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

Carol S. Comer
Commissioner

NOTICE OF 30-DAY PERIOD
FOR PUBLIC COMMENT

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

for Hoosier Energy REC, Inc - Merom Generating Station in Sullivan County

Significant Source Modification No.: 153-36364-00005
Significant Permit Modification No.: T153-36369-00005

The Indiana Department of Environmental Management (IDEM) has received an application from Hoosier Energy REC, Inc - Merom Generating Station located at 5500 W Old 54, Sullivan, IN, 47882, for a significant modification of its Part 70 Operating Permit issued on June 15, 2015. If approved by IDEM's Office of Air Quality (OAQ), this proposed modification would allow Hoosier Energy REC, Inc - Merom Generating Station to make certain changes at its existing source. Hoosier Energy REC, Inc - Merom Generating Station has applied to make certain changes at its existing source. Hoosier Energy REC, Inc. – Merom Generating Station has applied to incorporate Hoosier's Consent Decree (Civil Action No.: 1:10-CV-0935-LJM-TAB), entered on November 4, 2010, for Merom Generating Station, Sullivan, Indiana

This draft Title V 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:

Sullivan County Public Library
100 South Crowder
Sullivan, IN 47882

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 SSM153-36364-00005 and SPM153-36369-00005 in all correspondence.

Comments should be sent to:

Aida DeGuzman
IDEM, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
(800) 451-6027, ask for extension 3-4972
Or dial directly: (317) 233-4972
Fax: (317) 232-6749 attn: Aida DeGuzman
E-mail: adeguzma@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 Aida DeGuzman of my staff at the above address.

Josiah K. Balogun, Section Chief
Permits Branch
Office of Air Quality

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Commissioner

DRAFT

Ms. Angie Lee
Hoosier Energy REC, Inc
P.O. Box 908
Bloomington, IN 47402-0908

Re: 153-36364-00005
Significant Source Modification

Dear Ms. Lee:

Hoosier Energy REC, Inc. – Merom Generating Station was issued Part 70 Operating Permit Renewal T153-35203-00005 on June 15, 2015 for a stationary electric generating station located at 5500 W Old 54, Sullivan, Indiana 47882. An application to modify the source was received on October 6, 2015. Pursuant to the provisions of 326 IAC 2-7-10.5, a Significant Source Modification is hereby approved as described in the attached Technical Support Document.

Pursuant to 326 IAC 2-7-10.5(b)(2) federal consent decree that is entered into for the purpose of resolving alleged violations is subject to a Significant Souce Modification

The following construction conditions are applicable to the proposed modification:

Effective Date of the Permit

1. Pursuant to IC 13-15-5-3, this approval becomes effective upon its issuance.

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.

If you have any questions on this matter, please contact Aida DeGuzman of my staff, OAQ, 100 North Senate Avenue, MC 61-53 IGCN 1003, Indianapolis, Indiana, 46204-2251, or call at (800) 451-6027, and ask for Aida DeGuzman or extension 3-4972 or dial (317) 233-4972.

Sincerely,

Josiah K. Balogun, Section Chief
Permits Branch
Office of Air Quality

Attachments: Significant Source Modification and Technical Support Document

cc: File - Sullivan County
Sullivan County Health Department
U.S. EPA, Region 5
Compliance and Enforcement Branch

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DRAFT

Significant Source Modification to a Part 70 Source

OFFICE OF AIR QUALITY

Hoosier Energy REC, Inc. - Merom Generating Station
5500 W Old 54
Sullivan, Indiana 47882

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

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

Significant Source Modification No.: 153-36364-00005	
Issued by: Josiah K. Balogun, Section Chief Permits Branch Office of Air Quality	Issuance Date: Expiration Date:

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G.8 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)]

G.9 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)]

G.10 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)]

G.11 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)]

G.12 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]

Certification

Emergency Occurrence Report

Quarterly Report

Quarterly Deviation and Compliance Monitoring Report

Attachment A: 40 CFR 60, Subpart D
STANDARDS OF PERFORMANCE FOR FOSSIL-FUEL-FIRED STEAM GENERATORS FOR WHICH CONSTRUCTION IS COMMENCED AFTER AUGUST 17, 1971

Attachment B: 40 CFR 60, Subpart Y
STANDARDS OF PERFORMANCE FOR COAL PREPARATION PLANTS

Attachment C: 40 CFR 60, Subpart IIII
STANDARDS OF PERFORMANCE FOR STATIONARY COMPRESSION IGNITION INTERNAL COMBUSTION ENGINES

Attachment D: 40 CFR 60, Subpart JJJJ
STANDARDS OF PERFORMANCE FOR STATIONARY SPARK IGNITION INTERNAL COMBUSTION ENGINES

Attachment E: 40 CFR 63, Subpart ZZZZ
NATIONAL EMISSIONS STANDARDS FOR HAZARDOUS AIR POLLUTANTS FOR STATIONARY RECIPROCATING INTERNAL COMBUSTION ENGINES

Attachment F: 40 CFR 60, Subpart OOO
STANDARDS OF PERFORMANCE FOR NONMETALLIC MINERAL PROCESSING PLANTS

Attachment G: 40 CFR Part 63, Subpart DDDDD
National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial and Institutional Boilers and Process Heaters

Attachment H: Acid Rain Permit

Attachment I: 40 CFR 63, Subpart UUUUU
National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units

SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ). The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

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

The Permittee owns and operates a stationary electric generating station.

Source Address:	5500 W Old 54, Sullivan, Indiana 47882
General Source Phone Number:	812-935-4715
SIC Code:	4911 (Electric Services)
County Location:	Sullivan
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 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) pulverized coal-fired dry bottom boiler, identified as Unit 1 or 1SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 1 uses No. 2 fuel oil for start ups and flame stabilization. Unit 1 cannot operate at load solely using No. 2 fuel oil.

Unit 1 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE1B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 1 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV1) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 1 is an affected facility.

(b) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 2 or 2SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 2 uses No. 2 fuel oil for start ups and flame stabilization. Unit 2 cannot operate at load solely using No. 2 fuel oil.

Unit 2 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),

Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE2B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 2 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV2) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 2 is an affected facility.

(c) Two (2) No. 2 distillate oil-fired auxiliary boilers, constructed in 1980, each with a heat input rate of 93.0 MMBtu/hour, and exhausting to stack SV3.

(d) A coal storage and handling system, commencing construction in 1977, with a nominal throughput of 4,351,419 tons per year, consisting of the following equipment:

(1) One (1) outdoor storage area, identified as F01, with a nominal storage capacity of 1,500,000 tons, with particulate matter emissions controlled by layering and compaction and exhausting directly to the atmosphere.

(2) One (1) rail unloading (rotary car dumper) building, with a nominal throughput of 2000 tons per hour, identified as F02, controlled by being partially enclosed and exhausting directly to the atmosphere. Including the following equipment:

(i) Rotary Car Dumper
(ii) Vibrating Feeder(s)
(iii) Underground coal conveyor transfer point

(3) Two (2) receiving systems, where truck shipments of coal are discharged into one of the following stations:

(i) One (1) truck unloading station, which feeds a truck hopper, identified as F03, with a nominal throughput of 500 tons per hour with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere. Including the following equipment:

(A) Truck Hopper
(B) Vibrating Feeder
(C) Underground coal conveyor transfer point

(ii) One (1) truck unloading area, directly to coal storage pile(s), identified as F04, with a nominal unloading capacity of 1,000 tons per hour, which is utilized on an as needed basis, with particulate matter emissions exhausting directly to the atmosphere.

(4) One (1) breaker house with enclosed chutes, identified as F05, with a nominal throughput of 2,000 tons per hour, with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere.

(i) Conveyor transfer point(s)

(5) One (1) stockout system, identified as F06, with a nominal throughput of 2,000

tons per hour, which includes the following equipment:

(i) Enclosed conveyors CH-CV-1, CH-CV-2, and CH-CV-3,
(ii) Retractable plow, which is used for emergency purposes only, and
(iii) Lowering wells (enclosed concrete cylinder with openings at various elevations) used to control particulate matter emissions.

(6) One (1) reclaim system, identified as F07, with a combined nominal throughput of 1600 tons per hour, with particulate matter emissions controlled by partial enclosures and wet spray suppression and exhausting directly to atmosphere. Including the following equipment:

(i) Reclaim Drawdown Hoppers, 4A-1, 4A-2, 4B-1, 4B-2
(ii) Four (4) vibrating feeders
(iii) Underground coal conveyor transfer point(s)

(7) One (1) reclaim conveying system, which consists of two conveyor systems (CH-CV-A and CH-CV-B as identified below), each with a nominal throughput of 800 tons per hour, with particulate matter emissions controlled by enclosures. Including the following equipment:

(i) Conveyors CH-CV-4A, CH-CV-4B, CH-CV-5A, CH-CV-5B, CH-CV-6A, and CH-CV-6B

(8) One (1) emergency reclaim area, which feeds an emergency reclaim hopper, identified as F08, with a nominal throughput of 600 tons per hour, with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere. Including the following equipment:

(i) Emergency reclaim hopper
(ii) Vibrating Feeder
(iii) Two (2) underground coal conveyor transfer point(s)

(9) One (1) crusher house, identified as F09, with a combined nominal throughput of 1600 tons per hour, with particulate matter emissions controlled by a wet spray suppression and exhausting directly to atmosphere. Including the following equipment:

(i) Surge bin(s)
(ii) Vibrating feeder(s)
(iii) Two (2) enclosed crushers with bypass, with a nominal throughput of 800 tons per hour, each.
(iv) Enclosed conveyor transfer point(s)

(10) One (1) boiler building bunker area, identified as F10, with a combined nominal throughput of 1600 tons, with particulate matter emissions controlled by enclosure and dust suppression system and exhausting directly to the atmosphere. Including the following equipment:

(i) Enclosed transfer tower(s)
(ii) Enclosed conveyor transfer point(s)
(ii) Two (2) traveling tripper(s)

(11) Bulk material movement with dozer, front end loaders, other heavy mobile equipment.

(12) Truck hauling, on paved and unpaved roads.

Under 40 CFR Part 60, Subpart Y, the coal storage and handling system is an affected facility.

(e) Two (2) lime kiln dust silos, identified as LKD Silo 1 and LKD Silo 2, constructed in 2008, each with a nominal throughput of 3.75 tons per hour, with emissions controlled by LKD Silo Baghouse 1 and LKD Silo Baghouse 2, respectively, and exhausting to LKD Silo Vent 1 and LKD Silo Vent 2, respectively.

(f) One (1) limestone storage and handling system, constructed between 1978 and 1980, with a nominal throughput of 400,000 tons per year consisting of the following equipment:

(1) One (1) railcar unloading station, identified as LDU1, which feeds two (2) hoppers located in limestone truck hopper (partially) enclosed structure, with a combined nominal throughput of 3,000 tons per hour.

(2) One (1) truck unloading to limestone pile, identified as LTU1 with a nominal throughput of 2,000 tons per hour.

(3) One (1) unloading belt conveyor identified as LU1, which is fed by two (2) hoppers via vibrating feeders, with a nominal throughput of 600 tons per hour, with a dust suppression system used to control particulate matter emissions.

(4) One (1) limestone storage pile, identified as LP1, which is fed by unloading belt conveyor via telescoping discharge spout, identified as LDP1**,** with a nominal throughput of 600 tons per hour, with a storage capacity of up to 90,000 tons of limestone.

(5) Two (2) Limestone reclaim belt conveyors identified as LRC1 and LRC2, which are fed via underground hoppers from the limestone pile, each with a nominal throughput of 180 tons per hour.

(6) Two (2) Limestone reclaim belt conveyor transfers, identified as LRCT1 and LRCT2, which transfers materials to limestone reclaim conveyor discharge chutes, each with a nominal throughput of 180 tons per hour.

(7) Located in the limestone preparation building are the following units:

(A) Two (2) Limestone receiving bins, identified as LRCB1 and LRCB2, which are fed by limestone reclaim conveyor, each with a nominal throughput of 175 tons per hour, with baghouses identified as LRCB Baghouse 1 and 2 to control emissions from LRCB1 and 2, and exhausting to stacks LRCB Vent 1 and 2, respectively.

(B) One (1) enclosed crusher fed by a vibratory feeder, identified as LPC1, constructed in 2008, with a maximum capacity of 45 tons per hour, using the baghouse identified as LPC Baghouse 1 as control, and exhausting to stack LPC Vent 1.

Under 40 CFR Part 60, Subpart OOO, crusher LPC1 is an affected facility.

(C) One (1) enclosed crusher fed by a vibratory feeder, identified as LPC2,

constructed in 2010, with a maximum capacity of 45 tons per hour, using the baghouse identified as LPC Baghouse 2 as control, and exhausting to stack LPC Vent 2.

Under 40 CFR Part 60, Subpart OOO, crusher LPC2 is an affected facility.

(D) Two (2) Limestone surge bins, identified as LSB1 and LSB2, which are fed by limestone bucket elevators, each with a nominal throughput of 45 tons per hour, using the baghouses identified as LSB Baghouse 1 and 2 to control emissions, and exhausting to stacks LSB Vent 1 and 2, respectively.

(E) Two (2) enclosed limestone ball mill transfer conveyor systems, constructed in 2011, identified as LBMC1 and LBMC2, each with a nominal throughput of 80 tons per hour, emissions are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(8) Four (4) enclosed weigh belt feeders (conveyors), identified as LWB1, LWB2, LWB3, and LWB4, each with a maximum capacity of 22.5 tons per hour, which transfer limestone to four (4) enclosed wet tower mills, identified as LTM1, LTM2, LTM3, and LTM4, each with a maximum capacity of 22.5 tons per hour.

(9) Two (2) enclosed limestone weigh belt feeders, constructed in 2011, identified as LWB1.1 and LWB2.1, each with a nominal throughput of 80 tons per hour, emissions are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(10) One (1) enclosed limestone emergency reclaim conveyor, constructed in 2011, identified as LERC, with a nominal throughput of 250 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(A) One (1) Limestone Emergency Reclaim Feeder, identified as LERF, constructed in 2013, with a nominal maximum capacity of 200 tons per hour. [40 CFR 60, Subpart OOO]

(B) One (1) Limestone Emergency Reclaim Breaker, identified as LERB, constructed in 2013, with a nominal maximum capacity of 200 tons per hour. [40 CFR 60, Subpart OOO]

(11) Two (2) enclosed/underground limestone railcar unloading belt feeders, identified as LRUBF1 and LRUBF2, each with a nominal throughput of 300 tons per hour, emissions are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(12) Two (2) enclosed/underground limestone storage pile belt feeders, identified as LSPBF1 and LSPBF2, each with a nominal throughput of 250 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(13) Two (2) enclosed limestone wet ball mills, constructed in 2011, identified as LWBM1 and LWBM2, each with a nominal throughput of 70 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(g) Bulk material movement with dozer, front end loaders, and other heavy equipment.

(h) Truck hauling on paved and unpaved roads.

(i) A pneumatic fly ash storage and handling system, constructed in 1977, with a nominal throughput of 1,752,000 tons of fly ash per year consisting of the following equipment:

(1) Four (4) fly ash silos, identified as Fly Ash Silos 1A, 1B, 2A, and 2B, with a nominal throughput of 100 tons per hour, each, particulate matter emissions controlled with eight (8) baghouses (two baghouses per silo), identified as Fly Ash Baghouse 1A1, 1A2, 1B1, 1B2, 2A1, 2A2, 2B1, and 2B2, and exhausted to stacks Fly Ash Silo Vent 1A1, 1A2 1B1, 1B2, 2A1, 2A2, 2B1, and 2B2, respectively.

(2) One (1) fly ash silo at IUCS, identified as Fly Ash Silo IUCS, with a nominal throughput of 100 tons per hour, particulate matter emissions controlled with a baghouse identified as Fly Ash IUCS Baghouse, and exhausting to stack Fly Ash IUCS Vent.

(3) Fugitive emissions from emergency fly ash loading into a vacuum truck at Fly Ash Silos 1A, 1B, 2A, 2B and fly ash silo IUCS and hauling to an on-site landfill.

(j) A lime kiln dust storage and handling system at IUCS, constructed in 1979, with a nominal throughput of 26,280 tons of lime kiln dust per year consisting of the following equipment;

(1) One (1) lime kiln dust silo at IUCS, identified as Lime Silo at IUCS, with a nominal throughput of 5 tons per hour, particulate matter emissions controlled with a baghouse, identified as Lime Silo IUCS Baghouse, and exhausting to stack Lime Silo IUCS Vent.

(k) A lime storage and handling system at WWT, constructed in 1977, with a nominal throughput of 109.5 tons of lime per year consisting of the following equipment.

(1) One (1) lime silo at WWT, identified as Lime Silo at WWT, with a nominal throughput of 0.0125 tons per hour, particulate matter emissions controlled with a baghouse, identified as Lime Silo WWT Baghouse, and exhausting to stack Lime Silo WWT Vent.

(l) FGD slurry handling system, constructed in 1979, with a nominal throughput of 2,628,000 tons of FGD slurry per year consisting of the following equipment:

(1) Two (2) pug mills (mixers) located at IUCS, identified as Pug Mill 1 and Pug Mill 2, with a nominal throughput of 300 tons per hour, each, particulate matter emissions controlled with a common de-dusting equipment, identified as Whirl-jet, and exhausting to stack Pug Mill Vent.

(2) One (1) Pozz-o-tec stockout conveyor system, identified as Pozz-o-tec Drop Point, with a nominal throughput of 300 tons per hour, with particulate matter uncontrolled, and exhausting directly to atmosphere.

(3) Bulk material movement with dozer, front end loaders, other heavy mobile equipment.

(4) Truck hauling on paved and unpaved roads.

(m) A wet bottom ash storage and handling system, constructed in 1977, with a nominal throughput of 30,160 tons of bottom ash per year consisting of the following equipment:

(1) One (1) partial enclosed bottom ash truck loadout system with four (4) Decant Bins, identified as Bottom Ash Decant Bin 1A, 1B, 2A and 2B with their own truck loadout, with a nominal throughput of 125 tons per hour, with particulate emission control by partial enclosure and exhausting directly to atmosphere.

(2) Bulk material movement with dozer, front end loaders, other heavy mobile equipment.

(3) Truck hauling on paved and unpaved roads.

(n) A Pozz-o-tec landfill, identified as Landfill with emissions controlled with wet and/or dry (agent) suppression and annual coverage.

(1) Bulk material movement with dozer, front end loader, other heavy mobile equipment.

(2) Truck hauling to and from the landfill on paved and unpaved roads.

(o) Four (4) 4-Stroke Lean Burn Coal Bed Methane (CBM)-fired Reciprocating Internal Combustion Engines (RICE), constructed in 2011, identified as CBM1 to CBM4, each rated at 4,601 bHp (25.46 MMBtu/hr). CBM1 to CBM4 use Catalytic Oxidation and Selective Catalytic Reduction (SCR) to control VOC, NOx and CO. CBM1 to CBM4 exhaust to stacks SV-CBM1 to SV-CBM4 or to the greenhouses, respectively. [40 CFR 63, Subpart ZZZZ][40 CFR 60, Subpart JJJJ].

(p) One (1) Coal Bed Methane (CBM)-fired Standby Flare with a propane-fired pilot, constructed in 2011, identified as CBM FL, rated at 25 MMBtu/hr with a 0.8 MMBtu/hr pilot, emissions are uncontrolled, no stack.

A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)] [326 IAC 2-7-5(14)]

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

(1) Degreasing operations that do not exceed 145 gallons per 12 months. [326 IAC 8-3-2] [326 IAC 8-3-8]

(2) Equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment. [326 IAC 6-3-2]

(3) Grinding and machining operations controlled with fabric filters, scrubbers, mist collectors, wet collectors and electrostatic precipitators with a design grain loading of less than or equal to 0.03 grains per actual cubic foot and a gas flow rate less than or equal to 4,000 actual cubic feet per minute, including the following: deburring, buffing, polishing, abrasive blasting, pneumatic conveying, and woodworking operations. [326 IAC 6-3-2]

(4) One (1) emergency diesel generator, identified as EMDG-1, constructed in 2007, rated at less than 1600 horsepower, engine displacement volume less than 10 liters per cylinder and exhausting to the atmosphere.

The emergency generator, identified as EMDG-1, is subject to the requirements of New Source Performance Standards (NSPS) for Stationary Compression Ignition (CI) Internal Combustion Engines (ICE), 40 CFR Part 60, Subpart IIII, and National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (RICE), 40 CFR Part 63, Subpart ZZZZ.

(5) Conveyors as follows: Underground coal conveyors including the following equipment:

(i) Conveyor identified as CH-TC-1
[326 IAC 6-3-2][40 CFR 60, Subpart Y]

(6) Covered conveyors for limestone conveying of less than or equal to 7200 tons per day for sources other than mineral processing plants constructed after August 31, 1983. [326 IAC 6-3-2]

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

(1) Propane or liquefied petroleum gas, or butane-fired combustion sources with heat input equal to or less than six million (6,000,000) Btu per hour.

(2) Equipment powered by internal combustion engines of capacity equal to or less than 500,000 Btu/hour, except where total capacity of equipment operated by one stationary source exceeds 2,000,000 Btu/hour.

(3) Combustion source flame safety purging on startup.

(4) A gasoline fuel transfer and dispensing operation handling less than or equal to 1,300 gallons per day, such as filling of tanks, locomotives, automobiles having a storage capacity less than or equal to 10,500 gallons.

(5) A petroleum fuel, other than gasoline, dispensing facility, having a storage capacity of less than or equal to 10,500 gallons, and dispensing less than or equal to 230,000 gallons per month.

(6) The following VOC and HAP storage containers:

(A) Storage tanks with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons.

(B) Vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids.

(C) Eight (8) storage tanks:

(i) Tank 1, identified as ST1, was constructed in 1982, stores fuel oil and has a maximum capacity of 500,000 gallons.

(ii) Tank 2, identified as ST2, was constructed in 1982, stores fuel oil, and has a maximum capacity of 15,000 gallons.

(iii) Tank 3, identified as ST3, was constructed in 1982, stores diesel, has a maximum capacity of 15,000 gallons.

(iv) Tank 4, identified as ST4, was constructed in 2000, stores sodium formate, has a maximum capacity of 31,548 gallons

(v) Tank 5, identified as ST5, was constructed in 2000, stores sodium formate, has a maximum capacity of 13,512 gallons

(vi) Tank 6, identified as ST6, was constructed in 1990, stores emulsified sulfur, has a maximum capacity of 6,000 gallons.

(vii) Tank 7, identified as ST7, was constructed before 2003, stores anhydrous ammonia, has a maximum capacity of 45,000 gallons.

(viii) Tank 8, identified as ST8, was constructed before 2003, stores anhydrous ammonia, has a maximum capacity of 45,000 gallons.

(7) Equipment used exclusively for the following:

(A) Filling drums, pails or other packaging containers with lubrication oils, waxes, and greases.

