

# PART 70 OPERATING PERMIT

## INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT OFFICE OF AIR QUALITY

and

## HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

State Line Energy, LLC  
103<sup>rd</sup> Street and Lake Michigan  
Hammond, Indiana 46320

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

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

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

Operation Permit No.: <b>T089-7062-00210</b>	
Issued by: _____ Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: June 30, 2004
Issued by: _____ Ronald L. Novak, Director Hammond Department of Environmental Management	Expiration Date: June 30, 2009

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## SECTION A

## SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) and the Hammond Department of Environmental Management (HDEM). 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(15)] [326 IAC 2-7-1(22)]

The Permittee owns and operates a stationary electric utility generating station consisting of two (2) coal-fired units.

Responsible Official:	Plant Manager
Source Address:	103 <sup>rd</sup> Street and Lake Michigan Hammond, Indiana 46320
Mailing Address:	P.O. Box 687 Hammond, Indiana 46325-0687
Source Telephone:	(219) 473-6400
SIC Code:	4911 Electric, Gas, and Sanitary Services
County Location:	Lake
Source Location Status:	Attainment/Unclassifiable for CO, NO2 and Lead, Primary Nonattainment for SO2, Attainment for PM10, and Nonattainment for ozone under the 8-hour standard Nonattainment for ozone under the 1-hour standard
Source Status:	Part 70 Permit Program Major Source under Emission Offset Rules and Nonattainment NSR Major Source, Section 112 of the Clean Air Act 1 of 28 Source Categories

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

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

- (1) Coal Handling System, with a nominal throughput of 1600 tons of coal per hour, constructed prior to October 24, 1974, and consisting of the following equipment:
  - (a) One (1) Rotary Car Dumper (Unit ID 030-CD) that unloads railcars to a hopper. During the dumping process, coal is treated with a water spray system to control dust when the weather is appropriate.
  - (b) Coal Transfer and Breaker Building (Unit ID 013) that receives the coal via conveyor belts F1 and F2. Coal is fed through coal breaking equipment in preparation for Unit 3 Boiler. The Coal Transfer and Breaker Building is controlled by a dust collector (BH1) and water spray dust suppression.
  - (c) Unit 4 Coal Conditioner House (Unit ID 014). Coal can be fed to or returned from this conditioner house via belt conveyors F3-A and F3-B. The Coal Conditioner House contains hammer mills for sizing the coal for combustion in the Unit 4 cyclones. The Conditioner House is controlled by a dust collector (BH2) and water spray dust suppression.
  - (d) One (1) Coal Storage Pile with Telescopic Chute (Unit ID 018). Coal is transported to the storage pile from the Breaker Building. Fugitive dust is controlled 75% by the telescoping action of the chute.

- (e) Unit 3 Bunker (Unit ID 015) and Unit 4 East/West Bunker (Unit ID 012) receive coal from the Transfer and Breaker Building using belts F3 and F5 via a junction tower transfer point (F3/F5) or belts F4 and F6 via a junction tower transfer point (F4/F6). The conveyor belts are enclosed to reduce fugitive emissions. Each bunker has a dust collector following the conveyor belt water spray dust suppression systems.
- (2) One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).
- (3) One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).
- (4) One (1) natural gas-fired boiler, identified as the Nebraska/Wabash Packaged Boiler (Unit ID 029), constructed in 1990, with a nominal rating of 56 MMBtu/hr.
- (5) Fly Ash Truck Loading from the 500 Ton Silo (Unit ID 020) and 1000 Ton Silo (Unit ID 017). Emissions from fly ash truck loading at the 500 Ton Fly Ash Silo are controlled by a Mikro-Pulsaire Dust Collector. Emissions from fly ash truck loading at the 1000 Ton Silo are controlled by a Plenum Pulse Bag Filter.

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

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

- (6) Storage Tanks TK5 through TK13: These tanks are insignificant activities according to 326 IAC 2-7-1(21)(G)(iii). VOC and HAP storage containers with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons and vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids. [326 IAC 8-9]
- (7) Auxiliary Emergency Generator: This unit is an insignificant activity according to 326 IAC 2-7-1(21)(G)(xxii), diesel emergency generators not exceeding 1600 horsepower. [326 IAC 7-4-1.1]

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

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

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

## SECTION B

## GENERAL CONDITIONS

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

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

### B.2 Permit Term [326 IAC 2-7-5(2)] [326 IAC 2-1.1-9.5]

This permit is issued for a fixed term of five (5) years from the issuance date, 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.3 Enforceability [326 IAC 2-7-7]

- (a) 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, HDEM, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.
- (b) Unless otherwise stated, all terms and conditions in this permit that are local requirements, including any provisions designed to limit the source's potential to emit, are enforceable by HDEM. Although the source is not exempt from local ordinances, no specific limits apply at this time.

### B.4 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.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, and HDEM within a reasonable time, any information that IDEM, OAQ and HDEM may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34). Upon request, the Permittee shall also furnish to IDEM, OAQ, and HDEM copies of records required to be kept by this permit.

- (b) For information furnished by the Permittee to IDEM, OAQ and HDEM, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1. When furnishing copies of requested records directly to U.S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

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

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

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

- (a) The Permittee shall annually submit a compliance certification report which addresses the status of the source's compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. The initial certification shall cover the time period from the date of final permit issuance through December 31 of the same year. All subsequent certifications shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in letter form no later than April 15<sup>th</sup> of each year to:

Indiana Department of Environmental Management  
Compliance Branch, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

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 and HDEM 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, and HDEM may require to determine the compliance status of the source.

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

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

- (a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, 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 Branch, Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

The PMP extension notification does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (b) The Permittee shall implement the PMPs, including any required record keeping, as necessary to ensure that failure to implement a PMP does not cause or contribute to an exceedance of any limitation on emissions or potential to emit.
- (c) A copy of the PMPs shall be submitted to IDEM, OAQ and HDEM upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ and HDEM. IDEM, OAQ and HDEM may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit.

The submittal of the PMP and the PMP extension notification does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (d) To the extent the Permittee is required by 40 CFR 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 HDEM within four (4) daytime business hours after the beginning of the emergency, or after the emergency was discovered or reasonably should have been discovered;

HDEM

Telephone Number: 219-853-6306  
Facsimile Number: 219-853-6343

- (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:

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

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

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

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

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

- (6) The Permittee immediately took all reasonable steps to correct the emergency.
- (c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
- (d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.
- (e) IDEM, OAQ and HDEM may require that the Preventive Maintenance Plans required under 326 IAC 2-7-4-(c)(9) be revised in response to an emergency.
- (f) Failure to notify HDEM by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-7 and any other applicable rules.
- (g) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.
- (h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

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

- (a) Pursuant to 326 IAC 2-7-15, the Permittee has been granted a permit shield. The permit shield provides that compliance with the conditions of this permit shall be deemed in 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 or HDEM 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 or HDEM 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 or HDEM has issued the modification. [326 IAC 2-7-12(b)(8)]

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

- (a) All terms and conditions of previous permits issued pursuant to permitting programs approved into the state implementation plan have been either
  - (1) incorporated as originally stated,
  - (2) revised, or
  - (3) deletedby this permit.
- (b) All previous registrations and permits are superseded by this permit, except for permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

B.14 Deviations from Permit Requirements and Conditions [326 IAC 2-7-5(3)(C)(ii)]

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

Indiana Department of Environmental Management  
Compliance Data Section, Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

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

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

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

B.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 permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-7-5(6)(C)] The notification by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAQ or HDEM 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 or HDEM 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 or HDEM at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ or HDEM 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]

- (a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and HDEM 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(40) and 326 IAC 2-7-1(21). The renewal application does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Request for renewal shall be submitted to:

Indiana Department of Environmental Management  
Permits Branch, Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

- (b) Timely Submittal of Permit Renewal [326 IAC 2-7-4(a)(1)(D)]
- (1) A timely renewal application is one that is:
- (A) Submitted at least nine (9) months prior to the date of the expiration of this permit; and
- (B) 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 and HDEM on or before the date it is due.
- (2) If IDEM, OAQ and HDEM, upon receiving a timely and complete 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.
- (c) Right to Operate After Application for Renewal [326 IAC 2-7-3] [326 IAC 2-7-4]  
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 and HDEM, takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by a reasonable deadline specified in writing by IDEM, OAQ and HDEM, any additional information identified as being needed to process the application.  
[326 IAC 2-7-4(a)(2)(D) and (E)]
- (d) United States Environmental Protection Agency Authority [326 IAC 2-7-8(e)]  
If IDEM, OAQ and HDEM fails to act in a timely way on a Part 70 permit renewal, the U.S. EPA may invoke its authority under Section 505(e) of the Clean Air Act to terminate or revoke and reissue a Part 70 permit.

B.17 Source Modification [326 IAC 1-2-42] [326 IAC 2-7-10.5]

- (a) The Permittee shall obtain approval as required by 326 IAC 2-7-10.5 from the OAQ prior to making any modification to the source. Pursuant to 326 IAC 1-2-42, "Modification" means one (1) or more of the following activities at an existing source:
- (1) A physical change or change in the method of operation of any existing emissions unit that increases the potential to emit any regulated pollutant that could be emitted from the emissions unit, or that results in emissions of any regulated pollutant not previously emitted.
  - (2) Construction of one (1) or more new emissions units that have the potential to emit regulated air pollutants.
  - (3) Reconstruction of one (1) or more existing emission units that increases the potential to emit of any regulated air pollutant.
- (b) Any application requesting a source modification shall be submitted to:
- Indiana Department of Environmental Management  
Permits Branch, Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015
- and
- Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320
- Any such application shall be certified by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) The Permittee shall also comply with the applicable provisions of 326 IAC 2-7-11 (Administrative Permit Amendments) or 326 IAC 2-7-12 (Permit Modification) prior to operating the approved modification.

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

- (a) Permit amendments and modifications are governed by the requirements of 326 IAC 2-7-11 or 326 IAC 2-7-12 whenever the Permittee seeks to amend or modify this permit.
- (b) Pursuant to 326 IAC 2-7-11(b) and 326 IAC 2-7-12(a), administrative Part 70 permit amendments and permit modifications for purposes of the acid rain portion of a Part 70 permit shall be governed by regulations promulgated under Title IV of the Clean Air Act. [40 CFR 72]
- (c) Any application requesting an amendment or modification of this permit shall be submitted to:
- Indiana Department of Environmental Management  
Permits Branch, Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

Any such application shall be certified by the “responsible official” as defined by 326 IAC 2-7-1(34)

- (d) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-7-11(c)(3)]
- (e) No permit amendment or modification is required for the addition, operation, or removal of a nonroad engine, as defined in 40 CFR 89.2.

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

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

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

- (a) The Permittee may make any change or changes at the source that are described in 326 IAC 2-7-20(b), (c), or (e), without a prior permit revision, if each of the following conditions is met:

- (1) The changes are not modifications under any provision of Title I of the Clean Air Act;
- (2) Any preconstruction approval required by 326 IAC 2-7-10.5 has been obtained;
- (3) The changes do not result in emissions which exceed the emissions allowable under this permit (whether expressed herein as a rate of emissions or in terms of total emissions);
- (4) The Permittee notifies the:

Indiana Department of Environmental Management  
Permits Branch, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

and

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

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

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

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

- (b) The Permittee may make Section 502(b)(10) of the Clean Air Act changes, (this term is defined at 326 IAC 2-7-1(36)) without a permit revision, subject to the constraint of 326 IAC 2-7-20(a). For each such Section 502(b)(10) of the Clean Air Act change, the required written notification shall include the following:

- (1) A brief description of the change within the source;
- (2) The date on which the change will occur;
- (3) Any change in emissions; and
- (4) Any permit term or condition that is no longer applicable as a result of the change.

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

- (c) Emission Trades [326 IAC 2-7-20(c)]  
The Permittee may trade increases and decreases in emissions in the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-7-20(c). The notification requirement per (a)(4) of this condition does not apply to emission trades of SO<sub>2</sub> or NO<sub>x</sub> under 326 IAC 21 or 326 IAC 10-4.
- (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.

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

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, HDEM, 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  
Permits Branch, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

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

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

B.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 and HDEM 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 or HDEM, 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 (BLT)), to determine the appropriate permit fee.

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

Notwithstanding the conditions of this permit that state specific methods that may be used to demonstrate compliance with, or a violation of, applicable requirements, any person (including the Permittee) may also use other credible evidence to demonstrate compliance with, or a violation of, any term or condition of this permit.

## 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] [40 CFR 52, Subpart P]

- (a) Pursuant to 40 CFR 52, Subpart P, the particulate matter emissions from any process not already regulated by 326 IAC 6-1 or any New Source Performance Standard, and which has a maximum process weight rate less than 100 pounds per hour shall not exceed 0.551 pounds per hour.
- (b) Pursuant to 326 IAC 6-3-2(e)(2), the 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. This condition is not federally enforceable.

#### C.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) 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. 326 IAC 4-1-3(a)(2)(A) and (B) are not federally enforceable.

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

The Permittee shall not operate an incinerator or incinerate any waste or refuse except as provided in 326 IAC 4-2 and 326 IAC 9-1-2. 326 IAC 9-1-2 is not federally enforceable.

#### C.5 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

#### C.6 Fugitive Dust Emissions [326 IAC 6-1-11.1]

Pursuant to 326 IAC 6-1-11.1 (Lake County Fugitive Particulate Matter Control Requirements), the particulate matter emissions from source wide activities shall meet the following requirements:

- (a) The average instantaneous opacity of fugitive particulate emissions from a paved road shall not exceed ten percent (10%).

- (b) The average instantaneous opacity of fugitive particulate emissions from an unpaved road shall not exceed ten percent (10%).
- (c) The average instantaneous opacity of fugitive particulate emissions from batch transfer shall not exceed ten percent (10%).
- (d) The opacity of fugitive particulate emissions from continuous transfer of material onto and out of storage piles shall not exceed ten percent (10%) on a three (3) minute average.
- (e) The opacity of fugitive particulate emissions from storage piles shall not exceed ten percent (10%) on a six (6) minute average.
- (f) There shall be a zero (0) percent frequency of visible emission observations of a material during the inplant transportation of material by truck or rail at any time.
- (g) The opacity of fugitive particulate emissions from the inplant transportation of material by front end loaders and skip hoists shall not exceed ten percent (10%).
- (h) There shall be a zero (0) percent frequency of visible emission observations from a building enclosing all or part of the material processing equipment, except from a vent in the building.
- (i) The PM<sub>10</sub> emissions from building vents shall not exceed twenty-two thousandths (0.022) grains per dry standard cubic foot and ten percent (10%) opacity.
- (j) The opacity of particulate emissions from dust handling equipment shall not exceed ten percent (10%).
- (k) Any facility or operation not specified in 326 IAC 6-1-11.1(d) shall meet a twenty percent (20%), three (3) minute average opacity standard.

The Permittee shall achieve these limits by controlling fugitive particulate matter emissions according to the latest approved revision of their Fugitive Dust Control Plan, required by 326 IAC 6-1-11.1. This condition is not intended to be more stringent than the rule, 326 IAC 6-1-11.1, which includes definitions of the above-mentioned activities.

C.7 Motor Vehicle Fugitive Dust Sources [326 IAC 6-4-4]

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

C.8 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.9 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

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

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

C.10 Performance Testing [326 IAC 3-6]

- (a) All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods

specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

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

Indiana Department of Environmental Management  
Compliance Data Section, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

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

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ and HDEM not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ and HDEM, if the source 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.11 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.12 Compliance Monitoring [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]**

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

Indiana Department of Environmental Management  
Compliance Branch, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

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

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

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

C.13 Continuous Compliance Plan [326 IAC 6-1-10.1(l)]

Pursuant to 326 IAC 6-1-10.1(l) (Lake County PM10 Emission Requirements), the Permittee shall submit to IDEM-OAQ and HDEM, and maintain at the source a copy of the Continuous Compliance Plan (CCP). The Permittee shall perform the inspections, monitoring, and record keeping requirements as specified in 326 IAC 6-1-10.1(p) through (r) or according to the Permittee's approved CCP.

C.14 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

- (a) The Permittee shall calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment. For a boiler, the COM shall be in operation at all times that the induced draft fan is in operation.
- (b) All continuous opacity monitoring systems shall meet the performance specifications of 40 CFR 60, Appendix B, Performance Specification No.1, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5.
- (c) In the event that a breakdown of a continuous opacity monitoring system occurs, a record shall be made of the times and reasons of the breakdown and efforts made to correct the problem.
- (d) Whenever a continuous opacity monitor (COM) is malfunctioning or will be down for calibration, maintenance, or repairs for a period of one (1) hour or more, compliance with the applicable opacity limits shall be demonstrated by the following:
  - (1) Visible emission (VE) notations shall be performed once per hour during daylight operations following the shutdown or malfunction of the primary COM. A trained employee shall record whether emissions are normal or abnormal for the state of operation of the emission unit at the time of the reading.
    - (A) 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.
    - (B) If abnormal emissions are noted during two consecutive emission notations, the Permittee shall begin Method 9 opacity observations within four hours of the second abnormal notation.
    - (C) VE notations may be discontinued once a COM is online or formal Method 9 readings have been implemented.

- (2) If a COM is not online within twenty-four (24) hours of shutdown or malfunction of the primary COM, the Permittee shall provide certified opacity reader(s), who may be employees of the Permittee or independent contractors, to self-monitor the emissions from the emission unit stack.
  - (A) Visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of (5) consecutive six (6) minute averaging periods beginning not more than twenty-four (24) hours after the start of the malfunction or down time.
  - (B) Method 9 opacity readings shall be repeated for a minimum of five (5) consecutive six (6) minute averaging periods at least once every four(4) hours during daylight operations, until such time that a COM is in operation.
  - (C) Method 9 readings may be continued once a COM is online.
  - (D) Any opacity exceedances determined by Method 9 readings shall be reported with the Quarterly Opacity Exceedances Reports.
- (3) If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan- Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C- Compliance Response Plan-Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (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 or 40 CFR 75.

C.15 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

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

C.16 Pressure Gauge and Other Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

- (a) Whenever a condition in this permit requires the measurement of pressure drop across any part of the unit or its control device, the measuring device employed shall have a scale such that the expected normal reading shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent ( $\pm 2\%$ ) of full scale reading.
- (b) The Permittee may request the IDEM, OAQ approve the use of a pressure gauge or other instrument that does not meet the above specifications provided the Permittee can demonstrate an alternative pressure gauge or other instrument specification will adequately ensure compliance with permit conditions requiring the measurement of pressure drop or other parameters.

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

C.17 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]

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

- (a) The Permittee prepared and submitted written emergency reduction plans (ERPs) consistent with safe operating procedures on January 15, 1991.

- (b) Upon direct notification by IDEM, OAQ or HDEM 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.18 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.19 Compliance Response Plan – Preparation, Implementation, Records, and Reports [326 IAC 2-7-5] [326 IAC 2-7-6]

- (a) The Permittee is required to prepare a Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. If a Permittee is required to have an Operation, Maintenance, and Monitoring (OMM) Plan or Parametric Monitoring Plan and Start-up, Shut-down, and Malfunction (SSM) Plan under 40 CFR 63, such plans shall be deemed to satisfy the requirements for a CRP for those compliance monitoring conditions. A CRP shall be submitted to IDEM, OAQ and HDEM upon request. The CRP shall be prepared within ninety (90) days after issuance of this permit by the Permittee, supplemented from time to time by the Permittee, maintained on site, and comprised of:

- (1) Reasonable response steps that may be implemented in the event that a response step is needed pursuant to the requirements of Section D of this permit; and an expected timeframe for taking reasonable response steps.
- (2) If, at any time, the Permittee takes reasonable response steps that are not set forth in the Permittee's current Compliance Response Plan or Operation, Maintenance, and Monitoring (OMM) Plan or Parametric Monitoring Plan and Start-up, Shut-down, and Malfunction (SSM) Plan and the Permittee documents such response in accordance with subsection (e) below, the Permittee shall amend its Compliance Response Plan or Operation, Maintenance, and Monitoring (OMM) Plan or Parametric Monitoring Plan and Start-up, Shut-down, and Malfunction (SSM) Plan to include such response steps taken.

The OMM Plan or Parametric Monitoring and SSM Plan shall be submitted within the time frames specified by the applicable 40 CFR 63 requirement.

- (b) For each compliance monitoring condition of this permit, reasonable response steps shall be taken when indicated by the provisions of that compliance monitoring condition as follows:
  - (1) Reasonable response steps shall be taken as set forth in the Permittee's current Compliance Response Plan or Operation, Maintenance, and Monitoring (OMM) Plan or Parametric Monitoring Plan and Start-up, Shut-down, and Malfunction (SSM) Plan; or
  - (2) If none of the reasonable response steps listed in the Compliance Response Plan or Operation, Maintenance, and Monitoring (OMM) Plan or Parametric Monitoring Plan and Start-up, Shut-down, and Malfunction (SSM) Plan is applicable or responsive to the excursion, the Permittee shall devise and implement additional response steps as expeditiously as practical. Taking such additional response steps shall not be considered a deviation from this permit so long as the Permittee documents such response steps in accordance with this condition.
  - (3) If the Permittee determines that additional response steps would necessitate that the emissions unit or control device be shut down, and it will be 10 days or more until the unit or device will be shut down, then the permittee shall promptly notify the IDEM, OAQ of the expected date of the shut down. The notification shall also include the status of the applicable compliance monitoring parameter with respect to normal, and the results of the response actions taken up to the time of notification.

- (4) Failure to take reasonable response steps shall be considered a deviation from the permit.
- (c) The Permittee is not required to take any further response steps for any of the following reasons:
  - (1) A false reading occurs due to the malfunction of the monitoring equipment and prompt action was taken to correct the monitoring equipment.
  - (2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for a minor permit modification to the permit, and such request has not been denied.
  - (3) An automatic measurement was taken when the process was not operating.
  - (4) The process has already returned or is returning to operating within "normal" parameters and no response steps are required.
- (d) When implementing reasonable steps in response to a compliance monitoring condition, if the Permittee determines that an exceedance of an emission limitation has occurred, the Permittee shall report such deviations pursuant to Section B-Deviations from Permit Requirements and Conditions.
- (e) The Permittee shall record all instances when, in accordance with Section D, response steps are taken. In the event of an emergency, the provisions of 326 IAC 2-7-16 (Emergency Provisions) requiring prompt corrective action to mitigate emissions shall prevail.
- (f) Except as otherwise provided by a rule or provided specifically in Section D, all monitoring as required in Section D shall be performed when the emission unit is operating, except for time necessary to perform quality assurance and maintenance activities.

C.20 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5] [326 IAC 2-7-6]

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

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

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

C.21 Emission Statement [326 IAC 2-7-5(3)(C)(iii)] [326 IAC 2-7-5(7)] [326 IAC 2-7-19(c)] [326 IAC 2-6]

- (a) Pursuant to 326 IAC 2-6-3(a)(1), the Permittee shall submit by July 1 of each year an emission statement covering the previous calendar year. The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4(c) and shall meet the following requirements:

- (1) Indicate estimated actual emissions of all pollutants listed in 326 IAC 2-6-4(a);
- (2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1(32) ("Regulated pollutant, which is used only for purposes of Section 19 of this rule") from the source, for purposes of Part 70 fee assessment.

The emission statement must be submitted to:

Indiana Department of Environmental Management  
Technical Support and Modeling Section, Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206 – 6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

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

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

C.22 General Record Keeping Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-6]

- (a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner or HDEM makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner or HDEM within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.

C.23 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11]

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

Indiana Department of Environmental Management  
Compliance Data Section, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

- (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 and HDEM on or before the date it is due.
- (d) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (e) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period. 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.

### Stratospheric Ozone Protection

#### C.24 Compliance with 40 CFR 82 and 326 IAC 22-1

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

- (a) Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR 82.156.
- (b) Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.
- (c) Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.
- (d) Pursuant to 40 CFR 82, Subpart E (The Labeling of Products Using Ozone-Depleting Substances), all containers in which a Class I or Class II substance is stored or transported and all products containing a Class I substance shall be labeled as required under 40 CFR Part 82.

### Part 2 Mact Application Submittal Requirement

#### C.25 Application Requirements for Section 112(j) of the Clean Air Act [40 CFR 63.52(e)] [40 CFR 63.56(a)] [40 CFR 63.9(b)] [326 IAC 2-7-12]

- (a) The Permittee shall submit a Part 2 MACT Application in accordance with 40 CFR 63.52(e)(1). The Part 2 MACT Application shall meet the requirements of 40 CFR 63.53(b).
- (b) Notwithstanding paragraph (a), the Permittee is not required to submit a Part 2 MACT Application if the Permittee no longer meets the applicability criteria of 40 CFR 63.50 by the application deadline in 40 CFR 63.52(e)(1). For example, the Permittee would not have to submit a Part 2 MACT Application if, by the application deadline:
- (1) The source is no longer a major source of hazardous air pollutants, as defined in 40 CFR 63.2;
  - (2) The source no longer includes one or more units in an affected source category for which the U.S. EPA failed to promulgate an emission standard by May 15, 2002; or
  - (3) The MACT standard or standards for the affected source categories included at the source are promulgated.
- (c) Notwithstanding paragraph (a), pursuant to 40 CFR 63.56(a), the Permittee shall comply with an applicable promulgated MACT standard in accordance with the schedule provided in the MACT standard if the MACT standard is promulgated prior to the Part 2 MACT Application deadline or prior to the issuance of a permit with a case-by-case Section 112(j) MACT determination. The MACT requirements include the applicable General Provisions requirements of 40 CFR 63, Subpart A. Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than 120 days after the effective date of the MACT, unless the MACT specifies otherwise. The initial notification shall be submitted to:

Indiana Department of Environmental Management  
Compliance Data Section, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015

and

United States Environmental Protection Agency, Region V  
Director, Air and Radiation Division  
77 West Jackson Boulevard  
Chicago, Illinois 60604-3590

and

Hammond Department of Environmental Management  
5925 Calumet Avenue, Room 304  
Hammond, Indiana 46320

## SECTION D.1

## FACILITY OPERATION CONDITIONS

**Facility Description [326 IAC 2-7-5(15)]:** (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Coal Handling System, with a nominal throughput of 1600 tons of coal per hour, constructed prior to October 24, 1974, and consisting of the following equipment:

- (a) One (1) Rotary Car Dumper (Unit ID 030-CD) that unloads railcars to a hopper. During the dumping process, the coal is treated with a water spray system to control dust when the weather is appropriate.
- (b) Coal Transfer and Breaker Building (Unit ID 013) that receives the coal via conveyor belts F1 and F2. Coal is fed through coal breaking equipment in preparation for Unit 3 Boiler. The Coal Transfer and Breaker Building is controlled by a dust collector (BH1) and secondary water spray dust suppression.
- (c) Unit 4 Coal Conditioner House (Unit ID 014). Coal can be fed to or returned from this conditioner house via belt conveyors F3-A and F3-B. The Conditioner House contains hammer mills for sizing the coal for combustion in the Unit 4 cyclones. The Conditioner House is controlled by a dust collector (BH2) and water spray dust suppression.
- (d) One (1) Coal Storage Pile with Telescopic Chute (Unit ID 018). Coal is transported to the storage pile from the Breaker Building. Fugitive dust is controlled 75% by the telescoping action of the chute.
- (e) Unit 3 Bunker (Unit ID 015) and Unit 4 East/West Bunker (Unit ID 012) receive coal from the Transfer and Breaker Building using belts F3 and F5 via junction tower transfer point (F3/F5) or belts F4 and F6 via junction tower transfer point (F4/F6). The conveyor belts are enclosed to reduce fugitive emissions. Each bunker has a dust collector following the conveyor belt water spray dust suppression systems.

