pursuant to 40 CFR Part 75 Subpart D is used to provide data for the SO₂ CEM downtime, in accordance with Condition D.2.11.

- (c) Pursuant to 326 IAC 7-4-11(9), the Permittee shall maintain and make available to the department upon request a log of the operating status and fuel type used for Unit 3. In addition, in the quarterly report required by 326 IAC 7-2-1(a), the Permittee shall submit to the department a daily summary indicating fuel type for Unit 3, and, for days on which Unit 3 burned any coal and any thirty (30) day rolling weighted average was greater than two and fifty-seven hundredths (2.57) pounds per million Btu, the Permittee shall submit to the department the daily average sulfur content, heat content, and sulfur dioxide emission rate for Units 3, 4, 5, and 6. For the purposes of this Condition, "department" refers to the Indiana Department of Environmental Management (IDEM).
- (d) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.2.13 Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 3-5-7] [326 IAC 7-2(c)]

- (a) A quarterly report of opacity exceedances and a quarterly summary of the information to document compliance with Condition D.2.3 shall be submitted to the address listed in Section C - General Reporting Requirements of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) Pursuant to 326 IAC 3-5-7(5), reporting of continuous monitoring system instrument downtime, except for zero (0) and span checks, which shall be reported separately, shall include the following:
 - (1) Date of downtime.
 - (2) Time of commencement.
 - (3) Duration of each downtime.
 - (4) Reasons for each downtime.
 - (5) Nature of system repairs and adjustments.

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

SECTION D.3

FACILITY OPERATION CONDITIONS

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

- (f) One (1) distillate oil fired generator, identified as Unit PR-10, constructed in 1967, with a design heat input capacity of 28.4 million Btu per hour (MMBtu/hr), exhausting to stack PR10-1.

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

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

D.3.1 Sulfur Dioxide (SO₂) [326 IAC 7-1.1-2]

Pursuant to 326 IAC 7-1.1-2 (Sulfur Dioxide Emission Limitations), the SO₂ emissions from Unit PR-10 shall not exceed 0.5 pound per million Btu (lb/MMBtu).

Compliance Determination Requirements

D.3.2 Sulfur Dioxide Emissions and Sulfur Content] [326 IAC 7-1.1-2] [326 IAC 7-2]

Pursuant to 326 IAC 3-7-4, 326 IAC 7-1.1-2, and 326 IAC 7-2, the Permittee shall demonstrate that the fuel oil sulfur content does not exceed the equivalent of 0.5 lb/MMBtu, using a calendar month average, by:

- (a) Providing vendor analysis of fuel delivered, accompanied by a vendor certification; or
- (b) Providing analysis of fuel oil samples collected and analyzed in accordance with 326 IAC 3-7-4(a).
 - (1) Oil samples shall be collected from the tanker truck load during or prior to transferring fuel to the storage tank; or
 - (2) Oil samples shall be collected from the storage tank immediately after each addition of fuel to the tank.

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

D.3.3 Record Keeping Requirements

- (a) To document compliance with Condition D.3.1 and D.3.2, the Permittee shall maintain records in accordance with (1) through (5) below. Records maintained shall be complete and sufficient to establish compliance with the SO₂ limit as required in Condition D.3.1 and D.3.2.
- (1) Calendar dates covered in the compliance determination period.
 - (2) Monthly weighted average sulfur content.
 - (3) Fuel heat content.
 - (4) Fuel consumption.
 - (5) Monthly weighted average sulfur dioxide emission rate in pounds per million Btus (lb/MMBtu).

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

D.3.4 Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 7-2(c)]

A quarterly summary of the information to document compliance with Condition D.3.1 shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

SECTION D.4

FACILITY OPERATION CONDITIONS

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

- (g) Coal transfer facilities, with a maximum throughput of 800 tons per hour, with a dust suppression system.
- (h) Rail car unloading, coal pile unloading, and coal storage, with a maximum capacity of 800 tons per hour.
- (i) Coal crushers, identified as 1A and 1B, with a maximum combined capacity of 800 tons per hour, each using an enclosure for dust control.

Insignificant Activities:

Coal bunker and coal scale exhausts.

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

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

D.4.1 Particulate Emission Limitations for Manufacturing Processes [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the particulate emission rate from the coal processing drop points and the particulate emission rate from the coal crushers shall not exceed amounts determined by the following:

- (a) 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:

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

- (b) 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:

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

When the process weight rate exceeds two hundred (200) tons per hour, the allowable emission may exceed the pounds per hour limitation calculated using the above equation, provided the concentration of particulate in the discharge gases to the atmosphere is less than 0.10 pounds per one thousand (1,000) pounds of gases.

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

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

- (a) Visible emission notations of any coal transfer exhaust points shall be performed once per week during normal daylight operations when transferring coal. A trained employee shall record whether emissions are normal or abnormal.
- (b) Visible emission notations of the rail car unloading shall be performed once per week during normal daylight operations when unloading coal. A trained employee shall record whether emissions are normal or abnormal.

- (c) Visible emission notations of the coal crusher stack exhaust shall be performed once per week during normal daylight operations when the crusher is in operation. A trained employee shall record whether emissions are normal or abnormal.
- (d) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.
- (e) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (f) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.
- (g) If abnormal emissions are observed at a transfer point exhaust or crusher exhaust or from the coal unloading, 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.

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

D.4.3 Record Keeping Requirements

- (a) To document compliance with Condition D.4.2, the Permittee shall maintain weekly records of the visible emission notations of the rail car unloading, crusher and coal transfer exhaust. The Permittee shall include in its weekly record when a visible emission notation is not taken and the reason for the lack of a visible emission notation, (e.g. the process did not operate that week).
- (b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.5

FACILITY OPERATION CONDITIONS

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

- (j) One (1) pneumatic Fly Ash Conveyance and Silo Storage (fly ash storage silo and handling system), to be constructed in 2009, with a maximum storage capacity of 300 tons and a maximum throughput capacity of 10.0 tons of fly ash per hour. The particulate emissions from the silo loadout to trucks are uncontrolled and exhaust to the atmosphere. The particulate emissions from the silo storage will be controlled by a baghouse, identified as Silo Baghouse, and exhausting to a stack, identified as Silo Stack. The particulate emissions from fly ash conveyance are controlled by a dust collector, identified as Fly Ash Collector, and exhausting to a stack, identified as Vacuum Blower Stack.

(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 2-7-5(1)]

D.5.1 PSD Minor Limits and Nonattainment NSR [326 IAC 2-2] [326 IAC 2-1.1-5]

The Permittee shall comply with the following:

- (a) The combined PM emissions from the Fly Ash Conveyance and Silo Storage shall not exceed 3.9 pounds per hour.
- (b) The combined PM₁₀ emissions from the Fly Ash Conveyance and Silo Storage shall not exceed 2.9 pounds per hour.

Compliance with these limits in combination with other emission units will limit the PM and PM₁₀ emissions from the Fly Ash Conveyance and Silo Storage (fly ash storage and handling system) to less than 25 and 15 tons per year, respectively and render the requirements of 326 IAC 2-2 (PSD) and 326 IAC 2-1.1-5 (Nonattainment NSR) not applicable to the Fly Ash Conveyance and Silo Storage (fly ash storage and handling system) permitted in 2008.

D.5.2 Particulate Emission Limitations for Manufacturing Processes [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2, the allowable particulate matter (PM) from the Fly Ash Conveyance and Silo Storage (fly ash storage and handling system) shall not exceed 19.2 pounds per hour, each, when operating at a process weight rate of 10 tons per hour, each. The pound per hour limitation was calculated with the following equation:

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

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

Compliance Determination Requirements

D.5.3 Particulate Matter (PM)

- (a) In order to comply with Conditions D.5.1 and D.5.2, the baghouse and fly ash collector shall be in operation at all times when the fly ash storage and handling is in operation.

- (b) 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.

D.5.4 Testing Requirements [326 IAC 2-7-6(1)][326 IAC 2-1.1-11]

Within 180 days after initial startup of the fly ash handling and storage system, in order to demonstrate compliance with Conditions D.5.1 and D.5.2, the Permittee shall perform PM/PM10 testing on baghouse and the dust collector controlling the fly ash storage and handling system utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five (5) years from the date of the most recent valid compliance demonstration. Testing shall be conducted in accordance with Section C - Performance Testing.

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

D.5.5 Visible Emissions Notations

- (a) Visible emission notations of the fly ash storage and handling stack exhausts shall be performed once per week 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.5.6 Parametric Monitoring

The Permittee shall record the pressure drop across the fly ash storage and handling baghouse and dust collector used in conjunction with the fly ash storage and handling at least once per day when the fly ash storage and handling is in operation. When for any one reading, the pressure drop across the baghouse or the fly ash collector is outside the normal range of 1.0 and 10.0 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. 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 condition C.14 - Instrument Specifications, be subject to approval by IDEM, OAQ, and shall be calibrated at least once every six (6) months.

D.5.7 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.
- (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 emissions unit.

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, or dust traces.

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

D.5.8 Record Keeping Requirements

- (a) To document compliance with Condition D.5.5 - Visible Emission Notation, the Permittee shall maintain weekly records of the visible emission notations of the fly ash storage and handling stack exhaust. The Permittee shall include in its weekly record when a visible emission notation is not taken and the reason for the lack of a visible emission notation, (e.g. the process did not operate that day).
- (b) To document compliance with Condition D.5.6 - Parametric Monitoring, the Permittee shall maintain the daily records of the pressure drop across the baghouse and fly ash collector controlling the fly ash storage and handling. 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, (e.g. the process did not operate that day).
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements of this permit.

SECTION D.6 FACILITY CONDITIONS

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

- (1) Wet process ash handling, with hydroveyors conveying ash to storage ponds.
- (2) Poned ash handling/removal operations.
- (3) Truck traffic on paved road to and from the Silo.

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

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

D.6.1 Fugitive Dust Emission Limitations [326 IAC 6-4-2]

Pursuant to 326 IAC 6-4-2:

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

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

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

Where

P = Percentage increase

R = Number of particles of fugitive dust measured at downward receptor site

U = Number of particles of fugitive dust measured at upwind or background site

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

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

Where

N = Fraction of fugitive dust that is respirable dust;

P_R = allowable percentage increase in dust concentration above background;
and

P = no value greater than sixty-seven percent (67%).

- (3) The ground level ambient air concentrations exceed fifty (50) micrograms per cubic meter above background concentrations for a sixty (60) minute period.
 - (4) If fugitive dust is visible crossing the boundary or property line of a source. This subdivision may be refuted by factual data expressed in subdivisions (1), (2) or (3) of this section. 326 IAC 6-4-2(4) is not federally enforceable.
- (b) Pursuant to 326 IAC 6-4-6(6) (Exceptions), fugitive dust from a source caused by adverse meteorological conditions will be considered an exception to this rule (326 IAC 6-4) and therefore not in violation.

Adverse weather conditions do not relieve a source from taking all reasonable measures to mitigate fugitive dust formation and transport. Failure to take reasonable measures during this period may be considered to be a deviation from this permit.

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

D.6.2 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Visible emission notations of the fly ash storage pond area(s) shall be performed at least once per week 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.
- (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 visible emissions are observed crossing the property line or boundaries of the property, right-of-way, or easement on which the source is located, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

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

D.6.3 Record Keeping Requirements

- (a) To document compliance with Condition D.6.2, the Permittee shall maintain weekly records of the visible emission notations of the fly ash storage pond area(s). The Permittee shall include in its weekly record when a visible emission notation is not taken and the reason for the lack of a visible emission notation, (e.g. the process did not operate that day).
- (b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION E TITLE IV CONDITIONS

Oris Code: 991

Title IV Source Description:

- (a) Two (2) no. 2 fuel oil fired boilers, identified as Unit 1 and Unit 2, constructed in 1949 and 1950, respectively, each with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), both exhausting to stack 1-1.
- (b) One (1) tangentially-fired wet-bottom coal boiler, identified as Unit 3, constructed in 1951, with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 3 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite and used oil contaminated materials generated onsite may be combusted in Unit 3 as supplemental fuel for energy recovery. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (c) One (1) tangentially-fired dry-bottom coal fired boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with separated overfire air (SOFA) and low NO_x burners (LNB) for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (d) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 5, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 3-1. Unit 5 is equipped with SOFA and LNB for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 5 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (e) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 6, constructed in 1956, with a design heat input capacity of 1017 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, exhausting to stack 3-1. Unit 6 is equipped with Closed-coupled Overfire Air (COFA) for control of NO_x emissions, which was voluntarily installed and is not required to operate. Unit 6 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 6 as supplemental fuel for energy recovery. Unit 6 has had low-NO_x burners installed. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).

