INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We make Indiana a cleaner, healthier place to live.

Joseph E. Kernan
Governor

Lori F. Kaplan
Commissioner

100 North Senate Avenue
P.O. Box 6015
Indianapolis, Indiana 46206-6015
(317) 232-8603
(800) 451-6027
www.in.gov/idem

April 13, 2004

TO: Interested Parties / Applicant

RE: PSI Energy, Inc. - Noblesville Generating Station / T057-7173-0004

FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval – Effective Immediately

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-15-5-3, this permit is effective immediately, unless a petition for stay of effectiveness is filed and granted, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3-7 and IC 13-15-6-1(b) or IC 13-15-6-1(a) require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Room 1049, Indianapolis, IN 46204.

For an **initial Title V Operating Permit**, a petition for administrative review must be submitted to the Office of Environmental Adjudication within **thirty (30)** days from the receipt of this notice provided under IC 13-15-5-3, pursuant to IC 13-15-6-1(b).
For a **Title V Operating Permit renewal**, a petition for administrative review must be submitted to the Office of Environmental Adjudication within **fifteen (15)** days from the receipt of this notice provided under IC 13-15-5-3, pursuant to IC 13-15-6-1(a).

The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:
(1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
(2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
(3) The date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:
(1) the name and address of the person making the request;
(2) the interest of the person making the request;
(3) identification of any persons represented by the person making the request;
(4) the reasons, with particularity, for the request;
(5) the issues, with particularity, proposed for considerations at any hearing; and

(6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

Pursuant to 326 IAC 2-7-18(d), any person may petition the U.S. EPA to object to the issuance of an initial Title V operating permit, permit renewal, or modification within sixty (60) days of the end of the forty-five (45) day EPA review period. Such an objection must be based only on issues that were raised with reasonable specificity during the public comment period, unless the petitioner demonstrates that it was impractible to raise such issues, or if the grounds for such objection arose after the comment period.

To petition the U.S. EPA to object to the issuance of a Title V operating permit, contact:

U.S. Environmental Protection Agency
401 M Street
Washington, D.C. 20406

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

Enclosures
FNTVOP.dot 9/16/03

PART 70 OPERATING PERMIT
OFFICE OF AIR QUALITY

PSI Energy, Inc. - Noblesville Generating Station
21225 Riverwood Avenue
Noblesville, Indiana 46060

(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.: T057-7173-00004	
Issued by: Original Signed by Janet McCabe Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: April 13, 2004 Expiration Date: April 13, 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) . 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(21)]

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

Responsible Official:	Station Manager of the Noblesville Generating Station
Source Address:	21225 Riverwood Avenue, Noblesville, Indiana 46060
Mailing Address:	c/o Steven Pearl, 1000 East Main Street, Plainfield, Indiana 46168
Source Telephone:	(317) 838-1758
SIC Code:	4911
County Location:	Hamilton
Source Location Status:	Attainment or unclassifiable for all criteria pollutants
Source Status:	Part 70 Permit Program Major Source, under PSD Rules; Major Source, Section 112 of the Clean Air Act 1 of 28 Source Categories

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

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

(a) Three Natural Gas Fired Combined Cycle Systems [each includes a stationary combustion turbine and Heat Recovery Steam Generator (HRSG)], identified as CT-3, CT-4, and CT-5, installed in 2003, with a nominal capacity of 749.5 MMBtu per hour each based on 100% load, 55 F ambient temperature and natural gas higher heating value (833.9 MMBtu/hr at 100% load, -20 F and natural gas higher heating value), using DLN on each turbine and SCR and oxidation catalyst in each HRSG as control, and exhausting to stack 3-2, 4, and 5 respectively.

(b) One Mechanical Draft Cooling Tower with five cells, identified as WT-1, installed in 2003, with a nominal capacity of 100,000 gallons per minute, using a high efficiency mist eliminators as control, and exhausting to stacks WT 1-A through 1-E.-2.

(c) One (1) no. 2 fuel oil-fired boiler, identified as Heating Boiler, installed in 1990, with a nominal heat input capacity of 9.923 million Btu per hour (MMBtu/hr), with no control equipment and exhausting to stack H-1.

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):

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

(b) Distillate fuel oil system including unloading and storage in one 15,800 gallon storage tank.

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 of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit or of permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

B.3 Enforceability [326 IAC 2-7-7]

Unless otherwise stated, all terms and conditions in this permit, including any provisions designed to limit the source's potential to emit, are enforceable by IDEM, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.

B.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, within a reasonable time, any information that IDEM, OAQ, may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. 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, copies of records required to be kept by this permit.

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

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

(a) 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, or its equivalent, 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 July 1 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

United States Environmental Protection Agency, Region V
Air and Radiation Division, Air Enforcement Branch - Indiana (AE-17J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

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

(c) The annual compliance certification report shall include the following:

(1) The appropriate identification of each term or condition of this permit that is the basis of the certification;

(2) The compliance status;

(3) Whether compliance was continuous or intermittent;and

(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).

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), by title or classification, 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

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, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions 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 Part 63 to have an Operation, Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

B.11 Emergency Provisions [326 IAC 2-7-16]

(a) An emergency, as defined in 326 IAC 2-7-1(12), is not an affirmative defense for an action brought for noncompliance with a federal or state health-based emission limitation.

(b) An emergency, as defined in 326 IAC 2-7-1(12), constitutes an affirmative defense to an action brought for noncompliance with a technology-based emission limitation if the affirmative defense of an emergency is demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that describe the following:

(1) An emergency occurred and the Permittee can, to the extent possible, identify the causes of the emergency;

(2) The permitted facility was at the time being properly operated;

(3) During the period of an emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards or other requirements in this permit;

(4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAQ, within four (4) daytime business hours after the beginning of the emergency, or after the emergency was discovered or reasonably should have been discovered;

Telephone Number: 1-800-451-6027 (ask for Office of Air Quality, Compliance Section), or
Telephone Number: 317-233-5674 (ask for Compliance Section)
Facsimile Number: 317-233-5967

(5) For each emergency lasting one (1) hour or more, the Permittee submitted the attached Emergency Occurrence Report Form or its equivalent, either by mail or facsimile to:

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

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 , 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 IDEM, OAQ , by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-7 and any other applicable rules.

(g) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.

(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 compliance with any applicable requirements as of the date of permit issuance, provided that either the applicable requirements are included and specifically identified in this permit or the permit contains an explicit determination or concise summary of a determination that other specifically identified requirements are not applicable. The Indiana statutes from IC 13 and rules from 326 IAC, referenced in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a Part 70 permit under 326 IAC 2-7 or for applicable requirements for which a permit shield has been granted.

This permit shield does not extend to applicable requirements which are promulgated after the date of issuance of this permit unless this permit has been modified to reflect such new requirements.

(b) If, after issuance of this permit, it is determined that the permit is in nonconformance with an applicable requirement that applied to the source on the date of permit issuance, IDEM, OAQ, shall immediately take steps to reopen and revise this permit and issue a compliance order to the Permittee to ensure expeditious compliance with the applicable requirement until the permit is reissued. The permit shield shall continue in effect so long as the Permittee is in compliance with the compliance order.

(c) No permit shield shall apply to any permit term or condition that is determined after issuance of this permit to have been based on erroneous information supplied in the permit application. Erroneous information means information that the Permittee knew to be false, or in the exercise of reasonable care should have been known to be false, at the time the information was submitted.

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

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

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

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

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

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

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

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

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

(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) deleted

by 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.

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 determines any of the following:

(1) That this permit contains a material mistake.

(2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.

(3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-7-9(a)(3)]

(c) Proceedings by IDEM, OAQ, to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-7-9(b)]

(d) The reopening and revision of this permit, under 326 IAC 2-7-9(a), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAQ at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ may provide a shorter time period in the case of an emergency. [326 IAC 2-7-9(c)]

B.16 Permit Renewal [326 IAC 2-7-3] [326 IAC 2-7-4]

(a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ , and shall include the information specified in 326 IAC 2-7-4. Such information shall be included in the application for each emission unit at this source, except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(40). 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

(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 on or before the date it is due.

(2) If IDEM, OAQ, 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, 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, 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, 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 IDEM, 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

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

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)]

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

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 accessible 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, 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).

(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 13-30-3-1]

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, 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 are physically present or electronically accessible 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

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

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

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

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 [40 CFR 52 Subpart P] [326 IAC 6-3-2]

(a) Pursuant to 40 CFR 52 Subpart P, 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), particulate matter 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 forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

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

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

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1. 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 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 1-7-2, 326 IAC 1-7-3(c) and (d), 326 IAC 1-7-4(d), (e), and (f), and 326 IAC 1-7-5(d) are not federally enforceable.

C.7 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.8 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

no later than thirty-five (35) days prior to 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 not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period. The test report requires certification by the responsible official.

Compliance Requirements [326 IAC 2-1.1-11]

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

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

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

C.10 Compliance Monitoring [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

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

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

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

(b) All continuous emission monitoring systems shall meet all applicable performance specifications of 40 CFR 60, 40 CFR 75, or any other performance specification, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3.

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

(d) Whenever a continuous emission monitor other than an opacity monitor is malfunctioning or is down for maintenance or repairs, the following shall be used as an alternative to continuous data collection:

(1) If the CEM is required for monitoring NO_X or SO_2 emissions pursuant to 40 CFR 75 (Title IV Acid Rain program) or 326 IAC 10-4 (NO_X Budget Trading Program), the Permittee shall comply with the relevant requirements of 40 CFR 75 Subpart D - Missing Data Substitution Procedures.

(2) If the CEM is not used to monitor NO_X or SO_2 emissions pursuant to 40 CFR 75 or 326 IAC 10-4, then supplemental or intermittent monitoring of the parameter shall be implemented as specified in Section D of this permit until such time as the emission monitor system is back in operation.

(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, 40 CFR 60, 40 CFR 75 and Construction Permit PSD (26) 1215.

C.12 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, 40 CFR 75, or other approved methods as specified in this permit.

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

C.13 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]

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

(a) The Permittee prepared and submitted written emergency reduction plans (ERPs) consistent with safe operating procedures on February 12, 1980. The plans (ERPs) were approved on March 19, 1980. The Permittee shall submit updates to the ERP within 90 days after issuance of this Part 70 permit.

