INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We Protect Hoosiers and Our Environment.

Mitchell E. Daniels Jr.
Governor

Thomas W. Easterly
Commissioner

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

TO: Interested Parties / Applicant

DATE: July 2, 2010

RE: Subaru of Indiana Automotive, Inc. / 157-29321-00050

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 approval 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) calendar days of the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

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

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

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

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

Enclosures
FNPER-MOD.dot 12/3/07

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Ms. Denise Coogan
Subaru of Indiana Automotive, Inc.
5500 State Road 38 East
Lafayette, Indiana 47905

July 2, 2010

Re: 157-29321-00050
Minor Source Modification to:
Part 70 Source (TV 157-5906-00050)

Dear Ms. Coogan:

Subaru of Indiana Automotive, Inc. was issued Part 70 Operating Permit 157-5906-00050 on June 28, 2004 for an automotive and light-duty truck assembly plant. An application for the following changes to the Part 70 source was received on June 2, 2010. Pursuant to 326 IAC 2-7-10.5 the following emission units are approved for construction at the source:

(a) Installation of three (3) new robotic applicators for spraying a new sound deadener material (referred to as "Silent Guard"). The Silent Guard will replace the current non-sprayed melt on asphalt sheet material.

The following construction conditions are applicable to the proposed project:

General Construction Conditions

1. The data and information supplied with the application shall be considered part of this source modification approval. Prior to any proposed change in construction which may affect the potential to emit (PTE) of the proposed project, the change must be approved by the Office of Air Quality (OAQ).

2. This approval to construct does not relieve the permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.

3. Effective Date of the Permit
Pursuant to IC 13-15-5-3, this approval becomes effective upon its issuance.

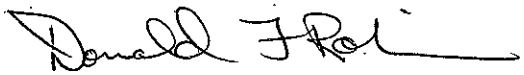
4. Pursuant to 326 IAC 2-1.1-9 and 326 IAC 2-7-10.5(i), the Commissioner may revoke this approval if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

5. All requirements and conditions of this construction approval shall remain in effect unless modified in a manner consistent with procedures established pursuant to 326 IAC 2.

The source may begin construction and operation when the minor source modification has been issued. Operating conditions shall be incorporated into the Part 70 operating permit as a minor permit modification in accordance with 326 IAC 2-7-10.5(l)(2) and 326 IAC 2-7-12.

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 call (800) 451-6027, and ask for Aida De Guzman or extension (3-4972), or dial (317) 233-4972.

Sincerely,



Donald F. Robin, P.E., Section Chief
Permits Branch
Office of Air Quality

Attachments
APD

cc: Tippecanoe County
Tippecanoe County Health Department
Compliance and Enforcement Branch
Permit Administration Support Section

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MINOR SOURCE MODIFICATION TO A PART 70 SOURCE

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 construct subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

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.

Minor Source Modification No.: 157-29321-00050	Pages Affected: 8, 62, 64, 72 Pages Added: 8a, 62a, 72a
Issued by: Donald F. Robin, P.E., Section Chief Permits Branch Office of Air Quality	Issuance Date: July 2, 2010

(b) Sealing and PVC Undercoating Line, identified as Unit 002, with a capacity of 60 units per hour, consisting of the following units:

(1) One (1) PVC Coating Booth #1, constructed in 1989, utilizing electrostatic application system and pedestal robotic spray system, using a dry filter as particulate matter control, and exhausting to one (1) stack, identified as PVC-1-2;

(2) One (1) PVC Coating Booth #1 Preheat, constructed in 1989, with one (1) natural gas-fired burner with a heat input capacity of 16.8 MMBtu/hr;

(3) One (1) PVC Coating Booth #2, constructed in 1999, utilizing the airless spray method of application, using a water wash as particulate matter control, and exhausting to one (1) stack, identified as PVC-Booth 2;

(4) One (1) PVC Coating Booth #2 Preheat, constructed in 1999, with one (1) natural gas-fired burner with a heat capacity of 16.8 MMBtu/hr;

(5) One (1) PVC Seal Oven, constructed in 1989, with two (2) insignificant natural gas-fired burners totaling 6.94 MMBtu/hr, using no controls, and exhausting to one (1) stack, identified as PVC-Oven Exhaust;

(6) One (1) PVC Cool Down area, constructed in 1989, using no controls, and exhausting to one (1) stack, identified as PVC Cooling;

(7) One (1) Sound Deadener Operation approved in 2010 for construction, using no controls and exhausting to one (1) stack, identified as SD Stack.