(The information contained in this box is descriptive information and does not constitute enforceable conditions.)

Acid Rain Program

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

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

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

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

- (a) No revision of this permit shall be required for increases in emissions that are authorized by allowances acquired under the Title IV Acid Rain Program, provided that such increases do not require a permit revision under any other applicable requirement.
- (b) No limit shall be placed on the number of allowances held by the Permittee. The Permittee may not use allowances as a defense to noncompliance with any other applicable requirement.
- (c) Any such allowance shall be accounted for according to the procedures established in regulations promulgated under Title IV of the Clean Air Act.

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

ORIS Code: 991

NO_x Budget Source [326 IAC 2-7-5(15)]

- (a) Two (2) no. 2 fuel oil fired boilers, identified as Unit 1 and Unit 2, constructed in 1949 and 1950, respectively, each with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), both exhausting to stack 1-1.
- (b) One (1) tangentially-fired wet-bottom coal boiler, identified as Unit 3, constructed in 1951, with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 3 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite and used oil contaminated materials generated onsite may be combusted in Unit 3 as supplemental fuel for energy recovery. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (c) One (1) tangentially-fired dry-bottom coal fired boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with separated overfire air (SOFA) and low NO_x burners (LNB) for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (d) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 5, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 3-1. Unit 5 is equipped with SOFA and LNB for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 5 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (e) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 6, constructed in 1956, with a design heat input capacity of 1017 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, exhausting to stack 3-1. Unit 6 is equipped with Closed-coupled Overfire Air (COFA) for control of NO_x emissions, which was voluntarily installed and is not required to operate. Unit 6 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 6 as supplemental fuel for energy recovery. Unit 6 has had low-NO_x burners installed. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).

(The information contained in this box is descriptive information and does not constitute enforceable conditions.)

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

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

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

- (a) The owners and operators of the NO_x budget source and each budget unit shall operate each unit in compliance with this NO_x budget permit.
- (b) The NO_x budget units subject to this NO_x budget permit are Units 1, 2, 3, 4, 5 and 6.

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

- (a) The owners and operators and, to the extent applicable, the NO_x authorized account representative of the NO_x budget source and each NO_x budget unit at the source shall comply with the monitoring requirements of 40 CFR 75 and 326 IAC 10-4-12.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 326 IAC 10-4-12 shall be used to determine compliance by each unit with the NO_x budget emissions limitation under 326 IAC 10-4-4(c) and Condition F.4, Nitrogen Oxides Requirements.

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

- (a) The owner and operators of the NO_x budget source and each NO_x budget unit at the source shall hold NO_x allowances available for compliance deductions under 326 IAC 10-4-10(j), as of the NO_x allowance transfer deadline, in each boiler's compliance account and the source's overdraft account in an amount:
 - (1) Not less than the total NO_x emissions for the ozone control period from the unit, as determined in accordance with 40 CFR 75 and 326 IAC 10-4-12;
 - (2) To account for excess emissions for a prior ozone control period under 326 IAC 10-4-10(k)(5); or
 - (3) To account for withdrawal from the NO_x budget trading program, or a change in regulatory status of a NO_x budget opt-in unit.
- (b) Each ton of NO_x emitted in excess of the NO_x budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.
- (c) NO_x allowances shall be held in, deducted from, or transferred among NO_x allowance tracking system accounts in accordance with 326 IAC 10-4-9 through 11, 326 IAC 10-4-13, and 326 IAC 10-4-14.
- (d) A NO_x allowance shall not be deducted, in order to comply with the requirements under (a) above and 326 IAC 10-4-4(c)(1), for an ozone control period in a year prior to the year for which the NO_x allowance was allocated.
- (e) A NO_x allowance allocated under the NO_x budget trading program is a limited authorization to emit one (1) ton of NO_x in accordance with the NO_x budget trading program. No provision of the NO_x budget trading program, the NO_x budget permit application, the NO_x budget permit, or an exemption under 326 IAC 10-4-3 and no provision of law shall be construed to limit the authority of the U.S. EPA or IDEM, OAQ to terminate or limit the authorization.
- (f) A NO_x allowance allocated under the NO_x budget trading program does not constitute a property right.

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

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

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

- (a) Surrender the NO_x allowances required for deduction under 326 IAC 10-4-10(k)(5).
- (b) Pay any fine, penalty, or assessment or comply with any other remedy imposed under 326 IAC 10-4-10(k)(7).

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

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

- (a) The account certificate of representation for the NO_x authorized account representative for the source and each NO_x budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 326 IAC 10-4-6(h). The certificate and documents shall be retained either on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond the five (5) year period until the documents are superseded because of the submission of a new account certificate of representation changing the NO_x authorized account representative.
- (b) All emissions monitoring information, in accordance with 40 CFR 75 and 326 IAC 10-4-12, provided that to the extent that 40 CFR 75 and 326 IAC 10-4-12 provide for a three (3) year period for record keeping, the three (3) year period shall apply.
- (c) Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO_x budget trading program.
- (d) Copies of all documents used to complete a NO_x budget permit application and any other submission under the NO_x budget trading program or to demonstrate compliance with the requirements of the NO_x budget trading program.

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

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

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

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

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

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

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

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

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

- (a) Any person who knowingly violates any requirement or prohibition of the NO_x budget trading program, a NO_x budget permit, or an exemption under 326 IAC 10-4-3 shall be subject to enforcement pursuant to applicable state or federal law.
- (b) Any person who knowingly makes a false material statement in any record, submission, or report under the NO_x budget trading program shall be subject to criminal enforcement pursuant to the applicable state or federal law.
- (c) No permit revision shall excuse any violation of the requirements of the NO_x budget trading program that occurs prior to the date that the revision takes effect.
- (d) Each NO_x budget source and each NO_x budget unit shall meet the requirements of the NO_x budget trading program.
- (e) Any provision of the NO_x budget trading program that applies to a NO_x budget source, including a provision applicable to the NO_x authorized account representative of a NO_x budget source, shall also apply to the owners and operators of the source and the NO_x budget units at the source.

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

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

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

SECTION G Clean Air Interstate Rule (CAIR) Nitrogen Oxides Annual, Sulfur Dioxide, and Nitrogen Oxides Ozone Season Trading Programs – CAIR Permit for CAIR Units Under 326 IAC 24-1-1(a), 326 IAC 24-2-1(a), and 326 IAC 24-3-1(a)

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CAIR Permit for CAIR Units Under 326 IAC 24-1-1(a), 326 IAC 24-2-1(a), and 326 IAC 24-3-1(a)

- (a) Two (2) no. 2 fuel oil fired boilers, identified as Unit 1 and Unit 2, constructed in 1949 and 1950, respectively, each with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), both exhausting to stack 1-1.
- (b) One (1) tangentially-fired wet-bottom coal boiler, identified as Unit 3, constructed in 1951, with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 3 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite and used oil contaminated materials generated onsite may be combusted in Unit 3 as supplemental fuel for energy recovery. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (c) One (1) tangentially-fired dry-bottom coal fired boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with separated overfire air (SOFA) and low NO_x burners (LNB) for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (d) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 5, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 3-1. Unit 5 is equipped with SOFA and LNB for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 5 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (e) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 6, constructed in 1956, with a design heat input capacity of 1017 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, exhausting to stack 3-1. Unit 6 is equipped with Closed-coupled Overfire Air (COFA) for control of NO_x emissions, which was voluntarily installed and is not required to operate. Unit 6 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 6 as supplemental fuel for energy recovery. Unit 6 has had low-NO_x burners installed. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).

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

G.1 Automatic Incorporation of Definitions [326 IAC 24-1-7(e)] [326 IAC 24-2-7(e)] [326 IAC 24-3-7(e)] [40 CFR 97.123(b)] [40 CFR 97.223(b)] [40 CFR 97.323(b)]

This CAIR permit is deemed to incorporate automatically the definitions of terms under 326 IAC 24-1-2, 326 IAC 24-2-2, and 326 IAC 24-3-2.

G.2 Standard Permit Requirements [326 IAC 24-1-4(a)] [326 IAC 24-2-4(a)] [326 IAC 24-3-4(a)]
[40 CFR 97.106(a)] [40 CFR 97.206(a)] [40 CFR 97.306(a)]

- (a) The owners and operators of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall operate each source and unit in compliance with this CAIR permit.
- (b) The CAIR NO_x units, CAIR SO₂ units, and CAIR NO_x ozone season units subject to this CAIR permit are Units 1, 2, 3, 4, 5 and 6.

G.3 Monitoring, Reporting, and Record Keeping Requirements [326 IAC 24-1-4(b)] [326 IAC 24-2-4(b)]
[326 IAC 24-3-4(b)] [40 CFR 97.106(b)] [40 CFR 97.206(b)] [40 CFR 97.306(b)]

- (a) The owners and operators, and the CAIR designated representative, of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall comply with the applicable monitoring, reporting, and record keeping requirements of 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.
- (b) The emissions measurements recorded and reported in accordance with 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11 shall be used to determine compliance by each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source with the CAIR NO_x emissions limitation under 326 IAC 24-1-4(c), CAIR SO₂ emissions limitation under 326 IAC 24-2-4(c), and CAIR NO_x ozone season emissions limitation under 326 IAC 24-3-4(c) and Condition G.4.1, Nitrogen Oxides Emission Requirements, Condition G.4.2, Sulfur Dioxide Emission Requirements, and Condition G.4.3, Nitrogen Oxides Ozone Season Emission Requirements.

G.4.1 Nitrogen Oxides Emission Requirements [326 IAC 24-1-4(c)] [40 CFR 97.106(c)]

- (a) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR NO_x source and each CAIR NO_x unit at the source shall hold, in the source's compliance account, CAIR NO_x allowances available for compliance deductions for the control period under 326 IAC 24-1-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x units at the source, as determined in accordance with 326 IAC 24-1-11.
- (b) A CAIR NO_x unit shall be subject to the requirements under 326 IAC 24-1-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-1-4(c)(2), and for each control period thereafter.
- (c) A CAIR NO_x allowance shall not be deducted for compliance with the requirements under 326 IAC 24-1-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x allowance was allocated.
- (d) CAIR NO_x allowances shall be held in, deducted from, or transferred into or among CAIR NO_x allowance tracking system accounts in accordance with 326 IAC 24-1-9, 326 IAC 24-1-10, and 326 IAC 24-1-12.
- (e) A CAIR NO_x allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x annual trading program. No provision of the CAIR NO_x annual trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-1-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.
- (f) A CAIR NO_x allowance does not constitute a property right.

- (g) Upon recordation by the U.S. EPA under 326 IAC 24-1-8, 326 IAC 24-1-9, 326 IAC 24-1-10, or 326 IAC 24-1-12, every allocation, transfer, or deduction of a CAIR NO_x allowance to or from a CAIR NO_x source's compliance account is incorporated automatically in this CAIR permit.

G.4.2 Sulfur Dioxide Emission Requirements [326 IAC 24-2-4(c)] [40 CFR 97.206(c)]

- (a) As of the allowance transfer deadline for a control period, the owners and operators of the CAIR SO₂ source and each CAIR SO₂ unit at the source shall hold, in the source's compliance account, a tonnage equivalent of CAIR SO₂ allowances available for compliance deductions for the control period under 326 IAC 24-2-8(j) and 326 IAC 24-2-8(k) not less than the tons of total sulfur dioxide emissions for the control period from all CAIR SO₂ units at the source, as determined in accordance with 326 IAC 24-2-10.
- (b) A CAIR SO₂ unit shall be subject to the requirements under 326 IAC 24-2-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-2-4(c)(2), and for each control period thereafter.
- (c) A CAIR SO₂ allowance shall not be deducted for compliance with the requirements under 326 IAC 24-2-4(c)(1), for a control period in a calendar year before the year for which the CAIR SO₂ allowance was allocated.
- (d) CAIR SO₂ allowances shall be held in, deducted from, or transferred into or among CAIR SO₂ allowance tracking system accounts in accordance with 326 IAC 24-2-8, 326 IAC 24-2-9, and 326 IAC 24-2-11.
- (e) A CAIR SO₂ allowance is a limited authorization to emit sulfur dioxide in accordance with the CAIR SO₂ trading program. No provision of the CAIR SO₂ trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-2-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.
- (f) A CAIR SO₂ allowance does not constitute a property right.
- (g) Upon recordation by the U.S. EPA under 326 IAC 24-2-8, 326 IAC 24-2-9, or 326 IAC 24-2-11, every allocation, transfer, or deduction of a CAIR SO₂ allowance to or from a CAIR SO₂ source's compliance account is incorporated automatically in this CAIR permit.

