



# 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](http://www.idem.IN.gov)

TO: Interested Parties / Applicant

DATE: May 24, 2010

RE: Subaru of Indiana Automotive, Inc. / 157-29204-00050

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

## Notice of Decision – Approval

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to 326 IAC 2, this approval was effective immediately upon submittal of the application.

If you wish to challenge this decision, IC 4-21.5-3-7 requires that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Suite N 501E, Indianapolis, IN 46204, **within eighteen (18) calendar days from the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

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

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

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

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

Enclosures  
FNPER-AM.dot12/3/07



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## PART 70 OPERATING PERMIT OFFICE OF AIR QUALITY

**Subaru of Indiana Automotive, Inc.**  
**5500 State Road 38 East**  
**Lafayette, Indiana 47905**

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

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

Operation Permit No.: T157-5906-00050	
Issued by: Originally Signed by: Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: June 28, 2004
First Administrative Amendment No. 157-20396-00050, issued on February 22, 2005. First Significant Permit Modification No. 157-22703-00050, issued on August 2, 2006. Second Administrative Amendment No. 157-24783-00050, issued July 12, 2007. Third Administrative Amendment No.: 157-25807-00050, issued on January 31, 2008. Review Request No.: 157-27267-00050, issued on December 22, 2008. Fourth Administrative Amendment No.: 157-27271-00050, issued on January 29, 2009. Fifth Administrative Amendment No.: 157-28126-00050, issued on June 25, 2009.	
Sixth Administrative Amendment No.: 157-29204-00050	Pages Affected: 9, 51, 52, 74, 147 Pages Added: 52a
Issued by:  Donald F. Robin, P.E., Section Chief Permits Branch Office of Air Quality	Issuance Date: May 24, 2010

- (9) One (1) Topcoat #2 Oven, with three (3) insignificant natural gas-fired burners, using a 1.5 MMBtu/hr natural gas-fired catalytic incinerator (TC-2) as VOC control, and exhausting to one (1) stack, identified as TC-2 Inc. (emissions from the entrance to and exit from the Topcoat #1 Oven use no controls and exhaust to one (1) stack, identified as TC-2 Ex.).
  - (10) One (1) Topcoat #2 Cool Down area, using no controls, and exhausting to one (1) stack, identified as TC-2 O.Cl.;
  - (11) One (1) Twotone and Repair Booth, utilizing the electrostatic air atomized, electrostatic bell method of application, using a water wash as particulate matter control, and exhausting to five (5) stacks, identified as TUT-1 through TUT-5;
  - (12) One (1) Twotone and Repair Booth Preheat, with two (2) natural gas-fired burners, each with a heat input capacity of 16.26 MMBtu/hr;
  - (13) One (1) Twotone and Repair Booth Reheat, with one (1) insignificant natural gas-fired burner;
  - (14) One (1) Twotone and Repair Oven, with three (3) insignificant natural gas-fired burners, using a 2.5 MMBtu/hr natural gas-fired catalytic incinerator (TUT) as VOC control, and exhausting to one (1) stack, identified as TUT-O-1-2;
  - (15) One (1) Twotone and Repair Cool Down area; and
  - (16) One (1) Wet Sand Repair Dryoff Oven, with one (1) insignificant natural gas-fired burner with a heat input capacity of 1.49 MMBtu/hr.
- (d) Intermediate (Surfacer) Coating Line, identified as Unit 004, with a capacity of 60 units per hour, constructed in 1989, consisting of the following units:
- (1) One (1) Intermediate Working Stage burner, with a heat input capacity of 19.74 MMBtu/hr;
  - (2) One (1) Intermediate Coating Booth, utilizing the electrostatic air atomized, electrostatic bell method of application, using a water wash as particulate matter control, and exhausting to six (6) stacks, identified as SUR-2 through SUR-7;
  - (3) One (1) Intermediate Booth Preheat, with two (2) natural gas-fired burners, each with a heat input capacity of 28.275 MMBtu/hr;
  - (4) One (1) Intermediate Booth Reheat burner, with two (2) insignificant natural gas-fired burners;
  - (5) One (1) Intermediate Coating Oven, with five (5) insignificant natural gas-fired burners totaling 12.42 MMBtu/hr, using a 1.0 MMBtu/hr natural gas-fired catalytic incinerator (SUR) as VOC control, and exhausting to one (1) stack, identified as SUR-1. (emissions from the entrance to and exit from the Intermediate Coating Oven use no controls and exhaust to one (1) stack, identified as Surfacer Hood Exhaust); and
  - (6) One (1) Intermediate Cool Down area, using no controls, and exhausting to one (1) stack, identified as Surfacer Cooling.
- (e) Plastic Bumper Coating Line (PBL), identified as Unit 005, with a capacity of 60 units per hour, constructed in 1989, consisting of the following units:

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

- (5) One (1) Intermediate Coating Oven, with five (5) insignificant natural gas-fired burners totaling 12.42 MMBtu/hr, using a 1.0 MMBtu/hr natural gas-fired catalytic incinerator (SUR) as VOC control, and exhausting to one (1) stack, identified as SUR-1 (emissions from the entrance to and exit from the Intermediate Coating Oven use no controls and exhaust to one (1) stack, identified as Surfacer Hood Exhaust); and
- (6) One (1) Intermediate Cool Down area, using no controls, and exhausting to one (1) stack, identified as Surfacer Cooling.
- (i) One (1) paint storage room for the ED Coating Line, identified as Unit 009, constructed in 1989.