(c) Topcoat System, identified as Unit 003, with a capacity of 60 units per hour, constructed in 1989, and modified in 2006 and 2008 consisting of the following units:

(1) One (1) Topcoat #1 Booth, utilizing electrostatic air atomized, electrostatic bell method of application, and robotic bells and automatic spray applicators, using a water wash as particulate matter control, and exhausting to nine (9) stacks, identified as TC1-1 through TC1-10. One (1) natural gas-fired dry off oven, between the basecoat and clearcoat zones, with a heat input capacity of 5 MMBtu/hr.

(2) One (1) Topcoat #1 Booth Preheat, with three (3) natural gas-fired burners, each with a heat input capacity of 20.57 MMBtu/hr;

(3) One (1) Topcoat #1 Booth Reheat, with three (3) insignificant natural gas-fired burners;

(4) One (1) Topcoat #1 Oven, with three (3) insignificant natural gas-fired burners, using a 3.0 MMBtu/hr natural gas-fired catalytic incinerator (TC-1) as VOC control, and exhausting to one (1) stack, identified as TC-1 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-1 Ex.);

(5) One (1) Topcoat #1 Cool Down area, using no controls, and exhausting to one (1) stack, identified as TC-1 O.Cl.;

(6) One (1) Topcoat #2 Booth, utilizing the electrostatic air atomized, electrostatic bell or similar method of application, using a water wash as particulate matter control, and exhausting to ten (10) stacks, identified as TC2-1 through TC2-10. One (1) natural gas-fired dry off oven between the base coat and clear coat zones with a heat input capacity of 8 MMBtu/hr;

(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;

SECTION D.6 FACILITY OPERATION CONDITIONS

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

(b) Sealing and PVC Undercoating Line, identified as Unit 002, with a capacity of 60 units per hour, consisting of the following units:

(1) One (1) PVC Coating Booth #1, constructed in 1989, utilizing electrostatic application system and pedestal robotic spray system using a dry filter as particulate matter control, and exhausting to one (1) stack, identified as PVC-1-2;

(2) One (1) PVC Coating Booth #1 Preheat, constructed in 1989, with one (1) natural gas-fired burner with a heat input capacity of 16.8 MMBtu/hr;

(3) One (1) PVC Coating Booth #2, constructed in 1999, utilizing a pedestal robotic spray system, using a water wash as particulate matter control, and exhausting to one (1) stack, identified as PVC-Booth 2;

(4) One (1) PVC Coating Booth #2 Preheat, constructed in 1999, with one (1) natural gas-fired burner with a heat capacity of 16.8 MMBtu/hr;

(5) One (1) PVC Seal Oven, constructed in 1989, with two (2) insignificant natural gas-fired burners totaling 6.94 MMBtu/hr, using no controls, and exhausting to one (1) stack, identified as PVC-Oven Exhaust;

(6) One (1) PVC Cool Down area, constructed in 1989, using no controls, and exhausting to one (1) stack, identified as PVC Cooling;

(7) One (1) Sound Deadener Operation approved in 2010 for construction, using no controls and exhausting to one (1) stack, identified as SD Stack.

(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;

(3) One (1) Anticorrosion Coating Booth, utilizing the air-assisted method of spraying, using a water wash as particulate matter control, exhausting to Anticorrosion Stack; and

(4) One (1) insignificant Anticorrosion Coating natural gas-fired burner.

(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 Volatile Organic Compounds (VOC) 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, and 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.6.7:

D.6.3 Volatile Organic Compound (VOC) Limitations [326 IAC 8-2-9]

Pursuant to 326 IAC 8-2-9, the Permittee shall not allow the discharge of VOC into the atmosphere in excess of the following limits:

(a) The daily VOC emissions from PVC Coating (PVC Coating Booth #1, PVC Coating Booth #2 and Sound Deadener Operation) shall not exceed 3.5 pounds of VOC per gallon of coating less water (0.42 kilograms of VOC per liter of coating less water).

(b) The daily VOC emissions from Anticorrosion Coating (Black and Wax Booth and Anticorrosion Coating Booth) shall not exceed 3.0 pounds of VOC per gallon of coating less water (0.36 kilograms of VOC per liter of coating less water). This limit applies to the weighted average of all Anticorrosion coatings.