G.4.3 Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-3-4(c)] [40 CFR 97.306(c)]

- (a) As of the allowance transfer deadline for a control period, the owners and operators of the each CAIR NO_x ozone season source and each CAIR NO_x ozone season unit at the source shall hold, in the source's compliance account, CAIR NO_x ozone season allowances available for compliance deductions for the control period under 326 IAC 24-3-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x ozone season units at the source, as determined in accordance with 326 IAC 24-3-11.
- (b) A CAIR NO_x ozone season unit shall be subject to the requirements under 326 IAC 24-3-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-3-4(c)(2), and for each control period thereafter.
- (c) A CAIR NO_x ozone season allowance shall not be deducted for compliance with the requirements under 326 IAC 24-3-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x ozone season allowance was allocated.

- (d) CAIR NO_x ozone season allowances shall be held in, deducted from, or transferred into or among CAIR NO_x ozone season allowance tracking system accounts in accordance with 326 IAC 24-3-9, 326 IAC 24-3-10, and 326 IAC 24-3-12.
- (e) A CAIR NO_x ozone season allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x ozone season trading program. No provision of the CAIR NO_x ozone season trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-3-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.
- (f) A CAIR NO_x ozone season allowance does not constitute a property right.
- (g) Upon recordation by the U.S. EPA under 326 IAC 24-3-8, 326 IAC 24-3-9, 326 IAC 24-3-10, or 326 IAC 24-3-12, every allocation, transfer, or deduction of a CAIR NO_x ozone season allowance to or from a CAIR NO_x ozone season source's compliance account is incorporated automatically in this CAIR permit.

G.5 Excess Emissions Requirements [326 IAC 24-1-4(d)] [326 IAC 24-2-4(d)] [326 IAC 24-3-4(d)]
[40 CFR 97.106(d)] [40 CFR 97.206(d)] [40 CFR 97.306(d)]

- (a) The owners and operators of a CAIR NO_x source and each CAIR NO_x unit that emits nitrogen oxides during any control period in excess of the CAIR NO_x emissions limitation shall do the following:

- (1) Surrender the CAIR NO_x allowances required for deduction under 326 IAC 24-1-9(j)(4).
- (2) Pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, the Clean Air Act (CAA) or applicable state law.

Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 326 IAC 24-1-4, the Clean Air Act (CAA), and applicable state law.

- (b) The owners and operators of a CAIR SO₂ source and each CAIR SO₂ unit that emits sulfur dioxide during any control period in excess of the CAIR SO₂ emissions limitation shall do the following:

- (1) Surrender the CAIR SO₂ allowances required for deduction under 326 IAC 24-2-8(k)(4).
- (2) Pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, the Clean Air Act (CAA) or applicable state law.

Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 326 IAC 24-2-4, the Clean Air Act (CAA), and applicable state law.

- (c) The owners and operators of a CAIR NO_x ozone season source and each CAIR NO_x ozone season unit that emits nitrogen oxides during any control period in excess of the CAIR NO_x ozone season emissions limitation shall do the following:

- (1) Surrender the CAIR NO_x ozone season allowances required for deduction under 326 IAC 24-3-9(j)(4).
- (2) Pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, the Clean Air Act (CAA) or applicable state law.

Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 326 IAC 24-3-4, the Clean Air Act (CAA), and applicable state law.

G.6 Record Keeping Requirements [326 IAC 24-1-4(e)] [326 IAC 24-2-4(e)] [326 IAC 24-3-4(e)]
[326 IAC 2-7-5(3)] [40 CFR 97.106(e)] [40 CFR 97.206(e)] [40 CFR 97.306(e)]

Unless otherwise provided, the owners and operators of the CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall keep on site at the source or at a central location within Indiana for those owners or operators with unattended sources, each of the following documents for a period of five (5) years from the date the document was created:

- (a) The certificate of representation under 326 IAC 24-1-6(h), 326 IAC 24-2-6(h), 326 IAC 24-3-6(h) for the CAIR designated representative for the source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation. The certificate and documents shall be retained on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond such five (5) year period until such documents are superseded because of the submission of a new account certificate of representation under 326 IAC 24-1-6(h), 326 IAC 24-2-6(h), 326 IAC 24-3-6(h) changing the CAIR designated representative.
- (b) All emissions monitoring information, in accordance with 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11, provided that to the extent that 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11 provides for a three (3) year period for record keeping, the three (3) year period shall apply.
- (c) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program.
- (d) Copies of all documents used to complete a CAIR permit application and any other submission under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program or to demonstrate compliance with the requirements of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program.

This period may be extended for cause, at any time before the end of five (5) years, in writing by IDEM, OAQ or the U.S. EPA. Unless otherwise provided, all records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

G.7 Reporting Requirements [326 IAC 24-1-4(e)] [326 IAC 24-2-4(e)] [326 IAC 24-3-4(e)]
[40 CFR 97.106(e)] [40 CFR 97.206(e)] [40 CFR 97.306(e)]

- (a) The CAIR designated representative of the CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall submit the reports required under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program, including those under 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.

- (b) Pursuant to 326 IAC 24-1-4(e), 326 IAC 24-2-4(e), and 326 IAC 24-3-4(e) and 326 IAC 24-1-6(e)(1), 326 IAC 24-2-6(e)(1), and 326 IAC 24-3-6(e)(1), each submission under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program shall include the following certification statement by the CAIR designated representative: "I am authorized to make this submission on behalf of the owners and operators of the source or units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."
- (c) Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to IDEM, OAQ, the information shall be submitted to:

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

- (d) Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to U.S. EPA, the information shall be submitted to:

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

G.8 Liability [326 IAC 24-1-4(f)] [326 IAC 24-2-4(f)] [326 IAC 24-3-4(f)] [40 CFR 97.106(f)]
[40 CFR 97.206(f)] [40 CFR 97.306(f)]

The owners and operators of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall be liable as follows:

- (a) Each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall meet the requirements of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program, respectively.
- (b) Any provision of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program that applies to a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source or the CAIR designated representative of a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source shall also apply to the owners and operators of such source and of the CAIR NO_x units, CAIR SO₂ units, and CAIR NO_x ozone season units at the source.
- (c) Any provision of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program that applies to a CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit or the CAIR designated representative of a CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall also apply to the owners and operators of such unit.

G.9 Effect on Other Authorities [326 IAC 24-1-4(g)] [326 IAC 24-2-4(g)] [326 IAC 24-3-4(g)]
[40 CFR 97.106(g)] [40 CFR 97.206(g)] [40 CFR 97.306(g)]

No provision of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program, a CAIR permit application, a CAIR permit, or an exemption under 326 IAC 24-1-3, 326 IAC 24-2-3, and 326 IAC 24-3-3 shall be construed as exempting or excluding the owners and operators, and the CAIR designated representative, of a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source or CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit from compliance with any other provision of the applicable, approved state implementation plan, a federally enforceable permit, or the Clean Air Act (CAA).

G.10 CAIR Designated Representative and Alternate CAIR Designated Representative
[326 IAC 24-1-6] [326 IAC 24-2-6] [326 IAC 24-3-6] [40 CFR 97, Subpart BB] [40 CFR 97, Subpart BBB] [40 CFR 97, Subpart BBBB]

Pursuant to 326 IAC 24-1-6, 326 IAC 24-2-6, and 326 IAC 24-3-6:

- (a) Except as specified in 326 IAC 24-1-6(f)(3), 326 IAC 24-2-6(f)(3), 326 IAC 24-3-6(f)(3), each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source, including all CAIR NO_x units, CAIR SO₂ units, and CAIR NO_x ozone season units at the source, shall have one (1) and only one (1) CAIR designated representative, with regard to all matters under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program concerning the source or any CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source.
- (b) The provisions of 326 IAC 24-1-6(f), 326 IAC 24-2-6(f), and 326 IAC 24-3-6(f) shall apply where the owners or operators of a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source choose to designate an alternate CAIR designated representative.

Except as specified in 326 IAC 24-1-6(f)(3), 326 IAC 24-2-6(f)(3), 326 IAC 24-3-6(f)(3), whenever the term "CAIR designated representative" is used, the term shall be construed to include the CAIR designated representative or any alternate CAIR designated representative.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT OFFICE OF AIR QUALITY

PART 70 OPERATING PERMIT CERTIFICATION

Source Name: Indianapolis Power and Light (IPL) Eagle Valley Generating Station
Source Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Mailing Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Part 70 Permit No.: T 109-26292-00004

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

Please check what document is being certified:

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

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

Signature:

Printed Name:

Title/Position:

Phone:

Date:

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

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

PART 70 OPERATING PERMIT EMERGENCY OCCURRENCE REPORT

Source Name: Indianapolis Power and Light (IPL) Eagle Valley Generating Station
Source Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Mailing Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Part 70 Permit No.: T 109-26292-00004

This form consists of 2 pages

Page 1 of 2

<input type="checkbox"/> This is an emergency as defined in 326 IAC 2-7-1(12) <ul style="list-style-type: none">• The Permittee must notify the Office of Air Quality (OAQ), within four (4) business hours (1-800-451-6027 or 317-233-0178, ask for Compliance Section); and• The Permittee must submit notice in writing or by facsimile within two (2) days (Facsimile Number: 317-233-6865), and follow the other requirements of 326 IAC 2-7-16.
--

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

Facility/Equipment/Operation:
Control Equipment:
Permit Condition or Operation Limitation in Permit:
Description of the Emergency
Describe the cause of the Emergency

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

Page 2 of 2

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

Form Completed By: _____

Title/Position: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
Part 70 Quarterly Report**

Source Name: Indianapolis Power and Light (IPL) Eagle Valley Generating Station
Source Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Mailing Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Part 70 Permit No.: T 109-26292-00004
Facility: Units 1, 2, and PR-10
Parameter: SO₂ Emissions
Limit: Shall not exceed the pound per million Btu (lb/MMBtu) limit, demonstrated using a calendar month average

YEAR: _____

Emission Unit	Limit (lb/MMBtu)	SO ₂ Emissions (lb/MMBtu)		
		Month:	Month:	Month:
Unit 1	0.37			
Unit 2	0.37			
Unit PR-10	0.5			

- No deviation occurred in this quarter.
- Deviations occurred in this quarter.
Deviation has been reported on: _____

Submitted By: _____

Title/Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT OFFICE OF AIR QUALITY COMPLIANCE DATA SECTION Part 70 Quarterly Report

Source Name: Indianapolis Power and Light (IPL) Eagle Valley Generating Station
Source Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Mailing Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Part 70 Permit No.: T 109-26292-00004
Facility: Units 3, 4, 5, and 6
Parameter: SO₂ Emissions
Limit: Shall not exceed the pound per million Btu (lb/MMBtu) limit, demonstrated using a 30-day rolling average

YEAR: _____ QUARTER: _____

Date	Limit (lb/MMBtu)	Daily Average	Weight Factor	30-day Rolling Average	Remarks
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					
26.					
27.					
28.					
29.					
30.					

- No deviation occurred in this quarter.
- Deviations occurred in this quarter.
Deviation has been reported on: _____

Submitted By: _____

Title/Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

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

PART 70 OPERATING PERMIT QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT

Source Name: Indianapolis Power and Light (IPL) Eagle Valley Generating Station
Source Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Mailing Address: 4040 Blue Bluff Road, Martinsville, IN 46151
Part 70 Permit No.: T 109-26292-00004

Months: _____ to _____ Year: _____

Page 1 of 2

This report shall be submitted quarterly based on a calendar year. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. A deviation required to be reported pursuant to an applicable requirement that exists independent of the permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report. Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".

NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD

Permit Requirement (specify permit condition #)

Date of Deviation:

Duration of Deviation:

Number of Deviations:

Probable Cause of Deviation:

Response Steps Taken:

Permit Requirement (specify permit condition #)

Date of Deviation:

Duration of Deviation:

Number of Deviations:

Probable Cause of Deviation:

Response Steps Taken:

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

Form Completed By: _____

Title/Position: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.



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

Attachment A

TITLE IV (ACID RAIN) PERMIT RENEWAL OFFICE OF AIR QUALITY

**Indianapolis Power and Light (IPL)
Eagle Valley Generating Station
(formerly H. T. Pritchard Generating Station)
4040 Blue Bluff Road
Martinsville, Indiana 46151**

ORIS Code: 991

The owners and operators (hereinafter collectively known as the Permittee) of the above source are issued this permit under the provisions of 326 Indiana Administrative Code (IAC) 21 [326 IAC 21] with conditions listed on the attached pages.