(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 Prevention of Significant Deterioration (PSD) - Best Available Control Technology for Volatile Organic Compounds (VOC) [326 IAC 2-2]**

Pursuant to PSD (79) 1651, issued July 30, 1987 and revised July 26, 1989, 326 IAC 2-2-3, BACT for VOC for the facilities described in this section is the following:

- (a) The daily VOC emissions from each facility shall not exceed the corresponding limits in the following table. Compliance with these limits shall be demonstrated pursuant to Condition D.4.9:

Facility	lb VOC/gal applied solids	kg VOC/liter applied solids
ED Body Coating Tank	0.52	0.062
Topcoat booths (Topcoat #1 Booth, Topcoat #2 Booth, Twotone and Repair Booth)	12.3 <sup>a</sup>	1.47 <sup>a</sup>
Intermediate Coating Booth	8.76 <sup>b</sup>	1.05 <sup>b</sup>

<sup>a</sup> Weighted average of all Topcoat coatings.

<sup>b</sup> Weighted average of all Intermediate coatings.

- (b) The incinerators used to control VOC emissions from the Topcoat #1 Booth, Topcoat #2 Booth, Twotone and Repair Booth, and Intermediate Coating Booth shall each achieve a minimum 20% capture efficiency and 90% destruction efficiency. The ED Body Oven incinerator shall achieve a minimum 70% capture efficiency and 90% destruction efficiency.
- (c) Pretreatment Cleaning shall utilize only VOC free detergents, conditioners, and rinses in the body and chassis pre-treatment cleaning operations.
- (d) Pertaining to purge solvent use:
  - (1) Purge solvent capture systems will be utilized each time that any coating application equipment is purged. The purge solvent capture systems shall have a minimum overall capture efficiency of at least eighty percent (80%). Collected purge solvent shall be retained in closed conveyances to the

Permittee's purge solvent reclamation system for on-site reclamation and recycling or in closed containers until such time as they are shipped offsite for disposal or recycling.

- (2) Block painting will be utilized whenever possible to minimize color changes and the resulting purge.

Compliance with these limitations, and those contained in Conditions D.1.3, D.2.1, D.5.1, D.6.1, D.7.1, and D.8.1, shall satisfy the requirements of 326 IAC 2-2.

D.4.2 Prevention of Significant Deterioration - Best Available Control Technology for Nitrogen Oxides (NO<sub>x</sub>) [326 IAC 2-2]

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Pursuant to PSD (79) 1651, issued July 30, 1987 and revised July 26, 1989, and 326 IAC 2-2-3, BACT for NO<sub>x</sub> for the natural gas combustion equipment described in this section is the following:

- (a) NO<sub>x</sub> emissions from the following facilities:
  - (1) Shall not exceed 0.10 pounds per million Btu heat input for each facility listed as follows:
    - (A) the Intermediate Working Stage burner;
    - (B) the three (3) Topcoat #1 Booth Preheat burners;
    - (C) the three (3) Topcoat #2 Booth Preheat burners;
    - (D) the two (2) Twotone and Repair Booth Preheat burners;
    - (E) the insignificant ED Pretreatment Drying Oven burner;
    - (F) the insignificant ED Paint Temperature Control boiler;
    - (G) the two (2) insignificant ED Pretreatment boilers;
    - (H) the five (5) insignificant ED Body Oven burner;
    - (I) the insignificant ED Body Oven incinerator;
    - (J) the five (5) insignificant Intermediate Oven burners;
    - (K) the three (3) insignificant Topcoat #1 Booth Reheat burners;
    - (L) the three (3) insignificant Topcoat #1 Oven burners;
    - (M) the three (3) insignificant Topcoat #2 Booth Reheat burner;
    - (N) the three (3) insignificant Topcoat #2 Oven burners;
    - (O) the insignificant Two tone Booth Reheat burner;
    - (P) the three (3) insignificant Two tone Oven burners; and
    - (Q) the insignificant Wet Sand Repair Dryoff Oven burner.