(b) Upon direct notification by IDEM, OAQ, that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

C.14 Risk Management Plan [326 IAC 2-7-5(12)] [40 CFR 68]

If a regulated substance as defined in 40 CFR 68, is present at a source in more than a threshold quantity, the source must comply with the applicable requirements at 40 CFR 68.

C.15 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, Shutdown, 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 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, Shutdown, 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, Shutdown, 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, Shutdown, 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, Shutdown, 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 status of the applicable compliance monitoring parameter with respect to normal, and the results of the 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 the response steps required in Section D 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.16 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5] [326 IAC 2-7-6]

(a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall 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.17 Emission Statement [326 IAC 2-7-5(3)(C)(iii)][326 IAC 2-7-5(7)][326 IAC 2-7-19(c)][326 IAC 2-6]

(a) The Permittee shall submit an emission statement certified pursuant to the requirements of 326 IAC 2-6. This statement must be received in accordance with the compliance schedule specified in 326 IAC 2-6-3, and must comply with the minimum requirements specified in 326 IAC 2-6-4. The submittal should cover the period identified in 326 IAC 2-6. The emission statement 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);

(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

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 on or before the date it is due.

C.18 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 makes a request for records to the

Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

(b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.

C.19 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11]

(a) The source 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

(c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.

(d) 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.

Stratospheric Ozone Protection

C.20 Compliance with 40 CFR 82 and 326 IAC 22-1

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

SECTION D.1 FACILITY OPERATION CONDITIONS

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

(a) Three (3) Natural Gas Fired Combined Cycle Systems [each includes a stationary combustion turbine and Heat Recovery Steam Generator (HRSG)], identified as CT-3, CT-4, and CT-5, installed in 2003, with a nominal capacity of 749.5 MMBtu per hour each based on 100% load, 55 F ambient temperature and natural gas higher heating value (833.9 MMBtu/hr at 100% load, -20 F and natural gas higher heating value), using DLN on each turbine and SCR and oxidation catalyst in each HRSG as control, and exhausting to stack 3-2, 4, and 5 respectively.

(b) One Mechanical Draft Cooling Tower with five cells, identified as WT-1, installed in 2003, with a nominal capacity of 100,000 gallons per minute, using a high efficiency mist eliminators as control, and exhausting to stacks WT 1-A through 1-E.

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

Emission Limitations and Standards

D.1.1 Combustion Turbine Emission Limits

Pursuant to Construction Permit 057-14278-00004, the PTE from the new combustion turbine units shall be as follows:

(a) Annual Emissions:
PM (filterable) limited to 144.54 tons per year.
PM-10 (filterable and condensible) limited to 144.54 tons per year.
SO2 limited to 27.59 tons per year
VOC limited to 18.39 tons per year.
CO limited to 147.90 tons per year.
NOx limited to 184.99 tons per year.

(b) Hourly Emissions:
PM (filterable) limited to 33 pounds per hour.
PM-10 (filterable and condensible) limited to 33 pounds per hour.
SO2 limited to 6.9 pounds per hour.
VOC limited to 2.94 pounds per hour except during startup and shutdown.
CO limited to 15 pounds per hour except during startup and shutdown.
NOx limited to 32.7 pounds per hour except during startup and shutdown.

These hourly emission rate are maximum rates at -20 F and 100% load.

These limits and the removal of the three coal-fired boiler numbers 1, 2 and 3 makes PSD (326 IAC 2-2 and 40 CFR 52.21) not applicable.

D.1.2 General Provisions Relating to NSPS [326 IAC 12-1] [40 CFR Part 60, Subpart A]

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

D.1.3 40 CFR 60, Subpart GG (Stationary Gas Turbines)

The three (3) natural gas combustion turbines are subject to 40 CFR Part 60, Subpart GG (Stationary Gas Turbines) because the heat input at peak load is equal to or greater than 10.7 gigajoules per hour (10 MMBtu per hour), based on the lower heating value of the fuel fired.

Pursuant to 326 IAC 12-1 and 40 CFR 60, Subpart GG (Stationary Gas Turbines), the Permittee shall:

(a) Limit nitrogen oxides emissions from the natural gas turbines to 0.0092% by volume at 15% oxygen on a dry basis, as required by 40 CFR 60.332, to:

$$STD = 0.0075 \frac{(14.4)}{Y} + F ,$$

where STD = allowable NO_x emissions (percent by volume at 15 percent oxygen on a dry basis).

Y = manufacturer's rated heat rate at manufacturer's rated load (kilojoules per watt hour) or, actual measured heat rate based on lower heating value of fuel as measured at actual peak load for the facility. The value of Y shall not exceed 14.4 kilojoules per watt-hour.

F = NO_x emission allowance for fuel-bound nitrogen as defined in paragraph (a)(3) of 40 CFR 60.332.

(b) Limit sulfur dioxide emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at 15 percent oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to 0.8 percent by weight.

D.1.4 Formaldehyde Limitations

Pursuant to Construction Permit 057-14278-00004 and 326 IAC 2-1.1-5 (Air Quality Requirements), the formaldehyde emissions form each combustion turbine stack shall not exceed 0.00071 pounds of formaldehyde per MMBtu.

D.1.5 Cooling Tower Emission Limits

Pursuant to Construction Permit 057-14278-00004, the PTE from the mechanical draft cooling tower shall be as follows:

(a) PM and PM-10 are limited to 3.67 tons per year or 0.84 pounds per hour, thus PSD (326 IAC 2-2) is not applicable.

(b) Compliance with this limit shall be achieved by operation of the high efficiency mist eliminators.

D.1.6 Startup and shutdown limitations for Combustion Turbines

Pursuant to Construction Permit 057-14278-00004, the following limitations shall apply:

(a) A startup or shutdown of the combustion turbine is defined as less than fifty five (55) percent load.

(b) The NOx emissions from the combustion turbines stacks shall not exceed 65.6 tons per year during startup and shutdown.

(c) The CO emissions from the combustion turbines stacks shall not exceed 94.3 tons per year during startup and shutdown.

(d) The VOC emissions from the combustion turbines stack shall not exceed 7.3 tons per year during startup and shutdown.

Compliance with these conditions will make PSD (326 IAC 2-2) not applicable.

D.1.7 Old Units Rendered Inoperable

Pursuant to Construction Permit 057-14278-00004, the following provisions shall apply:

(a) The three coal-fired boilers # 1, 2 and 3 shall remain permanently inoperable.

(b) The coal and ash handling activities associated with the removal from service of boilers #1, 2 and 3 shall remain inoperable.

D.1.8 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 these facilities and their emission control devices.

Compliance Determination Requirements

D.1.9 Control Equipment Requirements

Pursuant to Construction Permit 057-14278-00004, in order to achieve compliance with limits specified in D.1.1 the following conditions shall apply:

(a) Except as otherwise provided by statute or rule or in this permit, the dry low-NOx combustor and selective catalytic reduction system for NOx control shall be operated at all times that the combustion turbines are in operation.

(b) Except as otherwise provided by statute or rule or in this permit, the oxidation catalyst to control CO and VOC emissions from the combustion turbine in the HRSG shall be operated at all times that the combustion turbines are in operation.

D.1.10 40 CFR Part 60, Subpart GG Compliance Requirements (Stationary Gas Turbines)

Pursuant to 40 CFR Part 60, Subpart GG (Stationary Gas Turbines), the Permittee shall monitor the nitrogen and sulfur content of the natural gas on a monthly basis as follows:

(a) Determine compliance with the nitrogen oxide and sulfur dioxide standards in 40 CFR 60.332 and 60.333(a), per requirements described in 40 CFR 60.335(c);

(b) Determine the sulfur content of the natural gas being fired in the turbine by ASTM Methods D 1072-80, D 3031-81, D 4048-82, D 3246-81, or other applicable methods approved by IDEM. The applicable ranges of some ASTM methods mentioned are not adequate to measure the levels of sulfur in some fuel gases. Dilution samples before analysis (with verification of the dilution ratio) may be used, subject to the approval of the Administrator; and

(c) Determine the nitrogen content of the natural gas being fired in the turbine by using analytical methods and procedures that are accurate to within 5 percent and are approved by the Administrator.

The analyses required above may be performed by the owner or operator, a service contractor retained by the owner or operator, the fuel vendor or any other qualified agency.

(d) Pursuant to the approval letter granted by U.S. EPA on February 28, 2002, the Permittee shall use CEMS to monitor NOx emissions. Also pursuant to the approval letter granted

by U.S. EPA on February 28, 2002, the following conditions shall be met:

(1) Each turbine shall meet the emission limitation determined according to 40 CFR 60.332. The "Y" value for the applicable equation and supporting documentation should be provided by the applicant and the limitation for NOx emissions from pipeline quality natural gas should be fixed assuming the "F" value equals zero. The emission limitation must be expressed in ppmv, dry, corrected to 15 percent oxygen.

(2) Each NOx CEMS must meet the applicable requirements of 40 CFR Part 60, Appendix B, Performance Specification 2, and Appendix F for certifying, maintaining, operating, and assuring quality of the system.

(3) Each NOx CEMS shall be capable of calculating NOx emissions concentrations corrected to 15 percent oxygen and International Standards Organization (ISO) standard conditions.

(4) The owner or operator of the NOx CEMS shall submit an excess emissions and monitoring systems performance report [40 CFR 60.13(h)] and/or a summary report form to U.S. EPA and IDEM, OAQ on a quarterly basis, if excess emissions are determined, or semi-annually, if no excess emissions are determined. The report shall be postmarked by the 30th day following the end of each reporting period. Written reports must include information required at 40 CFR 60.7(c-d). This report shall also contain the content of nitrogen in fuel oil for each reporting period when oil is fired and a clearly calculated corresponding emission limitation.

(5) Record keeping requirements shall follow the requirements specified at 40 CFR 60.7.

(6) NOx CEMS shall be used to demonstrate compliance with the emission limitation on a continuous basis and the quarterly report shall include the NOx mass emissions for the reported period as reported to IDEM, OAQ.