Compliance with these limits shall be demonstrated pursuant to Condition 6.7.

D.6.4 Volatile Organic Compound (VOC) Limitations, Clean-up Requirements [326 IAC 8-2-9]

Pursuant to 326 IAC 8-2-9(f), all solvents sprayed from the application equipment of the PVC Coating Booths, Black and Wax Booth, and Anticorrosion Coating Booth during cleanup or color changes shall be directed into containers. Said containers shall be closed as soon as the solvent spraying is complete. In addition, all waste solvent shall be disposed of in such a manner that minimizes evaporation.

D.6.5 Particulate [326 IAC 6-3-2(d)]

Pursuant to 326 IAC 6-3-2(d), particulate emissions from the Black and Wax Booth and PVC Coating Booth #1 shall be controlled by dry filters. Particulate emissions from the Anticorrosion Coating Booth and PVC Coating Booth #2 shall be controlled by water washes. The Permittee shall operate the control devices in accordance with manufacturer's specifications.

D.6.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

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

Compliance Determination Requirements

D.6.7 Volatile Organic Compounds (VOC) [326 IAC 8-1-2]

Compliance with the VOC emission limits in Conditions D.6.1 and D.6.3 shall be determined with the following equations (as applicable):

VOC emissions (lb VOC/gal coating solids) = [$\sum$ (C x U) / $\sum$ U]

Where:

C is the VOC content of the coating in pounds of VOC per gallon of coating solids as applied; and
U is the usage rate of the coating in gallons per day.

Or, if the emission limit is in units of pounds of VOC per gallon of coating less water:

VOC emissions (lb VOC/gal coating less water) = [$\sum$ (C x U) / $\sum$ U]

Where:

C is the VOC content of the coating in pounds of VOC per gallon of coating less water as applied;
U is the usage rate of the coating in gallons per day

SECTION E.1 FACILITY OPERATION CONDITIONS

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

(a) Electrodeposition Coating of Vehicle Bodies (ED Coating Line), identified as Unit 001, with a capacity of 60 units per hour, constructed in 1989, consisting of the following units:

(1) One (1) ED Body Pretreatment area;

(2) One (1) ED Pretreatment Drying Oven, with one (1) insignificant natural gas-fired burner with a heat input capacity of 5.55 MMBtu/hr;

(3) One (1) insignificant boiler for paint temperature control, with a heat input capacity of 4.0 MMBtu/hr;

(4) Two (2) insignificant pretreatment boilers for warming water surrounding the ED Body Coating Tank, each with a heat input capacity of 1.045 MMBtu/hr;

(5) One (1) ED Body Coating Tank, utilizing dipping as the method of application;

(6) One (1) ED Body Oven, with five (5) natural gas-fired burners totaling 13.7 MMBtu/hr, using a 1.5 MMBtu/hr natural gas-fired catalytic oxidizer (B-ED) as VOC control, and exhausting to one (1) stack, identified as B-ED Inc. (emissions from the entrance to, and exit from, the ED Body Oven use no controls and exhaust to one (1) stack, identified as B-ED Hood Exhaust); and

(7) One (1) ED Body Cool Down area.

(b) Sealing and PVC Undercoating Line, identified as Unit 002, with a capacity of 60 units per hour, consisting of the following units:

(1) One (1) PVC Coating Booth #1, constructed in 1989, utilizing electrostatic application system and pedestal robotic spray system, using a dry filter as particulate matter control, and exhausting to one (1) stack, identified as PVC-1-2;

(2) One (1) PVC Coating Booth #1 Preheat, constructed in 1989, with one (1) natural gas-fired burner with a heat input capacity of 16.8 MMBtu/hr;

(3) One (1) PVC Coating Booth #2, constructed in 1999, utilizing the airless spray method of application, using a water wash as particulate matter control, and exhausting to one (1) stack, identified as PVC-Booth 2;

(4) One (1) PVC Coating Booth #2 Preheat, constructed in 1999, with one (1) natural gas-fired burner with a heat capacity of 16.8 MMBtu/hr;

(5) One (1) PVC Seal Oven, constructed in 1989, with two (2) insignificant natural gas-fired burners totaling 6.94 MMBtu/hr, using no controls, and exhausting to one (1) stack, identified as PVC-Oven Exhaust;

(6) One (1) PVC Cool Down area, constructed in 1989, using no controls, and exhausting to one (1) stack, identified as PVC Cooling;

(7) One (1) Sound Deadener Operation approved in 2010 for construction, using no controls and exhausting to one (1) stack, identified as SD Stack.