- (2) Shall not exceed 0.12 pounds per million Btu heat input for each facility listed as follows:
  - (A) the two (2) Intermediate Booth Preheat burners;
  - (B) the two (2) insignificant Intermediate (Surfacer) Booth Reheat burner;

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

- (16) One (1) Wet Sand Repair Dryoff Oven, with one (1) insignificant natural gas-fired burner with a heat input capacity of 1.49 MMBtu/hr.
- (d) Intermediate (Surfacer) Coating Line, identified as Unit 004, with a capacity of 60 units per hour, constructed in 1989, consisting of the following units:
  - (1) One (1) Intermediate Working Stage burner, with a heat input capacity of 19.74 MMBtu/hr;
  - (2) One (1) Intermediate Coating Booth, utilizing the electrostatic air atomized, electrostatic bell method of application, using a water wash as particulate matter control, and exhausting to six (6) stacks, identified as SUR-2 through SUR-7;
  - (3) One (1) Intermediate Booth Preheat, with two (2) natural gas-fired burners, each with a heat input capacity of 28.275 MMBtu/hr;
  - (4) One (1) Intermediate Booth Reheat burner, with two (2) insignificant natural gas-fired burners;
  - (5) One (1) Intermediate Coating Oven, with five (5) insignificant natural gas-fired burners totaling 12.42 MMBtu/hr, using a 1.0 MMBtu/hr natural gas-fired catalytic incinerator (SUR) as VOC control, and exhausting to one (1) stack, identified as SUR-1. (emissions from the entrance to and exit from the Intermediate Coating Oven use no controls and exhaust to one (1) stack, identified as Surfacer Hood Exhaust); and
  - (6) One (1) Intermediate Cool Down area, using no controls, and exhausting to one (1) stack, identified as Surfacer Cooling.
- (e) Plastic Bumper Coating Line (PBL), identified as Unit 005, with a capacity of 60 units per hour, constructed in 1989, consisting of the following units:
  - (1) One (1) PBL Paint Booth, utilizing electrostatic application system, using a water wash as particulate matter control, and exhausting to three (3) stacks, identified as BPR-1, BPR-2, and BPR-JR;
  - (2) One (1) PBL Booth Preheat, with one (1) natural gas-fired burner with a heat input capacity of 17.10 MMBtu/hr;
  - (3) One (1) PBL Booth Reheat, with two (2) insignificant natural gas-fired burners;
  - (4) One (1) PBL Oven, using a 2.0 MMBtu/hr natural gas-fired thermal incinerator as VOC control, and exhausting to one (1) stack, identified as BPR Inc.; and
  - (5) One (1) PBL Cool Down area.
- (f) Anticorrosion Coating, identified as Unit 006, with a capacity of 60 units per hour, constructed in 1989, and including the following equipment:
  - (1) One (1) Black Coat and Wax Booth, utilizing the air-assisted method of spraying, using a dry filter as particulate matter control, exhausting to BCW Stack;
  - (2) One (1) Black and Wax Coat natural gas-fired burner, with a heat input capacity of 24.0 MMBtu/hr;

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

- (7) One (1) Topcoat #2 Booth Preheat, with three (3) natural gas-fired burners, each with a heat input capacity of 20.57 MMBtu/hr;
  - (8) One (1) Topcoat #2 Booth Reheat, with three (3) insignificant natural gas-fired burners;
  - (9) One (1) Topcoat #2 Oven, with three (3) insignificant natural gas-fired burners, using a 1.5 MMBtu/hr natural gas-fired catalytic incinerator (TC-2) as VOC control, and exhausting to one (1) stack, identified as TC-2 Inc. (emissions from the entrance to and exit from the Topcoat #1 Oven use no controls and exhaust to one (1) stack, identified as TC-2 Ex.);
  - (10) One (1) Topcoat #2 Cool Down area, using no controls, and exhausting to one (1) stack, identified as TC-2 O.CI.;
- (d) Intermediate (Surfacer) Coating Line, identified as Unit 004, with a capacity of 60 units per hour, constructed in 1989, consisting of the following units:
- (1) One (1) Intermediate Working Stage burner, with a heat input capacity of 19.74 MMBtu/hr;
  - (2) One (1) Intermediate Coating Booth, utilizing the electrostatic air atomized, electrostatic bell method of application, using a water wash as particulate matter control, and exhausting to six (6) stacks, identified as SUR-2 through SUR-7;
  - (3) One (1) Intermediate Booth Preheat, with two (2) natural gas-fired burners, each with a heat input capacity of 28.275 MMBtu/hr;
  - (4) One (1) Intermediate Booth Reheat burner, with two (2) insignificant natural gas-fired burners;
  - (5) One (1) Intermediate Coating Oven, with five (5) insignificant natural gas-fired burners totaling 12.42 MMBtu/hr, using a 1.0 MMBtu/hr natural gas-fired catalytic incinerator (SUR) as VOC control, and exhausting to one (1) stack, identified as SUR-1 (emissions from the entrance to and exit from the Intermediate Coating Oven use no controls and exhaust to one (1) stack, identified as Surfacer Hood Exhaust); and
  - (6) One (1) Intermediate Cool Down area, using no controls, and exhausting to one (1) stack, identified as Surfacer Cooling.

