INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We Protect Hoosiers and Our Environment.
100 N. Senate Avenue • Indianapolis, IN 46204
(800) 451-6027 • (317) 232-8603 • www.idem.IN.gov

Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

NOTICE OF 30-DAY PERIOD FOR PUBLIC COMMENT

Preliminary Findings Regarding a
Signficant Modification to a
Part 70 Operating Permit

for Duke Energy Indiana, Inc. - Cayuga Generating Station in Vermillion County

Significant Permit Modification No.: 165-35734-00001

The Indiana Department of Environmental Management (IDEM) has received an application from Duke Energy Indiana, Inc. - Cayuga Generating Station, located at State Road 63, Cayuga, IN 47928, for a significant modification of its Part 70 Operating Permit issued on May 8, 2014. If approved by IDEM's Office of Air Quality (OAQ), this proposed modification would allow Duke Energy Indiana, Inc. - Cayuga Generating Station to make certain changes at its existing source. Duke Energy Indiana, Inc. - Cayuga Generating Station has applied to install PM continuous emission monitoring systems (CEMS) at Boiler Nos. 1 and 2. Additionally, Duke Energy Indiana, Inc. - Cayuga Generating Station requested to remove the testing requirements related to the fly ash silo, EP-06(DFA), from the permit.

This draft Part 70 Operating Permit does not contain any new equipment that would emit air pollutants; however, some conditions from previously issued permits/approvals have been corrected, changed, or removed. These corrections, changes, and removals may include Title I changes (e.g., changes that add or modify synthetic minor emission limits). This notice fulfills the public notice procedures to which those conditions are subject. IDEM has reviewed this application and has developed preliminary findings, consisting of a draft permit and several supporting documents, which would allow for these changes.

A copy of the permit application and IDEM's preliminary findings are available at:

Vermillion County Public Library
385 East Market Street
Newport, IN 47966

A copy of the preliminary findings is available on the Internet at: http://www.in.gov/ai/appfiles/idem-caats/.

How can you participate in this process?

The date that this notice is published in a newspaper marks the beginning of a 30-day public comment period. If the 30th day of the comment period falls on a day when IDEM offices are closed for business, all comments must be postmarked or delivered in person on the next business day that IDEM is open.

You may request that IDEM hold a public hearing about this draft permit. If adverse comments concerning the **air pollution impact** of this draft permit are received, with a request for a public hearing, IDEM will decide whether or not to hold a public hearing. IDEM could also decide to hold a public meeting instead of, or in addition to, a public hearing. If a public hearing or meeting is held, IDEM will make a separate announcement of the date, time, and location of that hearing or meeting. At a hearing, you would have an opportunity to submit written comments and make verbal comments. At a meeting, you would have an opportunity to submit written comments, ask questions, and discuss any air pollution concerns with IDEM staff.

Comments and supporting documentation, or a request for a public hearing should be sent in writing to IDEM at the address below. If you comment via e-mail, please include your full U.S. mailing address so

that you can be added to IDEM's mailing list to receive notice of future action related to this permit. If you do not want to comment at this time, but would like to receive notice of future action related to this permit application, please contact IDEM at the address below. Please refer to permit number SPM 165-35734-00001 in all correspondence.

Comments should be sent to:

Julie Mendez, Ph.D.
IDEM, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
(800) 451-6027, ask for extension 4-1243
Or dial directly: (317) 234-1243
Fax: (317) 232-6749 attn: Julie Mendez
E-mail: JMendez@idem.IN.gov

All comments will be considered by IDEM when we make a decision to issue or deny the permit. Comments that are most likely to affect final permit decisions are those based on the rules and laws governing this permitting process (326 IAC 2), air quality issues, and technical issues. IDEM does not have legal authority to regulate zoning, odor, or noise. For such issues, please contact your local officials.

For additional information about air permits and how the public and interested parties can participate, refer to the IDEM Permit Guide on the Internet at: http://www.in.gov/idem/5881.htm; and the Citizens' Guide to IDEM on the Internet at: http://www.in.gov/idem/6900.htm.

What will happen after IDEM makes a decision?

Following the end of the public comment period, IDEM will issue a Notice of Decision stating whether the permit has been issued or denied. If the permit is issued, it may be different than the draft permit because of comments that were received during the public comment period. If comments are received during the public notice period, the final decision will include a document that summarizes the comments and IDEM's response to those comments. If you have submitted comments or have asked to be added to the mailing list, you will receive a Notice of the Decision. The notice will provide details on how you may appeal IDEM's decision, if you disagree with that decision. The final decision will also be available on the Internet at the address indicated above, at the local library indicated above, and the IDEM public file room on the 12th floor of the Indiana Government Center North, 100 N. Senate Avenue, Indianapolis, Indiana 46204-2251.

If you have any questions, please contact Julie Mendez of my staff at the above address.

Tripurari Sinha

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

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Mr. Mack Sims
Duke Energy Indiana, Inc. - Cayuga Generating Station
1000 East Main Street
Plainfield, IN 46168

Re: 165-35734-00001
Significant Permit Modification to
Part 70 Renewal No.: T165-33876-00001

Dear Mr. Sims:

Duke Energy Indiana, Inc. - Cayuga Generating Station was issued Part 70 Operating Permit Renewal No. T165-33876-00001 on May 8, 2014 for a stationary electric utility generating station located at State Road 63, Cayuga, IN 47928. An application requesting changes to this permit was received on April 20, 2015. 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.

Please find attached the entire Part 70 Operating Permit as modified. The permit references the below listed attachments. Since these attachments have been provided in previously issued approvals for this source, IDEM OAQ has not included a copy of these attachments with this modification:

Attachment A:	Fugtitive Dust Control Plan
Attachment B:	40 CFR 60, Subpart OOO, Standards of Performance for Nonmetallic Mineral Processing Plants
Attachment C:	40 CFR 60, Subpart IIII, Standards of Performance for Stationary Compression Ignition Internal Combustion Engines
Attachment D:	40 CFR 63, Subpart ZZZZ, National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines
Attachment E:	40 CFR 63, Subpart UUUUU, National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units

Previously issued approvals for this source containing these attachments are available on the Internet at: http://www.in.gov/ai/appfiles/idem-caats/.

Federal rules under Title 40 of United States Code of Federal Regulations may also be found on the U.S. Government Printing Office's Electronic Code of Federal Regulations (eCFR) website, located on the Internet at: http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title40/40tab_02.tpl.

A copy of the permit is available on the Internet at: http://www.in.gov/ai/appfiles/idem-caats/. For additional information about air permits and how the public and interested parties can participate, refer to the IDEM Permit Guide on the Internet at: http://www.in.gov/idem/5881.htm; and the Citizens' Guide to IDEM on the Internet at: http://www.in.gov/idem/6900.htm.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5.

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If you have any questions on this matter, please contact Julie Mendez, of my staff, OAQ, 100 North Senate Avenue, MC 61-53 IGCN 1003, Indianapolis, Indiana, 46204-2251 at 317-234-1243 or 1-800-451-6027, and ask for extension 4-1243.

Sincerely,

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

Attachments: Modified Permit and Technical Support Document
cc: File - Vermillion County
Vermillion County Health Department
U.S. EPA, Region 5
Compliance and Enforcement Branch

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Part 70 Operating Permit Renewal

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OFFICE OF AIR QUALITY

Duke Energy Indiana, Inc. - Cayuga Generating Station
State Road 63
Cayuga, Indiana 47928

(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 No.: T165-33876-00001	
Issued by: Original Signed Tripurari Sinha, Ph. D., Section Chief Permits Branch, Office of Air Quality	Issuance Date: May 8, 2014 Expiration Date: May 8, 2019

First Administrative Amendment No. 165-35161-00001, issued on December 17, 2014.
First Significant Permit Modification No. 165-34940-00001, issued on December 24, 2014.

Second Significant Permit Modification No.: 165-35734-00001	
Issued by: Tripurari Sinha, Ph. D., Section Chief, Permits Branch Office of Air Quality	 Issuance Date: Expiration Date: May 8, 2019

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E.4.3 ORDER of the Commissioner of the Indiana Department of Environmental Management

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Attachment C - NSPS 40 CFR 60, Subpart IIII
Attachment D - NESHAP 40 CFR 63, Subpart ZZZZ
Attachment E – NESHAP 40 CFR 63, Subpart UUUUU

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

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A.1 General Information [326 IAC 2-7-4(c)][326 IAC 2-7-5(14)][326 IAC 2-7-1(22)]

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

Source Address:	State Road 63, Cayuga, Indiana 46168
General Source Phone Number:	317-838-2108
SIC Code:	4911
County Location:	Vermillion
Source Location Status:	Attainment for all criteria pollutants
Source Status:	Part 70 Operating Permit Program Major Source, under PSD Rules Major Source, Section 112 of the Clean Air Act 1 of 28 Source Categories

A.2 Part 70 Source Definition [326 IAC 2-7-1(22)]

Duke Energy Indiana, Inc.'s Cayuga Generating Station, identified as 165-00001, is located on the same property as Duke Energy Indiana, Inc.'s Unit 4 combustion turbine plant identified as 165-00086. IDEM, OAQ has examined whether the Cayuga Generating Station plant and the combustion turbine plant are part of the same major source. The term "major source" is defined at 326 IAC 2-7-1(22). In order for these two plants to be considered one major source, they must meet all three of the following criteria:

(1) the plants must be under common ownership or common control;

(2) the plants must belong to a single major industrial grouping or one must serve as a support facility for the other; and,

(3) the plants must be located on contiguous or adjacent properties.

The two plants are owned by Duke Energy Indiana, Inc. Since there is a common owner, the first element of the definition of major source is met.

The SIC Code Manual of 1987 sets out how to determine the proper SIC Code for each type of business, called establishments. The SIC Codes are divided up into eleven divisions, lettered A through K. Each division is broken down into separate major groups. Each major group has a distinct two-digit SIC Code. The two plants have the same two-digit SIC Code, 49, for Electric, Gas and Sanitary Services. Therefore the second element of the definition is met.

The two plants are located on the same piece of property in separate buildings. Since the plants are located on the same piece of property, they the third element of the definition. IDEM, OAQ finds that the two plants are part of the same major source. IDEM, OAQ will issue separate Part 70 permits to each plant solely for administrative purposes.

A.3 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(14)]

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

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(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), and particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), and particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(c) One (1) no. 2 fuel oil-fired generator, identified as Unit No. 3A, installed in 1972, with a nominal heat input capacity of 30 million Btu per hour (MMBtu/hr), exhausting to stack 3A.

(d) One (1) no. 2 fuel oil-fired generator, identified as Unit No. 3B, installed in 1972, with a nominal heat input capacity of 30 million Btu per hour (MMBtu/hr), exhausting to stack 3B.

(e) One (1) no. 2 fuel oil-fired generator, identified as Unit No. 3C, installed in 1972, with a nominal heat input capacity of 30 million Btu per hour (MMBtu/hr), exhausting to stack 3C.

(f) One (1) no. 2 fuel oil-fired generator, identified as Unit No. 3D, installed in 1972, with a nominal heat input capacity of 30 million Btu per hour (MMBtu/hr), exhausting to stack 3D.

(g) A dual conveyor coal processing system, with a nominal throughput of 1900 tons of coal per hour (950 tons of coal per hour each side), consisting of the following equipment:

(1) One (1) railcar unloading station, with a drop point to two (2) hoppers identified as DP-1, with the drop point enclosed with emissions uncontrolled, and exhausting to the ambient air.

(2) One (1) storage area, having a nominal storage capacity including the active piles of 982,800 tons, with fugitive emissions controlled as needed by a watering truck.

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(3) One (1) enclosed hopper, with a drop point to a conveyor identified as DP-2, with the drop point enclosed with emissions controlled by a water spray dust suppression system as needed, and exhausting to the ambient air.

(4) One (1) enclosed hopper and two (2) reclaim feeders, with an underground drop points identified as DP-11 and DP-12, with emissions controlled by the underground enclosure, and routed to the conveyor system.

(5) An enclosed dual conveyor system, with 6 drop points identified as DP-3 through DP-6, DP-8, and DP-13, with each drop point enclosed with emissions controlled by the enclosure. Drop points DP-3 through DP-5, DP-8, and DP-13 are controlled as needed by a water spray dust suppression system, and DP-6 is controlled by rotoclones.

(6) An enclosed conveyor system with drop point identified as DP-9, controlled by a telescoping chute.

(7) Coal bunker and coal scale exhausts and associated dust collector vents.

(h) One (1) limestone handling and storage system for the flue gas desulfurization system, constructed in 2006, with a maximum throughput rate of 1,000 tons per hour, consisting of the following:

(1) One (1) railcar/truck unloading operation, with a maximum capacity of 1,000 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L1.

(2) Two (2) hoppers, each with a maximum capacity of 500 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L2.

(3) Two (2) belt feeders, identified as LHBF-1 and LHBF-2, each with a maximum capacity of 500 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L2.

(4) One (1) conveyor, identified as LH-1, controlled by a telescopic chute, and exhausting to emission point EP-L3. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

(5) One (1) active limestone stockout pile, with a maximum capacity of 7,700 tons.

(6) One (1) inactive limestone storage pile, with a maximum capacity of 45,000 tons.

(7) Two (2) reclaim hoppers, each with a maximum capacity of 200 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L4.

(8) Two (2) belt feeders, identified as LHBF-3 and LHBF-4, each with a maximum capacity of 200 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L4.

(9) One (1) conveyor, identified as LH-2, with a maximum capacity of 400 tons per hour, controlled by fog dust suppression. The emissions exhaust out the general building vents, identified as emission point EP-L18a and EP-L18b. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

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(10) One (1) reversible conveyor, identified as LH-3, with a maximum capacity of 400 tons per hour, controlled by fog dust suppression. The emissions exhaust out the general building vents, identified as emission points EP-L18a and EP-L18b. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

(11) Two (2) day bins, each with a maximum throughput rate of 400 tons per hour. Each bin is equipped with a Baghouse to control particulate emissions. Baghouses BH-L1 and BH-L2 exhaust to EP-L16 and EP-L17, respectively. Under NSPS, Subpart OOO, these units considered storage bins.

(12) Two (2) wet ball mills, each with a maximum capacity of 51 tons of limestone slurry per hour. Under NSPS, Subpart OOO, these units are considered grinding mills.

(i) One (1) gypsum handling and storage system, constructed in 2006, consisting of the following:

(1) One (1) wet gypsum conveying system, with a maximum throughput rate of 150 tons per hour.

(2) Two (2) gypsum stock out piles. Gypsum can be stocked out to an outside pile or a pile located in the gypsum stock out building. The maximum gypsum storage capacity is 10,400 tons.

(3) One (1) emergency gypsum stockout pile, with a maximum capacity of 2,600 tons.

(4) One (1) dry gypsum transferring operation, transferring gypsum to landfills by trucks on paved roads.

(j) Auxiliary Boiler, identified as emission unit Aux, with a maximum heat input capacity of 72.76 MMBtu/hr fired with distillate oil and exhausting out one stack identified as stack Aux-1. The Auxiliary boiler was constructed before 1968.

(k) One (1) Arsenic Mitigation System consisting of (1) 700 ton Limestone Storage Silo and (1) 300 ton Limestone Surge Bin, scheduled to be installed by 2015. Limestone is pneumatically conveyed from delivery trucks to the Limestone Storage Silo and from the Limestone Storage Silo to the Limestone Surge Bin. Limestone in the Surge Bin is dropped on to the C-1 and C-2 coal conveyors. PM emissions generated during pneumatic conveying and transfer points to the C-1 and C-2 conveyor will be controlled by the bin vent filters. The Limestone Storage Silo and Limestone Surge Bin are identified as emissions points EP-01(LS) and EP-02(LS).

(l) Two (2) Dry Sorbent Injection (DSI) Systems, one for each Unit. Each DSI system consists of one (1) Sorbent Storage Silo with a storage capacity of 120 tons, three (3) Silo Weight Feeders to regulate sorbent from the silos and a system to inject the sorbent material into the flue gas, scheduled to be installed by 2015. PM emissions generated during loading operations are controlled by a Bin Vent Filter located on the top of each silo and the weight feeders. The two (2) Sorbent Silos are identified as emission points

EP-01(DSI), and EP-03(DSI). The weight feeders are identified as EP-05A(DSI), EP-05B(DSI), EP-06A(DSI) and EP-06B(DSI) with spares EP-05C(DSI) and EP-06C(DSI).

(m) Two (2) Activated Carbon Injection (ACI) Systems, one for each Unit. Each ACI system consists of one (1) storage silo with a 120 ton storage capacity, two (2) Silo Weight Feeders to regulate carbon from the silos and a system for injecting the Activated Carbon into the flue gas, scheduled to be installed by 2015. PM emissions during the silo loading operation are controlled by the bin vent filters located on top of the silos. The two (2) Activated Carbon Storage Silos are identified as emission points EP-01(ACI) and EP-02(ACI). The weight feeders are identified as EP-03A(ACI) and EP-04A(ACI) with spares EP-03B(ACI) and EP-04B(ACI).

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(n) Two (2) Dry Ash Handling Systems, one for each Unit. The dry ash handling system consists of a pneumatic conveying system, four (4) baghouse separators, one (1) ash silo with a storage capacity of 3,500 and an ash unloading system, scheduled to be installed by 2015.

(i) Baghouse Separators - Fly ash from the ESP Ash Hoppers, Air Heater Ash Hoppers, Economizer Ash Hoppers and SCR Large Particle Screen Ash Hopper will be pneumatically conveyed to one of four (4) baghouse separators. There will be two (2) baghouse separators for each unit. The dry fly ash is separated from the air stream in a baghouse separator. Each baghouse separator are identified as emissions points EP-01(DFA), EP--02(DFA), EP-03(DFA), and EP-04(DFA). The system is equipped with a spare exhauster identified as emissions point EP-05(DFA).

(ii) Ash Silos - Fly ash collected in the baghouse separators is dropped into a feeder and pneumatically conveyed to the ash silo. The ash silo is equipped with a bin vent filter to control particulate matter emissions from pneumatic conveying. The Ash Silo is identified as emission point EP-06(DFA).

(iii) Ash Unloading Operation - Fly ash collected in the silos can be unloaded into trucks or pneumatically conveyed to the ash fixation process. Fly ash unloaded into trucks can be unloaded dry or wet. Fly ash unloaded dry is gravity feed to a chute and unloaded into enclosed trucks. The emissions generated from unloading the ash dry are vented back to the silo and controlled by the silo bin vent filter. Ash unloaded wet is feed into a pin mixer where the ash is mixed with water and unloaded into open trucks

(o) One (1) Ash Fixation Process consisting of a pneumatic conveying system, one (1) lime silo, conveyors, and two (2) pin mixers, scheduled to be installed by 2015.