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

#### D.1.1 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) 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.

#### D.1.2 Particulate Emission Limitations [326 IAC 6-1-2]

Pursuant to 326 IAC 6-1-2 (Non-attainment Area Particulate Limitations), particulate emissions from the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers shall be limited to 0.03 grains per dry standard cubic foot of exhaust air.

#### D.1.3 Fugitive Dust Emissions [326 IAC 6-1-11.1]

Pursuant to 326 IAC 6-1-11.1 (Lake County Fugitive Particulate Matter Control Requirements), the fugitive particulate matter emissions from the Rotary Car Dumper and Coal Storage Pile activities shall meet the opacity and visible emission standards in Section C of this permit, Fugitive Dust Emissions. [326 IAC 6-1-11.1]

D.1.4 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

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

**Compliance Determination Requirements**

D.1.5 Particulate Emissions Control [326 IAC 2-7-6(6)] [326 IAC 6-1-2] [326 IAC 6-1-11.1]

- (a) The Baghouses or secondary control (dust suppression/water spray) for the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers shall be in operation and control emissions at all times when the processes are in operation.
- (b) The Permittee shall achieve the fugitive particulate emissions limitations for the Rotary Car Dumper and Coal Storage Pile activities by controlling fugitive particulate matter emissions according to the latest approved revision of their Fugitive Dust Control Plan required by 326 IAC 6-1-11.1.

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

D.1.6 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Visible emission notations of the Rotary Car Dumper enclosure doorways shall be performed once per twelve (12) hour shift during normal daylight operations while unloading coal. A trained employee shall record whether any emissions are observed.
- (b) Visible emission notations of the Transfer/Breaker Building, Unit 4 Conditioner House, and Unit 3 and 4 Bunker stack exhausts shall be performed once per twelve (12) hour shift during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.
- (c) If any visible emissions of dust are observed from the Rotary Car Dumper enclosure doorways, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan – Preparation, Implementation, Records, and Reports. Observation of 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 in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (d) If abnormal emissions are observed at any baghouse exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan – Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (e) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.
- (f) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (g) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

D.1.7 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The Permittee shall record the total static pressure drop across each of the baghouses used in conjunction with the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers at least once per shift when the units are in operation. When for any one reading, the pressure drop across a baghouse is outside the normal range of 0.5 and 8.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports. A pressure reading that is outside the above-mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (b) The instrument used for determining the pressure shall comply with Section C – Pressure Gauge and Other Instrument Specifications, and shall be calibrated in accordance with the manufacturer’s specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

D.1.8 Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) An inspection shall be performed each calendar quarter of all bags controlling particulate emissions from the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers. All defective bags shall be replaced.
- (b) If an abnormal or improper condition is found during an inspection, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports. Discovery of an abnormal or improper condition is not a deviation from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

D.1.9 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

In the event that bag failure has been observed:

- (a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit. If operations continue after bag failure is observed and it will be 10 days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.
- (b) For single compartment baghouses, if failure is indicated by a significant drop in the baghouse pressure reading with abnormal visible emissions or the failure is indicated by an opacity violation, or if bag failure is determined by other means, such as gas temperatures, flow rates, air infiltration, leaks, or dust traces, then failed units and the associated process without secondary water spray dust suppression will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B – Emergency Provisions).

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

### D.1.10 Record Keeping Requirements

- (a) To document compliance with Condition D.1.6, the Permittee shall maintain records of the visible emission notations of the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunker baghouse exhausts, and all response steps taken and the outcome for each. The Visible Emissions Notations Record Keeping Form attached to this permit or an equivalent form may be used.
- (b) To document compliance with Condition D.1.5(b), the Permittee shall maintain a monthly fugitive dust control log in accordance with the Fugitive Dust Control Plan.
- (c) To document compliance with Condition D.1.7, the Permittee shall maintain records of the total static pressure drop across each baghouse.
- (d) To document compliance with Condition D.1.8, the Permittee shall maintain records of the results of the baghouse inspections, including any additional inspections prescribed by the Preventive Maintenance Plan.
- (e) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

## SECTION D.2

## FACILITY OPERATION CONDITIONS

**Facility Description [326 IAC 2-7-5(15)]:** (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).

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

#### D.2.1 Particulate Matter less than 10 microns in diameter (PM10) [326 IAC 6-1-10.1(d)]

Pursuant to 326 IAC 6-1-10.1(d) (Lake County PM10 Emission Requirements), the PM10 emissions from Unit 3 Boiler shall not exceed 0.100 pounds per million Btu heat input (lbs/MMBtu) and 213.0 lbs/hr.

#### D.2.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

#### D.2.3 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

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

- (1) When building a new fire in a boiler, or shutting down a boiler, opacity may exceed the applicable limit established in 326 IAC 5-1 and stated in Section C – Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6) minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6) minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]

Operation of the jet-pulse baghouse is not required during these times unless necessary to comply with these limits.

- (2) 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. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

- (b) If a facility cannot meet the opacity limitations of 326 IAC 5-1-3(a) or (b), the Permittee may submit a written request to IDEM-OAQ, for a temporary alternative opacity limitation in accordance with 326 IAC 5-1-3(d). The Permittee must demonstrate that the alternative limit is needed and justifiable.

D.2.4 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-4-1.1]

Pursuant to 326 IAC 7-4-1.1 (Lake County Sulfur Dioxide Emission Limitations), section (c)(5), the SO<sub>2</sub> emissions from Unit 3 Boiler shall not exceed 1.2 pounds per million Btu (lbs/MMBtu), based on a 30-day rolling average.

D.2.5 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet ASTM specifications for classification as coal (ASTM D388).
- (b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids evaporated in the boiler, and any binding agent or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.
- (c) Used oils that are generated on site may be combusted as supplemental fuel for energy recovery in compliance with 40 CFR 279 (Standards for the Management of Used Oil) and 329 IAC 13 (Used Oil Management). Used oils that are generated on site shall be combusted in Unit 3 and Unit 4 Boilers.
- (d) Any boiler tube chemical cleaning waste liquids evaporated in the boiler shall only contain the cleaning solution and no more than two full volume boiler rinses.

D.2.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP), in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and any control device.

### Compliance Determination Requirements

D.2.7 Testing Requirements [326 IAC 2-7-6(1), (6)] [326 IAC 2-1.1-11]

By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM<sub>10</sub> limitation in Condition D.2.1 shall be determined by a performance stack test conducted using methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C – Performance Testing.

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

D.2.8 Operation of the Particulate Control Device (Baghouse) [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the baghouse shall be operated at all times when the boiler vented to the baghouse is in operation.

D.2.9 Continuous Emissions Monitoring [326 IAC 3-5] [40 CFR 75]

- (a) Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions) and 40 CFR 75, continuous emission monitoring systems for Unit 3 Boiler shall be calibrated, maintained, and operated for measuring opacity, SO<sub>2</sub>, NO<sub>x</sub>, and either CO<sub>2</sub> or O<sub>2</sub>, which meet all applicable performance specifications of 326 IAC 3-5-2 and 40 CFR 75.
- (b) All continuous emission monitoring systems are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3 and 40 CFR 75.
- (c) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, or 40 CFR 75.

D.2.10 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-4-1.1]

- (a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 1.2 pounds per MMBtu using a thirty (30) day rolling weighted average.
- (b) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data shall be collected as follows:
  - (1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or
  - (2) Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the Department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (c) Upon written notification to IDEM by a facility owner or operator, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 may be used as the means for determining compliance with the emissions limitations in 326 IAC 7. Upon such notification, the other requirements of 326 IAC 7-2 shall not apply. [326 IAC 7-2-1(g)]

D.2.11 Cleaning Waste Characterization [326 IAC 2-1.1-5(a)(4)] [40 CFR 261]

The Permittee shall use appropriate methodology as identified in 40 CFR Part 261 to characterize all boiler chemical cleaning wastes that will be evaporated, to determine compliance with the Operation Standards in Condition D.2.5.

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

**D.2.12 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]**

- (a) The Permittee shall record the total static pressure drop across the baghouse used in conjunction with the Unit 3 Boiler at least once per shift when the unit is in operation. When for any one reading, the pressure drop across the baghouse is outside the normal range of 2.0 to 10.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports. A pressure reading that is outside the above-mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (b) The instrument used for determining the pressure shall comply with Section C – Pressure Gauge and Other Instrument Specifications, and shall be calibrated in accordance with the manufacturer’s specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

**D.2.13 Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]**

- (a) An inspection shall be performed semi-annually of all bags controlling the Unit 3 Boiler. Defective bags shall be replaced.
- (b) If an abnormal or improper condition is found during an inspection, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports. Discovery of an abnormal or improper condition is not a deviation from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

**D.2.14 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]**

In the event that bag failure has been observed:

For the Unit 3 baghouse (U3BH), the failed units shall be repaired or replaced when the unit is off line and sufficiently cooled to allow entry. In the meantime, appropriate response steps shall be taken in accordance with Section C – Continuous Compliance Plan and Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports. Failure to take response steps in accordance with Section C – Continuous Compliance Plan and Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

**D.2.15 SO<sub>2</sub> Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]**

Whenever the SO<sub>2</sub> continuous emission monitoring system is malfunctioning or down for repairs or adjustments, one of the following methods shall be used to provide information related to SO<sub>2</sub> emissions:

- (a) The relevant requirements of 40 CFR 75 Subpart D – Missing data Substitution Procedures shall be used to provide substitute data, or
- (b) Fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), (d), and (e). Pursuant to 326 IAC 3-7-3,

manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the Department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.

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

### D.2.16 Record Keeping Requirements

- (a) To document compliance with Section C – Opacity and Conditions D.2.7 through D.2.15, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C – Opacity and in Conditions D.2.1, D.2.2, and D.2.4.
- (1) Data and results from the most recent stack test.
  - (2) All continuous opacity monitoring data pursuant to 326 IAC 3-5-6 and 40 CFR 75.
  - (3) The results of all Method 9 visible emission readings taken during applicable periods of COM downtime in accordance with Section C – Maintenance of Continuous Opacity Monitoring Equipment.
  - (4) All baghouse parametric monitoring readings.
- (b) To document compliance with Conditions D.2.4 and D.2.15, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO<sub>2</sub> limit as required in Condition D.2.4. The Permittee shall maintain records in accordance with (2) below during SO<sub>2</sub> CEM system downtime.
- (1) All SO<sub>2</sub> continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g) and 40 CFR 75 with calendar dates and beginning and ending times of any CEM downtime.
  - (2) All fuel sampling and analysis data, pursuant to 326 IAC 7-2 or substitute data according to the missing data substitution procedures in 40 CFR 75.
- (c) To document compliance with Conditions D.2.6 and D.2.13, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections, including any additional inspections prescribed by the Preventive Maintenance Plan.
- (d) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

### D.2.17 Reporting Requirements

A quarterly report of opacity exceedances and the thirty 30-day rolling average sulfur dioxide emission rate in pounds per million Btus shall be submitted to the addresses listed in Section C – General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

### D.2.18 Used Oil Requirements [326 IAC 2-1.1-5(a)(4)] [40 CFR 279] [329 IAC 13]

The used oil burned in Unit 3 and Unit 4 Boilers shall comply with the used oil requirements specified in 329 IAC 13 (Used Oil Management). Pursuant to 329 IAC 13-3-2 (Used Oil Specifications), used oil burned for energy recovery that is classified as off-specification used oil fuel shall comply with the provisions of 329 IAC 13-8 (Used Oil Burners Who Burn Off-specification Used Oil For Energy Recovery), including:

- (a) Receipt of an EPA identification number as outlined in 329 IAC 13-8-3 (Notification),
- (b) Compliance with the used oil storage requirements specified in 329 IAC 13-8-5 (Used Oil Storage), and
- (c) Maintaining records pursuant to 329 IAC 13-8-6 (Tracking).

The burning of mixtures of used oil and hazardous waste that is regulated under 329 IAC 3.1 is prohibited at this source.

## SECTION D.3

## FACILITY OPERATION CONDITIONS

**Facility Description [326 IAC 2-7-5(15)]:** (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).

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

#### D.3.1 Particulate Matter less than 10 microns in diameter (PM10) [326 IAC 6-1-10.1(d)]

Pursuant to 326 IAC 6-1-10.1(d) (Lake County PM10 Emission Requirements), the PM10 emissions from Unit 4 Boiler shall not exceed 0.100 pounds per million Btu heat input (lbs/MMBtu) and 356.8 lbs/hr.

#### D.3.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

#### D.3.3 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

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

- (1) When building a new fire in a boiler, or shutting down a boiler, opacity may exceed the applicable limit established in 326 IAC 5-1 and stated in Section C – Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6) minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6) minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]

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

- (2) 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. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

- (b) If a facility cannot meet the opacity limitations of 326 IAC 5-1-3(a) or (b), the Permittee may submit a written request to IDEM-OAQ, for a temporary alternative opacity limitation in accordance with 326 IAC 5-1-3(d). The Permittee must demonstrate that the alternative limit is needed and justifiable.

D.3.4 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-4-1.1]

Pursuant to 326 IAC 7-4-1.1 (Lake County Sulfur Dioxide Emission Limitations), section (c)(5), the SO<sub>2</sub> emissions from Unit 4 Boiler shall not exceed 1.2 pounds per million Btu (lbs/MMBtu), based on a 30-day rolling average.

D.3.5 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet ASTM specifications for classification as coal (ASTM D388).
- (b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids evaporated in the boiler, and any binding agent or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.
- (c) Used oils that are generated on site may be combusted as supplemental fuel for energy recovery in compliance with 40 CFR 279 (Standards for the Management of Used Oil) and 329 IAC 13 (Used Oil Management). Used oils that are generated on site shall be combusted in Unit 3 and Unit 4 Boilers.
- (d) Any boiler tube chemical cleaning waste liquids evaporated in the boiler shall only contain the cleaning solution and no more than two full volume boiler rinses.

D.3.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

- (a) A Preventive Maintenance Plan (PMP), in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and any control device.
- (b) The PMP for an electrostatic precipitator shall include the following inspections, performed according to the indicated schedules:
  - (1) Plate and electrode alignment, every major maintenance outage, but no less than every 2 years;
  - (2) ESP TR set components, performed whenever there is an outage of any nature lasting more than three days, unless such inspections have been performed within the last six months. At a minimum, the following inspections shall be performed:
    - (A) Internal inspection of shell for corrosion (including but not limited to doors, hatches, insulator housings, and roof area).
    - (B) Effectiveness of rapping (including but not limited to buildup of dust on discharge electrodes and plates).
    - (C) Gas distribution (including but not limited to buildup of dust on distribution plates and turning vanes).
    - (D) Dust accumulation (including but not limited to buildup of dust on shell and support members that could result in grounds or promote advanced corrosion).
    - (E) Major misalignment of plates (including but not limited to a visual check of plate alignment).

- (F) Rapper, vibrator and TR set control cabinets (including but not limited to motors and lubrication).
  - (G) Rapper assembly (including but not limited to loose bolts, ground wires, water in air lines, and solenoids).
  - (H) Vibrator and rapper seals (including but not limited to air in-leakage, wear, and deterioration).
  - (I) TR set controllers (including but not limited to low voltage trip point, over current trip point, and spark rate).
  - (J) Vibrator air pressure settings.
- (3) Air and water infiltration, once/month. The recommended method for this inspection is for audible checks around ash hoppers/hatches, duct expansion joints, and areas of corrosion.

### Compliance Determination Requirements

#### D.3.7 Testing Requirements [326 IAC 2-7-6(1), (6)] [326 IAC 2-1.1-11]

By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM10 limitation in Condition D.3.1 shall be determined by a performance stack test conducted using methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C – Performance Testing.

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

#### D.3.8 Operation of the Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided in Condition D.3.3, Temporary Alternative Opacity Limitations, the electrostatic precipitator (ESP) shall be operated at all times that the boiler vented to the ESP is in operation.

#### D.3.9 Continuous Emissions Monitoring [326 IAC 3-5]

- (a) Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions) and 40 CFR 75, continuous emission monitoring systems for Unit 4 Boiler shall be calibrated, maintained, and operated for measuring opacity, SO<sub>2</sub>, NO<sub>x</sub>, and either CO<sub>2</sub> or O<sub>2</sub>, which meet all applicable performance specifications of 326 IAC 3-5-2 and 40 CFR 75.
- (b) All continuous emission monitoring systems are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3 and 40 CFR 75.
- (c) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, or 40 CFR 75.

D.3.10 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-4-1.1]

- (a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 1.2 pounds per MMBtu using a thirty (30) day rolling weighted average.
- (b) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data shall be collected as follows:
  - (1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or
  - (2) Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the Department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (c) Upon written notification to IDEM by a facility owner or operator, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 may be used as the means for determining compliance with the emissions limitations in 326 IAC 7. Upon such notification, the other requirements of 326 IAC 7-2 shall not apply. [326 IAC 7-2-1(g)]

D.3.11 Cleaning Waste Characterization [326 IAC 2-1.1-5(a)(4)] [40 CFR 261]

The Permittee shall use appropriate methodology as identified in 40 CFR Part 261 to characterize all boiler chemical cleaning wastes that will be evaporated, to determine compliance with the Operation Standards in Condition D.3.5.

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

D.3.12 Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The ability of the ESP to control particulate emissions shall be monitored once per shift, when the unit is in operation, by measuring and recording the number of T-R sets in service and the primary and secondary voltages and the currents of the transformer-rectifier (T-R) sets.
- (b) Reasonable response steps shall be taken in accordance with Section C – Continuous Compliance Plan and Section C - Compliance Response Plan – Preparation, Implementation, Records, and Reports whenever the percentage of T-R sets in service falls below ninety percent (90%). The opacity monitor readings and the current Load vs. Emissions chart (for Unit 4) shall be consulted to determine whether a load reduction is necessary. T-R set failure resulting in less than 90 percent (90%) availability is not a deviation from this permit. Failure to take response steps in accordance with Section C – Continuous Compliance Plan and Section C - Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

D.3.13 SO<sub>2</sub> Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the SO<sub>2</sub> continuous emission monitoring (CEM) system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

- (a) If the CEM system is down for less than eight (8) hours, the Permittee shall substitute an average of the quality-assured data from the hour immediately before and the hour immediately after the missing data period for each hour of missing data.

- (b) If the CEM system is down for eight (8) hours or more, fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b), except that all samples shall be collected after the bunker. Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.

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

#### D.3.14 Record Keeping Requirements

- (a) To document compliance with Section C- Opacity and Conditions D.3.7 through D.3.13, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C – Opacity and in Conditions D.3.1, D.3.2, and D.3.4.
  - (1) Data and results from the most recent stack test.
  - (2) All continuous opacity monitoring data pursuant to 326 IAC 3-5-6 and 40 CFR 75.
  - (1) The results of all Method 9 visible emission readings taken during applicable periods of COM downtime in accordance with Section C – Maintenance of Continuous Opacity Monitoring Equipment.
  - (2) All ESP parametric monitoring readings.
- (b) To document compliance with Conditions D.3.4 and D.3.13, the Permittee shall maintain records in accordance with (1) and (2) below. Records shall be complete and sufficient to establish compliance with the SO<sub>2</sub> limit as required in Condition D.3.4. The Permittee shall maintain records in accordance with (2) below during SO<sub>2</sub> CEM system downtime.
  - (1) All SO<sub>2</sub> continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g) and 40 CFR 75 with calendar dates and beginning and ending times of any CEM downtime.
  - (2) All fuel sampling and analysis data, pursuant to 326 IAC 7-2 or substitute data according to the missing data substitution procedures in 40 CFR 75.
- (c) To document compliance with Conditions D.3.6, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections, including any additional inspections prescribed by the Preventive Maintenance Plan.
- (d) All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

#### D.3.15 Reporting Requirements

A quarterly report of opacity exceedances and the thirty 30-day rolling average sulfur dioxide emission rate in pounds per million Btus shall be submitted to the addresses listed in Section C – General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

D.3.16 Used Oil Requirements [326 IAC 2-1.1-5(a)(4)] [40 CFR 279] [329 IAC 13]

The used oil burned in Unit 3 and Unit 4 Boilers shall comply with the used oil requirements specified in 329 IAC 13 (Used Oil Management). Pursuant to 329 IAC 13-3-2 (Used Oil Specifications), used oil burned for energy recovery that is classified as off-specification used oil fuel shall comply with the provisions of 329 IAC 13-8 (Used Oil Burners Who Burn Off-specification Used Oil For Energy Recovery), including:

- (a) Receipt of an EPA identification number as outlined in 329 IAC 13-8-3 (Notification),
- (b) Compliance with the used oil storage requirements specified in 329 IAC 13-8-5 (Used Oil Storage), and
- (c) Maintaining records pursuant to 329 IAC 13-8-6 (Tracking).

The burning of mixtures of used oil and hazardous waste that is regulated under 329 IAC 3.1 is prohibited at this source.

## SECTION D.4

## FACILITY OPERATION CONDITIONS

**Facility Description [326 IAC 2-7-5(15)]:** (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) natural gas-fired boiler, identified as the Nebraska/Wabash Packaged Boiler (Unit ID 029), constructed in 1990, with a nominal rating of 56 MMBtu/hr.

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

#### D.4.1 General Provisions Relating to NSPS [326 IAC 12-1] [ 40 CFR Part 60, Subpart A]

This facility is subject to 326 IAC 12 and 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units). The provisions of 40 CFR Part 60, Subpart A – General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to this facility described in this section except when otherwise specified in 40 CFR 60, Subpart Dc.

#### D.4.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

#### D.4.3 Particulate Matter (PM) [326 IAC 6-1-2]

Pursuant to 326 IAC 6-1-2(b)(5) (Particulate Rules, Non-attainment Area Limitations), emissions of particulate matter (PM) from fuel combustion steam generators that burn natural gas only shall be limited to 0.01 grains per dry standard cubic foot (gr/dscf).

### Compliance Determination Requirements

#### D.4.4 Particulate Matter (PM) [326 IAC 6-1-2]

In order to demonstrate compliance with the particulate matter (PM) emissions limitation in Condition D.4.3, the Nebraska/Wabash Packaged Boiler shall only burn natural gas.

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

D.4.5 There are no compliance monitoring requirements applicable to this facility.

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

### D.4.6 Record Keeping Requirements

Pursuant to 326 IAC 12 and 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units), section 60.48c, the Permittee shall record and maintain records of the amount of natural gas combusted in the Nebraska/Wabash Packaged Boiler during each day.

### D.4.7 Reporting Requirements

- (a) A certification, signed by the responsible official, that certifies all of the fuels combusted during the reporting period. The natural gas-fired boiler certification does require the certification by the responsible official as defined by 326 IAC 2-7-1(34);
- (b) The natural gas boiler certification shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or its equivalent, within thirty (30) days after the end of the six (6) month period being reported.

## SECTION D.5

## FACILITY OPERATION CONDITIONS

**Facility Description [326 IAC 2-7-5(15)]:** (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Fly Ash Truck Loading from the 500 Ton Silo (Unit ID 020) and 1000 Ton Silo (Unit ID 017). Emissions from fly ash truck loading at the 500 Ton Fly Ash Silo are controlled by a Mikro-Pulsaire Dust Collector. Emissions from fly ash truck loading at the 1000 Ton Silo are controlled by a Plenum Pulse Bag Filter.

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

#### D.5.1 Particulate Matter (PM) [326 IAC 6-1-2]

Pursuant to 326 IAC 6-1-2 (Particulate Emission Limitations; General Sources), emissions of particulate matter (PM) from the Fly Ash Truck Loading at the 500 Ton Silo and Fly Ash Truck Loading at the 1000 Ton Silo shall be limited to 0.03 grains per dry standard cubic foot, each.

#### D.5.2 Opacity [326 IAC 5-1]

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

- (a) Opacity shall not exceed an average of twenty percent (20%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

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

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

### Compliance Determination Requirements

#### D.5.4 Particulate Matter (PM) Control [326 IAC 2-7-6(6)]

The Baghouses for each Fly Ash Truck Loading System shall be in operation at all times and control emissions when the processes are in operation.

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

#### D.5.5 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Visible emission notations of each Fly Ash Truck Loading System enclosure and stack exhaust shall be performed once per twelve (12) hour shift during normal daylight operations while loading ash. A trained employee shall record whether any emissions are observed.

- (b) If visible emissions are observed crossing the property line or boundaries of the property, right-of-way, or easement on which the source is located, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan – Preparation, Implementation, Records, and Reports. Fugitive dust crossing the property line is a violation.
- (c) If any visible emissions of ash are observed from the Fly Ash Truck Loading System enclosures or stack exhausts, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan – Preparation, Implementation, Records, and Reports. Visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit are not deviations from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

D.5.6 Baghouse Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) The Permittee shall record the total static pressure drop across each baghouse used in conjunction with the Fly Ash Truck Loading at least once per shift when the unit is in operation. When for any one reading, the pressure drop across a baghouse is outside the normal range of 0.5 and 8.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C –Compliance Response Plan – Preparation, Implementation, Records, and Reports. A pressure reading that is outside the above-mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (b) The instrument used for determining the pressure shall comply with Section C – Pressure Gauge and Other Instrument Specifications, and shall be calibrated in accordance with the manufacturer’s specifications. The specifications shall be available on site with the Preventive Maintenance Plan.

D.5.7 Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) An inspection shall be performed each calendar quarter of all bags in each baghouse controlling the 500 and 1000 Ton Silo Fly Ash Truck Loading Systems. All defective bags shall be replaced.
- (b) If an abnormal or improper condition is found during an inspection, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports. Discovery of an abnormal or improper condition is not a deviation from this permit. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

D.5.8 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

In the event that bag failure has been observed:

- (a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit. If operations continue after bag failure is observed and it will be 10 days or more after the failure is observed before the failed units will be repaired or replaced, the Permittee shall promptly notify the IDEM, OAQ of the expected

date the failed units will be repaired or replaced. The notification shall also include the status of the applicable compliance monitoring parameters with respect to normal, and the results of any response actions taken up to the time of notification.

- (b) For single compartment baghouses, failed units and the associated process will be shut down immediately if the visible emissions are abnormal according to the monitoring requirements of D.5.5, Visible Emissions Notations. If the visible emissions are abnormal, operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B – Emergency Provisions).

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

##### **D.5.9 Record Keeping Requirements**

- (a) To document compliance with Condition D.5.5, the Permittee shall maintain records of the visible emission notations of the Fly Ash Truck Loading exhausts, and all response steps taken and the outcome for each. The Visible Emissions Notations Record Keeping Form attached to this permit or an equivalent form may be used.
- (b) To document compliance with Conditions D.5.6 and D.5.7, the Permittee shall maintain the following:
  - (1) Records of the total static pressure drops across the baghouses;
  - (2) Records of the results of the baghouse inspections, including any additional inspections prescribed by the Preventive Maintenance Plan; and
  - (3) All response steps taken and the outcome for each.

**SECTION D.6 FACILITY OPERATION CONDITIONS - Insignificant Activity**

**Facility Description [326 IAC 2-7-5(15)]:** (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Storage Tanks TK5 through TK13: These tanks are insignificant activities according to 326 IAC 2-7-1 (21)(G)(iii):

VOC and HAP storage containers with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons and vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids.