(e) Pursuant to the approval letter granted by U.S. EPA on February 28, 2002, the Permittee may use the following custom monitoring schedule for fuel sulfur content when the fuel being burned is pipeline natural gas.

(1) The Permittee shall sample fuel sulfur content once per quarter for six quarters.

(2) Measurement of sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternative method. The reference methods are ASTM D 1072-80, ASTM D 3031-81, ASTM D 3246-81, and ASTM D 4084-82 as referenced in 40 CFR 60.335(b)(2).

(3) Sampling can be reduced to semi-annually if six quarters of quarterly sampling and analyses indicate sulfur concentrations are below the applicable standard and do not vary significantly.

(4) If any analyses indicate noncompliance with the applicable sulfur limit of 0.8 weight percent in 40 CFR 60.333(b), samples must be collected and analyzed on a weekly basis while the custom fuel monitoring schedule is re-examined by a delegated authority. In such a case, the Permittee must notify IDEM, OAQ and U.S. EPA in accordance with 40 CFR 60.7.

(5) Reporting and record keeping requirements must be maintained in accordance with 40 CFR 60.7, 60.19, and 60.334.

D.1.11 Continuous Emission Monitoring (CEMs)

Pursuant to Construction Permit 057-14278-00004, the following provisions shall apply:

(a) The Permittee shall calibrate, certify, operate and maintain a continuous emission monitoring system for NO_X and CO, for stacks designated as 3-2, 4, and 5 in accordance with 326 IAC 3-5-2 and 3-5-3.

(1) The continuous emission monitoring system (CEMS) shall measure NO_X and CO emissions rates in pounds per hour and parts per million (ppmvd) corrected to 15% O_2. The use of CEMS to measure and record the NO_X and CO hourly limits, is sufficient to demonstrate compliance with the limitations set forth in the permit. To demonstrate compliance with the NO_X limit, the source shall take an average of the pounds per hour over a three (3) hour block. To demonstrate compliance with the CO limit, the source shall take an average of the pounds per hour over a twenty four (24) hour averaging period. The source shall maintain records of the parts per million and the pounds per hour.

(2) The Permittee shall determine compliance with Conditions D.1.1 and D.1.6 utilizing data from the NO_X, CO, and O_2 CEMS, the fuel flow meter, and Method 19 calculations.

(3) The Permittee shall record the output of the system and shall perform the required record keeping, pursuant to 326 IAC 3-5-6, and reporting, pursuant to 326 IAC 3-5-7.

(b) Pursuant to 40 CFR 60.47(d), the Permittee shall calibrate, certify and operate continuous emissions monitors for carbon dioxide or oxygen at each location where nitrogen oxide emissions are monitored.

D.1.12 NO_X Monitoring System Downtime [326 IAC 2-2] [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the NOx continuous emission monitoring system is malfunctioning or down for repairs or adjustments, the following method shall be used to provide information related to NOx emissions:

Monitoring of the SCR operating parameters for ammonia flow rate and inlet duct temperature, shall be implemented. The parameters are as follows:

(a) The Permittee shall record the ammonia flow rate and inlet duct temperature at least four (4) times per hour until the primary CEM or a backup CEM is brought online and functioning properly. The Preventive Maintenance Plan for the SCR shall contain troubleshooting contingency and corrective actions for when the readings are outside of the normal range for any one reading during downtime of the NOx CEMS.

(b) The instrument used for determining the ammonia flow rate and inlet duct temperature shall comply with Section C - Pressure Gauge and Other Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and shall be calibrated at least once every six (6) months.

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.1.13 CO Monitoring System Downtime [326 IAC 2-2] [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

In instances of CO continuous emission monitoring system (CEMS) downtime, the Permittee shall use a data substitution procedure for CO that is consistent with the requirements of 40 CFR Part 75, Appendix D (Optional SO_2 Emissions Data Protocol) for fuel flow meters requirements, and 40 CFR Part 75, Appendix E (Optional NO_X Emissions Estimation Protocol) for emission rate curve establishment. CO mass emissions reported shall be based on the fuel-and-unit-specific CO emission rates ("load curve") established during the latest stack test. Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.1.14 Record Keeping Requirements

(c) To document compliance with NOx and CO limits in Conditions D.1.1, D.1.3, and D.1.6, the Permittee shall maintain records of all NOx, CO, and oxygen continuous emissions monitoring data, pursuant to 326 IAC 3-5-6, 326 IAC 2-2, and 40 CFR 60. Records shall be complete and sufficient to establish compliance with the CO and NOx limits as required in Conditions D.1.1, D.1.3, and D.1.6. During CO CEMS downtime, the Permittee shall maintain records of mass emission rates determined in accordance with Condition D.1.11.

(d) To document compliance with D.1.3, the Permittee shall maintain records of the natural gas analyses, including the sulfur and nitrogen content of the gas.

(e) To document compliance with Condition D.1.8, the Permittee shall maintain of records of 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.1.15 Reporting Requirements

The Permittee shall submit the following information on a quarterly basis:

(a) Records of excess NO_X and CO emissions (defined in 326 IAC 3-5-7 and 40 CFR Part 60.7) from the continuous emissions monitoring system. These reports shall be submitted within thirty (30) calendar days following the end of each calendar quarter and in accordance with Section C – General Reporting Requirements of this permit.

(b) The Permittee shall report periods of excess emissions, as required by 40 CFR 60.334(c)

(c) The report submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

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) no. 2 fuel oil-fired boiler, identified as Heating Boiler, installed in 1990, with a nominal heat input capacity of 9.923 million Btu per hour (MMBtu/hr), with no control equipment and exhausting to stack H-1.

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

D.2.1 Particulate Matter (PM) [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-2 (Particulate Matter Emissions for Sources of Indirect Heating), the PM emissions from the Heating Boiler shall not exceed 0.6 pounds per million Btu heat input (lb/MMBtu). This limitation was calculated using the following equation:

$$Pt = \frac{1.09}{Q^{0.26}}$$ Where Q = 9.923 MMBtu/hr (capacity of Heating Boiler)

D.2.2 Sulfur Dioxide (SO_2) [326 IAC 7-1.1]

Pursuant to 326 IAC 7-1.1 (Sulfur Dioxide Emission Limitations), the SO_2 emissions from the Heating Boiler shall not exceed five-tenths (0.5) pound per million Btu (lbs/MMBtu) for distillate fuel.

D.2.3 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

(a) 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 used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.

(b) Used oil may be combusted as supplemental fuel for energy recovery in compliance with 40 CFR Part 279 (Standards for the management of used oil) and 329 IAC 13 (Used Oil Management).

(c) Any boiler tube chemical cleaning waste liquids evaporated in the boiler shall only contain the cleaning solution and two full volume boiler rinses.

Compliance Determination Requirements

D.2.4 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-1.1-2]

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

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

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

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

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

(B) Oil samples shall be collected from the storage tank immediately after each addition of fuel to the tank. If multiple deliveries are made during a single day, the sample may be collected after the last delivery for that day.

(c) Upon written notification to IDEM by a facility owner or operator, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 may be used as the means for determining compliance with the emission limitations in 326 IAC 7. Upon such notification, the other requirements of 326 IAC 7-2 shall not apply. [326 IAC 7-2-1(g)]

D.2.5 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 condition in this D section.

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

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

(a) Visible emission (VE) notations of the heating boiler stack exhaust shall be performed once per shift during normal daylight operations while combusting distillate fuel oil. A trained employee shall record whether emissions are normal or abnormal.

(b) If abnormal emissions are observed at any boiler 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 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 violation of this permit.

(c) “Normal” means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

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

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

D.2.7 Record Keeping Requirements

(a) To document compliance with Condition D.2.4, the Permittee shall maintain records in accordance with (1) through (6) below.

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

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

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

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

(4) Fuel supplier certifications;

(5) The name of the fuel supplier; and

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

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

(b) To document compliance with condition D.2.6, the Permittee shall maintain records of once per shift visible emission notations of the boiler stack exhaust.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.3 FACILITY 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.)

The following insignificant activities:

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

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

D.3.1 Organic Solvent Degreasing Operations: Cold Cleaner Operation [326 IAC 8-3-2]

Pursuant to 326 IAC 8-3-2 (Cold Cleaner Operations), for cold cleaning operations constructed after January 1, 1980, the Permittee shall:

(a) Equip the cleaner with a cover;

(b) Equip the cleaner with a facility for draining cleaned parts;

(c) Close the degreaser cover whenever parts are not being handled in the cleaner;

(d) Drain cleaned parts for at least fifteen (15) seconds or until dripping ceases;

(e) Provide a permanent, conspicuous label summarizing the operation requirements;

(f) Store waste solvent only in covered containers and not dispose of waste solvent or transfer it to another party, in such a manner that greater than twenty percent (20%) of the waste solvent (by weight) can evaporate into the atmosphere.

D.3.2 Organic Solvent Degreasing Operations: Cold Cleaner Degreaser Operation and Control [326 IAC 8-3-5]

(a) Pursuant to 326 IAC 8-3-5(a) (Cold Cleaner Degreaser Operation and Control), for cold cleaner degreaser operations without remote solvent reservoirs, constructed after July 1, 1990, the Permittee shall ensure that the following control equipment requirements are met:

(1) Equip the degreaser with a cover. The cover must be designed so that it can be easily operated with one (1) hand if:

(A) The solvent volatility is greater than two (2) kiloPascals (fifteen (15) millimeters of mercury or three-tenths (0.3) pounds per square inch) measured at thirty-eight degrees Celsius ($38^{O}C$) (one hundred degrees Fahrenheit ($100^{O}F$));

(B) The solvent is agitated; or

(C) The solvent is heated.

(2) Equip the degreaser with a facility for draining cleaned articles. If the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius ($38^{O}C$) (one hundred degrees Fahrenheit ($100^{O}F$)), then the drainage facility must be internal such that articles are enclosed under the cover while draining. The

drainage facility may be external for applications where an internal type cannot fit into the cleaning system.

(3) Provide a permanent, conspicuous label which lists the operating requirements outlined in subsection (b).

(4) The solvent spray, if used, must be a solid, fluid stream and shall be applied at a pressure which does not cause excessive splashing.