(i) Lime Silo – Lime will be delivered by truck and will pneumatically loaded into the silo. The storage capacity of the silo is 300 tons. The emissions generated by the pneumatic conveying will be controlled by a bin vent filter located on top of the lime silo. The Lime Silo is identified as emissions point EP-02(FIX).

(ii) Conveyor and Transfer Points – Fly ash, Lime and Gypsum will be conveyed to one of two (2) pin mixers where this material will be mixed with water to make the fixated ash. The fixated ash will be unloaded to a storage pile, and then loaded into trucks using front end loaders.

A.4 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)] [326 IAC 2-7-5(14)]

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

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(a) Degreasing operations that do not exceed one hundred forty-five (145) gallons per twelve months, except if subject to 326 IAC 20-6. [326 IAC 8-3-2] [326 IAC 8-3-8]

(b) One 156.9 HP (100 kW), CI ICE with a displacement 4.4 liters, Diesel Fired Emergency Generator, Manufactured by Caterpillar Model Year 2007, Model D100-6, constructed in 2007, identified as ENG-1. This generator is located in the switch yard and is operated as backup for the black start diesel aux feed.

(c) One 713 Hp (450 kW), CI ICE with a displacement 15.2 liters, Diesel Fired Emergency Engine, Manufactured by Caterpillar, Model Year 2007, Model C15DITA, constructed in 2007, identified as ENG-2. This engine is use to quench the flue gas if the scrubber should fail.

A.5 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).

(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.

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

(a) This permit, T165-33876-00001, 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] [IC 13-17-12]

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. 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) A certification required by this permit meets the requirements of 326 IAC 2-7-6(1) if:

(1) it contains a certification by a "responsible official" as defined by 326 IAC 2-7-1(35), and

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(2) the certification states that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

(b) The Permittee may use the attached Certification Form, or its equivalent with each submittal requiring certification. One (1) certification may cover multiple forms in one (1) submittal.

(c) A "responsible official" is defined at 326 IAC 2-7-1(35).

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;

(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); and

(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 a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

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B.10 Preventive Maintenance Plan [326 IAC 2-7-5(12)][326 IAC 1-6-3]

(a) A Preventive Maintenance Plan meets the requirements of 326 IAC 1-6-3 if it includes, at a minimum:

(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.

The Permittee shall implement the PMPs.

(b) If required by specific condition(s) in Section D of this permit where no PMP was previously required, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) no later than ninety (90) days after issuance of this permit or ninety (90) days after initial start-up, whichever is later, including the following information on each facility:

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

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

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

If, due to circumstances beyond the Permittee's control, the PMPs cannot be prepared and maintained within the above time frame, the Permittee may extend the date 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

The PMP extension notification does not require a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

The Permittee shall implement the PMPs.

(c) 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. The PMPs and their submittal do not require a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

(d) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

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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 and Enforcement Branch), or
Telephone Number: 317-233-0178 (ask for Office of Air Quality, Compliance and Enforcement Branch)
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 a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

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(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)(8) 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.

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.

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

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

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

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

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

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

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

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

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

(a) All terms and conditions of permits established prior to T165-33876-00001 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 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 Operating 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 a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

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

(a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and shall include the information specified in 326 IAC 2-7-4. Such information shall be included in the application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(42). The renewal application does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

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 the deadline specified, pursuant to 326 IAC 2-7-4(a)(2)(D), in writing by IDEM, OAQ any additional information identified as being needed to process the application.

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B.17 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 operating 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 does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

(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.18 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 or notice 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.19 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) or (c) without a prior permit revision, if each of the following conditions is met:

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

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

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

(4) The Permittee notifies the:

Indiana Department of Environmental Management
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, on a rolling five (5) year basis, which document all such changes and emission trades that are subject to 326 IAC 2-7-20(b)(1) and (c)(1). The Permittee shall make such records available, upon reasonable request, for public review.

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

(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(37)) 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 a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

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

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

(e) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.

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

B.20 Source Modification Requirement [326 IAC 2-7-10.5]

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

B.21 Inspection and Entry [326 IAC 2-7-6][IC 13-14-2-2][IC 13-30-3-1][IC 13-17-3-2]

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

(a) Enter upon the Permittee's premises where a Part 70 source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;

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

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

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

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

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

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

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

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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 does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

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

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

(a) The Permittee shall pay annual fees to IDEM, OAQ within thirty (30) calendar days of receipt of a billing. Pursuant to 326 IAC 2-7-19(b), if the Permittee does not receive a bill from IDEM, OAQ the applicable fee is due April 1 of each year.

(b) Except as provided in 326 IAC 2-7-19(e), failure to pay may result in administrative enforcement action or revocation of this permit.

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

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

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

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

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

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

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

C.2 Opacity [326 IAC 5-1]

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

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

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

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

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1.

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

The Permittee shall not operate an incinerator except as provided in 326 IAC 4-2 or in this permit. The Permittee shall not operate a refuse incinerator or refuse burning equipment except as provided in 326 IAC 9-1-2 or in this permit.

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 Fugitive Particulate Matter Emission Limitations [326 IAC 6-5]

Pursuant to 326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations), fugitive particulate matter emissions shall be controlled according to the submitted plan. The plan is included as Attachment A.

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)] DRAFT

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

(a) For performance testing required by this permit, 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 a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

(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 a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

(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)][40 CFR 64][326 IAC 3-8]

(a) For new units:
Unless otherwise specified in the approval for the new emission unit(s), compliance monitoring for new emission units shall be implemented on and after the date of initial start-up.

(b) For existing units:
Unless otherwise specified in this permit, for all monitoring requirements not already legally required, the Permittee shall be allowed up to ninety (90) days from the date of permit issuance to begin such monitoring. If, due to circumstances beyond the Permittee's control, any monitoring equipment required by this permit cannot be installed and operated no later than ninety (90) days after permit issuance, 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

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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 a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

(c) For monitoring required by CAM, at all times, the Permittee shall maintain the monitoring, including but not limited to, maintaining necessary parts for routine repairs of the monitoring equipment.

(d) For monitoring required by CAM, except for, as applicable, monitoring malfunctions, associated repairs, and required quality assurance or control activities (including, as applicable, calibration checks and required zero and span adjustments), the Permittee shall conduct all monitoring in continuous operation (or shall collect data at all required intervals) at all times that the pollutant-specific emissions unit is operating. Data recorded during monitoring malfunctions, associated repairs, and required quality assurance or control activities shall not be used for purposes of this part, including data averages and calculations, or fulfilling a minimum data availability requirement, if applicable. The owner or operator shall use all the data collected during all other periods in assessing the operation of the control device and associated control system. A monitoring malfunction is any sudden, infrequent, not reasonably preventable failure of the monitoring to provide valid data. Monitoring failures that are caused in part by poor maintenance or careless operation are not malfunctions.

C.12 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. The analog instrument shall be capable of measuring values outside of the normal range.

(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.13 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.14 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.15 Response to Excursions or Exceedances [40 CFR 64][326 IAC 3-8][326 IAC 2-7-5] [326 IAC 2-7-6]

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(I) Upon detecting an excursion where a response step is required by the D Section, or an exceedance of a limitation, not subject to CAM, in this permit:

(a) The Permittee shall take reasonable response steps to 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 excess emissions.

(b) The response shall include minimizing the period of any startup, shutdown or malfunction. The response may include, but is not limited to, the following:

(1) initial inspection and evaluation;

(2) recording that operations returned or are returning 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 normal or usual manner of operation.

(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 record the reasonable response steps taken.

(II)

(a) CAM *Response to excursions or exceedances.*

(1) Upon detecting an excursion or exceedance, subject to CAM, the Permittee shall restore operation of the pollutant-specific emissions unit (including the 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. 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). Such actions may include initial inspection and evaluation, recording that operations returned to normal without operator action (such as through response by a computerized

distribution control system), or 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.

(2) 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, monitoring results, review of operation and maintenance procedures and records, and inspection of the control device, associated capture system, and the process.

(b) If the Permittee identifies a failure to achieve compliance with an emission limitation, subject to CAM, or standard, subject to CAM, for which the approved monitoring did not provide an indication of an excursion or exceedance while providing valid data, or the results of compliance or performance testing document a need to modify the existing indicator ranges or designated conditions, the Permittee shall promptly notify the IDEM, OAQ and, if necessary, submit a proposed significant permit modification to this permit to address the necessary monitoring changes. Such a modification may include, but is not limited to, reestablishing indicator ranges or designated conditions, modifying the frequency of conducting monitoring and collecting data, or the monitoring of additional parameters.

(c) Based on the results of a determination made under paragraph (II)(a)(2) of this condition, the EPA or IDEM, OAQ may require the Permittee to develop and implement a QIP. The Permittee shall develop and implement a QIP if notified to in writing by the EPA or IDEM, OAQ.

(d) Elements of a QIP:
The Permittee shall maintain a written QIP, if required, and have it available for inspection. The plan shall conform to 40 CFR 64.8 b (2).

(e) If a QIP is required, the Permittee shall develop and implement a QIP as expeditiously as practicable and shall notify the IDEM, OAQ if the period for completing the improvements contained in the QIP exceeds 180 days from the date on which the need to implement the QIP was determined.

(f) Following implementation of a QIP, upon any subsequent determination pursuant to paragraph (II)(a)(2) of this condition the EPA or the IDEM, OAQ may require that the Permittee make reasonable changes to the QIP if the QIP is found to have:

(1) Failed to address the cause of the control device performance problems; or

(2) Failed to provide adequate procedures for correcting control device performance problems as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.

(g) Implementation of a QIP shall not excuse the Permittee from compliance with any existing emission limitation or standard, or any existing monitoring, testing, reporting or recordkeeping requirement that may apply under federal, state, or local law, or any other applicable requirements under the Act.

(h) *CAM recordkeeping requirements.*

(1) The Permittee shall maintain records of monitoring data, monitor performance data, corrective actions taken, any written quality

improvement plan required pursuant to paragraph (II)(a)(2) of this condition and any activities undertaken to implement a quality improvement plan, and other supporting information required to be maintained under this condition (such as data used to document the adequacy of monitoring, or records of monitoring maintenance or corrective actions). Section C - General Record Keeping Requirements of this permit contains the Permittee's obligations with regard to the records required by this condition.

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(2) Instead of paper records, the owner or operator may maintain records on alternative media, such as microfilm, computer files, magnetic tape disks, or microfiche, provided that the use of such alternative media allows for expeditious inspection and review, and does not conflict with other applicable recordkeeping requirements

C.16 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 submit a description of its response actions to IDEM, OAQ no later than seventy-five (75) days after the date of the test.

(b) A retest to demonstrate compliance shall be performed no later than one hundred eighty (180) days after the date of the test. Should the Permittee demonstrate to IDEM, OAQ that retesting in one hundred eighty (180) 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 a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

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

C.17 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]

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(33) (“Regulated pollutant, which is used only for purposes of Section 19 of this rule”) from the source, for purpose of fee assessment.

The statement must be submitted to:

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

The emission statement does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

C.18 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. Support information includes the following, where applicable:

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(AA) All calibration and maintenance records.
(BB) All original strip chart recordings for continuous monitoring instrumentation.
(CC) Copies of all reports required by the Part 70 permit.

Records of required monitoring information include the following, where applicable:

(AA) The date, place, as defined in this permit, and time of sampling or measurements.
(BB) The dates analyses were performed.
(CC) The company or entity that performed the analyses.
(DD) The analytical techniques or methods used.
(EE) The results of such analyses.
(FF) The operating conditions as existing at the time of sampling or measurement.

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, for all record keeping requirements not already legally required, the Permittee shall be allowed up to ninety (90) days from the date of permit issuance or the date of initial start-up, whichever is later, to begin such record keeping.

(c) If there is a reasonable possibility (as defined in 326 IAC 2-2-8 (b)(6)(A), 326 IAC 2-2-8 (b)(6)(B), 326 IAC 2-3-2 (l)(6)(A), and/or 326 IAC 2-3-2 (l)(6)(B)) that a "project" (as defined in 326 IAC 2-2-1(oo) and/or 326 IAC 2-3-1(jj)) 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(dd) and/or 326 IAC 2-3-1(y)) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(pp) and/or 326 IAC 2-3-1(kk)), the Permittee shall comply with following:

(1) Before beginning actual construction of the "project" (as defined in 326 IAC 2-2-1(oo) and/or 326 IAC 2-3-1(jj)) 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(pp)(2)(A)(iii) and/or 326 IAC 2-3-1 (kk)(2)(A)(iii); and

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

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(d) If there is a reasonable possibility (as defined in 326 IAC 2-2-8 (b)(6)(A) and/or 326 IAC 2-3-2 (l)(6)(A)) that a "project" (as defined in 326 IAC 2-2-1(oo) and/or 326 IAC 2-3-1(jj)) 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(dd) and/or 326 IAC 2-3-1(y)) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(pp) and/or 326 IAC 2-3-1(kk)), 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.19 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11] [326 IAC 2-2][326 IAC 2-3] [40 CFR 64][326 IAC 3-8]

(a) The Permittee shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Proper notice submittal under Section B –Emergency Provisions satisfies the reporting requirements of this paragraph. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported except that 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. This report shall be submitted not later than thirty (30) days after the end of the reporting period. The Quarterly Deviation and Compliance Monitoring Report shall include a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35). A deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit.

On and after the date by which the Permittee must use monitoring that meets the requirements of 40 CFR Part 64 and 326 IAC 3-8, the Permittee shall submit CAM reports to the IDEM, OAQ.

A report for monitoring under 40 CFR Part 64 and 326 IAC 3-8 shall include, at a minimum, the information required under paragraph (a) of this condition and the following information, as applicable:

(1) Summary information on the number, duration and cause (including unknown cause, if applicable) of excursions or exceedances, as applicable, and the corrective actions taken;

(2) Summary information on the number, duration and cause (including unknown cause, if applicable) for monitor downtime incidents (other than downtime associated with zero and span or other daily calibration checks, if applicable); and

(3) A description of the actions taken to implement a QIP during the reporting period as specified in Section C-Response to Excursions or Exceedances. Upon completion of a QIP, the owner or operator shall include in the next summary report documentation that the implementation of the plan has been completed and reduced the likelihood of similar levels of excursions or exceedances occurring.

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The Permittee may combine the Quarterly Deviation and Compliance Monitoring Report and a report pursuant to 40 CFR 64 and 326 IAC 3-8.

(b) The address for report submittal is:

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) 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.

(e) 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 (oo) and/or 326 IAC 2-3-1 (jj)) 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 (ww) and/or 326 IAC 2-3-1 (pp), 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).

(f) The report for project at an existing emissions unit shall be submitted no later than 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 wishes to include in this report such as an explanation as to why the emissions differ from the preconstruction projection.

Reports required in this part shall be submitted to:

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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

(g) 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.20 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 applicable standards for recycling and emissions reduction.

Ambient Monitoring Requirements [326 IAC 7-3]

C.21 Ambient Monitoring [326 IAC 7-3]

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

(b) The Permittee and other operators subject to the requirements of this rule, located in the same county, may submit a joint monitoring plan to satisfy the requirements of this rule. [326 IAC 7-3-2(c)]

(c) The Permittee may petition the commissioner for an administrative waiver of all or some of the requirements of 326 IAC 7-3 if such owner or operator can demonstrate that ambient monitoring is unnecessary to determine continued maintenance of the sulfur dioxide ambient air quality standards in the vicinity of the source. [326 IAC 7-3-2(d)]

SECTION D.1 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

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(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), and particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(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.1.1 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-2-3]

The Particulate Matter emissions from Boiler #1 shall be limited to 0.227 lbs/MMBtu. Compliance with this limit satisfies the requirements of 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating). This emissions limit is based on the historic Particulate Matter emission limit established under 326 IAC 6-2-3.

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

(a) Pursuant to 326 IAC 5-1-3(e) (Temporary Alternative Opacity Limitations), the following applies:

(1) When building a new fire in Boiler No. 1, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed three (3) hours (30 six minute-averaged periods) or until the flue gas temperature entering the electrostatic precipitator (ESP) reaches 250 degrees Fahrenheit, whichever occurs first.

(2) When shutting down a boiler, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed three (3) hours (30 six minute-averaged periods) or until the flue gas temperature entering the electrostatic precipitator (ESP) has dropped below 250 degrees Fahrenheit.

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

(b) Firing a boiler as part of the chemical cleaning operations of the boiler and its associated tubes is considered a “startup condition” pursuant to 326 IAC 1-2-76 and subject to the exemptions as set forth in D.1.2(a).

(c) 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 periods in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period.

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(d) Permittee is also allowed one start up and one shut down per calendar year as follows:

(i) 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 a total of seven (7) hours (seventy (70) six (6)-minute averaging periods, consecutive or non-consecutive) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit, whichever occurs first.

(ii) 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 a total of five (5) hours (fifty (50) six (6)-minute averaging periods, consecutive or non-consecutive).

(e) Condition D.1.2 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.1.3 Sulfur Dioxide (SO_2) [326 IAC 7-4-8] [326 IAC 7-2-1]

Pursuant to 326 IAC 7-4-8 (Vermillion County Sulfur Dioxide Emission Limitations), the SO_2 emissions from Boiler No. 1 shall not exceed 4.40 pounds per million Btu (lbs/MMBtu), demonstrated using a thirty (30) day weighted rolling average. This limitation will ensure that SO_2 emissions do not exceed the amount assumed in the modeling analysis performed for the Vermillion County SO_2 SIP limits.

D.1.4 Reserved

D.1.5 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP) is required for this unit and its control device. Section B - Preventive Maintenance Plan contains the Permittee's obligations with regard to the preventive maintenance plan required by this condition.

Compliance Determination Requirements

D.1.6 Reserved

D.1.7 Operation of Electrostatic Precipitator and Flue Gas Desulfurization (FGD) [326 IAC 2-7-6(6)]

(a) Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that Boiler No. 1 is in operation and combusting solid fuel or any combination of solid fuels or other fuels.

(b) Except as otherwise provided by statute or rule or in this permit, the flue gas desulfurization (FGD) system shall be operated as needed to maintain compliance with applicable SO_2 emission limits.

D.1.8 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)] [40 CFR 64]

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment. For a boiler, the COMS shall be in operation at all times that the induced draft fan is in operation.