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

D.6.1 Volatile Organic Compound (VOC) [326 IAC 8-9]

These facilities (Stationary vessels with a capacity of less than thirty-nine thousand (39,000) gallons) are subject to the reporting and record keeping provisions of section 6(a) and 6(b) of this rule, as stated below in Condition D.6.3, and are exempt from all other provisions of the rule.

**Compliance Determination Requirements**

D.6.2 Compliance with the standards of Condition D.6.1 shall be determined by the record keeping requirements in 326 IAC 8-9, section 6(a) and 6(b).

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

D.6.3 Record Keeping and Reporting Requirements

Pursuant to 326 IAC 8-9 (Volatile Organic Liquid Storage Vessels), section 6(b), the source shall maintain and record and submit to the department a report containing the following information for each vessel:

- (1) The vessel identification number.
- (2) The vessel dimensions.
- (3) The vessel capacity.
- (4) A description of the emission control equipment for each vessel described in section 4(a) and 4(b) of this rule, or a schedule for installation of emission control equipment on vessels described in section 4(a) or 4(b) of this rule with a certification that the emission control equipment meets the applicable standards.

**SECTION D.7 FACILITY OPERATION CONDITIONS - Insignificant Activity**

**Facility Description [326 IAC 2-7-5(15)]:** (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Auxiliary Emergency Generator: This unit is an insignificant source under the following category:

326 IAC 2-7-1(21)(G)(xxii)(BB)(bb): diesel emergency generators not exceeding 1600 horsepower.

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

D.7.1 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-4-1.1]

Pursuant to 326 IAC 7-4-1.1, Lake County Sulfur Dioxide Emission Limitations, section (c)(5)(A), sulfur dioxide emissions from the Auxiliary Emergency Generator shall be limited to 0.3 lbs/MMBtu.

**Compliance Determination Requirements**

D.7.2 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3-7-4] [326 IAC 7-4-1.1]

Compliance shall be determined utilizing one of the following options.

- (a) Pursuant to 326 IAC 3-7-4 and 326 IAC 7-2, the Permittee shall demonstrate that the fuel oil sulfur content does not exceed 0.3 pounds per MMBtu by:
  - (1) Providing vendor analysis of fuel delivered, if accompanied by a certification;
  - (2) Analyzing the oil sample to determine the sulfur content of the oil via the procedures in 40 CFR 60, Appendix A, Method 19.
    - (A) Oil samples may be collected from the fuel tank immediately after the fuel tank is filled and before any oil is combusted; and
    - (B) If a partially empty fuel tank is refilled, a new sample and analysis would be required upon filling; or
- (b) Compliance may also be determined by conducting a stack test for sulfur dioxide emissions from the 4.5 MMBtu per hour generator, using 40 CFR 60, Appendix A, Method 6 in accordance with the procedures in 326 IAC 3-6.

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

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

D.7.3 Record Keeping Requirements

The Permittee shall maintain a record of the fuel analysis as delivered by the vendor. Such records shall be available for inspection by IDEM-OAQ or HDEM.

## SECTION E

## TITLE IV CONDITIONS

**Facility Description [326 IAC 2-7-5(15)]:** (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).

One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).

### Acid Rain Program

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

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

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

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

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

**SECTION F Nitrogen Oxides Budget Trading Program - NO<sub>x</sub> Budget Permit for NO<sub>x</sub> Budget Units Under 326 IAC 10-4-1(a)**

ORIS Code: 981

NO<sub>x</sub> Budget Source [326 IAC 2-7-5(15)]

One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).

One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).

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

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

This NO<sub>x</sub> budget permit is deemed to incorporate automatically the definitions of terms under 326 IAC 10-4-2.

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

- (a) The owners and operators of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit shall operate each unit in compliance with this NO<sub>x</sub> budget permit.
- (b) The NO<sub>x</sub> budget units subject to this NO<sub>x</sub> budget permit are Unit 3 Boiler and Unit 4 Boiler.

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

- (a) The owners and operators and, to the extent applicable, the NO<sub>x</sub> authorized account representative of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall comply with the monitoring requirements of 40 CFR 75 and 326 IAC 10-4-12.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 326 IAC 10-4-12 shall be used to determine compliance by each unit with the NO<sub>x</sub> budget emissions limitation under 326 IAC 10-4-4(c) and Condition F.4, Nitrogen Oxides Requirements.

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

- (a) The owners and operators of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall hold NO<sub>x</sub> allowances available for compliance deductions under 326 IAC 10-4-10(j), as of the NO<sub>x</sub> allowance transfer deadline, in each unit's compliance account and the source's overdraft account in an amount:

- (1) Not less than the total NO<sub>x</sub> emissions for the ozone control period from the unit, as determined in accordance with 40 CFR 75 and 326 IAC 10-4-12;
  - (2) To account for excess emissions for a prior ozone control period under 326 IAC 10-4-10(k)(5); or
  - (3) To account for withdrawal from the NO<sub>x</sub> budget trading program, or a change in regulatory status of a NO<sub>x</sub> budget opt-in unit.
- (b) Each ton of NO<sub>x</sub> emitted in excess of the NO<sub>x</sub> budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.
- (c) Each NO<sub>x</sub> budget unit shall be subject to the requirements under (a) above and 326 IAC 10-4-4(c)(1) starting on May 31, 2004.
- (d) NO<sub>x</sub> allowances shall be held in, deducted from, or transferred among NO<sub>x</sub> allowance tracking system accounts in accordance with 326 IAC 10-4-9 through 11, 326 IAC 10-4-13, and 326 IAC 10-4-14.
- (e) A NO<sub>x</sub> allowance shall not be deducted, in order to comply with the requirements under (a) above and 326 IAC 10-4-4(c)(1), for an ozone control period in a year prior to the year for which the NO<sub>x</sub> allowance was allocated.
- (f) A NO<sub>x</sub> allowance allocated under the NO<sub>x</sub> budget trading program is a limited authorization to emit one (1) ton of NO<sub>x</sub> in accordance with the NO<sub>x</sub> budget trading program. No provision of the NO<sub>x</sub> budget trading program, the NO<sub>x</sub> budget permit application, the NO<sub>x</sub> budget permit, or an exemption under 326 IAC 10-4-3 and no provision of law shall be construed to limit the authority of the U.S. EPA or IDEM, OAQ to terminate or limit the authorization.
- (g) A NO<sub>x</sub> allowance allocated under the NO<sub>x</sub> budget trading program does not constitute a property right.
- (h) Upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NO<sub>x</sub> allowance to or from each NO<sub>x</sub> budget unit's compliance account or the overdraft account of the source where the unit is located is deemed to amend automatically, and become a part of, this NO<sub>x</sub> budget permit of the NO<sub>x</sub> budget unit by operation of law without any further review.

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

The owners and operators of each NO<sub>x</sub> budget unit that has excess emissions in any ozone control period shall do the following:

- (a) Surrender the NO<sub>x</sub> allowances required for deduction under 326 IAC 10-4-10(k)(5).
- (b) Pay any fine, penalty, or assessment or comply with any other remedy imposed under 326 IAC 10-4-10(k)(7).

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

Unless otherwise provided, the owners and operators of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall keep, either 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:

- (a) The account certificate of representation for the NO<sub>x</sub> authorized account representative for the source and each NO<sub>x</sub> budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 326 IAC 10-4-6(h). The certificate and documents shall be retained either on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond the five (5) year period until the documents are superseded because of the submission of a new account certificate of representation changing the NO<sub>x</sub> authorized account representative.
- (b) All emissions monitoring information, in accordance with 40 CFR 75 and 326 IAC 10-4-12, provided that to the extent that 40 CFR 75 and 326 IAC 10-4-12 provide for a three (3) year period for record keeping, the three (3) year period shall apply.
- (c) Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO<sub>x</sub> budget trading program.
- (d) Copies of all documents used to complete a NO<sub>x</sub> budget permit application and any other submission under the NO<sub>x</sub> budget trading program or to demonstrate compliance with the requirements of the NO<sub>x</sub> budget trading program.

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

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

- (a) The NO<sub>x</sub> authorized account representative of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall submit the reports and compliance certifications required under the NO<sub>x</sub> budget trading program, including those under 326 IAC 10-4-8, 326 IAC 10-4-12, or 326 IAC 10-4-13.
- (b) Pursuant to 326 IAC 10-4-4(e) and 326 IAC 10-4-6(e)(1), each submission shall include the following certification statement by the NO<sub>x</sub> authorized account representative: "I am authorized to make this submission on behalf of the owners and operators of the NO<sub>x</sub> budget sources or NO<sub>x</sub> budget units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."
- (c) Where 326 IAC 10-4 requires a submission to IDEM, OAQ, the NO<sub>x</sub> authorized account representative shall submit required information to:

Indiana Department of Environmental Management  
Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
Air Pollution Control Division  
5925 Calumet Avenue – Room 304  
Hammond, Indiana 46320

- (d) Where 326 IAC 10-4 requires a submission to U.S. EPA, the NO<sub>x</sub> authorized account representative shall submit required information to:

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

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

The owners and operators of each NO<sub>x</sub> budget source shall be liable as follows:

- (a) Any person who knowingly violates any requirement or prohibition of the NO<sub>x</sub> budget trading program, a NO<sub>x</sub> budget permit, or an exemption under 326 IAC 10-4-3 shall be subject to enforcement pursuant to applicable state or federal law.
- (b) Any person who knowingly makes a false material statement in any record, submission, or report under the NO<sub>x</sub> budget trading program shall be subject to criminal enforcement pursuant to the applicable state or federal law.
- (c) No permit revision shall excuse any violation of the requirements of the NO<sub>x</sub> budget trading program that occurs prior to the date that the revision takes effect.
- (d) Each NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit shall meet the requirements of the NO<sub>x</sub> budget trading program.
- (e) Any provision of the NO<sub>x</sub> budget trading program that applies to a NO<sub>x</sub> budget source, including a provision applicable to the NO<sub>x</sub> authorized account representative of a NO<sub>x</sub> budget source, shall also apply to the owners and operators of the source and of the NO<sub>x</sub> budget units at the source.
- (f) Any provision of the NO<sub>x</sub> budget trading program that applies to a NO<sub>x</sub> budget unit, including a provision applicable to the NO<sub>x</sub> authorized account representative of a NO<sub>x</sub> budget unit, shall also apply to the owners and operators of the unit. Except with regard to the requirements applicable to units with a common stack under 40 CFR 75 and 326 IAC 10-4-12, the owners and operators and the NO<sub>x</sub> authorized account representative of one (1) NO<sub>x</sub> budget unit shall not be liable for any violation by any other NO<sub>x</sub> budget unit of which they are not owners or operators or the NO<sub>x</sub> authorized account representative and that is located at a source of which they are not owners or operators or the NO<sub>x</sub> authorized account representative.

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

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

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
Office of Air Quality  
COMPLIANCE DATA SECTION**

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
AIR POLLUTION CONTROL DIVISION**

**PART 70 OPERATING PERMIT  
CERTIFICATION**

Source Name: State Line Energy, LLC  
Source Address: 103<sup>rd</sup> Street and Lake Michigan  
Hammond, Indiana 46320  
Mailing Address: P.O. Box 687  
Hammond, Indiana 46325-0687  
Part 70 Permit No.: T089-7062-00210

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:	
<input type="checkbox"/>	Annual Compliance Certification Letter
<input type="checkbox"/>	Test Result (specify) _____
<input type="checkbox"/>	Report (specify) _____
<input type="checkbox"/>	Notification (specify) _____
<input type="checkbox"/>	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:	
Telephone:	
Date:	

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
OFFICE OF AIR QUALITY  
COMPLIANCE BRANCH  
100 North Senate Avenue  
P.O. Box 6015  
Indianapolis, Indiana 46206-6015  
Phone: 317-233-5674  
Fax: 317-233-5967**

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
AIR POLLUTION CONTROL DIVISION  
5925 Calumet Avenue  
Hammond, Indiana 46320  
Phone: 219-853-6306  
Fax: 219-853-6343**

**PART 70 OPERATING PERMIT  
EMERGENCY OCCURRENCE REPORT**

Source Name: State Line Energy, LLC  
Source Address: 103<sup>rd</sup> Street and Lake Michigan, Hammond, Indiana 46320  
Mailing Address: P.O. Box 687, Hammond, Indiana 46325-0687  
Part 70 Permit No.: T089-7062-00210

**This form consists of 2 pages**

**Page 1 of 2**

<p>_____ This is an emergency as defined in 326 IAC 2-7-1(12)</p> <ul style="list-style-type: none"><li>• The Permittee must notify the Office of Air Quality (OAQ), within four <b>(4)</b> business hours (1-800-451-6027 or 317-233-5674, ask for Compliance Section); and</li><li>• The Permittee must submit notice in writing or by facsimile within two <b>(2)</b> working days (Facsimile Number: 317-233-5967), and follow the other requirements of 326 IAC 2-7-16.</li></ul>
--

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 Describe:
Type of Pollutants Emitted: TSP, PM-10, SO <sub>2</sub> , VOC, NOX, 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: \_\_\_\_\_  
Telephone: \_\_\_\_\_

A certification is not required for this report.

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

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
AIR POLLUTION CONTROL DIVISION**

**PART 70 OPERATING PERMIT  
SEMI-ANNUAL NATURAL GAS FIRED BOILER CERTIFICATION**

Source Name: State Line Energy, LLC  
Source Address: 103<sup>rd</sup> Street and Lake Michigan, Hammond, Indiana 46320  
Mailing Address: P.O. Box 687, Hammond, Indiana 46325-0687  
Part 70 Permit No.: T089-7062-00210

<input type="checkbox"/> Natural Gas Only
<input type="checkbox"/> Alternate Fuel burned
From: _____ To: _____

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: _____
Telephone: _____
Date: _____

A certification by the responsible official as defined by 326 IAC 2-7-1(34) is required for this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
Office of Air Quality  
COMPLIANCE DATA SECTION**

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
AIR POLLUTION CONTROL DIVISION**

**PART 70 OPERATING PERMIT  
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT**

Source Name: State Line Energy, LLC  
Source Address: 103<sup>rd</sup> Street and Lake Michigan, Hammond, Indiana 46320  
Mailing Address: P.O. Box 687, Hammond, Indiana 46325-0687  
Part 70 Permit No.: T089-7062-00210

**Months:** \_\_\_\_\_ **to** \_\_\_\_\_ **Year:** \_\_\_\_\_

Page 1 of 2

This report shall be submitted quarterly based on a calendar year. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. A deviation required to be reported pursuant to an applicable requirement that exists independent of the permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report. Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".

NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD

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

<b>Permit Requirement (specify permit condition #)</b>	
<b>Date of Deviation:</b>	<b>Date of Deviation:</b>
<b>Number of Deviations:</b>	
<b>Probable Cause of Deviation:</b>	
<b>Response Steps Taken:</b>	
<b>Permit Requirement (specify permit condition #)</b>	
<b>Date of Deviation:</b>	<b>Date of Deviation:</b>
<b>Number of Deviations:</b>	
<b>Probable Cause of Deviation:</b>	
<b>Response Steps Taken:</b>	
<b>Permit Requirement (specify permit condition #)</b>	
<b>Date of Deviation:</b>	<b>Date of Deviation:</b>
<b>Number of Deviations:</b>	
<b>Probable Cause of Deviation:</b>	
<b>Response Steps Taken:</b>	

Form Completed By:

Title / Position :

Date:

Telephone:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attach a signed certification to complete this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
 Office of Air Quality  
 COMPLIANCE DATA SECTION**

and

**HAMMOND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**

**Visible Emissions Notations Record Keeping Form**

Source Name: State Line Energy, LLC  
 Source Address: 103<sup>rd</sup> Street and Lake Michigan, Hammond, Indiana 46320  
 Mailing Address: P.O. Box 687, Hammond, Indiana 46325-0687  
 Part 70 Permit No.: T089-7062-00210  
 Notation: Normal or Abnormal

Month: \_\_\_\_\_ Year: \_\_\_\_\_

Day	Stack ID					
	Transfer Breaker Building	Unit 4 Coal Conditioner House	Unit 3 Bunker	Unit 4 Bunker	Fly Ash Truck Loading from 500 Ton Silo	Fly Ash Truck Loading from 1000 Ton Silo
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						

This form is optional. An equivalent form subject to approval by IDEM-OAQ or HDEM may be used.

## Phase II Acid Rain Permit

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

**Source:** State Line Generating Station  
**Address:** 103rd Street and Lake Michigan, Hammond, IN 46320  
**Operated by:** Commonwealth Edison Company of Indiana  
**ORIS Code:** 000981  
**Effective:** January 1, 2000 through December 31, 2004

the above corporation is hereby authorized to operate subject to the conditions contained  
herein, these facilities:

Units 3 and 4.

Operation Permit No.: AR 089-5164-00210	
Issued by: Felicia R. George, Assistant Commissioner Office of Air Management	Issuance Date:  Expiration Date:

### Table of Contents

- 1) Statement of Basis.
- 2) Standard Requirements.

## 1) Statement of Basis

Statutory and Regulatory Authorities: In accordance with IC 13-17-3-4, IC 13-17-3-11, IC 13-17-8-1, and IC 13-17-8-2 as well as Titles IV and V of the Clean Air Act, the Indiana Department of Environmental Management (IDEM), Office of Air Management (OAM) issues this permit pursuant to 326 IAC 2 and 326 IAC 21 (incorporates by reference 40 CFR 72 through 78).

## 2) Standard Requirements

### Permit Requirements [326 IAC 21]

- (a) The designated representative of each affected source and each affected unit at the source shall:
- (1) Submit a complete Acid Rain Permit application, by submitting a sulfur dioxide application and compliance plan under 40 CFR 72.30; and
  - (2) Submit in a timely manner any supplemental information that IDEM, OAM determines is necessary in order to review an Acid Rain Permit application or an Acid Rain portion of an operation permit application and issue or deny an Acid Rain Permit;

Information required by (1) and (2) above shall be submitted to:

Indiana Department of Environmental Management  
Permits Branch, Office of Air Management  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
5925 Calumet Avenue  
Hammond, Indiana 46320

- (b) The owners and operators of each affected source and each affected unit at the source shall:
- (1) Operate the unit in compliance with a complete Acid Rain Permit application or a superseding Acid Rain Permit issued by the IDEM, OAM.

### Monitoring Requirements [326 IAC 21]

- (a) The owners and operators and, to the extent applicable, the designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR 74, 75, and 76.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and

76 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.

- (c) The requirements of 40 CFR 74 and 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

### **Sulfur Dioxide Requirements [326 IAC 21]**

- (a) The owners and operators of each source and each affected unit at the source shall:
  - (1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 73.35), in the unit's compliance subaccount, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and
  - (2) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (b) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.
- (c) An affected unit shall be subject to the requirements under paragraph (a) of the sulfur dioxide requirements as follows:
  - (1) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
  - (2) Starting on the latter of January 1, 2000 or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).
- (d) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (e) An allowance shall not be deducted in order to comply with the requirements under paragraph (a)(1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (f) An allowance allocated by the U.S. EPA under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain Permit application, the Acid Rain Permit, the Acid Rain portion of an operating permit, or the written exemption under 40 CFR 72.7 and 72.8 and 326 IAC 21, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (g) An allowance allocated by U.S. EPA under the Acid Rain Program does not constitute a property right.
- (h) No permit revision may be required for increases in emissions that are authorized by

allowances acquired pursuant to the Acid Rain Program, provided that the increases do not require a permit revision under any other applicable requirement. [326 IAC 2-7-5(4)(A)].

- (i) No limit shall be placed on the number of allowances held by an affected source. A affected source may not, however, use allowances as a defense to noncompliance with any applicable requirement other than the requirements of the Acid Rain Program. [326 IAC 2-7-5(4)(B)]
- (j) Sulfur dioxide allowances shall be allocated to each unit at the source as follows:

SO<sub>2</sub> Allowance Allocations for Unit 3

- (1) 2000 - 4,697\*
- (2) 2001 - 4,697\*
- (3) 2002 - 4,697\*
- (4) 2003 - 4,697\*
- (5) 2004 - 4,697\*

SO<sub>2</sub> Allowances for Unit 4

- (1) 2000 - 6,874\*
- (2) 2001 - 6,874\*
- (3) 2002 - 6,874\*
- (4) 2003 - 6,874\*
- (5) 2004 - 6,874\*

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

**Nitrogen Oxides Requirements [326 IAC 21]**

- (a) The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides (NO<sub>x</sub>).
- (b) The designated representative shall submit a timely and complete permit application and compliance plan for NO<sub>x</sub> emissions for each Phase II affected unit at the source to IDEM, OAM and U.S.EPA by January 1, 1998, in accordance with 40 CFR 76.9.

The designated representative shall submit required information to:

Indiana Department of Environmental Management  
Compliance Data Section, Office of Air Management  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

U.S. Environmental Protection Agency  
Acid Rain Program (6204J)  
Attn.: Phase II NO<sub>x</sub>  
401 M Street, SW  
Washington, DC 20460

and

Hammond Department of Environmental Management  
5925 Calumet Avenue  
Hammond, Indiana 46320

- (c) After receipt of the required information, IDEM, OAM will reopen and revise the Acid Rain portion of the source's operating permit to add Acid Rain Program NO<sub>x</sub> requirements, in accordance with 40 CFR 76.
- (d) The reopening in (c) shall not affect the term of the acid rain portion of the source's operating permit. [40 CFR 72.85(d)]
- (e) Upon application by a source and approval by the Commissioner, an Alternative Emissions Limit (AELs) may be granted to a unit in accordance with 40 CFR 76.10.

**Excess Emissions Requirements [326 IAC 21]**

- (a) The designated representative of an affected unit that has excess emissions of sulfur dioxide in any calendar year shall submit a proposed offset plan to U.S. EPA and IDEM, OAM as required under 40 CFR 77 and 326 IAC 21.

The designated representative shall submit required information to:

Indiana Department of Environmental Management  
Compliance Data Section, Office of Air Management  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

U.S. Environmental Protection Agency  
Acid Rain Program (6204J)  
Attn.: Annual Reconciliation  
401 M Street, SW  
Washington, DC 20460

and

Hammond Department of Environmental Management  
5925 Calumet Avenue  
Hammond, Indiana 46320

- (b) The owners and operators of an affected unit that has excess emissions in any calendar year shall:
  - (1) Pay to U.S. EPA without demand the penalty required, and pay to U.S. EPA upon demand the interest on that penalty, as required by 40 CFR 77 and 326 IAC 21; and
  - (2) Comply with the terms of an approved offset plan, as required by 40 CFR 77 and 326 IAC 21.

#### **Record Keeping and Reporting Requirements [326 IAC 21]**

- (a) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by U.S. EPA or IDEM, OAM:
  - (1) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
  - (2) All emissions monitoring information collected shall be retained on site for 3 years in accordance with 40 CFR 75.54;
  - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and
  - (4) Copies of all documents used to complete an Acid Rain Permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (b) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72.90 subpart I, 40 CFR 75, and 326 IAC 21.

Submit required information to the appropriate authority(ies) as specified in 40 CFR 72.90 subpart I and 40 CFR 75.

#### **Submissions [326 IAC 21]**

- (a) The designated representative shall submit a certificate of representation, and any superseding certificate of representation, to U.S. EPA in accordance with 40 CFR 72

and 326 IAC 21.

The designated representative shall submit required information to:

U.S. Environmental Protection Agency  
Acid Rain Program (6204J)  
Attn.: Designated Representative  
401 M Street, SW  
Washington, DC 20460

- (b) Each submission under the Acid Rain Program shall be submitted, signed and certified by the designated representative for all sources on behalf of which the submission is made.
- (c) In each submission under the Acid Rain Program, the designated representative shall certify, by his or her signature:
  - (1) The following statement, which shall be included verbatim in the submission: "I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made." and
  - (2) The following statement which shall be included verbatim in the submission: "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."
- (d) The designated representative of a source shall serve notice on each owner and operator of the source and of an affected unit at the source:
  - (1) By the date of submission, of any Acid Rain Program submissions by the designated representative, and
  - (2) Within 10 business days of receipt of a determination, of any written determination by U.S. EPA or IDEM, OAM,
  - (3) Provided that the submission or determination covers the source or the unit.
- (e) The designated representative of a source shall provide each owner and operator of an affected unit at the source a copy of any submission or determination under condition (d) of this section, unless the owner or operator expressly waives the right to receive a copy.

#### **Severability [326 IAC 21]**

Invalidation of the acid rain portion of an operating permit does not affect the continuing validity of the rest of the operating permit, nor shall invalidation of any other portion of the operating

permit affect the continuing validity of the acid rain portion of the permit. [40 CFR 72.72(b), 326 IAC 21, and 326 IAC 2-7-5(5)].

#### **Liability [326 IAC 21]**

- (a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain Permit application, an Acid Rain Permit, an Acid Rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to section 113(c) of the Clean Air Act and shall be subject to enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-3.
- (b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Clean Air Act and 18 U.S.C. 1001 and shall be subject to criminal enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.
- (c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (d) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (e) Any provision of the Acid Rain Program that applies to an affected source, including a provision applicable to the designated representative of an affected source, shall also apply to the owners and operators of such source and of the affected units at the source.
- (f) Any provision of the Acid Rain Program that applies to an affected unit, including a provision applicable to the designated representative of an affected unit, shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO<sub>x</sub> averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.
- (g) Each violation of a provision of 40 CFR 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Clean Air Act.

#### **Effect on Other Authorities [326 IAC 21]**

No provision of the Acid Rain Program, an Acid Rain Permit application, an Acid Rain Permit, an Acid Rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8 shall

be construed as:

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

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

and

**Hammond Department of Environmental Management**

**Addendum to the  
Technical Support Documents for a Part 70 Operating Permit**

Source Name:	State Line Energy, LLC
Source Location:	103 <sup>rd</sup> Street and Lake Michigan, Hammond, IN 46320
County:	Lake
SIC Code:	4911 – Electric and Gas Services
Operation Permit No.:	T089-7062-00210
Permit Reviewer:	Ronald Holder

On November 1, 2003, the Hammond Department of Environmental Management (HDEM) had a notice published in the Hammond Times, Hammond, Indiana, stating that State Line Energy, LLC had applied for a Part 70 Operating Permit to operate an Electric Utility Power Plant. The notice also stated that the HDEM proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

Upon further review, the HDEM has decided to make the following revisions to the permit. New text is shown in bold font and deleted text is shown in strikeout font.