Acid Rain Permit Renewal No.: T 109-19341-00004	
Issued by / Original Signed by:	Effective: January 1, 2005 through December 31, 2009
Alfred C. Dumauval, Ph. D., Section Chief Permits Branch Office of Air Quality	Issuance Date: September 30, 2008 Expiration Date: December 31, 2009

TITLE IV CONDITIONS

Title IV Source Description:

- (a) Two (2) no. 2 fuel oil fired boilers, identified as Unit 1 and Unit 2, constructed in 1949 and 1950, respectively, each with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), both exhausting to stack 1-1.
- (b) One (1) tangentially-fired wet-bottom coal boiler, identified as Unit 3, constructed in 1951, with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 3 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite and used oil contaminated materials generated onsite may be combusted in Unit 3 as supplemental fuel for energy recovery. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (c) One (1) tangentially-fired dry-bottom coal fired boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with separated overfire air (SOFA) and low NO_x burners (LNB) for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (d) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 5, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 3-1. Unit 5 is equipped with SOFA and LNB for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 5 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (e) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 6, constructed in 1956, with a design heat input capacity of 1017 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, exhausting to stack 3-1. Unit 6 is equipped with Closed-coupled Overfire Air (COFA) for control of NO_x emissions, which was voluntarily installed and is not required to operate. Unit 6 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 6 as supplemental fuel for energy recovery. Unit 6 has had low-NO_x burners installed. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).

(The information contained in this box is descriptive information and does not constitute enforceable conditions.)

Acid Rain Program

1 Statutory and Regulatory Authorities

In accordance with IC 13-17-3-4 and IC 13-17-3-11 as well as Titles IV and V of the Clean Air Act, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) issues this permit pursuant to 326 IAC 2 and 326 IAC 21 (incorporates by reference 40 Code of Federal Regulations (CFR) 72 through 78).

2 Standard Permit Requirements [326 IAC 21]

- (a) The designated representative has submitted a complete acid rain permit application in accordance with 40 CFR 72.30.
- (b) The Permittee shall operate the Units 1, 2, 3, 4, 5 and 6 in compliance with this permit.

3 Monitoring Requirements [326 IAC 21]

- (a) The Permittee and, to the extent applicable, the designated representative of Units 1, 2, 3, 4, 5 and 6 shall comply with the monitoring requirements as provided in 40 CFR 75 and 76.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 76 shall be used to determine compliance by Units 1, 2, 3, 4, 5 and 6 with the acid rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (c) The requirements of 40 CFR 75 and 76 shall not affect the responsibility of the Permittee to monitor emissions of other pollutants or other emissions characteristics at Units 1, 2, 3, 4, 5 and 6 under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

4 Sulfur Dioxide Requirements [326 IAC 21]

- (a) The Permittee shall:
 - (1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 72.2), in the compliance subaccount of Units 1, 2, 3, 4, 5 and 6, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from Units 1, 2, 3, 4, 5 and 6; and,
 - (2) Comply with the applicable acid rain emissions limitations for sulfur dioxide.
- (b) Each ton of sulfur dioxide emitted in excess of the acid rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.
- (c) Units 1, 2, 3, 4, 5 and 6 shall be subject to the requirements under paragraph 4(a) of the sulfur dioxide requirements as follows:
 - (1) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or,
 - (2) Starting on the latter of January 1, 2000, or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).
- (d) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (e) An allowance shall not be deducted in order to comply with the requirements under paragraph 4(a) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (f) An allowance allocated by the U.S. EPA under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the acid rain permit application, the acid rain permit, the acid rain portion of an operating permit, or the written exemption under 40 CFR 72.7 and 72.8 and 326 IAC 21, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.

- (g) An allowance allocated by U.S. EPA under the Acid Rain Program does not constitute a property right.
- (h) No permit revision may be required for increases in emissions that are authorized by allowances acquired pursuant to the Acid Rain Program, provided that the increases do not require a permit revision under any other applicable requirement.
[326 IAC 2-7-5(4)(A)]
- (i) No limit shall be placed on the number of allowances held by the Permittee. The Permittee may not, however, use allowances as a defense to noncompliance with any applicable requirement other than the requirements of the Acid Rain Program.
[326 IAC 2-7-5(4)(B)]

5 Nitrogen Oxides Requirements [326 IAC 21]

- (a) The Permittee shall comply with the applicable acid rain nitrogen oxides (NO_x) emission limitations for Units 1, 2, 3, 4, 5 and 6.
- (b) NO_x Emission Averaging Plan for Unit 3:
 - (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality, approves a NO_x emissions averaging plan for Unit 3, effective from calendar years 2005 through 2009. Under the plan, the NO_x emissions from Unit 3 shall not exceed the annual Alternative Contemporaneous Emission Limitation (ACEL) of 0.76 lb/MMBtu. In addition, Unit 3 shall not have an annual heat input greater than 2,522,000 MMBtu.
 - (2) Under the plan, the actual Btu-weighted annual average NO_x emission rate for Units 3, 4, 5 and 6 shall be less than or equal to the Btu-weighted annual average NO_x emission rate for Units 3, 4, 5 and 6 had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11) is met for a year under the plan, then Unit 3 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.
 - (3) The Permittee must annually demonstrate that Unit 3 meets the NO_x emission limit of 0.76 lb/MMBtu by showing that emissions at the common stack (through which emissions from Unit 3 and Unit 4 are vented) meet such limit, based upon the data from certified continuous emissions monitoring systems (CEMS) at the common stack, Stack 2-1. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (c) NO_x Emission Averaging Plan for Unit 4:
 - (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality, approves a NO_x emissions averaging plan for Unit 4, effective from calendar years 2005 through 2009. Under the plan the NO_x emissions from Unit 4 shall not exceed the annual Alternative Contemporaneous Emission Limitation (ACEL) of 0.76 lb/MMBtu. In addition, Unit 4 shall not have an annual heat input greater than 2,853,000 MMBtu.

- (2) Under the plan, the actual Btu-weighted annual average NO_x emission rate for Units 3, 4, 5 and 6 shall be less than or equal to the Btu-weighted annual average NO_x emission rate for Units 3, 4, 5 and 6 had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11) is met for a year under the plan, then Unit 4 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.
 - (3) The Permittee must annually demonstrate that Unit 4 meets the NO_x emission limit of 0.76 lb/MMBtu by showing that emissions at the common stack (through which emissions from Unit 3 and Unit 4 are vented) meet such limit, based upon the data from certified continuous emissions monitoring systems (CEMS) at the common stack, Stack 2-1. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (d) NO_x Emission Averaging Plan for Unit 5:
- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality, approves a NO_x emissions averaging plan for Unit 5, effective from calendar years 2005 through 2009. Under the plan the NO_x emissions from Unit 5 shall not exceed the annual Alternative Contemporaneous Emission Limitation (ACEL) of 0.44 lb/MMBtu. In addition, Unit 5 shall not have an annual heat input less than 2,790,000 MMBtu.
 - (2) Under the plan, the actual Btu-weighted annual average NO_x emission rate for Units 3, 4, 5 and 6 shall be less than or equal to the Btu-weighted annual average NO_x emission rate for Units 3, 4, 5 and 6 had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11) is met for a year under the plan, then Unit 5 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.
 - (3) The Permittee must annually demonstrate that Unit 5 meets the NO_x emission limit of 0.44 lb/MMBtu by showing that emissions at the common stack (through which emissions from Unit 5 and Unit 6 are vented) meet such limit, based upon the data from certified continuous emissions monitoring systems (CEMS) at the common stack, Stack 3-1. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (e) NO_x Emission Averaging Plan for Unit 6:
- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality, approves a NO_x emissions averaging plan for Unit 6, effective from calendar years 2005 through 2009. Under the plan the NO_x emissions from Unit 6 shall not exceed the annual Alternative Contemporaneous Emission Limitation (ACEL) of 0.44 lb/MMBtu. In addition, Unit 6 shall not have an annual heat input less than 5,234,000 MMBtu.

- (2) Under the plan, the actual Btu-weighted annual average NO_x emission rate for Units 3, 4, 5 and 6 shall be less than or equal to the Btu-weighted annual average NO_x emission rate for Units 3, 4, 5 and 6 had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11) is met for a year under the plan, then Unit 6 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.
- (3) The Permittee must annually demonstrate that Unit 6 meets the NO_x emission limit of 0.44 lb/MMBtu by showing that emissions at the common stack (through which emissions from Unit 5 and Unit 6 are vented) meet such limit, based upon the data from certified continuous emissions monitoring systems (CEMS) at the common stack, Stack 3-1. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (f) In addition to the described NO_x compliance plan, Units 3, 4, 5 and 6 shall comply with all other applicable requirements of 40 CFR 76, including the duty to reapply for a NO_x compliance plan and requirements covering excess emissions.
- (g) Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction Program, the oil fired Units 1 and 2 are not subject to the nitrogen oxide limitations set out in 40 CFR 76.

6 Excess Emissions Requirements [40 CFR 77] [326 IAC 21]

- (a) If Unit 1, 2, 3, 4, 5 or 6 has excess emissions of sulfur dioxide in any calendar, the designated representative shall submit a proposed offset plan to U.S. EPA and IDEM, OAQ as required under 40 CFR 77 and 326 IAC 21.

- (b) The designated representative shall submit required information to:

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

and

Air and Radiation Division
U.S. Environmental Protection Agency, Region V
77 West Jackson Boulevard
Chicago, IL 60604-3590

and

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

- (c) If Unit 1, 2, 3, 4, 5 or 6 has excess emissions, as defined in 40 CFR 72.2, in any calendar year, the Permittee shall:

- (1) Pay to U.S. EPA without demand the penalty required, and pay to U.S. EPA upon demand the interest on that penalty, as required by 40 CFR 77 and 326 IAC 21; and,
- (2) Comply with the terms of an approved sulfur dioxide offset plan, as required by 40 CFR 77 and 326 IAC 21.

7 Record Keeping and Reporting Requirements [326 IAC 21]

- (a) Unless otherwise provided, the Permittee shall keep on site each of the following documents for a period of 5 years, as required by 40 CFR 72.9(f), from the date the document is created. This period may be extended for cause, at any time prior to the end of the 5 years, in writing by U.S. EPA or IDEM, OAQ:
 - (1) The certificate of representation for the designated representative of Units 1, 2, 3, 4, 5 and 6 and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5 year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
 - (2) All emissions monitoring information collected in accordance with 40 CFR 75 shall be retained on site for 3 years;
 - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
 - (4) Copies of all documents used to complete an acid rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (b) The designated representative of Units 1, 2, 3, 4, 5 and 6 shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72.90 subpart I, 40 CFR 75, and 326 IAC 21. The required information is to be submitted to the appropriate authority(ies) as specified in 40 CFR 72.90 subpart I and 40 CFR 75.

8 Submissions [326 IAC 21]

- (a) The designated representative of Units 1, 2, 3, 4, 5 and 6 shall submit a certificate of representation, and any superseding certificate of representation, to U.S. EPA and IDEM, OAQ in accordance with 40 CFR 72 and 326 IAC 21.

- (b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
Permit Administration and Support Section, Office of Air Quality
100 North Senate Avenue
MC 61-53, IGCN Room 1003
Indianapolis, Indiana 46204-2251

and

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

- (c) Each such submission under the Acid Rain Program shall be submitted, signed and certified by the designated representative for all sources on behalf of which the submission is made.
- (d) In each submission under the Acid Rain Program, the designated representative shall certify, by his or her signature, the following statements which shall be included verbatim in the submission:
 - (1) "I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made."; and,
 - (2) "I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."
- (e) The designated representative of Units 1, 2, 3, 4, 5 and 6 shall notify the Permittee:
 - (1) By the date of submission, of any Acid Rain Program submissions by the designated representative;
 - (2) Within 10 business days of receipt of any written determination by U.S. EPA or IDEM, OAQ; and,
 - (3) Provided that the submission or determination covers Unit 1, 2, 3, 4, 5 or 6.
- (f) The designated representative of Units 1, 2, 3, 4, 5 and 6 shall provide the Permittee a copy of any submission or determination under paragraph 8(e) of this section, unless the Permittee expressly waives the right to receive a copy.

9 Severability [326 IAC 21]

Invalidation of the acid rain portion of an operating permit does not affect the continuing validity of the rest of the operating permit, nor shall invalidation of any other portion of the operating permit affect the continuing validity of the acid rain portion of the permit. [40 CFR 72.72(b), 326 IAC 21, and 326 IAC 2-7-5(5)]

10 Liability [326 IAC 21]

- (a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to Section 113(c) of the Clean Air Act and shall be subject to enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-3.
- (b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to Section 113(c) of the Clean Air Act, 18 U.S.C. 1001 and IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.
- (c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.