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

(c) Topcoat System, identified as Unit 003, with a capacity of 60 units per hour, constructed in 1989, and modified in 2006 and 2008 consisting of the following units:

(1) One (1) Topcoat #1 Booth, utilizing electrostatic air atomized, electrostatic bell method of application, and robotic bells and automatic spray applicators, using a water wash as

Indiana Department of Environmental Management
Office of Air Quality

Technical Support Document (TSD) for a Minor Source Modification and a Permit Modification

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
Minor Source Modification No.:	157-29321-00050
Minor Permit Modification No.:	157-29395-00050
Permit Reviewer:	Aida De Guzman

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;

(f) Fifth Administrative Amendment No. 157-28126-00050, issued on June 25, 2009; and

(g) Sixth Administrative Amendment No. 157-29204-00050, issued on May 24, 2010.

County Attainment Status

The source is located in Tippecanoe County.

Pollutant	Designation
SO_2	Better than national standards.
CO	Unclassifiable or attainment effective November 15, 1990.
O_3	Unclassifiable or attainment effective June 15, 2004, for the 8-hour ozone standard.[1]
PM_{10}	Unclassifiable effective November 15, 1990.
NO_2	Cannot be classified or better than national standards.
Pb	Not designated.
[1]Unclassifiable or attainment effective October 18, 2000, for the 1-hour ozone standard which was revoked effective June 15, 2005. Unclassifiable or attainment effective April 5, 2005, for PM2.5.	

(a) Volatile organic compounds (VOC) and Nitrogen Oxides (NOx) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NOx emissions are considered when evaluating the rule applicability relating to ozone. Tippecanoe County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

(b) Tippecanoe County has been classified as attainment for PM2.5. On May 8, 2008 U.S. EPA promulgated the requirements for Prevention of Significant Deterioration (PSD) for $PM_{2.5}$ emissions. These rules became effective on July 15, 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 PM10 emissions as a surrogate for $PM_{2.5}$ 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.

Source Status

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

Pollutant	**Emissions** (ton/yr)
PM	26.35
PM_{10}	26.41
$PM_{2.5}$	26.41
SO_2	Negligible
VOC	1,173.08
CO	33.38
NO_X	39.13

(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. 157-29204-00050.

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 2008 OAQ emission data.

Pollutant	**Actual Emissions** (ton/yr)
PM	7.0
PM_{10}	7.0
$PM_{2.5}$	7.0
SO_2	0.0
VOC	596.0
CO	33.0
NO_X	39.0

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 June 2, 2010 relating to the following modification of the sound deadener operation:

(a) Installation of three (3) new robotic applicators for spraying a new sound deadener material (referred to as "Silent Guard"). The Silent Guard will replace the current non-sprayed melt on asphalt sheet material.

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.

Pollutant	**Potential To Emit** (ton/yr)
PM	0.0
PM_{10}	0.0
$PM_{2.5}$	0.0
SO_2	0.0
VOC	24.4
CO	0.0
NO_X	0.0
Single HAPs	0.0
Total HAPs	0.0

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

(a) This modification has the potential to emit VOC equal to or greater than 10 tons per year but less than 25 tons per year. Therefore, this modification is subject to Minor Source Modification requirements under 326 IAC 2-7-10.5(d).

(b) This modification does not require or change a case-by-case determination of an emission limitation, or standard. The modification will comply with the same emission limitation already established in the permit. Therefore, this modification is subject to Minor Permit Modification requirements under 326 IAC 2-7-12(b).

Permit Level Determination – PSD

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.

Controlled PTE (tons/year)							
Process/Emission Unit	PM	PM10	PM2.5	SO_2	VOC	CO	NO_X
Three (3) Robotic Spray Applicators	0.0	0.0	0.0	0.0	24.4	0.0	0.0
Significant PSD Levels	25	15	15	40	40	100	40

This modification to an existing major stationary source is not major because the emissions increase is less than the PSD significant levels. Therefore, pursuant to 326 IAC 2-2, the PSD requirements do not apply.

Federal Rule Applicability Determination

This modification will not affect the federal rules that already have been determined to be applicable to the Sound Deadener and no new rules will be triggered due to this modification.