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

**E.2.1 General Provisions Relating to NSPS MM [326 IAC 12-1] [40 CFR Part 60, Subpart A]**

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

**E.2.2 Automobiles and Light-Duty Trucks NSPS [40 CFR Part 60, Subpart MM]**

The Permittee which engages in automobiles and light duty trucks production shall comply with the provisions of 40 CFR Part 60, Subpart MM, as follows:

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

**Technical Support Document (TSD) for a Part 70 Administrative  
Amendment**

**Source Description and Location**

Source Name:	Subaru of Indiana Automotive, Inc.
Source Location:	5500 State Road 38 East, Lafayette, Indiana 47905
County:	Tippecanoe
SIC Code:	3711
Operation Permit No.:	T 157-5906-00050
Operation Permit Issuance Date:	June 28, 2004
Administrative Amendment No.:	157-29204-00050
Part 70 Operating Permit No.:	157-5906-00050
Permit Reviewer:	Aida De Guzman

The Office of Air Quality (OAQ) has reviewed an Administrative Amendment application from Subaru of Indiana Automotive, Inc. (SIA) relating to the operation of an automotive and light-duty truck assembly plant.

**Existing Approvals**

The source was issued Part 70 Operating Permit No. 157-5906-00050 on June 28, 2004. The source has since received the following approvals:

- (a) First Administrative Amendment No. 157-20396-00050, issued on February 22, 2005;
- (b) First Significant Permit Modification No. 157-22703-00050, issued on August 2, 2006;
- (c) Second Administrative Amendment No. 157-24783-00050, issued July 12, 2007;
- (d) Third Administrative Amendment No. 157-25807-00050, issued on January 31, 2008;
- (e) Fourth Administrative Amendment No. 157-27271-00050, issued on January 29, 2009; and
- (f) Fifth Administrative Amendment No. 157-28126-00050, issued on June 25, 2009.

**County Attainment Status**

The source is located in Tippecanoe County.

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

- (a) Ozone Standards
- (1) On October 25, 2006, the Indiana Air Pollution Control Board finalized a rule revision to 326 IAC 1-4-1 revoking the one-hour ozone standard in Indiana.
  - (2) On September 6, 2007, the Indiana Air Pollution Control Board finalized a temporary emergency rule to re-designate Allen, Clark, Elkhart, Floyd, LaPorte, and St. Joseph Counties as attainment for the 8-hour ozone standard.
  - (3) On November 9, 2007, the Indiana Air Pollution Control Board finalized a temporary emergency rule to re-designate Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, and Shelby Counties as attainment for the 8-hour ozone standard.
  - (4) Volatile organic compounds (VOC) and Nitrogen Oxides (NO<sub>x</sub>) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NO<sub>x</sub> emissions are considered when evaluating the rule applicability relating to ozone. Tippecanoe County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NO<sub>x</sub> emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (b) Tippecanoe County has been classified as attainment for PM<sub>2.5</sub>. On May 8, 2008 U.S. EPA promulgated the requirements for Prevention of Significant Deterioration (PSD) for PM<sub>2.5</sub> emissions, and the effective date of these rules was July 15<sup>th</sup>, 2008. Indiana has three years from the publication of these rules to revise its PSD rules, 326 IAC 2-2, to include those requirements. The May 8, 2008 rule revisions require IDEM to regulate PM<sub>10</sub> emissions as a surrogate for PM<sub>2.5</sub> emissions until 326 IAC 2-2 is revised.
- (c) Other Criteria Pollutants  
Tippecanoe County has been classified as attainment or unclassifiable in Indiana for all the other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (d) Fugitive Emissions  
Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2, fugitive emissions are not counted toward the determination of PSD applicability.

<b>Source Status</b>
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The table below summarizes the potential to emit of the entire source, prior to the proposed modification, after consideration of all enforceable limits established in the effective permits:

<b>Pollutant</b>	<b>Emissions (ton/yr)</b>
PM	26.33
PM <sub>10</sub>	26.33
PM <sub>2.5</sub>	26.33
SO <sub>2</sub>	Negligible
VOC	1,173.02
CO	32.46
NO <sub>x</sub>	38.03

- (a) This existing source is a major stationary source, under PSD (326 IAC 2-2), because an attainment pollutant is emitted at a rate of 250 tons per year or more, and it is not one of the twenty-eight (28) listed source categories, as specified in 326 IAC 2-2-1(gg)(1).
- (b) This existing source is a major stationary source, under Part 70 Operating Permit Program (326 IAC 2-7), because VOC is emitted at a rate of 100 tons per year or more.
- (c) These emissions are based upon the Technical Support Document for the most recent issued approval, Administrative Amendment No. 157-27271-00050.

The table below summarizes the potential to emit HAPs for the entire source, prior to the proposed modification, after consideration of all enforceable limits established in the effective permits:

HAPs	Potential To Emit (ton/yr)
A single HAP (Pb)	>10
Total HAPs	>25

This existing source is a major source of HAPs, as defined in 40 CFR 63.2, because HAP emissions are greater than ten (10) tons per year for a single HAP and greater than twenty-five (25) tons per year for a combination of HAPs. Therefore, this source is a major source under Section 112 of the Clean Air Act (CAA).