(8) Application of oils, greases, lubricants or other nonvolatile materials applied as temporary protective coatings.

(9) Machining where an aqueous cutting coolant continuously floods the machining interface.

(10) Closed loop heating and cooling systems.

(11) Solvent recycling systems with batch capacity less than or equal to 100 gallons.

(12) Noncontact cooling tower systems with forced and induced draft cooling tower system not regulated under a NESHAP.

(13) Replacement or repair of electrostatic precipitators, bags in baghouses and filters in other air filtration equipment.

(14) Heat exchanger cleaning and repair.

(15) Process vessel degassing and cleaning to prepare for internal repairs.

(16) Stockpiled soils from soil remediation activities that are covered and waiting transport for disposal.

(17) Paved and unpaved roads and parking lots with public access.

(18) Conveyors as follows:

(A) Covered conveyors for limestone conveying of less than or equal to 7200 tons per day for sources other than mineral processing plants constructed after August 31, 1983;

(B) Underground conveyor identified as CH-TC-1,

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

(20) Asbestos abatement projects regulated by 326 IAC 14-10.

(21) Purging of gas lines and vessels that is related to routine maintenance and repair of buildings, structures, or vehicles at the source where air emissions from those activities would not be associated with any production process. This also includes routine purging of ammonia tank lines, which are flared with a propane igniter.

(22) Flue gas conditioning systems and associated chemicals such as the following: sodium sulfate; ammonia; sulfur trioxide, sodium formate, DBA and emulsified sulfur.

(23) Equipment used to collect any material that might be released during a malfunction, process upset, or spill cleanup, including catch tanks, temporary liquid separators, tanks and fluid handling equipment.

(24) Blowdown for any of the following: sight glass; boiler; compressors; pumps; and cooling tower.

(25) On-site fire and emergency response training approved by the department.

(26) Emergency generators as follows:

(A) Gasoline generators not exceeding 110 horsepower.

(B) Diesel generators not exceeding 1600 horsepower.

(27) Stationary fire pumps.

(28) Purge double block and bleed valves.

(29) Filter and coalescer media changeout.

(30) Vents from ash transport systems not operated at positive pressure.

(31) A laboratory as defined in 326 IAC 2-7-1(21)(D).

(32) Farm operations.

(33) Activities with emissions equal to or less than thresholds:
Lead (Pb = 0.6 ton/year or 3.29 lbs/day
Carbon Monoxide (CO) = 25 lbs/day
Sulfur Dioxide (SO_2) = 5 lbs/hour or 25 lbs/day
Particulate matter (PM) = 5 lbs/hour or 25 lbs/day
Nitrogen Oxides (NOx) = 5 lbs/hour or 25 lbs/day
Volatile Organic Compounds (VOC) = 3 lbs/hour or 15 lbs/day

(34) Other categories with emission below insignificant thresholds as follows:

(A) Two (2) coal feed systems, with nominal rate of 77 tons per hour each, consisting of three coal mills, six classifiers, six coal feeders, each, identified as coal feed system(s) unit 1 and unit 2, with particulate matter controlled by total enclosure.

(B) One (1) limestone classifier tank.

(C) One (1) limestone slurry tank.

(D) Two (2) FGD slurry thickener tanks.

(E) One (1) FGD slurry intermediate surge tank vented at ambient pressure to atmosphere.

(F) One (1) FGD slurry primary surge tank vented at ambient pressure to atmosphere.

(G) Four (4) FGD filter cake presses with partial enclosed at IUCS and venting directly to atmosphere.

(H) Bottom ash handling facility and transport system, processed wet bottom ash sluiced and conveyed to four (4) decant bins, two (2) settling bins, and two (2) recirculating tanks.

(I) One (1) intermediate Pozz-o-tec storage pile, identified as Pozz-o-tec Stackout Pile, with particulate matter uncontrolled and exhausting directly to atmosphere.

(J) One (1) WWT filter press processing iron sludge.

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

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

(a) It is a major source, as defined in 326 IAC 2-7-1(22);

(b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 - Applicability).

(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] [Case No. 1:10-CV-0935-LJM-TAB]

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. The following definitions shall apply in this permit:

(a) A "30-Day Rolling Average NOx Emission Rate" for a Unit shall be expressed in lb/MMBtu and calculated in accordance with the following procedure: first, sum the total pounds of NOx emitted from the Unit during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days; second, sum the total heat input to the Unit in MMBtu during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days; and third, divide the total number of pounds of NOx emitted during the thirty (30) Unit Operating Days by the total heat input during the thirty (30) Unit Operating Days. A new 30-Day Rolling Average NOx Emission Rate shall be calculated for each new Unit Operating Day. Each 30-Day Rolling Average NOx Emission Rate shall include all emissions that occur during all periods within any Unit Operating Day, including emissions from startup, shutdown, and malfunction.

(b) A "30-Day Rolling Average SO_2 Emission Rate" for a Unit shall be expressed in lb/MMBtu and calculated in accordance with the following procedure: first, sum the total pounds of SO_2 emitted from the Unit during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days; second, sum the total heat input to the Unit in MMBtu during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days; and third, divide the total number of pounds of SO_2 emitted during the thirty (30) Unit Operating Days by the total heat input during the thirty (30) Unit Operating Days. A new 30-Day Rolling Average SO_2 Emission Rate shall be calculated for each new Unit Operating Day. Each 30-Day Rolling Average SO_2 Emission Rate shall include all emissions that occur during all periods within any Unit Operating Day, including emissions from startup, shutdown, and malfunction.

(c) A "30-Day Rolling Average SO_2 Removal Efficiency" means the percent reduction in the mass of SO_2 achieved by a Unit's FGD system over a thirty (30) Unit Operating Day period and shall be calculated as follows: step one, sum the total pounds of SO_2 emitted as measured at the outlet of the FGD system for the Unit during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days as measured at the outlet of the FGD system for that Unit; step two, sum the total pounds of SO_2 delivered to the inlet of the FGD system for the Unit during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days as measured at the inlet to the FGD system for that Unit (this shall be calculated by measuring the ratio of the lb/MMBtu SO_2 inlet to the lb/MMBtu SO_2 outlet and multiplying the outlet pounds of SO_2 by that ratio); step three, subtract the outlet SO_2 emissions calculated in step one from the inlet SO_2 emissions calculated in step two; step four, divide the difference calculated in step three by the inlet SO_2 emissions calculated in step two; and step five, multiply the quotient calculated in step four by 100 to express the emission limit as a removal efficiency percentage. A new 30-Day Rolling Average SO_2 Removal Efficiency shall be calculated for each new Unit Operating Day. Each 30-Day Rolling Average SO_2 Removal Efficiency shall include all emissions that occur during all periods within any Unit Operating Day, including emissions from startup, shutdown, and malfunction.

(d) "Day" means calendar day unless otherwise specified in this Title V Permit .

(e) "H_2SO_4" means sulfuric acid, measured in accordance with the provisions of this permit.

(f) "H_2SO_4 Emission Rate" means the number of pounds of H2SO4 emitted per million Btu of heat input (lb/MMBtu), as measured in annual stack tests in accordance with this permit.

(g) "Hoosier System" means the Merom and Ratts facilities.

(h) "Merom" means the Permittee's Merom Generating Station consisting of two dry-bottom turbo-fired boilers designated as Unit 1 (547 Gross MW) and Unit 2 (547 Gross MW) and related equipment, which is located in Sullivan County, Indiana.

(i) "NOx Allowance" means an authorization to emit a specified amount of NOx that is allocated or issued under an emissions trading or marketable permit program of any kind that has been established under the Clean Air Act or a state implementation plan.

(j) "PM" means total filterable particulate matter with respect to Condition D.1.4 of this Permit.

(k) "PM Emission Rate" means the number of pounds of PM emitted per million Btu of heat input (lb/MMBtu), as measured in annual stack tests in accordance with Conditions D.1.9 (d) and (e).

(l) "Ratts" means the Permittee's Ratts Generating Station consisting of two dry-bottom wall-fired boilers designated as Unit 1 (132 MW) and Unit 2 (132 MW) and related equipment, which is located in Pike County, Indiana.

(m) "Reagent Injection" or "RI" means an H_2SO_4 control system consisting of the injection of a reagent in the flue gas stream to react with the acid gases and reduce the outlet H_2SO_4 emissions Rate.

(n) "Removal Efficiency" for a given pollutant means the percentage of that pollutant removed by the applicable emission control device, measured in accordance with the provisions of this permit.

(o) "Retire" means that the Permittee shall permanently shutdown and cease to operate the Unit such that the Unit cannot legally burn any fuel nor produce any steam for electricity production and that the Permittee shall comply with applicable state and federal requirements for permanently retiring a coal-fired electric generating unit, including removing the Unit from Indiana's air emissions inventory, and amending all applicable permits so as to reflect the permanent shutdown status of such Unit.

(p) "SO_2 Allowance" means an authorization or credit to emit a specified amount of SO_2 that is allocated or issued under an emissions trading or marketable permit program of any kind that has been established under the Clean Air Act or the Indiana SIP.

(q) Super-Compliant NOx Allowance" means a NOx Allowance attributable to reductions beyond the requirements of the Consent Decree in Civil Action No. 1:10-CV-LJM-TAB, entered on November 4, 2010.

(r) "Surrender" or "Surrender of Allowances" means, for purposes of SO_2 or NOx Allowances, permanently surrendering allowances from the accounts administered by EPA and Indiana for all Units in the Hoosier System, so that such allowances can never be used thereafter to meet any compliance requirements under the Clean Air Act, a state implementation plan, or this permit.

(s) "System-Wide Annual NOx Tonnage Limitation" means the limitations, as specified in Condition D.1.20, on the number of tons of NOx that may be emitted from Merom Unit 1

and Unit 2 and Ratts Unit 1 and Unit 2, collectively, during the relevant calendar year (i.e., January 1 through December 31), and shall include all emissions of NOx during all periods of operations, including startup, shutdown, and malfunction.

(t) "System-Wide Annual SO_2 Tonnage Limitation" means the limitations, as specified in Condition D.1.20, on the number of tons of SO_2 that may be emitted from Merom Unit 1 and Unit 2 and Ratts Unit 1 and Unit 2, collectively, during the relevant calendar year (i.e., January 1 through December 31), and shall include all emissions of SO_2 during all periods of operations, including startup, shutdown, and malfunction.

(u) "Unit" means collectively, the coal pulverizer, stationary equipment that feeds coal to the boiler, the boiler that produces steam for the steam turbine, the steam turbine, the generator, the equipment necessary to operate the generator, steam turbine, and boiler, and all ancillary equipment, including pollution control equipment and systems necessary for production of electricity. An electric steam generating station may comprise one or more Units.

(v) "Unit Operating Day" means, for Merom Unit 1, any Day on which Merom Unit 1 fires Fossil Fuel, and, for Merom Unit 2, any Day on which Merom Unit 2 fires Fossil Fuel, and for Ratts Unit 1, any Day on which Ratts Unit 1 fires Fossil Fuel, and, for Ratts Unit 2, any Day on which Ratts Unit 2 fires Fossil Fuel.

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, T153-35203-00005, 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

(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).

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.

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).

(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.

(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 T153-35203-00005 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).

(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.

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:

(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).

(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:

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

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

(a) Notification requirements apply to each owner or operator. If the combined amount of regulated asbestos containing material (RACM) to be stripped, removed or disturbed is at least 260 linear feet on pipes or 160 square feet on other facility components, or at least

thirty-five (35) cubic feet on all facility components, then the notification requirements of 326 IAC 14-10-3 are mandatory. All demolition projects require notification whether or not asbestos is present.

(b) The Permittee shall ensure that a written notification is sent on a form provided by the Commissioner at least ten (10) working days before asbestos stripping or removal work or before demolition begins, per 326 IAC 14-10-3, and shall update such notice as necessary, including, but not limited to the following:

(1) When the amount of affected asbestos containing material increases or decreases by at least twenty percent (20%); or

(2) If there is a change in the following:

(A) Asbestos removal or demolition start date;

(B) Removal or demolition contractor; or

(C) Waste disposal site.

(c) The Permittee shall ensure that the notice is postmarked or delivered according to the guidelines set forth in 326 IAC 14-10-3(2).

(d) The notice to be submitted shall include the information enumerated in 326 IAC 14-10-3(3).

All required notifications shall be submitted to:

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

The notice shall include a signed certification from the owner or operator that the information provided in this notification is correct and that only Indiana licensed workers and project supervisors will be used to implement the asbestos removal project. The notifications do not require a certification that meets the requirements of 326 IAC 2-7-6(1) by a "responsible official" as defined by 326 IAC 2-7-1(35).

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

(f) Demolition and Renovation
The Permittee shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation will occur for the presence of asbestos pursuant to 40 CFR 61.145(a).

(g) Indiana Licensed Asbestos Inspector
The Permittee shall comply with 326 IAC 14-10-1(a) that requires the owner or operator, prior to a renovation/demolition, to use an Indiana Licensed Asbestos Inspector to

thoroughly inspect the affected portion of the facility for the presence of asbestos. The requirement to use an Indiana Licensed Asbestos inspector is not federally enforceable.

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

C.8 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.9 Compliance Requirements [326 IAC 2-1.1-11]

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

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

C.10 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

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.11 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.12 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.13 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.14 Response to Excursions or Exceedances [40 CFR 64][326 IAC 3-8][326 IAC 2-7-5] [326 IAC 2-7-6]

(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.

(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.15 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.16 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.17 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:

(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.

(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.18 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.

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:

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.19 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.

C.20 SO_2 Allowance Surrender Requirements: [Case No. 1:10-CV-0935-LJM-TAB]

The Permittee shall Surrender SO_2 Allowances as follows:

(a) For the purpose of this condition, the definitions in Condition B.1 shall apply.

(b) Beginning in calendar year 2011, and continuing each calendar year thereafter, the Permittee shall Surrender all SO_2 Allowances allocated to Merom Unit 1 and Unit 2 for that calendar year that the Permittee does not need in order to meet its own federal and/or state Clean Air Act regulatory requirements for the Units. However, SO_2 Allowances allocated to Merom Unit 1 and Unit 2 may be used by the Permittee to meet its own federal and/or state Clean Air Act regulatory requirements for such Units.

(c) The Permittee shall Surrender or transfer to a non-profit third party selected by the Permittee for Surrender, all SO_2 Allowances required to be Surrendered pursuant to paragraph (b) of this condition within forty-five (45) Days from the Permittee's receipt of the annual deduction report for Merom or Ratts, whichever is later.

C.21 NOx Allowance Surrender Requirements: [Case No. 1:10-CV-0935-LJM-TAB]

The Permittee shall Surrender NOx Allowances as follows:

(a) For the purpose of this condition, the definitions in Condition B.1 shall apply.

(b) Beginning in calendar year 2011, and continuing each calendar year thereafter, the Permittee shall Surrender all NOx Allowances allocated to the Hoosier System for that calendar year that the Permittee does not need in order to meet its own federal and/or state Clean Air Act regulatory requirements for the Hoosier System Units. However, NOx

Allowances allocated to Hoosier System may be used by the Permittee to meet its own federal and/or state Clean Air Act regulatory requirements for such Units.

(c) The Permittee shall Surrender or transfer to a non-profit third party selected by the Permittee for Surrender, all NOx Allowances required to be Surrendered pursuant to paragraph (b) of this condition by March 1 of the immediately following calendar year.

C.22 Super-Compliant NOx Allowance [Case No. 1:10-CV-0935-LJM-TAB]

Provided that Hoosier is in compliance with the applicable System-Wide Annual NO_X Tonnage Limitation specified for that year, nothing shall preclude Permittee from selling, banking, or transferring NO_X Allowances allocated to Merom Unit 1 and Unit 2 and Ratts Unit 1 and Unit 2 that become available for sale or trade solely as a result of: (a) the installation and operation of any NO_X pollution control that is not otherwise required by, or necessary to maintain compliance with, any provision of the Consent Decree entered into in Case No. 1:10-CV-0935-LJM-TAB, this Permit, and is not otherwise required by law; (b) the use of SNCR prior to December 31, 2011; or (c) achievement and maintenance below the applicable 30-Day Rolling Average NO_X Emission Rate.

SECTION D.1 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(a) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 1 or 1SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 1 uses No. 2 fuel oil for startups and flame stabilization. Unit 1 cannot operate at load solely using No. 2 fuel oil.

Unit 1 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE1B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 1 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV1) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 1 is an affected facility.

(b) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 2 or 2SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 2 uses No. 2 fuel oil for startups and flame stabilization. Unit 2 cannot operate at load solely using No. 2 fuel oil.

Unit 2 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE2B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 2 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV2) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 2 is an affected facility.

(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 Merom Unit 1 and Unit 2 NOx Emission Reduction and Control Requirements: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) The Permittee shall achieve and maintain a 30-Day Rolling Average NOx Emission Rate of no greater than 0.080 lb/MMBtu at Unit 1.

(b) The Permittee shall achieve and maintain a 30-Day Rolling Average NOx Emission Rate of no greater than 0.080 lb/MMBtu at Unit 2..

(c) If the dispatch of either Unit requires operation of such Unit(s) at a load level that results in flue gas temperature so low that it becomes technically infeasible to Continuously Operate the SCR despite the Permittee's best efforts to do so (including, but not limited to, maintaining minimum load operation which provides for achieving sufficient inlet temperatures for injection of ammonia to the SCR), the Permittee's emissions shall not exceed a 30-Day Rolling Average NOx Emission Rate of 0.090 lb/MMBty provided the Permittee provides IDEM with data and calculations to demonstrate that but for such low load operation, the Permittee would have achieved and maintained a 30-Day Rolling Average NOx Emission Rate of no greater than 0.080 lb/MMBtu at such Unit(s).

D.1.2 Merom Unit 1 and Unit 2 SO_2 Emission Reduction and Control Requirements: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) The Permittee shall achieve and maintain a 30-Day Rolling Average SO_2 Emission Rate of no greater than 0.150 lb/MMBtu or a 30-Day Rolling Average SO_2 Removal Efficiency of at least 96.0% at Unit 2.

(b) The Permittee shall achieve and maintain a 30-Day Rolling Average SO_2 Emission Rate of no greater than 0.150 lb/MMBtu or a 30-Day Rolling Average SO_2 Removal Efficiency of at least 96.0% at Unit 1.

D.1.3 Merom Unit 1 and Unit 2 H_2SO_4 Emission Reduction and Control Requirements: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) The Permittee shall achieve and maintain an H_2SO_4 Emission Rate of no greater than 0.007 lb/MMBtu at Unit 1.

(b) The Permittee shall achieve and maintain an H_2SO_4 Emission Rate of no greater than 0.007 lb/MMBtu at Unit 2.

D.1.4 Merom Unit 1 and Unit 2 PM Emission Reduction and Control Requirements: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) The Permittee shall achieve and maintain a PM Emission Rate of no greater than 0.030 lb/MMBtu at Unit 1; provided that, if the Permittee installs a Baghouse at Unit 1 the Permittee shall operate such baghouse so that such Unit achieves and maintains a PM Emission Rate of no greater than 0.015 lb/MMBtu.

(b) The Permittee shall achieve and maintain a PM Emission Rate at Unit 2 of no greater than 0.030 lb/MMBtu; provided that, if the Permittee installs a Baghouse at Unit 2, the Permittee shall operate such baghouse so that such Unit achieves and maintains a PM Emission Rate of no greater than 0.015 lb/MMBtu.

D.1.5 New Source Performance Standard (NSPS) [326 IAC 12][40 CFR 60, Subpart D] [40 CFR Part 60, Subpart A]

(a) General Provision
The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the facilities described in this section

except when otherwise specified in 40 CFR Part 60, Subpart D.

(b) Particulate Matter (PM) Emissions
Pursuant to 40 CFR 60.42(a)(1), the particulate emissions from Unit 1 and Unit 2 shall not exceed 0.10 pounds of PM per MMBtu.

(c) Opacity
Pursuant to 40 CFR 60.42(a)(2), the opacity from Unit 1 and Unit 2 shall not exceed 20% opacity, except for one six-minute period per hour of not more than twenty-seven percent (27%) opacity, and except for emissions related to startup, shutdown, or malfunction, as allowed under 40 CFR 60, subpart A.

(d) Sulfur Dioxide (SO_2) Emissions
Pursuant to 40 CFR 60.43(a)(2), the SO_2 emissions from Unit 1 and Unit 2 shall not exceed 1.2 pounds of SO_2 per MMBtu.

(e) Nitrogen Oxides (NO_x) Emissions
Pursuant to 40 CFR 60.44(a)(3), the NO_x emissions from Unit 1 and Unit 2 shall not exceed 0.70 pounds of NO_x per MMBtu.

D.1.6 Temporary Alternative Opacity Limitations (TAOLs) - - Unit 1 and Unit 2 [326 IAC 5-1-3]

(a) Pursuant to 326 IAC 5-1-3(d) and (e), the Permittee shall comply with the following:

(i) During startup periods of Unit 1 or Unit 2, the plume opacity may exceed 20%,
- - for a period of up to 4 hours or
- - until the flue gas temperature entering the electrostatic precipitator reaches 250 °F,
whichever occurs first.

(ii) During shutdown periods of Unit 1 or Unit 2, the plume opacity may exceed 20% for a period of up to 4 hours.

(b) Operation of the electrostatic precipitator is not required during these times unless necessary to comply with these limits.

(c) The need for revised temporary alternative opacity limits (TAOLs) during periods of startup and shutdown will be assessed upon renewal of this permit.

D.1.7 Temporary Alternative Opacity Limitations (TAOLs) - - Ash Removal [326 IAC 5-1-3]

(a) Pursuant to 326 IAC 5-1-3(b), when removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2 and stated in Section C - Opacity.

(b) 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.

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

D.1.8 Sulfur Dioxide (SO_2) Limitation [326 IAC 7-4-7]

Pursuant to 326 IAC 7-4-7 (Sullivan County Sulfur Dioxide (SO_2) Emissions Limitations), SO_2 emissions from Unit 1 and Unit 2 shall not exceed 1.2 pounds per MMBtu for each unit, based on a 30-day rolling average.

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

D.1.9 Testing Requirements [326 IAC 2-7-6(1)][326 IAC 2-7-6(6)][326 IAC 2-1.1-11][40 CFR 60] [Civil Action No. 1:10-CV-0935-LJM-TAB]

PM Testing – NSPS:

(a) Within the two (2) calendar years following the most recent valid stack test, compliance with the PM limitation in Condition D.1.5(b) shall be determined by a performance stack test using methods as approved by the commissioner.

(b) This test shall be repeated at least once every two (2) calendar years following the date of the most recent valid compliance demonstration.

(c) 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.

PM Testing - Consent Decree:

(d) To determine compliance with the PM limits set forth in Condition D.1.4, the Permittee shall conduct an annual stack test for PM within the year following the most recent valid stack test pursuant to paragraph (e) of this condition at each Merom Unit.