State Rule Applicability Determination

(a) 326 IAC 8-2-9 (Miscellaneous Metal and Plastic Parts Coating Operations)
The sound deadener material is subject to 326 IAC 8-2-9 since it is applied to a metal substrate. This rule requires a VOC limit of 3.5 pounds per gallon excluding water from the deadener application.

The proposed sound deadener material has VOC of 0.38 pound per gallon excluding water, which is less than 3.5 pound per gallon excluding water. Therefore, it is in compliance with 326 IAC 8-2-9.

(b) 326 IAC 6-3 (Particulate Emissions Limitations from Manufacturing Processes)
The sound deadener application is not subject to 326 IAC 6-3, because it does not emit particulate.

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 ~~strikethroughs~~ and new language appears in **bold**:

Sections A.2, D.6 and E.1 have been revised to incorporate the changes made to the Deadener application:

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:

***

(b) Sealing and PVC Undercoating Line, identified as Unit 002, with a capacity of 60 units per hour, consisting of the following units:

(1) One (1) PVC Coating Booth #1, constructed in 1989, utilizing electrostatic application system and pedestal robotic spray system, using a dry filter as particulate matter control, and exhausting to one (1) stack, identified as PVC-1-2;

(2) One (1) PVC Coating Booth #1 Preheat, constructed in 1989, with one (1)

natural gas-fired burner with a heat input capacity of 16.8 MMBtu/hr;

(3) One (1) PVC Coating Booth #2, constructed in 1999, utilizing the airless spray method of application, using a water wash as particulate matter control, and exhausting to one (1) stack, identified as PVC-Booth 2;

(4) One (1) PVC Coating Booth #2 Preheat, constructed in 1999, with one (1) natural gas-fired burner with a heat capacity of 16.8 MMBtu/hr;

(5) One (1) PVC Seal Oven, constructed in 1989, with two (2) insignificant natural gas-fired burners totaling 6.94 MMBtu/hr, using no controls, and exhausting to one (1) stack, identified as PVC-Oven Exhaust;

(6) One (1) PVC Cool Down area, constructed in 1989, using no controls, and exhausting to one (1) stack, identified as PVC Cooling; **and**

(7) One (1) Sound Deadener Operation approved in 2010 for construction, using no controls and exhausting to one (1) stack, identified as SD Stack.

SECTION D.6

D.6.3 Volatile Organic Compound (VOC) Limitations [326 IAC 8-2-9]

Pursuant to 326 IAC 8-2-9, the Permittee shall not allow the discharge of VOC into the atmosphere in excess of the following limits:

(a) The daily VOC emissions from PVC Coating (PVC Coating Booth #1**,** ~~and~~ PVC Coating Booth #2 **and Sound Deadener Operation**) shall not exceed 3.5 pounds of VOC per gallon of coating less water (0.42 kilograms of VOC per liter of coating less water).

(b) The daily VOC emissions from Anticorrosion Coating (Black and Wax Booth and Anticorrosion Coating Booth) shall not exceed 3.0 pounds of VOC per gallon of coating less water (0.36 kilograms of VOC per liter of coating less water). This limit applies to the weighted average of all Anticorrosion coatings.

Compliance with these limits shall be demonstrated pursuant to Condition D.6.7.

Conclusion and Recommendation

The modification to the sound deadener operation shall be subject to the conditions of the attached Minor Source Modification No. 157-29321-00050 and Minor Permit Modification No. 157-29395-00050 and the staff recommends its approval to the Commissioner.

Appendix A: Emissions Calculations
VOC and Particulate
From Surface Coating For Deadener Operations

Company Name: Subaru of Indiana Automotive, Inc.
Address City IN Zip: 5500 State Road 38 East, Lafayette, IN 47905
MSM No.: 1579-29321
MPM 157-29395
Plt ID: 157-00050
Reviewer: Aida De Guzman
Date Application Received: June 2, 2010

Material	Density (Lb/Gal)	Weight % Volatile (H20 & Organics)	Weight % Water	Weight % Organics	Volume % Water	Volume % Non-Volatiles (solids)	Gal of Mat. (gal/unit)	Maximum (unit/year)	Pounds VOC per gallon of coating less water	Pounds VOC per gallon of coating	Potential VOC tons per year	Particulate Potential (ton/yr)	lb VOC/gal solids	Transfer Efficiency
Silent Guard	13.3	21.00%	19.0%	2.0%	30.0%	66.80%	0.70000	262000.000	0.38	0.27	24.4	0.0	0.40	100.0%
State Potential Emissions											**24.4**	**0.0**		

Note: Silent guard consistency is the same as caulking material. This material is not atomized when applied by the robotic system and therefore, does not result in particulate overspray.