#### Actual Emissions

The following table shows the actual emissions from the source. This information reflects the 2006 OAQ emission data.

Pollutant	Actual Emissions (ton/yr)
PM	5.0
PM <sub>10</sub>	5.0
SO <sub>2</sub>	0.0
VOC	373.0
CO	24.0
NO <sub>x</sub>	28.0

#### Description of Proposed Source Modification

The Office of Air Quality (OAQ) has reviewed a source modification application, submitted by Subaru of Indiana Automotive, Inc on April 28, 2010 relating to the following activity:

- (a) Extend the overall length of the curing oven associated with the Intermediate (Surfacer/Guidecoat) Coating Line, identified as Unit 004. Addition of one (1) natural gas-fired burner with a maximum heat input capacity of 2.5 million British thermal units per hour (MMBtu/hr) to provide heat to the extended section of the oven.

This project will not cause a debottlenecking of the plant operations nor will it increase the coating materials usage.

#### Enforcement Issues

There are no pending enforcement actions related to this modification.

**Emission Calculations**

See Appendix A of this Technical Support Document for detailed emission calculations.

**Permit Level Determination – Part 70**

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

The following table is used to determine the appropriate permit level under 326 IAC 2-7-10.5. This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

<b>Modified Intermediate Surfacer Coating Oven</b>			
<b>Pollutant</b>	<b>PTE Before Modification (tons/year)</b>	<b>PTE After Modification (tons/year)</b>	<b>Net PTE Increase (tons/year)</b>
PM	0.08	0.10	0.02
PM10	0.33	0.41	0.08
SO <sub>2</sub>	0.026	0.033	0.01
VOC **	178.54	178.6	0.06
CO	3.65	4.57	0.92
NO <sub>x</sub>	4.34	5.44	1.10

\*\* - combined VOC emissions from the surface coating carryover into the oven and natural gas combustion.

<b>HAPs Emissions</b>	<b>PTE Before Modification (tons/year)</b>	<b>PTE After Modification (tons/year)</b>	<b>Net PTE Increase (tons/year)</b>
Benzene	9.12E-05	1.14E-04	2.3E-05
Dichlorobenzene	5.21E-05	6.52E-05	1.31E-05
Formaldehyde	3.259E-03	4.08E-03	8.21E-04
Hexane	7.82E-02	9.79E-02	1.97E-02
Toluene	1.477E-04	1.85E-04	3.723E-05
Lead	2.172E-05	2.72E-05	5.47E-06
Cadmium	4.779E-05	5.984E-05	1.205E-05
Chromium	6.083E-05	7.6E-05	1.533E-05
Manganese	1.65E-05	2.067E-05	4.16E-06
Nickel	9.124E-05	1.14E-04	2.3E-05
Worst Single HAP (Hexane)			1.97E-02
Combined HAPs			2.066E-02

Appendix A of this TSD reflects the unrestricted potential emissions of the modification.

This modification is not subject to the source modification requirements under 326 IAC 2-7-10.5. The changes will be incorporated into the permit as an Administrative Amendment 326 IAC 2-7-11(a)(8)(A), because it incorporates into the Part 70 Operating Permit an exempt unit as described in 326 IAC 2-1.1-3.

**Permit Level Determination – PSD (Actual to Projected Actual Test)**

The table below summarizes the potential to emit, reflecting all limits, of the emission units. Any control equipment is considered federally enforceable only after issuance of this Part 70 Administrative Amendment, and only to the extent that the effect of the control equipment is made practically enforceable in the permit.

<b>Projected Increase in Actual Emissions (tons/year)</b>						
Process/Emission Unit	PM	PM10	SO <sub>2</sub>	VOC **	CO	NO <sub>x</sub>
Projected Actual Emissions from Modified Intermediate Surfacer Oven	0.10	0.41	0.033	120.80	4.57	5.44
Baseline Actual Emissions	0.08	0.33	0.026	120.74	3.65	4.34
Emission Change from the Project	0.02	0.08	0.01	0.06	0.92	1.10
Significant PSD Levels	25	15	40	40	100	40

\*\* - combined VOC emissions from the surface coating carryover into the oven and natural gas combustion.

This modification (extension in length to an existing PSD BACT unit (Intermediate Coating Line Oven)) to an existing major stationary source is not major because the projected emissions increase in actual emissions are less than the PSD significant levels (see detailed ATPA calculations on Page 3 of 3 TSD App A). Furthermore, this PSD BACT unit is not subject to a PSD BACT re-opening because it is capable of meeting its current PSD BACT limit. Therefore, PSD (326 IAC 2-2) requirements do not apply.

The Permittee has provided information as part of the application for this approval that, based on Actual to Projected Actual test in 326 IAC 2-2-2(d)(3), this modification at a major stationary source will not be major for Prevention of Significant Deterioration under 326 IAC 2-2-1. IDEM, OAQ has not reviewed this information and will not be making any determination in this regard as part of this approval. The applicant will be required to keep records and report in accordance with Source obligation in 326 IAC 2-2-8. See Appendix A of this Technical Support Document for detailed emission calculations.