(e) The Permittee must determine compliance with the PM Emission Rate established in paragraphs (a) and (b) of Condition D.1.4 using the applicable reference methods and procedures (filterable portion only) specified in its Clean Air Act permits and in the Indiana SIP. Each test shall consist of three separate runs performed under representative operating conditions not including periods of startup, shutdown, or malfunction. The sampling time for each run shall be at least 120 minutes and the volume of each run shall be 1.70 dry standard cubic meters (60 dry standard cubic feet). The Permittee shall calculate the PM Emission Rate from the stack test results in accordance with 40 C.F.R. 60.8(f).

D.1.10 Continuous Emissions Monitoring [326 IAC 3-5][326 IAC 2-7-5(3)(A)(iii)[40 CFR 75] [326 IAC 7-4]

(a) Pursuant to 326 IAC 3-5, the Permittee shall install, calibrate, maintain, and operate all of the following necessary continuous emissions monitoring systems (CEMS) and related equipment for Unit 1 and Unit 2:

(i) Nitrogen Oxides Continuous Emission Monitoring System (NO_x CEMS) [40 CFR 75]

(ii) Sulfur Dioxide Continuous Emission Monitoring System (SO_2 CEMS) [40 CFR 75], [326 IAC 7-4]

(b) 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.

(c) The CEMS shall meet the performance specifications of 326 IAC 3-5-2 and monitor system certification requirements pursuant to 326 IAC 3-5-3.

(d) Whenever a NOx and SO_2 CEM is down for more than twenty-four (24) hours, the Permittee shall monitor the parameters of the control devices.

(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 7-4,

40 CFR 60, or 40 CFR 75.

D.1.11 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)][326IAC 2-7-5][Civil Action No. 1:10-CV-0935-LJM-TAB]

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitators (ESPs) shall be continuously operated to maintain compliance with applicable PM emission limits in conditions D.1.4(a) and (b) and D.1.5(b). “Continuously operated” means that the ESP shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers’ specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.

D.1.12 Operation of Scrubber [326 IAC 2-7-6(6)][326IAC 2-7-5][326 IAC 2-7-5][Civil Action No. 1:10-CV-0935-LJM-TAB]

Except as otherwise provided by statute or rule or in this permit, the scrubber at Unit 1 and Unit 2 shall be continuously operated to maintain compliance with applicable sulfur dioxide (SO_2) emission limits in conditions D.1.2 and D.1.5(d). “Continuously operated” means that the scrubber shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers’ specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.

D.1.13 Operation of Selective Catalytic Reduction (SCR) [326 IAC 2-7-6(6)][326 IAC 2-7-5][40 CFR 75] [Civil Action No. 1:10-CV-0935-LJM-TAB]

Except as otherwise provided by statute or rule or in this permit, the Selective Catalytic Reduction (SCR), shall be continuously operated to maintain compliance with applicable emission limits in Condition D.1.1. “Continuously operated” means that the SCR shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers’ specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.

D.1.14 Operation of Reagent Injection System [326 IAC 2-7-6(6)][326 IAC 2-7-5][Civil Action No. 1:10-CV-0935-LJM-TAB]

Except as otherwise provided by statute or rule or in this permit, the Reagent Injection System (RI) for Unit 1 and Unit 2 shall be continuously operated at or above the injection rate established during the most recent valid compliant stack test in order to maintain compliance with the limits set forth in Conditions D.1.3(a) and (b). “Continuously operated” means that the RI shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers’ specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.

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

D.1.15 Maintenance of Continuous Opacity Monitoring (COM) Equipment [326 IAC 2-7-5(3)(A)(iii)] [326 IAC 2-1.1-11][326 IAC 3-5][40 CFR 60.13][40 CFR 64]

(a) The Permittee shall calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment. For a boiler, the COMS shall be in operation in accordance with 326 IAC 3-5 and 40 CFR Part 60 when the boiler forced draft fans are in operation, except as otherwise allowed by 326 IAC 3-5 and 40 CFR 60.13.

(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 time and reason of the breakdown and efforts made to correct the problem.

(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 boiler 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; provided, however, that if such 24-hour period ends during the period beginning two (2) hours before sunset and ending two (2) hours after sunrise, then such visible emissions readings shall begin within four (4) hours of sunrise on the day following the expiration of such 24-hour period.

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

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

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

(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous opacity monitoring system pursuant to 326 IAC 3-5.

D.1.16 Sulfur Dioxide (SO_2) Monitoring System Downtime [326 IAC 2-7-6][326 IAC 2-7-5(3)] [40 CFR 64]

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 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 CEM or a backup CEM is brought online.

D.1.17 Downtime of Continuous Emission Monitoring Equipment [40 CFR 75 Subpart D]

Whenever a NO_X or SO_2 continuous emission monitor is down for maintenance or repairs for more than 24 hours, the following shall be used as an alternative to continuous data collection:

(1) When the CEM is required for monitoring NO_X or SO_2 emissions pursuant to 40 CFR 75 (Title IV Acid Rain program), the Permittee shall comply with the relevant requirements of 40 CFR 75 Subpart D - Missing Data Substitution Procedures.

D .1.18 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 voltage and primary and secondary currents of the transformer-rectifier (T-R) sets.

(b) Reasonable response steps shall be taken whenever the percentage of T-R sets in service falls below 80 percent. T-R set failure resulting in less than 80 percent availability 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.1.19 System-Wide Annual NOx Tonnage Limitation: [Civil Action No. 1:10-CV-0935-LJM-TAB]

The Hoosier System, collectively, shall not exceed a System-Wide Annual NOx Tonnage Limitation of 4,800 tons.

D.1.20 System-Wide Annual SO_2 Tonnage Limitation: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) Pursuant to Paragraph 97 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No. 1:10-CV-0935-LJM-TAB, entered on November 4, 2010, in calendar year 2015, and continuing through 2016 if the Permittee elects to Retire or Repower one of the Ratts Units, the Hoosier System, collectively, shall not exceed a System-Wide Annual SO_2 Tonnage Limitation of 19,889 tons.

(b) Beginning in calendar year 2017, and continuing each year thereafter, the Hoosier System and the Repowered Ratts Unit, collectively, shall not exceed a System-Wide Annual SO_2 Tonnage Limitation of 15,500 tons.

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

D.1.21 Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

(a) To document the compliance status with Conditions D.1.9, D.1.10 and D.1.18, the Permittee shall maintain records in accordance with the following and records shall be complete and sufficient to establish compliance with the limits:

(i) Data and results from the most recent stack test.
(ii) All continuous emissions monitoring data.
(iii) All parametric monitoring readings.
(iv) All response steps taken and the outcome for each.

(b) Records necessary to demonstrate compliance shall be available within 30 days of the end of each compliance period.

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

D.1.22 Reporting Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

(a) The Permittee shall submit a quarterly summary of the excess emission readings of the:

(i) SO_2 CEMS,
(ii) NO_x CEMS; and
(iii) COMS.

These reports shall be submitted not later than thirty (30) calendar days following the end of each calendar quarter. Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

Submissions of these reports to IDEM, OAQ satisfy the federal reporting requirements of 40 CFR Part 60, Subpart D.

(b) 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 D.2 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(c) Two (2) No. 2 distillate oil-fired auxiliary boilers, constructed in 1980, each with a heat input rate of 93.0 MMBtu/hour, and exhausting to stack SV3.

(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.2.1 Prevention of Significant Deterioration (PSD) Minor Limit and Limited Use Boiler [326 IAC 2-2] [40 CFR Part 63.7500(c) and 63.7575, Subpart DDDDD]

In order to render 326 IAC 2-2 not applicable, the Permittee shall comply with the following:

(a) The two (2) auxiliary boilers each shall use less than 563,380 gallons of No. 2 fuel oil per twelve (12) consecutive month period, with compliance determined at the end of each month.

(b) The sulfur content in the fuel oil shall not exceed 0.5% by weight.

(c) The NO_x emissions shall not exceed twenty (20) pounds per kilogallon.

Compliance with these limits shall limit the SO_2 emissions to less than forty (40) tons per year and NO_x emissions to less than forty (40) tons per year, and shall render the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration (PSD) rules) not applicable to the auxiliary boilers.

In addition, compliance with this throughput limit will make the two (2) No.2 distillate oil-fired auxiliary boilers limited use boilers pursuant to 40 CFR 63.7500(c).

D.2.2 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-2-3]

Pursuant to 326 IAC 6-2-3 (Particulate Emissions Limitations for Sources of Indirect Heating), the particulate matter emissions from each auxiliary boiler shall not exceed 0.27 pounds per MMBtu.

$$Pt = \frac{(C)\,(a)\,(h)}{76.5\,(Q^{0.75})\,(3^{0.25})}$$

Where:

C = 50 micrograms/m^3
Q = total source capacity (MMBtu/hr)
N = number of stacks
a = 0.8 plume rise factor
h = average stack height (feet)
Pt = pounds of particulate matter emitted per million Btu heat input (lb/MMBtu)

$$h = \frac{(700 \times 0.06 \times 5{,}088)+(700 \times 0.06 \times 5{,}088)+(254 \times 0.04 \times 93)+(254 \times 0.04 \times 93)}{(0.06)(5{,}088)+(0.06)(5{,}088)+(0.04)(93)+(0.04)(93)}$$

h = 694 ft

Q = 5,088 + 5,088 + 93 + 93 = 10,362 MMBtu/hr

$$Pt = \frac{(50)(0.8)(694)}{(76.5)(10{,}362)^{0.75}(3)^{0.25}}$$

$$Pt = 0.27 \text{ lbs/MMBtu}$$

D.2.3 Temporary Alternative Opacity Limitations (TAOLs) - Auxiliary Boilers [326 IAC 5-1-3]

Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), when building a new fire in one of the auxiliary boilers, or shutting down one of the auxiliary boilers, opacity may exceed the applicable limit of 40%. However, opacity levels shall not exceed 60% for any six (6)-minute averaging period.

Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6)-minute averaging periods in any twenty-four (24) hour period.

D.2.4 Sulfur Dioxide (SO_2) Emissions Limitations [326 IAC 7-1.1-2(a)(3)]

Pursuant to 326 IAC 7-1.1-2 (Sulfur Dioxide (SO_2) Emissions Limitations), the SO_2 emissions from each auxiliary boiler shall not exceed 0.5 pounds per MMBtu, based on a calendar month average.

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

D.2.5 Sulfur Dioxide (SO_2) Emissions and Sulfur Content [326 IAC 3-7-4] [326 IAC 2-7-6(1)]

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

(a) Pursuant to 326 IAC 3-7-4, the Permittee shall comply with the applicable SO_2 limit in Conditions D.2.1 and D.2.4 by:

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

(ii) Providing analysis of fuel oil samples collected and analyzed in accordance with 326 IAC 3-7-4(a).

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

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

(b) Pursuant to 326 IAC 7-2-1(d), compliance may also be determined by conducting a stack test for sulfur dioxide emissions from the two (2) distillate oil #2-fired auxiliary boilers in accordance with 326 IAC 3-6, utilizing the procedures in 40 CFR 60, Appendix A, Methods 6, 6A, 6C, or 8.

(c) Pursuant to 326 IAC 7-2-1(g), upon written notification to IDEM, OAQ, 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 shall not apply.

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

D.2.6 Visible Emissions Notations [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) Visible emission (VE) notations of the auxiliary boiler stack exhaust shall be performed once per day during normal daylight operations when the boilers are in operation. A trained employee shall record whether emissions are normal or abnormal. If VE notations

have already been performed during a startup in the same day, then no additional VE notations are required for that day.

(b) If abnormal emissions are observed at any boiler 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.

(c) “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.

(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.

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

D.2.7 Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

(a) In order to document the compliance status with Condition D.2.1, the Permittee shall maintain monthly records of fuel oil usage.

(b) The Permittee shall maintain records of the following:

(i) Vendor analysis of fuel delivered, or
(ii) Analysis of fuel oil samples collected.

(c) In order to document the compliance status with Visible Emission Notation - Condition D.2.6, the Permittee shall maintain the daily visible emission notations of the auxiliary boiler stack exhaust when the auxiliary boilers are in operation.

(d) Records necessary to demonstrate compliance shall be available within 30 days of the end of each compliance period.

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

D.2.8 Reporting Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

(a) To document the compliance status with Condition D.2.1, the Permittee shall submit a quarterly summary of the monthly fuel oil usage, using the reporting form currently being used or the reporting form located at the end of this permit.

(b) These reports shall be submitted not later than thirty (30) calendar days following the end of each calendar quarter. Section C - General Reporting Requirements contains the Permittee's obligations with regard to the reporting required by this condition.

(c) 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 D.3 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(d) A coal storage and handling system, commencing construction in 1977, with a nominal throughput of 4,351,419 tons per year, consisting of the following equipment:

(1) One (1) outdoor storage area, identified as F01, with a nominal storage capacity of 1,500,000 tons, with particulate matter emissions controlled by layering and compaction and exhausting directly to the atmosphere.

(2) One (1) rail unloading (rotary car dumper) building, with a nominal throughput of 2000 tons per hour, identified as F02, controlled by being partially enclosed and exhausting directly to the atmosphere. Including the following equipment:

(i) Rotary Car Dumper
(ii) Vibrating Feeder(s)
(iii) Underground coal conveyor transfer point

(3) Two (2) receiving systems, where truck shipments of coal are discharged into one of the following stations:

(i) One (1) truck unloading station, which feeds a truck hopper, identified as F03, with a nominal throughput of 500 tons per hour with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere. Including the following equipment:

(A) Truck Hopper
(B) Vibrating Feeder
(C) Underground coal conveyor transfer point

(ii) One (1) truck unloading area, directly to coal storage pile(s), identified as F04, with a nominal unloading capacity of 1,000 tons per hour, which is utilized on an as needed basis, with particulate matter emissions exhausting directly to the atmosphere.

(4) One (1) breaker house with enclosed chutes, identified as F05, with a nominal throughput of 2,000 tons per hour, with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere.

(i) Conveyor transfer point(s)

(5) One (1) stockout system, identified as F06, with a nominal throughput of 2,000 tons per hour, which includes the following equipment:

(i) Enclosed conveyors CH-CV-1, CH-CV-2, and CH-CV-3,
(ii) Retractable plow, which is used for emergency purposes only, and
(iii) Lowering wells (enclosed concrete cylinder with openings at various elevations) used to control particulate matter emissions.

(6) One (1) reclaim system, identified as F07, with a combined nominal

throughput of 1600 tons per hour, with particulate matter emissions controlled by partial enclosures and wet spray suppression and exhausting directly to atmosphere. Including the following equipment:

(i) Reclaim Drawdown Hoppers, 4A-1, 4A-2, 4B-1, 4B-2
(ii) Four (4) vibrating feeders
(iii) Underground coal conveyor transfer point(s)

(7) One (1) reclaim conveying system, which consists of two conveyor systems (CH-CV-A and CH-CV-B as identified below), each with a nominal throughput of 800 tons per hour, with particulate matter emissions controlled by enclosures. Including the following equipment:

(i) Conveyors CH-CV-4A, CH-CV-4B, CH-CV-5A, CH-CV-5B, CH-CV-6A, and CH-CV-6B

(8) One (1) emergency reclaim area, which feeds an emergency reclaim hopper, identified as F08, with a nominal throughput of 600 tons per hour, with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere. Including the following equipment:

(i) Emergency reclaim hopper
(ii) Vibrating Feeder
(iii) Two (2) underground coal conveyor transfer point(s)

(9) One (1) crusher house, identified as F09, with a combined nominal throughput of 1600 tons per hour, with particulate matter emissions controlled by a wet spray suppression and exhausting directly to atmosphere. Including the following equipment:

(i) Surge bin(s)
(ii) Vibrating feeder(s)
(iii) Two (2) enclosed crushers with bypass, with a nominal throughput of 800 tons per hour, each.
(iv) Enclosed conveyor transfer point(s)

(10) One (1) boiler building bunker area, identified as F10, with a combined nominal throughput of 1600 tons, with particulate matter emissions controlled by enclosure and dust suppression system and exhausting directly to the atmosphere. Including the following equipment:

(i) Enclosed transfer tower(s)
(ii) Enclosed conveyor transfer point(s)
(ii) Two (2) traveling tripper(s)

(11) Bulk material movement with dozer, front end loaders, other heavy mobile equipment.

(12) Truck hauling, on paved and unpaved roads.

Under 40 CFR Part 60, Subpart Y, the coal storage and handling system is an affected facility.

(e) Two (2) lime kiln dust silos, identified as LKD Silo 1 and LKD Silo 2, constructed in 2008, each with a nominal throughput of 3.75 tons per hour, with emissions controlled

by LKD Silo Baghouse 1 and LKD Silo Baghouse 2, respectively, and exhausting to LKD Silo Vent 1 and LKD Silo Vent 2, respectively.

(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 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 allowable particulate emission rates shall not exceed the given values as follows:

Emission Unit	**Process Weight Rate, P: (tons/hr)**	**Emission Rate, E: (lbs/hr)**
Rotary Railcar Dumper, F02	2000	86.9
Truck Unloading station, F03	500	69.0
Truck Unloading area, F04	1000	77.6
Breaker House, F05	2000	86.9
Conveyors of the Stockout system CH-CV- 1, 2, & 3	2000	86.9
Stockout system, F06	2000	86.9
Reclaim system , F07	1600	83.8
Reclaim conveyors CH-CV-4/5/6-A/B	800	74.7
Emergency Reclaim system , F08	600	71.2
Crusher House, F09	1600	83.8
Boiler building bunker area, F10	1600	83.8
LKD Silos 1	3.75	9.94
LKD Silos 2	3.75	9.94

The emission rates based on the interpolation 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
P = process weight rate in tons per hour

The emission rates based on the interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

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

Pursuant to 326 IAC 6-3-2(e)(3) (Particulate Emission Limitations for Manufacturing Processes) when the process weight rate exceeds 200 tons per hour, the allowable emission may exceed the calculated (E) pounds per hour rate, provided the concentration of particulate in discharge gases to the atmosphere shall be less than 0.10 pounds per one thousand (1000) pounds of gases.

D.3.2 New Source Performance Standard [326 IAC12-1][40 CFR 60, Subpart A] [40 CFR 60, Subpart Y]

(a) The provisions of 40 CFR 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the facility described in this section except when otherwise specified in 40 CFR 60, Subpart Y.

(b) Pursuant to 326 IAC 12 and 40 CFR 60.254(a), the exhaust from any coal processing and conveying equipment, coal storage system, or coal transfer and loading system shall not

exhibit twenty percent (20%) opacity or greater.

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

D.3.3 Visible Emissions Notations -- Coal Unloading [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) Visible emission notations (VEN) of the unloading station, the crusher station or the transfer points shall be performed once per week during normal daylight operations. A trained employee shall record whether the emissions are normal or abnormal.

(b) If abnormal visible emissions of the dust are observed from the unloading station, the crusher station or the transfer points, the Permittee shall take reasonable response steps. Observation of abnormal visible 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 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.

(c) For processes operated continuously, “normal” means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.

(d) 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.

(e) 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.

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

D.3.4 Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

(a) The Permittee shall maintain records of the once per week visible emission notations of the exhausts from the coal unloading station, the crusher station, and the transfer points. The Permittee shall include in its weekly record 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 week).

(b) Records necessary to demonstrate compliance shall be available within 30 days of the end of each compliance period.

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

SECTION D.4 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(f) One (1) limestone storage and handling system, constructed between 1978 and 1980, with a nominal throughput of 400,000 tons per year consisting of the following equipment:

(1) One (1) railcar unloading station, identified as LDU1, which feeds two (2) hoppers located in limestone truck hopper (partially) enclosed structure, with a combined nominal throughput of 3,000 tons per hour.

(2) One (1) truck unloading to limestone pile, identified as LTU1 with a nominal throughput of 2,000 tons per hour.

(3) One (1) unloading belt conveyor identified as LU1, which is fed by two (2) hoppers via vibrating feeders, with a nominal throughput of 600 tons per hour, with a dust suppression system used to control particulate matter emissions.

(4) One (1) limestone storage pile, identified as LP1, which is fed by unloading belt conveyor via telescoping discharge spout, identified as LDP1**,** with a nominal throughput of 600 tons per hour, with a storage capacity of up to 90,000 tons of limestone.

(5) Two (2) Limestone reclaim belt conveyors identified as LRC1 and LRC2, which are fed via underground hoppers from the limestone pile, each with a nominal throughput of 180 tons per hour.

(6) Two (2) Limestone reclaim belt conveyor transfers, identified as LRCT1 and LRCT2, which transfers materials to limestone reclaim conveyor discharge chutes, each with a nominal throughput of 180 tons per hour.

(7) Located in the limestone preparation building are the following units:

(A) Two (2) Limestone receiving bins, identified as LRCB1 and LRCB2, which are fed by limestone reclaim conveyor, each with a nominal throughput of 175 tons per hour, with baghouses identified as LRCB Baghouse 1 and 2 to control emissions from LRCB1 and 2, and exhausting to stacks LRCB Vent 1 and 2, respectively.

(B) One (1) enclosed crusher fed by a vibratory feeder, identified as LPC1 constructed in 2008 with a maximum capacity of 45 tons per hour, using the baghouse identified as LPC Baghouse 1 as control, and exhausting to stack LPC Vent 1.

Under 40 CFR Part 60, Subpart OOO, crusher LPC1 is an affected facility.

(C) One (1) enclosed crusher fed by a vibratory feeder, identified as LPC2, constructed in 2010, with a maximum capacity of 45 tons per hour, using the baghouse identified as LPC Baghouse 2 as control, and exhausting to stack LPC Vent 2.

Under 40 CFR Part 60, Subpart OOO, crusher LPC2 is an affected facility.

(D) Two (2) Limestone surge bins, identified as LSB1 and LSB2, which are fed by limestone bucket elevators, each with a nominal throughput of 45 tons per hour, using the baghouses identified as LSB Baghouse 1 and 2 to control emissions, and exhausting to stacks LSB Vent 1 and 2, respectively.

(E) Two (2) enclosed limestone ball mill transfer conveyor systems, constructed in 2011, identified as LBMC1 and LBMC2, each with a nominal throughput of 80 tons per hour, emissions are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(8) Four (4) enclosed weigh belt feeders (conveyors), identified as LWB1, LWB2, LWB3, and LWB4, each with a maximum capacity of 22.5 tons per hour, which transfer limestone to four (4) enclosed wet tower mills, identified as LTM1, LTM2, LTM3, and LTM4, each with a maximum capacity of 22.5 tons per hour.