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

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

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

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

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

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

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

(e) Pursuant to 326 IAC 3-5-1(c), in lieu of the requirement to monitor opacity with a COMS in accordance with 326 IAC 3-5-1 and 326 IAC 3-5-2, the Permittee shall comply with the following:

(1) Until April 16, 2016 or when the PM CEMS for monitoring PM from the scrubber stack exhaust of Boiler No. 1 is installed, certified, and operating to measure PM pursuant to this permit (whichever is later), the continuous opacity monitoring system for Boiler No. 1 shall be calibrated, maintained, and operated for measuring opacity, which meets the performance specification of 326 IAC 3-5-2.

(2) After the installation and certification of the PM CEMS to monitor particulate matter from the scrubbed stack exhaust of Boiler No. 1 for compliance purposes or April 16, 2016 (whichever is later), compliance with PM limitations in Condition D.1.1 and opacity requirements will be demonstrated using a certified PM CEMS installed and certified in accordance with US EPA Performance Specification 11 (PS-11) and operated in accordance with Procedure 2 of Appendix F to 40 CFR 60. Upon PM CEMS operation as referenced above, all requirements to operate COMS at Boiler No. 1, including those set forth in Condition D.1.8(a)-(d), shall cease.

(3) Upon successful completion of the certification of the PM CEMS, the Permittee shall submit all required certification testing 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

(f) Subsections (a) through (d) of this provision D.1.8 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit on Boiler No. 1 (whichever is later).

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D.1.9 Maintenance of Continuous Emission Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous emission monitoring systems (CEMS) and related equipment as specified in Section D.1.

(b) All continuous emission monitoring systems shall meet all applicable performance specifications of 40 CFR 60, 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 calibration, 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 SO_2 emissions pursuant to 40 CFR 75 (Title IV Acid Rain program) or 326 IAC 24 (SO_2 and NO_x 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 SO_2 emissions pursuant to 40 CFR 75 or 326 IAC 24 (SO_2 and NO_x Trading Program), 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 40 CFR 60, Subpart GG 326 IAC 3-5, 40 CFR 60 or 40 CFR 75.

D.1.10 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 2-7-5(A)] [326 IAC 2-7-6] [326 IAC 7-2]

(a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions from Unit 1 do not exceed the equivalents of the limits specified in Conditions D.1.3 (Sulfur Dioxide (SO_2)) using a thirty (30) day rolling weighted average.

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

(1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or

(2) 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.

(c) If using CEMS, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 shall be used as the means for determining compliance with the emission limitations in 326 IAC 7.

D.1.11 Particulate Matter (PM) Continuous Emission Monitoring System [326 IAC 3-5] [326 IAC 2-7-5(3)(A)(iii)]

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The Permittee shall install, certify, maintain, and operate a CEMS measuring PM emissions discharged from Boiler No. 1 scrubbed stack to the atmosphere and record the output of the system as specified in paragraphs (a) through (d):

(a) The PM CEMS shall be installed, certified, operated, and maintained pursuant to 40 CFR Part 60, Appendix B, Performance Specification #11 and 40 CFR 60.13(e).

(b) Compliance with the applicable particulate emission limitation in Condition D.1.1 shall be determined based on the 24-hour daily (block) average of the hourly arithmetic average emissions concentrations using the continuous monitoring system outlet data.

(c) For purposes of demonstrating compliance with the particulate emission limitation in Condition D.1.1, the Permittee shall adjust to 5% any measured carbon dioxide (CO_2) values that are below 5%.

(d) Whenever this PM CEMS is malfunctioning or down for repair or adjustments for 24 hours or more, and a backup CEMS is not brought on-line, the following shall be used to provide information related to particulate emissions:

(1) The ability of the FGD to control particulate matter emissions shall be monitored once per day when Boiler No. 1 is in operation by measuring and recording the following:

(a) Number of recycle pumps in service; and

(b) Absorber pH.

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

D.1.12 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 T-R sets.

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

ESP Parameters

	Unit 1 ESP
Primary Voltage	215 – 450 V
Secondary Voltage	30 – 175 kV
T-R Set Secondary Current	200 – 1200 mA

(c) Condition D.1.12 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.1.13 Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Appropriate response steps shall be taken in accordance with Section C - Response to Excursions or Exceedances whenever the opacity exceeds twenty-five percent (25%) for three (3) consecutive six (6) minute averaging periods. In the event of opacity exceeding twenty-five percent (25%), response steps will be taken such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty-five percent (25%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.

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(b) Opacity readings in excess of twenty-five percent (25%) 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 Excursions or Exceedances, shall be considered a deviation from this permit.

(c) The requirements of (a) and (b), do not apply to Boiler No. 1 during startup and shutdown of Boiler No. 1 and do not apply when Boiler No. 1 is being controlled by the flue gas desulfurization (FGD) system.

(d) This provision D.1.13 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.1.14 SO_2 Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the SO_2 continuous emission monitoring system (CEMS) is malfunctioning or down for repairs or adjustments for twenty-four (24) hours or more, the Permittee shall monitor and record the boiler load, recirculation pH, slurry feed rate, and number of recirculation pumps in service, to demonstrate that the operation of the scrubber continues in a manner typical for the boiler load and sulfur content of the coal fired. Scrubber parametric monitoring readings shall be recorded at least twice per day until the primary CEMS or a backup CEMS is brought online.

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

D.1.15 Record Keeping Requirements

(a) To document the compliance status with Section C - Opacity and Conditions D.1.1, D.1.2, D.1.9, D.1.12 and D.1.13, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.1.1 and D.1.2.

(1) Data and results from the most recent stack test until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5-6 until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(3) The results of all Method 9 visible emission readings taken during any periods of COMS downtime until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(4) PM CEMS data after April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(5) All ESP parametric monitoring readings.

(b) To document the compliance status with Conditions D.1.3, D.1.10 and D.1.14, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO_2 limits as required in Conditions D.1.3 and D.1.10. The Permittee shall maintain records in accordance with (2) and (3) below during SO_2 CEM system downtime if a backup CEM is not used.

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The Permittee shall maintain the following records:

(1) All SO_2 continuous emissions monitoring data pursuant to 326 IAC 3-5-6.

(2) All scrubber parametric monitoring readings taken during any periods of CEMS downtime, in accordance with Condition D.1.14.

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

(c) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

D.1.16 Reporting Requirements

(a) Pursuant to 326 IAC 3-5-7, a quarterly report of opacity exceedances and a quarterly summary of the information to document compliance with Condition D.1.8 shall be submitted not later than thirty (30) days following the end of each calendar quarter until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(b) Pursuant to 326 IAC 3-5-7, a quarterly report of SO_2 exceedances shall be submitted not later than thirty (30) days following the end of each calendar quarter. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(c) Pursuant to 326 IAC 3-5-5(e), a quarterly report of the continuous emissions monitoring system performance audits shall be submitted not later than thirty (30) days following the end of each calendar quarter. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(d) Pursuant to 326 IAC 3-5-7(5), a quarterly report of the continuous monitoring system instrument downtime shall be submitted not later than thirty (30) days following the end of each calendar quarter. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(e) After April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later), Permittee shall report any PM exceedances as part of its regular deviation reports.

SECTION D.2 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

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

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

D.2.1 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-2-3]

The Particulate Matter emissions from Boiler #2 shall be limited to 0.227 lbs/MMBtu. Compliance with this limit satisfies the requirements of 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating). This limit is based on the historic particulate matter emissions limit established under 326 IAC 6-2-3.

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

(a) Pursuant to 326 IAC 5-1-3(e) (Temporary Alternative Opacity Limitations), the following applies:

(1) When building a new fire in Boiler No. 2, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed three (3) hours (30 six minute-averaged periods) or until the flue gas temperature entering the electrostatic precipitator (ESP) reaches 250 degrees Fahrenheit, whichever occurs first.

(2) When shutting down a boiler, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed three (3) hours (30 six minute-averaged periods) or until the flue gas temperature entering the electrostatic precipitator (ESP) has dropped below 250 degrees Fahrenheit, whichever occurs first.

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

(b) Firing a boiler as part of the chemical cleaning operations of the boiler and its associated tubes is considered a “startup condition” pursuant to 326 IAC 1-2-76 and subject to the exemptions as set forth in D.2.2(a).

(c) 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 periods in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period.

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(d) Permittee is also allowed one start up and one shut down per calendar year as follows:

(i) 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 a total of seven (7) hours (seventy (70) six (6)-minute averaging periods, consecutive or non-consecutive) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit, whichever occurs first.

(ii) 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 a total of five (5) hours (fifty (50) six (6)-minute averaging periods, consecutive or non-consecutive).

(e) Condition D.2.2 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.2.3 Sulfur Dioxide (SO_2) [326 IAC 7-4-8] [326 IAC 7-2-1]

Pursuant to 326 IAC 7-4-8 (Vermillion County Sulfur Dioxide Emission Limitations), the SO_2 emissions from Boiler No. 2 shall not exceed 4.40 pounds per million Btu (lbs/MMBtu), demonstrated using a thirty (30) day rolling weighted average. This limitation will ensure that SO_2 emissions do not exceed the amount assumed in the modeling analysis performed for the Vermillion County SO_2 SIP limits.

D.2.4 Reserved

D.2.5 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP) is required for this unit and its control device. Section B - Preventive Maintenance Plan contains the Permittee's obligations with regard to the preventive maintenance plan required by this condition.

Compliance Determination Requirements

D.2.6 Reserved

D.2.7 Operation of Electrostatic Precipitator and Flue Gas Desulfurization (FGD) [326 IAC 2-7-6(6)]

(a) Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that Boiler No. 2 is in operation and combusting solid fuel or any combination of solid fuels or other fuels.

(b) Except as otherwise provided by statute or rule or in this permit, the flue gas desulfurization (FGD) system shall be operated as needed to maintain compliance with applicable SO_2 emission limits.

D.2.8 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)] [40 CFR 64]

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment. For a boiler, the COMS shall be in operation at all times that the induced draft fan is in operation.

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

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

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

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

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

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

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

(e) Pursuant to 326 IAC 3-5-1(c), in lieu of the requirement to monitor opacity with a COMS in accordance with 326 IAC 3-5-1 and 326 IAC 3-5-2, the Permittee shall comply with the following:

(1) Until April 16, 2016 or when the PM CEMS for monitoring PM from the scrubber stack exhaust of Boiler No. 2 is installed, certified, and operating to measure PM pursuant to this permit (whichever is later), the continuous opacity monitoring system for Boiler No. 2 shall be calibrated, maintained, and operated for measuring opacity, which meets the performance specification of 326 IAC 3-5-2.

(2) After the installation and certification of the PM CEMS to monitor particulate matter from the scrubbed stack exhaust of Boiler No. 2 for compliance purposes or April 16, 2016 (whichever is later), compliance with PM limitations in Condition D.2.1 and opacity requirements will be demonstrated using a certified PM CEMS installed and certified in accordance with US EPA Performance Specification 11 (PS-11) and operated in accordance with Procedure 2 of Appendix F to 40 CFR 60. Upon PM CEMS operation as referenced above, all requirements to operate COMS at Boiler No. 2, including those set forth in Condition D.2.8(a)-(d), shall cease.

(3) Upon successful completion of the certification of the PM CEMS, the Permittee shall submit all required certification testing 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

(f) Subsections (a) through (d) of this provision D.2.8 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit on Boiler No. 2 (whichever is later).

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D.2.9 Maintenance of Continuous Emission Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous emission monitoring systems (CEMS) and related equipment as specified in Section D.2

(b) All continuous emission monitoring systems shall meet all applicable performance specifications of 40 CFR 60, 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 calibration, maintenance, or repairs, the following shall be used as an alternative to continuous data collection:

(1) If the CEM is required for monitoring NOx or SO_2 emissions pursuant to 40 CFR 75 (Title IV Acid Rain program) or 326 IAC 24 (SO_2 and NO_x 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 NOx or SO_2 emissions pursuant to 40 CFR 75 or 326 IAC 24 (SO_2 and NOx Trading Program), 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 40 CFR 60, Subpart GG 326 IAC 3-5, 40 CFR 60 or 40 CFR 75.

D.2.10 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 2-7-5(A)] [326 IAC 2-7-6] [326 IAC 7-2]

(a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions from Unit 2 do not exceed the equivalents of the limits specified in Conditions D.2.3 (Sulfur Dioxide (SO_2)) using a thirty (30) day rolling weighted average.

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

(1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or

(2) 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.

(c) If using CEMS, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 shall be used as the means for determining compliance with the emission limitations in 326 IAC 7.

D.2.11 Particulate Matter (PM) Continuous Emission Monitoring System [326 IAC 3-5] [326 IAC 2-7-5(3)(A)(iii)]

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The Permittee shall install, certify, maintain, and operate a CEMS measuring PM emissions discharged from Boiler No. 3 scrubbed stack to the atmosphere and record the output of the system as specified in paragraphs (a) through (d):

(a) The PM CEMS shall be installed, certified, operated, and maintained pursuant to 40 CFR Part 60, Appendix B, Performance Specification #11 and 40 CFR 60.13(e).

(b) Compliance with the applicable particulate emission limitation in Condition D.2.1 shall be determined based on the 24-hour daily (block) average of the hourly arithmetic average emissions concentrations using the continuous monitoring system outlet data.

(c) For purposes of demonstrating compliance with the particulate emission limitation in Condition D.2.1, the Permittee shall adjust to 5% any measured carbon dioxide (CO_2) values that are below 5%.

(d) Whenever this PM CEMS is malfunctioning or down for repair or adjustments for 24 hours or more, and a backup CEMS is not brought on-line, the following shall be used to provide information related to particulate emissions:

(1) The ability of the FGD to control particulate matter emissions shall be monitored once per day when Boiler No. 2 is in operation by measuring and recording the following:

(a) Number of recycle pumps in service; and

(b) Absorber pH.

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

D.2.12 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 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 ninety percent (90%). T-R set failure resulting in less than ninety percent (90%) availability is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

ESP Parameters

	Unit 2 ESP
Primary Voltage	215 – 450 V
Secondary Voltage	30 – 175 kV
T-R Set Secondary Current	200 – 1200 mA

(c) Condition D.2.12 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.2.13 Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Appropriate response steps shall be taken in accordance with Section C - Response to Excursions or Exceedances whenever the opacity exceeds twenty-five percent (25%) for three (3) consecutive six (6) minute averaging periods. In the event of opacity exceeding twenty-five percent (25%), response steps will be taken such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty-five percent (25%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.

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(b) Opacity readings in excess of twenty-five percent (25%) 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 Excursions or Exceedances, shall be considered a deviation from this permit.

(c) The requirements of (a) and (b), do not apply to Boiler No. 2 during startup and shutdown of Boiler No. 2 and do not apply when Boiler No. 2 is being controlled by the flue gas desulfurization (FGD) system.

(d) This provision D.2.13 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.2.14 SO_2 Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the SO_2 continuous emission monitoring system (CEMS) is malfunctioning or down for repairs or adjustments for twenty-four (24) hours or more, the Permittee shall monitor and record the boiler load, recirculation pH, slurry feed rate, and number of recirculation pumps in service, to demonstrate that the operation of the scrubber continues in a manner typical for the boiler load and sulfur content of the coal fired. Scrubber parametric monitoring readings shall be recorded at least twice per day until the primary CEMS or a backup CEMS is brought online.

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

D.2.15 Record Keeping Requirements

(a) To document the compliance status with Section C - Opacity and Conditions D.2.1, D.2.2, D.2.9, D.2.12 and D.2.13, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.2.1 and D.2.2.

(1) Data and results from the most recent stack test until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5-6 until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(3) The results of Method 9 visible emission readings taken during any periods of COMS downtime until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(4) PM CEMS data after April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(5) All ESP parametric monitoring readings.

(b) To document the compliance status with Conditions D.2.3, D.2.10 and D.2.14, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO_2 limits as required in Conditions D.2.3 and D.2.10. The Permittee shall maintain records in accordance with (2) and (3) below during SO_2 CEM system downtime if a backup CEM is not used.

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(1) All SO_2 continuous emissions monitoring data pursuant to 326 IAC 3-5-6.

(2) All scrubber parametric monitoring readings taken during any periods of CEMS downtime, in accordance with Condition D.2.14.

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

(c) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

D.2.16 Reporting Requirements

(a) Pursuant to 326 IAC 3-5-7, a quarterly report of opacity exceedances shall be submitted not later than thirty (30) days following the end of each calendar quarter until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(b) Pursuant to 326 IAC 3-5-7, a quarterly report of SO_2 exceedances shall be submitted not later than thirty (30) days following the end of each calendar quarter. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(c) Pursuant to 326 IAC 3-5-5(e), a quarterly report of the continuous emissions monitoring system performance audits shall be submitted not later than thirty (30) days following the end of each calendar quarter. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(d) Pursuant to 326 IAC 3-5-7(5), a quarterly report of the continuous monitoring system instrument downtime shall be submitted not later than thirty (30) days following the end of each calendar quarter. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(e) After April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later), Permittee shall report any PM exceedances as part of its regular deviation reports.

SECTION D.3 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

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(c) One (1) no. 2 fuel oil-fired generator, identified as Unit No. 3A, installed in 1972, with a nominal heat input capacity of 30 million Btu per hour (MMBtu/hr), exhausting to stack 3A.

(d) One (1) no. 2 fuel oil-fired generator, identified as Unit No. 3B, installed in 1972, with a nominal heat input capacity of 30 million Btu per hour (MMBtu/hr), exhausting to stack 3B.

(e) One (1) no. 2 fuel oil-fired generator, identified as Unit No. 3C, installed in 1972, with a nominal heat input capacity of 30 million Btu per hour (MMBtu/hr), exhausting to stack 3C.

(f) One (1) no. 2 fuel oil-fired generator, identified as Unit No. 3D, installed in 1972, with a nominal heat input capacity of 30 million Btu per hour (MMBtu/hr), exhausting to stack 3D.

(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.3.1 Sulfur Dioxide (SO_2) [326 IAC 7-1.1-1]

Pursuant to 326 IAC 7-1.1 (SO_2 Emissions Limitations), the SO_2 emissions from each generator shall not exceed five-tenths (0.5) pound per million Btu heat input.

D.3.2 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP) is required for this unit and its control device. Section B - Preventive Maintenance Plan contains the Permittee's obligations with regard to the preventive maintenance plan required by this condition.

Compliance Determination Requirements

D.3.3 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-1.1-2]

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

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

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

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

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

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

(C) As an alternate to (A) and (B) above, samples may be collected prior to combustion (as burned) on each day fuel is combusted.