**Federal Rule Applicability Determination**

This modification will not affect the federal rules that already been determined to be applicable to the Intermediate (Surfacer/Guidecoat) Coating Line Oven and no new rules will be triggered due to this modification.

**State Rule Applicability Determination**

This modification will not affect the state rules that already been determined to be applicable to the Intermediate (Surfacer/Guidecoat) Coating Line Oven and no new rules will be triggered due to this modification.

**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.

### Proposed Changes

The changes listed below have been made to Part 70 Operating Permit No. 157-5906-00050. Deleted language appears as ~~strike throughs~~ and new language appears in **bold**:

**Sections A.2, D.4, E.1 and E.2 have been revised to reflect the descriptive changes concerning the additional Intermediate Oven Burner:**

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:

\*\*\*

- (d) Intermediate (Surfacer) Coating Line, identified as Unit 004, with a capacity of 60 units per hour, constructed in 1989, consisting of the following units:
- (1) One (1) Intermediate Working Stage burner, with a heat input capacity of 19.74 MMBtu/hr;
  - (2) One (1) Intermediate Coating Booth, utilizing the electrostatic air atomized, electrostatic bell method of application, using a water wash as particulate matter control, and exhausting to six (6) stacks, identified as SUR-2 through SUR-7;
  - (3) One (1) Intermediate Booth Preheat, with two (2) natural gas-fired burners, each with a heat input capacity of 28.275 MMBtu/hr;
  - (4) One (1) Intermediate Booth Reheat burner, with two (2) insignificant natural gas-fired burners;
  - (5) One (1) Intermediate Coating Oven, with ~~four (4)~~ **five (5)** insignificant natural gas-fired burners totaling ~~9.92~~ **12.42** MMBtu/hr, using a 1.0 MMBtu/hr natural gas-fired catalytic incinerator (SUR) as VOC control, and exhausting to one (1) stack, identified as SUR-1. (emissions from the entrance to and exit from the Intermediate Coating Oven use no controls and exhaust to one (1) stack, identified as Surfacer Hood Exhaust); and
  - (6) One (1) Intermediate Cool Down area, using no controls, and exhausting to one (1) stack, identified as Surfacer Cooling.

D.4.2 Prevention of Significant Deterioration - Best Available Control Technology for Nitrogen Oxides (NOx) [326 IAC 2-2]

Pursuant to PSD (79) 1651, issued July 30, 1987 and revised July 26, 1989, and 326 IAC 2-2-3, BACT for NOx for the natural gas combustion equipment described in this section is the following:

- (a) NOx emissions from the following facilities:

- (1) Shall not exceed 0.10 pounds per million Btu heat input for each facility listed as follows:
- (A) the Intermediate Working Stage burner;
  - (B) the three (3) Topcoat #1 Booth Preheat burners;
  - (C) the three (3) Topcoat #2 Booth Preheat burners;
  - (D) the two (2) Twotone and Repair Booth Preheat burners;
  - (E) the insignificant ED Pretreatment Drying Oven burner;
  - (F) the insignificant ED Paint Temperature Control boiler;
  - (G) the two (2) insignificant ED Pretreatment boilers;
  - (H) the five (5) insignificant ED Body Oven burner;
  - (I) the insignificant ED Body Oven incinerator;
  - (J) the ~~four (4)~~ **five (5)** insignificant Intermediate Oven burners;
  - (K) the three (3) insignificant Topcoat #1 Booth Reheat burners;
  - (L) the three (3) insignificant Topcoat #1 Oven burners;
  - (M) the three (3) insignificant Topcoat #2 Booth Reheat burner;
  - (N) the three (3) insignificant Topcoat #2 Oven burners;
  - (O) the insignificant Two tone Booth Reheat burner;
  - (P) the three (3) insignificant Two tone Oven burners; and
  - (Q) the insignificant Wet Sand Repair Dryoff Oven burner.

<b>Conclusion and Recommendation</b>
--------------------------------------

The modified Intermediate Coating Line Oven shall be subject to the conditions of the attached Administrative Amendment No. 157-29204-00050 and the staff recommends its approval to the Commissioner.

**Appendix A: Emissions Calculations  
Natural Gas Combustion Only  
MM BTU/HR <100**

**Company Name: Subaru of Indiana Automotive, Inc.  
Address City IN Zip: 5500 State Road 38 East  
Administrative Amendment No.: 157-29204  
Plant No.: 157-00050  
Reviewer: Aida De Guzman  
Date Application Received: 4/28/2010**

Heat Input Capacity MMBtu/hr	Potential Throughput MMCF/yr
12.42 Heat Input After Modification	108.8
9.92 Heat Input Before Modification	86.9

Emission Factor in lb/MMCF	Pollutant					
	PM*	PM10*	SO2	NOx	VOC	CO
	1.9	7.6	0.6	100.0 **see below	5.5	84.0
PTE in tons/yr @ 12.42 MMBtu/hr	0.10	0.41	0.033	5.44	0.30	4.57
PTE in tons/yr @ 9.92 MMBtu/hr	0.08	0.33	0.026	4.34	0.24	3.65
<b>Net PTE Increase in tons/yr</b>	<b>0.02</b>	<b>0.08</b>	<b>0.01</b>	<b>1.10</b>	<b>0.06</b>	<b>0.92</b>

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

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

**Methodology**

All emission factors are based on normal firing.