METHODOLOGY

Pounds of VOC per Gallon Coating less Water = (Density (lb/gal) * Weight % Organics) / (1-Volume % water)
Pounds of VOC per Gallon Coating = (Density (lb/gal) * Weight % Organics)
Potential VOC Tons per Year = Pounds of VOC per Gallon coating (lb/gal) * Gal of Material (gal/unit) * Maximum (units/yr) * (1 ton/2000 lbs)
Particulate Potential Tons per Year = (units/yr) * (gal/unit) * (lbs/gal) * (1- Weight % Volatiles) * (1-Transfer efficiency) *(1 ton/2000 lbs)
Pounds VOC per Gallon of Solids = (Density (lbs/gal) * Weight % organics) / (Volume % solids)

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

SENT VIA U.S. MAIL: CONFIRMED DELIVERY AND SIGNATURE REQUESTED

TO: Denise Coogan
Subaru of Indiana Automotive, Inc. (SIA)
PO Box 5689
Lafayette, IN 47903

DATE: July 2, 2010

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

SUBJECT: Final Decision
Part 70
157-29321-00050

Enclosed is the final decision and supporting materials for the air permit application referenced above. Please note that this packet contains the original, signed, permit documents.

The final decision is being sent to you because our records indicate that you are the contact person for this application. However, if you are not the appropriate person within your company to receive this document, please forward it to the correct person.

A copy of the final decision and supporting materials has also been sent via standard mail to:
OAQ Permits Branch Interested Parties List

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178, or toll-free at 1-800-451-6027 (ext. 3-0178), and ask to speak to the permit reviewer who prepared the permit. If you think you have received this document in error, please contact Joanne Smiddie-Brush of my staff at 1-800-451-6027 (ext 3-0185), or via e-mail at jbrush@idem.IN.gov.

Mail Code 61-53

IDEM Staff	CDENNY 07/02/2010 Subaru of Indiana Automotive, Inc. (SIA) 157-29321-00050 (final)		AFFIX STAMP HERE IF USED AS CERTIFICATE OF MAILING
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2		Thomas Easterday Exec VP Subaru of Indiana Automotive, Inc. (SIA) 5500 SR 38 S Lafayette IN 47903 *(RO CAATS)*									
3		Ms. Anna Cicirelli P.O. Box 289, 102 Tipton Street Battleground IN 47920 *(Affected Party)*									
4		Mr. Charles L. Berger Berger & Berger, Attorneys at Law 313 Main Street Evansville IN 47700 *(Affected Party)*									
5		Tippecanoe County Commissioners 20 N 3rd St, County Office Building Lafayette IN 47901 *(Local Official)*									
6		Tippecanoe County Health Department 20 N. 3rd St Lafayette IN 47901-1211 *(Health Department)*									
7		Lafayette City Council and Mayors Office 20 North 6th Street Lafayette IN 47901-1411 *(Local Official)*									
8		Ms. Sharon McKnight 909 Southernview Drive North Lafayette IN 47909 *(Affected Party)*									
9		Ms. Dorothy Whicker 2700 Bonny Lane Lafayette IN 47904 *(Affected Party)*									
10		Tom Pierce Sr. 5115 N 510E Lafayette IN 47905 *(Affected Party)*									
11		Ms. Geneva Werner 3212 Longlois Drive Lafayette IN 47904-1718 *(Affected Party)*									
12		Mr. Thomas Ruzicka 3509 Pine Lane Lafayette IN 47905 *(Affected Party)*									
13		Mrs. Phyllis Owens 3600 Cypress Lane Lafayette IN 47905 (Affected Party)									
14		Mr. Jerry White 1901 King Eider Ct West Lafayette IN 47906 *(Affected Party)*									
15		Ms. Rose Filley 5839 Lookout Drive West Lafayette IN 47906 *(Affected Party)*									

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1		William 128 Seminole Drive West Lafayette IN 47906 (Affected Party)									
2		Mr. Robert Kelley 2555 S 30th Street Lafayette IN 44909 *(Affected Party)*									
3		Mr. Steven Frey Malcolm Pirnie, Inc 1515 East Woodfield Road Suite 360 Schaumburg IL 60173 *(Consultant)*									
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