(5) Equip the degreaser with one (1) of the following control devices if the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38^{O}C) (one hundred degrees Fahrenheit (100^{O}F)), or if the solvent is heated to a temperature greater than forty-eight and nine-tenths degrees Celsius (48.9^{O}C) (one hundred twenty degrees Fahrenheit (120^{O}F)):

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

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

(C) Other systems of demonstrated equivalent control such as a refrigerated chiller of carbon adsorption. Such systems shall be submitted to the U.S. EPA as a SIP revision.

(b) Pursuant to 326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control), the owner or operator of a cold cleaning facility construction of which commenced after July 1, 1990, shall ensure that the following operating requirements are met:

(1) Close the cover whenever articles are not being handled in the degreaser.

(2) Drain cleaned articles for at least fifteen (15) seconds or until dripping ceases.

(3) Store waste solvent only in covered containers and prohibit the disposal or transfer of waste solvent in any manner in which greater than twenty percent (20%) of the waste solvent by weight could evaporate.

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.)

(1) Three (3) Natural Gas Fired Combined Cycle Systems [each includes a stationary combustion turbine and Heat Recovery Steam Generator (HRSG)], identified as CT-3, CT-4, and CT-5, installed in 2003, with a nominal capacity of 749.5 MMBtu per hour each based on 100% load, 55 F ambient temperature and natural gas higher heating value (833.9 MMBtu/hr at 100% load, -20 F and natural gas higher heating value), using DLN on each turbine and SCR and oxidation catalyst in each HRSG as control, and exhausting to stack 3-2, 4, and 5 respectively.

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]

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. 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.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY

PART 70 OPERATING PERMIT
CERTIFICATION

Source Name: PSI Energy, Inc. - Noblesville Generating Station
Source Address: 21225 Riverwood Ave., Noblesville, IN 46060
Mailing Address: 1000 E. Main Street, Plainfield, IN 46168
Part 70 Permit No.: T057-7173-00004

This certification shall be included when submitting monitoring, testing reports/results or other documents as required by this permit.

Please check what document is being certified:

Annual Compliance Certification Letter

Test Result (specify) _____

Report (specify) _____

Notification (specify) _____

Affidavit (specify) _____

Other (specify) _____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

Signature:

Printed Name:

Title/Position:

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

PART 70 OPERATING PERMIT
EMERGENCY OCCURRENCE REPORT

Source Name: PSI Energy, Inc. - Noblesville Generating Station
Source Address: 21225 Riverwood Ave., Noblesville, IN 46060
Mailing Address: 1000 E. Main Street, Plainfield, IN 46168
Part 70 Permit No.: T057-7173-00004
This form consists of 2 pages **Page 1 of 2**

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

- C The Permittee must notify the Office of Air Quality (OAQ), within four (**4**) daytime business hours (1-800-451-6027 or 317-233-5674, ask for Compliance Section); and
- C The Permittee must submit notice in writing or by facsimile within two (**2**) working days (Facsimile Number: 317-233-5967), and follow the other requirements of 326 IAC 2-7-16.

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

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

If any of the following are not applicable, mark N/A **Page 2 of 2**

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

Form Completed by: _____

Title / Position: _____

Date: _____

Telephone: _____

A certification is not required for this report.

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

PART 70 OPERATING PERMIT
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT

Source Name: PSI Energy, Inc. - Noblesville Generating Station
Source Address: 21225 Riverwood Ave., Noblesville, IN 46060
Mailing Address: 1000 E. Main Street, Plainfield, IN 46168
Part 70 Permit No.: T057-7173-00004

Months:_____ to _____ Year: _____

This report shall be submitted quarterly based on a calendar year. 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. Deviations that are required to be reported by an applicable requirement shall be reported according to the schedule stated in the applicable requirement and do not need to be included in this report. Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".

NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD

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

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

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

Form Completed By: ____________________

Title/Position: ____________________

Date: ____________________

Telephone: ____________________

Attach a signed certification to complete this report.

Indiana Department of Environmental Management
Office of Air Quality

Addendum to the
Technical Support Document for Part 70 Operating Permit

Source Background and Description

Source Name:	**PSI Energy, Inc. – Noblesville Generating Station**
Source Location:	**21225 Riverwood Ave, Noblesville, IN 46060**
County:	**Hamilton**
SIC Code:	**4911**
Operation Permit No.:	**T057-7173-00004**
Permit Reviewers:	**Patrick Burton and Nisha Sizemore**

On October 15, 2003, the Office of Air Quality (OAQ) had a notice published in the Noblesville Daily Ledger, Noblesville, Indiana, and in the Topics Newspaper, Noblesville, Indiana, stating that PSI Energy, Inc. – Noblesville Generating Station had applied for a Part 70 Operating Permit to operate a stationary electric utility generation station. The notice also stated that OAQ 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.

On November 10, 2003, Steven L. Pearl, on behalf of PSI Energy, Inc., 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

Title Page

Delete the second paragraph beginning with “The Permittee must comply...”. This paragraph paraphrases conditions already contained in the permit and does not serve any purpose other than to lengthen the title page. This paragraph should be deleted in its entirety.

Response to Comment 1

The comment is in reference to the provisions that state that the Permittee must comply with all conditions of this permit, and that noncompliance is grounds for enforcement action, permit termination, revocation and reissuance, etc.

IDEM cannot completely remove these provisions from the permit, because 326 IAC 2-7-5(6)(A) requires these provisions to be included in all Part 70 permits. There has been no change to the permit as a result of this comment.

Comment 2

Section A, Source Summary

In A.1, change the County location from Gibson to Hamilton.

In A.2(b) and (c), change “maximum” to “nominal”.

In A.2(b), delete “-2" which appears at the end of the paragraph. The end of the paragraph should read

"...and exhausting to stacks WT 1-A through 1-E."

Response to Comment 2

The requested changes have been made, as shown below.

A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)] [326 IAC 2-7-1(21)]

County Location: ~~Gibson~~ **Hamilton**

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

(b) One Mechanical Draft Cooling Tower with five cells, identified as WT-1, installed in 2003, with a ~~maximum~~ **nominal** capacity of 100,000 gallons per minute, using a high efficiency mist eliminators as control, and exhausting to stacks WT 1-A through 1-E.~~-2.~~

(c) One (1) no. 2 fuel oil-fired boiler, identified as Heating Boiler, installed in 1990, with a ~~maximum~~ **nominal** heat input capacity of 9.923 million Btu per hour (MMBtu/hr), with no control equipment and exhausting to stack H-1.

Comment 3

Condition B.8 (Certification)

Please modify paragraph (b) to read "One (1) certification shall be included, using the attached Certification Form **or its equivalent**, with each submittal requiring certification." This revision will allow us to re-create the certification form in a format compatible for use.

Response to Comment 3

IDEM has made the requested change, as shown below.

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

(b) One (1) certification shall be included, using the attached Certification Form**, or its equivalent,** with each submittal requiring certification. One (1) certification can cover multiple forms in one (1) submittal.

Comment 4

Condition B.10 (Preventive Maintenance Plan)

This Section seems to presume that there will be multiple Preventative Maintenance Plans, when in reality all equipment may be included in one Plan. Thus all references to Preventative Maintenance Plans should be changed to Preventative Maintenance Plan or Plan(s), and all references to PMPs should be changed to PMP or PMP(s). This change is applicable to part (a) line 2 and 10, part (b) line 1, and part (c) lines 1 and 3.

Condition B.10(a), Preventive Maintenance Plan: In first sentence, replace word 'issuance" with "effectiveness".

Condition B.10(a)(1), Preventive Maintenance Plan: Revise to read "Identification of the individual(s) responsible (by title or classification) for inspecting, maintaining, and repairing emission control devices;".

Condition B.10(b), Preventive Maintenance Plan: Delete final phrase of paragraph so it will read: "…does not cause or ~~contribute or~~ is the primary contributor to an exceedance of any limitation on emissions ~~or potential to emit~~."

Condition B.10(c), Preventive Maintenance Plan: Delete final phrase of paragraph so it will read: "…whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions ~~or potential to emit~~."

Response to Comment 4

The Condition B.10 in its present form does not require the Permittee to prepare multiple preventive maintenance plans; therefore, IDEM does not believe it is necessary to point out that there may be one plan that covers all affected units, or separate plans for each unit.

Pursuant to IC 13-15-5-3, this Part 70 permit becomes effective upon issuance; therefore the effective date of the permit and the issuance date of the permit are the same. It is not necessary to replace the word “issuance” with the word “effectiveness”.

Condition B.10(a)(1) has been revised to include the phrase “by title or classification”. Condition B.10(a)(1) has been changed as follows:

> (1) Identification of the individual(s)**, by title or classification,** responsible for inspecting, maintaining, and repairing emission control devices;

IDEM does not agree with the proposed changes to paragraphs (b) and (c) of the condition. The Permittee should implement the PMP such that lack of proper maintenance does not contribute **at all** to an exceedance of any limitation on emissions or potential to emit. Since, in many cases, rule applicability is based on potential to emit rather than actual emissions, the phrase “or potential to emit” is appropriate to include in paragraphs (b) and (c) of this condition.

Comment 5

Condition B.11 (Emergency Provisions)

Condition B.11(b)(5), revise the sentence following address to read: "within two (2) working **business** days of the time…".

Condition B.11(e), Emergency Provisions: Change "Preventive Maintenance Plans" to "Preventive Maintenance Plan" or "Preventive Maintenance Plan(s)".

Condition B.11(h), Emergency Provisions: Revise paragraph (h) to read:

> "The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report. **Emergencies which have been previously reported may be included by reference**."

Emergencies that have already been notified within four daytime business hours in accordance with B.11(b)(4) and reported within two working days in accordance with B.11(b)(5) should not need to be reiterated again in the quarterly report.

Response to Comment 5

Paragraph (b)(5) uses the time period exactly stated in 326 IAC 2-7-16(b)(5). The notification of an emergency should occur within two (2) working days **of the facility that has the emergency**, not within two (2) of IDEM’s working days.

IDEM does not believe it is necessary to point out that there may be one plan that covers all affected units, or separate plans for each unit.