- (d) Units 1, 2, 3, 4, 5 and 6 shall meet the requirements of the Acid Rain Program.
- (e) Any provision of the Acid Rain Program that applies to Unit 1, 2, 3, 4, 5 or 6, including a provision applicable to the designated representative of Unit 1, 2, 3, 4, 5 or 6, shall also apply to the Permittee.
- (f) Any provision of the Acid Rain Program that applies to Unit 1, 2, 3, 4, 5 or 6, including a provision applicable to the designated representative of Unit 1, 2, 3, 4, 5 or 6, shall also apply to the Permittee. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO_x averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the Permittee and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.
- (g) Each violation of a provision of 40 CFR, Parts 72, 73, 74, 75, 76, 77, and 78, by Unit 1, 2, 3, 4, 5 or 6, or by the Permittee or designated representative, shall be a separate violation of the Clean Air Act.

11 Effect on Other Authorities [326 IAC 21]

No provision of the Acid Rain Program, an acid rain permit application, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (a) Except as expressly provided in Title IV of the Clean Air Act (42 USC 7651 to 7651(o)), exempting or excluding the Permittee and, to the extent applicable, the designated representative of Unit 1, 2, 3, 4, 5 or 6 from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (b) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Clean Air Act;
- (c) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law;
- (d) Modifying the Federal Power Act (16 USC 791(a) et seq.) or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (e) Interfering with or impairing any program for competitive bidding for power supply in a state in which such a program is established.

Indiana Department of Environmental Management Office of Air Quality

Addendum to the Technical Support Document (TSD) for a Part 70 Significant Permit Modification

Source Background and Description

Source Name:	IPL Eagle Valley Generating Station
Source Location:	4040 Blue Bluff Road, Martinsville, Indiana, 46151
County:	Morgan
SIC Code:	4911
Operating Permit Renewal No.:	T 109-26292-00004
Operation Permit Renewal Issuance Date:	December 2, 2008
Significant Permit Modification No.:	109-27356-00004
Permit Reviewer:	Kimberly Cottrell

Public Notice Information

On January 24, 2009, the Office of Air Quality (OAQ) had a notice published in Martinsville Daily Reporter in Mooresville, Indiana, stating that the IPL Eagle Valley Generating Station had applied for a significant modification to incorporate the federal and state provisions of CAIR into the Part 70 Operating Permit Renewal issued on December 2, 2008. The notice also stated that OAQ proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

IPL Comments and IDEM's Responses

On February 6, 2009, OAQ received comments from Angelique Oliger, on behalf of IPL Eagle Valley Generating Station. The summary of the comments and IDEM, OAQ responses, including changes to the permit (language deleted is shown in ~~strikeout~~ and language added is shown in **bold**) are as follows:

IPL Comment 1:

The unit descriptions for Unit 4 in Sections D.2 and G should be revised to match the description for Unit 4 as stated in Condition A.2.

IDEM Response 1:

IDEM compared the unit description for Unit 4 as stated in Sections D.2 and G and Condition A.2.

The description for Unit 4 in Section G of the draft permit matches the corresponding description in Condition A.2. The description for Unit 4 in Section D.2 of the draft permit did not match the corresponding description in Condition A.2; therefore, paragraph (c) under the Section D.2 is revised as follows:

- ~~(c) One (1) tangentially fired dry bottom coal boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with SOFA and LNB to control NO_x emissions. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).~~
- (c) **One (1) tangentially-fired dry-bottom coal fired boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with separated overfire air (SOFA) and low NO_x burners (LNB) for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).**

IPL Comment 2:

Please add "as applicable" to the end of Condition G.3(a) as there are a few requirements in 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11 where applicability is based on another qualifier such as the date operation commenced, alternative monitoring methods, or other situation.

IDEM Response 2:

IDEM agrees to revise Condition G.3 as follows:

- G.3 Monitoring, Reporting, and Record Keeping Requirements [326 IAC 24-1-4(b)] [326 IAC 24-2-4(b)] [326 IAC 24-3-4(b)] [40 CFR 97.106(b)] [40 CFR 97.206(b)] [40 CFR 97.306(b)]
- (a) The owners and operators, and the CAIR designated representative, of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall comply with the **applicable** monitoring, reporting, and record keeping requirements of 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.
- (b) ...

IPL Comment 3:

In order to more closely match the rule language, please add "for a control period" to Conditions G.4.1(a), G.4.2(a), and G.4.3(a) as shown below:

- (a) As of the allowance transfer deadline **for a control period**, the owners and operators of each ...

IDEM Response 3:

IDEM agrees. Conditions G.4.1(a), G.4.2(a), and G.4.3(a) are revised as follows:

- G.4.1 Nitrogen Oxides Emission Requirements [326 IAC 24-1-4(c)] [40 CFR 97.106(c)]
- (a) As of the allowance transfer deadline **for a control period**, the owners and operators of each CAIR NO_x source and each CAIR NO_x unit at the source shall hold, ...

G.4.2 Sulfur Dioxide Emission Requirements [326 IAC 24-2-4(c)] [40 CFR 97.206(c)]

- (a) As of the allowance transfer deadline **for a control period**, the owners and operators of the CAIR SO₂ source and each CAIR SO₂ unit at the source shall hold, ...

G.4.3 Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-3-4(c)] [40 CFR 97.306(c)]

- (a) As of the allowance transfer deadline **for a control period**, the owners and operators of the each CAIR NO_x ozone season source and each CAIR NO_x ozone season unit at the source shall hold, ...

IPL Comment 4:

The word "under" should be removed from Conditions G.4.2(a) and G.4.3(a) as shown below:

G.4.2 Sulfur Dioxide Emission Requirements [326 IAC 24-2-4(c)] [40 CFR 97.206(c)]

- (a) ... in the source's compliance account, a tonnage equivalent of CAIR SO₂ allowances available for compliance deductions ~~under~~ for the control period under 326 IAC 24-2-8(j) and 326 IAC 24-2-8(k) not less than the tons of total sulfur dioxide emissions for the control period from all CAIR SO₂ units at the source, as determined in accordance with 326 IAC 24-2-10.

G.4.3 Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-3-4(c)] [40 CFR 97.306(c)]

- (a) ... in the source's compliance account, CAIR NO_x ozone season allowances available for compliance deductions ~~under~~ for the control period under 326 IAC 24-3-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x ozone season units at the source, as determined in accordance with 326 IAC 24-3-11.

IDEM Response 4:

IDEM agrees. The suggested changes have been made to Conditions G.4.2(a) and G.4.3(a).

IPL Comment 5:

For consistency, please combine the requirements under Conditions G.4.1, G.4.2, and G.4.3 into one new Condition D.4 in the same manner that the Excess Emissions Requirements for all three rules are included in one combined Condition G.5.

Proposal:

G.4.1 Nitrogen Oxides Emission Requirements [326 IAC 24-1-4(c)] [40 CFR 97.106(c)]

- (a) ~~As of the allowance transfer deadline, the owners and operators of each CAIR NO_x source and each CAIR NO_x unit at the source shall hold, in the source's compliance account, CAIR NO_x allowances available for compliance deductions for the control period under 326 IAC 24-1-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x units at the source, as determined in accordance with 326 IAC 24-1-11~~
- (b) ~~A CAIR NO_x unit shall be subject to the requirements under (a) above and 326 IAC 24-1-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-1-11(C)(1), 11(c)(2), or 11(c)(5) and for each control period thereafter.~~

- ~~(c) — A CAIR NO_x allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-1-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x allowance was allocated.~~
- ~~(d) — CAIR NO_x allowances shall be held in, deducted from, or transferred into or among CAIR NO_x allowance tracking system accounts in accordance with 326 IAC 24-1-9, 326 IAC 24-1-10, and 326 IAC 24-1-12.~~
- ~~(e) — A CAIR NO_x allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x annual trading program. No provision of the CAIR NO_x annual trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-1-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.~~
- ~~(f) — A CAIR NO_x allowance does not constitute a property right.~~
- ~~(g) — Upon recordation by the U.S. EPA under 326 IAC 24-1-8, 326 IAC 24-1-9, 326 IAC 24-1-10, or 326 IAC 24-1-12, every allocation, transfer, or deduction of a CAIR NO_x allowance to or from a CAIR NO_x source's compliance account is incorporated automatically in this CAIR permit.~~

~~G.4.2 Sulfur Dioxide Emission Requirements [326 IAC 24-2-4(c)] [40 CFR 97.206(c)]~~

- ~~(a) — As of the allowance transfer deadline, the owners and operators of the CAIR SO₂ source and each CAIR SO₂ unit at the source shall hold, in the source's compliance account, a tonnage equivalent of CAIR SO₂ allowances available for compliance deductions under for the control period under 326 IAC 24-2-8(j) and 326 IAC 24-2-8(k) not less than the tons of total sulfur dioxide emissions for the control period from all CAIR SO₂ units at the source, as determined in accordance with 326 IAC 24-2-10.~~
- ~~(b) — A CAIR SO₂ unit shall be subject to the requirements under (a) above and 326 IAC 24-2-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-2-10(C)(1), 10(c)(2), or 10(c)(5) and for each control period thereafter.~~
- ~~(c) — A CAIR SO₂ allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-2-4(c)(1), for a control period in a calendar year before the year for which the CAIR SO₂ allowance was allocated.~~
- ~~(d) — CAIR SO₂ allowances shall be held in, deducted from, or transferred into or among CAIR SO₂ allowance tracking system accounts in accordance with 326 IAC 24-2-8, 326 IAC 24-2-9, and 326 IAC 24-2-11.~~
- ~~(e) — A CAIR SO₂ allowance is a limited authorization to emit sulfur dioxide in accordance with the CAIR SO₂ trading program. No provision of the CAIR SO₂ trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-2-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.~~
- ~~(f) — A CAIR SO₂ allowance does not constitute a property right.~~
- ~~(g) — Upon recordation by the U.S. EPA under 326 IAC 24-2-8, 326 IAC 24-2-9, or 326 IAC 24-2-11, every allocation, transfer, or deduction of a CAIR SO₂ allowance to or from a CAIR SO₂ source's compliance account is incorporated automatically in this CAIR permit.~~

~~G.4.3 Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-3-4(c)] [40 CFR 97.306(c)]~~

- ~~(a) As of the allowance transfer deadline, the owners and operators of the each CAIR NO_x ozone season source and each CAIR NO_x ozone season unit at the source shall hold, in the source's compliance account, CAIR NO_x ozone season allowances available for compliance deductions under for the control period under 326 IAC 24-3-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x ozone season units at the source, as determined in accordance with 326 IAC 24-3-11.~~
- ~~(b) A CAIR NO_x ozone season unit shall be subject to the requirements under (a) above and 326 IAC 24-3-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-3-11(C)(1), 11(c)(2), 11(c)(3), or 11(c)(7) and for each control period thereafter.~~
- ~~(c) A CAIR NO_x ozone season allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-3-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x ozone season allowance was allocated.~~
- ~~(d) CAIR NO_x ozone season allowances shall be held in, deducted from, or transferred into or among CAIR NO_x ozone season allowance tracking system accounts in accordance with 326 IAC 24-3-9, 326 IAC 24-3-10, and 326 IAC 24-3-12.~~
- ~~(e) A CAIR NO_x allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x ozone season trading program. No provision of the CAIR NO_x ozone season trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-3-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.~~
- ~~(f) A CAIR NO_x allowance does not constitute a property right.~~
- ~~(g) Upon recordation by the U.S. EPA under 326 IAC 24-3-8, 326 IAC 24-3-9, 326 IAC 24-3-10, or 326 IAC 24-3-12, every allocation, transfer, or deduction of a CAIR NO_x ozone season allowance to or from a CAIR NO_x ozone season source's compliance account is incorporated automatically in this CAIR permit.~~

G.4 Nitrogen Oxides, Sulfur Dioxide, and Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-1-4(c)] [40 CFR 97.106(c)] [326 IAC 24-2-4(c)] [40 CFR 97.206(c)] [326 IAC 24-3-4(c)] [40 CFR 97.306(c)]

(a) Nitrogen Oxides Emission Requirements:

- (1) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR NO_x source and each CAIR NO_x unit at the source shall hold, in the source's compliance account, CAIR NO_x allowances available for compliance deductions for the control period under 326 IAC 24-1-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x units at the source, as determined in accordance with 326 IAC 24-1-11**
- (2) A CAIR NO_x unit shall be subject to the requirements under 326 IAC 24-1-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-1-4(c)(2), and for each control period thereafter.**