(c) 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)]

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

D.3.4 Visible Emissions Notations

(a) Visible emission (VE) notations of the generators' stack exhausts shall be performed once per day during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

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

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

(e) If abnormal emissions are observed at any generators' exhaust, the Permittee shall take reasonable response steps. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps, shall be considered a deviation from this permit. Section C – Response to Excursions or Exceedances contains the Permittee's obligations with regard to responding to the reasonable response steps required by this condition.

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

D.3.5 Record Keeping Requirements

(a) To document the compliance status with Condition D.3.1, the Permittee shall maintain records in accordance with (1) through (6) below.

(1) Calendar dates covered in the compliance determination period;

(2) Actual fuel oil usage since last compliance determination period and equivalent sulfur dioxide emissions;

(3) A certification, signed by the owner or operator, that the records of the fuel supplier certifications, or the records of fuel sampling and analysis, represent all of the fuel combusted during the period; and

If the fuel supplier certification is used to demonstrate compliance the following, as a minimum, shall be maintained:

(4) Fuel supplier certifications;

(5) The name of the fuel supplier; and

(6) A statement from the fuel supplier that certifies the sulfur content of the fuel oil.

The Permittee shall retain records of all recording/monitoring data and support information for a period of five (5) years, or longer if specified elsewhere in this permit, from the date of the monitoring sample, measurement, or report. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit.

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(b) To document the compliance status with Condition D.3.4, the Permittee shall maintain records of visible emission notations of the generators' stack exhausts. The Permittee shall include in its daily record when a visible emission notation is not taken and the reason for the lack of visible emission notation (e.g. the unit did not operate that day).

(c) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

SECTION D.4 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

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(g) A dual conveyor coal processing system, with a nominal throughput of 1900 tons of coal per hour (950 tons of coal per hour each side), consisting of the following equipment:

(1) One (1) railcar unloading station, with a drop point to two (2) hoppers identified as DP-1, with the drop point enclosed with emissions uncontrolled, and exhausting to the ambient air.

(2) One (1) storage area, having a nominal storage capacity including the active piles of 982,800 tons, with fugitive emissions controlled as needed by a watering truck.

(3) One (1) enclosed hopper, with a drop point to a conveyor identified as DP-2, with the drop point enclosed with emissions controlled by a water spray dust suppression system as needed, and exhausting to the ambient air.

(4) One (1) enclosed hopper and two (2) reclaim feeders, with an underground drop points identified as DP-11 and DP-12, with emissions controlled by the underground enclosure, and routed to the conveyor system.

(5) An enclosed dual conveyor system, with 6 drop points identified as DP-3 through DP-6, DP-8, and DP-13, with each drop point enclosed with emissions controlled by the enclosure. Drop points DP-3 through DP-5, DP-8, and DP-13 are controlled as needed by a water spray dust suppression system, and DP-6 is controlled by rotoclones.

(6) An enclosed conveyor system with drop point identified as DP-9, controlled by a telescoping chute.

(7) Coal bunker and coal scale exhausts and associated dust collector vents.

(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.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, coal scale exhausts, and coal bunkers shall not exceed 86.19 pounds per hour when operating at a process weight rate of 1900 tons per hour. This is determined by the following equation:

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

$E = 55.0\ P^{0.11} - 40$ where E = rate of emission in pounds per hour and
P = 950 (process weight rate in tons per hour)

When the process weight exceeds two hundred (200) tons/hour, the maximum allowable emission may exceed 86.19 pounds per hour, provided the concentration of particulate matter in the discharge gases to the atmosphere is less than 0.10 pounds per one thousand (1,000) pounds of gases.

D.4.2 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP) is required for this unit and its control device. Section B - Preventive Maintenance Plan contains the Permittee's obligations with regard to the preventive maintenance plan required by this condition.

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Compliance Determination Requirements

D.4.3 Particulate Control [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, in order to comply with Section C - Opacity and Condition D.4.1, the dust collectors shall be in operation at all times the coal bunker and coal scales are in operation.

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

D.4.4 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of the coal unloading station, coal bunker, coal scale exhausts and associated dust collector vents exhausts 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) 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 emissions are observed from the coal unloading station, coal bunker, coal scale exhausts and associated dust collector vents exhausts, the Permittee shall take reasonable response steps. Observation of abnormal emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps, shall be considered a violation of this permit. Section C – Response to Excursions or Exceedances contains the Permittee's obligations with regard to responding to the reasonable response steps required by this condition.

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

D.4.5 Record Keeping Requirements

(a) To document the compliance status with Section C - Opacity, Section C -Fugitive Dust Emissions, and Condition D.4.4, the Permittee shall maintain records of visible emission notations of the coal unloading station, coal bunker, coal scale exhausts and associated dust collector vents exhausts. The Permittee shall include in its records when a visible emission notation is not taken and the reason for the lack of visible emission notation (e.g. the unit did not operate that day).

(b) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

SECTION D.5 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

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(h) One (1) limestone handling and storage system for the flue gas desulfurization system, constructed in 2006, with a maximum throughput rate of 1,000 tons per hour, consisting of the following:

(1) One (1) railcar/truck unloading operation, with a maximum capacity of 1,000 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L1.

(2) Two (2) hoppers, each with a maximum capacity of 500 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L2.

(3) Two (2) belt feeders, identified as LHBF-1 and LHBF-2, each with a maximum capacity of 500 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L2.

(4) One (1) conveyor, identified as LH-1, controlled by a telescopic chute, and exhausting to emission point EP-L3. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

(5) One (1) active limestone stockout pile, with a maximum capacity of 7,700 tons.

(6) One (1) inactive limestone storage pile, with a maximum capacity of 45,000 tons.

(7) Two (2) reclaim hoppers, each with a maximum capacity of 200 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L4.

(8) Two (2) belt feeders, identified as LHBF-3 and LHBF-4, each with a maximum capacity of 200 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L4.

(9) One (1) conveyor, identified as LH-2, with a maximum capacity of 400 tons per hour, controlled by fog dust suppression. The emissions exhaust out the general building vents, identified as emission point EP-L18a and EP-L18b. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

(10) One (1) reversible conveyor, identified as LH-3, with a maximum capacity of 400 tons per hour, controlled by fog dust suppression. The emissions exhaust out the general building vents, identified as emission points EP-L18a and EP-L18b. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

(11) Two (2) day bins, each with a maximum throughput rate of 400 tons per hour. Each bin is equipped with a Baghouse to control particulate emissions. Baghouses BH-L1 and BH-L2 exhaust to EP-L16 and EP-L17, respectively. Under NSPS, Subpart OOO, these units considered storage bins.

(12) Two (2) wet ball mills, each with a maximum capacity of 51 tons of limestone slurry per hour. Under NSPS, Subpart OOO, these units are considered grinding mills.

(i) One (1) gypsum handling and storage system, constructed in 2006, consisting of the following:

(1) One (1) wet gypsum conveying system, with a maximum throughput rate of 150 tons per hour.

(2) Two (2) gypsum stock out piles. Gypsum can be stocked out to an outside pile or a pile located in the gypsum stock out building. The maximum gypsum storage capacity is 10,400 tons.

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(3) One (1) emergency gypsum stockout pile, with a maximum capacity of 2,600 tons.

(4) One (1) dry gypsum transferring operation, transferring gypsum to landfills by trucks on paved roads.

(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 Prevention of Significant Deterioration (PSD) Minor Limits [326 IAC 2-2]

In order to render the requirements of 326 IAC 2-2 (PSD) not applicable, the Permittee shall comply with the following:

(a) The total limestone received shall not exceed 509,000 tons per twelve (12) consecutive month period with compliance determined at the end of each month.

(b) The PM/PM_{10} emissions from the lime handling operations shall not exceed the emission limits listed in the table below:

Emission Point	Unit Description	PM Emission Limit (lbs/ton)	PM_{10} Emission Limit (lbs/ton)
EP-L1	Railcar/Truck Unloading	2.50E-05	2.50E-05
EP-L2	Hoppers	7.50E-04	2.75E-04
EP-L2	Belt Feeders	7.50E-04	2.75E-04
EP-L3	Conveyor LH-1	1.50E-03	5.50E-04
EP-L4	Reclaim Hoppers	7.50E-04	2.75E-04
EP-L4	Belt Feeders	7.50E-04	2.75E-04
EP-L18abc	Conveyor LH-2	7.50E-04	2.75E-04
EP-L18abc	Conveyor LH-3	7.50E-04	2.75E-04
EP-L16	Day Bin Unit 1	3.00E-03	1.10E-03
EP-L17	Day Bin Unit 2	3.00E-03	1.10E-03

(c) The emissions from the following units of the limestone handling system shall be controlled by the control method specified in the table below:

Emission Point	Unit	Control Method
EP-L1	Railcar/Truck Unloading Operation	Fog Dust Suppression
EP-L2	Hoppers Belt Feeders LHBF-1 and LHBF-2	Fog Dust Suppression
EP-L3	Conveyor LH-1	Telescoping Chute
EP-L4	Reclaim Hoppers Belt Feeders LHBF-3 and LHBF-4	Fog Dust Suppression
EP-L18a, b, c	Conveyors LH-2 and LH-3	Fog Dust Suppression

(d) The total gypsum processed shall not exceed 900,528 tons per twelve (12) consecutive month period with compliance determined at the end of each month.

(e) The PM/PM_{10} emissions from the gypsum conveying system shall not exceed the emission limits listed in the table below:

Unit Description	PM Emission Limit (lbs/ton)	PM_{10} Emission Limit (lbs/ton)
Gypsum Conveying System	0.00014	0.000046

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(f) The limestone and gypsum stockpiles shall be controlled by wet suppression. The suppressant shall be applied in a manner and at a frequency sufficient to ensure compliance with 326 IAC 2-2.

Compliance with these limits will limit the potential to emit of PM and PM_{10} from the limestone handling and the gypsum handling systems to less than 25 tons per year for PM and less than 15 tons per year for PM_{10}, and render the requirements of 326 IAC 2-2 (PSD) not applicable to these units.

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

(a) Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), particulate emissions from the following emission units at the limestone handling and storage system, and the gypsum conveying system shall not exceed the emission limits listed in the table below while operating at the maximum throughput rate:

Unit Description	Max. Throughput Rate (tons/hr)	Particulate Emission Limit (lbs/hr)
Railcar/Truck Unloading Operation	1,000	77.6
Each of the Hoppers	500	69.0
Each of the Belt Feeders (LHBF-1 and LHBF-2)	500	69.0
Each of the Reclaim Hoppers	200	58.5
Each of the Belt Feeders (LHBF-3 and LHBF-4)	200	58.5
Gypsum Conveying System	150	55.4

The limitations for these facilities were calculated using the following equations.

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

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

(b) Pursuant to 326 IAC 6-3-2(e)(3), when the process weight exceeds 200 tons per hour, the maximum allowable emission may exceed that shown in this table, provided the concentration of particulate matter in the gas discharged to the atmosphere is less than 0.10 pounds per 1,000 pounds of gases.

D.5.3 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP) is required for this unit and its control device. Section B - Preventive Maintenance Plan contains the Permittee's obligations with regard to the preventive maintenance plan required by this condition.

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

D.5.4 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of the stack exhausts from the conveyors (EP-L3, EP-L18a through c) of the limestone handling and storage system shall be performed once per week during normal daylight operations when transferring limestone. A trained employee shall record whether emissions are normal or abnormal.

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(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. Failure to take response steps, shall be considered a deviation of this permit. Section C – Response to Excursions or Exceedances contains the Permittee's obligations with regard to responding to the reasonable response steps required by this condition.

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

D.5.5 Record Keeping Requirements

(a) To document the compliance status with Condition D.5.1(a), the Permittee shall maintain monthly records of the weight of limestone processed.

(b) To document the compliance status with Condition D.5.1(d), the Permittee shall maintain monthly records of the weight of gypsum processed.

(c) To document the compliance status with Condition D.5.4 Visible Emissions Notations, the Permittee shall maintain records of the the weekly visible emission notations of the transfer points, railcar unloading stations and all response steps taken and the outcome for each. The Permittee shall include in its records when a visible emission notation is not taken and the reason for the lack of visible emission notation (e.g., the process did not operate that day).

(d) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

D.5.6 Reporting Requirements

A quarterly summary of the information to document compliance with Conditions D.5.1(a) and D.5.1(d) shall be submitted, using the reporting forms located at the end of this permit, or their equivalent, not later than thirty (3) days following the end of each calendar quarter. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

SECTION D.6 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(j) Auxiliary Boiler, identified as emission unit Aux, with a maximum heat input capacity of 72.76 MMBtu/hr fired with distillate oil and exhausting out one stack identified as stack Aux-1. The Auxiliary boiler was constructed before 1968.

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(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.6.1 Sulfur Dioxide (SO_2) [326 IAC 7-1.1-1] [326 IAC 7-2-1]

Pursuant to 326 IAC 7-1.1 (SO_2 Emissions Limitations) the SO_2 emissions from the Auxiliary Boiler shall not exceed five tenths (0.5) pounds per MMBtu heat input when combusting distillate oil.

D.6.2 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-2-3]

Pursuant to 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating: Emission limitations for facilities specified in 326 IAC 6-2-1(c), the PM emissions from the Auxiliary Boiler stack shall not exceed 0.233 pound per million Btu heat input (lbs/MMBtu).

D.6.3 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP) is required for this unit and its control device. Section B - Preventive Maintenance Plan contains the Permittee's obligations with regard to the preventive maintenance plan required by this condition.

Compliance Determination Requirements

D.6.4 Sulfur Dioxide Emissions and Sulfur Content

Compliance shall be determined utilizing one of the following options.

(a) Pursuant to 326 IAC 3-7-4, the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed five-tenths (0.5) pounds per million Btu heat input by:

(1) Providing vendor analysis of fuel delivered, if accompanied by a vendor certification; or

(2) Analyzing the oil sample to determine the sulfur content of the oil via the procedures in 40 CFR 60, Appendix A, Method 19.

(A) Oil samples may be collected from the fuel tank immediately after the fuel tank is filled and before any oil is combusted; and

(B) If a partially empty fuel tank is refilled, a new sample and analysis would be required upon filling.

(b) Compliance may also be determined by conducting a stack test for sulfur dioxide emissions from the Auxiliary Boiler, using 40 CFR 60, Appendix A, Method 6 in accordance with the procedures in 326 IAC 3-6.

(c) As an alternate to (A) and (B) above, samples may be collected prior to combustion (as burned) on each day fuel is combusted.

A determination of noncompliance pursuant to any of the methods specified in (a) or (b) above shall not be refuted by evidence of compliance pursuant to the other method.

Compliance Monitoring Requirements [326 IAC 2-8-4][326 IAC 2-8-5(a)(1)]

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D.6.5 Visible Emissions Notations

(a) Visible emission notations of the Auxiliary Boiler stack exhaust (Aux-1) shall be performed once per day during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

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

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

(e) If abnormal emissions are observed, the Permittee shall take reasonable response steps. Failure to take response steps, shall be considered a deviation from this permit. Section C – Response to Excursions or Exceedances contains the Permittee's obligations with regard to responding to the reasonable response steps required by this condition.

Record Keeping and Reporting Requirements [326 IAC 2-8-4(3)]

D.6.6 Record Keeping Requirement

(a) To document the compliance status with Conditions D.6.1, the Permittee shall maintain records in accordance with (1) through (3) below.

(1) Calendar dates covered in the compliance determination period;

(2) Actual fuel usage of each fuel used since last compliance determination period;

(3) If the fuel supplier certification is used to demonstrate compliance the following, as a minimum, shall be maintained:

(i) Fuel supplier certifications.

(ii) The name of the fuel supplier; and

(iii) A statement from the fuel supplier that certifies the sulfur content of the fuel oil.

(b) To document the compliance status with Condition D.6.5, the Permittee shall maintain records of visible emission notations of the boiler stack (Aux-1) exhaust. The Permittee shall include in its records when a visible emission notation is not taken and the reason for the lack of visible emission notation, (e.g. the process did not operate that day).

(c) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

SECTION D.7 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

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(k) One (1) Arsenic Mitigation System consisting of (1) 700 ton Limestone Storage Silo and (1) 300 ton Limestone Surge Bin, scheduled to be installed by 2015. Limestone is pneumatically conveyed from delivery trucks to the Limestone Storage Silo and from the Limestone Storage Silo to the Limestone Surge Bin. Limestone in the Surge Bin is dropped on to the C-1 and C-2 coal conveyors. PM emissions generated during pneumatic conveying and transfer points to the C-1 and C-2 conveyor will be controlled by the bin vent filters. The Limestone Storage Silo and Limestone Surge Bin are identified as emissions points EP-01(LS) and EP-02(LS).

(l) Two (2) Dry Sorbent Injection (DSI) Systems, one for each Unit. Each DSI system consists of one (1) Sorbent Storage Silo with a storage capacity of 120 tons, three (3) Silo Weight Feeders to regulate sorbent from the silos and a system to inject the sorbent material into the flue gas, scheduled to be installed by 2015. PM emissions generated during loading operations are controlled by a Bin Vent Filter located on the top of each silo and the weight feeders. The two (2) Sorbent Silos are identified as emission points EP-01(DSI), and EP-03(DSI). The weight feeders are identified as EP-05A(DSI), EP-05B(DSI), EP-06A(DSI) and EP-06B(DSI) with spares EP-05C(DSI) and EP-06C(DSI).

(m) Two (2) Activated Carbon Injection (ACI) Systems, one for each Unit. Each ACI system consists of one (1) storage silo with a 120 ton storage capacity, two (2) Silo Weight Feeders to regulate carbon from the silos and a system for injecting the Activated Carbon into the flue gas, scheduled to be installed by 2015. PM emissions during the silo loading operation are controlled by the bin vent filters located on top of the silos. The two (2) Activated Carbon Storage Silos are identified as emission points EP-01(ACI) and EP-02(ACI). The weight feeders are identified as EP-03A(ACI) and EP-04A(ACI) with spares EP-03B(ACI) and EP-04B(ACI).

(n) Two (2) Dry Ash Handling Systems, one for each Unit. The dry ash handling system consists of a pneumatic conveying system, four (4) baghouse separators, one (1) ash silo with a storage capacity of 3,500 and an ash unloading system, scheduled to be installed by 2015.

(i) Baghouse Separators - Fly ash from the ESP Ash Hoppers, Air Heater Ash Hoppers, Economizer Ash Hoppers and SCR Large Particle Screen Ash Hopper will be pneumatically conveyed to one of four (4) baghouse separators. There will be two (2) baghouse separators for each unit. The dry fly ash is separated from the air stream in a baghouse separator. Each baghouse separator are identified as emissions points EP-01(DFA), EP--02(DFA), EP-03(DFA), and EP-04(DFA). The system is equipped with a spare exhauster identified as emissions point EP-05(DFA).