1. The Section Titles were previously only underlined in the B Section of the permit. For conformity and clarity, they have now been underlined in Section A, Section C, and all of the D Sections throughout the Permit.
2. In order to conform with the description in Section D.1, the description of the Coal Conditioner House in Section A.2 (1)(c), on page 7 of 62, was modified as follows:
  - (c) Unit 4 Coal Conditioner House (Unit ID 014). Coal can ~~also~~ be fed to or returned from this conditioner house via belt conveyors F3-A and F3-B. The Coal Conditioner House contains hammer mills for sizing the coal for combustion in the Unit 4 Cyclones. The Conditioner House is controlled by a dust collector (BH2) and water spray dust suppression.
3. There are no visible emission (VE) notation requirements for Section D.2, but there is provision in Section C of the permit for Method 9 visible emission readings in the case of Continuous Opacity Monitoring Equipment (COM) downtime. Therefore, the recordkeeping requirements on page 40 of 62, in condition D.2.17 (a)(3) were corrected as follows:
  - (3) The results of all ~~visible emission (VE) notations and~~ Method 9 visible emission readings taken during applicable periods of COM downtime **in accordance with Section C – Maintenance of Continuous Opacity Monitoring Equipment.**

4. There are no visible emission (VE) notation requirements for Section D.3, but there is provision in Section C of the permit for Method 9 visible emission readings in the case of Continuous Opacity Monitoring Equipment (COM) downtime. Therefore, the recordkeeping requirements on page 46 of 62, in condition D.3.15 (a)(3) were corrected as follows:

(3) The results of all ~~visible emission (VE) notations~~ and Method 9 visible emission readings taken during applicable periods of COM downtime in accordance with Section C – Maintenance of Continuous Opacity Monitoring Equipment.

5. On page 46 of 62, in condition D.3.17, Used Oil Requirements, a typographical error was corrected as follows:

The used oil burned in Unit 3 and ~~Unit 4~~ Unit 4 Boilers shall comply with the used oil requirements.....

6. On page 49 of 62, in condition D.4.6, Record Keeping Requirements, and condition D.4.7, Reporting Requirements, the following changes were made for clarification and uniformity:

D.4.6 Record Keeping Requirements

Pursuant to 326 IAC 12 and 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units), section 60.48c, ~~State Line Energy, LLC~~ the Permittee shall record and maintain records of the amount of natural gas combusted in the ~~Nebraska/Wabash Packaged Boiler~~ during each day.

D.4.7 Reporting Requirements

(a) A certification, signed by the responsible official, that certifies all of the fuels combusted during the **reporting** period. The natural gas-fired boiler certification does require the certification by the responsible official as defined by 326 IAC 2-7-1(34);

7. The following rule cite [IC 13-17-3-2] was added to the title of condition B.21 (Inspection and Entry) as follows:

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

8. The following clarification has been made to C.8 Stack Height to list the provisions of 326 IAC 1-7 that have not been approved into the Indiana State Implementation Plan and are not federally enforceable:

C.8 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(d), (e), and (f), and 326 IAC 1-7-5 (a), (b), and (d)~~ are not federally enforceable.

9. In C.18 and C.23(a), the word “source” was changed to “Permittee” as follows:

C.18 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 ~~source~~ Permittee must comply with the applicable requirements of 40 CFR 68.

C.23 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11]

- (a) The ~~source~~ Permittee shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, .....

- 10. The Testing Requirements conditions (D.2.7 and D.3.7) have been revised as follows to make the time allowed between tests clearer:

D.2.7 Testing Requirements [326 IAC 2-7-6(1), (6)] [326 IAC 2-1.1-11]

~~Within~~ **By December 31 of the two (2) second** calendar years following the most recent stack test, **or within 180 days after issuance of this permit, whichever is later**, compliance with the PM10 limitation in Condition D.2.1 shall be determined by a performance stack test conducted ~~utilizing~~ **using** methods as approved by the Commissioner. This ~~test~~ **testing** shall be repeated ~~at least once by December 31 of every two (2) second~~ calendar years following this valid compliance demonstration. Testing shall be conducted in accordance with Section C – Performance Testing.

D.3.7 Testing Requirements [326 IAC 2-7-6(1), (6)] [326 IAC 2-1.1-11]

~~Within~~ **By December 31 of the two (2) second** calendar years following the most recent stack test, **or within 180 days after issuance of this permit, whichever is later**, compliance with the PM10 limitation in Condition D.3.1 shall be determined by a performance stack test conducted ~~utilizing~~ **using** methods as approved by the Commissioner. This ~~test~~ **testing** shall be repeated ~~at least once by December 31 of every two (2) second~~ calendar years following this valid compliance demonstration. Testing shall be conducted in accordance with Section C – Performance Testing.

- 11. Lake County has been re-designated as “Attainment” for particulate matter less than ten (10) microns in diameter (PM<sub>10</sub>). Therefore, on page 7 of 62, in Section A.1, General Information of the Source Summary, the Source Location Status has been changed as follows:

~~Moderate Nonattainment~~ Attainment for PM10, and

- 12. For consistency, the record keeping requirements in Sections D.1.10 and D.5.9 have been updated as follows:

D.1.10 Record Keeping Requirements

- (d) To document compliance with Condition D.1.8, the Permittee shall maintain records of the results of the baghouse inspections, **including any additional inspections prescribed by the Preventive Maintenance Plan.**

D.5.9 Record Keeping Requirements

- (b) To document compliance with Conditions D.5.6 and D.5.7, the Permittee shall maintain the following:
  - (2) Records of the results of the baghouse inspections, **including any additional inspections prescribed by the Preventive Maintenance Plan;** and

- 13. For clarity, Condition D.4.4 was re-written and a rule cite was added. The record keeping requirement was removed because it is required in the Record Keeping and Reporting Requirement of this D Section.

~~D.4.4 — Compliance with the emissions limitations and standards in Condition D.4.1 and D.4.3 shall be determined by burning natural gas only in the Nebraska/Wabash Packaged Boiler and by the record keeping requirements of 40 CFR 60, Subpart Dc. —~~

**D.4.4 Particulate Matter (PM) [326 IAC 6-1-2]**

In order to demonstrate compliance with the particulate matter (PM) emissions limitation in Condition D.4.3, the Nebraska/Wabash Packaged Boiler shall only burn natural gas.

**State Line Energy, LLC** submitted the following comments on November 26, 2003. If a response to a comment results in a change to the permit, the new text is shown in bold font and deleted text is shown in strikeout font.

**Comment 1:**

**1. Opacity:** Continuous compliance with Condition C.2, as it is written, is not achievable. This condition states that we must maintain opacity below 20% with very limited exceptions. This facility has not been continuously subject to such a stringent limitation. We request that the permit clearly contain a condition regarding excess opacity during normal operations. Based on our records and past history, 1% of the operating time (excluding startups, shutdowns, and sootblowing) should be allowed for excess opacity.

**Response to Comment 1:**

The rule in Condition C.2 - Opacity [326 IAC 5-1] does not allow violations one percent (1%) of the time. IDEM can continue to use enforcement discretion in such matters; however, the permit condition cannot include an exemption that does not exist in the rule.

As stated in 326 IAC 5-1-5(b), if a source or facility believes it can operate in compliance with the applicable mass emission limitation, but exceeds the limits specified in section 2 of this rule, the owner or operator may submit a written petition to the commissioner requesting that an alternate opacity limitation (AOL) be established.

**Comment 2:**

**2. Compliance Response Plans:** We voice our objections to the permit conditions requiring a separate Compliance Response Plan (CRP), and especially condition C.19 in its entirety. The new CRP requirement goes well beyond the basic parameters of the Title V/40 CFR Part 70 program and is not necessary to assure compliance with applicable requirements. The cited regulatory authorities, 326 IAC 2-7-5 and 2-7-6, do not form an adequate basis for such sweeping new requirements. These new requirements are not "gap filling" for missing periodic monitoring. The Continuous Compliance Plan (CCP) for particulate matter and many other procedures that we have in place at this facility sufficiently address ongoing compliance. We, as the operator, remain responsible for our own compliance and we are obligated to report our compliance status to you, to IDEM, and to the US EPA. These reports then become public information. We remain obligated under other portions of the regulations to minimize emissions and to act with prudence regarding our activities that affect the environment. Therefore, there is no environmental benefit to be gained from the CRP: it is simply a hurdle that does not add value to the environmental process. We know of no other state that requires a formal compliance response plan under Title V. Other states simply require prompt responses to deviations from applicable requirements.

For these reasons, these new requirements are unacceptable and should be deleted from the proposed permit. We also believe that the CRP requirements, as written, are not enforceable as a practical matter and are therefore not appropriate as permit conditions.

In addition to our general objection of Condition C.19, we object to the inclusion of the Compliance Response Plan in the following permit conditions: D.1.6(c) and (d), D.2.13, D.2.14, D.2.15, D.3.6(b)(2), D.3.13, D.5.6(a), D.5.7(b), and D.5.8. These requirements should be removed.

### **Response to Comment 2:**

An important goal of the Part 70 Operating Permit program is to assure that each Permittee has the ability to assure compliance with applicable requirements on a continuous basis.

During the development of the Part 70 permit program, IDEM worked with interested parties, such as the:

Clean Air Act Advisory Council's Permit Committee,  
Indiana Manufacturing Association,  
Indiana Chamber of Commerce, and  
individual Part 70 sources.

A consensus was reached that written plans, outside of the permit document, such as the Compliance Response Plan (CRP), are vital tools that the Permittee can implement to ensure compliance. Plans are also the documents to implement if an emission unit or air pollution control device deviates from its normal operation.

It is correct that 326 IAC 2-7-5 and 326 IAC 2-7-6 do not have or use the exact term "CRP" however, 326 IAC 2-7-6(6) provides the Department the authority to specify provisions in the Part 70 Operating Permit as the Commissioner may require with respect to ensuring compliance with applicable requirements. IDEM has determined that a CRP provision is necessary with respect to compliance assurance.

The requirement to develop and implement the plan does not prescribe any new applicable requirement. The CRP is a compilation of reasonable responses, schedules, work practices and other information developed by the Permittee from the standpoint of good business practices and the prevention of environmental problems. The Permittee has to implement these reasonable responses and schedules to maintain or return to compliance. The steps documented in the plan are reasonable actions to be taken for specific deviations that occur at the emission unit or control device.

Permittees already have maintenance schedules and trouble shooting guidelines that specify options and steps to be taken when the emission unit or control device is not operating or functioning properly. The Permittee has the knowledge, expertise and experience on how to operate the equipment at the plant, and is required to develop the CRP based on this knowledge, experience and expertise. The CRP maintains the documentation, such that changes in personnel will not hinder the proper operation of the emission unit and control device. The CRP provides the plant's employees a quick reference on how to respond when an emission unit or air pollution control device deviates from its normal operation, thus avoiding long periods of deviations.

### **Comment 3:**

**3. Coal and Ash Handling System Baghouses:** Conditions D.1.7 and D.5.6 contain unnecessary requirements for pressure drop gauges to be installed and maintained on the baghouses serving the coal and ash handling, respectively. These pressure drop gauges are of very limited utility in determining the operating status of the baghouses. These coal and ash handling systems will not become subject to the CAM program in the future (40 CFR 64); therefore, it would serve no benefit to require these gauges now.

Conditions D.1.8 and D.5.7, which require internal inspections of all the coal and ash handling system baghouses, are also unnecessary to ensure adequate environmental protection. We are required by other air quality regulatory provisions to develop and follow preventive maintenance plans. These plans incorporate the routine maintenance for these baghouses and are designed to protect the environment.

We also believe that Conditions D.1.9 and D.5.8, relating to broken or failed bag detection in the baghouses serving the coal and ash handling processes respectively, are not necessary for adequate environmental protection. The CCP for the facility continues to ensure that excessive particulate emissions will not occur due to malfunctions of the air pollution control and process equipment. This detailed parametric monitoring proposed by HDEM and IDEM is contrary to an IDEM guidance document dated May 16, 1996 that states that compliance monitoring plans are only required if:

- (1) The unit emits particulate matter, sulfur dioxide, or volatile organic compounds; and
- (2) The unit is subject to a NSPS or NESHAP (for these units current requirements will satisfy as a compliance monitoring plan); or
- (3) The unit has a device to control emissions; and the allowable emissions exceed 10 pounds an hour; or
- (4) The unit does not have a control device, and has actual emissions exceeding 25 tons per year.

These emission units are not subject to a federal NSPS or NESHAP that requires continuous monitoring. The control devices each have allowable emissions that do not exceed 10 pounds per hour.

There are other provisions in the permit that will require us to promptly report deviations and correct them expeditiously without the specific prescriptions required by these proposed permit conditions. The specific actions required by Conditions D.1.6 and D.5.5, relating to the visible emissions checks from these baghouses and excepting the parts of those conditions relating to Compliance Response Plans, are completely adequate to address all air quality concerns that result from these processes. Please delete Conditions D.1.7, D.1.8, D.1.9, D.5.6, D.5.7, and D.5.8.

### **Response to Comment 3:**

The guidance memo that the commenter has referred to in the comment outlines the criteria for when a compliance monitoring plan is required to be included in the initial application for a Part 70 permit in order for the application to be considered complete under 326 IAC 2-7-4(a)(2). If a compliance monitoring plan is not required, it does not mean that no compliance monitoring is necessary. Monitoring of the static pressure drop and internal inspections of the baghouses can alert the operator to relative changes (such as dust cake resistance) over a period of time. An abnormal pressure drop can indicate a pending or current malfunction of the control device, which could cause an exceedance of a particulate matter limitation or an exceedance of an opacity limit. The emission units have emission limitations and opacity limitations. The calculations show that the baghouses in each case are necessary to meet those limitations. All shifts should be in tune with the work practices necessary to ensure continual compliance with permit requirements.

With respect to Conditions D.1.9 and D.5.8, relating to broken or failed bags; torn or otherwise failed bags can have a dramatic effect on baghouse performance and few sources have reliable information that demonstrates that compliance can be achieved when compartments are "on line" with torn bags. The condition was previously revised to clarify that the emergency provisions of the Title V rule and the corresponding condition in this permit may take precedence if applicable. A response is required in the event that a bag failure has been observed and the condition has not been removed.

### **Comment 4:**

**4. Unit 4 ESP:** We have several concerns with the new requirements proposed to be imposed on the electrostatic precipitator (ESP) serving Unit 4. The proposed permit requirements for the Preventive Maintenance Plan are much more prescriptive than is necessary to ensure adequate compliance with applicable requirements. There is no regulatory justification for the level of detail in D.3.6. We request

that D.3.6 be made identical to the other permit conditions that require Preventive Maintenance Plans (e.g., D.1.4).

We object to Condition D.3.13, regarding transformer-rectifier (T-R) sets associated with this ESP. We do not believe that D.3.13 is necessary to demonstrate air quality compliance and should be deleted. We very strongly object to D.3.13(b) which proposes that a specific percentage of T-R sets in service is indicative of compliance with particulate limits. This requirement goes well beyond any "gap filling" for periodic monitoring. At a minimum, please delete D.3.13(b) in its entirety.

#### **Response to Comment 4:**

326 IAC 2-7-5(1) and 326 IAC 2-7-6(1) provide IDEM the authority to require compliance monitoring conditions as necessary to assure continuous compliance with the emission limits. These rule cites are included as part of the title of the compliance monitoring section of the permit. The ESP must operate properly in order for the boilers to achieve compliance; therefore, IDEM believes it is reasonable and necessary to require the source to inspect the ESP periodically. The detailed requirements for inspecting the ESPs are taken from a US EPA Publication titled "Operation and Maintenance Manual for Electrostatic Precipitators", which is document number EPA/625/1-85/017. There has been no change to the permit as a result of this comment.

The conditions referenced by the commenter do not establish a "one size fits all" approach to compliance monitoring. ESP T/R sets must achieve at least some level of functionality for the ESP to properly control emissions. Site specific stack test results were reviewed to determine the percent of functional T/R sets necessary to assure compliance.

#### **Comment 5:**

**5. NOx Budget Trading Program:** Thank you for making the requested changes to the NOx monitoring conditions relating to the Budget Trading Program. However, we believe that the permit may lack enough specificity to ascertain that the NOx Budget Trading Program requirements are indeed applicable requirements for this facility. Please consider adding a condition to Part C of the permit that clearly states that this facility is subject to this program. Alternatively, you could add another Appendix and attach the NOx Budget Trading Program permit required by 326 IAC 10-4-4(a).

#### **Response to Comment 5:** (Conditions D.2.12 and D.3.12)

The technical support document (TSD), that accompanies the permit, verifies the applicability or non-applicability of Federal, State, and Local rules and regulations. Applicability of the NOx Budget Trading Program for Unit 3 and Unit 4 is discussed under the heading "State Rule Applicability - Entire Source".

HDEM and IDEM have decided to include the NOx Budget Trading Program Permit in the Part 70 permit now and remove Conditions D.2.12 and D.3.12 from the notice published on November 1, 2003, because the monitoring requirements will be contained within the NOx Budget Permit. In addition, HDEM and IDEM added a sentence to the end of Condition B.20(c) to clarify that the advanced notification of trade requirements in Condition B.20(a)(4) are not applicable to emissions trades under 326 IAC 10-4 and 326 IAC 21 because the Acid Rain Program and NOx Budget Trading Program contain separate requirements for trading procedures and do not require notification to be submitted to HDEM or IDEM ten (10) days in advance of a trade. The NOx Budget Permit (Section F) and the technical support document (Appendix B to the original TSD), including the above-mentioned changes, were placed on a 30-day public notice period extending from February 27, 2004 to March 27, 2004.

Note: Nox Budget covered by Condition B.20 and F.4(h) (Recordation) and Acid Rain Permit requirements covered by Condition E.2.

On December 2, 2003, **The Indiana Electric Utility Air Work Group (IEUAWG)** submitted comments on the proposed Part 70 permit. The summary of the comments and any changes made as a result of the comments follows. New text is shown in bold font and deleted text is shown in strikeout font.

### **Comment 1:**

**1. Condition C.2 – Opacity.** The IEUAWG is concerned that as currently written, this provision will be impossible to comply with on an ongoing basis. As IDEM/HDEM is aware, the current particulate technologies cannot prevent *all* six-minute opacity exceedances no matter how well the control equipment is maintained and operated. Historically, IDEM/HDEM has handled this situation by allowing somewhere between two and five percent of the operating time to have opacity exceedances for all reasons before beginning an inquiry that could lead to an enforcement action.

While this practice has been highly successfully under the past permitting and compliance scheme, it will not work under Title V. However, since the facility utilizes the same equipment that has been in place for many years to successfully comply with particulate and opacity limits, it is still necessary to have this same allowance in place. We therefore believe that IDEM/HDEM should add a provision to this condition that allows up to 3% of the operating hours to exceed the opacity standard for the facility and still allow the certification of full compliance with the provisions of the permit under this section.

In order to implement this necessary provision, we recommend that IDEM/HDEM change Condition C.2 as follows by adding the language of a new subsection (c) as set forth below:

- (c) For units for which opacity is monitored continuously, any opacity in excess of the applicable limitations contained in this condition will not be considered a violation provided that the total time in excess does not exceed 3% of the total boiler operating time on a quarterly basis and the primary causes of the exceedances are not due to lack of maintenance or improper operations.

### **Response to Comment 1:**

326 IAC 5-1 does not allow exemptions from the opacity limit up to three percent (3%) of the boiler operating time; therefore, IDEM cannot simply create such an exemption in the permit when one does not exist in the rule. IDEM will continue to use enforcement discretion; however, the permit will not include the suggested blanket exemption for exceeding the opacity limit up to 3% of the boiler operating time.

### **Comment 2:**

**2. Condition C.12 - Compliance Monitoring.** To the extent that these conditions remain in the permit, IEUAWG requests that HDEM/IDEM confirm that the specific following plans and operational/monitoring activities are not required to be developed and implemented until 90 days after issuance of the permit: Preventive Maintenance Plan (B.10, D.1.4, D.2.6, D.3.6, D.5.3); Pressure Gauge and Other Instrument Specifications (C.16); Emergency Reduction Plan (C.17); Compliance Response Plan (C.19); Transformer-Rectifier (T-R) Sets (D.3.13); SO<sub>2</sub> Monitoring System Downtime (D.2.16, D.3.14); Visible Emission Notations (D.1.6, D.5.5); Baghouse Parametric Monitoring (D.1.7, D.2.13, D.5.6); Baghouse Inspections (D.1.8, D.2.14, D.5.7); Broken or Failed Bag Detection (D.1.9, D.2.15, D.5.8); Maintenance of Continuous Opacity Monitoring Equipment (C.14); and all related recordkeeping and reporting.

### **Response to Comment 2:**

Condition C.12 (Compliance Monitoring) states "Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance." Condition C.22 (General Record Keeping Requirements) states "Unless

otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.” These statements clearly explain that if a compliance monitoring or record keeping requirement is not already legally required, the Permittee has 90 days to begin implementation of the requirements.

**Comment 3:**

**3. Condition C.14-Maintenance of Continuous Opacity Monitoring Equipment.** We think that HDEM/IDEM is not authorized to impose this condition, but we acknowledge that this form of this condition is much better than previous forms. The IEUAWG could agree that Method 9 readings for 1/2 hour every 4 hours beginning 24 hours after the downtime commences is reasonable, and could agree that VE readings once per hour is reasonable, but it believes that this process should not be required until 4 hours after the commencement of the downtime. This provision should be revised to allow more flexibility, and subsection (d) should be replaced with the following:

**C.14 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]**

- (d) **Whenever a continuous opacity monitor (COM) is malfunctioning or will be down for calibration, maintenance, or repairs for a period of one (1) hour or more, beginning four (4) hours after the commencement of the COM malfunction compliance with the applicable opacity limits shall be demonstrated by the following:**
  - (1) **Visible emission (VE) notations shall be performed once per hour during daylight operations following the shutdown or malfunction of the primary COM. A trained employee shall record whether emissions are normal or abnormal for the state of operation of the emission unit at the time of the reading.**
    - (A) **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.**
    - (B) **If abnormal emissions are noted during two consecutive emission notations, the Permittee shall begin Method 9 opacity observations within four hours of the second abnormal notation.**
    - (C) **VE notations may be discontinued once a COM is online or formal Method 9 readings have been implemented.**
  - (2) **If a COM is not online within twenty-four (24) hours of shutdown or malfunction of the primary COM, the Permittee shall provide certified opacity reader(s), who may be employees of the Permittee or independent contractors, to self-monitor the emissions from the emission unit stack.**
    - (A) **Visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of (5) consecutive six (6) minute averaging periods beginning not more than twenty-four (24) hours after the start of the malfunction or down time.**
    - (B) **Method 9 opacity readings shall be repeated for a minimum of five (5) consecutive six (6) minute averaging periods at least once every four(4) hours during daylight operations, until such time that a COM is in operation.**

- (C) **Method 9 readings may be continued once a COM is online.**
  - (D) **Any opacity exceedances determined by Method 9 readings shall be reported with the Quarterly Opacity Exceedances Reports.**
- (3) **If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan- Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C-Compliance Response Plan-Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.**

**Response to Comment 3:**

The Visible Emissions (VE) notations and the Method 9 visible emission readings required in this condition are taken in response to COM downtime and, therefore, are required to assure continuous compliance pursuant to 326 IAC 2-7-5(3). The commenter has requested that the visible emission readings not be required until 4 hours after the commencement of the downtime. IDEM believes that this language is necessary for the demonstration of continuous compliance pursuant to 326 IAC 2-7-5(3), and has determined that the following change to Condition C.14 should be made.

C.14 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

- ~~(d) Whenever a continuous opacity monitor (COM) is malfunctioning or will be down for calibration, maintenance, or repairs for a period of four (4) hours or more, a calibrated backup COM shall be brought online within four (4) hours of shutdown of the primary COM, if possible. If this is not possible, visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of one half hour beginning four (4) hours after the start of the malfunction or down time.~~
  - ~~(1) If the reading period begins less than one hour before sunset, readings shall be performed until sunset. If the first required reading period would occur between sunset and sunrise, the first reading shall be performed as soon as there is sufficient daylight.~~
  - ~~(2) Method 9 opacity readings shall be repeated for a minimum of one half hour at least once every four (4) hours during daylight operations, until such time that the continuous opacity monitor is back in operation. In addition, when the COM is down, a minimum of one half hour of Method 9 readings is required for any time after the initial one half hour reading when the unit experiences a load change of 20%. Any such additional reading period will restart the clock such that the next reading will be due within four (4) hours of the additional reading, absent another load change of 20%.~~
- (d) Whenever a continuous opacity monitor (COM) is malfunctioning or will be down for calibration, maintenance, or repairs for a period of one (1) hour or more, compliance with the applicable opacity limits shall be demonstrated by the following:
  - (1) Visible emission (VE) notations shall be performed once per hour during daylight operations following the shutdown or malfunction of the primary COM. A trained employee shall record whether emissions are normal or abnormal for the state of operation of the emission unit at the time of the reading.
    - (A) 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.

- (B) If abnormal emissions are noted during two consecutive emission notations, the Permittee shall begin Method 9 opacity observations within four hours of the second abnormal notation.
  - (C) VE notations may be discontinued once a COM is online or formal Method 9 readings have been implemented.
- (2) If a COM is not online within twenty-four (24) hours of shutdown or malfunction of the primary COM, the Permittee shall provide certified opacity reader(s), who may be employees of the Permittee or independent contractors, to self-monitor the emissions from the emission unit stack.
- (A) Visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of (5) consecutive six (6) minute averaging periods beginning not more than twenty-four (24) hours after the start of the malfunction or down time.
  - (B) Method 9 opacity readings shall be repeated for a minimum of five (5) consecutive six (6) minute averaging periods at least once every four(4) hours during daylight operations, until such time that a COM is in operation.
  - (C) Method 9 readings may be continued once a COM is online.
  - (D) Any opacity exceedances determined by Method 9 readings shall be reported with the Quarterly Opacity Exceedances Reports.
- (3) If abnormal emissions are observed, the Permittee shall take reasonable response steps in accordance with Section C – Compliance Response Plan- Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C-Compliance Response Plan-Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

#### **Comment 4:**

#### **4. Condition C.19-Compliance Response Plan-Preparation, Implementation, Records, and Reports.**

As a legal matter, IDEM/HDEM is not authorized to impose a requirement to develop and implement a "Compliance response plan." There is no requirement in the Indiana regulations or statutes that a source develop a "compliance response plan" – on the contrary, that term is not defined anywhere. "Title V does not impose substantive new requirements," but instead requires that all the "applicable requirements" be consolidated into one document – the Part 70 Operating Permit. See *New York Public Interest Research Group v. Whitman*, 321 F.3d 316, 320 (2d Cir. 2003); (see also the EPA statement in the Federal Register with respect to Indiana's Part 70 program: "Applicable requirements must exist independently of title V permits...[T]itle V authority cannot modify existing applicable requirements." 67 Fed. Reg. 34,844, 34,847 (May 16, 2002).

It is also important to note that IDEM/HDEM is not authorized to create requirements out of whole cloth. As an agency of state government, IDEM/HDEM has only the powers expressly conferred by statute.

However, notwithstanding this condition's invalidity, IEUAWG could be willing to accept this condition on a unit specific basis if the specific monitoring conditions are acceptable. Each member company would be left to determine their own unit specific plan. In any event, a source should not be found in violation if it fails to follow such a plan because every eventuality cannot be predicted in advance.

#### **Response to Comment 4:**

An important goal of the Part 70 Operating Permit program is to assure that each Permittee has the ability to assure compliance with applicable requirements on a continuous basis.

During the development of the Part 70 permit program, IDEM worked with interested parties, such as the:

Clean Air Act Advisory Council's Permit Committee,  
Indiana Manufacturing Association,  
Indiana Chamber of Commerce, and  
individual Part 70 sources.

A consensus was reached that written plans, outside of the permit document, such as the Compliance Response Plan (CRP), are vital tools that the Permittee can implement to ensure compliance. Plans are also the documents to implement if an emission unit or air pollution control device deviates from its normal operation.