IDEM does not agree that emergencies previously reported in accordance with Condition B.11(b) do not need to be reported again in the Quarterly Deviation and Compliance Monitoring Report. Rule 326 IAC 2-7-6(1) requires that any document or report required by a Part 70 permit must include a certification by the responsible official. Many applicants have stated that obtaining a certification by the responsible official would cause difficulty in meeting the requirement to submit the Emergency Occurrence Report within 2 days. Therefore IDEM and U.S. EPA have agreed that the report which is required to be submitted within 2 days of an emergency does not require a certification by the responsible official. Instead, the emergencies must be reported again in the Quarterly Deviation and Compliance Monitoring Report that is certified by the responsible official. Reporting the emergency again in the Quarterly Deviation and Compliance Monitoring Report fulfills the obligation to satisfy the requirements of 326 IAC 2-7-6(1) which requires reports to be certified.

Comment 6

Condition B.12(a), Permit Shield: Certain conditions from previous permits need not be incorporated into the proposed permit because these conditions are no longer applicable. These conditions should be listed along with the reasons for not incorporating in the TSD. Accordingly, condition B.12(a), second sentence beginning on line one, should be revised as follows:

> "The permit shield provides that compliance with the conditions of this permit shall be deemed compliance with any applicable requirements as of the date of permit ~~issuance~~ **effectiveness**, provided that either the applicable requirements are included and specifically identified in this permit **or Technical Support Document (TSD)**, or the permit **or TSD** contains an explicit determination or concise summary of a determination that other specifically identified requirements are not applicable."

Response to Comment 6

Pursuant to IC 13-15-5-3, the permit becomes effective upon issuance; therefore the effective date of the permit and the issuance date of the permit are the same. It is not necessary to replace the word “issuance” with the word “effectiveness”.

Pursuant to 326 IAC 2-7-15, compliance with the conditions of a Part 70 Permit shall be deemed compliance with any applicable requirements..., provided either of the following: (1) The applicable requirements are included and are specifically identified in a Part 70 permit. (2) The commissioner, in acting on the Part 70 permit application or revision, determines in writing that other requirements specifically identified are not applicable to the source, and the Part 70 permit includes the determination or a concise summary thereof. Therefore, the permit shield under 326 IAC 2-7-15 only applies to requirements that are included in or identified in a Part 70 permit. No change has been made to this condition.

Comment 7

Condition B.14(a), Deviations from Permit Requirements and Conditions: Modify the last sentence of the first paragraph to read:

> "A deviation required to be reported pursuant to an applicable requirement that exists independent of this permit **or elsewhere in this permit**, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report."

Similar to the comment regarding condition B.11, a deviation which is required to be included in another report, should not be required to be reiterated in this report.

Response to Comment 7

IDEM has explained in response to comment 5 that the Permittee needs to comply with the certification requirements for reporting deviations; therefore no change is needed to any permit condition.

Comment 8

Condition B.16(c), Permit Renewal: Modify end of last sentence, beginning on line 6 to read:

"…any additional information **reasonably** identified as being needed to process the application."

Response to Comment 8

It is not clear from the comment, which term the commenter wants the word "reasonably" to describe. From the suggested language, it would appear that "reasonably" describes "identified". However, the condition already states that the notification requesting additional information by a reasonable deadline must be submitted ***in writing***, which IDEM believes is the "reasonable" and appropriate method for information the applicant of the need for additional information. Additionally, the condition already states that the deadline for submitting information must be reasonable. The rule states that IDEM can only request information that is ***necessary*** to process the application (emphasis added); therefore, there is no need to add the word "reasonably" to describe the information requested. There has been no change to the condition as a result of this comment.

Comment 9

Condition B.20(a)(5), Operational Flexibility: Revise to read:

"The Permittee maintains records **accessible** on-site which document…".

This change allows records to be electronically accessible on-site from a server which may physically be located elsewhere.

Condition B.20(c), Operational Flexibility: Add sentence to end of (c) which reads:

Notification per (a)(4) and (b) does not apply to emission trades of SO2 or NOx under Title IV of the Clean Air Act or the NOx Budget Trading Program.

Response to Comment 9

IDEM agrees that records can be electronically accessible from the site, and has revised the permit condition accordingly.

Condition B.20(c) does not apply to the Acid Rain Program (Condition E.2) or to the NOx Budget Trading Program. However, IDEM would prefer that the condition read as closely as possible to how the rule reads in the Indiana Administrative Code. Therefore, no change has been made to Condition B.20(c) as a result of this comment.

Changes to the condition are shown below:

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:

(5) The Permittee maintains records **accessible** 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.

Comment 10

Condition B.21, Inspection and Entry: Revise to read:

"Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject **to any legal privilege and** to the Permittee's right …".

Condition B.21(a), Inspection and Entry: Revise part (a) to read

"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~~ **made accessible** under the conditions of this permit;"

References to where an emissions related activity is conducted is irrelevant in this case, and replacing "kept" with "made accessible" will allow for electronic storage accessible from the site even if the server is at another location.

Condition B.21(b), Inspection and Entry: Revise part (b) to read

"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~~ **may review and request copies of** any records that must be kept under the conditions of this permit;"

In cases in which documents are stored and accessible electronically, PSI will be happy to provide copies as requested, but cannot provide access to electronic systems.

Response to Comment 10

IDEM made every attempt to identify every possible rule or statute that governs the issue of inspection and entry. Beyond rules and statutes, case law can be considered in rule interpretation. However, IDEM does not have to specifically cite case law in permits because case law is used to interpret rule applicability regardless of whether it is specifically cited.

IDEM does not believe that the area where the emissions related activity is conducted is irrelevant.

IDEM agrees that the records may be electronically accessible from the site, and has revised the condition accordingly.

IDEM does not agree to the commenter's suggested revisions to paragraph (b), since the suggested wording would allow the inspector to **request** copies of documents, but would not require the Permittee to actually provide them.

Changes to the condition are shown below:

B.21 Inspection and Entry [326 IAC 2-7-6]] [IC 13-14-2-2][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, 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~~ **are physically present or electronically accessible** under the conditions of this permit;

Comment 11

Condition B.23(a), Annual Fee Payment: Revise to read:

"The Permittee shall pay **applicable** annual fees to IDEM, OAQ within thirty (30) calendar days of receipt of a billing."

Response to Comment 11

Annual fees are applicable to all Part 70 sources. The Permittee will receive a bill stating the fees which are owed. Therefore, the requested change is not necessary.

Comment 12

Condition C.1, Particulate Emission Limitations For Processes with Process Weight Rates Less Than One Hundred (100) pounds per hour: Delete this condition, it is not applicable to any processes at this source.

Response to Comment 12

Insignificant or trivial activities may be added at the source without prior approval from IDEM. Since it is possible that some of these new activities may be subject to this requirement, the condition C.1 remains in the permit.

Comment 13

Condition C.3, Open Burning: Add approval for annual fire training conducted at the station, consistent with language routinely used in annual approvals. Add language:

Pursuant to 326 IAC 4-1-4.1, approval is hereby granted for the annual training of employees to extinguish fires. The approval is granted with the following conditions:

(1) Only No.2 Fuel Oil, Kerosene, Gasoline and Propane may be burned. All burning shall be conducted in a manner to prevent soil contamination.
(2) If at any time the burning creates an air pollution problem, a threat to public health, a nuisance, or a fire hazard, the burning shall be extinguished.
(3) No burning shall be conducted during unfavorable meteorological conditions such as: high winds, temperature inversions, or air stagnation; when an open burning ban has been officially declared by either appropriate state or local officials; or when a pollution alert or ozone action day has been declared.
(4) Burning shall be conducted during daylight hours only.
(5) This permit shall be made available at the burning site to state or local officials upon request.
(6) All burning must comply with other federal, state and local laws, regulations or ordinances.
(7) Burning may take place within one hundred (100) feet of any structure; or three hundred (300) feet of a frequently traveled road, fuel storage area, or pipeline only if adequate precautions are taken. Wind speed, direction and transport winds shall be considered in setting the burning so that there is minimal or no impact to nearby roads, structures, power lines, fuel storage areas or pipelines.

(8) The Hamilton County Health Department, Hamilton County Sheriff, the local fire department and the Indiana Department of Environmental Management, Office of Air Quality shall be notified at least twenty four (24) hours in advance of the date and time of the burning.

Response to Comment 13

IDEM grants variances to sources for this type of activity. These approvals are available through the Compliance Section of the Indiana Department of Environmental Management's Office of Air Quality under 326 IAC 4-1-4.1 and not through the permitting process under 326 IAC 2. Therefore, the Permittee will need to apply for a separate approval for annual fire extinguish training activities. Fire training approvals are generally only valid for one (1) year while the term of this permit is five (5) years.

Comment 14

Condition C.4, Incineration: Modify first sentence to read

"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 **or as provided elsewhere in this permit**."

Response to Comment 14

No other condition in this Part 70 permit allows the Permittee to operate an incinerator or incinerate waste without complying with 326 IAC 4-2 and 326 IAC 9-1-2. Additionally, evaporating boiler tube chemical cleaning waste liquids would not be considered using the boiler as an incinerator, because "evaporating" liquids that are mostly water is not the same as "incinerating" materials which would burn. No changes have been made to this condition as a result of this comment.

Comment 15

Condition C.6, Stack Height: Delete this condition. The stack height provisions are not necessary for the facilities covered by this permit.

Response to Comment 15

It is not necessary to delete this condition, since the condition states that the Permittee shall comply with the **applicable** provisions of. . .

Comment 16

Condition C.8(c), Performance Testing: At the end of part (c), add sentence

"The submittal of a third party test report by the Permittee does not require certification by the Responsible Official as defined by 326 IAC 2-7-1(34)."

A test report prepared and signed by a testing contractor should not require the additional certification of the Responsible Official.

Response to Comment 16

326 IAC 2-7-5(3)(C)(i) states that all reports required by a Part 70 permit must be certified by the responsible official. Therefore, the Permittee is required to submit the test report with the certification from the responsible official in accordance with 326 IAC 2-7-4(f).

C.8 Performance Testing [326 IAC 3-6]

(c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period. **The test report requires certification by the responsible official.**

Comment 17

Condition C.10, Compliance Monitoring: In first sentence, change "issuance" to "effectiveness".