MMBtu = 1,000,000 Btu

MMCF = 1,000,000 Cubic Feet of Gas

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

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

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

**Appendix A: Emissions Calculations  
Natural Gas Combustion Only  
MM BTU/HR <100  
HAPs Emissions**

**Company Name: Subaru of Indiana Automotive, Inc.  
Address City IN Zip: 5500 State Road 38 East  
Administrative Amendment No.: 157-29204  
Plant No.: 157-00050  
Reviewer: Aida De Guzman  
Date Application Received: 4/28/2010**

HAPs - Organics					
Emission Factor in lb/MMcf	Benzene 2.1E-03	Dichlorobenzen 1.2E-03	Formaldehyde 7.5E-02	Hexane 1.8E+00	Toluene 3.4E-03
PTE in tons/yr @ 12.42 MMBtu/hr	1.142E-04	6.528E-05	4.080E-03	9.792E-02	1.850E-04
PTE in tons/yr @ 9.92 MMBtu/hr	9.124E-05	5.214E-05	3.259E-03	7.821E-02	1.477E-04
Net PTE Increase in tons/yr	2.300E-05	1.314E-05	8.213E-04	1.971E-02	3.723E-05

HAPs - Metals					
Emission Factor in lb/MMcf	Lead 5.0E-04	Cadmium 1.1E-03	Chromium 1.4E-03	Manganese 3.8E-04	Nickel 2.1E-03
PTE in tons/yr @ 12.42 MMBtu/hr	2.720E-05	5.984E-05	7.616E-05	2.067E-05	1.142E-04
PTE in tons/yr @ 9.92 MMBtu/hr	2.172E-05	4.779E-05	6.083E-05	1.651E-05	9.124E-05
Net PTE Increase in tons/yr	5.475E-06	1.205E-05	1.533E-05	4.161E-06	2.300E-05
Wors Single HAP (Hexane) (Net PTE Increase)					1.971E-02
Combined HAPs (Net PTE Increase)					2.066E-02

Methodology is the same as page 1.

The five highest organic and metal HAPs emission factors are provided above. Additional HAPs emission factors are available in AP-42, Chapter 1.4.

Month	VOC Emissions 2008 (lbs/month)	VOC Emissions 2008 (tons/month)	Total Vehicle Production 2008	VOC Emissions 2009 (lbs/month)	VOC Emissions 2009 (tons/month)	Total Vehicle Production 2009
January	23,415.50	11.71	16,723	14,988.84	7.49	10,564
February	22,650.03	11.33	16,110	17,940.41	8.97	12,986
March	22,070.83	11.04	15,239	19,676.34	9.84	14,318
April	24,722.91	12.36	17,516	12,936.01	6.47	8,806
May	24,087.80	12.04	17,161	12,520.64	6.26	8,360
June	22,932.21	11.47	16,829	19,499.24	9.75	14,392
July	12,216.99	6.11	9,149	13,448.36	6.72	10,003
August	22,585.87	11.29	17,100	21,922.07	10.96	16,665
September	22,349.15	11.17	16,524	24,043.01	12.02	18,433
October	23,747.63	11.87	17,227	27,589.77	13.79	20,995
November	17,831.53	8.92	12,662	23,529.08	11.76	18,690
December	14,536.67	7.27	10,912	20,586.90	10.29	16,676
<b>Total</b>	<b>253,147.12</b>	<b>126.57</b>	<b>183,152</b>	<b>228,680.67</b>	<b>114.34</b>	<b>170,888</b>

Tons per vehicle Estimate (A)- (two year average)		<b>0.0006805</b>	
Max Projected Production (12 months over next 5 years) - (B)		<b>177020</b>	Based on the two year average of 2008 and 2009 production
Projected Actual Emissions (A*B)		<b>120.5</b>	
Baseline Actual Emissions (two year average)	126.57	114.34	<b>120.5</b>
<b>Net Change (Projected Actuals - Baseline Actuals)</b>			<b>0.0</b>

NOTE: The emission estimates provided above for projected actual emissions are based on historical operation of the plant over the period of 2008 and 2009. The projected actual emissions estimate excludes any increase in emissions that could occur from any increased utilization of the surfacer coating line due to product demand growth since any such increased utilization (i) would be unrelated to the surfacer oven extension project and (ii) could have been accommodated during the baseline actual emissions period, consistent with 326 IAC 2-2-1(rr)(2)(A)(iii).