It is correct that 326 IAC 2-7-5 and 326 IAC 2-7-6 do not have or use the exact term "CRP" however, 326 IAC 2-7-6(6) provides the Department the authority to specify provisions in the Part 70 Operating Permit as the Commissioner may require with respect to ensuring compliance with applicable requirements. IDEM has determined that a CRP provision is necessary with respect to compliance assurance.

The requirement to develop and implement the plan does not prescribe any new applicable requirement. The CRP is a compilation of reasonable responses, schedules, work practices and other information developed by the Permittee from the standpoint of good business practices and the prevention of environmental problems. The Permittee has to implement these reasonable responses and schedules to maintain or return to compliance. The steps documented in the plan are reasonable actions to be taken for specific deviations that occur at the emission unit or control device.

Permittees already have maintenance schedules and trouble shooting guidelines that specify options and steps to be taken when the emission unit or control device is not operating or functioning properly. The Permittee has the knowledge, expertise and experience on how to operate the equipment at the plant, and is required to develop the CRP based on this knowledge, experience and expertise. The CRP maintains the documentation, such that changes in personnel will not hinder the proper operation of the emission unit and control device. The CRP provides the plant's employees a quick reference on how to respond when an emission unit or air pollution control device deviates from its normal operation, thus avoiding long periods of deviations.

#### **Comment 5:**

##### **5. Condition C.20-Actions Related to Noncompliance Demonstrated by a Stack Test.**

IDEM/HDEM should modify this condition to allow itself and the permit holder more flexibility in the event a stack test is failed. As currently written, this condition specifies certain actions that must be taken when noncompliance is demonstrated by a stack test. In reality, negotiations to resolve the issue generally occur on the spot between the representatives of the source and IDEM/HDEM. The specific corrective measures are subsequently developed during consultation with IDEM/HDEM depending on the specific circumstances. The specific procedures set out in Condition C.18 interfere with the ability of both IDEM/HDEM and the permit holder to develop timely or subsequent constructive alternatives and these requirements inhibit flexibility. In order to restore the current flexibility both IDEM/HDEM and the source have when this occurs, the condition should be modified by adding a new subsection (c) as indicated below and re-lettering the remaining subsections.

C.20 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5] [326 IAC 2-7-6]

- (a) When the results of a stack test performed in conformance with Section C – Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate response actions. The Permittee shall submit a description of these response actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize excess emissions from the affected facility while the response actions are being implemented.
- (b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ that retesting in one hundred and twenty (120) days is not practicable, IDEM, OAQ may extend the retesting deadline.
- (c) **The Permittee is not required to follow the specific procedures set out in (a) and (b) above if it and IDEM, OAQ agree to a different schedule of activities to address any noncompliant situation. IDEM, OAQ may agree to any such alternative procedures proposed by the Permittee so long as they are reasonable and consistent with applicable law.**

#### **Response to Comment 5:**

The condition as currently written provides sufficient flexibility for IDEM, OAQ and the Permittee to establish a different schedule of activities if appropriate. For example, paragraph (b) already states that should the Permittee demonstrate to IDEM, OAQ that retesting in 120 days is not practicable, IDEM, OAQ may extend the retesting deadline. No change to the condition is necessary.

#### **Comment 6:**

##### **6. Conditions D.1.4, D.2.6, D.3.6, and D.5.3 – Preventive Maintenance Plan.**

In several places of the permit, such as Conditions D.1.4, D.2.6, D.3.6, and D.5.3, the permit includes preventive maintenance plan requirements for the “facility control devices.” We object to those conditions on the following grounds.

There is not direct statutory or regulatory authority, state or federal, for the preventive maintenance plan requirement. The preventive maintenance plan requirement arises out of 326 IAC 1-6-1 *et seq.* That rule “applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1.” See 326 IAC 2-5.1-1(2). So, it does not apply to these units. 326 IAC 2-6.1 (Minor Source Operating Program) applies to sources in existence before December 25, 1998, that meet an applicability criterion in 326 IAC 2-5.1-3(a), “[e]xcept for sources required to have a Part 70 permit as described in 326 IAC 2-7-2....” 326 IAC 2-6.1-2. Thus, it does not apply to these units either.

#### **Response to Comment 6:**

The Preventive Maintenance Plan requirement must be included in every applicable Part 70 permit pursuant to 326 IAC 2-7-5 (13). This rule refers back to the Preventive Maintenance Plan described by 326 IAC 1-6-3. This Preventive Maintenance Plan rule sets out the requirements for:

- (1) Identification of the individuals responsible for inspecting, maintaining and repairing the emission control equipment (326 IAC 1-6-3 (a)(1)),
- (2) The description of the items or conditions in the facility that will be inspected and the inspection schedule for said items or conditions (326 IAC 1-6-3(a)(2)), and
- (3) The identification and quantification of the replacement parts for the facility which the Permittee will maintain in inventory for quick replacement (326 IAC 1-6-3 (a) (2)).

Pursuant to 326 IAC 1-6-1 (Applicability), 326 IAC 1-6-3 applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-1-2 and 326 IAC 2-1-4. Therefore, it is clear from the structure of 326 IAC 1-6-3 that the PMP requirement affects the entirety of the applicable facilities. Only 326 IAC 1-6-3 (a)(1) is limited, in that it requires identification of the personnel in charge of only the emission control equipment, and not any other facility equipment. In additional support of this position, 326 IAC 1-6-5 provides that the commissioner may require changes in the maintenance plan to reduce excessive malfunctions in any control device or combustion or process equipment. Therefore, it is also clear from the structure of 326 IAC 1-6-5 that the PMP requirement affects the emission unit as well as the control device.

**Comment 7:**

**7. Conditions D.1.5 - Particulate Emissions Control; D.2.8 - Operation of the Particulate Control Device (Baghouse); D.3.8 - Operation of Electrostatic Precipitator; and D.5.4 - Particulate Matter (PM) Control.**

As currently structured, these conditions require the emission control devices to be operated at all times when the controlled processes are in operation. These requirements conflict with the regulations that allow continued operation even when the emission control equipment is not operating. Such situations include start-ups, shut-downs, emergencies, malfunctions, and situations where a unit can comply with the underlying regulations without operation of the control equipment. In addition, these requirements may cause a violation of other employee safety regulations during some operating regimens.

There is no regulation or statute that requires continuous operation of the electrostatic precipitator if it is not needed to satisfy an emission limit. The legal requirement is to comply with the emission limit, and it is up to the source to choose the methods for achieving that compliance.

We believe that these sections should be revised to allow non-operation of the control equipment when the limits are met, as would currently be the case. The following proposed revision to this condition accomplishes this goal.

**D.1.5 Particulate Emissions Control [326 IAC 2-7-6(6)] [326 IAC 6-1-2] [326 IAC 6-1-11.1]**

- (a) **Except as otherwise provided by statute or rule or in this permit, the Baghouse or secondary control (dust suppression/water spray) for the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and the Unit 3 and 4 Bunkers shall be operated as needed to maintain compliance with applicable emission limits.**

**D.2.8 Operation of the Particulate Control Device (Baghouse) [326 IAC 2-7-6(6)]**

Except as otherwise provided by statute or in this permit, the baghouse shall be operated **as needed to maintain compliance with applicable emission limits.**

**D.3.8 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]**

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator (ESP) shall be operated **as needed to maintain compliance with applicable emission limits.**

**D.5.4 Particulate matter (PM) Control [326 IAC 2-7-6(6)]**

**Except as otherwise provided by statute or rule or in this permit, the Baghouses for each Fly Ash Truck Loading System shall be operated as needed to maintain compliance with applicable emission limits.**

### **Response to Comment 7:**

The condition as currently written does not conflict with the regulations that allow continued operation even when the emission control equipment is not operating, because the condition already states "Except as otherwise provided by statute or rule or in this permit..." The applicable requirements regarding the ESP operation during startups, shutdowns, and emergencies are provided elsewhere in the permit. These units are not equipped with continuous emission monitoring systems to measure particulate matter mass emissions, and the Permittee has not conducted any stack tests demonstrating compliance with the particulate matter emission limitations while the ESP was NOT in operation. Additionally, the Permittee has not submitted any information to demonstrate that compliance with the particulate matter mass emission limitations can be achieved without the use of the ESP; therefore, IDEM does not agree to make the requested revisions to the condition.

### **Comment 8:**

**8. Condition D.3.13-Transformer-Rectifier (T-R) Sets.** For the reasons set forth in comment number 4, we believe that these provisions exceed IDEM's cited authorities. Presumably, IDEM relies on 326 IAC 2-7-5(3) for imposing these additional monitoring and parametric requirements. However, the Indiana Air Pollution Control Board could not have lawfully delegated that authority to IDEM/HDEM. The Board's rulemaking authority can be exercised only with observance of elaborate procedural and substantive safeguards. See, e.g., Ind. Code 13-14-8-4 and 13-14-9; *Indiana Environmental Management Bd. V. Indiana-Kentucky Electric Corporation*, 393 N.E.2d 213 (Ind. Ct. App. 1979). The legislature surely did not expressly provide for monitoring requirements to be promulgated by the boards according to such rigorous rulemaking procedures, while allow IDEM/HDEM to impose different monitoring requirements on an *ad hoc*, case-by-case basis. On this basis, Ind. Code 13-14-1-3 and 326 IAC 2-7-5(3)(A) should be read as requiring that IDEM/HDEM impose in permits and enforcement orders only those monitoring requirements that the Air Pollution Control Board has promulgated by rule. The statutes cannot be read as authorizing the Air Pollution Control Board to delegate to IDEM/HDEM authority to make up monitoring requirements on an *ad hoc* basis. After all, even the Board could not do that.

In addition, in reviewing the requirements of this provision, we cannot see where the stated requirements will serve to assure compliance with either the mass or the opacity limits contained in the permit. Our experience with particulate control devices tells us that these relationships are highly site and fuel specific. Using a "one size fits all" approach in Title V permits results in taking operational flexibility away from the source and does not serve to further compliance with the permits. For these reasons, IEUAWG encourages IDEM/HDEM to remove this section of the permit.

### **Response to Comment 8:**

IC 13-14-1-13 (Duties of the Department: Monitoring and Reporting) states the following:

The Commissioner shall establish and administer monitoring and reporting requirements as necessary to carry out the duties and exercise the powers provided in the following:

- 1) Air pollution control laws.
- 2) Water pollution control laws.
- 3) Environmental management laws.

This statute clearly provides broader authority than just allowing the Commissioner to simply copy monitoring and reporting requirements that are specifically established in some other law.

Additionally, the provisions of 326 IAC 2-7-5(3) state that the Part 70 permits must include: "Monitoring and related record-keeping and reporting requirements which assure that all reasonable information is provided to evaluate **continuous compliance** with the applicable requirements." There are no other

rules applicable to this source that already include the level of detailed monitoring and related record keeping and reporting requirements necessary to assure that all reasonable information is provided to evaluate continuous compliance; therefore, as required by 326 IAC 2-7-5(3), additional compliance monitoring, record keeping and reporting requirements must be included in the Part 70 permit.

The conditions referenced by the commenter do not establish a "one size fits all" approach to compliance monitoring. ESP T/R sets must achieve at least some level of functionality for the ESP to properly control emissions. Site specific stack test results were reviewed to determine the percent of functional T/R sets necessary to assure compliance.

### **Comment 9:**

**9. Conditions D.1.7, D.2.13 and D.5.6 - Baghouse Parametric Monitoring.** For the reasons set forth in comments numbered 6 and 8, IDEM/HDEM is not authorized to impose this baghouse parametric monitoring. In addition, regarding Conditions D.1.7 and D.5.6, the emission levels from these baghouses are so insignificant that detailed parametric monitoring should not be required, consistent with the IDEM guidance dated May 16, 1996. That guidance stated that compliance monitoring plans are only required if:

- (1) The unit emits particulate matter, sulfur dioxide, or volatile organic compounds; and
- (2) The unit is subject to a NSPS or NESHAP (for these units current requirements will satisfy as a compliance monitoring plan); or
- (3) The unit has a device to control emissions; and the allowable emissions exceed 10 pounds an hour; or
- (4) The unit does not have a control device, and has actual emissions exceeding 25 tons per year.

The units regulated by Conditions D.1.7 and D.5.6 do not satisfy even these policy criteria. Therefore, these conditions should be removed as follows:

### **Response to Comment 9:**

The guidance cited in the comment lists criteria to establish which units required a compliance monitoring plan to be submitted as part of the Part 70 application. Just because a unit does not meet the requirements to submit a compliance monitoring plan does not mean that the unit should be exempt from any and all compliance monitoring requirements as part of the Part 70 permit.

The monitoring of the pressure drop of the baghouses provides an indication of whether the control device is operating properly. Monitoring of the static pressure drop can alert the operator to relative changes (such as dust cake resistance or bag failure) over a period of time. The operator can use this information to chart trends and determine if the unit is operating within the optimal range as determined by baseline testing of the unit and manufacturer's specifications. Pressure drop is an indicator of a variety of conditions within the baghouse. Any deviations from the normal operational range of the unit, whether gradual or sudden, should alert the operator that the unit needs maintenance. The Compliance Response Plan should include response steps to anticipate corrective actions when abnormal conditions arise. Both gradual and sudden changes in the pressure drop could result in damage to the bags if not properly addressed. Further, while the nature of a facility's operation may not vary from shift to shift, the personnel at the facility does change from shift to shift. The OAQ believes that all shifts should be in tune with the work practices necessary to ensure continual compliance with permit requirements. These work practices should include an understanding and awareness of proper operating parameters of the control equipment. This knowledge and awareness during all shifts can minimize lag time in addressing control failure. Therefore, the OAQ believes that pressure drop readings should be taken at least once per shift. The requirements to measure the pressure drops across the baghouses will not be deleted from the permit.

**Comment 10:**

**10. Conditions D.1.8, D.2.14, and D.5.7-Baghouse Inspections.** For the reasons set forth in comments numbered 4, 6, and 8, IDEM/HDEM is not authorized to require these baghouse inspections. In addition, the emission levels from the baghouses regulated under Conditions D.1.8 and D.5.7 are so insignificant that detailed parametric monitoring should not be required, consistent with the IDEM guidance dated May 16, 1996. All of these conditions should be removed.

**Response to Comment 10:**

326 IAC 2-7-5(1) and 326 IAC 2-7-6(1) provide IDEM the authority to require compliance monitoring conditions as necessary to assure continuous compliance with the emission limits. These rule cites are included as part of the title of the compliance monitoring section of the permit. The baghouses must operate properly in order for the processes to achieve compliance with the applicable PM emission limits; therefore, IDEM believes it is reasonable and necessary to require the source to inspect the baghouses periodically.

**Comment 11:**

**11. Conditions D.1.9, D.2.15, and D.5.8 - Broken or Failed Bag Detection.** For the reasons set forth in comments numbered 4, 6, and 8, IDEM/HDEM is not authorized to impose these failed bag requirements. In addition, the emission levels from the baghouses regulated under conditions D.1.9 and D.5.8 are so insignificant that detailed parametric monitoring should not be required, consistent with the IDEM guidance dated May 16, 1996. These conditions should be removed.

**Response to Comment 11:**

The baghouses must operate properly in order for the processes to achieve compliance with the applicable PM emission limits; therefore, IDEM believes it is reasonable and necessary to require the source to take appropriate response steps, as specified in Condition D.1.9 and D.5.8, whenever bag failure occurs. There has been no change to the permit as a result of this comment.

**Upon further review, IDEM determined that the following revisions to the permit were necessary.**

**Revision #1**

The following revision was made to the Emission Statement condition to incorporate the revisions to 326 IAC 2-6 that became effective March 27, 2004. The revised rule was published in the April 1, 2004 Indiana Register.

C.21 Emission Statement [326 IAC 2-7-5(3)(C)(iii)] [326 IAC 2-7-5(7)] [326 IAC 2-7-19(c)]  
[326 IAC 2-6]

- (a) ~~The Permittee shall submit an annual emission statement certified pursuant to the requirements of 326 IAC 2-6, that must be received by April 15 of each year and must comply with the minimum requirements specified in 326 IAC 2-6-4. The annual emission statement shall meet the following requirements:~~
- (a) **Pursuant to 326 IAC 2-6-3(a)(1), the Permittee shall submit by July 1 of each year an emission statement covering the previous calendar year. The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4(c) and shall meet the following requirements:**

- (1) Indicate estimated actual emissions of ~~criteria pollutants from the source, in compliance with 326 IAC 2-6 (Emission Reporting);~~ **all pollutants listed in 326 IAC 2-6-4(a);**
  - (2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1(32) ("Regulated pollutant, which is used only for purposes of Section 19 of this rule") from the source, for purposes of Part 70 fee assessment.
- ~~(a) The annual emission statement covers the twelve (12) consecutive month time period starting January 1 and ending December 31. The annual emission statement must be submitted to:~~

**This statement must be submitted to:**

Indiana Department of Environmental Management  
Technical Support and Modeling Section, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Hammond Department of Environmental Management  
5925 Calumet Avenue, Room 304  
Hammond, Indiana 46320

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

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

## Revision #2

Condition D.6.1 has been re-written as follows to clarify that only the record keeping and reporting provisions are required and that the tanks are exempt from the other provisions of the rule because the capacities are less than 39,000 gallons.

D.6.1 Volatile Organic Compound (VOC) [326 IAC 8-9]

~~These facilities are subject to the requirements of 326 IAC 8-9 (Volatile Organic Liquid Storage Vessels).~~

These facilities (Stationary vessels with a capacity of less than thirty-nine thousand (39,000) gallons) are subject to the reporting and record keeping provisions of section 6(a) and 6(b) of this rule, as stated below in Condition D.6.3, and are exempt from all other provisions of the rule.

## Revision #3

The Preventive Maintenance Plan requirement must be included in every applicable Part 70 permit pursuant to 326 IAC 2-7-5 (13). This rule refers back to the Preventive Maintenance Plan requirement found in 326 IAC 1-6-3. This Preventive Maintenance Plan rule sets out the requirements for:

- (1) Identification of the individuals responsible for inspecting, maintaining and repairing the emission control equipment (326 IAC 1-6-3 (a)(1)),
- (2) The description of the items or conditions in the facility that will be inspected and the inspection schedule for said items or conditions (326 IAC 1-6-3(a)(2)), and
- (3) The identification and quantification of the replacement parts for the facility which the Permittee will maintain in inventory for quick replacement (326 IAC 1-6-3 (a) (2)).

Pursuant to 326 IAC 1-6-1 (Applicability), 326 IAC 1-6-3 applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-1-2 and 326 IAC 2-1-4. Therefore, it is clear from the structure of 326 IAC 1-6-3 that the PMP requirement affects the entirety of the applicable facilities. Only 326 IAC 1-6-3 (a)(1) is limited, in that it requires identification of the personnel in charge of only the emission control equipment, and not any other facility equipment. In additional support of this position, 326 IAC 1-6-5 provides that the commissioner may require changes in the maintenance plan to reduce excessive malfunctions in any control device or combustion or process equipment. Therefore, it is also clear from the structure of 326 IAC 1-6-5 that the PMP requirement affects the emission unit as well as the control device.

Therefore, IDEM has determined that the following changes were necessary for the Preventive Maintenance Plan requirements in D.2.6 and D.3.6:

D.2.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan (PMP), in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility **and any** control device.

D.3.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

(a) A Preventive Maintenance Plan (PMP), in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility **and any** control device.

#### Revision #4

IDEM has determined that the baghouse inspection conditions apply to defective or failed bags found at the time of an inspection when the unit is already down. Therefore, Conditions D.2.13 and D.2.14 have been corrected as follows:

D.2.13 Baghouse Inspections [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) An inspection shall be performed semi-annually of all bags controlling the Unit 3 Boiler. Defective bags shall be replaced ~~or capped off~~.

D.2.14 Broken or Failed Bag Detection [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

In the event that bag failure has been observed:

For the Unit 3 baghouse (U3BH), the failed units shall be repaired, ~~or replaced, or capped off~~ when the unit is off line and sufficiently cooled to allow entry. In the meantime, appropriate response steps shall be taken in accordance with Section C – Continuous Compliance Plan and Section C – Compliance Response Plan – Preparation, Implementation, Records, and Reports. Failure to take response steps in accordance with Section C – Continuous Compliance Plan and Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

## Revision #5

The list of items in Condition D.3.6 that must be inspected was developed by the US EPA in coordination with EPRI and utility industry input. The schedule for the inspections strikes a balance between providing the source with the flexibility to perform the inspections and ensuring that the ESPs are in an operating condition sufficient to assure continuous compliance with applicable requirements. A Part 70 permit is required to include requirements sufficient to ensure continuous compliance with the applicable requirements. Therefore Condition D.3.6(b)(1) and (b)(2) have been corrected as follows:

~~(b) The PMP for an electrostatic precipitator shall include the following inspections, performed according to the indicated schedules, in accordance with Section B—Preventive Maintenance Plan and in accordance with the Continuous Compliance Plan (CCP) prepared in accordance with Section C—Continuous Compliance Plan.~~

~~(1) Plate and electrode alignment, every major maintenance outage, but no less than every 2 years;~~

~~(2) ESP T R set components, performed according to the frequency and detail outlined in the latest approved submittal of the Continuous Compliance Plan. In the event that a response to an abnormal condition is determined to be inadequate to determine continuous compliance, IDEM OAO or HDEM may request that the Continuous Compliance Plan or the Compliance Response Plan be updated and resubmitted for approval.~~

(b) The PMP for an electrostatic precipitator shall include the following inspections, performed according to the indicated schedules:

(1) Plate and electrode alignment, every major maintenance outage, but no less than every 2 years;

(2) ESP TR set components, performed whenever there is an outage of any nature lasting more than three days, unless such inspections have been performed within the last six months. At a minimum, the following inspections shall be performed:

- (A) Internal inspection of shell for corrosion (including but not limited to doors, hatches, insulator housings, and roof area).
- (B) Effectiveness of rapping (including but not limited to buildup of dust on discharge electrodes and plates).
- (C) Gas distribution (including but not limited to buildup of dust on distribution plates and turning vanes).
- (D) Dust accumulation (including but not limited to buildup of dust on shell and support members that could result in grounds or promote advanced corrosion).
- (E) Major misalignment of plates (including but not limited to a visual check of plate alignment).
- (F) Rapper, vibrator and TR set control cabinets (including but not limited to motors and lubrication).
- (G) Rapper assembly (including but not limited to loose bolts, ground wires, water in air lines, and solenoids).
- (H) Vibrator and rapper seals (including but not limited to air in-leakage, wear, and deterioration).

- (I) TR set controllers (including but not limited to low voltage trip point, over current trip point, and spark rate).
- (J) Vibrator air pressure settings.

## Revision #6

Condition D.3.13 for SO<sub>2</sub> Monitoring System Downtime has been updated as follows:

~~D.3.13 SO<sub>2</sub> Monitoring System Downtime [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]~~

~~Whenever the SO<sub>2</sub> continuous emission monitoring system is malfunctioning or down for repairs or adjustments, one of the following methods shall be used to provide information related to SO<sub>2</sub> emissions:~~

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

D.3.13 SO<sub>2</sub> Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the SO<sub>2</sub> continuous emission monitoring (CEM) system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

- (a) If the CEM system is down for less than eight (8) hours, the Permittee shall substitute an average of the quality-assured data from the hour immediately before and the hour immediately after the missing data period for each hour of missing data.
- (b) If the CEM system is down for eight (8) hours or more, fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b), except that all samples shall be collected after the bunker. Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.

## Revision #7

The US EPA has commented on Condition D.3.8 and has suggested that the first part of the sentence is vague and should be clarified by specifying the statute or rule rather than saying “statue or rule”. Therefore, the following revision has been made to Condition D.3.8:

D.3.8 Operation of the Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit in **Condition D.3.3, Temporary Alternative Opacity Limitations**, the electrostatic precipitator (ESP) shall be operated at all times that the boiler vented to the ESP is in operation.

## Revision #8

On page 21 of 66, In accordance with the credible evidence rule (62 Fed. Reg. 8314, Feb 24, 1997); Section 113(a) of the Clean Air Act, 42 U.S. C. § 7413 (a); and a letter from the United States Environmental Protection Agency (USEPA) to IDEM, OAQ dated May 18, 2004, all permits must address the use of credible evidence; otherwise, USEPA will object to the permits. The following language will be incorporated into the permit to address credible evidence:

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

Notwithstanding the conditions of this permit that state specific methods that may be used to demonstrate compliance with, or a violation of, applicable requirements, any person (including the Permittee) may also use other credible evidence to demonstrate compliance with, or a violation of, any term or condition of this permit.

## Revision #9

On April 15, 2004, the United States Environmental Protection Agency (U.S. EPA) named 23 Indiana counties and one partial county nonattainment for the new 8-hour ozone standard. The designations became effective on June 15, 2004. Lake County has been designated as nonattainment for the 8-hour ozone standard. The following has been added to A.1 General Information:

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

The Permittee owns and operates a stationary electric utility generating station consisting of two (2) coal-fired units.

Responsible Official:	Plant Manager
Source Address:	103 <sup>rd</sup> Street and Lake Michigan Hammond, Indiana 46320
Mailing Address:	P.O. Box 687 Hammond, Indiana 46325-0687
Source Telephone:	(219) 473-6400
SIC Code:	4911 Electric, Gas, and Sanitary Services
County Location:	Lake
Source Location Status:	Attainment/Unclassifiable for CO, NO <sub>2</sub> and Lead, Primary Nonattainment for SO <sub>2</sub> , Attainment for PM <sub>10</sub> , and <del>Severe Nonattainment for Ozone.</del> <b>Nonattainment for ozone under the 8-hour standard</b> <b>Nonattainment for ozone under the 1-hour standard</b>
Source Status:	Part 70 Permit Program Major Source under Emission Offset Rules and Nonattainment NSR Major Source, Section 112 of the Clean Air Act 1 of 28 Source Categories

Although the TSD itself will not be revised as it is a historical document and the TSD was correct at the time of public notice, the following is being provided to show how the county attainment status has been affected as a result of the 8-hour ozone standard designations. The county attainment status regarding other pollutants remains unchanged; therefore will not be shown below other than in the table.

## County Attainment Status

The source is located in Lake County.

Pollutant	Status
PM-10	attainment
SO <sub>2</sub>	nonattainment
NO <sub>2</sub>	attainment
1-hour Ozone	Severe nonattainment
8-hour Ozone	Moderate nonattainment
CO	attainment
Lead	attainment

- (a) Volatile organic compounds (VOC) are precursors for the formation of ozone and Nitrogen Oxides (NOx) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone.
- (1) On January 26, 1996 in 40 CFR 52.777(i), the U.S. EPA granted a waiver of the requirements of Section 182(f) of the CAA for Lake and Porter Counties, including the lower NOx threshold for nonattainment new source review. Therefore, VOC emissions **alone** are considered when evaluating the rule applicability relating to **the 1-hour** ozone standards. Lake County has been designated as nonattainment in **Indiana** for **the 1-hour** ozone **standard**. Therefore, VOC emissions were reviewed pursuant to the requirements for Emission Offset, 326 IAC 2-3. **See the State Rule Applicability for the source section.**
- (2) VOC and NOx emissions are considered when evaluating the rule applicability relating to the 8-hour ozone standard. **Lake (or Porter) County** has been designated as nonattainment for the 8-hour ozone standard. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for nonattainment new source review.