(ii) Ash Silos - Fly ash collected in the baghouse separators is dropped into a feeder and pneumatically conveyed to the ash silo. The ash silo is equipped with a bin vent filter to control particulate matter emissions from pneumatic conveying. The Ash Silo is identified as emission point EP-06(DFA).

(iii) Ash Unloading Operation - Fly ash collected in the silos can be unloaded into trucks or pneumatically conveyed to the ash fixation process. Fly ash unloaded into trucks can be unloaded dry or wet. Fly ash unloaded dry is gravity feed to a chute and unloaded into enclosed trucks. The emissions generated from unloading the ash dry are vented back to the silo and controlled by the silo bin vent filter. Ash unloaded wet is feed into a pin mixer where the ash is mixed with water and unloaded into open trucks

(o) One (1) Ash Fixation Process consisting of a pneumatic conveying system, one (1) lime silo, conveyors, and two (2) pin mixers, scheduled to be installed by 2015.

(i) Lime Silo – Lime will be delivered by truck and will pneumatically loaded into the silo. The storage capacity of the silo is 300 tons. The emissions generated by the pneumatic conveying will be controlled by a bin vent filter located on top of the lime silo. The Lime Silo is identified as emissions point EP-02(FIX).

(ii) Conveyor and Transfer Points – Fly ash, Lime and Gypsum will be conveyed to one of two (2) pin mixers where this material will be mixed with water to make the fixated ash. The fixated ash will be unloaded to a storage pile, and then loaded into trucks using front end loaders.

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

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

D.7.1 Prevention of Significant Deterioaration (PSD) Minor Limits [326 IAC 2-2]

The Permittee shall comply with the following:

(a) Fly ash unloaded from the fly ash silo shall either be unloaded wet into open trucks with the ash having a moisture content of not less than 15% or unloaded dry into enclosed trucks using the telescoping chute to vent emissions back to the fly ash silo bin vent filter.

(b) The PM, PM_{10} and $PM_{2.5}$ emissions from the Activity on Storage Pile shall be controlled by maintaining the average moisture content of the fixated ash not less than 15% moisture content and applying water to the pile as need to prevent dusting.

(c) The PM, PM_{10} and $PM_{2.5}$ emissions from the limestone, dry sorbent, activated carbon, dry ash and ash fixation systems shall not exceed the emission limits listed in the table below:

Emission Point	Unit Description	PM Emission Limit (lbs/hr)	PM10 Emission Limit (lbs/hr)	PM2.5 Emission Limit (lbs/hr)
EP-01(LS)	Limestone Silo	0.094	0.094	0.094
EP-02(LS)	Limestone Surge Bin	0.097	0.097	0.097
EP-01(DSI)	Unit 1DSI Silo #1	0.043	0.043	0.043
EP-03(DSI)	Unit 2 DSI Silo #1	0.043	0.043	0.043
EP-05A(DSI)	Sorbent Silo Weight Feeders	0.0086	0.0086	0.0086
EP-05B(DSI)	Sorbent Silo Weight Feeders			
EP-06A(DSI)	Sorbent Silo Weight Feeders	0.0086	0.0086	0.0086
EP-06B(DSI)	Sorbent Silo Weight Feeders			
EP-01(ACI)	Unit 1 ACI Silo	0.043	0.043	0.043
EP-02(ACI)	Unit 2 ACI Silo	0.043	0.043	0.043
EP-03A(ACI)	Carbon Silo Weight Feeders	0.0086	0.0086	0.0086
EP-04A(ACI)	Carbon Silo Weight Feeders	0.0086	0.0086	0.0086
EP-01(DFA)	Baghouse Separator 1A Exhauster	0.21	0.21	0.21
EP-02(DFA)	Baghouse Separator 1B Exhauster	0.21	0.21	0.21
EP-03(DFA)	Baghouse Separator 2A Exhauster	0.21	0.21	0.21

Emission Point	Unit Description	PM Emission Limit (lbs/hr)	PM10 Emission Limit (lbs/hr)	PM2.5 Emission Limit (lbs/hr)
EP-04(DFA)	Baghouse Separator 2B Exhauster	0.21	0.21	0.21
EP-05(DFA)	Spare Baghouse Separator Exhauster	0.21	0.21	0.21
EP-06(DFA)	Ash Silo #1	0.21	0.21	0.21
EP-02(FIX)	Lime Silo	0.103	0.103	0.103

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Compliance with these limits in conjunction with the potential fugitive emissions from vehicular traffic, will ensure that the PM emissions are less than 25 tons per year, PM_{10} emissions are less than 15 tons per year and $PM_{2.5}$ emissions are less than 10 tons per year, and render the requirements of 326 IAC 2-2 (PSD) not applicable to the 2013 modification.

D.7.2 Particulate Emission Limitations for Manufacturing Processes [326 IAC 6-3-2]

(a) Pursuant to 326 IAC 6-3-2, the allowable particulate matter (PM) from the (2) Sorbent Silos, (1) Lime Silo (1) Limestone Silo and (2) Activated Carbon Silos shall not exceed 30.5 pounds per hour each when operating at a process weight rate of 20 tons per hour. The pound per hour limitation was calculated with the following equation:

$E = 4.1 P^{0.67}$

Where: E = rate of emission in pounds per hour and
P = process weight rate in tons per hour

(b) Pursuant to 326 IAC 6-3-2, the particulate matter (PM) from the (1) Limestone Surge Bin shall not exceed 40.0 pounds per hour when operating at a process weight rate of 30 tons per hour each. The pound per hour limitation was calculated with the following equation:

$E = 4.1 P^{0.67}$

Where: E = rate of emission in pounds per hour and
P = process weight rate in tons per hour

(c) Pursuant to 326 IAC 6-3-2, the particulate matter (PM) from (5) exhausters shall not exceed 45.4 pounds per hour each when operating at a process weight rate of 54.4 tons per hour. The pound per hour limitation was calculated with the following equation:

$E = 55.0 P^{0.11} - 40$

Where: E = rate of emission in pounds per hour and
P = process weight rate in tons per hour

(d) Pursuant to 326 IAC 6-3-2, the particulate matter (PM) from **the** ash silo shall not exceed 47.8 pounds per hour when operating at a process weight rate of 70 tons per hour. The pound per hour limitation was calculated with the following equation:

$E = 55.0 P^{0.11} - 40$

Where: E = rate of emission in pounds per hour and
P = process weight rate in tons per hour

D.7.3 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP) is required for this unit and its control device. Section B - Preventive Maintenance Plan contains the Permittee's obligations with regard to the preventive maintenance plan required by this condition.

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Compliance Determination Requirements

D.7.4 Particulate Control [326 IAC 2-7-6(6)]

(a) In order to ensure compliance with the particulate matter emissions limits specified in conditions D.7.1(c) and D.7.2 the filter separators, and silo bin vent filters shall in operation and controlling emissions whenever the equipment is in operation and venting to the control device.

(b) In order to ensure compliance with Condition D.7.1(a), the Permittee shall wet the ash when unloading into open trucks. If the weather conditions preclude the use of water, the Permittee shall use additional wet suppression. The Permittee shall perform moisture content analysis, weekly on the ash to ensure it has a moisture content of not less than 15%. Additional wetting of the ash should be applied if visible emissions are observed during the loading process.

D.7.5 Testing Requirements [326 IAC 2-7-6(1),(6)][326 IAC 2-1.1-11]

Within 180 days after the initial startup of the pneumatic fly ash transfer system, In order to determine compliance with Condition D.7.1(c), the Permittee shall perform PM, PM_{10} and $PM_{2.5}$ testing two (2) of the five (5) separator/exhausters, identified as emissions point EP-01 (DFA), EP-02 (DFA), EP-03 (DFA), EP-04 (DFA) and EP-05 (DFA), using methods as approved by the Commissioner. This testing shall be at least once every 5 years from the date of the last valid compliance demonstration. The separator/exhauster tested shall be the unit in which the longest amount of time has elapsed since its previous test. Testing shall be conducted in accordance with the provisions of 326 IAC 3-6 (Source Sampling Procedures). Section C - Performance Testing contains the Permittee's obligations with regard to the performance testing required by this condition.

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

D.7.6 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)] [40 CFR 64]

(a) Visible emission notations of the stack exhausts for the (1) Limestone Silo (1) Limestone Surge Bin, (2) ACI Silos, (2) DSI Silos, and (1) Lime Silo shall be performed once per week during normal daylight operations when the equipment is in operation. A trained employee shall record whether emissions are normal or abnormal.

(b) Visible emission notations of the stack for the (4) baghouse separator exhausters, and one (1) ash silo shall be performed once per day during normal daylight operations when the equipment is in operation. A trained employee shall record whether emissions are normal or abnormal.

(c) Visible emission notations of the fixated material storage pile shall be performed once per week during normal daylight operations when the equipment 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, not counting startup or shut down time.

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

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

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(h) If abnormal emissions are observed, the Permittee shall take reasonable response steps. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps shall be considered a deviation from this permit. Section C – Response to Excursions or Exceedances contains the Permittee's obligations with regard to responding to the reasonable response steps required by this condition.

D.7.7 Parametric Monitoring [40 CFR 64]

The Permittee shall record the pressure drop across each baghouse filter separator used in conjunction with the dry ash handling system, at least once per day when the dry ash handling system is exhausting to the atmosphere. When, for any one reading, the pressure drop across the baghouse is outside of the normal range, the Permittee shall take a reasonable response. The normal range for this unit is a pressure drop between 1.0 and 6.0 inches of water unless a different upper-bound or lower-bound value for this range is determined during the latest stack test. Section C - Response to Excursions or Exceedances contains the Permittee's obligation with regard to the reasonable response steps required by this condition. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps shall be considered deviation from the permit.

The instrument used for determining the pressure shall comply with Section C - Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and shall be calibrated as specified by the manufacturer.

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

D.7.8 Record Keeping Requirements

(a) To document the compliance status with Condition D.7.6(a) - Visible Emission Notation, the Permittee shall maintain weekly records of the visible emission notations of the stack exhausts for the (1) Limestone Silo, (1) Limestone Surge Bin, (2) ACI Silos, (2) DSI Silos and (1) Lime Silo. 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) To document the compliance status with Condition D.7.6(b) - Visible Emission Notation, the Permittee shall maintain daily records of the visible emission notations of the stack exhaust for (5) Baghouse Filter Separators Exhausters, and Ash Silos when in operation. 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).

(c) To document the compliance status with Condition D.7.6(c) - Visible Emission Notation, the Permittee shall maintain weekly records of the visible emission notations of the fixated material storage pile when in operation. 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).

(d) To document the compliance status with Condition D.7.7 - Parametric Monitoring, the Permittee shall maintain the daily records of the pressure drop across the baghouse filter separator. 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).

(e) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

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SECTION D.8 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(a) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6. [326 IAC 8-3-2] [326 IAC 8-3-8]

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(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.8.1 Volatile Organic Compounds (VOC) [326 IAC 8-3-2]

(a) Pursuant to 326 IAC 8-3-2 (Cold Cleaner Degreaser Control Equipment and Operating Requirements), for cold cleaning degreasers without remote solvent reservoirs constructed after July 1, 1990:

(1) Equip the degreaser with a cover.

(2) Equip the degreaser with a device for draining cleaned parts.

(3) Close the degreaser cover whenever parts are not being handled in the degreaser.

(4) Drain cleaned parts for at least fifteen (15) seconds or until dripping ceases.

(5) Provide a permanent, conspicuous label that lists the operating requirements in (a)(3), (a)(4), (a)(6), and (a)(7) of this condition.

(6) Store waste solvent only in closed containers.

(7) Prohibit the disposal or transfer of waste solvent in such a manner that could allow greater than twenty percent (20%) of the waste solvent (by weight) to evaporate into the atmosphere.

(b) The Permittee shall ensure the following additional control equipment and operating requirements are met:

(1) Equip the degreaser with one (1) of the following control devices if the solvent is heated to a temperature of greater than forty-eight and nine-tenths (48.9) degrees Celsius (one hundred twenty (120) degrees Fahrenheit):

(A) A freeboard that attains a freeboard ratio of seventy-five hundredths (0.75) or greater.

(B) A water cover when solvent used is insoluble in, and heavier than, water.

(C) A refrigerated chiller.

(D) Carbon adsorption.

(E) An alternative system of demonstrated equivalent or better control as those outlined in (b)(1)(A) through (D) of this condition that is approved by the department. An alternative system shall be submitted to the U.S. EPA as a SIP revision.

(2) Ensure the degreaser cover is designed so that it can be easily operated with one (1) hand if the solvent is agitated or heated.

(3) If used, solvent spray: DRAFT

(A) must be a solid, fluid stream; and

(B) shall be applied at a pressure that does not cause excessive splashing.

D.8.2 Volatile Organic Compounds (VOC) [326 IAC 8-3-8]

Pursuant to 326 IAC 8-3-8 (Material Requirements for Cold Cleaner Degreasers), on or after January 1, 2015, the Permittee shall not operate a cold cleaner degreaser with a solvent that has a VOC composite partial vapor pressure than exceeds one (1) millimeter of mercury (nineteen-thousandths (0.019) pound per square inch) measured at twenty (20) degrees Celsius (sixty-eight (68) degrees Fahrenheit).

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

D.8.3 Record Keeping Requirements

(a) Pursuant to 326 IAC 8-3-8(c)(2), on or after January 1, 2015, the following records shall be maintained for each purchase of cold cleaner degreaser solvent:
(1) The name and address of the solvent supplier.
(2) The date of purchase (or invoice/bill dates of contract servicer indicating service date).
(3) The type of solvent purchased.
(4) The total volume of the solvent purchased.
(5) The true vapor pressure of the solvent measured in millimeters of mercury at twenty (20) degrees Celsius (sixty-eight (68) degrees Fahrenheit).

(b) Section C - General Record Keeping Requirements of this permit contains the Permittee's obligations with regard to the records required by this condition

SECTION E.1 NSPS AND NESHAP

Emissions Unit Description:

(b) One 156.9 HP (100 kW), CI ICE with a displacement 4.4 liters, Diesel Fired Emergency Generator, Manufactured by Caterpillar Model Year 2007, Model D100-6, constructed in 2007, identified as ENG-1. This generator is located in the switch yard and is operated as backup for the black start diesel aux feed.

(c) One 713 Hp (450 kW), CI ICE with a displacement 15.2 liters, Diesel Fired Emergency Engine, Manufactured by Caterpillar, Model Year 2007, Model C15DITA, constructed in 2007, identified as ENG-2. This engine is use to quench the flue gas if the scrubber should fail.

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

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New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP) Requirements [326 IAC 2-7-5(1)]

E.1.1 General Provisions Relating to New Source Performance Standards (NSPS) [326 IAC 12-1] [40 CFR 60, Subpart A]

(a) Pursuant to 40 CFR 60.1, the Permittee shall comply with the provisions of 40 CFR Part 60, Subpart A – General Provisions, which are incorporated by reference as 326 IAC 12-1, for the above listed emissions units, except as otherwise specified in 40 CFR Part 60, Subpart IIII.

(b) Pursuant to 40 CFR 60.4, the Permittee shall submit all required notifications and reports 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

E.1.2 Standard of Performance for Stationary Compression Ignition Internal Combustion Engines [326 IAC 12] [40 CFR 60, Subpart IIII]

Pursuant to 40 CFR 60 Subpart IIII, the Permittee shall comply with the provisions of 40 CFR 60 Subpart IIII (included as Attachment C to this permit), which are incorporated by reference as 326 IAC 12, for ENG-1 and ENG-2, as specified as follows:

(1) 40 CFR 60.4202
(2) 40 CFR 60.4205(b)
(3) 40 CFR 60.4207(a) & (b)
(4) 40 CFR 60.4209(a)
(5) 40 CFR 60.4211(a),(c) & (e)
(6) 40 CFR 60.4214(b)

E.1.3 General Provisions Relating to National Emission Standards for Hazardous Air Pollutants (NESHAP) under 40 CFR Part 63 [326 IAC 20-1] [40 CFR 63, Subpart A]

(a) Pursuant to 40 CFR 63.6665, the Permittee shall comply with the provisions of 40 CFR Part 63, Subpart A – General Provisions, which are incorporated by reference as 326 IAC 20-1-1, for ENG-2, as specified in 40 CFR Part 63, Subpart ZZZZ, in accordance with the schedule in 40 CFR Part 63, Subpart ZZZZ.

(b) Pursuant to 40 CFR 63.10, the Permittee shall submit all required notifications and reports 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

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E.1.4 Stationary Reciprocating Internal Combustion Engines NESHAP [326 IAC 20-82] [40 CFR 63, Subpart ZZZZ]

Pursuant to 40 CFR Part 63, Subpart ZZZZ, the Permittee shall comply with the provisions of 40 CFR Part 63, Subpart ZZZZ, which are incorporated by reference as 326 IAC 20-82 (included as Attachment D to this permit), for the above listed emissions units, as specified as follows.

(a) ENG-1 is subject to the following portions of Subpart ZZZZ.

(1) 40 CFR 63.6585
(2) 40 CFR 63.6590(a)(2)(ii), (c)(6)
(3) 40 CFR 63.6595(a)(4)
(4) 40 CFR 63.6665
(5) 40 CFR 63.6670
(6) 40 CFR 63.6675

(b) ENG-2 is subject to the following portions of Subpart ZZZZ.

(1) 40 CFR 63.6585
(2) 40 CFR 63.6590(a)(2)(i), (b)(1)(i)
(3) 40 CFR 63.6595(a)(3), (c)
(4) 40 CFR 63.6600(c)
(5) 40 CFR 63.6605(b)
(6) 40 CFR 63.6640(f)
(7) 40 CFR 63.6645(f)
(8) 40 CFR 63.6665
(9) 40 CFR 63.6670
(10) 40 CFR 63.6675

SECTION E.2 NSPS

Emissions Unit Description:

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(i) One (1) limestone handling and storage system for the flue gas desulfurization system, constructed in 2006, with a maximum throughput rate of 1,000 tons per hour, consisting of the following:

(1) One (1) conveyor, identified as LH-1, controlled by a telescopic chute, and exhausting to emission point EP-L3. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

(2) One (1) active limestone stockout pile, with a maximum capacity of 7,700 tons.