- (3) A CAIR NO_x allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-1-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x allowance was allocated.
 - (4) CAIR NO_x allowances shall be held in, deducted from, or transferred into or among CAIR NO_x allowance tracking system accounts in accordance with 326 IAC 24-1-9, 326 IAC 24-1-10, and 326 IAC 24-1-12.
 - (5) A CAIR NO_x allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x annual trading program. No provision of the CAIR NO_x annual trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-1-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.
 - (6) A CAIR NO_x allowance does not constitute a property right.
 - (7) Upon recordation by the U.S. EPA under 326 IAC 24-1-8, 326 IAC 24-1-9, 326 IAC 24-1-10, or 326 IAC 24-1-12, every allocation, transfer, or deduction of a CAIR NO_x allowance to or from a CAIR NO_x source's compliance account is incorporated automatically in this CAIR permit.
- (a) Sulfur Dioxide Emission Requirements
- (1) As of the allowance transfer deadline for a control period, the owners and operators of the CAIR SO₂ source and each CAIR SO₂ unit at the source shall hold, in the source's compliance account, a tonnage equivalent of CAIR SO₂ allowances available for compliance deductions for the control period under 326 IAC 24-2-8(j) and 326 IAC 24-2-8(k) not less than the tons of total sulfur dioxide emissions for the control period from all CAIR SO₂ units at the source, as determined in accordance with 326 IAC 24-2-10.
 - (2) A CAIR SO₂ unit shall be subject to the requirements under 326 IAC 24-2-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-2-4(c)(2), and for each control period thereafter.
 - (3) A CAIR SO₂ allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-2-4(c)(1), for a control period in a calendar year before the year for which the CAIR SO₂ allowance was allocated.
 - (4) CAIR SO₂ allowances shall be held in, deducted from, or transferred into or among CAIR SO₂ allowance tracking system accounts in accordance with 326 IAC 24-2-8, 326 IAC 24-2-9, and 326 IAC 24-2-11.
 - (5) A CAIR SO₂ allowance is a limited authorization to emit sulfur dioxide in accordance with the CAIR SO₂ trading program. No provision of the CAIR SO₂ trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-2-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.
 - (6) A CAIR SO₂ allowance does not constitute a property right.

- (7) Upon recordation by the U.S. EPA under 326 IAC 24-2-8, 326 IAC 24-2-9, or 326 IAC 24-2-11, every allocation, transfer, or deduction of a CAIR SO₂ allowance to or from a CAIR SO₂ source's compliance account is incorporated automatically in this CAIR permit.**

(c) Nitrogen Oxides Ozone Season Emission Requirements:

- (1) As of the allowance transfer deadline for a control period, the owners and operators of the each CAIR NO_x ozone season source and each CAIR NO_x ozone season unit at the source shall hold, in the source's compliance account, CAIR NO_x ozone season allowances available for compliance deductions for the control period under 326 IAC 24-3-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x ozone season units at the source, as determined in accordance with 326 IAC 24-3-11.**
- (2) A CAIR NO_x ozone season unit shall be subject to the requirements under 326 IAC 24-3-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-3-4(c)(2), and for each control period thereafter.**
- (3) A CAIR NO_x ozone season allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-3-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x ozone season allowance was allocated.**
- (4) CAIR NO_x ozone season allowances shall be held in, deducted from, or transferred into or among CAIR NO_x ozone season allowance tracking system accounts in accordance with 326 IAC 24-3-9, 326 IAC 24-3-10, and 326 IAC 24-3-12.**
- (5) A CAIR NO_x ozone season allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x ozone season trading program. No provision of the CAIR NO_x ozone season trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-3-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.**
- (6) A CAIR NO_x ozone season allowance does not constitute a property right.**
- (7) Upon recordation by the U.S. EPA under 326 IAC 24-3-8, 326 IAC 24-3-9, 326 IAC 24-3-10, or 326 IAC 24-3-12, every allocation, transfer, or deduction of a CAIR NO_x ozone season allowance to or from a CAIR NO_x ozone season source's compliance account is incorporated automatically in this CAIR permit.**

IDEM Response 5:

IDEM has considered this comment. Because there are no substantive changes to the condition requirements beyond what is addressed in the other comments, IDEM is not making the change.

IPL Comment 6:

Condition G.4.3(f) is redundant with Condition G.4.1(f) and should be removed.

IDEM Response 6:

The requirements under Condition G.4.3, including paragraph (f) have been updated as follows to clarify that they are applicable requirements of the CAIR NO_x ozone season allowance, and not the CAIR NO_x allowance that are covered under G.4.1:

G.4.3 Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-3-4(c)] [40 CFR 97.306(c)]

- (e) A CAIR NO_x **ozone season** allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x ozone season trading program. ...
- (f) A CAIR NO_x **ozone season** allowance does not constitute a property right.

IPL Comment 7:

Please add language to Condition G.7 to reflect that, pursuant to 326 IAC 24-2-6(g)(3), for certain submittals, the term "CAIR designated representative" shall also be construed to include the CAIR designated representative or and alternate CAIR designated representative. Suggested language is as follows:

G.7 Reporting Requirements [326 IAC 24-1-4(e)] [326 IAC 24-2-4(e)] [326 IAC 24-3-4(e)] [40 CFR 97.106(e)] [40 CFR 97.206(e)] [40 CFR 97.306(e)]

- (a) The CAIR designated representative of the CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall submit the reports required under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program, including those under 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.
- (b) Pursuant to 326 IAC 24-1-4(e), 326 IAC 24-2-4(e), and 326 IAC 24-3-4(e) and 326 IAC 24-1-6(e)(1), 326 IAC 24-2-6(e)(1), and 326 IAC 24-3-6(e)(1), each submission under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program shall include the following certification statement by the CAIR designated representative **or by the alternate CAIR designated representative as allowed by 326 IAC 24-2-6(f)(3)**: "I am authorized to make this submission on behalf of the owners and operators of the source or units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."
- (c) Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to IDEM, OAQ, the CAIR designated representative **or the alternate CAIR designated representative as allowed by 326 IAC 24-2-6(f)(3)** shall submit required information to:

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

- (d) Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to U.S. EPA, the CAIR designated representative **or the alternate CAIR designated representative as allowed by 326 IAC 24-2-6(f)(3)** shall submit required information to:

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

IDEM Response 7:

IDEM has reviewed the requirements under 326 IAC 24-1-6, 326 IAC 24-2-6, 326 IAC 24-3-6, and 40 CFR 97, Subparts BB, BBB, and BBBB, and has concluded that the best way to address this comment is to amend paragraphs (c) and (d) under Condition G.7 and to add a new Condition G.10 as follows to address designation of the CAIR designated representative or alternate CAIR designated representative:

G.7 Reporting Requirements [326 IAC 24-1-4(e)] [326 IAC 24-2-4(e)] [326 IAC 24-3-4(e)] [40 CFR 97.106(e)] [40 CFR 97.206(e)] [40 CFR 97.306(e)]

(a) - (b) ...

- (c) Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to IDEM, OAQ, the ~~CAIR designated representative shall submit required~~ information **shall be submitted** to:

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

- (d) Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to U.S. EPA, the ~~CAIR designated representative shall submit required~~ information **shall be submitted** to:

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

G.10 CAIR Designated Representative and Alternate CAIR Designated Representative [326 IAC 24-1-6] [326 IAC 24-2-6] [326 IAC 24-3-6] [40 CFR 97, Subpart BB] [40 CFR 97, Subpart BBB] [40 CFR 97, Subpart BBBB]

Pursuant to 326 IAC 24-1-6, 326 IAC 24-2-6, and 326 IAC 24-3-6:

- (a) **Except as specified in 326 IAC 24-1-6(f)(3), 326 IAC 24-2-6(f)(3), 326 IAC 24-3-6(f)(3), each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source, including all CAIR NO_x units, CAIR SO₂ units, and CAIR NO_x ozone season units at the source, shall have one (1) and only one (1) CAIR designated representative, with regard to all matters under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program concerning the source or any CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source.**
- (b) **The provisions of 326 IAC 24-1-6(f), 326 IAC 24-2-6(f), and 326 IAC 24-3-6(f) shall apply where the owners or operators of a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source choose to designate an alternate CAIR designated representative.**

Except as specified in 326 IAC 24-1-6(f)(3), 326 IAC 24-2-6(f)(3), 326 IAC 24-3-6(f)(3), whenever the term "CAIR designated representative" is used, the term shall be construed to include the CAIR designated representative or any alternate CAIR designated representative.

IPL Comment 8:

For clarification, please add "respectively" to the end of Condition G.8(a). In addition, it appears that the punctuation at the end of Condition G.8(b) was inadvertently omitted.

G.8 Liability [326 IAC 24-1-4(f)] [326 IAC 24-2-4(f)] [326 IAC 24-3-4(f)] [40 CFR 97.106(f)]
[40 CFR 97.206(f)] [40 CFR 97.306(f)]

The owners and operators of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall be liable as follows:

- (a) Each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall meet the requirements of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program, **respectively**.
- (b) Any provision of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program that applies to a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source or the CAIR designated representative of a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source shall also apply to the owners and operators of such source and of the CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source.
- (c) ...

IDEM Response 8:

IDEM has incorporated these changes.

IDEM does not amend the Technical Support Document (TSD) because the TSD and amendments to the TSD are maintained to document the original review.

Other Changes

Upon further review, the OAQ has decided to make the following revisions to the permit:

Change No. 1:

Several of IDEM's Branches and sections have been renamed. Therefore, IDEM has updated the addresses listed in the permit. References to "Permit Administration and Development Section" and the "Permits Branch" have been changed to "Permit Administration and Support Section". References to "Asbestos Section", "Compliance Data Section", "Air Compliance Section", and "Compliance Branch" have been changed to "Compliance and Enforcement Branch".

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

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

Change No. 2:

IDEM has decided to reference 326 IAC 2 in Section B-Source Modification Requirements, rather than specific construction rule. The revisions are as follows:

B.21 Source Modification Requirement [~~326 IAC 1-2-42~~][326 IAC 2-7-10.5]

- (a) A modification, construction, or reconstruction is governed by the requirements of 326 IAC 2 and ~~326 IAC 2-7-10.5~~.

Change No. 3:

IDEM has decided not to list the submission date of the ERP because the ERP can be updated without permit change. The revisions are as follows:

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

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

- (a) The Permittee prepared and ~~shall~~ **shall maintain the most recently** submitted written emergency reduction plans (ERPs) consistent with safe operating procedures in May 2006.

Change No. 4:

The rule title was incorrect in the Permit Table of Contents and the title of Section G. The correction is as follows:

Clean Air Interstate **Rule** (CAIR)

Change No. 5:

Condition G.2(a) is revised to match the language stated in the rules and Condition G.2(b) is revised to correct typographical errors. The revised condition is as follows:

G.2 Standard Permit Requirements [326 IAC 24-1-4(a)] [326 IAC 24-2-4(a)] [326 IAC 24-3-4(a)]
[40 CFR 97.106(a)] [40 CFR 97.206(a)] [40 CFR 97.306(a)]

- (a) The owners and operators of ~~the~~ **each** CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall operate each **source and** unit in compliance with this CAIR permit.
- (b) The CAIR NO_x ~~unit(s)~~ **units**, CAIR SO₂ ~~unit(s)-~~ **units**, and CAIR NO_x ozone season ~~unit(s)~~ **units** subject to this CAIR permit are Units 1, 2, 3, 4, 5 and 6.

Change No. 6:

Condition G.3(a) is revised as follows to match the language stated in the rules:

G.3 Monitoring, Reporting, and Record Keeping Requirements [326 IAC 24-1-4(b)] [326 IAC 24-2-4(b)]
[326 IAC 24-3-4(b)] [40 CFR 97.106(b)] [40 CFR 97.206(b)] [40 CFR 97.306(b)]

- (a) The owners and operators, and the CAIR designated representative, of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall comply with the **applicable** monitoring, reporting, and record keeping requirements of 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.

Change No. 7:

The reference to paragraph (a) within Conditions G.4.1(b and c), G.4.2(b and c), and G.4.3(b and c) could be construed as a duplicative requirement; therefore, these paragraphs are revised as follows:

G.4.1 Nitrogen Oxides Emission Requirements [326 IAC 24-1-4(c)] [40 CFR 97.106(c)]

- (b) A CAIR NO_x unit shall be subject to the requirements under ~~(a) above and~~ 326 IAC 24-1-4(c)(1) ...
- (c) A CAIR NO_x allowance shall not be deducted for compliance with the requirements under ~~(a) above and~~ 326 IAC 24-1-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x allowance was allocated.