(9) Two (2) enclosed limestone weigh belt feeders, constructed in 2011, identified as LWB1.1 and LWB2.1, each with a nominal throughput of 80 tons per hour, emissions are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(10) One (1) enclosed limestone emergency reclaim conveyor, constructed in 2011, identified as LERC, with a nominal throughput of 250 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(A) One (1) Limestone Emergency Reclaim Feeder, identified as LERF, constructed in 2013, with a nominal maximum capacity of 200 tons per hour. [40 CFR 60, Subpart OOO]

(B) One (1) Limestone Emergency Reclaim Breaker, identified as LERB, constructed in 2013, with a nominal maximum capacity of 200 tons per hour. [40 CFR 60, Subpart OOO]

(11) Two (2) enclosed/underground limestone railcar unloading belt feeders, identified as LRUBF1 and LRUBF2, each with a nominal throughput of 300 tons per hour, emissions are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(12) Two (2) enclosed/underground limestone storage pile belt feeders, identified as LSPBF1 and LSPBF2, each with a nominal throughput of 250 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(13) Two (2) enclosed limestone wet ball mills, constructed in 2011, identified as LWBM1 and LWBM2, each with a nominal throughput of 70 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(g) Bulk material movement with dozer, front end loaders, and other heavy equipment.

(h) Truck hauling on paved and unpaved 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.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 allowable particulate emission rates shall not exceed the given values as follows:

Emission Unit	Process Weight Rate, P (tons/hr)	Emission Rate, E: (lbs/hr)
Railcar Unloading station, LDU1	3,000	92.7
Truck Unloading to limestone pile, LTU1	2,000	86.9
Unloading belt Conveyor, LU1	600	71.2
Unloading belt Conveyor discharge to 90kT Pile, LDP1	600	71.2
Reclaim belt Conveyors; LRC1, LRC2; each	150	55.4
Reclaim belt Conveyor transfers; LRCT1, LRCT2; each	150	55.4
Limestone receiving bins, LRCB1 and LRCB2, each	175	
Surge Bins; LSB1, LSB2; each	45	43.6
Weigh Belt Feeder Conveyors; LTM1, LTM2, LTM3, LTM4; each	22.5	33.0

The emission rates based on the interpolation 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
P = process weight rate in tons per hour

The emission rates based on the interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

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

Pursuant to 326 IAC 6-3-2(e)(3) (Particulate Emission Limitations for Manufacturing Processes) when the process weight rate exceeds 200 tons per hour, the allowable emission may exceed the calculated (E) pounds per hour rate, provided the concentration of particulate in discharge gases to the atmosphere shall be less than 0.10 pounds per one thousand (1000) pounds of gases.

SECTION D.5 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(i) A pneumatic fly ash storage and handling system, constructed in 1977, with a nominal throughput of 1,752,000 tons of fly ash per year consisting of the following equipment:

(1) Four (4) fly ash silos, identified as Fly Ash Silos 1A, 1B, 2A, and 2B, with a nominal throughput of 100 tons per hour, each, particulate matter emissions controlled with eight (8) baghouses (two baghouses per silo), identified as Fly Ash Baghouse 1A1, 1A2, 1B1, 1B2, 2A1, 2A2, 2B1, and 2B2, and exhausted to stacks Fly Ash Silo Vent 1A1, 1A2 1B1, 1B2, 2A1, 2A2, 2B1, and 2B2, respectively.

(2) One (1) fly ash silo at IUCS, identified as Fly Ash Silo IUCS, with a nominal throughput of 100 tons per hour, particulate matter emissions controlled with a baghouse identified as Fly Ash IUCS Baghouse, and exhausting to stack Fly Ash IUCS Vent.

(3) Fugitive emissions from emergency fly ash loading into a vacuum truck at Fly Ash Silos 1A, 1B, 2A, 2B and fly ash silo IUCS and hauling to an on-site landfill.

(j) A lime kiln dust storage and handling system at IUCS, constructed in 1979, with a nominal throughput of 26,280 tons of lime kiln dust per year consisting of the following equipment;

(1) One (1) lime kiln dust silo at IUCS, identified as Lime Silo at IUCS, with a nominal throughput of 5 tons per hour, particulate matter emissions controlled with a baghouse, identified as Lime Silo IUCS Baghouse, and exhausting to stack Lime Silo IUCS Vent.

(k) A lime storage and handling system at WWT, constructed in 1977, with a nominal throughput of 109.5 tons of lime per year consisting of the following equipment.

(1) One (1) lime silo at WWT, identified as Lime Silo at WWT, with a nominal throughput of 0.0125 tons per hour, particulate matter emissions controlled with a baghouse, identified as Lime Silo WWT Baghouse, and exhausting to stack Lime Silo WWT Vent.

(l) FGD slurry handling system, constructed in 1979, with a nominal throughput of 2,628,000 tons of FGD slurry per year consisting of the following equipment:

(1) Two (2) pug mills (mixers) located at IUCS, identified as Pug Mill 1 and Pug Mill 2, with a nominal throughput of 300 tons per hour, each, particulate matter emissions controlled with a common de-dusting equipment, identified as Whirl-jet, and exhausting to stack Pug Mill Vent.

(2) One (1) Pozz-o-tec stockout conveyor system, identified as Pozz-o-tec Drop Point, with a nominal throughput of 300 tons per hour, with particulate matter uncontrolled, and exhausting directly to atmosphere.

(3) Bulk material movement with dozer, front end loaders, other heavy mobile equipment.

(4) Truck hauling on paved and unpaved roads.

(m) A wet bottom ash storage and handling system, constructed in 1977, with a nominal throughput of 30,160 tons of bottom ash per year consisting of the following equipment:

(1) One (1) partial enclosed bottom ash truck loadout system with four (4) Decant Bins, identified as Bottom Ash Decant Bin 1A, 1B, 2A and 2B with their own truck loadout, with a nominal throughput of 125 tons per hour, with particulate emission control by partial enclosure and exhausting directly to atmosphere.

(2) Bulk material movement with dozer, front end loaders, other heavy mobile equipment.

(3) Truck hauling on paved and unpaved roads.

(n) A Pozz-o-tec landfill, identified as Landfill with emissions controlled with wet and/or dry (agent) suppression and annual coverage.

(1) Bulk material movement with dozer, front end loader, other heavy mobile equipment.

(2) Truck hauling to and from the landfill on paved and unpaved 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 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 allowable particulate emission rates shall not exceed the given values as follows:

Emission Unit	Process Weight Rate, P: (tons/hr)	Emission Rate, E: (lbs/hr)
Fly Ash Silos; 1A, 1B, 2A, 2B; each	100	51.3
Fly Ash Silo, IUCS	100	51.3
Lime Kiln dust Silo at IUCS	5	12.05
Lime Silo at WWT	0.0125	0.551
Pug Mills 1 and Pug Mill 2; each	300	63.0
Pozz-O-Tec Drop Point	300	63.0
Decant Bins: Bottom Ash Decant Bin 1A, 1B, 2A and 2B	125	53.5

The emission rates based on the interpolation 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
P = process weight rate in tons per hour

The emission rates based on the interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

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

Pursuant to 326 IAC 6-3-2(e)(3) (Particulate Emission Limitations for Manufacturing Processes) when the process weight rate exceeds 200 tons per hour, the allowable emission may exceed the calculated (E) pounds per hour rate, provided the concentration of particulate in discharge gases to the atmosphere shall be less than 0.10 pounds per one thousand (1000) pounds of gases.

SECTION D.6 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

Specifically Regulated Insignificant Activities:

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

(1) Degreasing operations that do not exceed 145 gallons per 12 months.

(2) Equipment related to manufacturing activities not resulting in the emission of HAPs brazing equipment, cutting torches, soldering equipment, welding equipment.

(3) Grinding and machining operations controlled with fabric filters, scrubbers, mist collectors, wet collectors and electrostatic precipitators with a design grain loading of less than or equal to 0.03 grains per actual cubic foot and gas flow rate less than or equal to 4,000 actual cubic feet per minute, including the following: debarring, buffing, polishing, abrasive blasting, pneumatic conveying, and wood working operations.

40 CFR 63, Subparts IIII and ZZZZ apply to the following:

(4) One (1) emergency diesel generator, identified as EMDG-1, constructed in 2007, rated at less than 1600 horsepower, engine displacement volume less than 10 liters per cylinder and exhausting to the atmosphere.

The emergency generator, identified as EMDG-1, is subject to the requirements of New Source Performance Standards (NSPS) for Stationary Compression Ignition (CI) Internal Combustion Engines (ICE), 40 CFR Part 60,Subpart IIII, and National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (RICE),40 CFR Part 63, Subpart ZZZZ.

40 CFR 60, Subpart Y applies to the following:

(5) Conveyors as follows: Underground coal conveyors including the following equipment:

(i) Conveyors identified as CH-TC-1

(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 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 allowable particulate emission rate from the brazing equipment, cutting torches, soldering equipment, welding equipment and structural steel and bridge fabrication or the grinding and machining operations activities, shall not exceed the allowable PM emission rate calculated using the following equations:

Interpolation of the data for process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$$E = 4.10P^{0.67}$$

Where:

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

D.6.2 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:

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

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

D.6.3 Volatile Organic Compounds (VOC) [326 IAC 8-3-8]

Pursuant to 326 IAC 8-3-8 (Material Requirements for Cold Cleaner Degreasers), before 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.6.4 Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

(a) Pursuant to 326 IAC 8-3-8(c)(2), before 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 D.7 EMISSIONS UNIT OPERATION CONDITIONS

Emissions Unit Description:

(o) Four (4) 4-Stroke Lean Burn Coal Bed Methane (CBM)-fired Reciprocating Internal Combustion Engines (RICE), constructed in 2011, identified as CBM1 to CBM4, each rated at 4,601 bHp (25.46 MMBtu/hr). CBM1 to CBM4 use Catalytic Oxidation and Selective Catalytic Reduction (SCR) to control VOC, NOx and CO. CBM1 to CBM4 exhaust to stacks SV-CBM1 to SV-CBM4 or to the greenhouses, respectively. [40 CFR 63, Subpart ZZZZ][40 CFR 60, Subpart JJJJ]

(p) One (1) Coal Bed Methane (CBM)-fired Standby Flare with a propane-fired pilot, constructed in 2011, identified as CBM FL, rated at 25 MMBtu/hr with a 0.8 MMBtu/hr pilot, emissions are uncontrolled, no stack.

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

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

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

(a) The coal bed methane usage in the CBM-fired flare, identified as CBM FL, shall not exceed 73.50 MMCF per twelve consecutive month period with compliance determined at the end of each month.

(b) CO emissions from the CBM-fired flare, identified as CBM FL, shall not exceed 204.0 lb/MMCF, while combusting coal bed methane.

(c) VOC emissions from the CBM-fired flare, identified as CBM FL, shall not exceed 153.0 lb/MMCF while combusting coal bed methane.

(d) NOx emissions from the CBM-fired flare, identified as CBM FL, shall not exceed 61.20 lb/MMCF while combusting coal bed methane.

(e) The combined CO emissions from the CBM-fired engine generator set, identified as CBM1 to CBM4, shall be limited to less than 91.8 tons per twelve (12) consecutive month period with compliance determined at the end of the month.

(f) The combined VOC emissions from the CBM-fired engine generator set, identified as CBM1 to CBM4, shall be limited to less than 34.2 tons per twelve (12) consecutive month period with compliance determined at the end of the month.

(g) The combined NOx emissions from the CBM-fired engine generator set, identified as CBM1 to CBM4, shall be limited to less than 36.7 tons per twelve (12) consecutive month period with compliance determined at the end of the month.

Compliance with these emission limits and the emissions of other emission units will ensure the potential to emit CO is less than 100 tons, VOC is less than 40 tons and NOx is less than 40 tons per year and render the requirements of 326 IAC 2-2 (PSD), not applicable to Significant Source Modification 153-29394-00005, issued on November 10, 2011.

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

D.7.2 VOC and CO Control [326 IAC 2-2] [326 IAC 2-7-6(1)]

In order to ensure compliance with Condition D.7.1(e) and (f), VOC and CO emissions from each coal bed methane engine, identified as CBM1 to CBM4, shall be controlled with oxidation catalyst at all times the units are in operation, except during periods of startup.

D.7.3 NOx Control [326 IAC 2-2] [326 IAC 2-7-6(1)]

In order to ensure compliance with Condition D.7.1(g), NOx emissions from each coal bed methane engine, identified as CBM1 to CBM4, shall be controlled with selective catalytic reduction at all times the units are in operation except during periods of startup.

D.7.4 CO, VOC and NOx Emissions Calculations [326 IAC 2-7-6(1)]

To determine the compliance status with Condition D.7.1(e), (f) and (g) - Prevention of Significant Deterioration (PSD) Minor Limits, the following equation shall be used to determine the CO, VOC and NOx emissions from the 4-Stroke Lean Burn Coal Bed Methane (CBM)-fired Reciprocating Internal Combustion Engines (RICE), identified as CBM1 to CBM4:

(a) The CO emissions shall be determined by the following equations:

CO emissions (tons/month) = (Y_1 x Ef1) + (Y2 x Ef2)

Where:

Ef1 = Steady State Emission limit of Engines (0.2450 g/bhp-hr) or emissions determined from the most recent compliance stack test

Ef2 = Cold Startup Emission limit of Engines (2.50 g/bhp-hr) or emissions determined from the most recent compliance stack test

Y_1 = Number of hours of operation at steady state startup

Y_2 = Number of hours of operation at cold startup

(b) The VOC emissions shall be determined by the following equations:

VOC emissions (tons/month) = (Y_1 x Ef3) + (Y2 x Ef4)

Where:

Ef3 = Steady State Emission limit of Engines (0.0952 g/bhp-hr) or emissions determined from the most recent compliance stack test

Ef4 = Cold Startup Emission limit of Engines (0.3 g/bhp-hr) or emissions determined from the most recent compliance stack test

Y_1 = Number of hours of operation at steady state startup

Y_2 = Number of hours of operation at cold startup

(c) The NOx emissions shall be determined by the following equations:

NOx emissions (tons/month) = (Y_1 x Ef5) + (Y2 x Ef6)

Where:

Ef5	=	Steady State Emission limit of Engines (0.099 g/bhp-hr) or emissions determined from the most recent compliance stack test
Ef6	=	Cold Startup Emission limit of Engines (1.10 g/bhp-hr) or emissions determined from the most recent compliance stack test
Y_1	=	Number of hours of operation at steady state startup
Y_2	=	Number of hours of operation at cold startup

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

(a) In order to determine compliance with Condition D.7.1(e), the Permittee shall perform CO testing of any one (1) of the four (4) coal bed methane engines, identified as CBM1 to CBM4 exhausting to stacks SV-CBM1 to SV-CBM4 during the steady state and the cold startup, utilizing methods approved by the commissioner at least once every five (5) years from the date of the most recent valid compliance demonstration. An average emission rate from the initial test results shall be used as a surrogate value for the remaining untested engines. Repeat testing shall be conducted in a manner to ensure the time period between tests on a single unit is the same for every unit. Specifically, remaining untested engines shall be tested one (1) at a time for each successive five (5) year period until all engines have been tested. 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 obligation with regard to the performance testing required by this condition.

(b) In order to determine compliance with Condition D.7.1(f), the Permittee shall perform VOC testing of any one (1) of the four (4) coal bed methane engines, identified as CBM1 to CBM4, exhausting to stacks SV-CBM1 to SV-CBM4 during the steady state and the cold startup, utilizing methods approved by the commissioner at least once every five (5) years from the date of the most recent valid compliance demonstration. An average emission rate from the initial test results shall be used as a surrogate value for the remaining untested engines. Repeat testing shall be conducted in a manner to ensure the time period between tests on a single unit is the same for every unit. Specifically, remaining untested engines shall be tested one (1) at a time for each successive five (5) year period until all engines have been tested. 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 obligation with regard to the performance testing required by this condition.

(c) In order to determine compliance with Condition D.7.1(g), the Permittee shall perform NOx testing of any one (1) of the four (4) coal bed methane engines, identified as CBM1 to CBM4, exhausting to stacks SV-CBM1 to SV-CBM4 during the steady state and the cold startup, utilizing methods approved by the commissioner at least once every five (5) years from the date of the most recent valid compliance demonstration. An average emission rate from the initial test results shall be used as a surrogate value for the remaining untested engines. Repeat testing shall be conducted in a manner to ensure the time period between tests on a single unit is the same for every unit. Specifically, remaining untested engines shall be tested one (1) at a time for each successive five (5) year period until all engines have been tested. 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 obligation with regard to the performance testing required by this condition.

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

D.7.6 Parametric Monitoring Requirements [40 CFR 64] [326 IAC 2-7-5(1)][326 IAC 2-7-6(1)]

(a) In order to demonstrate the compliance status with Condition D.7.1(a), the Permittee shall monitor the amount of coal bed methane combusted in the flare.

(b) In order to demonstrate the compliance status with Condition D.7.1(b), (c) and (d), the Permittee shall monitor the presence of a burner flame using a thermocouple to measure burner temperature at all times the flare is in use.

(c) In order to demonstrate the compliance status with Conditions D.7.1(d) and D.7.3, the Permittee shall monitor the urea flow rate used in conjunction with coal bed methane engines CBM1 to CBM4 at least once per day. When for any one reading, the urea flow rate is outside the normal range of 0.5 liters/MW-hr to 6.0 liters/MW-hr, or a range established during the latest compliant stack test, the Permittee shall take reasonable response steps. Section C - Response to Excursions or Exceedances contains the Permittee's obligation with regard to the reasonable response steps required by this condition. A urea flow rate that is outside the above mentioned range is not a deviation from this permit. Failure to take reasonable response steps shall be considered a deviation from this permit.

(d) In order to demonstrate the compliance status with Conditions D.7.1(e) and (f) and D.7.2, the Permittee shall monitor the reduction catalyst bed temperature used in conjunction with coal bed methane engines CBM1 to CBM4 with a continuous temperature monitoring system. The Permittee shall comply with the following:

(i) A continuous monitoring system shall be installed, calibrated, maintained, and operated on each Coal Bed Methane (CBM)-fired engine, identified as CBM1 to CBM4, for measuring the inlet operating temperature of the reduction catalyst bed temperature. For the purposes of this condition, continuous monitoring shall mean no less often than once per fifteen (15) minutes. The output from this monitoring system and the three hour average temperatures shall be recorded whenever the coal bed methane engines are in operation.

(ii) If the primary continuous monitoring system is not in operation, the reduction catalyst bed temperature will be recorded using a secondary system consisting of a backup temperature probe. Temperature measurements shall be made no less than once per fifteen (15) minutes. In the event of a monitoring system malfunction, failure to measure the operating temperature of the reduction catalyst bed is not a deviation of the permit. Failure to take response steps shall be considered a deviation from the permit.

(iii) The Coal Bed Methane (CBM)-fired engines exhaust temperature shall be maintained so that the catalyst inlet temperature is greater than or equal to 450 degrees Fahrenheit and less than or equal to 1350 degrees Fahrenheit. A reading that is outside the required temperature 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 as a deviation from the permit.

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

D.7.7 Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

(a) In order to document the compliance status with Condition D.7.1(a), the Permittee shall maintain records of the amount of coal bed methane burned in the CBM-fired flare,

identified as CBM FL, each month.

(b) To document the compliance status with Condition D.7.1(e), (f) and (g), the Permittee shall maintain monthly records of the CO, VOC and NOx emissions, from the CBM-fired engine generator sets.

(c) In order to document the compliance status with Condition D.7.2 and D.7.6(d), the Permittee shall maintain records of the reduction catalyst bed temperature used in conjunction with coal bed methane engines, CBM1 to CBM4. The Permittee shall include in its record when a temperature reading is not taken and the reason for the lack of a temperature reading (e.g. the process did not operate that day).

(d) In order to document the compliance status with Condition D.7.3 and D.7.6(b), the Permittee shall maintain records of the urea injection rate used in conjunction with coal bed methane engines, CBM1 to CBM4. The Permittee shall include in its record when a urea injection rate reading is not taken and the reason for the lack of a urea injection rate reading (e.g. the process did not operate that day).

(e) In order to document the compliance status with Condition D.7.5, the Permittee shall maintain records of the data and results of the stack and/or performance test for each engine generator set.

(f) In order to document the compliance status with Condition D.7.6(c), the Permittee shall maintain records of the burner temperature used in conjunction with the Coal Bed Methane (CBM)-fired flare, identified as CBM FL. The Permittee shall include in its daily record when a temperature reading is not taken and the reason for the lack of a temperature reading (e.g. the process did not operate that day).

(g) Records necessary to demonstrate compliance shall be available within thirty (30) days of the end of each compliance period.

(h) Section C – General Record Keeping Requirements contains the Permittee's obligation with regard to the records required by this condition.

D.7.8 Reporting Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

A quarterly summary of the information to document the compliance status with Condition D.7.1(a), (e), (f) and (g) shall be submitted to the address listed in Section C- General Reporting Requirements, of this permit, not later than thirty (30) days after the end of the quarter being reported. Section C - General Reporting contains the Permittee's obligation with regard to the reporting required by this condition. 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 E.1 NSPS

Emissions Unit Description:

(a) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 1 or 1SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 1 uses No. 2 fuel oil for startups and flame stabilization. Unit 1 cannot operate at load solely using No. 2 fuel oil.

Unit 1 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE1B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 1 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV1) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 1 is an affected facility.

(b) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 2 or 2SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 2 uses No. 2 fuel oil for startups and flame stabilization. Unit 2 cannot operate at load solely using No. 2 fuel oil.

Unit 2 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE2B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 2 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV2) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 2 is an affected facility.

(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 [326 IAC 2-7-5(1)

E.1.1 General Provisions Relating to New Source Performance Standards [326 IAC 12][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 emission units listed above, except as otherwise specified in 40 CFR Part 60,

Subpart D.

(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 Fossil-Fuel-Fired Steam Generators NSPS [40 CFR Part 60, Subpart D] [326 IAC 12]

The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart D (included as Attachment A to the operating permit), which are incorporated by reference as 326 IAC 12:

1) 40 CFR 60.40
2) 40 CFR 60.41
3) 40 CFR 60.42; (a), (a)(1)
4) 40 CFR 60.43 (a)(2)
5) 40 CFR 60.44 (a)(3)
6) 40 CFR 60.45; (a), (b), (c), (g), (g)(1), (g)(2), (g)(2)(i), (g)(3),(g)(3)(i), (g)(4)
7) 40 CFR 60.46; (a), (b)

SECTION E.2 **NSPS**

Emissions Unit Description:

(d) A coal storage and handling system, commencing construction in 1977, with a nominal throughput of 4,351,419 tons per year, consisting of the following equipment:

(1) One (1) outdoor storage area, identified as F01, with a nominal storage capacity of 1,500,000 tons, with particulate matter emissions controlled by layering and compaction and exhausting directly to the atmosphere.