(3) One (1) conveyor, identified as LH-2, with a maximum capacity of 400 tons per hour, controlled by fog dust suppression, and exhausting to emission point EP-L18b. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

(4) One (1) reversible conveyor, identified as LH-3, with a maximum capacity of 400 tons per hour, controlled by fog dust suppression, and exhausting to emission points EP-L18a and EP-L18c. Under NSPS, Subpart OOO, this unit is considered a belt conveyor.

(5) Two (2) day bins, each with a maximum throughput rate of 400 tons per hour, and exhausting to EP-L16 and EP-L17, respectively. Under NSPS, Subpart OOO, these units considered storage bins.

(6) Two (2) wet ball mills, each with a maximum capacity of 51 tons of limestone slurry per hour. Under NSPS, Subpart OOO, these units are considered grinding mills.

(7) Two (2) Dry Sorbent Injection (DSI) Systems, one for each Unit. Each DSI system consists of one (1) Sorbent Storage Silo with a storage capacity of 120 tons, three (3) Silo Weight Feeders to regulate sorbent from the silos and a system to inject the sorbent material into the flue gas, scheduled to be installed by 2015. PM emissions generated during loading operations are controlled by a Bin Vent Filter located on the top of each silo and the weight feeders. The two (2) Sorbent Silos are identified as emission points EP-01(DSI), and EP-03(DSI). The weight feeders are identified as EP-05A (DSI), EP-05B(DSI), EP-06A(DSI) and EP-06B(DSI) with spares EP-05C(DSI) and EP-06C(DSI).

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

New Source Performance Standards (NSPS) Requirements [326 IAC 2-7-5(1)]

E.2.1 General Provisions Relating to New Source Performance Standards [326 IAC 12-1] [40 CFR Part 60, Subpart A]

(a) Pursuant to 40 CFR 60.1, the Permittee shall comply with the provisions of 40 CFR Part 60 Subpart A – General Provisions, which are incorporated by reference as 326 IAC 12-1 for the ball mills, conveyors, and storage bins of the limestone handling and storage system, except as otherwise specified in 40 CFR Part 60, Subpart OOO.

(b) Pursuant to 40 CFR 60.4, the Permittee shall submit all required notifications and reports 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

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E.2.2 Standard of Performance for Nonmetallic Mineral Processing Plants Requirements [40 CFR Part 60, Subpart OOO] [326 IAC 12]

Pursuant to 40 CFR Part 60, Subpart OOO, the Permittee shall comply with the provisions of Standard of Performance for Nonmetallic Mineral Processing Plants (included as Attachment B to this permit), which are incorporated by reference as 326 IAC 12, for the ball mills, conveyors, and storage bins of the limestone handling and storage system as specified as follows:

(1) 40 CFR 60.670
(2) 40 CFR 60.671
(3) 40 CFR 60.672
(4) 40 CFR 60.673
(5) 40 CFR 60.674
(6) 40 CFR 60.675
(7) 40 CFR 60.676
(8) Table 1 to Subpart OOO
(9) Table 2 to Subpart OOO
(10) Table 3 to Subpart OOO

SECTION E.3 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

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(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NOX), sulfur dioxide (SO2), particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 1 was configured with a low NOX burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

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

E.3.1. 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).

E.3.2. 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 Units 1 and 2 in compliance with this permit.

E.3.3. Monitoring Requirements [326 IAC 21]

(a) The Permittee and, to the extent applicable, the designated representative of Units 1 and 2 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 and 2 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 and 2 under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

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E.3.4. 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 and 2, 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 and 2; 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 and 2 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)]

E.3.5. Nitrogen Oxides Requirements [326 IAC 21]

The Permittee shall comply with the applicable acid rain emissions limitation of nitrogen oxides (NOx) for Units 1 and 2.

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NOx Emission Averaging Plan for Unit 1:

(1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NOx emission averaging plan for Unit 1, effective from calendar year 2005 through 2007. Under the plan the NOx emissions from Unit 1 shall not exceed the annual average alternative contemporaneous emission limitation (ACEL) of 0.34 lb/MMBtu. In addition, Unit 1 shall not have an annual heat input less than 36,100,000 MMBtu. Unit 1 shall revert to the NO_X Btu-weighted annual average emission rate in compliance with 40 CFR 76.5, 76.6 or 76.7 on January 1, 2008. If Unit 1 is in compliance with its applicable emission limitation for each year of the plan, then Unit 1 shall not be subject to the applicable emission limitation, under 40 CFR 76.5(a)(1), of 0.45 lb/MMBtu until January 1, 2008.

(2) Under the plan, the actual Btu-weighted annual average NOx emission rate for all the units in the plan shall be less than or equal to the Btu-weighted annual average NOx emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5, 76.6, or 76.7, except that for any early election units, the applicable emission limitations shall be under 40 CFR 76.7. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then Unit 1 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.

NOx Emission Averaging Plan for Unit 2:

(1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NOx emission averaging plan for Unit 2, effective from calendar year 2005 through 2007. Under the plan the NOx emissions from Unit 2 shall not exceed the annual average alternative contemporaneous emission limitation (ACEL) of 0.35 lb/MMBtu. In addition, Unit 2 shall not have an annual heat input less than 34,600,000 MMBtu. Unit 2 shall revert to the NO_X Btu-weighted annual average emission rate in compliance with 40 CFR 76.5, 76.6 or 76.7 on January 1, 2008. If Unit 2 is in compliance with its applicable emission limitation for each year of the plan, then Unit 2 shall not be subject to the applicable emission limitation, under 40 CFR 76.5(a)(1), of 0.45 lb/MMBtu until January 1, 2008.

(2) Under the plan, the actual Btu-weighted annual average NOx emission rate for all the units in the plan shall be less than or equal to the Btu-weighted annual average NOx emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5, 76.6, or 76.7, except that for any early election units, the applicable emission limitations shall be under 40 CFR 76.7. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then Unit 2 shall be deemed to be in compliance for that year with its annual ACEL and annual heat input limit.

In accordance with 40 CFR 72.40(b)(2), approval of the averaging plan shall be final only when the Ohio Environmental Protection Agency, Division of Air Pollution Control; and the Kentucky Department of Environmental Protection, Division of Air Quality have also approved this averaging plan.

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In addition to the described NOx compliance plan, Units 1 and 2 shall comply with all other applicable requirements of 40 CFR 76, including the duty to reapply for a NOx compliance plan and requirements covering excess emissions.

Pursuant to 40 CFR 76, Acid Rain Nitrogen Oxides Emission Reduction Program, the natural gas fired turbine, Unit 4 is not subject to the nitrogen oxide limitations set out in 40 CFR 76.

E.3.6 Excess Emissions Requirements [40 CFR 77] [326 IAC 21]

(a) If Unit 1 or 2 has excess emissions of sulfur dioxide in any calendar year, 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 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) If Unit 1 or 2 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.

E.3.7. 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 and 2 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,

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(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 and 2 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.

E.3.8. Submissions [326 IAC 21]

(a) The designated representative of Units 1 and 2 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 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 and 2 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,

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(3) Provided that the submission or determination covers Unit 1 and 2.

(f) The designated representative of Units 1 and 2 shall provide the Permittee a copy of any submission or determination under paragraph 8(e), unless the Permittee expressly waives the right to receive a copy.

E.3.9. 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)]

E.3.10. 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 and 2 shall meet the requirements of the Acid Rain Program.

(e) Any provision of the Acid Rain Program that applies to Unit 1 or 2, including a provision applicable to the designated representative of Unit 1 or 2 shall also apply to the Permittee.

(f) Any provision of the Acid Rain Program that applies to Unit 1 or 2 4, including a provision applicable to the designated representative, shall also apply to the Permittee. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NOx 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 72, 73, 75, 76, 77, and 78 by Unit 1 or 2, or by the Permittee or designated representative shall be a separate violation of the Clean Air Act.

E.3.11. 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:

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(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 or 2 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.

SECTION E.4 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

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(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

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

National Emission Standards for Hazardous Air Pollutants (NESHAP) Requirements [326 IAC 2-7-5(1)]

E.4.1 General Provisions Relating to National Emission Standards for Hazardous Air Pollutants under 40 CFR Part 63 [326 IAC 20-1][40 CFR Part 63, Subpart A]

(a) Pursuant to 40 CFR 63.10040, the Permittee shall comply with the provisions of 40 CFR Part 63 Subpart A – General Provisions, for the above listed units, as specified in 40 CFR 63, Subpart UUUUU, in accordance with the schedule in 40 CFR Part 63, Subpart UUUUU.

(b) Pursuant to 40 CFR 63.10, the Permittee shall submit all required notifications and reports 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 5
Air and Radiation Division, Air Enforcement Branch – Indiana (AE-17J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

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E.4.2 National Emission Standard for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units [40 CFR Part 63, Subpart UUUUU]

Pursuant to 40 CFR Part 63, Subpart UUUUU, the Permittee shall comply with the provisions of National Emission Standards for Hazardous Air Pollutants from Coal- and Oil-Fired Electric Utility Steam Generating Units (included as Attachment E to this permit), for the two (2) boilers (Boiler 1 and Boiler 2).

E.4.3 ORDER of the Commissioner of the Indiana Department of Environmental Management

Pursuant to Indiana Code § 13-14-2-6 and in order to secure compliance with 40 CFR Part 63, Subpart UUUUU, Duke Energy Indiana, Cayuga Generating Station is subject to following ORDER:

1. Duke Energy Indiana shall submit a status report within fifteen (15) days of completion of the following milestones indicating the actual dates of completion:

   a. The date on-site construction for the installation of the emission control equipment identified in Attachment E for Cayuga Station Units 1 and 2 are initiated, and

   b. The date on-site construction for the installation of the emission control equipment identified in Attachment E for Cayuga Station Units 1 and 2 are completed.

   c. The date by which final compliance with 40 CFR 63, Subpart UUUUU for Cayuga Station Units 1 and 2 are achieved.

2. Duke Energy Indiana, Cayuga Station Units 1 and 2 are shall comply with the standards set forth in 40 CFR Part 63, Subpart UUUUU no later than April 16, 2016.

SECTION F 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: 1001

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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) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X), sulfur dioxide (SO_2), particulate matter (PM) and a continuous opacity monitor (COM). The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later). Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

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

F.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.

F.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 NOx source, CAIR SO_2 source, and CAIR NOx ozone season source and CAIR NOx units, CAIR SO_2 units, and CAIR NOx ozone season units shall operate each unit in compliance with this CAIR permit.

(b) The CAIR NOx units, CAIR SO_2 units, and CAIR NOx ozone season units subject to this CAIR permit are Boiler No. 1 and Boiler No. 2.

F.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 NOx source, CAIR SO_2 source, and CAIR NOx ozone season source and CAIR NOx unit, CAIR SO_2 unit, and CAIR NOx 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.

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(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 NOx source, CAIR SO_2 source, and CAIR NOx ozone season source with the CAIR NOx emissions limitation under 326 IAC 24-1-4(c), CAIR SO_2 emissions limitation under 326 IAC 24-2-4(c), and CAIR NOx ozone season emissions limitation under 326 IAC 24-3-4(c) and Condition F.4.1, Nitrogen Oxides Emission Requirements, Condition F.4.2, Sulfur Dioxide Emission Requirements, and Condition F.4.3, Nitrogen Oxides Ozone Season Emission Requirements.

F.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.

F.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 each CAIR SO_2 source and each CAIR SO_2 unit at the source shall hold, in the source's compliance account, a tonnage equivalent of CAIR SO_2 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 SO_2 units at the source, as determined in accordance with 326 IAC 24-2-10.

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(b) A CAIR SO_2 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 SO_2 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 SO_2 allowance was allocated.

(d) CAIR SO_2 allowances shall be held in, deducted from, or transferred into or among CAIR SO_2 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 SO_2 allowance is a limited authorization to emit sulfur dioxide in accordance with the CAIR SO_2 trading program. No provision of the CAIR SO_2 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 SO_2 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 SO_2 allowance to or from a CAIR SO_2 source's compliance account is incorporated automatically in this CAIR permit.

F.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 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.

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(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.

F.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 SO_2 source and each CAIR SO_2 unit that emits sulfur dioxide during any control period in excess of the CAIR SO_2 emissions limitation shall do the following:

(1) Surrender the CAIR SO_2 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.

F.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 NOx source, CAIR SO_2 source, and CAIR NOx ozone season source and each CAIR NOx unit, CAIR SO_2 unit, and CAIR NOx

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:

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(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 NOx unit, CAIR SO_2 unit, and CAIR NOx 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 NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx ozone season trading program.

(d) Copies of all documents used to complete a CAIR permit application and any other submission under the CAIR NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx ozone season trading program or to demonstrate compliance with the requirements of the CAIR NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx 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.

F.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 NOx source, CAIR SO_2 source, and CAIR NOx ozone season source and each CAIR NOx unit, CAIR SO_2 unit, and CAIR NOx ozone season unit at the source shall submit the reports required under the CAIR NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx 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 NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx 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:

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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

F.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 NOx source, CAIR SO_2 source, and CAIR NOx ozone season source and each CAIR NOx unit, CAIR SO_2 unit, and CAIR NOx ozone season unit shall be liable as follows:

(a) Each CAIR NOx source, CAIR SO_2 source, and CAIR NOx ozone season source and each CAIR NOx unit, CAIR SO_2 unit, and CAIR NOx ozone season unit shall meet the requirements of the CAIR NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx ozone season trading program.

(b) Any provision of the CAIR NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx ozone season trading program that applies to a CAIR NOx source, CAIR SO_2 source, and CAIR NOx ozone season source or the CAIR designated representative of a CAIR NOx source, CAIR SO_2 source, and CAIR NOx ozone season source shall also apply to the owners and operators of such source and of the CAIR NOx units, CAIR SO_2 units, and CAIR NOx ozone season units at the source

(c) Any provision of the CAIR NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx ozone season trading program that applies to a CAIR NOx unit, CAIR SO_2 unit, and CAIR NOx ozone season unit or the CAIR designated representative of a CAIR NOx unit, CAIR SO_2 unit, and CAIR NOx ozone season unit shall also apply to the owners and operators of such unit.

F.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 NOx annual trading program, CAIR SO_2 trading program, and CAIR NOx 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 NOx source, CAIR SO_2 source, and CAIR NOx ozone season source or a CAIR NOx unit, CAIR SO_2 unit, and CAIR NOx 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).

F.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:

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(a) Except as specified in 326 IAC 24-1-6(f)(3), 326 IAC 24-2-6(f)(3), and 326 IAC 24-3-6(f)(3), each CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X ozone season source, including all CAIR NO_X units, CAIR SO_2 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 SO_2 trading program, and CAIR NO_X ozone season trading program concerning the source or any CAIR NO_X unit, CAIR SO_2 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 SO_2 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), and 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
COMPLIANCE AND ENFORCEMENT BRANCH
PART 70 OPERATING PERMIT
CERTIFICATION

DRAFT

Source Name: Duke Energy Indiana, Inc., Cayuga Generating Station
Source Address: State Road 63, Cayuga, Indiana 47928
Part 70 Permit No.: T165-33876-00001

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 AND ENFORCEMENT BRANCH
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
Phone: (317) 233-0178
Fax: (317) 233-6865

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PART 70 OPERATING PERMIT
EMERGENCY OCCURRENCE REPORT

Source Name: Duke Energy Indiana, Inc., Cayuga Generating Station
Source Address: State Road 63, Cayuga, Indiana 47928
Part 70 Permit No.: T165-33876-00001

This form consists of 2 pages **Page 1 of 2**

□ This is an emergency as defined in 326 IAC 2-7-1(12)

- The Permittee must notify the Office of Air Quality (OAQ), within four (**4**) business hours (1-800-451-6027 or 317-233-0178, ask for Compliance Section); and
- The Permittee must submit notice in writing or by facsimile within two (**2**) working days (Facsimile Number: 317-233-6865), and follow the other requirements of 326 IAC 2-7-16.

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

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

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? Y N
Type of Pollutants Emitted: TSP, PM-10, SO_2, VOC, NO_X, CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

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Form Completed by: _____

Title / Position: _____

Date: _____

Phone:_____

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE AND ENFORCEMENT BRANCH

DRAFT

Part 70 Quarterly Report

Source Name: Duke Energy Indiana, Inc., Cayuga Generating Station
Source Address: State Road 63, Cayuga, Indiana 47928
Part 70 Permit No.: T165-33876-00001
Facility: Limestone Handling System
Parameter: Amount of limestone received
Limit: Less than 509,000 tons per twelve (12) consecutive month period with compliance determined at the end of each month. (Condition D.5.1(a))

QUARTER:_____ YEAR:_____

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

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

Submitted by: _____

Title / Position: _____

Signature: _____

Date: _____

Phone:_____

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE AND ENFORCEMENT BRANCH

DRAFT

Part 70 Quarterly Report

Source Name: Duke Energy Indiana, Inc., Cayuga Generating Station
Source Address: State Road 63, Cayuga, Indiana 47928
Part 70 Permit No.: T165-33876-00001
Facility: Gypsum Handling System
Parameter: The amount of gypsum received
Limit: Less than 900,528 tons per twelve (12) consecutive month period with compliance determined at the end of each month. (Condition D.5.1(d))

QUARTER:_____ YEAR:_____

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

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

Submitted by: _____

Title / Position: _____

Signature: _____

Date: _____

Phone:_____

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE AND ENFORCEMENT BRANCH
PART 70 OPERATING PERMIT
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT

DRAFT

Source Name: Duke Energy Indiana, Inc., Cayuga Generating Station
Source Address: State Road 63, Cayuga, Indiana 47928
Part 70 Permit No.: T165-33876-00001

Months: _____ to _____ Year: _____

This report shall be submitted quarterly based on a calendar year. Proper notice submittal under Section B –Emergency Provisions satisfies the reporting requirements of paragraph (a) of Section C-General Reporting. Any deviation from the requirements of this permit, 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:	

DRAFT

Form Completed by:_____

Title / Position: _____

Date:_____

Phone: _____

Indiana Department of Environmental Management
Office of Air Quality

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

Source Description and Location

Source Name:	Duke Energy Indiana, Inc. - Cayuga Generating Station
Source Location:	State Road 63, Cayuga, IN 47928
County:	Vermillion
SIC Code:	4911
Operation Permit No.:	T 165-33876-00001
Operation Permit Issuance Date:	May 8, 2014
Significant Permit Modification No.:	165-35734-00001
Permit Reviewer:	Julie Mendez, Ph.D.