Response to Comment 17

Pursuant to IC 13-15-5-3, the permit becomes effective upon issuance; therefore the effective date of the permit and the issuance date of the permit are the same. It is not necessary to replace the word "issuance" with the word "effectiveness".

Comment 18

Condition C.11, Maintenance of Continuous Opacity Monitoring Equipment: Delete this condition in its entirety. There is no opacity monitoring equipment currently installed, or required to be installed at this source.

Response to Comment 18

IDEM agrees. The condition has been deleted. All subsequent conditions in Section C have been renumbered appropriately.

~~C.11 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 time and reason 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 five (5) consecutive six (6) minute averaging periods beginning not more than twenty-four (24) hours after the start of the malfunction or down time.~~

~~(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 discontinued 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 violation of this permit.~~

~~(d) 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, 40 CFR 60 and Construction Permit PSD (26) 1215.~~

Comment 19

Condition C.12(a), Maintenance of Continuous Emission Monitoring Equipment: Revise (a) to read:

> "The Permittee shall calibrate, maintain and operate all necessary continuous emission monitoring systems (CEMs) and related equipment **as specified in Section D**."

Condition C.12(b), Maintenance of Continuous Emission Monitoring Equipment: Modify to read:

> "…shall meet all applicable performance specifications of 40 CFR 60, **40 CFR 75,** or any other

performance specification…".

Response to Comment 19

IDEM agrees with the suggested changes. The revisions are shown below. This condition has been renumbered C.11.

C.11 Maintenance of Continuous Emission Monitoring Equipment [326 IAC 2-7-5(3)(A)]

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

(b) All continuous emission monitoring systems shall meet all applicable performance specifications of 40 CFR 60**, 40 CFR 75,** or any other performance specification, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5-3.

Additionally, since the CEMS are required pursuant to a construction permit in order to demonstrate compliance with limits necessary to render PSD not applicable, IDEM has included conditions in Section D.1 of the permit to establish monitoring required to be performed when CEMS are down.

D.1.12 NO_x Monitoring System Downtime [326 IAC 2-2] [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the NOx continuous emission monitoring system is malfunctioning or down for repairs or adjustments, the following method shall be used to provide information related to NOx emissions:

Monitoring of the SCR operating parameters for ammonia flow rate and inlet duct temperature, shall be implemented. The parameters are as follows:

(a) The Permittee shall record the ammonia flow rate and inlet duct temperature at least four (4) times per hour until the primary CEM or a backup CEM is brought online and functioning properly. The Preventive Maintenance Plan for the SCR shall contain troubleshooting contingency and corrective actions for when the readings are outside of the normal range for any one reading during downtime of the NOx CEMS.

(b) The instrument used for determining the ammonia flow rate and inlet duct temperature shall comply with Section C - Pressure Gauge and Other Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and shall be calibrated at least once every six (6) months.

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.1.13 CO Monitoring System Downtime [326 IAC 2-2] [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

In instances of CO continuous emission monitoring system (CEMS) downtime, the Permittee shall use a data substitution procedure for CO that is consistent with the requirements of 40 CFR Part 75, Appendix D (Optional SO_2 Emissions Data Protocol) for fuel flow meters requirements, and 40 CFR Part 75, Appendix E (Optional NO_x Emissions Estimation Protocol) for emission rate curve establishment. CO mass emissions reported shall be based on the fuel-and-unit-specific CO emission rates ("load curve") established during the latest stack test.

Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.1.12~~4~~ Record Keeping Requirements

(c) To document compliance with ~~Condition D.1.6, the Permittee shall maintain records, including raw data of all monitoring data and supporting information, for a minimum of five (5) years from the date described in 326 IAC 3-5-6(a). The records shall include the information described in 326 IAC 3-5-6(b).~~ **NOx and CO limits in Conditions D.1.1, D.1.3, and D.1.6, the Permittee shall maintain records of all NOx, CO, and oxygen continuous emissions monitoring data, pursuant to 326 IAC 3-5-6, 326 IAC 2-2, and 40 CFR 60. Records shall be complete and sufficient to establish compliance with the CO and NOx limits as required in Conditions D.1.1, D.1.3, and D.1.6. During CO CEMS downtime, the Permittee shall maintain records of mass emission rates determined in accordance with Condition D.1.11.**

Comment 20

Condition C.13, Monitoring Methods: Revise to read:

"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, **40 CFR 75,** or other approved methods as specified in this permit."

Response to Comment 20

The requested change has been made, as shown below. This condition has been renumbered D.12.

C.12 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, **40 CFR 75,** or other approved methods as specified in this permit.

Comment 21

Condition C.14, Pressure Gauge and Other Instrument Specifications: Delete this condition, it is not applicable to any equipment at the source.

Response to Comment 21

IDEM agrees. The condition has been deleted. All subsequent conditions in Section C have been renumbered appropriately.

~~C.14 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 gauge 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 (±2%) of full scale reading.~~

~~(b) Whenever a condition in this permit requires the measurement of a voltage, current, temperature, or flow rate, the instrument 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 (±2%) of full scale reading.~~

~~(c) 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.~~

Comment 22

Condition C.15(a), Emergency Reduction Plans: Modify (a) to read:

"The Permittee prepared and submitted written emergency reduction plans (ERPs) consistent with safe operating procedures on ~~November 14, 1996~~ **on February 12, 1980 and subsequently approved on March 19, 1980.**"

Response to Comment 22

IDEM agrees. The requested change has been made, as shown below. Additionally, since the plan needs to be updated, IDEM has included a requirement to submit the updates. The condition has been renumbered C.13.

C.13 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]
Pursuant to 326 IAC 1-5-2 (Emergency Reduction Plans; Submission):

(a) The Permittee prepared and submitted written emergency reduction plans (ERPs) consistent with safe operating procedures on ~~November 14, 1996~~ **February 12, 1980**. **The plans (ERPs) were approved on March 19, 1980. The Permittee shall submit updates to the ERP within 90 days after issuance of this Part 70 permit.**

(b) Upon direct notification by IDEM, OAQ, that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

Comment 23

Condition C.17(a)(1), Compliance Response Plan: Delete the last portion of the condition

"~~; and an expected timeframe for taking reasonable response steps~~".

Condition C.17(a)(2), Compliance Response Plan: Delete this provision. PSI does not agree that each unique problem encountered and appropriate response should be added to the CRP or OM&M. The CRP should concentrate on the most likely and common problems encountered and quick response, and should be flexible enough to allow for the unique. Adding each and every problem encountered would eventually create a very large, cluttered and unmanageable document, potentially slowing down the response process in contradiction to the intent of the Compliance Response Plan requirement.

Condition C.17(b), Compliance Response Plan: Modify to read:

"~~For each compliance monitoring condition of permit r~~**R**easonable response steps shall be taken when indicated by the provisions of that compliance monitoring condition as follows:"

Condition C.17(b)(3), Compliance Response Plan: Delete section (b)(3). Sources should be allowed to shut down equipment at their own discretion without notification to IDEM. Additionally, if shutdown of equipment is necessary, the source must be more concerned with the proper shutdown of equipment than notification of IDEM.

Condition C.17(e), Compliance Response Plan: Revise first sentence to read:

"The Permittee shall record all instances when~~, in accordance with Section D,~~ **the** response steps **required in Section D** are taken ~~as required by this permit~~."

Response to Comment 23

IDEM does not agree with any of the proposed changes to paragraphs (a) and (b) of the condition. The compliance response plan (CRP) must include an expected timeframe for taking reasonable response steps to correct the problem. Additionally, the plan must include expected reasonable response steps to be implemented for each compliance monitoring parameter that could be out of range or abnormal. The CRP must be updated each time a response step is taken that is not described in the CRP because the

CRP needs to be kept current and accurately reflect the Permittee's response steps for each out of range parameter encountered.

The notification requirement applies only to situations where the emissions unit will continue to operate for an extended period of time while the compliance monitoring parameter is out of range. It is intended to provide IDEM an opportunity to assess the situation and determine whether any additional actions are necessary to demonstrate compliance with any applicable requirements.

IDEM agrees to change paragraph (e) as requested. The condition has been renumbered C.15.

C.15 Compliance Response Plan - Preparation, Implementation, Records, and Reports
[326 IAC 2-7-5] [326 IAC 2-7-6]

(e) The Permittee shall record all instances when~~, in accordance with Section D,~~ **the** response steps **required in Section D** are taken ~~as required by this permit~~. 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.

Comment 24

Condition C.20(a), General Record Keeping Requirements: Revise last sentence, starting line 6, to read "If the Commissioner makes a **reasonable** request for records to the Permittee…".

Condition C.20(b), General Record Keeping Requirements: In first sentence, change "issuance" to "effectiveness".

Response to Comment 24

IDEM does not agree to the suggested change for paragraph (a) of the condition. Reasonable is an ambiguous term that could easily be interpreted differently by different people. Further, the Commissioner's requests for records would be limited to those records necessary to determine compliance with state and federal air regulations; none of which IDEM would consider to be unreasonable.

Pursuant to IC 13-15-5-3, the permit becomes effective upon issuance; therefore the effective date of the permit and the issuance date of the permit are the same. It is not necessary to replace the word "issuance" with the word "effectiveness".

Comment 25

Condition C.21(a), General Reporting Requirements: Modify first sentence to read:

"**If this permit contains compliance monitoring requirements,** the source shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent."

This language is taken from an appeal resolution on permit 169-7245-00034 (3/14/03) and permit 041-7242-00009 (3/17/03), and is appropriate in this permit as well.

Condition C.21(d), General Reporting Requirements: Revise second sentence to read:

All reports ~~do~~ **that** require ~~the~~ certification **shall be signed** by the "responsible official" as defined by 326 IAC 2-7-1(34)."

Condition C.21(e), General Reporting Requirements: In first sentence, change "issuance" to "effectiveness".

Condition C.21, General Reporting Requirements: Add provision C.21(f) which states:

"Submittal of the reports required by this section, and reports required by the Reporting Requirements section of Section D shall fulfill all reporting requirements for this source."

Response to Comment 25

The permit does contain compliance monitoring requirements; therefore, the requested change to paragraph (a) of the condition is not necessary and would serve no purpose.