(2) One (1) rail unloading (rotary car dumper) building, with a nominal throughput of 2000 tons per hour, identified as F02, controlled by being partially enclosed and exhausting directly to the atmosphere. Including the following equipment:

(i) Rotary Car Dumper
(ii) Vibrating Feeder(s)
(iii) Underground coal conveyor transfer point

(3) Two (2) receiving systems, where truck shipments of coal are discharged into one of the following stations:

(i) One (1) truck unloading station, which feeds a truck hopper, identified as F03, with a nominal throughput of 500 tons per hour with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere. Including the following equipment:

(A) Truck Hopper
(B) Vibrating Feeder
(C) Underground coal conveyor transfer point

(ii) One (1) truck unloading area, directly to coal storage pile(s), identified as F04, with a nominal unloading capacity of 1,000 tons per hour, which is utilized on an as needed basis, with particulate matter emissions exhausting directly to the atmosphere.

(4) One (1) breaker house with enclosed chutes, identified as F05, with a nominal throughput of 2,000 tons per hour, with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere.

(i) Conveyor transfer point(s)

(5) One (1) stockout system, identified as F06, with a nominal throughput of 2,000 tons per hour, which includes the following equipment:

(i) Enclosed conveyors CH-CV-1, CH-CV-2, and CH-CV-3,
(ii) Retractable plow, which is used for emergency purposes only, and
(iii) Lowering wells (enclosed concrete cylinder with openings at various elevations) used to control particulate matter emissions.

(6) One (1) reclaim system, identified as F07, with a combined nominal

throughput of 1600 tons per hour, with particulate matter emissions controlled by partial enclosures and wet spray suppression and exhausting directly to atmosphere. Including the following equipment:

(i) Reclaim Drawdown Hoppers, 4A-1, 4A-2, 4B-1, 4B-2
(ii) Four (4) vibrating feeders
(iii) Underground coal conveyor transfer point(s)

(7) One (1) reclaim conveying system, which consists of two conveyor systems (CH-CV-A and CH-CV-B as identified below), each with a nominal throughput of 800 tons per hour, with particulate matter emissions controlled by enclosures. Including the following equipment:

(i) Conveyors CH-CV-4A, CH-CV-4B, CH-CV-5A, CH-CV-5B, CH-CV-6A, and CH-CV-6B

(8) One (1) emergency reclaim area, which feeds an emergency reclaim hopper, identified as F08, with a nominal throughput of 600 tons per hour, with particulate matter emissions controlled by partial enclosure and exhausting directly to the atmosphere. Including the following equipment:

(i) Emergency reclaim hopper
(ii) Vibrating Feeder
(iii) Two (2) underground coal conveyor transfer point(s)

(9) One (1) crusher house, identified as F09, with a combined nominal throughput of 1600 tons per hour, with particulate matter emissions controlled by a wet spray suppression and exhausting directly to atmosphere. Including the following equipment:

(i) Surge bin(s)
(ii) Vibrating feeder(s)
(iii) Two (2) enclosed crushers with bypass, with a nominal throughput of 800 tons per hour, each.
(iv) Enclosed conveyor transfer point(s)

(10) One (1) boiler building bunker area, identified as F10, with a combined nominal throughput of 1600 tons, with particulate matter emissions controlled by enclosure and dust suppression system and exhausting directly to the atmosphere. Including the following equipment:

(i) Enclosed transfer tower(s)
(ii) Enclosed conveyor transfer point(s)
(ii) Two (2) traveling tripper(s)

(11) Bulk material movement with dozer, front end loaders, other heavy mobile equipment.

(12) Truck hauling, on paved and unpaved roads.

Under 40 CFR Part 60, Subpart Y, the coal storage and handling system is an affected facility.

Specifically Regulated Insignificant Activities

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

(5) Conveyors as follows: Underground coal conveyors including the following equipment:

(i) Conveyor identified as CH-TC-1
[326 IAC 6-3-2][40 CFR 60, Subpart Y]

(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][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 emission units listed above, except as otherwise specified in 40 CFR Part 60, Subpart Y.

(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.2.2 Coal Preparation Plants NSPS [40 CFR Part 60, Subpart Y] [326 IAC 12]

The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart Y (included as Attachment B to the operating permit), which are incorporated by reference as 326 IAC 12 for the emission units listed above:

1. 40 CFR 60.250
2. 40 CFR 60.251
3. 40 CFR 60.254(a)
4. 40 CFR 60.255(a)
5. 40 CFR 60.256(a)
6. 40 CFR 60.257(a)

SECTION E.3 NSPS

Emissions Unit Description:

Insignificant Activities:

(4) One (1) emergency diesel generator, identified as EMDG-1, constructed in 2007, rated at less than 1600 horsepower, engine displacement volume less than 10 liters per cylinder and exhausting to the atmosphere.

The emergency generator, identified as EMDG-1, is subject to the requirements of New Source Performance Standards (NSPS) for Stationary Compression Ignition (CI) Internal Combustion Engines (ICE), 40 CFR Part 60, Subpart IIII, and National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (RICE), 40 CFR Part 63, Subpart ZZZZ.

(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 [326 IAC 2-7-5(1)]

E.3.1 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 emission unit listed above, 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.3.2 Stationary Compression Ignition Internal Combustion Engines NSPS [40 CFR Part 60, Subpart IIII] [326 IAC 12]

The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart IIII (included as Attachment C to the operating permit), which are incorporated by reference as 326 IAC 12 for the emission units listed above:

(1) 40 CFR 60.4200(a); (2)(i), (2)(ii)
(2) 40 CFR 60.4202(a)(2)
(3) 40 CFR 60.4205(b)
(4) 40 CFR 60.4206
(5) 40 CFR 60.4207; (a), (b), (c)
(6) 40 CFR 60.4208(a)
(7) 40 CFR 60.4209(a)
(8) 40 CFR 60.4211; (a), (c), (e)

(9) 40 CFR 60.4214(b)
(10) 40 CFR 60.4218
(11) 40 CFR 60.4219
(12) Table 8

SECTION E.4 NSPS

Emissions Unit Description:

(o) Four (4) 4-Stroke Lean Burn Coal Bed Methane (CBM)-fired Reciprocating Internal Combustion Engines (RICE), approved for construction in 2011, identified as CBM1 to CBM4, each rated at 4,601 bHp (25.46 MMBtu/hr). CBM1 to CBM4 use Catalytic Oxidation and Selective Catalytic Reduction (SCR) to control VOC, NOx and CO. CBM1 to CBM4 exhaust to stacks SV-CBM1 to SV-CBM4 or to the greenhouses, respectively. [40 CFR 63, Subpart ZZZZ][40 CFR 60, Subpart JJJJ]

(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 [326 IAC 2-7-5(1)]

E.4.1 General Provisions Relating to New Source Performance Standards [326 IAC 12][40 CFR Part 60, Subpart A]

(a) The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated as 326 IAC 12, apply to the affected source, as designated by Table 3 to Subpart JJJJ of Part 60, except when otherwise specified in 40 CFR Part 60, Subpart JJJJ.

(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.4.2 Stationary Spark Ignition Internal Combustion Engines NSPS [40 CFR Part 60, Subpart JJJJ][326 IAC 12]

The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart JJJJ (included as Attachment D to the operating permit), which are incorporated by reference as 326 IAC 12, for the emission units listed above:

1) 40 CFR 60.4230(a)(4)(i)
2) 40 CFR 60.4233(e)
3) 40 CFR 60.4234
4) 40 CFR 60.4236(b)
5) 40 CFR 60.4243(b)(2)(ii)
6) 40 CFR 60.4244
7) 40 CFR 60.4245(a), (c) and (d)
8) 40 CFR 60.4246
9) 40 CFR 60.4248

SECTION E.5 NESHAP

Emissions Unit Description:

(o) Four (4) 4-Stroke Lean Burn Coal Bed Methane (CBM)-fired Reciprocating Internal Combustion Engines (RICE), constructed in 2011, identified as CBM1 to CBM4, each rated at 4,601 bHp (25.46 MMBtu/hr). CBM1 to CBM4 use Catalytic Oxidation and Selective Catalytic Reduction (SCR) to control VOC, NOx and CO. CBM1 to CBM4 exhaust to stacks SV-CBM1 to SV-CBM4 or to the greenhouses, respectively. [40 CFR 63, Subpart ZZZZ]
[40 CFR 60, Subpart JJJJ]

Insignificant Activities:

(4) One (1) emergency diesel generator, identified as EMDG-1, constructed in 2007, rated at less than 1600 horsepower, engine displacement volume less than 10 liters per cylinder and exhausting to the atmosphere.

The emergency generator, identified as EMDG-1, is subject to the requirements of New Source Performance Standards (NSPS) for Stationary Compression Ignition (CI) Internal Combustion Engines (ICE), 40 CFR Part 60, Subpart IIII, and National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (RICE), 40 CFR Part 63, Subpart ZZZZ.

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

National Emissions Standard for Hazardous Air Pollutants [326 IAC 2-7-5(1)]

E.5.1 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 63.1 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, for the emission units listed above, except as otherwise specified 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.5.2 Stationary Reciprocating Internal Combustion Engines NESHAP[40 CFR Part 63, Subpart ZZZZ] [326 IAC 20-82]

(a) The Permittee shall comply with the following provisions of 40 CFR Part 63, Subpart ZZZZ (included as Attachment E to the operating permit), which are incorporated by reference as 326 IAC 20-82, for the one (1) emergency diesel generator listed above:

1) 40 CFR 63.6585
2) 40 CFR 63.6590(a),(b)(1)(i)
3) 40 CFR 63.6600(c)
4) 40 CFR 63.6645(f)

5) 40 CFR 63.6675

(b) Permittee shall comply with the following provisions of 40 CFR Part 63, Subpart ZZZZ (included as Attachment E to the operating permit), which are incorporated by reference as 326 IAC 20-82, for the four (4) CBM engine generator sets, identified as CBM1 to CBM4 listed above:

1) 40 CFR 63.6600(b)
2) 40 CFR 63.6605
3) 40 CFR 63.6610(a)
4) 40 CFR 63.6635(a), (b), (c)
5) 40 CFR 63.6645(a)(4),(c),(g),(h)
6) 40 CFR 63.6650(a)-(f)
7) 40 CFR 63.6655(a),(b),(d)
8) 40 CFR 63.6585
9) 40 CFR 63.6590(a)(2)(i)
10) 40 CFR 63.6595(a)(3),(c)
11) 40 CFR 63.6615
12) 40 CFR 63.6620(a),(b),(d),(e),(i)
13) 40 CFR 63.6625(b),(h)
14) 40 CFR 63.6630(a)-(c)
15) 40 CFR 63.6640(a),(b),(d)
16) 40 CFR 63.6660
17) 40 CFR 63.6665
18) 40 CFR 63.6675

SECTION E.6 **NSPS**

Emissions Unit Description:

(f) A limestone storage and handling system, constructed between 1978 and 1980, with a nominal throughput of 400,000 tons per year consisting of the following equipment:

(7) Located in the limestone preparation building are the following units:

(B) One (1) enclosed crusher fed by a vibratory feeder, identified as LPC1 constructed in 2008 with a maximum capacity of 45 tons per hour, using the baghouse identified as LPC Baghouse 1 beginning June 2009 as control, and exhausting to stack LPC Vent 1.

Under 40 CFR Part 60, Subpart OOO, crusher LPC1 is an affected facility.

(C) One (1) enclosed crusher fed by a vibratory feeder, identified as LPC2, constructed in 2010, with a maximum capacity of 45 tons per hour, using the baghouse identified as LPC Baghouse 2 as control, and exhausting to stack LPC Vent 2.

Under 40 CFR Part 60, Subpart OOO, crusher LPC2 is an affected facility.

(E) Two (2) enclosed limestone ball mill transfer conveyor systems, constructed in 2011, identified as LBMC1 and LBMC2, each with a nominal throughput of 80 tons per hour, emissions are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(9) Two (2) enclosed limestone weigh belt feeders, constructed in 2011, identified as LWB1.1 and LWB2.1, each with a nominal throughput of 80 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(10) One (1) enclosed limestone emergency reclaim conveyor, constructed in 2011, identified as LERC, with a nominal throughput of 250 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(A) One (1) Limestone Emergency Reclaim Feeder, identified as LERF, constructed in 2013, with a nominal maximum capacity of 200 tons per hour. [40 CFR 60, Subpart OOO]

(B) One (1) Limestone Emergency Reclaim Breaker, identified as LERB, constructed in 2013, with a nominal maximum capacity of 200 tons per hour. 40 CFR 60, Subpart OOO]

(11) Two (2) enclosed/underground limestone railcar unloading belt feeders, identified as LRUBF1 and LRUBF2, each with a nominal throughput of 300 tons per hour, emissions are controlled by a total enclosure.
[40 CFR 60, Subpart OOO]

(12) Two (2) enclosed/underground limestone storage pile belt feeders, identified as LSPBF1 and LSPBF2, each with a nominal throughput of 250 tons per hour, emissions

are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(13) Two (2) enclosed limestone wet ball mills, constructed in 2011, identified as LWBM1 and LWBM2, each with a nominal throughput of 70 tons per hour, emissions are controlled by a total enclosure. [40 CFR 60, Subpart OOO]

(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.6.1 General Provisions Relating to New Source Performance Standards [326 IAC 12][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 emission unit listed above, except as otherwise specified in 40 CFR Part 60, Subpart OOO.

(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.6.2 Nonmetallic Mineral Processing Plants NSPS [40 CFR Part 60, Subpart OOO] [326 IAC 12]

The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart OOO (included as Attachment F to the operating permit), which are incorporated by reference as 326 IAC 12, for the emission units listed above:

(a) 40 CFR 60.670 (a)(1), (d)(3),(e),(f)
(b) 40 CFR 60.671
(c) 40 CFR 60.672
(d) 40 CFR 60.675 (a), (c)(1)(i)-(ii),(c)(3),(d)(1),(g),(i)
(e) 40 CFR 60.676 (a)(1)(i)-(ii),(h)(i)(1), (j)

SECTION E.7 NESHAP

Emissions Unit Description:

(c) Two (2) No. 2 distillate oil-fired auxiliary boilers, constructed in 1980, each with a heat input rate of 93.0 MMBtu/hour, and exhausting to stack SV3.

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

National Emissions Standard for Hazardous Air Pollutants [326 IAC 2-7-5(1)]

E.7.1 General Provisions Relating to National Emissions 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 63.1 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, for the emission units listed above, except as otherwise specified in 40 CFR Part 63, Subpart DDDDD.

(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.7.2 Industrial, Commercial, and Institutional Boilers and Process Heaters NESHAP [326 IAC 20-95] [40 CFR Part 63, Subpart DDDDD]

The Permittee shall comply with the following provisions of 40 CFR Part 63, Subpart DDDDD (included as Attachment G to the operating permit), which are incorporated by reference as 326 IAC 20-95, for the emission units listed above:

(1) 40 CFR 63.7480
(2) 40 CFR 63.7485
(3) 40 CFR 63.7490
(4) 40 CFR 63.7495(b), (d)
(5) 40 CFR 63.7499(o)
(6) 40 CFR 63.7500(a)(3), (e)
(7) 40 CFR 63.7501
(8) 40 CFR 63.7505(a)
(9) 40 CFR 63.7510
(10) 40 CFR 63.7515(d)
(11) 40 CFR 63.7540
(12) 40 CFR 63.7545(a), (b), (h)
(13) 40 CFR 63.7550(a), (b), (c), (h)(3)
(14) 40 CFR 63.7555(a)
(15) 40 CFR 63.7560
(16) 40 CFR 63.7565
(17) 40 CFR 63.7570
(18) 40 CFR 63.7575
(19) Table 3 to Subpart DDDDD of Part 63
(20) Table 9 to Subpart DDDDD of Part 63
(21) Table 10 to Subpart DDDDD of Part 63

SECTION E.8 NESHAP

Emissions Unit Description:

(a) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 1 or 1SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 1 uses No. 2 fuel oil for startups and flame stabilization. Unit 1 cannot operate at load solely using No. 2 fuel oil.

Unit 1 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE1B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 1 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV1) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 1 is an affected facility.

(b) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 2 or 2SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 2 uses No. 2 fuel oil for startups and flame stabilization. Unit 2 cannot operate at load solely using No. 2 fuel oil.

Unit 2 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE2B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 2 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV2) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 2 is an affected facility.

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

National Emissions Standard for Hazardous Air Pollutants [326 IAC 2-7-5(1)]

E.8.1 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 63.1 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, for the emission units listed above, except as otherwise specified 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

E.8.2 Coal- and Oil-Fired Electric Utility Steam Generating Units NESHAP [40 CFR Part 63, Subpart UUUUU]

The Permittee shall comply with the provisions of 40 CFR Part 63, Subpart UUUUU (included as Attachment I to the operating permit), for the two (2) boilers (Boiler 1 and Boiler 2). listed above:

E.8.3 Compliance Schedule for National Emission Standard for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units [40 CFR 63, Subpart UUUUU]

Pursuant to Indiana Code § 13-14-2-6 and in order to secure compliance with 40 CFR Part 63, Subpart UUUUU, Hoosier Energy Rural Electric Cooperative, Merom Generating Station is subject to the following ORDER:

(1) Hoosier Energy Rural Electric Cooperative shall submit a status report within fifteen (15) days of completion of the following milestones indicating the actual dates of completion:

(a) The dates on-site construction for the installation of emission control equipment identified in Attachment A for Merom Generating Station Units 1 and 2 are initiated, and

(b) The dates on-site construction for the installation of emission control equipment identified in Attachment A for Merom Generating Station Units 1 and 2 are completed.

(e) The dates by which final compliance with 40 CFR Part 63, Subpart UUUUU for Merom Generating Station Units 1 and 2 are achieved.

(2) Hoosier Energy Rural Electric Cooperative, Merom Generating Station Units 1 and 2 shall comply with the mercury standards set forth in 40 CFR Part 63, Subpart UUUUU no later than April 16, 2016.

SECTION F **ACID RAIN PROGRAM CONDITIONS**

ORIS Code - 6213

Emissions Unit Description:

(a) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 1 or 1SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 1 uses No. 2 fuel oil for startups and flame stabilization. Unit 1 cannot operate at load solely using No. 2 fuel oil.

Unit 1 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System
(identified as CE1B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 1 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV1) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 1 is an affected facility.

(b) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 2 or 2SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 2 uses No. 2 fuel oil for startups and flame stabilization. Unit 2 cannot operate at load solely using No. 2 fuel oil.

Unit 2 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System
(identified as CE2B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 2 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV2) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 2 is an affected facility.

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

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

(a) The Acid Rain permit for this source, is incorporated by reference into this Part 70 Permit as Attachment H of this permit.

(b) Pursuant to 326 IAC 21 (Acid Deposition Control), the Permittee shall comply with all provisions of the Acid Rain Permit and Amendments issued for this source, and any other applicable requirements contained in 40 CFR 72 through 40 CFR 78.

(c) Where an applicable requirement of the Clean Air Act is more stringent than an applicable requirement of regulations promulgated under Title IV of the Act, both provisions shall apply.

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

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

(a) No revision of this permit shall be required for increases in emissions that are authorized by allowances acquired under Title IV Acid Rain Program, provided that such increases do not require a permit revision under any other applicable requirement.

(b) No limit shall be placed on the number of allowances held by the Permittee. The Permittee may not use allowances as a defense to noncompliance with any other applicable requirement.

(c) Any such allowance shall be accounted for according to the procedures established in regulations promulgated under Title IV of the Clean Air Act.

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

ORIS Code: 6213

Emissions Unit Description:

(a) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 1 or 1SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 1 uses No. 2 fuel oil for startups and flame stabilization. Unit 1 cannot operate at load solely using No. 2 fuel oil.

Unit 1 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE1B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 1 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV1) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 1 is an affected facility.

(b) One (1) pulverized coal-fired dry bottom boiler, identified as Unit 2 or 2SG1, constructed in 1976, rated at 5,088 million Btu per hour (MMBtu/hr) energy input, used to generate up to 490 megawatts (gross) of electricity. Unit 2 uses No. 2 fuel oil for startups and flame stabilization. Unit 2 cannot operate at load solely using No. 2 fuel oil.

Unit 2 utilizes the following control equipment:
Activated Carbon Injection System (ACI), to be installed in 2015,
SO3 Mitigation System (SBS Injection),
Electrostatic precipitator (ESP),
Flue Gas Desulfurization (FGD) Wet Scrubber System (identified as CE2B), and
Selective Catalytic Reduction (SCR).

Controlled emissions from Unit 2 are exhausted to the atmosphere through a 19-foot diameter flue liner (SV2) which is housed in a 700-foot stack that is shared by both Unit 1 and Unit 2. Opacity is measured with a continuous opacity monitor (COM). Sulfur dioxide (SO_2) and nitrogen oxides (NO_x) emissions are measured with a SO_2 continuous emission monitor system (CEMS) and a NO_x CEMS, respectively.

Under 40 CFR Part 60, Subpart D, Unit 2 is an affected facility.

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

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

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

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

(a) The owners and operators of each CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X ozone season source and CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X ozone season unit shall operate each source and unit in compliance with this CAIR permit.

(b) The CAIR NO_X unit(s), CAIR SO_2 unit(s), and CAIR NO_X ozone season unit(s) subject to this CAIR permit are Unit 1 and Unit 2.

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

(a) The owners and operators, and the CAIR designated representative, of each CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X ozone season source and CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X ozone season unit at the source shall comply with the applicable monitoring, reporting, and record keeping requirements of 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.

(b) The emissions measurements recorded and reported in accordance with 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11 shall be used to determine compliance by each CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X ozone season source with the CAIR NO_X emissions limitation under 326 IAC 24-1-4(c), CAIR SO_2 emissions limitation under 326 IAC 24-2-4(c), and CAIR NO_X ozone season emissions limitation under 326 IAC 24-3-4(c) and Condition G.4, Nitrogen Oxides Emission Requirements, Condition G.5, Sulfur Dioxide Emission Requirements, and Condition G.6, Nitrogen Oxides Ozone Season Emission Requirements.

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

(a) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR NO_X source and each CAIR NO_X unit at the source shall hold, in the source's compliance account, CAIR NO_X allowances available for compliance deductions for the control period under 326 IAC 24-1-9(i) in an amount not less than the tons of total nitrogen oxides emissions for the control period from all CAIR NO_X units at the source, as determined in accordance with 326 IAC 24-1-11.

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

(c) A CAIR NO_X allowance shall not be deducted for compliance with the requirements under 326 IAC 24-1-4(c)(1), for a control period in a calendar year before the year for which the CAIR NO_X allowance was allocated.

(d) CAIR NO_X allowances shall be held in, deducted from, or transferred into or among CAIR NO_X allowance tracking system accounts in accordance with 326 IAC 24-1-9, 326 IAC 24-1-10, and 326 IAC 24-1-12.

(e) A CAIR NO_X allowance is a limited authorization to emit one (1) ton of nitrogen oxides in accordance with the CAIR NO_X annual trading program. No provision of the CAIR NO_X annual trading program, the CAIR permit application, the CAIR permit, or an exemption under 326 IAC 24-1-3 and no provision of law shall be construed to limit the authority of the State of Indiana or the United States to terminate or limit the authorization.