G.4.2 Sulfur Dioxide Emission Requirements [326 IAC 24-2-4(c)] [40 CFR 97.206(c)]

- (b) A CAIR SO₂ unit shall be subject to the requirements under ~~(a) above and~~ 326 IAC 24-2-4(c)(1) ...
- (c) A CAIR SO₂ allowance shall not be deducted for compliance with the requirements under ~~(a) above and~~ 326 IAC 24-2-4(c)(1), for a control period in a calendar year before the year for which the CAIR SO₂ allowance was allocated.

G.4.3 Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-3-4(c)] [40 CFR 97.306(c)]

- (b) A CAIR NO_x ozone season unit shall be subject to the requirements under ~~(a) above and~~ 326 IAC 24-3-4(c)(1) ...
- (c) A CAIR NO_x ozone season allowance shall not be deducted for compliance with the requirements under ~~(a) above and~~ 326 IAC 24-3-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x ozone season allowance was allocated.

Change No. 8:

The punctuation was inadvertently left off of the end of Condition G.4.1(a).

G.4.1 Nitrogen Oxides Emission Requirements [326 IAC 24-1-4(c)] [40 CFR 97.106(c)]

(a) ... as determined in accordance with 326 IAC 24-1-11.

Change No. 9:

Conditions G.4.1(b), G.4.2(b), and G.4.3(b) are revised to more closely match the intent of the rules.

G.4.1 Nitrogen Oxides Emission Requirements [326 IAC 24-1-4(c)] [40 CFR 97.106(c)]

~~(b) — A CAIR NO_x unit shall be subject to the requirements under (a) above and 326 IAC 24-1-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-1-11(C)(1), 11(c)(2), or 11(c)(5) and for each control period thereafter.~~

(b) A CAIR NO_x unit shall be subject to the requirements under 326 IAC 24-1-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-1-4(c)(2), and for each control period thereafter.

G.4.2 Sulfur Dioxide Emission Requirements [326 IAC 24-2-4(c)] [40 CFR 97.206(c)]

~~(b) — A CAIR SO₂ unit shall be subject to the requirements under (a) above and 326 IAC 24-2-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-2-10(C)(1), 10(c)(2), or 10(c)(5) and for each control period thereafter.~~

(b) A CAIR SO₂ unit shall be subject to the requirements under 326 IAC 24-2-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-2-4(c)(2), and for each control period thereafter.

G.4.3 Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-3-4(c)] [40 CFR 97.306(c)]

~~(b) — A CAIR NO_x unit shall be subject to the requirements under (a) above and 326 IAC 24-3-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-3-11(C)(1), 11(c)(2), 11(c)(3), or 11(c)(7) and for each control period thereafter.~~

(b) A CAIR NO_x ozone season unit shall be subject to the requirements under 326 IAC 24-3-4(c)(1) for the control period starting on the applicable date, as determined under 326 IAC 24-3-4(c)(2), and for each control period thereafter.

Change No. 10:

Condition G.8 is revised as follows to more accurately reflect the requirements stated in 326 IAC 24-1-4(f), 326 IAC 24-2-4(f), and 326 IAC 24-3-4(f):

G.8 Liability [326 IAC 24-1-4(f)] [326 IAC 24-2-4(f)] [326 IAC 24-3-4(f)] [40 CFR 97.106(f)] [40 CFR 97.206(f)] [40 CFR 97.306(f)]

...

- (b) Any provision of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program that applies to a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source or the CAIR designated representative of a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source shall also apply to the owners and operators of such source and of the CAIR NO_x ~~unit~~ **units**, CAIR SO₂ ~~unit~~ **units**, and CAIR NO_x ozone season ~~unit~~ **units** at the source.

Change No. 11:

IDEM has decided to remove paragraph (j) under Condition 4 that identifies 5 years of sulfur dioxide SO₂ allowances for Units 1 through 6. As previously stated in paragraph (j), the number of allowances allocated to Phase II affected units by U.S. EPA may change in a revision to 40 CFR 73 Tables 2, 3 and 4 and 326 IAC 21. In addition, the number of allowances actually held by an affected source in a unit account may differ from the number allocated by U.S. EPA. Neither of the aforementioned conditions necessitates a revision to the unit SO₂ allowance allocations identified in a permit; therefore IDEM does not deem inclusion of the allocations table necessary for the permit. Condition 4 of the Acid Rain Permit included as Attachment A of the permit is revised as follows:

4 Sulfur Dioxide Requirements [326 IAC 21]

(a) - (i) ...

~~(j) Sulfur dioxide allowances shall be allocated to each unit at the source as follows:~~

SO₂ Annual Allowance Allocations (tons)					
Year	2005	2006	2007	2008	2009
Unit 1	0*	0*	0*	0*	0*
Unit 2	1*	1*	1*	1*	1*
Unit 3	240*	240*	240*	240*	240*
Unit 4	533*	533*	533*	533*	533*
Unit 5	596*	1,980*	596*	596*	596*
Unit 6	2,487*	2,487*	2,487*	2,487*	2,487*

~~* The number of allowances allocated to Phase II affected units by U.S. EPA may change in a revision to 40 CFR 73 Tables 2, 3 and 4 and 326 IAC 21. In addition, the number of allowances actually held by an affected source in a unit account may differ from the number allocated by U.S. EPA. Neither of the aforementioned conditions necessitates a revision to the unit SO₂ allowance allocations identified in this permit. (See 40 CFR 72.84)~~

Change No. 12:

Cecilia Mijares is no longer the EPA contact for the Acid Rain Program. Condition 6 of the Acid Rain Permit included as Attachment A of the permit is revised as follows:

6 Excess Emissions Requirements [40 CFR 77] [326 IAC 21]

(a) ...

(b) The designated representative shall submit required information to:

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

and

~~Ms. Cecilia Mijares~~
Air and Radiation Division
U.S. Environmental Protection Agency, Region V
77 West Jackson Boulevard
Chicago, IL 60604-3590

and

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

IDEM Contact

Questions regarding this proposed permit can be directed to:

Kimberly Cottrell
Indiana Department Environmental Management
Office of Air Quality
100 North Senate Avenue
MC 61-53, Room 1003
Indianapolis, Indiana 46204-2251
Toll free (within Indiana): 1-800-451-6027 extension 3-0870
Or dial directly: (317) 233-0870
kcottrel@idem.in.gov

Please refer to Significant Permit Modification No. 109-27356-00004 in all correspondence.

Indiana Department of Environmental Management Office of Air Quality

Technical Support Document (TSD) for a Part 70 Significant Permit Modification

Source Background and Description

Source Name:	IPL Eagle Valley Generating Station
Source Location:	4040 Blue Bluff Road, Martinsville, Indiana, 46151
County:	Morgan
SIC Code:	4911
Operating Permit Renewal No.:	T 109-26292-00004
Operation Permit Renewal Issuance Date:	December 2, 2008
Significant Permit Modification No.:	109-27356-00004
Permit Reviewer:	Kimberly Cottrell

Existing Approvals

The source was issued Part 70 Operating Permit Renewal No. T 109-26292-00004 on December 2, 2008. The source has not received any other approvals since issuance of the Part 70 Operating Permit Renewal.

Description of Proposed Modification

On July 11, 2008, the D.C. Circuit Court identified flaws in the federal Clean Air Interstate Rule (CAIR) and remanded the rule to the U.S. EPA; therefore, CAIR requirements were not included in Part 70 Operation Permit Renewal issued on December 2, 2008. On December 23, 2008, the U.S. Court of Appeals for the D.C. Circuit decided to remand CAIR to the U.S. EPA without vacature, allowing CAIR to remain in effect until it is replaced by a rule that remedies the flaws identified by the Court.

The modification to include the federal and state provisions of CAIR will be incorporated into the Part 70 Operating Permit Renewal through a significant permit modification issued pursuant to 326 IAC 2-7-12(d) because the modification adds new emission limitations and monitoring, record keeping, and reporting requirements.

Enforcement Issue

There are no enforcement actions pending.

Emission Calculations

There is no increase in the potential to emit due to this modification.

Federal Rule Applicability Determination

The following federal rules are applicable to the source and incorporated into the operating permit as part of this modification:

Clean Air Interstate Rule (CAIR)

Units 1, 2, 3, 4, 5, and 6 are subject to the Clean Air Interstate Rule (CAIR) Nitrogen Oxides Annual, Sulfur Dioxide, and Nitrogen Oxides Ozone Season Trading Programs – CAIR Permit for CAIR Units under 40 CFR 97.

State Rule Applicability

The following state rules are applicable to the source and incorporated into the operating permit as part of this modification:

326 IAC 24 (Clean Air Interstate Rule (CAIR))

Units 1, 2, 3, 4, 5, and 6 are subject to the Clean Air Interstate Rule (CAIR) Nitrogen Oxides Annual, Sulfur Dioxide, and Nitrogen Oxides Ozone Season Trading Programs – CAIR Permit for CAIR Units under 326 IAC 24-1-1(a), 326 IAC 24-2-1(a), and 326 IAC 24-3-1(a).

Compliance Determination and Monitoring Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with all applicable state and federal rules on a continuous basis. All state and federal rules contain compliance provisions; however, these provisions do not always fulfill the requirement for a continuous demonstration. When this occurs, IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, Compliance Determination Requirements are included in the permit. The Compliance Determination Requirements in Section D of the permit are those conditions that are found directly within state and federal rules and the violation of which serves as grounds for enforcement action.

If the Compliance Determination Requirements are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also in Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

Compliance Determination Requirements

There are no changes to the Compliance Determination Requirements as a result of this modification.

Compliance Monitoring Requirements

There are no changes to the Compliance Monitoring Requirements as a result of this modification.

Proposed Changes

The changes listed below have been made to Part 70 Operating Permit Renewal No. T 109-26292-00004. Deleted language appears as ~~strikethroughs~~ and new language appears in **bold**:

Change No. 1 Applicable requirements of the Clean Air Interstate Rule (CAIR) have been incorporated into the permit as a new Section G as follows:

SECTION G Clean Air Interstate (CAIR) Nitrogen Oxides Annual, Sulfur Dioxide, and Nitrogen Oxides Ozone Season Trading Programs – CAIR Permit for CAIR Units Under 326 IAC 24-1-1(a), 326 IAC 24-2-1(a), and 326 IAC 24-3-1(a)

ORIS Code: 991

CAIR Permit for CAIR Units Under 326 IAC 24-1-1(a), 326 IAC 24-2-1(a), and 326 IAC 24-3-1(a)

- (a) Two (2) no. 2 fuel oil fired boilers, identified as Unit 1 and Unit 2, constructed in 1949 and 1950, respectively, each with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), both exhausting to stack 1-1.
- (b) One (1) tangentially-fired wet-bottom coal boiler, identified as Unit 3, constructed in 1951, with a design heat input capacity of 524 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 3 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite and used oil contaminated materials generated onsite may be combusted in Unit 3 as supplemental fuel for energy recovery. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (c) One (1) tangentially-fired dry-bottom coal fired boiler, identified as Unit 4, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 2-1. Unit 4 is equipped with separated overfire air (SOFA) and low NO_x burners (LNB) for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 4 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 2-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (d) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 5, constructed in 1953, with a design heat input capacity of 741 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) and flue gas conditioning system for control of particulate matter, exhausting to stack 3-1. Unit 5 is equipped with SOFA and LNB for control of NO_x emissions, which were voluntarily installed and are not required to operate. Unit 5 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).
- (e) One (1) tangentially-fired dry-bottom coal boiler, identified as Unit 6, constructed in 1956, with a design heat input capacity of 1017 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, exhausting to stack 3-1. Unit 6 is equipped with Closed-coupled Overfire Air (COFA) for control of NO_x emissions, which was voluntarily installed and is not required to operate. Unit 6 will combust no. 2 fuel oil during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 6 as supplemental fuel for energy recovery. Unit 6 has had low-NO_x burners installed. Stack 3-1 has continuous emission monitoring systems (CEMS) for NO_x and SO₂ and a continuous opacity monitor (COM).

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

**G.1 Automatic Incorporation of Definitions [326 IAC 24-1-7(e)] [326 IAC 24-2-7(e)]
[326 IAC 24-3-7(e)] [40 CFR 97.123(b)] [40 CFR 97.223(b)] [40 CFR 97.323(b)]**

This CAIR permit is deemed to incorporate automatically the definitions of terms under 326 IAC 24-1-2, 326 IAC 24-2-2, and 326 IAC 24-3-2.