Potential to Emit (Allowable) VOC Emissions Prior to the Oven Extension Project	<b>178.3 tons/year</b>	(Based on extrapolating the 2-year average emissions 1.361 lbs VOC /vehicle to 262,000 vehicles per year)
Potential to Emit (Allowable) VOC Emissions After the Oven Extension Project	<b>178.3 tons/year</b>	(Based on extrapolating the 2-year average emissions 1.361 lbs VOC /vehicle to 262,000 vehicles per year)
<b>VOC Emissions Excluded from Net Change above due to the system being able to accommodate product demand growth</b>		<b>57.8 tons/year</b>

Estimate of 57.8 tons/year is based on the difference between the Potential to Emit (Allowable) and Baseline Actual emissions.

Methodology:

Projected Actual Emissions = Maximum projected vehicle production over the next 5 years \* tons of VOC/vehicle

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1		Christopher Schultze Helena Chemical Company-Huntington Terminal 11711 N Pennsylvania Ave, suite 270 Carmel IN 46032 (Source CAATS)										
2		Randy Parman VP Helena Chemical Company-Huntington Terminal 4546 Corporate Dr, suite 170 West Des Moines IA 50266 (RO CAATS)										
3		Mr. Charles L. Berger Berger & Berger, Attorneys at Law 313 Main Street Evansville IN 47700 (Affected Party)										
4		Huntington Town Council and Mayors Office 300 Cherry St. Huntington IN 46750 (Local Official)										
5		Huntington County Board of Commissioners 354 N. Jefferson St. Suite 201 Huntington IN 46750 (Local Official)										
6		Frederick & Iva Moore 6019 W 650 N Ligonier IN 46767 (Affected Party)										
7		Ms. Mary Shipley 10968 E 100 S Marion IN 46953 (Affected Party)										
8		Huntington County Health Department 354 N. Jefferson Street, Suite 201 Huntington IN 46750 (Health Department)										
9		Melvin & Deborah Gillespie 5616 N 200 E Huntington IN 46750 (Affected Party)										
10		Wendy Burkart Terracon Consultants, Inc. 1815 S. Eisenhower Wichita KS 67209 (Consultant)										
11		Gladieux Trading & Marketing Company 4403 North Meridian Road Huntington IN 46750 (Affected Party)										
12		Huntington County Humane Society, Inc. 4765 N US 24 East Huntington IN 46750 (Affected Party)										
13		Pneumatic-Hydraulic Development, Inc. 4763 N US 24 East Huntington IN 46750 (Affected Party)										
14		Gladieux Processing, LLC 4761 N US 24 East Huntington IN 46750 (Affected Party)										
15		Koch Nitrogen 502 East Hosler Road Huntington IN 46750 (Affected Party)										

Total number of pieces Listed by Sender	Total number of Pieces Received at Post Office	Postmaster, Per (Name of Receiving employee)	The full declaration of value is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstructing insurance is \$50,000 per piece subject to a limit of \$50, 000 per occurrence. The maximum indemnity payable on Express mil merchandise insurance is \$500. The maximum indemnity payable is \$25,000 for registered mail, sent with optional postal insurance. See <b>Domestic Mail Manual R900, S913, and S921</b> for limitations of coverage on inured and COD mail. See <b>International Mail Manual</b> for limitations o coverage on international mail. Special handling charges apply only to Standard Mail (A) and Standard Mail (B) parcels.
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											Remarks
1		CF Industries, Inc. 574 East Hosler Road Huntington IN 46750 (Affected Party)									
2		Charles F. & Pamela A. Homier 601 East Lamont Road Huntington IN 46750 (Affected Party)									
3		Virginia Bowers 789 East Lamont Road Huntington IN 46750 (Affected Party)									
4		Lois J. Krockner 753 East Lamont Road Huntington IN 46750 (Affected Party)									
5		Robert A. & Cynthia G. Mitchell 789 E. Lamont Road Huntington IN 46750 (Affected Party)									
6		Steven J. & Karen L. Holmes 4919 North Old Fort Wayne Road Huntington IN 46750 (Affected Party)									
7		Rudy F. & Sharon A. Kusher 5019 North Old Fort Wayne Road Huntington IN 46750 (Affected Party)									
8		Larry W. & Ann V Bowers 4845 North Old Fort Wayne Road Huntington IN 46750 (Affected Party)									
9		Daryl J. & Janice I. Smith 4815 North Old Fort Wayne Road Huntington IN 46750 (Affected Party)									
10		Dorotha M. Souers 4747 North Old Fort Wayne Road Huntington IN 46750 (Affected Party)									
11		Robert H. & Pauline Loui Kline 4697 North Old Fort Wayne Road Huntington IN 46750 (Affected Party)									
12		John R. & Lois R. Deibler 4639 North Old Fort Wayne Road Huntington IN 46750 (Affected Party)									
13		Kathleen A. & Stan M. Zeissig 1141 East Hosler Road Huntington IN 46750 (Affected Party)									
14											
15											

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