Source Definition

Duke Energy Indiana, Inc.'s Cayuga Generating Station, identified as 165-00001, is located on the same property as Duke Energy Indiana, Inc.'s Unit 4 combustion turbine plant identified as 165-00086. IDEM, OAQ has examined whether the Cayuga Generating Station plant and the combustion turbine plant are part of the same major source. The term "major source" is defined at 326 IAC 2-7-1(22). In order for these two plants to be considered one major source, they must meet all three of the following criteria:

(1) the plants must be under common ownership or common control;

(2) the plants must belong to a single major industrial grouping or one must serve as a support facility for the other; and,

(3) the plants must be located on contiguous or adjacent properties.

The two plants are owned by Duke Energy Indiana, Inc. Since there is a common owner, the first element of the definition of major source is met.

The SIC Code Manual of 1987 sets out how to determine the proper SIC Code for each type of business, called establishments. The SIC Codes are divided up into eleven divisions, lettered A through K. Each division is broken down into separate major groups. Each major group has a distinct two-digit SIC Code. The two plants have the same two-digit SIC Code, 49, for Electric, Gas and Sanitary Services. Therefore the second element of the definition is met.

The two plants are located on the same piece of property in separate buildings. Since the plants are located on the same piece of property, they the third element of the definition. IDEM, OAQ finds that the two plants are part of the same major source. IDEM, OAQ will issue separate Part 70 permits to each plant solely for administrative purposes.

Existing Approvals

The source was issued Part 70 Operating Permit No. 165-33876-00001 on May 8, 2014. The source has since received the following approvals:

(a) Administrative Amendment No. 165-35161-00001, issued on December 17, 2014; and

(b) Significant Permit Modification No. 165-34940-00001, issued on December 24, 2014.

County Attainment Status

The source is located in Vermillion County.

Pollutant	Designation
SO_2	Better than national standards.
CO	Unclassifiable or attainment effective November 15, 1990.
O_3	Unclassifiable or attainment effective July 20, 2012, for the 2008 8-hour ozone standard.[1]
$PM_{2.5}$	Unclassifiable or attainment effective April 5, 2005, for the annual $PM_{2.5}$ standard.
$PM_{2.5}$	Unclassifiable or attainment effective December 13, 2009, for the 24-hour $PM_{2.5}$ standard.
PM_{10}	Attainment effective October 27, 1997, for the part of Clinton Township that includes sections 15, 16, 21, 22, 27, 28, 33, and 34. Unclassifiable effective November 15, 1990, for the remainder of Vermillion County.
NO_2	Cannot be classified or better than national standards.
Pb	Unclassifiable or attainment effective December 31, 2011.

[1]Unclassifiable or attainment effective October 18, 2000, for the 1-hour ozone standard which was revoked effective June 15, 2005.

(a) Ozone Standards
Volatile organic compounds (VOC) and Nitrogen Oxides (NO_x) 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_x emissions are considered when evaluating the rule applicability relating to ozone. Vermillion County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

(b) $PM_{2.5}$
Vermillion County has been classified as attainment for $PM_{2.5}$. Therefore, direct $PM_{2.5}$, SO_2, and NOx emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

(c) Other Criteria Pollutants
Vermillion County has been classified as attainment or unclassifiable in Indiana for SO_2, CO, PM_{10}, NO_2, and lead. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

Fugitive Emissions

Since this source is classified as a fossil fuel-fired steam electric plant of more than two hundred fifty million (250,000,000) British thermal units per hour heat input, it is considered one of the twenty-eight (28) listed source categories, as specified in 326 IAC 2-2, 326 IAC 2-3, or 326 IAC 2-7. Therefore, fugitive emissions are counted toward the determination of PSD, Emission Offset, and Part 70 Permit applicability.

Source Status - Existing Source

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	2,023
PM_{10}	482
$PM_{2.5}$	478
SO_2	124,272
NO_X	10,997
VOC	120
CO	1,019
Total HAPs	2,680

On June 23, 2014, in the case of *Utility Air Regulatory Group v. EPA*, cause no. 12-1146, (available at http://www.supremecourt.gov/opinions/13pdf/12-1146_4g18.pdf) the United States Supreme Court ruled that the U.S. EPA does not have the authority to treat greenhouse gases (GHGs) as an air pollutant for the purpose of determining operating permit applicability or PSD Major source status. On July 24, 2014, the U.S. EPA issued a memorandum to the Regional Administrators outlining next steps in permitting decisions in light of the Supreme Court's decision. U.S. EPA's guidance states that U.S. EPA will no longer require PSD or Title V permits for sources "previously classified as 'Major' based solely on greenhouse gas emissions."

The Indiana Environmental Rules Board adopted the GHG regulations required by U.S. EPA at 326 IAC 2-2-1(zz), pursuant to Ind. Code § 13-14-9-8(h) (Section 8 rulemaking). A rule, or part of a rule, adopted under Section 8 is automatically invalidated when the corresponding federal rule, or part of the rule, is invalidated. Due to the United States Supreme Court Ruling, IDEM, OAQ cannot consider GHGs emissions to determine operating permit applicability or PSD applicability to a source or modification.

(a) This existing source is a major stationary source, under PSD (326 IAC 2-2), because a PSD regulated pollutant, excluding GHGs, is emitted at a rate of 100 tons per year or more, and it is one of the twenty-eight (28) listed source categories, as specified in 326 IAC 2-2-1(ff)(1).

(b) These emissions are based upon the Technical Support Document for Part 70 Operating Permit Renewal No. T165-33876-00001, issued on May 8, 2014.

(c) 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).

Description of Proposed Modification

The Office of Air Quality (OAQ) has reviewed a modification application, submitted by Duke Energy Indiana, Inc. - Cayuga Generating Station on April 20, 2015, relating to the installation of PM continuous emission monitoring systems (CEMS) at Boiler Nos. 1 and 2. Additionally, Duke Energy Indiana, Inc. - Cayuga Generating Station requested to remove the testing requirements related to the fly ash silo, EP-06(DFA), from the permit. The following is a list of the modified emission units and pollution control devices:

(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic

precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, and particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, and particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

Enforcement Issues

There are no pending enforcement actions related to this modification.

Permit Level Determination – Part 70 Modification to an Existing Source

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."

There is no increase in the potential to emit of any regulated pollutants associated with this 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 a Significant Permit Modification under 326 IAC 2-7-12, because the modification involves significant changes to existing monitoring, reporting, or record keeping requirements.

Federal Rule Applicability Determination

The following federal rules are applicable to the source due to this modification:

NSPS:

(a) There are no New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) applicable to this proposed modification.

NESHAP:

(b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs) (326 IAC 14, 326 IAC 20 and 40 CFR Part 63) applicable to this proposed modification.

CAM:

(c) Pursuant to 40 CFR 64.2, Compliance Assurance Monitoring (CAM) is applicable to new or modified emission units that involve a pollutant-specific emission unit and meet the following criteria:

(1) has a potential to emit before controls equal to or greater than the Part 70 major source threshold for the pollutant involved;

(2) is subject to an emission limitation or standard for that pollutant; and

(3) uses a control device, as defined in 40 CFR 64.1, to comply with that emission limitation or standard.

Compliance Assurance Monitoring (CAM) applicability was determined in Part 70 Operating Permit Renewal No. T165-33876-00001, issued on May 8, 2014. There are no new requirements of 40 CFR 64 (CAM) as a result of this proposed modification.

State Rule Applicability Determination

The following state rules are applicable to the source due to the modification:

326 IAC 2-7-6(5) (Annual Compliance Cerification)

The U.S. EPA Federal Register 79 FR 54978 notice does not exempt Title V Permittees from the requirements of 40 CFR 70.6(c)(5)(iv) or 326 IAC 2-7-6(5)(D), but the submittal of the Title V annual compliance certification to IDEM satisfies the requirement to submit the Title V annual compliance certifications to EPA. IDEM does not intend to revise any permits since the requirements of 40 CFR 70.6(c)(5)(iv) or 326 IAC 2-7-6(5)(D) still apply, but Permittees can note on their Title V annual compliance certification that submission to IDEM has satisfied reporting to EPA per Federal Register 79 FR 54978. This only applies to Title V Permittees and Title V compliance certifications.

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.

There are no compliance determination and monitoring requirements applicable to this modification.

Proposed Changes

The changes listed below have been made to Part 70 Operating Permit No. 165-33876-00001. Deleted language appears as ~~strikethroughs~~ and new language appears in **bold**:

Change 1: Pursuant to 326 IAC 3-5-1(c), Duke Energy requests to install and operate a particulate matter continuous emission monitoring system (PM CEMS) in place of the existing continuous opacity monitoring system (COMS) from the scrubbed (wet) stacks associated with Cayuga Station Boiler No. 1 and Boiler No. 2. The PM CEMS will be located in the stack of each unit downstream from the flue gas desulfurization (FGD). Duke Energy will be utilizing PM CEMS to monitor compliance with PM and opacity limits.

Change 2: Duke Energy requests to remove the testing requirements related to the fly ash silo, EP-06(DFA), from the permit. The fly ash silo is not equipped with a mechanical exhauster to pull the exhaust air through the bin vent filter. The exhaust flow rate is only due to the displacement of material within the silo during loading. Due to the low flow rate through the bin vent filter, it is not feasible to conduct the required test methods on this unit. The permit requires monitoring of this unit by visible emissions notations. Therefore, Condition D.7.5(b) has been removed from the permit accordingly.

A.3 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(14)]

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

(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, and particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, and particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

***

SECTION D.1 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, and particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

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

***

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

***

(e) Condition D.1.2 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

***

D.1.6 **Reserved** ~~Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]~~

~~In order to determine compliance with the PM limitation, the Permittee shall perform PM testing for the pulverized coal-fired boiler, identified as Boiler No. 1, utilizing methods as approved by the Commissioner. This test shall be repeated at least once every two (2) calendar years following this valid compliance demonstration. Testing shall be conducted in accordance with the provisions of 326 IAC 3-6 (Source Sampling Procedures). Section C - Performance Testing contains the Permittee's obligations with regard to the performance testing required by this condition~~.

***

D.1.8 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)] [40 CFR 64]

***

(e) Pursuant to 326 IAC 3-5-1(c), in lieu of the requirement to monitor opacity with a COMS in accordance with 326 IAC 3-5-1 and 326 IAC 3-5-2, the Permittee shall comply with the following:

(1) Until April 16, 2016 or when the PM CEMS for monitoring PM from the scrubber stack exhaust of Boiler No. 1 is installed, certified, and operating to measure PM pursuant to this permit (whichever is later), the continuous opacity monitoring system for Boiler No. 1 shall be calibrated, maintained, and operated for measuring opacity, which meets the performance specification of 326 IAC 3-5-2.

(2) After the installation and certification of the PM CEMS to monitor particulate matter from the scrubbed stack exhaust of Boiler No. 1 for compliance purposes or April 16, 2016 (whichever is later), compliance with PM limitations in Condition D.1.1 and opacity requirements will be demonstrated using a certified PM CEMS installed and certified in accordance with US EPA Performance Specification 11 (PS-11) and operated in accordance with Procedure 2 of Appendix F to 40 CFR 60. Upon PM CEMS operation as referenced above, all requirements to operate COMS at Boiler No. 1, including those set forth in Condition D.1.8(a)-(d), shall cease.

(3) Upon successful completion of the certification of the PM CEMS, the Permittee shall submit all required certification testing 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**

~~(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous opacity monitoring system pursuant to 326 IAC 3-5, (and 40 CFR 60 and/or 40 CFR 63).~~

(f) Subsections (a) through (d) of this provision D.1.8 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit on Boiler No. 1 (whichever is later).

***

D.1.9 Maintenance of Continuous Emission Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)] ~~[40 CFR 64]~~

***

***

D.1.11 Particulate Matter (PM) Continuous Emission Monitoring System [326 IAC 3-5] [326 IAC 2-7-5(3)(A)(iii)]

The Permittee shall install, certify, maintain, and operate a CEMS measuring PM emissions discharged from Boiler No. 1 scrubbed stack to the atmosphere and record the output of the system as specified in paragraphs (a) through (d):

(a) The PM CEMS shall be installed, certified, operated, and maintained pursuant to 40 CFR Part 60, Appendix B, Performance Specification #11 and 40 CFR 60.13(e).

(b) Compliance with the applicable particulate emission limitation in Condition D.1.1 shall be determined based on the 24-hour daily (block) average of the hourly arithmetic average emissions concentrations using the continuous monitoring system outlet data.

(c) For purposes of demonstrating compliance with the particulate emission limitation in Condition D.1.1, the Permittee shall adjust to 5% any measured carbon dioxide (CO_2) values that are below 5%.

(d) Whenever this PM CEMS is malfunctioning or down for repair or adjustments for 24 hours or more, and a backup CEMS is not brought on-line, the following shall be used to provide information related to particulate emissions:

(1) The ability of the FGD to control particulate matter emissions shall be monitored once per day when Boiler No. 1 is in operation by measuring and recording the following:

(a) Number of recycle pumps in service; and

(b) Absorber pH.

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

D.1.~~11~~**12** Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)] [40 CFR 64]

***

(c) Condition D.1.12 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.1.~~12~~**13** Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

***

(d) This provision D.1.13 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.1.~~13~~**14** SO_2 Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

***

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

D.1.~~14~~**15** Record Keeping Requirements

(a) To document the compliance status with Section C - Opacity and Conditions D.1.1, D.1.2, D.1.9, D.1.~~11~~**12** and D.1.~~12~~**13**, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.1.1 and D.1.2.

(1) Data and results from the most recent stack test **until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later)**.

(2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5-6 **until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later)**.

(3) The results of all Method 9 visible emission readings taken during any periods of COMS downtime **until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later)**.

(4) PM CEMS data after April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(~~4~~**5**) All ESP parametric monitoring readings.

(b) To document the compliance status with Conditions D.1.3, D.1.10 and D.1.~~13~~**14**, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO_2 limits as required in Conditions D.1.3 and D.1.10. The Permittee shall maintain records in accordance with (2) and (3) below during SO_2 CEM system downtime if a backup CEM is not used.

The Permittee shall maintain the following records:

(1) All SO_2 continuous emissions monitoring data pursuant to 326 IAC 3-5-6.

(2) All scrubber parametric monitoring readings taken during any periods of CEMS downtime, in accordance with Condition D.1.~~13~~**14**.

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

(c) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

D.1.~~15~~**16** Reporting Requirements

(a) Pursuant to 326 IAC 3-5-7, a quarterly report of opacity exceedances and a quarterly summary of the information to document compliance with Condition D.1.8 shall be submitted not later than thirty (30) days following the end of each calendar quarter **until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later)**. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

***

(e) After April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later), Permittee shall report any PM exceedances as part of its regular deviation reports.

SECTION D.2 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

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

***

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

***

(e) Condition D.2.2 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

***

D.2.6 **Reserved** ~~Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]~~

~~In order to determine compliance with the PM limitation, the Permittee shall perform PM testing for the pulverized coal-fired boiler, identified as Boiler No. 2, utilizing methods as approved by the Commissioner. This test shall be repeated at least once every two (2) calendar years following this valid compliance demonstration. Testing shall be conducted in accordance with the provisions of 326 IAC 3-6 (Source Sampling Procedures). Section C - Performance Testing contains the Permittee's obligations with regard to the performance testing required by this condition.~~

***

D.2.8 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)] [40 CFR 64]

***

~~(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous opacity monitoring system pursuant to 326 IAC 3-5, (and 40 CFR 60 and/or 40 CFR 63).~~

(e) Pursuant to 326 IAC 3-5-1(c), in lieu of the requirement to monitor opacity with a COMS in accordance with 326 IAC 3-5-1 and 326 IAC 3-5-2, the Permittee shall comply with the following:

(1) Until April 16, 2016 or when the PM CEMS for monitoring PM from the scrubber stack exhaust of Boiler No. 2 is installed, certified, and operating to measure PM pursuant to this permit (whichever is later), the continuous opacity monitoring system for Boiler No. 2 shall be calibrated, maintained, and operated for measuring opacity, which meets the performance specification of 326 IAC 3-5-2.

(2) After the installation and certification of the PM CEMS to monitor particulate matter from the scrubbed stack exhaust of Boiler No. 2 for compliance purposes or April 16, 2016 (whichever is later), compliance with PM limitations in Condition D.2.1 and opacity requirements will be demonstrated using a certified PM CEMS installed and certified in accordance with US EPA Performance Specification 11 (PS-11) and operated in accordance with Procedure 2 of Appendix F to 40 CFR 60. Upon PM CEMS operation as referenced above, all requirements to operate COMS at Boiler No. 2, including those set forth in Condition D.2.8(a)-(d), shall cease.

(3) Upon successful completion of the certification of the PM CEMS, the Permittee shall submit all required certification testing 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**

(f) Subsections (a) through (d) of this provision D.2.8 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit on Boiler No. 2 (whichever is later).

D.2.9 Maintenance of Continuous Emission Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)] ~~[40 CFR 64]~~

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D.2.11 Particulate Matter (PM) Continuous Emission Monitoring System [326 IAC 3-5] [326 IAC 2-7-5(3)(A)(iii)]

The Permittee shall install, certify, maintain, and operate a CEMS measuring PM emissions discharged from Boiler No. 3 scrubbed stack to the atmosphere and record the output of the system as specified in paragraphs (a) through (d):

(a) The PM CEMS shall be installed, certified, operated, and maintained pursuant to 40 CFR Part 60, Appendix B, Performance Specification #11 and 40 CFR 60.13(e).

(b) Compliance with the applicable particulate emission limitation in Condition D.2.1 shall be determined based on the 24-hour daily (block) average of the hourly arithmetic average emissions concentrations using the continuous monitoring system outlet data.

(c) For purposes of demonstrating compliance with the particulate emission limitation in Condition D.2.1, the Permittee shall adjust to 5% any measured carbon dioxide (CO_2) values that are below 5%.

(d) Whenever this PM CEMS is malfunctioning or down for repair or adjustments for 24 hours or more, and a backup CEMS is not brought on-line, the following shall be used to provide information related to particulate emissions:

(1) The ability of the FGD to control particulate matter emissions shall be monitored once per day when Boiler No. 2 is in operation by measuring and recording the following:

(a) Number of recycle pumps in service; and

(b) Absorber pH.

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

D.2.1~~1~~**2** Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)] [40 CFR 64]

***

(c) Condition D.2.12 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.2.1~~2~~**3** Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

***

(d) This provision D.2.13 shall apply until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

D.2.1~~3~~**4** SO_2 Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

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

D.2.~~14~~**15** Record Keeping Requirements

(a) To document the compliance status with Section C - Opacity and Conditions D.2.1, D.2.2, D.2.9, D.2.~~11~~**12** and D.2.~~12~~**13**, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.2.1 and D.2.2.