IDEM does not agree with the suggested change to paragraph (d) of the condition. Rule 326 IAC 2-7-6(1) requires that any document or report required by a Part 70 permit must include a certification by the responsible official.

Pursuant to IC 13-15-5-3, the permit becomes effective upon issuance; therefore the effective date of the permit and the issuance date of the permit are the same. It is not necessary to replace the word “issuance” with the word “effectiveness”.

IDEM does not agree to make a blanket statement that the reports required by condition C.21 and the reports required by Section D shall fulfill all reporting requirements for this source. There may be other reporting requirements pursuant to acid rain requirements or the NOx allowance rule, which are not specified in Section D of the permit.

Comment 26

Condition C.23, Ambient Monitoring: Delete this section, ambient monitoring is not applicable or required for this source.

Response to Comment 26

IDEM agrees. The Condition has been deleted.

~~C.23 Ambient Monitoring [326 IAC 7-3]~~

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

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

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

Comment 27

Section D.1 Description: Revise (b) to read"… with a ~~maximum~~ **nominal** capacity of 100,000 gallons per minute…".

Response to Comment 27

IDEM agrees to make the requested change as shown below.

SECTION D.1 FACILITY OPERATION CONDITIONS

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

(a) Three (3) Natural Gas Fired Combined Cycle Systems [each includes a stationary combustion turbine and Heat Recovery Steam Generator (HRSG)], identified as CT-3, CT-4, and CT-5, installed in 2003, with a nominal capacity of 749.5 MMBtu per hour each based on 100% load, 55 F ambient temperature and natural gas higher heating value (833.9 MMBtu/hr at 100% load, -20 F and natural gas higher heating value), using DLN on each turbine and SCR and oxidation catalyst in each HRSG as control, and exhausting to stack 3-2, 4, and 5 respectively.

(b) One Mechanical Draft Cooling Tower with five cells, identified as WT-1, installed in 2003, with a ~~maximum~~ **nominal** capacity of 100,000 gallons per minute, using a high efficiency mist eliminators as control, and exhausting to stacks WT 1-A through 1-E.

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

Comment 28

Condition D.1.3, 40 CFR Subpart GG (Stationary Gas Turbines): Add conditions (c) which states

"Compliance with the limitations contained in Section D.1.1 shall be deemed as compliance with the limitations contained in this Section D.1.3"

The NOx emission limitation calculated based on the equation included in D.1.3 equals 92 ppm @15% O2. The emission limitations in D.1.1 are calculated based on a NOx emission rate of 3.5 ppm @ 15% O2, thus compliance with D.1.1 assures compliance with D.1.3.

Response to Comment 28

IDEM does not agree to add the requested language. In order for IDEM to be able to add such language to the permit, the Permittee would have to comply with the requirements of 326 IAC 2-7-24 (Establishment of Streamlined Requirements for Units Subject to Multiple Requirements). The Permittee has not submitted information adequate to satisfy the requirements of 326 IAC 2-7-24(b). Additionally, if IDEM did streamline the requirements, then a violation of the PSD PTE limit would also be considered a violation of the NSPS.

Comment 29

Condition D.1.6(a), Startup and shutdown limitations on combustion Turbines: The definition of startup/shutdown is based on a percentage load, which is somewhat ambiguous since generator output can vary based on a number of variables including ambient weather conditions and the conditions of the turbine and compressor sections. For a CT equipped with Dry-Low-NOx Burners (DLNBs), startup/shutdown is best defined as a function to the CT's combustion process. By design, the DLNBs are not capable of achieving full emission reductions in combustion modes other than pre-mix steady state. Therefore, the pre-mix steady state mode of combustion best defines the normal on-line mode of operation. Modes of combustion other than pre-mix steady state are typically associated with startup or shutdown. To better represent the actual operation of the CTs, this condition should be revised to read:

"**For each combustion turbine, startup/shutdown shall be defined as all periods of operation where fuel is being combusted and the turbines Dry-Low-NOx Burners (DLNBs) are not operating in a pre-mix steady state mode of combustion."**

Response to Comment 29

IDEM does not agree to change the definition of startup and shutdown. The pound per hour NOx limits in D.1.1(b) do not apply during startup/shutdown because the selective catalytic reduction (SCR) system cannot be operated until the exhaust gas temperature reaches the temperature necessary for SCR to operate in an efficient manner. The purpose of defining startup/shutdown based on load is that at the operating load stated in the permit, the temperature of the turbine exhaust gases falls in the range for optimum operation of the SCR. Therefore when the temperature reaches a level sufficient for the SCR system to operate effectively, the Permittee will need to begin operating it. Changing the definition of startup/shutdown as suggested by the Permittee, would allow the SCR to remain inoperative for a longer period of time, even though the temperature would have reached a level sufficient for proper SCR operation.

Comment 30

Condition D.1.7, Old Units Removal: The requirements of this condition are one time requirements for the removal or dismantling of coal burning equipment. Once completed, these requirements serve no purpose in the permit and should be deleted. These requirements have been completed, therefore they should be noted in the TSD as complete and removed from permit.

Response to Comment 30

IDEM agrees that since the actions have already been completed, there is no need to have the conditions requiring shutdown of the boilers remain in the permit. All that is necessary is to have a condition that states the boilers shall remain permanently inoperable. The revised condition is shown below.

D.1.7 Old Units ~~Removal~~ **Rendered Inoperable**

Pursuant to Construction Permit 057-14278-00004, the following provisions shall apply:

(a) ~~Within 180 days after the start-up of the last natural gas turbine, the~~ **The** three coal-fired boiler**s** # 1, 2 and 3 shall **remain permanently inoperable.** ~~be removed from service permanently by being removed from the source or made inoperative by other means. This will also make PSD (326 IAC 2-2 and 40 CFR 52.21) not applicable.~~

~~(b) Within 180 days of first electric generation from the re-powered steam turbines, coal fired boiler #1, 2 and 3 stacks and electrostatic precipitator structures shall be removed from existing building.~~

~~(c)~~**(b)** ~~Within 180 days of first electric generation from the re-powered steam turbines,~~ **The** coal and ash handling activities associated with the removal from service of boilers #1, 2 and 3 shall ~~be completed and terminated~~ **remain inoperable**.

Comment 31

Condition D.1.8, Control Equipment Requirements: This section may be deleted. All equipment that it requires to install has been installed.

Response to Comment 31

Condition D.1.8 has been revised as shown below. The condition has been renumbered D.1.9.

D.1.9 Control Equipment Requirements

Pursuant to Construction Permit 057-14278-00004, in order to achieve compliance with limits specified in D.1.1 the ~~Permittee shall install the~~ following ~~control equipments~~ **conditions shall apply**:

(a) **Except as otherwise provided by statute or rule or in this permit,** ~~To control NOx emissions from the combined cycle system the combustion turbines shall incorporate a~~ **the** dry low-NOx combustor and ~~use~~ selective catalytic reduction **system for NOx control** ~~as a post combustion control technology~~ **shall be operated at all times that the combustion turbines are in operation**.

(b) **Except as otherwise provided by statute or rule or in this permit,** ~~To control CO and VOC emissions from each combined cycle, an~~ **the** oxidation catalyst ~~shall be installed downstream of~~ **to control CO and VOC emissions from** the combustion turbine in the HRSG **shall be operated at all times that the combustion turbines are in operation**.

Comment 32

Condition D.1.9, Testing Requirements: Sections (a), (b) and (c) of Condition D.1.9 pertain to the initial performance test for new units, and once completed the requirements are no longer applicable or necessary in the permit. This testing has been completed, therefore it should be noted in the TSD as complete and removed from permit.

Response to Comment 32

Since the Permittee has completed the initial stack testing for the turbines, condition D.1.9 has been deleted. All subsequent conditions in Section D.1 have been renumbered appropriately.

~~D.1.9 Testing Requirements [326 IAC 3-5] [40 CFR 60.335] [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]~~

~~(a) Pursuant to 326 IAC 3-5, the Permittee shall conduct a performance test, no later than one hundred and eighty days after the facility startup or monitor installation, on the combustion turbine exhaust stacks (designated as 3-2, 4, and 5) in order to certify the continuous emission monitoring system for CO and NOx.~~

~~(b) Within sixty (60) days after achieving maximum production rate, but no later than one hundred and eighty (180) days after initial startup, the Permittee shall conduct NOx stack tests for each turbine utilizing methods as approved by the Commissioner. These tests shall be performed in accordance with 40 CFR 60.335 and Section C - Performance Testing, in order to document compliance with Condition D.1.3.~~

~~(c) Within one hundred eighty (180) days after initial startup, the Permittee shall perform PM (filterable) and PM10 (filterable and condensible) stack tests for each combustion turbine stack utilizing methods approved by the Commissioner. These tests shall be performed in accordance with Section C - Performance Testing, in order to document compliance with Condition D.1.1.~~

~~(d) IDEM may require compliance testing at any specific time when necessary to determine if the source is in compliance. If testing is required by IDEM, compliance shall be determined by a performance test conducted in accordance with Section C - Performance Testing.~~

Comment 33

Condition D.1.10, 40 CFR Part 60, Subpart GG Compliance Requirements (Stationary Gas Turbines): On February 28, 2002, U.S.EPA Region V approved a custom fuel monitoring schedule for Noblesville. This approval included approval to use NOx CEMs as an alternative to the water-to-fuel monitoring requirement, and a custom schedule for natural gas sampling and analysis. A copy of this approval is attached. The February 28, 2002 approval should be incorporated into this permit condition.

Response to Comment 33

Since the custom fuel monitoring schedule has already been approved by the U.S. EPA, IDEM agrees to incorporate it into the permit. However, EPA set out several conditions which must be met in order for CEMS to be used to demonstrate compliance. Those conditions have also been included in the permit. Since EPA denied the Permittee's request to use ASTM D 5504-94 to measure the fuel sulfur content, IDEM has deleted that method from paragraph (b) of the condition.

Revisions are shown below.