(f) A CAIR NO_X allowance does not constitute a property right.

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

G.5 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.

(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.

G.6 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.

(g) Upon recordation by the U.S. EPA under 326 IAC 24-3-8, 326 IAC 24-3-9, 326 IAC 24-3-10, or 326 IAC 24-3-12, every allocation, transfer, or deduction of a CAIR NO_X ozone season allowance to or from a CAIR NO_X ozone season source's compliance account is incorporated automatically in this CAIR permit.

G.7 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.

G.8 Record Keeping Requirements [326 IAC 24-1-4(e)] [326 IAC 24-2-4(e)] [326 IAC 24-3-4(e)] [326 IAC 2-7-5(3)] [40 CFR 97.106(e)] [40 CFR 97.206(e)] [40 CFR 97.306(e)]

Unless otherwise provided, the owners and operators of the CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X ozone season source and each CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X ozone season unit at the source shall keep on site at the source or at a central location within Indiana for those owners or operators with unattended sources, each of the following documents for a period of five (5) years from the date the document was created:

(a) The certificate of representation under 326 IAC 24-1-6(h), 326 IAC 24-2-6(h), and 326 IAC 24-3-6(h) for the CAIR designated representative for the source and each CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X ozone season unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation. The certificate and documents shall be retained on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond such five (5) year period until such documents are superseded because of the submission of a new account certificate of representation under 326 IAC 24-1-6(h), 326 IAC 24-2-6(h), and 326 IAC 24-3-6(h) changing the CAIR designated representative.

(b) All emissions monitoring information, in accordance with 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11, provided that to the extent that 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11 provides for a three (3) year period for record keeping, the three (3) year period shall apply.

(c) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NO_X annual trading program, CAIR SO_2 trading program, and CAIR NO_X ozone season trading program.

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

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

G.9 Reporting Requirements [326 IAC 24-1-4(e)] [326 IAC 24-2-4(e)] [326 IAC 24-3-4(e)] [40 CFR 97.106(e)] [40 CFR 97.206(e)] [40 CFR 97.306(e)]

(a) The CAIR designated representative of the CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X ozone season source and each CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X ozone season unit at the source shall submit the reports required under the CAIR NO_X annual trading program, CAIR SO_2 trading program, and CAIR NO_X ozone season trading program, including those under 326 IAC 24-1-11, 326 IAC 24-2-10, and 326 IAC 24-3-11.

(b) Pursuant to 326 IAC 24-1-4(e), 326 IAC 24-2-4(e), and 326 IAC 24-3-4(e) and 326 IAC 24-1-6(e)(1), 326 IAC 24-2-6(e)(1), and 326 IAC 24-3-6(e)(1), each submission under the CAIR NO_X annual trading program, CAIR SO_2 trading program, and CAIR NO_X ozone season trading program shall include the following certification statement by the CAIR designated representative: “I am authorized to make this submission on behalf of the owners and operators of the source or units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

(c) Where 326 IAC 24-1, 326 IAC 24-2, and 326 IAC 24-3 requires a submission to IDEM, OAQ, the information shall be submitted to:

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

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

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

G.10 Liability [326 IAC 24-1-4(f)] [326 IAC 24-2-4(f)] [326 IAC 24-3-4(f)] [40 CFR 97.106(f)] [40 CFR 97.206(f)] [40 CFR 97.306(f)]

The owners and operators of each CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X ozone season source and each CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X ozone season unit shall be liable as follows:

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

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

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

G.11 Effect on Other Authorities [326 IAC 24-1-4(g)] [326 IAC 24-2-4(g)] [326 IAC 24-3-4(g)] [40 CFR 97.106(g)] [40 CFR 97.206(g)] [40 CFR 97.306(g)]

No provision of the CAIR NO_X annual trading program, CAIR SO_2 trading program, and CAIR NO_X ozone season trading program, a CAIR permit application, a CAIR permit, or an exemption under 326 IAC 24-1-3, 326 IAC 24-2-3, and 326 IAC 24-3-3 shall be construed as exempting or excluding the owners and operators, and the CAIR designated representative, of a CAIR NO_X source, CAIR SO_2 source, and CAIR NO_X ozone season source or CAIR NO_X unit, CAIR SO_2 unit, and CAIR NO_X ozone season unit from compliance with any other provision of the applicable, approved state implementation plan, a federally enforceable permit, or the Clean Air Act (CAA).

G.12 CAIR Designated Representative and Alternate CAIR Designated Representative [326 IAC 24-1-6] [326 IAC 24-2-6] [326 IAC 24-3-6] [40 CFR 97, Subpart BB] [40 CFR 97, Subpart BBB] [40 CFR 97, Subpart BBBB]

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

(a) Except as specified in 326 IAC 24-1-6(f)(3), 326 IAC 24-2-6(f)(3), 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

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005

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

PART 70 OPERATING PERMIT
EMERGENCY OCCURRENCE REPORT

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005

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**) daytime 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:

Form Completed by:_____

Title / Position: _____

Date:_____

Phone: _____

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

Part 70 Quarterly Report

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005
Facility: CBM-fired Flare
Parameter: Coal Bed Methane Usage
Limit: Less than 73.50 MMCF per twelve (12) consecutive month period.

QUARTER : YEAR:

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

☐ 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 Quarterly Report

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005
Facility: CBM1-CMB4
Parameter: CO Emissions
Limit: Less than 91.8 tons per twelve (12) consecutive month period.

QUARTER : YEAR:

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

☐ 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 Quarterly Report

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005
Facility: CBM1-CMB4
Parameter: VOC
Limit: Less than 34.2 tons per twelve (12) consecutive month period.

QUARTER : YEAR:

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

☐ 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 Quarterly Report

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005
Facility: CBM1-CMB4
Parameter: NOx
Limit: Less than 36.7 tons per twelve (12) consecutive month period.

QUARTER : YEAR:

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

☐ 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 Quarterly Report

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005
Facility: One (1) distillate oil #2-fired auxiliary boiler
Parameter: Fuel Usage
Limit: less than 563,380 gallons of No. 2 fuel oil per twelve (12) consecutive month period, beginning January 31, 2016.

QUARTER : YEAR:

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

☐ 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 Quarterly Report

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005
Facility: One (1) distillate oil #2-fired auxiliary boiler
Parameter: Fuel Usage
Limit: less than 563,380 gallons of No. 2 fuel oil per twelve (12) consecutive month period, beginning January 31, 2016.

QUARTER : YEAR:

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

☐ 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

Source Name: Hoosier Energy REC, Inc - Merom Generating Station
Source Address: 5500 W Old 54, Sullivan, Indiana 47882
Part 70 Permit No.: T153-35203-00005

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:	

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 Source and Permit Modification

Source Description and Location

Source Name:	**Hoosier Energy REC, Inc. – Merom Generating Station**
Source Location:	**5500 W Old 54, Sullivan, Indiana 47882**
County:	**Sullivan**
SIC Code:	**4911**
Operation Permit No.:	**T 153-35203-00005**
Operation Permit Issuance Date:	**June 15, 2015**
Significant Source Modification No.:	**153-36364-00005**
Significant Permit Modification No.:	**153-36369-00005**
Permit Reviewer:	**JB/APD**

Existing Approvals

The source was issued Part 70 Operating Permit No. T 153-35203-00005 on June 15, 2015. There have been no subsequent approvals issued.

County Attainment Status

The source is located in Sullivan 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}	Unclassifiable effective November 15, 1990.
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. Sullivan 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) $PM_{2.5}$
Sullivan 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
Sullivan County has been classified as attainment or unclassifiable in Indiana for list the pollutants. 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 power plant, 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	921
PM_{10}	138
$PM_{2.5}$	33
SO_2	16469
NO_X	3626
VOC	163
CO	12166
HAPs	
Single HAP	> 25
Total HAPs	> 10

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, 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 Part 70 Operating Permit No. 153-35203-0000-5, issued on June 15, 2015.

(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 an application for a federally enforceable non-Title V permit, submitted by Hoosier Energy REC, Inc. - Merom Generating Station on October 6, 2015, pursuant to Hoosier's Consent Decree in United State v. Hoosier Energy Rural Electric Cooperative, Inc. (Civil Action No. 1:10-CV-0935-LJM-TAB), entered on November 4, 2010.

Paragraph 199 of the Consent Decree requires that Hoosier Energy REC, Inc. apply to permanently include specific enumerated requirements of the Consent Decree into a federally enforceable non-Title V permit or request a site-specific amendment to the Indiana SIP.

199. By no later than December 31, 2015, Hoosier shall either apply to permanently include the requirements and limitations enumerated in this Consent Decree into a federally enforceable non-Title V permit or request a site-specific amendment to the Indiana SIP to include the requirements and limitations enumerated in this Consent Decree. The permit or Indiana SIP amendment shall require compliance with the following: (a) any applicable Emission Rate or Removal Efficiency, (b) the applicable System-Wide Annual NOx Tonnage Limitations and System-Wide Annual SO2 Tonnage Limitations, (c) the applicable Plant-Wide 12-Month Rolling SO2 Tonnage Limitations at Ratts, and (d) the NOx and SO2 Allowance Surrender requirements set forth in this Consent Decree.

Hoosier Energy REC, Inc. - Merom Generating Station was issued a Significant Permit Modification, Permit no. 153-30525-00005, on April 24, 2014 which incorporated certain Consent Decree provisions pursuant to requirements in Paragraph 198. The issuance of this Significant Source Modification will satisfy the requirements of Paragraph 199 of the Consent Decree and serves to make the specifically enumerated requirements of the Consent Decree permanent applicable requirements that continue to be enforceable after termination of the Consent Decree.

EPA recently approved an Indiana rule into its State Implementation Plan that allows incorporation of terms from Federal Consent Decrees and Federal District Court Orders into construction permits. These changes to 326 IAC 2-7-10.5(b) became effective on February 18, 2014.

There is a distinction between the Consent Decree requirements in Paragraph 198 and Paragraph 199. Paragraph 198 required Hoosier Energy to immediately incorporate certain consent decree requirements into its Title V permit such that the Consent Decree requirements would operate concurrently while the Consent Decree is in effect. Paragraph 199, on the other hand, requires that the limitations set forth in the Consent Decree either get incorporated in a federally enforceable non-Title V permit or included in a site-specific amendment to the Indiana State Implementation Plan. The effect of this in either case is that the requirements and limitations become “applicable requirements” within the meaning of the Clean Air Act because the requirements or limitations are being issued through a SIP approved preconstruction permitting process. These applicable requirements exist independently from the Consent Decree and are subject to the requirements of Title V. The Title V permit must include operational requirements and limitations that assure compliance with all applicable requirements, sufficient monitoring, record keeping and reporting to evaluate continuous compliance as well as period testing.
For this reason the applicable requirements that are emission limitations (which includes removal efficiencies) must have Title V permit requirements to adequately assure continuous compliance with those limitations. Further discussion of Compliance Determination and Monitoring Requirements is supra.

Enforcement Issues

There are no pending enforcement actions.

Permit Level Determination – Part 70 Modification to an Existing Source

There is no increase in the potential to emit of any regulated pollutants as the source is not adding any new emission unit.

This modification is subject to 326 IAC 2-7-10.5. Pursuant to 326 IAC 2-7-10.5(b)(2) federal consent decree that is entered into for the purpose of resolving alleged violations is subject to a Significant Source Modification. Pursuant to 326 IAC 2-7-12(d), this modification is considered a Significant Permit Modification because the permit modification involves significant changes to the existing monitoring requirements of the part 70 Operating Permit.

Permit Level Determination – PSD

This modification does not cause any emission increases. Therefore, the requirements of 326 IAC 2-2 (PSD) are not applicable.

Federal Rule Applicability Determination

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.

State Rule Applicability Determination

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

326 IAC 2-2 (PSD)
PSD applicability is discussed under the Permit Level Determination – PSD section.

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.

The Compliance Determination Requirements in Section D of the permit are those conditions that are found directly within state and federal rules or, if there is not a specific state or federal rule or rules with which to determine compliance, then the conditions for period testing and monitoring sufficient to demonstrate compliance with the applicable requirement on a continuous basis.

This modification includes Title V Compliance Determination and Monitoring Requirements in the form of periodic testing and/or continuous operation of emission control for the 30-day rolling average NOx emission rate, 30-day rolling average SO2 emission rate, 30-day SO2 rolling average removal efficiency, H2S)4 emission rate, and PM emission rate requirements that were required in the Consent Decree.

Proposed Changes

The changes listed below have been made to Part 70 Operating Permit No. 153-35203-00005. Deleted language appears as ~~strikethroughs~~ and new language appears in **bold**:

Hoosier Energy REC, Inc. – Merom Generating Station is currently subject to a federal court Consent Decree in United State v. Hoosier Energy Rural Electric Cooperative, Inc. (Civil Action No. 1:10-CV-0935-LJM-TAB), entered on November 4, 2010. Certain requirements of the Consent Decree are being incorporated into the permit by this Significant Source Modification to satisfy the requirements of the Consent Decree. All provisions of the Consent Decree remain in effect until termination of the Consent Decree and shall be enforced through the provisions of the Consent Decree until it is terminated.

Change 1: IDEM OAQ has incorporated certain relevant definitions from Hoosier's Consent Decree (Civil Action No.: 1:10-CV-0935-LJM-TAB), entered on November 4, 2010, for Merom Generating Station, Sullivan, Indiana, into this Significant Source Modification. Certain definitions from the Consent Decree have been deleted because they are inconsistent with the provisions of Part 70 or they are unnecessary. The changes are as follows:

B.1 Definitions [326 IAC 2-7-1] **[Case No. 1:10-CV-0935-LJM-TAB]**

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. **The following definitions shall apply in this permit:**

(a) A "30-Day Rolling Average NOx Emission Rate" for a Unit shall be expressed in lb/MMBtu and calculated in accordance with the following procedure: first, sum the total pounds of NOx emitted from the Unit during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days; second, sum the total heat input to the Unit in MMBtu during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days; and third, divide the total number of pounds of NOx emitted during the thirty (30) Unit Operating Days by the total heat input during the thirty (30) Unit Operating Days. A new 30-Day Rolling Average NOx Emission Rate shall be calculated for each new Unit Operating Day. Each 30-Day Rolling Average NOx Emission Rate shall include all emissions that occur during all periods within any Unit Operating Day, including emissions from startup, shutdown, and malfunction.

(b) A "30-Day Rolling Average SO_2 Emission Rate" for a Unit shall be expressed in lb/MMBtu and calculated in accordance with the following procedure: first, sum the total pounds of SO_2 emitted from the Unit during the current Unit Operating Day

and the previous twenty-nine (29) Unit Operating Days; second, sum the total heat input to the Unit in MMBtu during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days; and third, divide the total number of pounds of SO_2 emitted during the thirty (30) Unit Operating Days by the total heat input during the thirty (30) Unit Operating Days. A new 30-Day Rolling Average SO_2 Emission Rate shall be calculated for each new Unit Operating Day. Each 30-Day Rolling Average SO_2 Emission Rate shall include all emissions that occur during all periods within any Unit Operating Day, including emissions from startup, shutdown, and malfunction.

(c) **A "30-Day Rolling Average SO_2 Removal Efficiency" means the percent reduction in the mass of SO_2 achieved by a Unit's FGD system over a thirty (30) Unit Operating Day period and shall be calculated as follows: step one, sum the total pounds of SO_2 emitted as measured at the outlet of the FGD system for the Unit during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days as measured at the outlet of the FGD system for that Unit; step two, sum the total pounds of SO_2 delivered to the inlet of the FGD system for the Unit during the current Unit Operating Day and the previous twenty-nine (29) Unit Operating Days as measured at the inlet to the FGD system for that Unit (this shall be calculated by measuring the ratio of the lb/MMBtu SO_2 inlet to the lb/MMBtu SO_2 outlet and multiplying the outlet pounds of SO_2 by that ratio); step three, subtract the outlet SO_2 emissions calculated in step one from the inlet SO_2 emissions calculated in step two; step four, divide the difference calculated in step three by the inlet SO_2 emissions calculated in step two; and step five, multiply the quotient calculated in step four by 100 to express the emission limit as a removal efficiency percentage. A new 30-Day Rolling Average SO_2 Removal Efficiency shall be calculated for each new Unit Operating Day. Each 30-Day Rolling Average SO_2 Removal Efficiency shall include all emissions that occur during all periods within any Unit Operating Day, including emissions from startup, shutdown, and malfunction.**

(d) ~~"Baghouse" means a full stream (fabric filter) particulate emissions control device.~~

~~(e) "CEMS" or "Continuous Emission Monitoring System" means, for obligations involving the monitoring of NOx and SO2 emissions under the Consent Decree, the devices defined in 40 C.F.R. § 72.2, the inlet SO2 lb/mmBTU monitors, and the computer system for recording, calculating, and storing data and equations required by the Consent Decree.~~

~~(f) "Clean Air Act" or "Act" means the federal Clean Air Act, 42 U.S.C. §§ 7401-7671q, and its implementing regulations.~~

~~(g) "Consent Decree" means the November 4, 2010 Consent Decree and the Appendices thereto, which are incorporated into the Consent Decree.~~

~~(h) "Continuously Operate" or "Continuous Operation" means that when an SCR, SNCR, FGD, RI, ESP, Baghouse (if applicable), or Low NOx Burner Combustion System is used at a Unit, except as otherwise provided by Section XV (Force Majeure), it shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers' specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.~~

~~(i) "Date of Entry" means the date the Consent Decree was filed for lodging with the Clerk of the Court for the United States District Court for the Southern District of Indiana. That date was November 4, 2010.~~

"Day" means calendar day ~~unless otherwise specified in this Title V Permit~~ **.**

~~(k) "Electrostatic Precipitator" or "ESP" means a device for removing particulate matter from combustion gases by imparting an electric charge to the particles and then attracting them to a metal plate or screen of opposite charge before the combustion gases are exhausted to the atmosphere.~~

~~(l) "Emission Rate" for a given pollutant means the number of pounds of that pollutant emitted per million British thermal units of heat input (lb/mmBTU), measured in accordance with the Consent Decree.~~

~~(m) "EPA" means the United States Environmental Protection Agency.~~

~~(n) "Flue Gas Desulfurization System" or "FGD" means a pollution control device that employs flue gas desulfurization technology, including an absorber utilizing lime, fly ash, or limestone slurry, for the reduction of SO2 emissions.~~

~~(o) "Fossil Fuel" means any hydrocarbon fuel, including coal, petroleum coke, petroleum oil, or natural gas.~~

(e) "H_2SO_4" means sulfuric acid, measured in accordance with the provisions of ~~the Consent Decree~~ **this permit.**

(f) "H_2SO_4 Emission Rate" means the number of pounds of H2SO4 emitted per million Btu of heat input (lb/MMBtu), as measured in annual stack tests in accordance with ~~the Consent Decree~~ **this permit.**

(g)

~~(r)~~ **"Hoosier System" means the Merom and Ratts facilities.**

~~(s) "IDEM" means the Indiana Department of Environmental Management.~~

~~(t) "Indiana SIP" means the Indiana State Implementation Plan, and any amendments thereto, as approved by EPA pursuant to Section 110 of the Act, 42 U.S.C. § 7410.~~

~~(u)~~
(h) "Merom" means the Permittee's Merom Generating Station consisting of two dry-bottom turbo-fired boilers designated as Unit 1 (547 Gross MW) and Unit 2 (547 Gross MW) and related equipment, which is located in Sullivan County, Indiana.

~~(v) "NOx" means oxides of nitrogen, measured in accordance with the provisions of the Consent Decree.~~

~~(w)~~
(i) "NOx Allowance" means an authorization to emit a specified amount of NOx that is allocated or issued under an emissions trading or marketable permit program of any kind that has been established under the Clean Air Act or a state implementation plan.

~~(x)~~
(j) "PM" means total filterable particulate matter~~, measured in accordance with the provisions of the Consent Decree~~ **with respect to Condition D.1.4 of this Permit.**

~~(y) "PM CEMS" or "PM Continuous Emissions Monitoring System" means, for obligations involving the monitoring of PM emissions under the Consent Decree, the equipment that samples, analyzes, measures, and provides, by readings taken at frequent intervals, an electronic and /or paper record of PM emissions.~~

~~(z)~~
(k) "PM Emission Rate" means the number of pounds of PM emitted per million Btu of

heat input (lb/MMBtu), as measured in annual stack tests in accordance with ~~Paragraph 123 of the Consent Decree~~ **Conditions D.1.9 (d) and (e).**

~~(aa)~~
(l) "Ratts" means the Permittee's Ratts Generating Station consisting of two dry-bottom wall-fired boilers designated as Unit 1 (132 MW) and Unit 2 (132 MW) and related equipment, which is located in Pike County, Indiana.

~~**(bb)**~~
(m) "Reagent Injection" or "RI" means an H_2SO_4 control system consisting of the injection of a reagent in the flue gas stream to react with the acid gases and reduce the outlet H_2SO_4 emissions Rate.

~~(cc)~~
(n) "Removal Efficiency" for a given pollutant means the percentage of that pollutant removed by the applicable emission control device, measured in accordance with the provisions ~~of the Consent Decree~~ **of this permit.**

~~(dd) "Repower or Repowered" means that a Unit is either Repowered to Biomass or Repowered to Natural Gas within the meaning of the Consent Decree.~~

~~(ee)~~
(o) "Retire" means that the Permittee shall permanently shutdown and cease to operate the Unit such that the Unit cannot legally burn any fuel nor produce any steam for electricity production and that the Permittee shall comply with applicable state and federal requirements for permanently retiring a coal-fired electric generating unit, including removing the Unit from Indiana's air emissions inventory, and amending all applicable permits so as to reflect the permanent shutdown status of such Unit.

~~(ff) "SCR" or "Selective Catalytic Reduction" means a pollution control device for reducing NOx emissions through the use of selective catalytic reduction technology.~~

~~(gg) "SO2" means sulfur dioxide, measured in accordance with the provisions of the Consent Decree.~~

~~(hh)~~
(p) "SO_2 Allowance" means an authorization or credit to emit a specified amount of SO_2 that is allocated or issued under an emissions trading or marketable permit program of any kind that has been established under the Clean Air Act or the Indiana SIP.

~~(ii) "State" means the State of Indiana.~~

(q) Super-Compliant NOx Allowance" means a NOx Allowance attributable to reductions beyond the requirements of the Consent Decree in Civil Action No. 1:10-CV-LJM-TAB, entered on November 4, 2010.

~~(jj)~~
(r) "Surrender" or "Surrender of Allowances" means, for purposes of SO_2 or NOx Allowances, permanently surrendering allowances from the accounts administered by EPA and Indiana for all Units in the Hoosier System, so that such allowances can never be used thereafter to meet any compliance requirements under the Clean Air Act, a state implementation plan, or this permit.