(1) Data and results from the most recent stack test **until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later)**.

(2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5-6 **until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later)**.

(3) The results of Method 9 visible emission readings taken during any periods of COMS downtime **until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later)**.

(4) PM CEMS data after April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).

(4**5**) All ESP parametric monitoring readings.

(b) To document the compliance status with Conditions D.2.3, D.2.10 and D.2.~~13~~**14**, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO_2 limits as required in Conditions D.2.3 and D.2.10. The Permittee shall maintain records in accordance with (2) and (3) below during SO_2 CEM system downtime if a backup CEM is not used.

(1) All SO_2 continuous emissions monitoring data pursuant to 326 IAC 3-5-6.

(2) All scrubber parametric monitoring readings taken during any periods of CEMS downtime, in accordance with Condition D.2.~~13~~**14**.

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

(c) Section C - General Record Keeping Requirements contains the Permittee's obligations with regard to the record keeping required by this condition.

D.2.~~15~~**16** Reporting Requirements

(a) Pursuant to 326 IAC 3-5-7, ~~A~~ **a** quarterly report of opacity exceedances shall be submitted not later than thirty (30) days following the end of each calendar quarter **until April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later)**. The report submitted by the Permittee does require a certification that meets the requirements of 326 IAC 2-7-6(1) by a “responsible official” as defined by 326 IAC 2-7-1(35). Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

***

(e) After April 16, 2016 or when the PM CEMS is installed, certified, and operating to measure PM pursuant to this permit (whichever is later), Permittee shall report any PM exceedances as part of its regular deviation reports.

***

D.7.5 Testing Requirements [326 IAC 2-7-6(1),(6)][326 IAC 2-1.1-11]

~~(a)~~ Within 180 days after the initial startup of the pneumatic fly ash transfer system, In order to determine compliance with Condition D.7.1(c), the Permittee shall perform PM, PM_{10} and $PM_{2.5}$ testing two (2) of the five (5) separator/exhausters, identified as emissions point EP-01 (DFA), EP-02 (DFA), EP-03 (DFA), EP-04 (DFA) and EP-05 (DFA), using methods as approved by the Commissioner. This testing shall be at least once every 5 years from the date of the last valid compliance demonstration. The separator/exhauster tested shall be the unit in which the longest amount of time has elapsed since its previous test. Testing shall be conducted in accordance with the provisions of 326 IAC 3-6 (Source Sampling Procedures). Section C - Performance Testing contains the Permittee's obligations with regard to the performance testing required by this condition.

~~(b) Within 180 days after the initial startup of the pneumatic fly ash transfer system, In order to determine compliance with Condition D.7.1(c), the Permittee shall perform PM, PM_{10} and $PM_{2.5}$ testing on the one (1) Fly Ash Silo, identified as emission point EP-06 (DFA), using methods as approved by the Commissioner. This testing shall be at least once every 5 years from the date of the last valid compliance demonstration. Testing shall be conducted in accordance with the provisions of 326 IAC 3-6 (Source Sampling Procedures). Section C - Performance Testing contains the Permittee's obligations with regard to the performance testing required by this condition.~~

***

SECTION E.3 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NOX)**,** ~~and~~ sulfur dioxide (SO2)**, particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 1 was configured with a low NOX burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

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

***

SECTION E.4 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, using #2 fuel oil for startup, shutdown, and stabilization purposes, with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

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

***

SECTION F 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: 1001

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) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, installed in 1967, **using #2 fuel oil for startup, shutdown, and stabilization purposes,** with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP)

for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 1. Stack 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 1 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

(b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, installed in 1968, **using #2 fuel oil for startup, shutdown, and stabilization purposes,** with a nominal heat input capacity of 4,802 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, a flue gas desulfurization (FGD) system for control of SO_2, and exhausting to stack 2. Stack 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO_X)**,** ~~and~~ sulfur dioxide (SO_2)**, particulate matter (PM)** and a continuous opacity monitor (COM). **The COM will no longer be used for permit compliance purposes as of April 16, 2016 or when the PM CEM is installed, certified, and operating to measure PM pursuant to this permit (whichever is later).** Boiler No. 2 was configured with a low NO_X burner in 1993. Selective Catalytic Oxidation (SCR) to control NOx, Dry Sorbent Injection System to Control SO_3, Activated Carbon Injection System to assist in Control of Hg emissions scheduled to be installed by 2015.

Under NESHAP Subpart UUUUU, this unit is part of an affected source.

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

***

Additional Changes

IDEM, OAQ made additional modifications to the permit as described below in order to update the language to match the most current version of the applicable rule, to eliminate redundancy within the permit, and to provide clarification regarding the requirements of these conditions.

Change 1: Sections E.1 and E.2 have been revised to include the address for submittal of required notifications and reports.

Change 2: The applicable portions of 40 CFR 63, Subpart ZZZZ listed in Condition E.1.4 have been reviewed. ENG-1 is subject to the requirements of Subpart ZZZZ for new emergency stationary engines with a site rating of less than or equal to 500 brake hp located at a major source of HAP emissions. ENG-2 is subject to the requirements of Subpart ZZZZ for new emergency stationary engines with a site rating of more than 500 brake hp located at a major source of HAP emissions.

SECTION E.1~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NSPS AND NESHAP**

***

~~New Source Performance Standards (NSPS) Requirements [40 CFR 60] and National Emission Standards for Hazardous Air Pollutants [40 CFR 63]~~
New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP) Requirements [326 IAC 2-7-5(1)]

E.1.1 General Provisions Relating to New Source Performance Standards (NSPS) [326 IAC 12-1] [40 CFR 60, Subpart A] ~~[326 IAC 12]~~

~~The provisions of 40 CFR 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to ENG-1 and ENG-2 except when otherwise specified in 40 CFR 60, Subpart IIII.~~

(a) Pursuant to 40 CFR 60.1, the Permittee shall comply with the provisions of 40 CFR Part 60, Subpart A – General Provisions, which are incorporated by reference as 326 IAC 12-1, for the above listed emissions units, except as otherwise specified in 40 CFR Part 60, Subpart IIII.

(b) Pursuant to 40 CFR 60.4, the Permittee shall submit all required notifications and reports 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

E.1.2 Standard of Performance for Stationary Compression Ignition Internal Combustion Engines [326 IAC 12] [40 CFR 60, Subpart IIII]

Pursuant to 40 CFR 60 Subpart IIII, the Permittee shall comply with the provisions of 40 CFR 60 Subpart IIII (included as Attachment C to this permit), which are incorporated **by reference** as 326 IAC 12~~-1~~, for ENG-1 and ENG-2, as specified as follows:

***

E.1.3 General Provisions Relating to National Emission Standards for Hazardous Air Pollutants (NESHAP) **under 40 CFR Part 63** [326 IAC **20-1** ~~20-82~~] [40 CFR 63, Subpart A]

~~The provisions of 40 CFR 63, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 20-82, apply to ENG-2 except when otherwise specified in 40 CFR 63, Subpart ZZZZ.~~

(a) Pursuant to 40 CFR 63.6665, the Permittee shall comply with the provisions of 40 CFR Part 63, Subpart A – General Provisions, which are incorporated by reference as 326 IAC 20-1-1, for ENG-2, as specified in 40 CFR Part 63, Subpart ZZZZ, in accordance with the schedule in 40 CFR Part 63, Subpart ZZZZ.

(b) Pursuant to 40 CFR 63.10, the Permittee shall submit all required notifications and reports 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

E.1.4 Stationary Reciprocating Internal Combustion Engines NESHAP [326 IAC 20-82] [40 CFR 63, Subpart ZZZZ]

~~Pursuant to 40 CFR 63 Subpart ZZZZ, the Permittee shall comply with the provisions of 40 CFR 63 Subpart ZZZZ (included as Attachment D to this permit), which are incorporated as 326 IAC 20-82, for ENG-2, as specified as follows:~~

~~(1) 40 CFR 63.6590(b) & (c)~~
~~(2) 40 CFR 63.6645(f)~~

Pursuant to 40 CFR Part 63, Subpart ZZZZ, the Permittee shall comply with the provisions of 40 CFR Part 63, Subpart ZZZZ, which are incorporated by reference as 326 IAC 20-82 (included as Attachment D to this permit), for the above listed emissions units, as specified as follows.

(a) ENG-1 is subject to the following portions of Subpart ZZZZ.

(1) 40 CFR 63.6585
(2) 40 CFR 63.6590(a)(2)(ii), (c)(6)
(3) 40 CFR 63.6595(a)(4)
(4) 40 CFR 63.6665
(5) 40 CFR 63.6670
(6) 40 CFR 63.6675

(b) ENG-2 is subject to the following portions of Subpart ZZZZ.

(1) 40 CFR 63.6585
(2) 40 CFR 63.6590(a)(2)(i), (b)(1)(i)
(3) 40 CFR 63.6595(a)(3), (c)
(4) 40 CFR 63.6600(c)
(5) 40 CFR 63.6605(b)
(6) 40 CFR 63.6640(f)
(7) 40 CFR 63.6645(f)
(8) 40 CFR 63.6665
(9) 40 CFR 63.6670
(10) 40 CFR 63.6675

SECTION E.2 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NSPS**

***

New Source Performance Standards (NSPS) Requirements ~~[40 CFR 60]~~ **[326 IAC 2-7-5(1)]**

E.2.1 General Provisions Relating to New Source Performance Standards [326 IAC 12-1] [40 CFR Part 60, Subpart A]

(a) Pursuant to 40 CFR 60.1, the Permittee shall comply with the provisions of 40 CFR Part 60 Subpart A – General Provisions, which are incorporated by reference as 326 IAC 12-1 for the ball mills, conveyors, and storage bins of the limestone handling and storage system, except as otherwise specified in 40 CFR Part 60, Subpart OOO.

(b) Pursuant to 40 CFR 60.4, the Permittee shall submit all required notifications and reports 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

***

Conclusion and Recommendation

This proposed modification shall be subject to the conditions of the attached proposed Part 70 Significant Permit Modification No. 165-35734-00001. The staff recommends to the Commissioner that this Part 70 Significant Permit Modification be approved.

IDEM Contact

(a) Questions regarding this proposed permit can be directed to Julie Mendez at the Indiana Department Environmental Management, Office of Air Quality, Permits Branch, 100 North Senate Avenue, MC 61-53 IGCN 1003, Indianapolis, Indiana 46204-2251 or by telephone at (317) 234-1243 or toll free at 1-800-451-6027 extension 4-1243.

(b) A copy of the findings is available on the Internet at: http://www.in.gov/ai/appfiles/idem-caats/

(c) For additional information about air permits and how the public and interested parties can participate, refer to the IDEM Permit Guide on the Internet at: http://www.in.gov/idem/5881.htm; and the Citizens' Guide to IDEM on the Internet at: http://www.in.gov/idem/6900.htm.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
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Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

July 16, 2015

Mr. Mack Sims
Duke Energy Indiana, Inc.-Cayuga Generating Station
1000 East Main Street
Plainfield, IN 46168

Re: Public Notice
Duke Energy Indiana, Inc.-Cayuga Generating Station
Permit Level: Title V- Significant Permit Modification
Permit Number: 165-35734-00001

Dear Mr. Sims:

Enclosed is a copy of your draft Title V- Significant Permit, Technical Support Document, emission calculations, and the Public Notice which will be printed in your local newspaper.

The Office of Air Quality (OAQ) has prepared two versions of the Public Notice Document. The abbreviated version will be published in the newspaper, and the more detailed version will be made available on the IDEM's website and provided to interested parties. Both versions are included for your reference. The OAQ has requested that the Daily Clintonian in Clinton, Indiana publish the abbreviated version of the public notice no later than July 20, 2015. You will not be responsible for collecting any comments, nor are you responsible for having the notice published in the newspaper.

OAQ has submitted the draft permit package to the Vermillion County Public Library, 385 East Market Street in Newport, Indiana. As a reminder, you are obligated by 326 IAC 2-1.1-6(c) to place a copy of the complete permit application at this library no later than ten (10) days after submittal of the application or additional information to our department. We highly recommend that even if you have already placed these materials at the library, that you confirm with the library that these materials are available for review and request that the library keep the materials available for review during the entire permitting process.

Please review the enclosed documents carefully. This is your opportunity to comment on the draft permit and notify the OAQ of any corrections that are needed before the final decision. Questions or comments about the enclosed documents should be directed to Julie Mendez, Indiana Department of Environmental Management, Office of Air Quality, 100 N. Senate Avenue, Indianapolis, Indiana, 46204 or call (800) 451-6027, and ask for extension 4-1243 or dial (317) 234-1243.

Sincerely,

Vicki Biddle

Vicki Biddle
Permits Branch
Office of Air Quality

Enclosures
PN Applicant Cover lette-2014. Dot4/10/14

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Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

ATTENTION: PUBLIC NOTICES, LEGAL ADVERTISING

July 15, 2015

Daily Clintonian
422 S. Main St.
Clinton, IN 47842

Enclosed, please find one Indiana Department of Environmental Management Notice of Public Comment for Duke Energy Indiana, Inc. Cayuga Generating Station, Vermillion County, Indiana.

Since our agency must comply with requirements which call for a Notice of Public Comment, we request that you print this notice one time, no later than July 17, 2015.

Please send a notarized form, clippings showing the date of publication, and the billing to the Indiana Department of Environmental Management, Accounting, Room N1345, 100 North Senate Avenue, Indianapolis, Indiana, 46204.

To ensure proper payment, please reference account # 100174737.

We are required by the Auditor's Office to request that you place the Federal ID Number on all claims. If you have any conflicts, questions, or problems with the publishing of this notice or if you do not receive complete public notice information for this notice, please call Vicki Biddle at 800-451-6027 and ask for extension 3-6867 or dial 317-233-6867.

Sincerely,

Vicki Biddle

Vicki Biddle
Permit Branch
Office of Air Quality

Permit Level: Title V - Significant Permit Modification
Permit Number: 165-35734-00001

Enclosure

PN Newspaper.dot 6/13/2013

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Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

July 16, 2015

To: Vermillion County Public Library

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

Subject: **Important Information to Display Regarding a Public Notice for an Air Permit**

Applicant Name: Duke Energy of Indiana, Inc. Cayuga Generating Station
Permit Number: 165-35734-00001

Enclosed is a copy of important information to make available to the public. This proposed project is regarding a source that may have the potential to significantly impact air quality. Librarians are encouraged to educate the public to make them aware of the availability of this information. The following information is enclosed for public reference at your library:

- Notice of a 30-day Period for Public Comment
- Request to publish the Notice of 30-day Period for Public Comment
- Draft Permit and Technical Support Document

You will not be responsible for collecting any comments from the citizens. Please refer all questions and request for the copies of any pertinent information to the person named below.

Members of your community could be very concerned in how these projects might affect them and their families. **Please make this information readily available until you receive a copy of the final package.**

If you have any questions concerning this public review process, please contact Joanne Smiddie-Brush, OAQ Permits Administration Section at 1-800-451-6027, extension 3-0185. Questions pertaining to the permit itself should be directed to the contact listed on the notice.

Enclosures
PN Library.dot 6/13/2013

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Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

Notice of Public Comment

July 16, 2015
Duke Energy Indiana, Inc. – Cayuga Generating Station
165-35734-00001

Dear Concerned Citizen(s):

You have been identified as someone who could potentially be affected by this proposed air permit. The Indiana Department of Environmental Management, in our ongoing efforts to better communicate with concerned citizens, invites your comment on the draft permit.

Enclosed is a Notice of Public Comment, which has been placed in the Legal Advertising section of your local newspaper. The application and supporting documentation for this proposed permit have been placed at the library indicated in the Notice. These documents more fully describe the project, the applicable air pollution control requirements and how the applicant will comply with these requirements.

If you would like to comment on this draft permit, please contact the person named in the enclosed Public Notice. Thank you for your interest in the Indiana's Air Permitting Program.

Please Note: *If you feel you have received this Notice in error, or would like to be removed from the Air Permits mailing list, please contact Patricia Pear with the Air Permits Administration Section at 1-800-451-6027, ext. 3-6875 or via e-mail at PPEAR@IDEM.IN.GOV. If you have recently moved and this Notice has been forwarded to you, please notify us of your new address and if you wish to remain on the mailing list. Mail that is returned to IDEM by the Post Office with a forwarding address in a different county will be removed from our list unless otherwise requested.*

Enclosure
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INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We Protect Hoosiers and Our Environment.
100 N. Senate Avenue • Indianapolis, IN 46204
(800) 451-6027 • (317) 232-8603 • www.idem.IN.gov

Michael R. Pence
Governor

Thomas W. Easterly
Commissioner

AFFECTED STATE NOTIFICATION OF PUBLIC COMMENT PERIOD
DRAFT INDIANA AIR PERMIT

July 16, 2015

A 30-day public comment period has been initiated for:

Permit Number: **165-35734-00001**
Applicant Name: **Duke Energy of Indiana, Inc. Cayuga Generating Station**
Location: **Cayuga, Vermillion County, Indiana**

The public notice, draft permit and technical support documents can be accessed via the **IDEM Air Permits Online** site at:
http://www.in.gov/ai/appfiles/idem-caats/

Questions or comments on this draft permit should be directed to the person identified in the public notice by telephone or in writing to:

Indiana Department of Environmental Management
Office of Air Quality, Permits Branch
100 North Senate Avenue
Indianapolis, IN 46204

Questions or comments regarding this email notification or access to this information from the EPA Internet site can be directed to Chris Hammack at chammack@idem.IN.gov or (317) 233-2414.

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1		Mack Sims Duke Energy Indiana, Inc. - Cayuga Generating Stat 1000 East Main Street Plainfield IN 46168 (Source CAATS)									
2		Tom Short Manager Cayuga Generating Station Duke Energy Indiana, Inc. - Cayuga Generating Stat c/o Mack Sims 1000 E Main St Plainfield IN 46168 *(RO CAATS)*									
3		Cayuga Town Council PO Box 33 Cayuga IN 47928 *(Local Official)*									
4		Vermillion County Health Department 257 Walnut Street Clinton IN 47842-2342 *(Health Department)*									
5		Vermillion County Public Library P.O.Box 100, 385 E. Market St Newport IN 47966-0100 *(Library)*									
6		Vermillion County Commissioners P.O. Box 190 Newport IN 47966 *(Local Official)*									
7		J.P. Roehm PO Box 303 Clinton IN 47842 *(Affected Party)*									
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