**G.2 Standard Permit Requirements [326 IAC 24-1-4(a)] [326 IAC 24-2-4(a)] [326 IAC 24-3-4(a)]
[40 CFR 97.106(a)] [40 CFR 97.206(a)] [40 CFR 97.306(a)]**

- (a) The owners and operators of the CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall operate each unit in compliance with this CAIR permit.
- (b) The CAIR NO_x unit(s), CAIR SO₂ unit(s), and CAIR NO_x ozone season unit(s) subject to this CAIR permit are Units 1, 2, 3, 4, 5 and 6.

**G.3 Monitoring, Reporting, and Record Keeping Requirements [326 IAC 24-1-4(b)]
[326 IAC 24-2-4(b)] [326 IAC 24-3-4(b)] [40 CFR 97.106(b)] [40 CFR 97.206(b)]
[40 CFR 97.306(b)]**

- (a) The owners and operators, and the CAIR designated representative, of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall comply with the monitoring, reporting, and record keeping requirements of 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.
- (b) The emissions measurements recorded and reported in accordance with 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11 shall be used to determine compliance by each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source with the CAIR NO_x emissions limitation under 326 IAC 24-1-4(c), CAIR SO₂ emissions limitation under 326 IAC 24-2-4(c), and CAIR NO_x ozone season emissions limitation under 326 IAC 24-3-4(c) and Condition G.4.1, Nitrogen Oxides Emission Requirements, Condition G.4.2, Sulfur Dioxide Emission Requirements, and Condition G.4.3, Nitrogen Oxides Ozone Season Emission Requirements.

G.4.1 Nitrogen Oxides Emission Requirements [326 IAC 24-1-4(c)] [40 CFR 97.106(c)]

- (a) As of the allowance transfer deadline, the owners and operators of each CAIR NO_x source and each CAIR NO_x unit at the source shall hold, in the source's compliance account, CAIR NO_x allowances available for compliance deductions for the control period under 326 IAC 24-1-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x units at the source, as determined in accordance with 326 IAC 24-1-11
- (b) A CAIR NO_x unit shall be subject to the requirements under (a) above and 326 IAC 24-1-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-1-11(C)(1), 11(c)(2), or 11(c)(5) and for each control period thereafter.
- (c) A CAIR NO_x allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-1-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x allowance was allocated.
- (d) CAIR NO_x allowances shall be held in, deducted from, or transferred into or among CAIR NO_x allowance tracking system accounts in accordance with 326 IAC 24-1-9, 326 IAC 24-1-10, and 326 IAC 24-1-12.

- (e) **A CAIR NO_x allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x annual trading program. No provision of the CAIR NO_x annual trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-1-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.**
- (f) **A CAIR NO_x allowance does not constitute a property right.**
- (g) **Upon recordation by the U.S. EPA under 326 IAC 24-1-8, 326 IAC 24-1-9, 326 IAC 24-1-10, or 326 IAC 24-1-12, every allocation, transfer, or deduction of a CAIR NO_x allowance to or from a CAIR NO_x source's compliance account is incorporated automatically in this CAIR permit.**

G.4.2 Sulfur Dioxide Emission Requirements [326 IAC 24-2-4(c)] [40 CFR 97.206(c)]

- (a) **As of the allowance transfer deadline, the owners and operators of the CAIR SO₂ source and each CAIR SO₂ unit at the source shall hold, in the source's compliance account, a tonnage equivalent of CAIR SO₂ allowances available for compliance deductions under for the control period under 326 IAC 24-2-8(j) and 326 IAC 24-2-8(k) not less than the tons of total sulfur dioxide emissions for the control period from all CAIR SO₂ units at the source, as determined in accordance with 326 IAC 24-2-10.**
- (b) **A CAIR SO₂ unit shall be subject to the requirements under (a) above and 326 IAC 24-2-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-2-10(C)(1), 10(c)(2), or 10(c)(5) and for each control period thereafter.**
- (c) **A CAIR SO₂ allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-2-4(c)(1), for a control period in a calendar year before the year for which the CAIR SO₂ allowance was allocated.**
- (d) **CAIR SO₂ allowances shall be held in, deducted from, or transferred into or among CAIR SO₂ allowance tracking system accounts in accordance with 326 IAC 24-2-8, 326 IAC 24-2-9, and 326 IAC 24-2-11.**
- (e) **A CAIR SO₂ allowance is a limited authorization to emit sulfur dioxide in accordance with the CAIR SO₂ trading program. No provision of the CAIR SO₂ trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-2-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.**
- (f) **A CAIR SO₂ allowance does not constitute a property right.**
- (g) **Upon recordation by the U.S. EPA under 326 IAC 24-2-8, 326 IAC 24-2-9, or 326 IAC 24-2-11, every allocation, transfer, or deduction of a CAIR SO₂ allowance to or from a CAIR SO₂ source's compliance account is incorporated automatically in this CAIR permit.**

**G.4.3 Nitrogen Oxides Ozone Season Emission Requirements [326 IAC 24-3-4(c)]
[40 CFR 97.306(c)]**

- (a) As of the allowance transfer deadline, the owners and operators of the each CAIR NO_x ozone season source and each CAIR NO_x ozone season unit at the source shall hold, in the source's compliance account, CAIR NO_x ozone season allowances available for compliance deductions under for the control period under 326 IAC 24-3-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_x ozone season units at the source, as determined in accordance with 326 IAC 24-3-11.
- (b) A CAIR NO_x ozone season unit shall be subject to the requirements under (a) above and 326 IAC 24-3-4(c)(1) starting on the deadline for meeting the unit's monitor certifications requirements under 326 IAC 24-3-11(C)(1), 11(c)(2),11(c)(3), or 11(c)(7) and for each control period thereafter.
- (c) A CAIR NO_x ozone season allowance shall not be deducted for compliance with the requirements under (a) above and 326 IAC 24-3-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_x ozone season allowance was allocated.
- (d) CAIR NO_x ozone season allowances shall be held in, deducted from, or transferred into or among CAIR NO_x ozone season allowance tracking system accounts in accordance with 326 IAC 24-3-9, 326 IAC 24-3-10, and 326 IAC 24-3-12.
- (e) A CAIR NO_x allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_x ozone season trading program. No provision of the CAIR NO_x ozone season trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-3-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.
- (f) A CAIR NO_x allowance does not constitute a property right.
- (g) Upon recordation by the U.S. EPA under 326 IAC 24-3-8, 326 IAC 24-3-9, 326 IAC 24-3-10, or 326 IAC 24-3-12, every allocation, transfer, or deduction of a CAIR NO_x ozone season allowance to or from a CAIR NO_x ozone season source's compliance account is incorporated automatically in this CAIR permit.

**G.5 Excess Emissions Requirements [326 IAC 24-1-4(d)] [326 IAC 24-2-4(d)] [326 IAC 24-3-4(d)]
[40 CFR 97.106(d)] [40 CFR 97.206(d)] [40 CFR 97.306(d)]**

- (a) The owners and operators of a CAIR NO_x source and each CAIR NO_x unit that emits nitrogen oxides during any control period in excess of the CAIR NO_x emissions limitation shall do the following:
 - (1) Surrender the CAIR NO_x allowances required for deduction under 326 IAC 24-1-9(j)(4).
 - (2) Pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, the Clean Air Act (CAA) or applicable state law.

Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 326 IAC 24-1-4, the Clean Air Act (CAA), and applicable state law.

(b) The owners and operators of a CAIR SO₂ source and each CAIR SO₂ unit that emits sulfur dioxide during any control period in excess of the CAIR SO₂ emissions limitation shall do the following:

- (1) Surrender the CAIR SO₂ allowances required for deduction under 326 IAC 24-2-8(k)(4).**
- (2) Pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, the Clean Air Act (CAA) or applicable state law.**

Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 326 IAC 24-2-4, the Clean Air Act (CAA), and applicable state law.

(c) The owners and operators of a CAIR NO_x ozone season source and each CAIR NO_x ozone season unit that emits nitrogen oxides during any control period in excess of the CAIR NO_x ozone season emissions limitation shall do the following:

- (1) Surrender the CAIR NO_x ozone season allowances required for deduction under 326 IAC 24-3-9(j)(4).**
- (2) Pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, the Clean Air Act (CAA) or applicable state law.**

Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 326 IAC 24-3-4, the Clean Air Act (CAA), and applicable state law.

G.6 Record Keeping Requirements [326 IAC 24-1-4(e)] [326 IAC 24-2-4(e)] [326 IAC 24-3-4(e)] [326 IAC 2-7-5(3)] [40 CFR 97.106(e)] [40 CFR 97.206(e)] [40 CFR 97.306(e)]

Unless otherwise provided, the owners and operators of the CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall keep on site at the source or at a central location within Indiana for those owners or operators with unattended sources, each of the following documents for a period of five (5) years from the date the document was created:

- (a) The certificate of representation under 326 IAC 24-1-6(h), 326 IAC 24-2-6(h), 326 IAC 24-3-6(h) for the CAIR designated representative for the source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation. The certificate and documents shall be retained on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond such five (5) year period until such documents are superseded because of the submission of a new account certificate of representation under 326 IAC 24-1-6(h), 326 IAC 24-2-6(h), 326 IAC 24-3-6(h) changing the CAIR designated representative.**
- (b) All emissions monitoring information, in accordance with 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11, provided that to the extent that 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11 provides for a three (3) year period for record keeping, the three (3) year period shall apply.**

- (c) **Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program.**
- (d) **Copies of all documents used to complete a CAIR permit application and any other submission under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program or to demonstrate compliance with the requirements of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program.**

This period may be extended for cause, at any time before the end of five (5) years, in writing by IDEM, OAQ or the U.S. EPA. Unless otherwise provided, all records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

G.7 Reporting Requirements [326 IAC 24-1-4(e)] [326 IAC 24-2-4(e)] [326 IAC 24-3-4(e)] [40 CFR 97.106(e)] [40 CFR 97.206(e)] [40 CFR 97.306(e)]

- (a) **The CAIR designated representative of the CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source shall submit the reports required under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program, including those under 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.**
- (b) **Pursuant to 326 IAC 24-1-4(e), 326 IAC 24-2-4(e), and 326 IAC 24-3-4(e) and 326 IAC 24-1-6(e)(1), 326 IAC 24-2-6(e)(1), and 326 IAC 24-3-6(e)(1), each submission under the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program shall include the following certification statement by the CAIR designated representative: "I am authorized to make this submission on behalf of the owners and operators of the source or units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."**
- (c) **Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to IDEM, OAQ, the CAIR designated representative shall submit required information to:**

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

- (d) **Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to U.S. EPA, the CAIR designated representative shall submit required information to:**

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

G.8 Liability [326 IAC 24-1-4(f)] [326 IAC 24-2-4(f)] [326 IAC 24-3-4(f)] [40 CFR 97.106(f)] [40 CFR 97.206(f)] [40 CFR 97.306(f)]

The owners and operators of each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall be liable as follows:

- (a) Each CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source and each CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall meet the requirements of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program.
- (b) Any provision of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program that applies to a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source or the CAIR designated representative of a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source shall also apply to the owners and operators of such source and of the CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit at the source
- (c) Any provision of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program that applies to a CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit or the CAIR designated representative of a CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit shall also apply to the owners and operators of such unit.

G.9 Effect on Other Authorities [326 IAC 24-1-4(g)] [326 IAC 24-2-4(g)] [326 IAC 24-3-4(g)] [40 CFR 97.106(g)] [40 CFR 97.206(g)] [40 CFR 97.306(g)]

No provision of the CAIR NO_x annual trading program, CAIR SO₂ trading program, and CAIR NO_x ozone season trading program, a CAIR permit application, a CAIR permit, or an exemption under 326 IAC 24-1-3, 326 IAC 24-2-3, and 326 IAC 24-3-3 shall be construed as exempting or excluding the owners and operators, and the CAIR designated representative, of a CAIR NO_x source, CAIR SO₂ source, and CAIR NO_x ozone season source or CAIR NO_x unit, CAIR SO₂ unit, and CAIR NO_x ozone season unit from compliance with any other provision of the applicable, approved state implementation plan, a federally enforceable permit, or the Clean Air Act (CAA).

Conclusion and Recommendation

This proposed modification shall be subject to the conditions of the attached proposed Part 70 Significant Permit Modification No. T 109-27356-00004. The staff recommend to the Commissioner that this Part 70 Significant Permit Modification be approved.

IDEM Contact

Questions regarding this proposed permit can be directed to:

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Please refer to Significant Permit Modification No. T 109-27356-00004 in all correspondence.