~~(kk)~~
(s) "System-Wide Annual NOx Tonnage Limitation" means the limitations, as specified in Condition D.1.20, on the number of tons of NOx that may be emitted from Merom Unit 1 and Unit 2 and Ratts Unit 1 and Unit 2, collectively, during the relevant

calendar year (i.e., January 1 through December 31), and shall include all emissions of NOx during all periods of operations, including startup, shutdown, and malfunction.

~~(ll)~~
(t) "System-Wide Annual SO_2 Tonnage Limitation" means the limitations, as specified in Condition D.1.20, on the number of tons of SO_2 that may be emitted from Merom Unit 1 and Unit 2 and Ratts Unit 1 and Unit 2, collectively, during the relevant calendar year (i.e., January 1 through December 31), and shall include all emissions of SO_2 during all periods of operations, including startup, shutdown, and malfunction.

~~(mm)~~
(u) "Unit" means collectively, the coal pulverizer, stationary equipment that feeds coal to the boiler, the boiler that produces steam for the steam turbine, the steam turbine, the generator, the equipment necessary to operate the generator, steam turbine, and boiler, and all ancillary equipment, including pollution control equipment and systems necessary for production of electricity. An electric steam generating station may comprise one or more Units.

~~(nn)~~
(v) "Unit Operating Day" means, for Merom Unit 1, any Day on which Merom Unit 1 fires Fossil Fuel, and, for Merom Unit 2, any Day on which Merom Unit 2 fires Fossil Fuel, and for Ratts Unit 1, any Day on which Ratts Unit 1 fires Fossil Fuel, and, for Ratts Unit 2, any Day on which Ratts Unit 2 fires Fossil Fuel.

Change 2: IDEM OAQ has deleted certain conditions in this Significant Source Modification that had previously been incorporated under Paragraph 198 of the Consent Decree because they are affirmative defenses that are inconsistent with the Title V emergency provisions found at 326 IAC 2-7-1(12) and 326 IAC 2-7-16. The deletions are as follows:

~~C.16 Consent Decree – Affirmative Defense for Malfunctions [Case No. 1:10-CV-0935-LJM-TAB]~~

~~Pursuant to Paragraphs 169 through 177 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No. 1:10-CV-0935-LJM-TAB entered on November 4, 2010, the Permittee shall have the following Affirmative Defenses:~~

~~(a) If any of the Units at Merom or Ratts exceed an applicable 30-Day Rolling Average Emission Rate for NO_x or SO_2, or 30-Day Rolling Average SO_2 Removal Efficiency set forth in the Consent Decree due to malfunction, the Permittee, bearing the burden of proof, has an affirmative defense to stipulated penalties under the Consent Decree, if the Permittee has complied with the reporting requirements of paragraphs (f) and (g) of this condition and has demonstrated all of the following:~~

~~(1) the excess emissions were caused by a sudden, unavoidable breakdown of technology, beyond the Permittee's control;~~

~~(2) the excess emissions (i) did not stem from any activity or event that could have been foreseen and avoided, or planned for, and (ii) could not have been avoided by better operation and maintenance practices;~~

~~(3) to the maximum extent practicable, the air pollution control equipment and processes were maintained and operated in a manner consistent with good practice for minimizing emissions;~~

~~(4) repairs were made in an expeditious fashion when the Permittee knew or should have known that an applicable 30-Day Rolling Average Emission Rate or 30-Day Rolling Average Removal Efficiency was being or would be exceeded. Off-shift labor and overtime must have been utilized, to the extent practicable, to ensure that such repairs were made as expeditiously as practicable;~~

~~(5) the amount and duration of the excess emissions (including any bypass) were minimized to the maximum extent practicable during periods of such emissions;~~

~~(6) all possible steps were taken to minimize the impact of the excess emissions on ambient air quality;~~

~~(7) all emission monitoring systems were kept in operation if at all possible;~~
~~(8) the Permittee's actions in response to the excess emissions were documented by properly signed, contemporaneous operating logs, or other relevant evidence;~~
~~(9) the excess emissions were not part of a recurring pattern indicative of inadequate design, operation, or maintenance; and~~
~~(10) the Permittee properly and promptly notified EPA as required by the Consent Decree.~~

~~(b) To assert an affirmative defense for malfunction under paragraph (a) of this condition, the Permittee shall submit all data demonstrating the actual emissions for the Day the Malfunction occurs and the 29-Day period following the Day the Malfunction occurs. The Permittee may, if it elects, submit emissions data for the same 30-Day period but that excludes the excess emissions.~~

~~(c) If any of the Units at Merom or Ratts exceed an applicable 30-Day Rolling Average Emission Rate for NOx or SO_2, or 30-Day Rolling Average SO_2 Removal Efficiency set forth in the Consent Decree due to startup or shutdown, the Permittee, bearing the burden of proof, has an affirmative defense to stipulated penalties under the Consent Decree, if the Permittee has complied with the reporting requirements of paragraphs (f) and (g) of this condition and has demonstrated all of the following:~~
~~(1) the periods of excess emissions that occurred during startup and shutdown were short and infrequent and could not have been prevented through careful planning and design;~~
~~(2) the excess emissions were not part of a recurring pattern indicative of inadequate design, operation, or maintenance;~~
~~(3) if the excess emissions were caused by a bypass (an intentional diversion of control equipment), then the bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;~~
~~(4) at all times, the facility was operated in a manner consistent with good practice for minimizing emissions;~~
~~(5) the frequency and duration of operation in startup or shutdown mode was minimized to the maximum extent practicable;~~
~~(6) all possible steps were taken to minimize the impact of the excess emissions on ambient air quality;~~
~~(7) all emissions monitoring systems were kept in operation if at all possible;~~
~~(8) the Permittee's actions during the period of excess emissions were documented by properly signed, contemporaneous operating logs, or other relevant evidence; and~~
~~(9) the Permittee properly and promptly notified EPA as required by the Consent Decree.~~

~~(d) To assert an affirmative defense for startup or shutdown under paragraph (c) of this condition, the Permitee shall submit all data demonstrating the actual emissions for the Day the excess emissions from startup or shutdown occurs and the 29-Day period following the Day the excess emissions from startup or shutdown occurs. The Permittee may, if it elects, submit emissions data for the same 30-Day period but that excludes the excess emissions.~~

~~(e) If excess emissions occur due to a malfunction during routine startup and shutdown, then those instances shall be treated as other malfunctions subject to paragraph (a) of this condition.~~

~~(f) For an affirmative defense under paragraphs (a) and (c) of this condition, the Permittee, bearing the burden of proof, shall demonstrate, through submission of the data and information under the reporting provisions of Section XIV (Stipulated Penalties) of the Consent Decree, that all reasonable and practicable measures within the Permittee's control were implemented to prevent the occurrence of the excess emissions.~~

~~(g) The Permittee shall provide notice to the United States and the State of Indiana in writing of the Permittee's intent to assert an affirmative defense for malfunction, startup, or shutdown under paragraphs (a) and (c) of this condition, as soon as practicable, but in no event later than twenty-one (21) Days following the date of the malfunction, startup, or shutdown. This notice shall be submitted to EPA and the State pursuant to the provisions of Section XIX (Notices) of the Consent Decree. The notice shall contain:~~
~~(1) The identity of each stack or other emission point where the excess emissions~~

~~occurred;~~

~~(2) The magnitude of the excess emissions expressed in lb/mmBTU or % Removal Efficiency and the operating data and calculations used in determining the magnitude of the excess emissions;~~

~~(3) The time and duration or expected duration of the excess emissions;~~

~~(4) The identity of the equipment from which the excess emissions emanated;~~

~~(5) The nature and cause of the excess emissions;~~

~~(6) The steps taken, if the excess emissions were the result of a malfunction, to remedy the malfunction and the steps taken or planned to prevent the recurrence of the malfunction;~~

~~(7) The steps that were or are being taken to limit the excess emissions; and~~

~~(8) If applicable, a list of the steps taken to comply with permit conditions governing Unit operation during periods of startup, shutdown, and/or malfunction.~~

~~(h) A malfunction, startup, or shutdown shall not constitute a Force Majeure Event unless the malfunction, startup, or shutdown also meets the definition of a Force Majeure Event, as provided in Section XV (Force Majeure) of the Consent Decree.~~

~~(i) The affirmative defense provided in this condition is only an affirmative defense to stipulated penalties for violations of the Consent Decree, and not a defense to any civil or administrative action for injunctive relief.~~

~~C.17 Consent Decree – Force Majeure [Case No. 1:10-CV-0935-LJM-TAB]~~

~~Pursuant to Paragraphs 178 through 186 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No. 1:10-CV-0935-LJM-TAB entered on November 4, 2010, the following Force Majeure provisions shall apply:~~

~~(a) For purposes of the Consent Decree, a "Force Majeure Event" shall mean an event that has been or will be caused by circumstances beyond the control of the Permittee, its contractors, or any entity controlled by the Permittee that delays compliance with any provision of the Consent Decree or otherwise causes a violation of any provision of the Consent Decree despite the Permittee's best efforts to fulfill the obligation. "Best efforts to fulfill the obligation" include using the best efforts to anticipate any potential Force Majeure Event and to address the effects of any such event (a) as it is occurring and (b) after it has occurred, such that the delay and any adverse environmental effect of the delay or violation is minimized to the greatest extent possible.~~

~~(b) Notice of Force Majeure Events. If any event occurs or has occurred that may delay compliance with or otherwise cause a violation of any obligation under the Consent Decree, as to which the Permittee intends to assert a claim of Force Majeure, the Permittee shall notify the United States and the State of Indiana in writing as soon as practicable, but in no event later than twenty-one (21) Days following the date the Permittee first knew, or by the exercise of due diligence should have known, that the event caused or may cause such delay or violation. In this notice, the Permittee shall reference Paragraph 179 of the Consent Decree and describe the anticipated length of time that the delay or violation may persist, the cause or causes of the delay or violation, all measures taken or to be taken by the Permittee to prevent or minimize the delay and any adverse environmental effect of the delay or violation, the schedule by which the Permittee proposes to implement those measures, and the Permittee's rationale for attributing a delay or violation to a Force Majeure Event. The Permittee shall adopt all reasonable measures to avoid or minimize such delays or violations. The Permittee shall be deemed to know of any circumstance which the Permittee, its contractors, or any entity controlled by the Permittee knew or should have known.~~

~~(c) Failure to Give Notice. If the Permittee fails to comply with the notice requirements of Section XIV (Stipulated Penalties) of the Consent Decree, the United States (after consultation with the State) may void the Permittee's claim for Force Majeure as to the specific event for which the Permittee has failed to comply with such notice requirement.~~

~~(d) United States' Response. The United States shall notify the Permittee in writing regarding the Permittee's claim of Force Majeure within twenty (20) business days of receipt of the notice provided under paragraph (b) of this condition. If the United States (after consultation with the State) agrees that a delay in performance has been or will be caused by a Force Majeure Event, the United States and the Permittee shall stipulate to~~

~~an extension of deadline(s) for performance of the affected compliance requirement(s) by a period equal to the delay actually caused by the event. In such circumstances, an appropriate modification shall be made pursuant to Section XXIII (Modification) of the Consent Decree.~~

~~(e) Disagreement. If the United States (after consultation with the State) does not accept the Permittee's claim of Force Majeure, or if the United States and the Permittee cannot agree on the length of the delay actually caused by the Force Majeure Event, the matter shall be resolved in accordance with Section XVI (Dispute Resolution) of the Consent Decree.~~

~~(f) Burden of Proof. In any dispute regarding Force Majeure, the Permittee shall bear the burden of proving that any delay in performance or any other violation of any requirement of the Consent Decree was caused by or will be caused by a Force Majeure Event. The Permittee shall also bear the burden of proving that the Permittee gave the notice required by Section XIV (Stipulated Penalties) of the Consent Decree and the burden of proving the anticipated duration and extent of any delay(s) attributable to a Force Majeure Event. An extension of one compliance date based on a particular event may, but will not necessarily, result in an extension of a subsequent compliance date.~~

~~(g) Events Excluded. Unanticipated or increased costs or expenses associated with the performance of the Permittee's obligations under the Consent Decree shall not constitute a Force Majeure Event.~~

~~(h) The Parties agree that, depending upon the circumstances related to an event and the Permittee's response to such circumstances, the kinds of events listed below are among those that could qualify as Force Majeure Events within the meaning of this Section: construction, labor, or equipment delays; malfunction of a Unit or emission control device; unanticipated coal supply or pollution control reagent delivery interruptions; acts of God; acts of war or terrorism; and orders by a government official, government agency, other regulatory authority, or a regional transmission organization, acting under and authorized by applicable law, that directs the Permittee to supply electricity in response to a system-wide (state-wide or regional) emergency. Depending upon the circumstances and the Permittee's response to such circumstances, failure of a permitting authority to issue a necessary permit in a timely fashion may constitute a Force Majeure Event where the failure of the permitting authority to act is beyond the control of the Permittee and the Permittee has taken all steps available to it to obtain the necessary permit, including, but not limited to: submitting a complete permit application; responding to requests for additional information by the permitting authority in a timely fashion; and accepting lawful permit terms and conditions after expeditiously exhausting any legal rights to appeal terms and conditions imposed by the permitting authority.~~

~~(i) The United States of America on behalf of EPA, the State of Indiana, including the Indiana Attorney General and the Indiana Department of Environmental Management, and the Permittee agree that, depending upon the circumstances related to an event and the Permittee's response to such circumstances, the kinds of events listed below are among those that could qualify as Force Majeure Events within the meaning of this condition: construction, labor, or equipment delays; malfunction of a Unit or emission control device; unanticipated coal supply or pollution control reagent delivery interruptions; acts of God; acts of war or terrorism; and orders by a government official, government agency, other regulatory authority, or a regional transmission organization, acting under and authorized by applicable law, that directs the Permittee to supply electricity in response to a system-wide (state-wide or regional) emergency. Depending upon the circumstances and the Permittee's response to such circumstances, failure of a permitting authority to issue a necessary permit in a timely fashion may constitute a Force Majeure Event where the failure of the permitting authority to act is beyond the control of the Permittee and the Permittee has taken all steps available to it to obtain the necessary permit, including, but not limited to: submitting a complete permit application; responding to requests for additional information by the permitting authority in a timely fashion; and accepting lawful permit terms and conditions after expeditiously exhausting any legal rights to appeal terms and conditions imposed by the permitting authority.~~

~~(j) As part of the resolution of any matter submitted to the United States District Court for the Southern District of Indiana under Section XVI (Dispute Resolution) of the Consent Decree regarding a claim of Force Majeure, the United States and the Permittee by~~

~~agreement, or the Court by order, may in appropriate circumstances extend or modify the schedule for the completion of work under the Consent Decree to account for the delay in the work that occurred as a result of any delay agreed to by the United States or approved by the Court. The Permittee shall be liable for stipulated penalties pursuant to Section XIV (Stipulated Penalties) of the Consent Decree for its failure thereafter to complete the work in accordance with the extended or modified schedule (provided that the Permittee shall not be precluded from making a further claim of Force Majeure with regard to meeting any such extended or modified schedule.~~

Change 3: IDEM has incorporated two provisions of the Consent Decree into Section C of this Significant Source Modification. Certain language has been deleted that is unnecessary.

~~C.22~~
C.20 ~~Consent Decree~~ SO_2 Allowance Surrender Requirements: [Case No. 1:10-CV-0935-LJM-TAB]

~~Pursuant to Paragraphs 103 and 106 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No. 1:10-CV-0935-LJM-TAB, entered on November 4, 2010, t~~**The Permittee shall Surrender SO_2 Allowances as follows:**

(a) For the purpose of this condition, the ~~Consent Decree~~ definitions in Condition B.1 shall apply.

(b) Beginning in calendar year 2011, and continuing each calendar year thereafter, the Permittee shall Surrender all SO_2 Allowances allocated to Merom Unit 1 and Unit 2 for that calendar year that the Permittee does not need in order to meet its own federal and/or state Clean Air Act regulatory requirements for the Units. However, SO_2 Allowances allocated to Merom Unit 1 and Unit 2 may be used by the Permittee to meet its own federal and/or state Clean Air Act regulatory requirements for such Units.

(c) The Permittee shall Surrender or transfer to a non-profit third party selected by the Permittee for Surrender, all SO_2 Allowances required to be Surrendered pursuant to paragraph (b) of this condition within forty-five (45) Days from the Permittee's receipt of the annual deduction report for Merom or Ratts, whichever is later.

~~(C.23)~~
C.21 ~~Consent Decree~~ NOx Allowance Surrender Requirements: [Case No. 1:10-CV-0935-LJM-TAB]

~~Pursuant to Paragraphs 77 and 80 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No. 1:10-CV-0935-LJM-TAB, entered on November 4, 2010,t~~**The Permittee shall Surrender NOx Allowances as follows:**

(a) For the purpose of this condition, the ~~Consent Decree~~ definitions in Condition B.1 shall apply.

(b) Beginning in calendar year 2011, and continuing each calendar year thereafter, the Permittee shall Surrender all NOx Allowances allocated to the Hoosier System for that calendar year that the Permittee does not need in order to meet its own federal and/or state Clean Air Act regulatory requirements for the Hoosier System Units. However, NOx Allowances allocated to Hoosier System may be used by the Permittee to meet its own federal and/or state Clean Air Act regulatory requirements for such Units.

(c) The Permittee shall Surrender or transfer to a non-profit third party selected by the Permittee for Surrender, all NOx Allowances required to be Surrendered pursuant to paragraph (b) of this condition by March 1 of the immediately following calendar year.

C.22 Super-Compliant NOx Allowance [Case No. 1:10-CV-0935-LJM-TAB]

Provided that Hoosier is in compliance with the applicable System-Wide Annual NO_X Tonnage Limitation specified for that year, nothing shall preclude Permittee from selling, banking, or transferring NO_X Allowances allocated to Merom Unit 1 and Unit 2 and Ratts Unit 1 and Unit 2 that become available for sale or trade solely as a result of: (a) the installation and operation of any NO_X pollution control that is not otherwise required by, or necessary to maintain compliance with, any provision of the Consent Decree entered into in Case No. 1:10-CV-0935-LJM-TAB, this Permit, and is not otherwise required by law; (b) the use of SNCR prior to December 31, 2011; or (c) achievement and maintenance below the applicable 30-Day Rolling Average NO_X Emission Rate.

Change 4: The following provisions are incorporated into the Permit, modified or as follows:

D.1.1 Merom Unit 1 and Unit 2 NOx Emission Reduction and Control Requirements: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) The Permittee shall ~~Continuously Operate the SCR at Unit 1 so that the Unit~~ **achieve~~s~~ and maintain a 30-Day Rolling Average NOx Emission Rate of no greater than 0.080 lb/MMBtu at Unit 1.**

(b) The Permittee shall ~~Continuously Operate the SCR at Unit 2 so that the Unit~~ **achieve~~s~~ and maintain a 30-Day Rolling Average NOx Emission Rate of no greater than 0.080 lb/MMBtu at Unit 2.**

(c) If the dispatch of either Unit requires operation of such Unit(s) at a load level that results in flue gas temperature so low that it becomes technically infeasible to Continuously Operate the SCR despite the Permittee's best efforts to do so (including, but not limited to, maintaining minimum load operation which provides for achieving sufficient inlet temperatures for injection of ammonia to the SCR), the Permittee's emissions shall not exceed a 30-Day Rolling Average NOx Emission Rate of 0.090 lb/MMBtu provided the Permittee provides IDEM with data and calculations to demonstrate that but for such low load operation, the Permittee would have achieved and maintained a 30-Day Rolling Average NOx Emission Rate of no greater than 0.080 lb/MMBtu at such Unit(s).

D.1.2 Merom Unit 1 and Unit 2 SO_2 Emission Reduction and Control Requirements: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) The Permittee shall ~~Continuously Operate the existing FGD Merom Unit 2 to~~ **achieve and maintain a 30-Day Rolling Average SO_2 Emission Rate of no greater than 0.150 lb/MMBtu or a 30-Day Rolling Average SO_2 Removal Efficiency of at least 96.0% at Unit 2.**

~~(b) Pursuant to Paragraph 91 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No. 1:10-CV-0935-LJM-TAB, entered on November 4, 2010, commencing on December 1, 2012 and continuing through December 30, 2014, the Permittee shall Continuously Operate the existing FGD at such Merom Unit (Merom Unit 2) to achieve and maintain a 30-Day Rolling Average SO_2 Emission Rate of no greater than 0.150 lb/MMBtu or a 30-Day Rolling Average SO_2 Removal Efficiency of at least 95.0%.~~

(b) The Permittee shall ~~Continuously Operate the existing FGD at Merom Unit 1 to~~ **achieve and maintain a 30-Day Rolling Average SO_2 Emission Rate of no greater than 0.150 lb/MMBtu or a 30-Day Rolling Average SO_2 Removal Efficiency of at least 96.0% at Unit 1.**

D.1.3 Merom Unit 1 and Unit 2 H_2SO_4 Emission Reduction and Control Requirements: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) The Permittee shall ~~Continuously Operate RI at such Merom Unit so that the Unit~~ **achieve~~s~~ and maintain~~s~~ an H_2SO_4 Emission Rate of no greater than 0.007 lb/MMBtu at Unit 1.**

(b) The Permittee shall ~~Continuously Operate RI at Unit 2 so that the Unit~~ achieves and maintain~~s~~ an H_2SO_4 Emission Rate of no greater than 0.007 lb/MMBtu at Unit 2.

D.1.4 Merom Unit 1 and Unit 2 PM Emission Reduction and Control Requirements: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) The Permittee shall achieve and maintain a PM Emission Rate of no greater than 0.030 lb/MMBtu at Unit 1; provided that, if the Permittee installs a Baghouse at Unit 1 the Permittee shall ~~Continuously O~~**operate such baghouse so that such Unit achieves and maintains a PM Emission Rate of no greater than 0.015 lb/MMBtu.**

(b) The Permittee shall achieve and maintain a PM Emission Rate at Unit 2 of no greater than 0.030 lb/MMBtu; provided that, if the Permittee installs a Baghouse at Unit 2, the Permittee shall ~~Continuously O~~**operate such baghouse so that such Unit achieves and maintains a PM Emission Rate of no greater than 0.015 lb/MMBtu.**
****

D.1.9 Testing Requirements [326 IAC 2-7-6(1)][326 IAC 2-7-6(6)][326 IAC 2-1.1-11][40 CFR 60] **[Civil Action No. 1:10-CV-0935-LJM-TAB]**

****

PM Testing - Consent Decree:

(d) To determine compliance with the PM limits set forth in Condition D.1.4, the Permittee shall conduct **an annual** stack test for PM **within the year following the most recent valid stack test** pursuant to paragraph (e) of this condition at each Merom Unit.