**Indiana Department of Environmental Management  
Office of Air Quality  
and  
Hammond Department of Environmental Management  
Air Pollution Control Division**

Technical Support Document (TSD)  
for a  
Part 70 Operating Permit

**Source Background and Description**

<b>Source Name:</b>	<b>State Line Energy, LLC (formerly Commonwealth Edison Company)</b>
<b>Source Location:</b>	<b>103<sup>rd</sup> Street and Lake Michigan, Hammond, Indiana 46320</b>
<b>County:</b>	<b>Lake County</b>
<b>SIC Code:</b>	<b>4911 – Electric Service</b>
<b>Operation Permit No.:</b>	<b>T089-7062-00210</b>
<b>Permit Reviewer:</b>	<b>Ronald Holder, HDEM</b>

The Hammond Department of Environmental Management, Air Pollution Control Division, has reviewed a Part 70 permit application from State Line Energy, LLC relating to the operation of an Electric Utility Power Plant.

**Permitted Emission Units and Pollution Control Equipment**

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

- (1) Coal Handling System, with a nominal throughput of 1600 tons of coal per hour, constructed prior to October 24, 1974, and consisting of the following equipment:
  - (a) One (1) Rotary Car Dumper (Unit ID 030-CD) that unloads railcars to a hopper. During the dumping process, the coal is treated with a water spray system to control dust when the weather is appropriate.
  - (b) Coal Transfer and Breaker Building (Unit ID 013) that receives the coal via conveyor belts F1 and F2. Coal is fed through coal breaking equipment in preparation for Unit 3 Boiler. The Coal Transfer and Breaker Building is controlled by a dust collector (BH1).
  - (c) Unit 4 Coal Conditioner House (Unit ID 014). Coal can also be fed to or returned from this conditioner house via belt conveyors F3-A and F3-B. The Coal Conditioner House contains hammer mills that are used to properly size the coal for combustion in the Unit 4 Cyclones. The Conditioner House is controlled by a dust collector (BH2).
  - (c) One (1) Coal Storage Pile with Telescopic Chute (Unit ID 018). Coal is transported to the storage pile from the Breaker Building. Fugitive dust is controlled 75% by the telescoping action of the chute.
  - (e) Unit 3 bunker (Unit ID 015) and Unit 4 (East and West) bunkers (Unit ID 012) receive coal from the Transfer and Breaker Building using belts F3 and F5 via a junction tower transfer point (F3/F5) or from the Transfer and Breaker Building onto belts F4 and F6 via a junction tower transfer point (F4/F6). All coal conveyor belts are enclosed to reduce fugitive emissions.

- (2) One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler will combust natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).
- (3) One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler will combust natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).
- (4) One (1) natural gas-fired boiler, identified as the Nebraska/Wabash Packaged Boiler (Unit ID 029), constructed in 1990, with a nominal rating of 56 MMBtu/hr.
- (5) Fly Ash Truck Loading from the 500 Ton Silo (Unit ID 020) and 1000 Ton Silo (Unit ID 017). Emissions from fly ash truck loading at the 500 Ton Fly Ash Silo are controlled by a Mikro-Pulsaire Dust Collector. Emissions from fly ash truck loading at the 1000 Ton Fly Ash Silo are controlled by a Plenum Pulse Bag Filter.

The fly ash handling systems are interior to the plant and separate from the fly ash silos and fly ash truck loading at the silos, which are exterior to the main plant. Fly ash from inside the plant is pneumatically conveyed to the silos. The fly ash handling systems for the coal-fired boilers have potential uncontrolled emissions of less than five (5) tons per year. They are exempt per 326 IAC 2-1.1-3 and are insignificant activities as defined in 326 IAC 2-7-1(21) (see below).

### Unpermitted Emission Units and Pollution Control Equipment

There are no unpermitted facilities operating at this source during this review process.

### Insignificant Activities

The source also consists of insignificant activities with potential uncontrolled emissions below the exemption levels specified in 326 IAC 2-1.1-3(d)(1), including these defined in 326 IAC 2-7-1(21).

- (1) Natural gas-fired combustion sources with heat input equal to or less than ten million (10,000,000) Btu per hour. (Tioga Space Heaters (Point #019, Stack 17)).
- (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.
  - (a) Natural Gas Fired Space Heater (HT1)
  - (b) Natural Gas Fired Space Heater (HT2)
  - (c) Seasonal Natural Gas Fired Space Heaters
- (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) VOC and HAP storage tanks with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons.

- (6) Storage vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids.
- (7) Equipment used for packaging lubricants and greases.
- (8) Equipment used for filling drums, pails, or other packaging containers with lubricating oils, waxes, and greases.
- (9) Application of oils, greases, lubricants or other nonvolatile materials applied as temporary protective coatings.
- (10) Machining where an aqueous cutting coolant continuously floods the machining interface.
- (11) Degreasing operations not exceeding 145 gallons per 12 months, except if subject to 326 IAC 20-6. [326 IAC 8-3]
- (12) Cleaners and solvents characterized as follows:
  - A) having a vapor pressure equal to or less than 2 kPa; 15 mm Hg; or 0.3 psi measured at 38 °C (100 °F) or;
  - B) having a vapor pressure equal to or less than 0.7 kPa; 5mm Hg; or 0.1 psi measured at 20 °C (68 °F);  
the use of which for all cleaners and solvents combined does not exceed 145 gallons per 12 months.
- (13) The following equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment. (326 IAC 6-1-2 does not apply, < 100 TPY).
- (14) Closed loop heating and cooling systems.
- (15) Structural steel and bridge fabricating activities including cutting 200.0 linear feet or less of one inch 91") plate or equivalent and using 80 tons or less of welding consumables.
- (16) Activities associated with the treatment of wastewater streams with an oil and grease content less than or equal to 1% by volume.
- (17) Any operation using aqueous solutions containing less than 1% by weight of VOCs excluding HAPs.
- (18) Water based adhesives that are less than or equal to 5% by volume of VOCs excluding HAPs.
- (19) Replacement or repair of electrostatic precipitators, bags in baghouses and filters in other air filtration equipment.
- (20) Heat exchanger cleaning and repair.
- (21) Process vessel degassing and cleaning to prepare for internal repairs.
- (22) Underground conveyors.
- (23) Coal bunker and coal scale exhausts and associated dust collector vents.
- (24) Asbestos abatement projects regulated by 326 IAC 14-10.
- (25) 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.
- (26) Equipment used to collect any material that might be released during a malfunction, process upsets, or spill cleanup, including catch tanks, temporary liquid separators, tanks, and fluid handling equipment.
- (27) Blowdown for any of the following: sight glass; boiler; compressors, pumps; and cooling tower.
- (28) On-site fire and emergency response training approved by the department.
- (29) A diesel emergency generator not exceeding 1600 horsepower.
- (30) Stationary fire pumps.

- (31) Purge double block and bleed valves.
- (32) Filter or coalescer media changeout.
- (33) A laboratory as defined in 326 IAC 2-7-1(21)(D).
- (34) Other categories with emissions less than the Insignificant Thresholds:
  - (a) Paved Roads (Vehicle Traffic) Unit ID 031
  - (b) Unit 3 Detraining Tank (TK1)
  - (c) Unit 3 Turbine Oil Reservoir Tank (TK2)
  - (d) Unit 4 Detraining Tank (TK3)
  - (e) Unit 4 Turbine Oil Reservoir Tank (TK4)
  - (f) North Diesel Fuel Storage Tank (TK5)
  - (g) South Diesel Fuel Storage Tank (TK6)
  - (h) Fire Pump Diesel Fuel Storage Tank (TK7)
  - (i) Emergency Generator diesel Fuel Storage Tank (TK8)
  - (j) Coal Pile Runoff Waste Oil Tank (TK9)
  - (k) Waste Oil Storage Tank (TK10)
  - (l) Cribhouse Waste Oil Storage Tank (TK11)
  - (m) Roof and Yard Waste Oil Storage Tank (TK12)
  - (n) Gasoline Storage Tank (TK13)
  - (o) Caustic Storage Tank (TK14)
  - (p) Diesel Fire Pump (550 HP) (FP1)
  - (q) Emergency Diesel Generator (400kW) (GEN1)
  - (r) Unit 3 Fly Ash Handling System (Unit ID 026)
  - (s) Unit 4 Fly Ash Handling System (Unit ID 025)

### Existing Approvals

The source has been operating under previous approvals including, but not limited to, the following:

- (a) Operation Permits No. 02094 through 02112 issued on March 7, 2002. State Line Energy has requested the continued issuance of their existing operation permits until the issuance of their Part 70 permit.
- (b) Local Construction Permits 01224, 01248, and 01516 for replacement of control equipment (baghouses) at various locations. Replacement of control equipment is exempt from State level permitting requirements pursuant to 326 IAC 2-7-10.5. These approvals have been completed and incorporated into this permit.
- (c) Phase II Acid Rain Permit AR-5164-00210 issued on December 31, 1997, with pending amendments 089-10323 and 089-14521 that are not yet issued.

All conditions from previous approvals were incorporated into this Part 70 permit.

### Enforcement Issue

There are no enforcement actions pending for this source.

### Recommendation

The staff recommends to the Commissioner that the Part 70 permit be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An administratively complete Part 70 permit application for the purposes of this review was received on October 25, 1996. A Notice of Administrative Completeness was mailed to the source on February 14, 1997.

### Emission Calculations

The calculations submitted by the applicant have been verified and found to be accurate and correct. These calculations are provided in Appendix A of this document (thirteen (13) pages total).

### Potential Emissions

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

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential Emissions (tons/year)
PM	> 250
PM-10	> 250
SO <sub>2</sub>	> 250
VOC	> 25
CO	> 250
NOx	> 250

HAPs	Potential Emissions (tons/year)
Chlorine	> 10
Fluorine	> 10
TOTAL	> 25

- (a) The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of VOC are greater than 25 tons per year and the source is located in Lake County. Also, the potential emissions of PM and PM10 are greater than 100 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.
- (b) The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of a single HAP is equal to or greater than ten (10) tons per year and the potential emissions (as defined in 326 IAC 2-7-1(29)) of a combination HAPs is greater than or equal to twenty-five (25) tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.
- (c) Fugitive Emissions  
This type of operation is one of the twenty-eight (28) listed source categories under 326 IAC 2-2. Therefore, the fugitive emissions are counted toward determination of PSD and Emission Offset applicability.

**Actual Emissions**

The following table shows the actual emissions from the source. This information reflects **1997** emission data as submitted by the applicant.

*1997 emission data*

Pollutant	Actual Emissions (tons/year)
PM	373
PM-10	150
SO <sub>2</sub>	7948
VOC	43
CO	392
NOx	17,928
HAP (combination)	0.10

**Limited Potential to Emit**

The table below summarizes the total limited potential to emit of the significant emission units.

Process/facility	Installation Date	Limited Potential to Emit (tons/year)						
		PM	PM-10	SO <sub>2</sub>	VOC	CO	NOX	HAPs
Coal Handling System	Nov., 1955	73	73	na	na	na	na	na
Unit 3 Boiler	Nov., 1955	933	933	4697	na	na	4198	na
Unit 4 Boiler	May, 1962	1563	1563	6874	na	na	7033	na
Auxiliary Packaged Boiler (NG only)	1990	1	1	na	na	na	na	na
Fly Ash Truck Loading Operation	Nov., 1955	5	5	na	na	na	na	na
Total Limited Emissions		2575	2575	11577	---	---	11231	---

**County Attainment Status**

The source is located in Lake County.

Pollutant	Status
PM-10	Moderate Nonattainment
SO <sub>2</sub>	Primary Nonattainment
NO <sub>2</sub>	Unclassifiable/Attainment
Ozone	Severe Nonattainment
CO	Unclassifiable/Attainment
Lead	Unclassifiable

Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC are considered when evaluating the rule applicability relating to the ozone standards. Lake County has been designated as severe nonattainment for ozone. Therefore, VOC emissions were reviewed pursuant to the requirements for Emission Offset, 326 IAC 2-3.

## Part 70 Permit Conditions

This source is subject to the requirements of 326 IAC 2-7, pursuant to which the source has to meet the following:

- (a) Emission limitations and standards, including those operational requirements and limitations that assure compliance with all applicable requirements at the time of issuance of Part 70 permits.
- (b) Monitoring and related record keeping requirements which assume that all reasonable information is provided to evaluate continuous compliance with the applicable requirements.

## Federal Rule Applicability

1. Unit 3 and 4 Boilers are subject to the requirements of 326 IAC 21 Acid Deposition Control (40 CFR 72 Acid Rain Program Permits, 73 Acid Rain Program SO<sub>2</sub> Allowances, 75 Acid Rain Program Continuous Emissions Monitors & Quarterly Electronic Reporting, and 76 Acid Rain Program NO<sub>x</sub> Rule).
  - (a) A Phase I Acid Rain Permit was issued to State Line for its Unit 3 Boiler by the U.S. EPA on March 19, 1997, effective January 1, 1995 to December 31, 1999. In accordance with this permit, Unit 3 was limited to nitrogen oxide emissions of 0.45 lbs/mmBtu for 1997 through 2007. If the unit is in compliance with the applicable emission limitation under 40 CFR 76.5(a), the unit shall not be subject to the applicable emission limitation under 40 CFR 76.7(a) of 0.40 lbs/mmBtu until January 1, 2008.
  - (b) A Phase II Acid Rain Permit was issued to State Line for its Units 3 and 4 Boilers by the Indiana Department of Environmental Management on December 31, 1997, effective January 1, 2000 through December 31, 2004. In accordance with this permit, sulfur dioxide allowances are allocated to each unit as follows:

Unit 3 SO<sub>2</sub> Allowance Allocations for the years 2000 through 2004: 4,697 tons  
Unit 4 SO<sub>2</sub> Allowance Allocations for the years 2000 through 2004: 6,874 tons
  - (c) The above number of allowances allocated to Phase II affected units by U.S. EPA may change in a revision to 40 CFR 73 Tables 2, 3, and 4 and 326 IAC 21.
2. The Nebraska/Wabash Auxiliary Packaged Boiler is subject to the requirements of New Source Performance Standard 326 IAC 12, 40 CFR 60.40c through 60.48c, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units). Since this unit only combusts natural gas, only section 60.48c Reporting and recordkeeping requirements apply. 60.48c(g) requires that the source record and maintain records of the amounts of each fuel combusted during each day.
3. Unit 3 and 4 Boilers are not subject to 40 CFR 60, Subpart D, New Source Performance Standards for Fossil-Fuel-Fired Steam Generators, because they were constructed prior to the applicability dates.
4. New Source Performance Standards (NSPS), Subparts K, Ka, and Kb for Storage Vessels for Petroleum Liquids do not apply to the storage tanks at the State Line Generating Station because they were all constructed prior to the applicability dates and are less than 40,000 gallons in capacity.
5. New Source Performance Standards (NSPS), Subpart Y, for Coal Preparation Plants does not apply because the affected facilities at the State Line Generating Station were all constructed prior to the applicability dates.
6. (a) The requirements of Section 112(j) of the Clean Air Act (40 CFR 63.50 through 63.56) are applicable to this source because the source is a major source of HAPs (i.e., the source has the potential to emit 10 tons per year or greater of a single HAP or 25 tons per year or greater of a combination of HAPs) and the source includes one or more units that belong to one or more source categories affected by the Section 112(j) Maximum Achievable Control Technology (MACT) Hammer date of May 15, 2002.

This rule requires the source to:

- (1) Submit a Part 1 MACT Application by May 15, 2002; and
  - (2) Submit a Part 2 MACT Application for each affected source category in accordance with the appropriate Part 2 MACT Application deadline listed in Table 1 of 40 CFR 63, Subpart B for the affected source category.
- (b) The Permittee submitted a Part 1 Application on May 13, 2002.
- (c) Pursuant to 40 CFR 63.56(a), the Permittee shall comply with an applicable promulgated MACT standard in accordance with the schedule provided in the MACT standard if the MACT standard is promulgated prior to the Part 2 MACT Application deadline or prior to the issuance of a permit with a case-by-case Section 112(j) MACT determination. The MACT requirements include the applicable General Provisions requirements of 40 CFR 63, Subpart A. Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than 120 days after the effective date of the MACT, unless the MACT specifies otherwise. The MACT and the General Provisions of 40 CFR 63, Subpart A will become new applicable requirements, as defined by 326 IAC 2-7-1(6), that must be incorporated into the Part 70 permit. After IDEM, OAQ receives the initial notification, any of the following will occur:
- (1) If three (3) or more years remain on the Part 70 permit term at the time the MACT is promulgated, IDEM, OAQ will notify the source that IDEM, OAQ will reopen the permit to include the MACT requirements pursuant to 326 IAC 2-7-9; or
  - (2) If less than three (3) years remain on the Part 70 permit term at the time the MACT is promulgated, the Permittee must include information regarding the MACT in the renewal application, including the information required in 326 IAC 2-7-4(c); or
  - (3) The Permittee may submit an application for a significant permit modification under 326 IAC 2-7-12 to incorporate the MACT requirements. The application may include information regarding which portions of the MACT are applicable to the emission units at the source and which compliance options will be followed.
7. State Line Generating Station has pollutant specific emissions units:
- (a) with the potential to emit before controls equal to or greater than one hundred (100) tons per year, and
  - (b) that are subject to emission limits and have control devices that are necessary to meet those limits.

Therefore, the requirements of 40 CFR Part 64, Compliance Assurance Monitoring, are applicable.

#### **State Rule Applicability - Entire Source**

##### 326 IAC 1-5 (Episode Alert Levels)

This source is subject to this rule because it has the potential to emit one hundred (100) tons per year or more of PM, PM10, SOx, NOx, CO, and HAPs. Pursuant to this rule, all persons responsible for the operation of an affected source shall prepare and implement an emergency reduction plan consistent with safe operating procedures. Upon direct notification by the commissioner or authorized representative that a specific air pollution episode level is in effect, the source shall immediately put into effect the actions stipulated in the approved ERP.

The source submitted an ERP on January 15, 1991.

326 IAC 2-2 (PSD Requirements) and 326 IAC 2-3 (Emission Offset)

This source is a major stationary source because it has the potential to emit VOCs at 25 TPY or more and PM, PM10, SOx, NOx, and CO at 100 TPY or more. However, the source has not been reviewed under the requirements of 326 IAC 2-2 or 2-3 because there has not been a major modification, as defined in these rules, at this source subject to review under these rules. The natural gas-fired Nebraska Package Boiler, installed in 1990, was not limited to avoid PSD review or Emission Offset because the potential emissions were below the significant levels for both 326 IAC 2-2, PSD and 326 IAC 2-3, Emission Offset.

326 IAC 2-6 (Emission Reporting)

This source is subject to 326 IAC 2-6 (Emission Reporting), because it has the potential to emit more than 10 tons per year of VOC and is located in Lake County, and it has the potential to emit more than 100 tons per year of PM, PM10, SOx, NOx, and CO. Pursuant to this rule, the owner/operator of the source must annually submit an emission statement for the source. The annual statement must be received by April 15 of each year and contain the minimum requirements as specified in 326 IAC 2-6-4. The submittal should cover the period defined in 326 IAC 2-6-2(8)(Emission Statement Operating Year).

The source is in compliance with the required emissions statement submittals.

326 IAC 5-1 (Opacity)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity from a facility located in Lake County shall not exceed an average of twenty percent (20%) in any one (1) six minute averaging period as determined in 326 IAC 5-1-4. Opacity shall also not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

State Line Energy, LLC has Temporary Alternative Opacity Limitations pursuant to 326 IAC 5-1-3 that apply to Units 3 and 4 Boilers (see below - State Rule Applicability - Individual Facilities). They have not applied for specific alternate opacity limits.

326 IAC 6-1-11.1 (Lake County Fugitive Particulate Matter Control Requirements)

This source is subject to the requirements of this rule because it is a listed source in section (a)(2)(G). State Line shall comply with the particulate matter emission limitations as stipulated in section (d)(1) through (9). In addition, State Line is required to develop and implement a Control Plan as outlined in section (e) of the rule.

326 IAC 6-1-11.2 (Lake County Particulate Matter Contingency Measures)

Because this source is listed in 326 IAC 6-1-10.1(d), it is subject to the requirements of this rule. This rule stipulates reduction requirements from subject sources as required to maintain compliance with the twenty-four (24) hour ambient air quality standard for PM10 upon notification by the Department.

326 IAC 7-3 (Sulfur Dioxide Rules – Ambient Monitoring)

This source is not subject to this rule because total actual emissions of sulfur dioxide are less than ten thousand 10,000 TPY.

326 IAC 10-4 (NOx Budget Trading Program)

Pursuant to 326 IAC 10-4-2(16), Unit 3 and 4 Boilers at State Line are considered “electricity generating units (EGUs)” because they commenced operations before January 1, 1997 and served generators during 1995 or 1996 that had nameplate capacities greater than twenty-five (25) megawatts that produced electricity for sale under a firm contract to the electric grid.

Pursuant to 326 IAC 326 10-4-1(a)(1), an “EGU” is a NOx budget unit. Because this source meets the criteria of having one (1) or more NOx budget units, it is a NOx budget source. The Permittee shall be subject to the requirements of this rule.

Pursuant to 326 IAC 326 10-4-12(c), the Permittee shall install the appropriate monitoring systems and complete all certification tests as required by 326 IAC 10-4-12(b)(1) through (3) on or before May 1, 2003. The Permittee shall record, report, and quality assure the data from the monitoring systems on and after May 1, 2003.

State Line Generating Station submitted their NOx Budget Permit application on November 1, 2002.

## State Rule Applicability - Individual Facilities

### 326 IAC 3-5-1 (Continuous Monitoring of Emissions)

Pursuant to section 1(b)(2), Unit 3 and 4 Boilers at State Line are subject to requirements of this rule. This rule requires the continuous monitoring for opacity, nitrogen oxide emissions, sulfur dioxide emissions, and carbon dioxide. State Line Energy, LLC operates continuous opacity, NOx, SO2, and CO2 monitors as required by this rule.

### 326 IAC 3-7 (Fuel Sampling)

Coal sampling for Unit 3 and 4 Boilers is performed by State Line Energy in accordance with the requirements of 326 IAC 3-7-3 and 3-7-5. State Line Energy has been approved to submit certified Continuous Monitoring data to fulfill this requirement.

### 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations)

Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations) the following applies to Unit 3 and Unit 4:

- (a) When building a new fire in a boiler, or shutting down a boiler, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6) minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6) minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]
- (b) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6) minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6) minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6) minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

### 326 IAC 6-1-2(a) (Particulate Rules - Non-attainment Area Limitations)

Pursuant to subsection (a) of this rule, all facilities not limited by subsections (b) through (g) or not specifically listed in 326 IAC 6-1-10.1 (d), PM10 requirements, shall have particulate matter limitations of 0.03 gr/dscf.

According to the calculations in Appendix A, all units with this limitation are in compliance with this rule. Conservative control efficiencies of 99% were used to calculate the potentials after control which are less than the limitations. Secondary controls, (enclosures and surfactant water suppression) should also serve to guarantee these control efficiencies. Normal compliance monitoring (visible notations and pressure drop readings per shift) is sufficient for the determination of continual compliance.

### 326 IAC 6-1-2(b)(5) (Particulate Rules - Non-attainment Area Limitations)

Pursuant to subsection (b)(5) of this rule, the Nebraska/Wabash Package Boiler (Unit ID 029), shall have a particulate matter limitation of 0.01 gr/dscf. According to the current stack flow rate and temperature, this equivalent to 0.5 lbs/hr and 2.2 TPY.

According to the calculations in Appendix A, this unit meets this limitation at its maximum nominal rating without controls. This unit combusts natural gas only. Natural gas is accepted as the cleanest fuel. The source will be required to certify on a periodic basis that only natural gas is combusted in the auxiliary Nebraska Package Boiler.

### 326 IAC 6-1-10.1(d) (Lake County PM10 Emission Requirements)

Pursuant to subsection (d) of this rule, the PM10 emissions from facilities at this source are limited as follows:

Unit 3 Boiler	0.1 lbs/MMBtu; 213.00 lbs/hr
Unit 4 Boiler	0.1 lbs/MMBtu; 356.80 lbs/hr

### 326 IAC 6-1-10.1(h)(7) (Lake County PM10 Emission Requirements) (natural gas only for combustion sources)

Backup boilers 2-1 and 2-2, limited in this subsection (h)(7), have been permanently removed.

326 IAC 6-1-10.1(l)(7) (Lake County PM10 Emission Requirements) (Continuous Compliance Plan)

Pursuant to subsection (l)(7), State Line is required to submit a Continuous Compliance Plan (CCP) for the facilities included in subsections (d) and (e). The CCP submitted on September 12, 1996 was updated and resubmitted on July 19, 2000.

326 IAC 6-1-11.1 (Lake County Fugitive Particulate Matter Control Requirements)

This source is subject to the requirements of this rule because it is a listed source in section (a)(2)(G). State Line shall comply with the particulate matter emission limitations as stipulated in section (d)(1) through (9). In addition, State Line is required to develop and implement a Control Plan as outlined in section (e) of the rule.

326 IAC 6-1-10.1(k)(3) (Lake County PM10 Emission Requirements)

Pursuant to 326 IAC 6-1-10.1(k)(3), Units 3 and 4 shall comply with:

- (A) a thirty percent (30%), six (6) minute average opacity limit until December 31, 1992;
- (B) a twenty-five percent (25%), six (6) minute average opacity limit from January 1, 1993, to December 31, 1993; and
- (C) a twenty percent (20%), six (6) minute average opacity limit after December 31, 1993.

326 IAC 6-2 (Particulate Emissions from Sources of Indirect Heating) and 326 IAC 6-3 (Process Operations)

326 IAC 6-2 and 326 IAC 6-3 particulate rules do not apply because, according to the applicability, the limitations contained in 326 IAC 6-1-2 and 326 IAC 6-1-10.1, PM and PM10 rules, shall prevail.

326 IAC 7-4-1.1 (Lake County Sulfur Dioxide Emission Limitations)

Pursuant to section (c)(5) of this rule, the SO<sub>2</sub> emissions from facilities at this source are limited as follows:

Auxiliary Emergency Generator	0.3 lbs/MMBtu
Unit 3 and 4 Boiler	1.2 lbs/MMBtu, each

326 IAC 7-2-1 (Reporting Requirements; Methods to Determine Compliance)

This rule stipulates the methods of compliance demonstration for SO<sub>2</sub> emissions limitations. Pursuant to section (a)(1) of this rule, State Line Energy must submit quarterly reports of the thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per million Btu. This report is to include the daily average coal sulfur content, coal heat content, weighting factor, and daily average sulfur dioxide emission rate in pounds per million Btu. This data is to be based on fuel sampling and analysis data obtained in accordance with procedures specified under 326 IAC 3-7-3 and 326 IAC 7-2-1(c).

326 IAC 8-3 (Organic Solvent Degreasing Operations)

This source does not have any of the Organic Solvent Degreasing Operations listed in this rule.

326 IAC 8-9 (Volatile Organic Liquid Storage Vessels)

In accordance with section (b) of this rule, stationary vessels with a capacity of less than thirty-nine thousand (39,000) gallons are subject to the reporting and record keeping provisions of section 6(a) and 6(b) of this rule and are exempt from all other provisions of this rule. Effected storage vessels at State Line are storage vessels TK5 through TK13.

## Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less 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 requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in permit Section D are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also in permit Section D. 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 monitoring requirements applicable to this source are as follows:

(1) Coal Handling System

- (a) The Baghouses for the Transfer/Breaker Building, Unit 4 Coal Conditioner House, and Unit 3 and 4 Bunkers are to be in operation at all times when the processes are in operation.
- (b) Visible emissions notations shall be performed once per shift.
- (c) Pressure drop readings shall be performed once per shift.
- (d) Baghouse inspections shall be performed each calendar quarter.
- (e) Response steps are required for bag failures.
- (f) The water spray system shall be operated when the weather is appropriate.
- (g) An inspection shall be performed on the water spray system each calendar quarter.
- (h) Response steps are required for water spray system failures.

These monitoring conditions are necessary to ensure compliance with 326 IAC 6-1-2, 326 IAC 6-1-11.1, and 2-7 (Part 70).

(2) Unit 3 Boiler

- (a) The Jet-pulse baghouse for PM10 control shall be in operation and control emissions at all times when Unit 3 is in operation.
- (b) Pressure drop readings shall be performed once per shift.
- (c) Baghouse inspections shall be performed each calendar quarter if the boiler is down and cooled enough to allow an inspection, at a minimum an inspection shall be performed semi-annually.
- (d) Response steps are required for bag failures.
- (e) Continuous emissions monitoring systems for Unit 3 shall be calibrated, maintained, and operated for measuring opacity, SO<sub>2</sub>, NO<sub>x</sub>, and either CO<sub>2</sub> or O<sub>2</sub>. These systems shall meet the performance specifications of 326 IAC 3-5-2.
- (f) Whenever the continuous opacity monitor (COM) is out of service for a period greater than four (4) hours, visible emissions readings shall be performed every four (4) hours utilizing the procedures in 40 CFR 60, Appendix A, Method 9.
- (g) Except where 40 CFR 75 is applicable for affected facilities under the acid rain program, whenever the SO<sub>2</sub> continuous emission monitor is malfunctioning or will be down for repairs or adjustments for a period of four (4) hours or more, a calibrated backup CEM shall be brought online within four (4) hours of shutdown of the primary CEM, if possible. If this is not possible, supplemental or intermittent monitoring sufficient to allow for determination of compliance with all SO<sub>2</sub> emission limits shall be implemented by conducting fuel analysis as specified in 326 IAC 3-7-2(a).

- (h) Appropriate response steps shall be taken in accordance with a Compliance Response Plan whenever the opacity exceeds 20 percent for one (1) six (6) minute averaging period such that the causes are identified and corrected and opacity levels are brought back below 20 percent.

These monitoring conditions are necessary to ensure compliance with 326 IAC 6-1-10.1 and 2-7 (Part 70).

(3) Unit 4 Boiler

- (a) The Electrostatic Precipitator for Boiler 4 shall be in operation at all times when the unit is in operation.
- (b) Electrostatic Precipitator preventive inspections shall be performed on the plate and electrode alignment, ESP component/controller failure, air and water infiltration, and calibration of the instruments used for determining T-R set voltages and currents.
- (c) Plate and electrode alignment measurements shall be taken whenever there is an outage of any nature lasting more than three days unless such measurements have been taken within the last twelve months.
- (d) The ability of the ESP to control particulate emissions shall be monitored once per shift by measuring and recording the number of Transformer-Rectifier (T-R) sets in service and the primary and secondary voltages and currents of the T-R sets.
- (e) Reasonable response steps will be required for any improper or abnormal conditions found during any of the above inspections.
- (f) Continuous emissions monitoring systems for Unit 4 shall be calibrated, maintained, and operated for measuring opacity, SO<sub>2</sub>, NO<sub>x</sub>, and either CO<sub>2</sub> or O<sub>2</sub>. These systems shall meet the performance specifications of 326 IAC 3-5-2.
- (g) Whenever the continuous opacity monitor (COM) is out of service for a period greater than two (2) hours, visible emissions readings shall be performed every four (4) hours utilizing the procedures in 40 CFR 60, Appendix A, Method 9.
- (h) Except where 40 CFR 75 is applicable for affected facilities under the acid rain program, whenever the SO<sub>2</sub> continuous emission monitor is malfunctioning or will be down for repairs or adjustments for a period of four (4) hours or more, a calibrated backup CEM shall be brought online within four (4) hours of shutdown of the primary CEM, if possible. If this is not possible, supplemental or intermittent monitoring sufficient to allow for determination of compliance with all SO<sub>2</sub> emission limits shall be implemented by conducting fuel analysis as specified in 326 IAC 3-7-2(a).
- (i) Appropriate response steps shall be taken in accordance with a Compliance Response Plan whenever the opacity exceeds 20 percent for one (1) six (6) minute averaging period such that the causes are identified and corrected and opacity levels are brought back below 20 percent.

These monitoring conditions are necessary to ensure compliance with 326 IAC 6-1-10.1 and 2-7 (Part 70).

(4) Nebraska/Wabash Packaged Boiler

This boiler is subject to 326 IAC 12 and 40 CFR 60, Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units). Since this unit only combusts natural gas, only section 60.48c reporting and recordkeeping requirements apply. 60.48c(g) requires that the source record and maintain records of the amounts of each fuel combusted during each day.

(5) Fly Ash Truck Loading Operations

- (a) The baghouses for each Fly Ash Truck Loading System are to be in operation at all times when the units are in operation.
- (b) Visible emissions notations shall be performed once per shift.
- (c) Pressure drop readings shall be performed once per shift.
- (d) Baghouse inspections shall be performed each calendar quarter.
- (e) Response steps are required for bag failures.

These monitoring conditions are necessary to ensure compliance with 326 IAC 6-1-2 and 2-7 (Part 70).

**Conclusion**

The operation of this **Electric Utility Power Plant** shall be subject to the conditions of the attached proposed **Part 70 Permit No. T089-7062-00210**.

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

**T089-7062-00210**  
**State Line Energy, LLC**  
**Hammond, Indiana**

**Appendix A**

Calculations By: Ronald Holder, HDEM

\* 1997 Actuals: As per the 1997 Emission Statement

**\*\*NOTES\*\***

EF: EMISSION FACTOR

MDR: MAXIMUM DESIGN RATE

Ts: STACK DISCHARGE TEMPERATURE

CE: CONTROL EFFICIENCY

MDC: MAXIMUM DESIGN CAPACITY

UNITS FOR EMISSIONS ARE IN (TPY) EXCEPT WHERE GIVEN

\*\*\*\*\*  
**Unit ID: Coal Handling System**  
\*\*\*\*\*

**Car Dumper (Unit ID 030-CD)**

MDR (T/hr): 750

STACK ID (DIAM:HEIGHT): N/A

YEARLY PROD (T/yr): 1,302,708

FLOWRATE (ACFM): N/A

CNTRL DEV: Surfactant/Water Spray

Ts(°F): N/A

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 3-05-010-11			POTENTIAL EMISSIONS					
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS		
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	0.22	50	165.0	3960.0	<b>722.7</b>	82.5	<b>361.4</b>	N/A
PM10	0.11	50	82.5	1980.0	<b>361.4</b>	41.3	<b>180.7</b>	N/A
SOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
NOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
VOC	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
CO	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
HAPs	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
143.3	71.6
71.6	35.8
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0

MDR based on Maximum Annual Throughput of 6,570,000 TPY contained in the T5 Application.

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.44 lbs of PM / Ton of Coal Transferred.

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

Unit ID: 013 - Transfer/Breaker Building

MDR (T/hr): 750  
YEARLY PROD (T/yr): 1,302,708

STACK ID (DIAM:HEIGHT): (2.00: 50)  
FLOWRATE (ACFM): 14000  
Ts(°F): 77

CNTRL DEV: Baghouse (BH1)

PERMITTED OPERATING HRS: **8760** hr/yr

SCC No. 3-05-010-10			POTENTIAL EMISSIONS						ALLOWABLE		1997 ACTUAL	
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS					BEFORE CONTROLS	AFTER CONTROLS
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)				
PM	0.22	99	165.0	3960.0	722.7	1.7	7.2	0.014	PM: 326 IAC 6-1-2(a) 0.03 gr/dscf	143.3	1.4	
PM10	0.11	99	82.5	1980.0	361.4	0.8	3.6	0.007		71.6	0.7	
SOx	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
NOx	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
VOC	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
CO	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
HAPs	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	

MDR based on Maximum Annual Throughput of 6,570,000 TPY contained in the T5 Application.

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.22 lbs of PM / Ton of Coal Transferred.

Unit ID: 014 - Unit 4 Coal Conditioner House  
Reversible Hammer Mills 1 & 2

MDR (T/hr): 750  
YEARLY PROD (T/yr): 741,226

STACK ID (DIAM:HEIGHT): (4.30: 100)  
FLOWRATE (ACFM): 10500  
Ts(°F): 77

CNTRL DEV: Baghouse (BH2)

PERMITTED OPERATING HRS: **8760** hr/yr

			POTENTIAL EMISSIONS						ALLOWABLE		1997 ACTUAL	
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS					BEFORE CONTROLS	AFTER CONTROLS
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)				
PM	0.22	99	165.0	3960.0	722.7	1.7	7.2	0.019	PM: 326 IAC 6-1-2(a) 0.03 gr/dscf	81.5	0.8	
PM10	0.11	99	82.5	1980.0	361.4	0.8	3.6	0.009		40.8	0.4	
SOx	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
NOx	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
VOC	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
CO	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
HAPs	0	0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	

MDR based on Maximum Annual Throughput of 6,570,000 TPY contained in the T5 Application.

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.22 lbs of PM / Ton of Coal Transferred.

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

**Conveyor Belts (F4, F6, F3A, F3B, F3, F5, S1, S2, F1, & F2)**

CNTRL DEV: Conveyor covering and oiling of coal

MDR (T/hr): 750  
YEARLY PROD (T/yr): 1,302,708

STACK ID (DIAM:HEIGHT): N/A  
FLOWRATE (ACFM): N/A  
Ts(°F): N/A

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 3-05-010-11			POTENTIAL EMISSIONS					
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS		
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	0.44	85	330.0	7920.0	<b>1445.4</b>	49.5	<b>216.8</b>	N/A
PM10	0.22	85	165.0	3960.0	<b>722.7</b>	24.8	<b>108.4</b>	N/A
SOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
NOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
VOC	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
CO	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
HAPs	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A

MDR based on Maximum Annual Throughput of 6,570,000 TPY contained in the T5 Application.

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.22 lbs of PM / Ton of Coal Transferred.

Belt Conveyors F1 & F2: feeds coal from hopper to Transfer & Breaker Building.

Belt Conveyors F3-A & F3-B: Coal fed to/returned from the Unit 4 Coal Condition House.

Belt Conveyors F3 and F5: Transfers coal from Transfer and Breaker Building to Unit 3 and 4 (East and West) bunkers via junction tower F3/F5.

Belt Conveyors F4 and F6: Transfers coal from Transfer and Breaker Building to Unit 3 bunker via junction tower F4/F6.

Belt Conveyors S1 & S2: Coal fed to/from the Storage Pile.

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
286.6	43.0
143.3	21.5
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0

**Junction Towers F3 & F5 (TP3) and F4 & F6 (TP4)**

CNTRL DEV: Conveyor covering and oiling of coal

MDR (T/hr): 750  
YEARLY PROD (T/yr): 1,302,708

STACK ID (DIAM:HEIGHT): N/A  
FLOWRATE (ACFM): N/A  
Ts(°F): N/A

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 3-05-010-11			POTENTIAL EMISSIONS					
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS		
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	0.44	85	330.0	7920.0	<b>1445.4</b>	49.5	<b>216.8</b>	N/A
PM10	0.22	85	165.0	3960.0	<b>722.7</b>	24.8	<b>108.4</b>	N/A
SOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
NOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
VOC	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
CO	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A
HAPs	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A

MDR based on Maximum Annual Throughput of 6,570,000 TPY contained in the T5 Application.

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.22 lbs of PM / Ton of Coal Transferred.

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
286.6	43.0
143.3	21.5
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

Coal Storage Pile (Unit ID 016) with

Unit ID: 018 Telescopic Chute

MDR (T/hr): 750  
YEARLY PROD (T/yr): 1,302,708

STACK ID (DIAM:HEIGHT): N/A  
FLOWRATE (ACFM): N/A  
Ts(°F): N/A

CNTRL DEV: Telescopic Chute

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 3-05-010-15			POTENTIAL EMISSIONS					
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS		
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	0.22	75	165.0	3960.0	722.7	41.3	180.7	N/A
PM10	0.11	75	82.5	1980.0	361.4	20.6	90.3	N/A
SOx	0	0	0.0	0.0	0.0	0.0	0.0	N/A
NOx	0	0	0.0	0.0	0.0	0.0	0.0	N/A
VOC	0	0	0.0	0.0	0.0	0.0	0.0	N/A
CO	0	0	0.0	0.0	0.0	0.0	0.0	N/A
HAPs	0	0	0.0	0.0	0.0	0.0	0.0	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
143.3	35.8
71.6	17.9
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0

MDR = 6570000 Tons/yr

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.22 lbs of PM / Ton of Coal Transferred.

**Totals: Coal Handling System**

POLLUTANT	POTENTIAL EMISSIONS						ALLOWABLE	1997 ACTUAL	
	BEFORE CONTROLS			AFTER CONTROLS				BEFORE CONTROLS	AFTER CONTROLS
	(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)			
PM	1320.0	31680.0	5781.6	226.1	990.1	N/A	PM: 326 IAC 6-1-2(a) 0.03 gr/dscf	1,084.6	195.7
PM10	660.0	15840.0	2890.8	113.0	495.0	N/A		542.3	97.9
SOx	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0
NOx	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0
VOC	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0
CO	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0
HAPs	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

\*\*\*\*\*  
**Unit ID: 010 - Unit 3 Boiler (Pulverized-Dry Bottom)** \*SOx emission factor adjusted to reflect % Sulfur  
 \*\*\*\*\*

**Coal Combustion** MDC (mmBtu/hr): 2130 HEAT CONTENT (Btu/lb): 9,507 STACK ID (DIAM:HEIGHT): (16.1: 406)  
**(Pulverized Coal: Dry Bottom Tangential)** MDR (Ton/hr): 97 ASH CONTENT (%): 4.11 FLOWRATE (ACFM): 791,878  
 QTY BURNED (Ton/yr): 561,482 \*SULFUR CONTENT (%): 0.36 Ts(°F): 309

CNTRL DEV: Jetpulse Baghouse  
 NG Ignition Fuel

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 1-01-002-26			POTENTIAL EMISSIONS						ALLOWABLE		1997 ACTUAL	
POLLUTANT	EF(lbs/Ton)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS			(lbs/hr)	(TPY)	BEFORE CONTROLS	AFTER CONTROLS
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)				
PM	10	98.4	971.0	23304.0	<b>4253.0</b>	15.5	<b>68.0</b>	0.003	see below	2,807.4	44.9	
PM10	2.3	98.4	223.3	5359.9	<b>978.2</b>	3.6	<b>15.7</b>	0.001		645.7	10.3	
*SOx	12.6	0	1223.5	29363.0	<b>5358.8</b>	1223.5	<b>5358.8</b>	N/A		3,537.3	3,537.3	
NOx	15	0	1456.5	34956.0	<b>6379.5</b>	1456.5	<b>6379.5</b>	N/A		4,211.1	4,211.1	
VOC	0.06	0	5.8	139.8	<b>25.5</b>	5.8	<b>25.5</b>	N/A		16.8	16.8	
CO	0.6	0	58.3	1398.2	<b>255.2</b>	58.3	<b>255.2</b>	N/A		168.4	168.4	
HAPs (lbs/MMBtu)	0.03517	0	74.9	1797.9	<b>328.1</b>	74.9	<b>328.1</b>	N/A	0.04	0.04		

Ash and Sulfur content, Flowrate, Ts, CE, and Heat Content from compliance stack test (2/19/97)

HAPs Content: chlorine/HCl = 27,819 lbs/trillion Btu; Fluorine/HF = 7,351 lbs/trillion Btu

Chlorine Emissions =	59.3	259.5
Fluorine Emissions =	15.7	68.6

(All other HAPs content are insignificant.)

PM10: 326 IAC 6-1-10.1(d): 0.100 lbs/MMBtu  
 SO2: 326 IAC 7-4-1.1(c)(5)(B): 1.2 lbs/MMBtu  
 Opacity: 326 IAC 5-1-2: 20%, six minute average  
 NOx: 40 CFR 76 - 0.45 lbs/MMBtu

\*\*\*\*\*  
**Unit ID: 011 - Unit 4 Boiler (Cyclone-Wet Bottom)** \*SOx emission factor adjusted to reflect % Sulfur  
 \*\*\*\*\*

**Coal Combustion** MDC (mmBtu/hr): 3568 HEAT CONTENT (Btu/lb): 9,374 STACK ID (DIAM:HEIGHT): (14.5: 456)  
**(Cyclone Furnace (Subbituminous Coal))** MDR (Ton/hr): 190 ASH CONTENT (%): 4.04 FLOWRATE (ACFM): 1,233,593  
 QTY BURNED (Ton/yr): 741,226 \*SULFUR CONTENT (%): 0.34 Ts(°F): 319

CNTRL DEV: Electrostatic Precipitator  
 NG Ignition Fuel

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 1-01-002-23			POTENTIAL EMISSIONS						ALLOWABLE		1997 ACTUAL	
POLLUTANT	EF(lbs/Ton)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS			(lbs/hr)	(TPY)	BEFORE CONTROLS	AFTER CONTROLS
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)				
PM	2	91.1	380.6	9135.1	<b>1667.1</b>	33.9	<b>148.4</b>	0.005	see below	741.2	66.0	
PM10	0.26	91.1	49.5	1187.6	<b>216.7</b>	4.4	<b>19.3</b>	0.001		96.4	8.6	
*SOx	11.9	0	2264.7	54353.6	<b>9919.5</b>	2264.7	<b>9919.5</b>	N/A		4,410.3	4,410.3	
NOx	37	0	7041.6	168998.5	<b>30842.2</b>	7041.6	<b>30842.2</b>	N/A		13,712.7	13,712.7	
VOC	0.07	0	13.3	319.7	<b>58.4</b>	13.3	<b>58.4</b>	N/A		25.9	25.9	
CO	0.6	0	114.2	2740.5	<b>500.1</b>	114.2	<b>500.1</b>	N/A		222.4	222.4	
HAPs (lbs/MMBtu)	0.035385	0	126.3	3030.1	<b>553.0</b>	126.3	<b>553.0</b>	N/A	0.1	0.1		

Ash and Sulfur content, Flowrate, Ts, CE, and Heat Content from compliance stack test.

HAPs Content: chlorine/HCl = 27,989 lbs/trillion Btu; Fluorine/HF = 7,396 lbs/trillion Btu

Chlorine Emissions =	99.9	437.4
Fluorine Emissions =	26.4	115.6

(All other HAPs content are insignificant.)

PM10: 326 IAC 6-1-10.1(d): 0.100 lbs/MMBtu  
 SO2: 326 IAC 7-4-1.1(c)(5)(B): 1.2 lbs/MMBtu  
 Opacity: 326 IAC 5-1-2: 20%, six minute average  
 NOx: 40 CFR 76 - 0.45 lbs/MMBtu

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

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Unit ID: 029 - Nebraska/Wabash Auxiliary Packaged Boiler

\*\*\*\*\*

Auxiliary Boiler  
(Natural Gas Combustion)

MDC (mmBtu/hr): 56  
MDR (mmcf/hr): 0.0544

HEAT CONTENT (Btu/cft): 1,030  
QTY BURNED (mmcf/yr): 20.88

STACK ID (DIAM:HEIGHT): (2.00: 135)  
FLOWRATE (ACFM): 10,912  
Ts(°F): 530

CNTRL DEV: NONE

PERMITTED OPERATING HRS: **8760** hr/yr

POLLUTANT	EF(lbs/mmcf)	CE (%)	POTENTIAL EMISSIONS						ALLOWABLE		1997 ACTUAL	
			BEFORE CONTROLS			AFTER CONTROLS			(lbs/hr)	(TPY)	BEFORE CONTROLS	AFTER CONTROLS
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)				
PM	7.6	0	0.4	9.9	<b>1.8</b>	0.4	<b>1.8</b>	0.008	see below	0.08	0.08	
PM10	1.9	0	0.1	2.5	<b>0.5</b>	0.1	<b>0.5</b>	0.002		0.02	0.02	
SOx	0.6	0	0.0	0.8	<b>0.1</b>	0.0	<b>0.1</b>	N/A		0.01	0.01	
NOx	100	0	5.4	130.5	<b>23.8</b>	5.4	<b>23.8</b>	N/A		1.04	1.04	
VOC	5.5	0	0.3	7.2	<b>1.3</b>	0.3	<b>1.3</b>	N/A		0.06	0.06	
CO	84	0	4.6	109.6	<b>20.0</b>	4.6	<b>20.0</b>	N/A		0.88	0.88	
LEAD	0.0005	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.00	0.00	

40 CFR 60, Subpart Dc  
326 IAC 6-1-2(b)(5): 0.01 gr/dscf

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

\*\*\*\*\*  
**Unit ID: Fly Ash Truck Loading from 1000 Ton Silo**  
\*\*\*\*\*

MDR (T/hr): 220  
YEARLY PROD (T/yr): 15,059

STACK ID (DIAM:HEIGHT): (1.25: 116)  
FLOWRATE (ACFM): 5000  
Ts(°F): 180

CNTRL DEV: Plenum Pulse Bag Filter

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 3-05-010-99			POTENTIAL EMISSIONS						ALLOWABLE		1997 ACTUAL	
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS					BEFORE	AFTER
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)			CONTROLS	CONTROLS
PM	0.4	99	88.0	2112.0	<b>385.4</b>	0.9	<b>3.9</b>	0.025	<b>PM: 326 IAC 6-1-2(a)</b> <b>0.03 gr/dscf</b>	3.0118	0.0301	
PM10	0.1	99	22.0	528.0	<b>96.4</b>	0.2	<b>1.0</b>	0.006		0.7530	0.0075	
SOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	
NOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	
VOC	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	
CO	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	
HAPs	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	

\*\*\*\*\*  
**Unit ID: Fly Ash Truck Loading from 500 Ton Silo**  
\*\*\*\*\*

MDR (T/hr): 220  
YEARLY PROD (T/yr): 21,141

STACK ID (DIAM:HEIGHT): (2: 100)  
FLOWRATE (ACFM): 5000  
Ts(°F): 180

CNTRL DEV: Mikro-Pulsaire Dust Collector

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 3-05-010-99			POTENTIAL EMISSIONS						ALLOWABLE		1997 ACTUAL	
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS					BEFORE	AFTER
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)			CONTROLS	CONTROLS
PM	0.4	99	88.0	2112.0	<b>385.4</b>	0.9	<b>3.9</b>	0.025	<b>PM: 326 IAC 6-1-2(a)</b> <b>0.03 gr/dscf</b>	4.2282	0.0423	
PM10	0.1	99	22.0	528.0	<b>96.4</b>	0.2	<b>1.0</b>	0.006		1.0571	0.0106	
SOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	
NOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	
VOC	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	
CO	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	
HAPs	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0000	0.0000	

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

**\*\* SOURCE TOTALS w/o Insignificant Activities**

POLLUTANT	POTENTIAL EMISSIONS					
	BEFORE CONTROLS			AFTER CONTROLS		
	(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	2848.0	68353.0	<b>12474.4</b>	277.6	<b>1216.0</b>	N/A
PM10	976.9	23446.0	<b>4278.9</b>	121.5	<b>532.4</b>	N/A
SOx	3488.2	83717.4	<b>15278.4</b>	3488.2	<b>15278.4</b>	N/A
NOx	8503.5	204085.0	<b>37245.5</b>	8503.5	<b>37245.5</b>	N/A
VOC	19.4	466.7	<b>85.2</b>	19.4	<b>85.2</b>	N/A
CO	177.0	4248.4	<b>775.3</b>	177.0	<b>775.3</b>	N/A
HAPs	201.2	4828.0	<b>881.1</b>	201.2	<b>881.1</b>	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
4,640.6	306.7
1,286.2	116.8
7,947.6	7,947.6
17,924.8	17,924.8
42.8	42.8
391.7	391.7
0.1	0.1

Chlorine Emissions =	159.1	696.9
Fluorine Emissions =	42.0	184.2

**\*\* Insignificant Activities\*\***

No calculations for:

- Coal Pile (Wind Erosion, Vehicles Traffic)
- Paved Roads
- Unit 3 De-Training Tank (TK1) and Turbine Oil Reservoir Tank (TK2)
- Unit 4 De-Training Tank (TK3) and Turbine Oil Reservoir Tank (TK4)

**(326 IAC 8-6-1(b) App: Must comply with 8-9-6(a) & (b))**  
 North (TK5) and South (TK6) Diesel Fuel Storage Tanks  
 Fire Pump Fuel Storage Tank (TK7)  
 Emergency Generator Fuel Storage Tank (TK8)  
 Coal Pile Runoff Waste Oil Tank (TK9)  
 Waste Oil Storage Tank (TK10)  
 Cribhouse Waste Oil Storage Tank (TK11)  
 Roof & Yard Waste Oil Storage Tank (TK12)  
 Gasoline Storage Tank (TK13)  
 Caustic Tank (TK14)  
 Diesel Fire Pump (FP1) (550 HP)

**Units Retired:** Unit 2-1 Boiler  
 2000 Ton Fly Ash Silos A & B  
 Coal Handling Vacuum Cleaning System

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

\*\*\*\*\*  
Unit ID: 017 1000 Ton Fly Ash Silo  
\*\*\*\*\*

MDR (T/hr): 1.66

STACK ID (DIAM:HEIGHT): (1.25: 116)

YEARLY PROD (T/yr): 15,059

FLOWRATE (ACFM): 5000

CNTRL DEV: Plenum Pulse Bag Filter (BH8)

Ts(°F): 180

PERMITTED OPERATING HRS: 8760 hr/yr

POLLUTANT	SCC NO. 3-05-010-99	EF(LB/T)	CE (%)	POTENTIAL EMISSIONS					
				BEFORE CONTROLS			AFTER CONTROLS		
				(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM		0.4	99.9	0.66	15.90	2.90	0.001	0.003	0.0000
PM10		0.1	99.9	0.17	3.97	0.73	0.000	0.001	0.0000
SOx		0	0	0.00	0.00	0.00	0.000	0.000	N/A
NOx		0	0	0.00	0.00	0.00	0.000	0.000	N/A
VOC		0	0	0.00	0.00	0.00	0.000	0.000	N/A
CO		0	0	0.00	0.00	0.00	0.000	0.000	N/A
HAPs		0	0	0.00	0.00	0.00	0.000	0.000	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
3.01	0.003
0.75	0.001
0.00	0.000
0.00	0.000
0.00	0.000
0.00	0.000
0.00	0.000

MDR = 14,505 Tons/yr

Insignificant activities due to emissions levels as per 326 IAC 2-7-1(21) Definition of Insignificant Activities.

\*\*\*\*\*  
Unit ID: 020 500 Ton Fly Ash Silo  
\*\*\*\*\*

MDR (T/hr): 2.50

STACK ID (DIAM:HEIGHT): (2.56: 100)

YEARLY PROD (T/yr): 21,141

FLOWRATE (ACFM): 2200

CNTRL DEV: Mikro-Pulsaire Dust Collector (BH7)

Ts(°F): 180

PERMITTED OPERATING HRS: 8760 hr/yr

POLLUTANT	SCC NO. 3-05-010-99	EF(LB/T)	CE (%)	POTENTIAL EMISSIONS					
				BEFORE CONTROLS			AFTER CONTROLS		
				(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM		0.4	99	1.00	23.96	4.37	0.010	0.044	0.0006
PM10		0.1	99	0.25	5.99	1.09	0.002	0.011	0.0002
SOx		0	0	0.00	0.00	0.00	0.000	0.000	N/A
NOx		0	0	0.00	0.00	0.00	0.000	0.000	N/A
VOC		0	0	0.00	0.00	0.00	0.000	0.000	N/A
CO		0	0	0.00	0.00	0.00	0.000	0.000	N/A
HAPs		0	0	0.00	0.00	0.00	0.000	0.000	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
4.23	0.042
1.06	0.011
0.00	0.000
0.00	0.000
0.00	0.000
0.00	0.000
0.00	0.000

MDR = 21,863 Tons/yr

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.22 lbs of PM / Ton of Coal Transferred.

Insignificant activities due to emissions levels as per 326 IAC 2-7-1(21) Definition of Insignificant Activities.

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

\*\*\*\*\*

**Unit ID: Auxiliary Emergency Generator**

\*\*\*\*\*

**No. 1 Diesel Fuel Injection  
(400 kW)**

MDC (mmBtu/hr): 4.5                      HEAT CONTENT (Btu/gal): 140,000                      STACK ID (DIAM:HEIGHT): (0.83: 20)  
MDR (mgal/hr): 0.032143                      ASH CONTENT (%): N/A                      FLOWRATE (ACFM): 1,000.00  
QTY BURNED (mgal/yr): 0.375                      SULFUR CONTENT (%): 0.25                      Ts(°F): 100

CNTRL DEV: NONE

SCC NO. 1-02-005-01			PERMITTED OPERATING HRS: <b>8760</b> hr/yr						ALLOWABLE	1997 ACTUAL	
			POTENTIAL EMISSIONS							BEFORE CONTROLS	AFTER CONTROLS
POLLUTANT	EF(lbs/mgal)	CE (%)	BEFORE CONTROLS		(TPY)	AFTER CONTROLS					
			(lbs/hr)	(lbs/day)		(lbs/hr)	(TPY)	(gr/dscf)			
PM	2	0	0.064	1.543	<b>0.28</b>	0.064	<b>0.28</b>	0.008	<b>S02: 326 IAC 7-4-1.1</b>	0.0004	0.0004
PM10	1	0	0.032	0.771	<b>0.14</b>	0.032	<b>0.14</b>	0.004		0.0002	0.0002
SOx	35.9	0	1.154	27.694	<b>5.05</b>	1.154	<b>5.05</b>	N/A	<b>0.3 lbs/MMBtu</b>	0.0067	0.0067
NOx	20	0	0.643	15.429	<b>2.82</b>	0.643	<b>2.82</b>	N/A		0.0038	0.0038
VOC	0.2	0	0.006	0.154	<b>0.03</b>	0.006	<b>0.03</b>	N/A		0.0000	0.0000
CO	5	0	0.161	3.857	<b>0.70</b>	0.161	<b>0.70</b>	N/A		0.0009	0.0009
LEAD	0.004	0	0.000	0.003	<b>0.00</b>	0.000	<b>0.00</b>	N/A		0.0000	0.0000

Listed Insignificant Activity (Form GSD-10(a)).                      EF for SOx is 143.6 times the % Sulfur.

\*\*\*\*\*

**Unit ID: Portable Direct-Fired Space Heaters**

\*\*\*\*\*

**Seasonally leased for supplemental heat  
(Natural Gas Combustion)**

MDC (mmBtu/hr): 40.95                      HEAT CONTENT (Btu/cft): 1,030                      STACK ID (DIAM:HEIGHT):  
MDR (mmcft/hr): 0.0398                      QTY BURNED (mmcft/yr): 20.88                      FLOWRATE (ACFM):  
Ts(°F):

CNTRL DEV: NONE

SCC NO. 1-02-006-02			PERMITTED OPERATING HRS: <b>8760</b> hr/yr						1997 ACTUAL	
			POTENTIAL EMISSIONS						BEFORE CONTROLS	AFTER CONTROLS
POLLUTANT	EF(lbs/mmcft)	CE (%)	BEFORE CONTROLS		(TPY)	AFTER CONTROLS				
			(lbs/hr)	(lbs/day)		(lbs/hr)	(TPY)	(gr/dscf)		
PM	3	0	0.119	2.863	<b>0.52</b>	0.119	<b>0.52</b>	N/A	0.031	0.031
PM10	3	0	0.119	2.863	<b>0.52</b>	0.119	<b>0.52</b>	N/A	0.031	0.031
SOx	0.6	0	0.024	0.573	<b>0.10</b>	0.024	<b>0.10</b>	N/A	0.006	0.006
NOx	140	0	5.566	133.584	<b>24.38</b>	5.566	<b>24.38</b>	N/A	1.462	1.462
VOC	3.024	0	0.120	2.885	<b>0.53</b>	0.120	<b>0.53</b>	N/A	0.032	0.032
CO	35	0	1.392	33.396	<b>6.09</b>	1.392	<b>6.09</b>	N/A	0.365	0.365
LEAD	0.0005	0	0.000	0.000	<b>0.00</b>	0.000	<b>0.00</b>	N/A	0.000	0.000

Listed Insignificant Activity (Form GSD-10(a)).

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

\*\*\*\*\*  
Unit ID: Two (2) Tioga Space Heaters (Model DF-17-C)  
\*\*\*\*\*

For Heating Coal Conditioning Bldg. & Breaker Bldg.  
(Natural Gas Combustion)

MDC (mmBtu/hr): 4.7  
MDR (mmcft/hr): 0.0046

HEAT CONTENT (Btu/cft): 1,030  
QTY BURNED (mmcft/yr): 13.25

STACK ID (DIAM:HEIGHT): (1.3: 9.2)  
FLOWRATE (ACFM): 642  
Ts(°F): 200

CNTRL DEV: NONE

PERMITTED OPERATING HRS: 8760 hr/yr

SCC NO. 1-02-006-02			POTENTIAL EMISSIONS					
POLLUTANT	EF(lbs/mmcft)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS		
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	3	0	0.014	0.329	0.06	0.014	0.06	0.003
PM10	3	0	0.014	0.329	0.06	0.014	0.06	0.003
SOx	0.6	0	0.003	0.066	0.01	0.003	0.01	N/A
NOx	140	0	0.639	15.332	2.80	0.639	2.80	N/A
VOC	3.024	0	0.014	0.331	0.06	0.014	0.06	N/A
CO	35	0	0.160	3.833	0.70	0.160	0.70	N/A
LEAD	0.0005	0	0.000	0.000	0.00	0.000	0.00	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
0.020	0.020
0.020	0.020
0.004	0.004
0.928	0.928
0.020	0.020
0.232	0.232
0.000	0.000

Listed Insignificant Activity (Form GSD-10(a)).

\*\*\*\*\*  
Unit ID: 015 Unit 3 Coal Bunker  
\*\*\*\*\*

MDR (T/hr): 750

STACK ID (DIAM:HEIGHT): (6: 106)

YEARLY PROD (T/yr): 561,482

FLOWRATE (ACFM): 24000

CNTRL DEV: Baghouse (BH3)

Ts(°F): 77

PERMITTED OPERATING HRS: 8760 hr/yr

SCC NO. 3-05-010-14			POTENTIAL EMISSIONS						ALLOWABLE	1997 ACTUAL	
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS				BEFORE CONTROLS	AFTER CONTROLS
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)			
PM	0.22	99	165.0	3,960.0	722.7	1.7	7.2	0.008	PM: 326 IAC 6-1-2(a) 0.03 gr/dscf	61.8	0.6
PM10	0.11	99	82.5	1,980.0	361.4	0.8	3.6	0.004		30.9	0.3
SOx	0	0	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0
NOx	0	0	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0
VOC	0	0	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0
CO	0	0	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0
HAPs	0	0	0.0	0.0	0.0	0.0	0.0	N/A		0.0	0.0

MDR = 6,570,000 Tons/yr

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.22 lbs of PM / Ton of Coal Transferred.

Listed Insignificant Activity (Form GSD-10(a)), but potential is greater than 2-1.1-3 threshold.

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

\*\*\*\*\*  
**Unit ID: 026 Unit 3 Fly Ash Handling System**  
 \*\*\*\*\*

MDR (T/hr): 2.50

STACK ID (DIAM:HEIGHT): (0.5: 74)

YEARLY PROD (T/yr): 28,019

FLOWRATE (ACFM): 2850

CNTRL DEV: Plenum Pulse Bag Filter (BH5)

Ts(°F): 270

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 3-05-010-99			POTENTIAL EMISSIONS					
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS		
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	0.4	99	1.00	23.96	<b>4.37</b>	0.010	<b>0.04</b>	0.0006
PM10	0.1	99	0.25	5.99	<b>1.09</b>	0.002	<b>0.01</b>	0.0001
SOx	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A
NOx	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A
VOC	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A
CO	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A
HAPs	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
5.60	0.06
1.40	0.01
0.00	0.00
0.00	0.00
0.00	0.00
0.00	0.00
0.00	0.00

MDR = 21,863 Tons/yr

Insignificant activities due to emissions levels as per 326 IAC 2-7-1(21) Definition of Insignificant Activities.

\*\*\*\*\*  
**Unit ID: 012 Unit 4 East/West Coal Bunker**  
 \*\*\*\*\*

MDR (T/hr): 800

STACK ID (DIAM:HEIGHT): (6: 123)

YEARLY PROD (T/yr): 741,226

FLOWRATE (ACFM): 17000

CNTRL DEV: Baghouse (BH4)

Ts(°F): 77

PERMITTED OPERATING HRS: **8760** hr/yr

SCC NO. 3-05-010-14			POTENTIAL EMISSIONS						ALLOWABLE	1997 ACTUAL	
POLLUTANT	EF(LB/T)	CE (%)	BEFORE CONTROLS			AFTER CONTROLS				BEFORE CONTROLS	AFTER CONTROLS
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)			
PM	0.22	99	176.0	4224.0	<b>770.9</b>	1.8	<b>7.7</b>	0.012	<b>PM: 326 IAC 6-1-2(a) 0.03 gr/dscf</b>	81.5	0.8
PM10	0.11	99	88.0	2112.0	<b>385.4</b>	0.9	<b>3.9</b>	0.006		40.8	0.4
SOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0	0.0
NOx	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0	0.0
VOC	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0	0.0
CO	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0	0.0
HAPs	0	0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A		0.0	0.0

MDR = 7,008,000 Tons/yr

EF based from Electric Power Research Institute Fugitive Emissions Study for Power Plants (CS3455, June 1984) = 0.22 lbs of PM / Ton of Coal Transferred.

Listed Insignificant Activity (Form GSD-10(a)), but potential is greater than 2-1.1-3 threshold.

Appendix A: Source Emissions Calculations  
State Line Energy T089-7062-00210

\*\*\*\*\*  
Unit ID: 025 Unit 4 Fly Ash Handling System  
\*\*\*\*\*

MDR (T/hr): 1.66

STACK ID (DIAM:HEIGHT): (0.5: 145)

YEARLY PROD (T/yr): 8,181

FLOWRATE (ACFM): 3328

CNTRL DEV: Bag Filter (BH6)

Ts(°F): 270

PERMITTED OPERATING HRS: **8760** hr/yr

POLLUTANT	EF(LB/T)	CE (%)	POTENTIAL EMISSIONS					
			BEFORE CONTROLS			AFTER CONTROLS		
			(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	0.4	99	0.66	15.90	<b>2.90</b>	0.007	<b>0.03</b>	0.0003
PM10	0.1	99	0.17	3.97	<b>0.73</b>	0.002	<b>0.01</b>	0.0001
SOx	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A
NOx	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A
VOC	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A
CO	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A
HAPs	0	0	0.00	0.00	<b>0.00</b>	0.000	<b>0.00</b>	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
1.64	0.02
0.41	0.00
0.00	0.00
0.00	0.00
0.00	0.00
0.00	0.00
0.00	0.00

MDR = 14,505 Tons/yr

Insignificant activities due to emissions levels as per 326 IAC 2-7-1(21) Definition of Insignificant Activities.

**\*\* TOTALS: Insignificant Activities**

POLLUTANT	POTENTIAL EMISSIONS					
	BEFORE CONTROLS			AFTER CONTROLS		
	(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	344.5	8268.4	<b>1509.0</b>	3.6	<b>15.9</b>	N/A
PM10	171.5	4115.9	<b>751.1</b>	1.9	<b>8.2</b>	N/A
SOx	1.2	28.3	<b>5.2</b>	1.2	<b>5.2</b>	N/A
NOx	6.8	164.3	<b>30.0</b>	6.8	<b>30.0</b>	N/A
VOC	0.1	3.4	<b>0.6</b>	0.1	<b>0.6</b>	N/A
CO	1.7	41.1	<b>7.5</b>	1.7	<b>7.5</b>	N/A
HAPs	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
157.83	1.60
75.32	0.80
0.02	0.02
2.39	2.39
0.05	0.05
0.60	0.60
0.00	0.00

**\*\* SOURCE TOTALS w/ Insignificant Activities**

POLLUTANT	POTENTIAL EMISSIONS					
	BEFORE CONTROLS			AFTER CONTROLS		
	(lbs/hr)	(lbs/day)	(TPY)	(lbs/hr)	(TPY)	(gr/dscf)
PM	3192.6	76621.4	<b>13983.4</b>	281.3	<b>1232.0</b>	N/A
PM10	1148.4	27561.8	<b>5030.0</b>	123.4	<b>540.6</b>	N/A
SOx	3489.4	83745.7	<b>15283.6</b>	3489.4	<b>15283.6</b>	N/A
NOx	8510.4	204249.3	<b>37275.5</b>	8510.4	<b>37275.5</b>	N/A
VOC	19.6	470.1	<b>85.8</b>	19.6	<b>85.8</b>	N/A
CO	178.7	4289.5	<b>782.8</b>	178.7	<b>782.8</b>	N/A
HAPs	201.2	4828.0	<b>881.1</b>	201.2	<b>881.1</b>	N/A

1997 ACTUAL	
BEFORE CONTROLS	AFTER CONTROLS
4,798.40	308.34
1,361.52	117.59
7,947.65	7,947.65
17,927.23	17,927.23
42.90	42.90
392.29	392.29
0.10	0.10

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**  
**Office of Air Quality**  
**and**  
**Hammond Department of Environmental Management**

Appendix B to Technical Support Document (TSD):  
Technical Support Document for the NO<sub>x</sub> Budget Permit

**Source Background and Description**

**Source Name:** State Line Energy, LLC  
**Source Location:** 103<sup>rd</sup> Street and Lake Michigan, Hammond, Indiana 46320  
**Operated By:** State Line Energy, LLC  
**Owned By:** State Line Energy, LLC  
**ORIS Code:** 981  
**Operation Permit No.:** T089-7062-00210  
**Permit Reviewer for NO<sub>x</sub> Budget Permit:** Rebecca Mason

**NO<sub>x</sub> Budget Permit Application and Rule Applicability**

A complete Nitrogen Oxides (NO<sub>x</sub>) Budget Permit Application for this NO<sub>x</sub> budget source was received on November 1, 2002. The Office of Air Quality (OAQ) has reviewed a NO<sub>x</sub> budget permit application from State Line Energy, LLC under 326 IAC 10-4-7 for the operation of the NO<sub>x</sub> budget source. The NO<sub>x</sub> budget source includes all NO<sub>x</sub> Budget Units at the source, including opt-in units, if applicable. The following units at the source are NO<sub>x</sub> Budget Units:

- (a) One (1) coal-fired boiler, identified as Unit 3 Boiler (Unit ID 010), constructed in 1955, with a nominal rating of 2130 million Btu per hour (MMBtu/hr), with a pulse-jet baghouse (U3BH) for control of particulate matter and exhausting to Stack 3. Unit 3 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 3 Boiler as supplemental fuel for energy recovery. Unit 3 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).
- (b) One (1) coal-fired boiler, identified as Unit 4 Boiler (Unit ID 011), constructed in 1962, with a nominal rating of 3568 million Btu per hour (MMBtu/hr), with an Electrostatic Precipitator (PRE4) for control of particulate matter and exhausting to Stack 4. Unit 4 Boiler combusts natural gas during startup, shutdown, and stabilization periods. Used oil generated onsite may be combusted in Unit 4 Boiler as supplemental fuel for energy recovery. Unit 4 Boiler has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>), and a continuous opacity monitor (COM).

Pursuant to 326 IAC 10-4-7, the NO<sub>x</sub> budget permit shall be a complete and segregable portion of the Part 70 permit and the NO<sub>x</sub> budget portion of the Part 70 permit shall be administered in accordance with 326 IAC 2-7, except as provided otherwise by 326 IAC 10-4-7.

## Program Description

On October 27, 1998, the U.S. EPA promulgated final federal rules requiring 22 states and the District of Columbia to submit state implementation plan (SIP) revisions to reduce the regional transport of ozone. The federal rule focused on reducing NO<sub>x</sub> emissions in the affected states. In the federal rule, the U.S. EPA established a NO<sub>x</sub> emission "budget" for each of the affected states and the District of Columbia. The "budget" represents a reduction from emissions in the year 2007 that the U.S. EPA believes will reduce the transport of NO<sub>x</sub> emissions and will assist downwind areas in meeting ozone air quality standards. The states must demonstrate compliance with the "budget" by implementing control measures to reduce NO<sub>x</sub> emissions beginning May 31, 2004. While the rule does not mandate which sources will have to reduce emissions, the rule did provide options that would result in a 65% reduction of NO<sub>x</sub> emissions from utility boilers and a 60% reduction from large industrial (non-utility) boilers and turbines. IDEM developed the NO<sub>x</sub> Budget Trading Program in 326 IAC 10-4 in response to this mandate. The NO<sub>x</sub> reductions that will be achieved by this rule will result in significant air quality improvements throughout the state of Indiana, and will be especially important in those areas of the state where ozone levels exceed or regularly approach state and federal air quality health standards.

The Nitrogen Oxides Budget Trading Program is a regional cap and trade program among all the states subject to the NO<sub>x</sub> SIP call. Electricity generating units (EGUs) and non-electricity generating units (non-EGUs) are allocated allowances for tons of NO<sub>x</sub> that they are allowed to emit during the ozone season. IDEM allocates NO<sub>x</sub> allowances for the affected units, and owners or operators of these units are able to buy, sell, or trade allowances, as necessary, to demonstrate compliance with the unit's NO<sub>x</sub> emissions cap. Because this program is a regional program administered by U.S. EPA, sources are able to buy, sell or trade allowances across state boundaries and between different types of units and sources. More information about the NO<sub>x</sub> SIP Call can be found at: <http://www.epa.gov/airmarkets/fednox/index.html> and <http://www.in.gov/idem/air/standard/Sip/index.html>.

### 326 IAC 10-4 (NO<sub>x</sub> Budget Trading Program) Requirements

- (1) Pursuant to 326 IAC 10-4-4(b), the owners and operators and, to the extent applicable, the NO<sub>x</sub> authorized account representative of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall comply with the monitoring requirements of 40 CFR 75 and 326 IAC 10-4-12. The emissions measurements recorded and reported in accordance with 40 CFR 75 and 326 IAC 10-4-12 shall be used to determine compliance by each unit with the NO<sub>x</sub> budget emissions limitation under 326 IAC 10-4-4(c).
- (b) Pursuant to 326 IAC 10-4-4(c), the owners and operators of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall hold NO<sub>x</sub> allowances available for compliance deductions under 326 IAC 10-4-10(j), as of the NO<sub>x</sub> allowance transfer deadline, in each unit's compliance account and the source's overdraft account in an amount:
  - (1) Not less than the total NO<sub>x</sub> emissions for the ozone control period from the unit, as determined in accordance with 40 CFR 75 and 326 IAC 10-4-12;
  - (2) To account for excess emissions for a prior ozone control period under 326 IAC 10-4-10(k)(5); or
  - (3) To account for withdrawal from the NO<sub>x</sub> budget trading program, or a change in regulatory status of a NO<sub>x</sub> budget opt-in unit.

The NO<sub>x</sub> budget units shall be subject to the requirements under 326 IAC 10-4-4(c)(1) starting on May 31, 2004.

- (c) Pursuant to 326 IAC 10-4-4(d), the owners and operators of each NO<sub>x</sub> budget unit that has excess emissions in any ozone control period shall do the following:
- (1) Surrender the NO<sub>x</sub> allowances required for deduction under 326 IAC 10-4-10(k)(5).
  - (2) Pay any fine, penalty, or assessment or comply with any other remedy imposed under 326 IAC 10-4-10(k)(7).
- (d) Pursuant to 326 IAC 10-4-4(e)(1), unless otherwise provided, the owners and operators of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall keep either 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:
- (1) The account certificate of representation for the NO<sub>x</sub> authorized account representative for the source and each NO<sub>x</sub> budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 326 IAC 10-4-6(h). The certificate and documents shall be retained either on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond the five (5) year period until the documents are superseded because of the submission of a new account certificate of representation changing the NO<sub>x</sub> authorized account representative.
  - (2) All emissions monitoring information, in accordance with 40 CFR 75 and 326 IAC 10-4-12, provided that to the extent that 40 CFR 75 and 326 IAC 10-4-12 provide for a three (3) year period for record keeping, the three (3) year period shall apply.
  - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO<sub>x</sub> budget trading program.
  - (4) Copies of all documents used to complete a NO<sub>x</sub> budget permit application and any other submission under the NO<sub>x</sub> budget trading program or to demonstrate compliance with the requirements of the NO<sub>x</sub> budget trading program.
- This period may be extended for cause, at any time prior to the end of five (5) years, in writing by IDEM, OAQ or the U.S. EPA. Records retained at a central location within Indiana shall be available immediately at the location and submitted to the IDEM, OAQ or U.S. EPA within three (3) business days following receipt of a written request. Nothing in 326 IAC 10-4-4(e) shall alter the record retention requirements for a source under 40 CFR 75. Unless otherwise provided, all records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.
- (e) Pursuant to 326 IAC 10-4-4(e)(2), the NO<sub>x</sub> authorized account representative of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall submit the reports and compliance certifications required under the NO<sub>x</sub> budget trading program, including those under 326 IAC 10-4-8, 326 IAC 10-4-12, or 326 IAC 10-4-13.

## Monitoring

The NO<sub>x</sub> Budget Trading Program references monitoring and reporting requirements from the Acid Rain program at 40 CFR Part 75. These provisions require, for most sources, the use of continuous emissions monitors (CEMs). A CEM is a system composed of various equipment that

continuously measures the amount of nitrogen oxides emitted into the atmosphere in exhaust gases from the NO<sub>x</sub> budget unit's stack.

### **NO<sub>x</sub> Emissions Allocations**

- (a) Pursuant to 326 IAC 10-4-7(e), this NO<sub>x</sub> budget permit is deemed to incorporate automatically, upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NO<sub>x</sub> allowance to or from the compliance accounts of the NO<sub>x</sub> budget units or the overdraft account of the NO<sub>x</sub> budget source covered by this permit. The allocations for each ozone season and transaction information can be found at: <http://www.epa.gov/airmarkets/tracking/factsheet.html>. In addition, IDEM, OAQ posts proposed allocations prior to submitting them to the U.S. EPA on the following web site: <http://www.in.gov/idem/air/standard/Sip/index.html>.
- (b) The following requirements from 326 IAC 10-4-4(c) apply to NO<sub>x</sub> allowances:
- (1) Each ton of NO<sub>x</sub> emitted in excess of the NO<sub>x</sub> budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.
  - (2) NO<sub>x</sub> allowances shall be held in, deducted from, or transferred among NO<sub>x</sub> allowance tracking system accounts in accordance with 326 IAC 10-4-9 through 11, 326 IAC 10-4-13, and 326 IAC 10-4-14.
  - (3) A NO<sub>x</sub> allowance shall not be deducted, in order to comply with the requirements under 326 IAC 10-4-4(c)(1), for an ozone control period in a year prior to the year for which the NO<sub>x</sub> allowance was allocated.
  - (4) A NO<sub>x</sub> allowance allocated under the NO<sub>x</sub> budget trading program is a limited authorization to emit one (1) ton of NO<sub>x</sub> in accordance with the NO<sub>x</sub> budget trading program. No provision of the NO<sub>x</sub> budget trading program, the NO<sub>x</sub> budget permit application, the NO<sub>x</sub> budget permit, or an exemption under 326 IAC 10-4-3 and no provision of law shall be construed to limit the authority of the U.S. EPA or IDEM, OAQ to terminate or limit the authorization.
  - (5) A NO<sub>x</sub> allowance allocated under the NO<sub>x</sub> budget trading program does not constitute a property right.
  - (6) Upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NO<sub>x</sub> allowance to or from a NO<sub>x</sub> budget unit's compliance account or the overdraft account of the source where the unit is located is deemed to amend automatically, and become a part of, this NO<sub>x</sub> budget permit of the NO<sub>x</sub> budget unit by operation of law without any further review.

### **Other Record Keeping and Reporting Requirements**

Pursuant to 326 IAC 10-4-7(g), except as provided in 326 IAC 10-7-4(e), IDEM, OAQ shall revise the NO<sub>x</sub> budget permit, as necessary, in accordance with the permit modification and revision provisions under 326 IAC 2-7.

Pursuant to 326 IAC 10-4-7(b)(1)(C), for permit renewal, the NO<sub>x</sub> authorized account representative shall submit a complete NO<sub>x</sub> budget permit application covering the NO<sub>x</sub> budget units at the source in accordance with 326 IAC 2-7-4(a)(1)(D) with the Part 70 permit renewal.

## Submissions

The NO<sub>x</sub> authorized account representative for each NO<sub>x</sub> budget source on behalf of which a submission is made must sign and certify every report or other submission required by the NO<sub>x</sub> budget permit. The NO<sub>x</sub> authorized account representative must include the following certification statement in every submission: "I am authorized to make this submission on behalf of the owners and operators of the NO<sub>x</sub> budget sources or NO<sub>x</sub> budget units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

## Recommendation

The staff recommends to the Commissioner that the NO<sub>x</sub> budget permit be approved.

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

## Additional Information

Questions regarding the NO<sub>x</sub> budget permit can be directed to Rebecca Mason at the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ), 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana 46206-6015 or by telephone at (317) 233-9664 or toll free at 1-800-451-6027 extension 3-9664.

The source will be inspected by the Hammond Department of Environmental Management's (HDEM's) and IDEM's compliance inspection staff. Persons seeking to obtain information regarding the source's compliance status or to report any potential violation of any permit condition should contact HDEM by telephone at (219) 853-6306 or by mail at Hammond Department of Environmental Management, Air Pollution Control Division, 5925 Calumet Avenue, Room 304, Hammond, Indiana 46320.

Copies of the Code of Federal Regulations (CFR) referenced in the permit may be obtained from:  
Indiana Department of Environmental Management

Office of Air Quality  
100 North Senate Avenue  
P.O. Box 6015  
Indianapolis, Indiana 46206-6015

or

The Government Printing Office  
Washington, D.C. 20402

or

on the Government Printing Office web site at  
<http://www.access.gpo.gov/nara/cfr/index.html>