(e) The Permittee must determine compliance with the PM Emission Rate established in paragraphs (a) and (b) of Condition D.1.4 using the applicable reference methods and procedures (filterable portion only) specified in its Clean Air Act permits and in the Indiana SIP. Each test shall consist of three separate runs performed under representative operating conditions not including periods of startup, shutdown, or malfunction. The sampling time for each run shall be at least 120 minutes and the volume of each run shall be 1.70 dry standard cubic meters (60 dry standard cubic feet). The Permittee shall calculate the PM Emission Rate from the stack test results in accordance with 40 C.F.R. 60.8(f).

D.1.11 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)] **[Civil Action No. 1:10-CV-0935-LJM-TAB]**

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitators (ESPs) shall be ~~operated as needed~~ **continuously operated** to maintain compliance with applicable PM emission limits in condition**s D.1.4(a) and (b) and** D.1.5(b). **"Continuously operated" means the ESP shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers' specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.**

Change 5: The following provision has been deleted because the Permittee has completed optimization of ESP requirements and has incorporated ongoing operation and maintenance requirements into its Standard Operating Procedures:

~~D.1.12 Consent Decree (Civil Action No.: 1:10-CV-0935-LJM-TAB) Merom Unit 1 and Unit 2 Optimization of Existing ESPs:~~

~~Pursuant to Paragraph 119 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No: 1:10-CV-0935-LJM-TAB, entered on November 4, 2010, by~~

~~no later than December 4, 2010 and continuing thereafter, the Permittee shall Continuously Operate the ESPs on Merom Unit 1 and 2. Except as required during correlation testing under 40 C.F.R. Part 60, Appendix B, Performance Specification 11, and Quality Assurance Requirements under Appendix F, Procedure 2, as required by the Consent Decree, the Permittee shall, at minimum, to the extent reasonably practicable:~~

~~(a) Fully energize each section of the ESP for Unit 1 and Unit 2, and repair any failed ESP section at the next planned or unplanned Unit outage of sufficient length;~~

~~(b) Operate automatic control systems on each ESP to maximize PM collection efficiency;~~

~~(c) Maintain power levels delivered to the ESPs, consistent with the manufacturers' specifications, the operational design of Unit 1 and Unit 2, and good engineering practices;~~

~~(d) Inspect for and repair during the next planned or unplanned Unit outage of sufficient length any openings in ESP casings, ductwork, and expansion joints to minimize air leakage; and~~

~~(e) Optimize the plate-cleaning and discharge-electrode-cleaning systems for the ESPs at Unit 1 and Unit 2 by varying the cycle time, cycle frequency, rapper-vibrator intensity, and number of strikes per cleaning event.~~

Change 5: The following provisions have been added, or included and modified, to the Permit.

D.1.**11**~~12~~ Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]**[326IAC 2-7-5][Civil Action No. 1:10-CV-0935-LJM-TAB]**

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitators (ESPs) shall be ~~operated as needed~~ **continuously operated** to maintain compliance with applicable PM emission limits in conditions D.1.4(a) and (b) and D.1.5(b). **"Continuously operated" means that the ESP shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers' specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.**

D.1.**12**~~13~~ Operation of Scrubber [326 IAC 2-7-6(6)]**[326 IAC 2-7-5] [Civil Action No. 1:10-CV-0935-LJM-TAB]**

Except as otherwise provided by statute or rule or in this permit, the scrubber **at Unit 1 and Unit 2** shall be ~~operated as needed~~ **continuously operated** to maintain compliance with applicable sulfur dioxide (SO_2) emission limits in condition**s D.1.2 and** D.1.5(d). **"Continuously operated" means that the scrubber shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers' specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.**

D.1.**13**~~14~~ Operation of Selective Catalytic Reduction (SCR) [326 IAC 2-7-6(6)]**[326 IAC 2-7-5]**[40 CFR 75] **[Civil Action No. 1:10-CV-0935-LJM-TAB]**

Except as otherwise provided by statute or rule or in this permit, the Selective Catalytic Reduction (SCR), shall be ~~operated as needed~~ **continuously operated** to maintain compliance with applicable emission limits **in Condition D.1.1**. **"Continuously operated" means that the SCR shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers' specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.**

D.1.14 Operation of Reagent Injection System [326 IAC 2-7-6(6)][326 IAC 2-7-5][Civil Action No. 1:10-CV-0935-LJM-TAB]

Except as otherwise provided by statute or rule or in this permit, the Reagent Injection System (RI) for Unit 1 and Unit 2 shall be continuously operated at or above the injection rate established during the most recent valid compliant stack test in order to maintain compliance with the limits set forth in Conditions D.1.3(a) and (b). "Continuously operated" means that the RI shall be operated at all times such Unit is in operation, consistent with the technological limitations, manufacturers' specifications, and good engineering and maintenance practices for such equipment and the Unit so as to minimize emissions to the greatest extent practicable.

D.1.19 System-Wide Annual NOx Tonnage Limitation: [Civil Action No. 1:10-CV-0935-LJM-TAB]

~~(a) Pursuant to Paragraph 72 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No. 1:10-CV-0935-LJM-TAB, entered on November 4, 2010, beginning in calendar year 2013, and continuing through calendar year 2014, the Hoosier System, collectively, shall not exceed a System-Wide Annual NOx Tonnage Limitation of 5,395 tons.~~

~~(b)~~ The Hoosier System, collectively, shall not exceed a System-Wide Annual NOx Tonnage Limitation of 4,800 tons.

D.1.20 System-Wide Annual SO_2 Tonnage Limitation: [Civil Action No. 1:10-CV-0935-LJM-TAB]

(a) Pursuant to Paragraph 97 of the Consent Decree in United States v. Hoosier Energy Rural Electric Cooperative, Inc., Case No. 1:10-CV-0935-LJM-TAB, entered on November 4, 2010, in calendar year 2015, and continuing through 2016 if the Permittee elects to Retire or Repower one of the Ratts Units, the Hoosier System, collectively, shall not exceed a System-Wide Annual SO_2 Tonnage Limitation of 19,889 tons.

(b) Beginning in calendar year 2017, and continuing each year thereafter, the Hoosier System and the Repowered Ratts Unit, collectively, shall not exceed a System-Wide Annual SO_2 Tonnage Limitation of 15,500 tons.

Other Changes

Upon further review IDEM, OAQ has made the following changes to the Title V permit T153-35203-00005. (deleted language appears as ~~strikout~~ and the new language **bolded**):

Change 1: A typo has been deleted in Condition D.1.10 - Continuous Emissions Monitoring

D.1.10 Continuous Emissions Monitoring [326 IAC 3-5][326 IAC 2-7-5(3)(A)(iii][40 CFR 75] [326 IAC 7-4]

(d) Whenever a NOx~~,~~ **and** SO_2 ~~and PM~~ CEM is down for more than twenty-four (24) hours, the Permittee shall monitor the parameters of the control devices.

(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 7-4, 40 CFR 60, or 40 CFR 75.

Change 2: All Rule citations in the permit has been updated as follows;

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

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

Reporting Requirements **[326 IAC 2-7-5(3)][326 IAC 2-7-19]**

Change 3: Section E.1 through Section E8, section titles have been changed to "NSPS" or "NESHAP" and these sections were revised for clarity.

SECTION E.1 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NSPS**

Emissions Unit Description:
***
(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 [326 IAC 12] [40 CFR 60, Subpart D]~~

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

E.1.1 General Provisions Relating to **New Source Performance Standards** ~~NSPS~~ [326 IAC 12][40 CFR Part 60, Subpart A]

(a) ~~The provisions of 40 CFR Part 60 Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the facilities described in this section except when otherwise specified in 40 CFR Part 60, Subpart D.~~
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 emission units listed above, except as otherwise specified in 40 CFR Part 60, Subpart D.

(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 ~~Standards of Performance fo~~r Fossil-Fuel-Fired Steam Generators **NSPS**
[40 CFR Part 60, Subpart D] [326 IAC 12]

~~Pursuant to CFR Part 60, Subpart D, (included as Attachment A of this permit), the Permittee shall comply with the provisions of the Standards of Performance for Fossil-Fuel-Fired Steam Generators for Which Construction Commenced after August 17, 1971, for Unit 1 and Unit 2 as follows~~: **The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart D (included as Attachment A to the operating permit), which are incorporated by reference as 326 IAC 12:**

SECTION E.2 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NSPS**

Emissions Unit Description:
***
(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 [326 IAC 12] [40 CFR 60, Subpart Y]~~
New Source Performance Standards (NSPS) Requirements [326 IAC 2-7-5(1)]

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

(a) ~~The provisions of 40 CFR 60, Subpart A - General Provisions, which are incorporated by~~

~~reference in 326 IAC 12-1, apply to the facility described in this section except when otherwise specified in 40 CFR 60, Subpart Y.~~
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 emission units listed above, except as otherwise specified in 40 CFR Part 60, Subpart Y.

(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.2.2 ~~Standards of Performance for~~ Coal Preparation Plants **NSPS** [40 CFR Part 60, Subpart Y] [326 IAC 12]

~~Pursuant to CFR Part 60, Subpart Y, (included as Attachment B of this permit), the Permittee shall comply with the provisions of the Standards of Performance for Coal Preparation Plants for the coal storage and handling system as follows:~~
The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart Y (included as Attachment B to the operating permit), which are incorporated by reference as 326 IAC 12 for the emission units listed above:

SECTION E.3 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NSPS**

Emissions Unit Description:
***
(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 [326 IAC 12] [40 CFR 60, Subpart IIII]~~
New Source Performance Standards (NSPS) Requirements [326 IAC 2-7-5(1)]

E.3.1 ~~General Provisions Relating to NSPS IIII~~ **General Provisions Relating to New Source Performance Standards** [326 IAC 12-1][40 CFR Part 60, Subpart A]

(a) ~~The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated as 326 IAC 12-1, apply to the facilities described in this section except when otherwise specified in 40 CFR Part 60, Subpart IIII.~~ **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 emission unit listed above, except as otherwise specified in 40 CFR Part 60, Subpart IIII.**

E.3.2 Stationary Compression Ignition Internal Combustion Engines NSPS ~~Requirements~~ [40 CFR Part 60, Subpart IIII] [326 IAC 12]

~~Pursuant to 40 CFR Part 60, Subpart IIII, (included as Attachment C of this permit), the Permittee which shall comply with the provisions of 40 CFR Part 60, Subpart IIII, for the emergency diesel generator, identified as EMDG-1 as follows:~~ **The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart IIII (included as Attachment C to the operating permit), which are incorporated by reference as 326 IAC 12 for the emission units listed above:**

SECTION E.4 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NSPS**

Emissions Unit Description:
***
(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 [326 IAC 12] [40 CFR 60, Subpart JJJJ]~~
New Source Performance Standards (NSPS) Requirements [326 IAC 2-7-5(1)]

E.4.1 ~~General Provisions Relating to NSPS JJJJ~~ **General Provisions Relating to New Source Performance Standards** [326 IAC 12][40 CFR Part 60, Subpart A]

(a) ~~The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated as 326 IAC 12, apply to the affected source, as designated by Table 3 to Subpart JJJJ of Part 60, except when otherwise specified in 40 CFR Part 60, Subpart JJJJ.~~ **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 emission units listed above, except as otherwise specified in 40 CFR Part 60, Subpart JJJJ.**

E.4.2 ~~Standards of Performance for~~ Stationary Spark Ignition Internal Combustion Engines **NSPS** [40 CFR Part 60, Subpart JJJJ][326 IAC 12]

~~Pursuant to CFR Part 60, Subpart JJJJ, the Permittee shall comply with the provisions of the Standards of Performance for Stationary Spark Ignition Internal Combustion Engines, (included as Attachment D of this permit), which are incorporated by reference as 326 IAC 12, for the four (4) coal bed methane-fired engine generator sets, identified as CBM1 to CBM4 as follows:~~
The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart JJJJ (included as Attachment D to the operating permit), which are incorporated by reference as 326 IAC 12, for the emission units listed above:

SECTION E.5 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NESHAP**

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

~~National Emissions Standard for Hazardous Air Pollutants [326 IAC 20] [40 CFR 63, Subpart ZZZZ]]~~
National Emissions Standard for Hazardous Air Pollutants (NESHAP) Requirements [326 IAC 2-7-5(1)]

E.5.1 ~~General Provisions Relating to NESHAP~~ **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) ~~The provisions of 40 CFR Part 63 Subpart A - General Provisions, which are incorporated as 326 IAC 20-1-1, apply to the affected source, as designated by 40 CFR 63.6590(a)(1), except when otherwise specified in 40 CFR Part 63, Subpart ZZZZ.~~ **Pursuant to 40 CFR 63.1 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, for the emission units listed above, except as otherwise specified in 40 CFR Part 63, Subpart ZZZZ.**

E.5.2 ~~National Emission Standards for Hazardous Air Pollutants for~~ Stationary Reciprocating Internal Combustion Engines **NESHAP** [40 CFR Part 63, Subpart ZZZZ] [326 IAC 20-82]

~~(a) Pursuant to CFR Part 63, Subpart ZZZZ (included as Attachment E of this permit), the Permittee shall comply with the provisions of National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines, which are incorporated by reference as 326 IAC 20-82, for the one (1) emergency diesel generator as follows:~~ **The Permittee shall comply with the following provisions of 40 CFR Part 63, Subpart ZZZZ (included as Attachment E to the operating permit), which are incorporated by reference as 326 IAC 20-82, for the one (1) emergency diesel generator listed above:**

(b) ~~Pursuant to CFR Part 63, Subpart ZZZZ (included as Attachment E of this permit), the Permittee shall comply with the provisions of National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines, which are incorporated by reference as 326 IAC 20-82. The for four (4) CBM engine generator sets, identified as CBM1 to CBM4 shall be subject to the following Sections of 40 CFR Part 63, Subpart ZZZZ.~~ **The Permittee shall comply with the following provisions of 40 CFR Part 63, Subpart ZZZZ (included as Attachment E to the operating permit), which are incorporated by reference as 326 IAC 20-82, for the four (4) CBM engine generator sets, identified as CBM1 to CBM4 listed above:**

SECTION E.6 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NSPS**

Emissions Unit Description:
***
(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 12][40 CFR 60, Subpart OOO]]~~
New Source Performance Standards (NSPS) Requirements [326 IAC 2-7-5(1)]

E.6.1 General Provisions Relating to ~~NSPS~~ **New Source Performance Standards** [326 IAC 12][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, except as otherwise specified in 40 CFR 60, Subpart OOO.~~ **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 emission unit listed above, except as otherwise specified in 40 CFR Part 60, Subpart OOO.**

E.6.2 ~~New Source Performance Standards (NSPS) for~~ Nonmetallic Mineral Processing Plants **NSPS** [40 CFR Part 60, Subpart OOO] [326 IAC 12]

~~The Permittee shall comply with the applicable provisions of 40 CFR Part 60, Subpart OOO (included as Attachment F of this permit), which are incorporated by reference as 326 IAC 12, except as otherwise specified in 40 CFR Part 60, Subpart OOO:~~ **The Permittee shall comply with the following provisions of 40 CFR Part 60, Subpart OOO (included as Attachment F to the operating permit), which are incorporated by reference as 326 IAC 12, for the emission units listed above:**

SECTION E.7 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NESHAP**

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

~~National Emissions Standard for Hazardous Air Pollutants [326 IAC 20] [40 CFR 63, Subpart DDDDD]]~~
National Emissions Standard for Hazardous Air Pollutants (NESHAP) Requirements
[326 IAC 2-7-5(1)]

E.7.1 General Provisions Relating to National Emissions 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 63.7565, 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 unless otherwise specified in 40 CFR 63, Subpart DDDDD (National Emission Standards for Industrial, Commercial, and Institutional Boilers and Process Heaters).~~ **Pursuant to 40 CFR 63.1 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, for the emission units listed above, except as otherwise specified in 40 CFR Part 63, Subpart DDDDD.**

E.7.2 ~~National Emission Standards for Hazardous Air Pollutants for~~ Industrial, Commercial, and Institutional Boilers and Process Heaters **NESHAP** [326 IAC 20-95] [40 CFR Part 63, Subpart DDDDD]

~~Beginning January 31, 2016, the Permittee which has industrial, commercial, and institutional boilers and process heaters shall comply with the applicable provisions of 40 CFR Part 63, Subpart DDDDD, (included as Attachment G of this permit), which are incorporated by reference as 326 IAC 20-95, as follows~~ **The Permittee shall comply with the following provisions of 40 CFR Part 63, Subpart DDDDD (included as Attachment G to the operating permit), which are incorporated by reference as 326 IAC 20-95, for the emission units listed above:**

SECTION E.8 ~~EMISSIONS UNIT OPERATION CONDITIONS~~ **NESHAP**

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

~~National Emissions Standard for Hazardous Air Pollutants [326 IAC 20] [40 CFR 63, Subpart UUUUU]]~~
National Emissions Standard for Hazardous Air Pollutants (NESHAP) Requirements
[326 IAC 2-7-5(1)]

E.8.1 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~~. **Pursuant to 40 CFR 63.1 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, for the emission units listed above, except as otherwise specified in 40 CFR Part 63, Subpart UUUUU.**

E.8.2 ~~National Emission Standard for Hazardous Air Pollutants:~~ Coal- and Oil-Fired Electric Utility Steam Generating Units **NESHAP** [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 I to this permit), for the two (2) boilers (Boiler 1 and Boiler 2).~~ **The Permittee shall comply with the provisions of 40 CFR Part 63, Subpart UUUUU (included as Attachment I to the operating permit), for the two (2) boilers (Boiler 1 and Boiler 2). listed above:**

Change 4: For consistency purposes the acronyms, mmBTU, MMBTU and BTU for "million British thermal units used in the permit have been changed to MMBtu and Btu throughout the permit.

Conclusion and Recommendation

The construction of this proposed modification shall be subject to the conditions of the attached proposed Part 70 Significant Source Modification No. 153-36364-00005 and Significant Permit Modification No. 153-36369-00005. The staff recommends to the Commissioner that this Part 70 Significant Source and Significant Permit Modification be approved.

IDEM Contact

(a) Questions regarding this proposed permit can be directed to Aida DeGuzman 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) 233-4972 or toll free at 1-800-451-6027 extension 3-4972.

(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

We Protect Hoosiers and Our Environment.

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(800) 451-6027 • (317) 232-8603 • www.idem.IN.gov

Michael R. Pence
Governor

Carol S. Comer
Commissioner

March 23, 2016

Ms. Angie Lee
Hoosier Energy REC, Inc.
P. O. Box 908
Bloomington, Indiana 47402-0908

Re: Public Notice
Hoosier Energy REC, Inc.
Permit Level: Significant Source Modification
Permit Number: 153-36364-00005
Permit Level: Significant Permit Modification
Permit Number: 153-36369-00005

Dear Ms. Lee:

Enclosed is a copy of your draft Significant Source Modification and Significant Permit Modification, 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 Sullivan Daily Times in Sullivan, Indiana publish the abbreviated version of the public notice no later than March 25, 2016. 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 Sullivan County Public Library, 100 S. Crowder in Sullivan, 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 Aida Deguzman, 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 3-4972 or dial (317) 233-4972.

Sincerely,

Vicki Biddle

Vicki Biddle
Permits Branch
Office of Air Quality

Enclosures
PN Applicant Cover letter 2/17/2016

Indiana Department of Environmental Management
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Michael R. Pence
Governor

Carol S. Comer
Commissioner

ATTENTION: PUBLIC NOTICES, LEGAL ADVERTISING

March 23, 2016

Sullivan Daily Times
P. O. Box 130
Sullivan, Indiana 47882

Enclosed, please find one Indiana Department of Environmental Management Notice of Public Comment for Hoosier Energy REC – Merom Generating, Sullivan 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 March 25, 2016.

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: Significant Source Modification - Significant Permit Modification
Permit Number: 153-36364-00005 - 153-36369-00005

Enclosure

PN Newspaper.dot 2/17/2016

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Michael R. Pence
Governor

Carol S. Comer
Commissioner

March 23, 2016

To: Sullivan 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: Hoosier Energy REC, Inc. – Merom Generating Station
Permit Number: 153-36364-00005 and 153-36369-00005

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 2/17/2016

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Governor

Carol S. Comer
Commissioner

Notice of Public Comment

March 23, 2016
Hoosier Energy REC, Inc.-Merom Generating Station
153-36364-00005 & 153-36369-00005

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
PN AAA Cover.dot 2/17/2016

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Michael R. Pence
Governor

Carol S. Comer
Commissioner

AFFECTED STATE NOTIFICATION OF PUBLIC COMMENT PERIOD
DRAFT INDIANA AIR PERMIT

March 23, 2016

A 30-day public comment period has been initiated for:

Permit Number: **153-36364-00005 and 153-36369-00005**
Applicant Name: **Hoosier Energy REC, Inc. – Merom Generating Station**
Location: **Sullivan, Sullivan 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.

Affected States Notification.dot 2/17/2016

Mail Code 61-53

IDEM Staff	VBIDDLE 3/23/2016 Hoosier Energy REC, Inc. - Merom Generating Station		153-36364-00005 153-36369-00005 DRAFT	AFFIX STAMP HERE IF USED AS CERTIFICATE OF MAILING
Name and address of Sender	▶	Indiana Department of Environmental Management Office of Air Quality – Permits Branch 100 N. Senate Indianapolis, IN 46204	Type of Mail: **CERTIFICATE OF MAILING ONLY**	

Line	Article Number	Name, Address, Street and Post Office Address	Postage	Handing Charges	Act. Value (If Registered)	Insured Value	Due Send if COD	R.R. Fee	S.D. Fee	S.H. Fee	Rest. Del. Fee Remarks
1		Angie Lee Hoosier Energy REC, Inc. - Merom Generating Statio PO Box 908 Bloomington IN 47402-0908 (Source CAATS)									
2		Karl Black Plant Manager Hoosier Energy REC, Inc. - Merom Generating Statio 5500 West Old 54 Sullivan IN 47882 *(RO CAATS)*									
3		Ms. Beverly Coulson 4800 W. State Rd 54 Sullivan IN 47882 *(Affected Party)*									
4		Sullivan City Council and Mayors Office 32 N. Court St. Sullivan IN 47882 *(Local Official)*									
5		Sullivan County Health Department 31 N Court Street Sullivan IN 47882-1509 *(Health Department)*									
6		Sullivan County Commissioners 100 Courthouse Square Sullivan IN 47882-1593 *(Local Official)*									
7		Sullivan Co Public Library 100 S Crowder Sullivan IN 47882-1750 *(Library)*									
8		Mr. Richard Monday 545 E. Margaret Dr. Terre Haute IN 47801 *(Affected Party)*									
9		Ms. Kathy Cash 1200 G St. NW Suite 1000 Washington DC 2005 *(Affected Party)*									
10		Martha Blann 4919 W Co Rd 25 N Sullivan IN 47882 *(Affected Party)*									
11											
12											
13											
14											
15											

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