D.1.10 40 CFR Part 60, Subpart GG Compliance Requirements (Stationary Gas Turbines)

Pursuant to 40 CFR Part 60, Subpart GG (Stationary Gas Turbines), the Permittee shall monitor the nitrogen and sulfur content of the natural gas on a monthly basis as follows:

(a) Determine compliance with the nitrogen oxide and sulfur dioxide standards in 40 CFR 60.332 and 60.333(a), per requirements described in 40 CFR 60.335(c);

(b) Determine the sulfur content of the natural gas being fired in the turbine by ASTM Methods D 1072-80, D 3031-81, D 4048-82, D 3246-81, ~~D 5504-94~~ or other applicable methods approved by IDEM. The applicable ranges of some ASTM methods mentioned are not adequate to measure the levels of sulfur in some fuel gases. Dilution samples before analysis (with verification of the dilution ratio) may be used, subject to the approval of the Administrator; and

(c) Determine the nitrogen content of the natural gas being fired in the turbine by using analytical methods and procedures that are accurate to within 5 percent and are approved by the Administrator.

The analyses required above may be performed by the owner or operator, a service contractor retained by the owner or operator, the fuel vendor or any other qualified agency.

~~Owner, operators or fuel vendors may develop custom fuel schedules for determination of the nitrogen and sulfur content based on the design and operation of the affected facility and the characteristics of the fuel supply. These schedules shall be substantiated with data and must be approved by the Adminstator before they can be used to comply with the above requirements.~~

(d) Pursuant to the approval letter granted by U.S. EPA on February 28, 2002, the Permittee shall use CEMS to monitor NOx emissions. Also pursuant to the approval letter granted by U.S. EPA on February 28, 2002, the following conditions shall be met:

(1) Each turbine shall meet the emission limitation determined according to 40 CFR 60.332. The "Y" value for the applicable equation and supporting documentation should be provided by the applicant and the limitation for NOx emissions from pipeline quality natural gas should be fixed assuming the "F" value equals zero. The emission limitation must be expressed in ppmv, dry, corrected to 15 percent oxygen.

(2) Each NOx CEMS must meet the applicable requirements of 40 CFR Part 60, Appendix B, Performance Specification 2, and Appendix F for certifying, maintaining, operating, and assuring quality of the system.

(3) Each NOx CEMS shall be capable of calculating NOx emissions concentrations corrected to 15 percent oxygen and International Standards Organization (ISO) standard conditions.

(4) The owner or operator of the NOx CEMS shall submit an excess emissions and monitoring systems performance report [40 CFR 60.13(h)] and/or a summary report form to U.S. EPA and IDEM, OAQ on a quarterly basis, if excess emissions are determined, or semi-annually, if no excess emissions are determined. The report shall be postmarked by the 30th day following the end of each reporting period.

Written reports must include information required at 40 CFR 60.7(c-d). This report shall also contain the content of nitrogen in fuel oil for each reporting period when oil is fired and a clearly calculated corresponding emission limitation.

(5) Record keeping requirements shall follow the requirements specified at 40 CFR 60.7.

(6) NOx CEMS shall be used to demonstrate compliance with the emission limitation on a continuous basis and the quarterly report shall include the NOx mass emissions for the reported period as reported to IDEM, OAQ.

(e) Pursuant to the approval letter granted by U.S. EPA on February 28, 2002, the Permittee may use the following custom monitoring schedule for fuel sulfur content when the fuel being burned is pipeline natural gas.

(1) The Permittee shall sample fuel sulfur content once per quarter for six quarters.

(2) Measurement of sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternative method. The reference methods are ASTM D 1072-80, ASTM D 3031-81, ASTM D 3246-81, and ASTM D 4084-82 as referenced in 40 CFR 60.335(b)(2).

(3) Sampling can be reduced to semi-annually if six quarters of quarterly sampling and analyses indicate sulfur concentrations are below the applicable standard and do not vary significantly.

(4) If any analyses indicate noncompliance with the applicable sulfur limit of 0.8 weight percent in 40 CFR 60.333(b), samples must be collected and analyzed on a weekly basis while the custom fuel monitoring schedule is re-examined by a delegated authority. In such a case, the Permittee must notify IDEM, OAQ and U.S. EPA in accordance with 40 CFR 60.7.

(5) Reporting and record keeping requirements must be maintained in accordance with 40 CFR 60.7, 60.19, and 60.334.

Comment 34

Condition D.1.11(b), Continuous Emission Monitoring: Delete word "install", monitor has been installed.

Condition D.1.11(b)(2), Continuous Emission Monitoring: The condition reference in D.1.11(b)(2) should be changed from D.1.5 to D.1.1. D.1.5 contains emission limitations for the cooling tower on which CEMs are not required. D.1.1 contains the stack emission limitations.

Condition D.1.11(b)(3), Continuous Emission Monitoring (CEMs): The continuous emission monitoring standard operating procedure (SOP) has been submitted in accordance with 326 IAC 3-5-4, therefore this requirement has been met and is no longer germane. The completion of the SOP should be noted in the TSD and the condition removed from the permit.

Condition D.1.11(c), Continuous Emission Monitoring: Delete word "install", monitor has been installed.

Response to Comment 34

IDEM agrees to delete the word install from paragraph (b). IDEM agrees to correct the reference in D.1.11(b)(2). IDEM agrees to delete D.1.11(b)(3). Changes to the condition are shown below.

D.1.11 Continuous Emission Monitoring (CEMS)

Pursuant to Construction Permit 057-14278-00004, the following provisions shall apply:

(a) ~~The owner or operator of a new source with an emission limitation or permit requirement established under 326 IAC 2-5.1-3 shall be required to install a continuous emissions monitoring system or alternative monitoring plan as allowed under the Clean Air Act and 326 IAC 3-5-1(d).~~

(b) The Permittee shall ~~install,~~ calibrate, certify, operate and maintain a continuous emission monitoring system for NOx and CO, for stacks designated as 3-2, 4, and 5 in accordance with 326 IAC 3-5-2 and 3-5-3.

(2) The Permittee shall determine compliance with Condition**s** ~~D.1.5~~ **D.1.1 and D.1.6** utilizing data from the NOx, CO, and O2 CEMS, the fuel flow meter, and Method 19 calculations.

~~(3) The Permittee shall submit to IDEM, OAQ, within ninety (90) days after monitor installation, a complete written continuous monitoring standard operating procedure (SOP), in accordance with the requirements of 326 IAC 3-5-4.~~

~~(4)~~**(3)** The Permittee shall record the output of the system and shall perform the required record keeping, pursuant to 326 IAC 3-5-6, and reporting, pursuant to 326 IAC 3-5-7.

~~(c)~~**(b)** Pursuant to 40 CFR 60.47(d), the Permittee shall ~~install,~~ calibrate, certify, and operate continuous emissions monitors for carbon dioxide, or oxygen at each location where nitrogen oxide emissions are monitored.

Comment 35

Condition D.1.13, Reporting Requirements: Add sentence preceding (a) to state: "Submittal of the reports required by this section shall fulfill all reporting requirements for this source."

Response to Comment 35

See response to comment 25.

Comment 36

Section D.2 Description: Revise (b) to read"… with a ~~maximum~~ **nominal heat input** capacity of 9.923…".

Response to Comment 36

IDEM has made the requested change as shown below.

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) no. 2 fuel oil-fired boiler, identified as Heating Boiler, installed in 1990, with a ~~maximum~~ **nominal** heat input capacity of 9.923 million Btu per hour (MMBtu/hr), with no control equipment and exhausting to stack H-1.

Comment 37

Condition D.2.3(a), Operation Standards: Change (a) to read:

"**Any boiler tube cleaning waste liquids evaporated in the boiler shall not exhibit the toxicity characteristics as defined in 40 CFR 261.24.**"

Response to Comment 37

Hazardous waste is defined in more places than just 40 CFR 261.24. Therefore, IDEM has not made the requested change.

Comment 38

Condition D.2.4(b)(2)(B), Sulfur Dioxide Emissions and Sulfur Content: Revise (B) to read:

"Oil samples shall be collected from the storage tank immediately after each addition of fuel to the tank. **If multiple deliveries are made during a single day, the sample may be collected after the last delivery for that day**"

The addition of the second sentence would reduce the required samples to be collected if multiple deliveries (trucks) are made in a single day. Due to the consistency of the fuel oil sulfur content, such a reduction in collected samples would not have an adverse effect on the data or emissions.

Response to Comment 38

Since the boiler only uses number 2 fuel oil, is less than 10 MMBtu/hr, and not subject to the New Source Performance Standards, IDEM agrees to make the requested change.

D.2.4 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 3] [326 IAC 7-2] [326 IAC 7-1.1-2]

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

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

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

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

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

(B) Oil samples shall be collected from the storage tank immediately after each addition of fuel to the tank. **If multiple deliveries are made during a single day, the sample may be collected after the last delivery for that day.**

(c) Upon written notification to IDEM by a facility owner or operator, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 may be used as the means for determining compliance with the emission limitations in 326 IAC 7. Upon such notification, the other requirements of 326 IAC 7-2 shall not apply. [326 IAC 7-2-1(g)]

Comment 39

Condition D.2.6(a), Visible Emissions Notations: Revise to read

"Visible emission (VE) notations of the heating boiler stack exhaust shall be performed once per ~~shift~~ **day** during normal daylight operations while combusting distillate fuel oil."

By nature of its purpose, the heating boiler will primarily be used in the cold months when the days are short, and there is only minimal daylight during the early and late shifts. Therefore, the VE notation requirement should be simplified to once per day rather than forcing station personnel to attempt the notations during minimal light conditions.

Condition D.2.6(d), Visible Emissions Notations: Revise to read:

"A trained employee is an employee who has worked at the plant **or similar facility** for at least one (1) month and ~~has been trained~~ **is familiar** in the appearance and characteristics of normal visible emissions for the boiler."

Condition D.2.7(b), Record Keeping and Reporting Requirement: Revise (b) to read:

"To document compliance with condition D.2.6, the Permittee shall maintain records of once per ~~shift~~ **day** visible emissions notations of the boiler stack exhaust.

Response to Comment 39

Compliance monitoring conditions such as these requirements to perform visible emission notations, are required in order to demonstrate continuous compliance with the permit requirements. Visible emission notations are used to indicate compliance with 326 IAC 5-1 and the particulate matter limits pursuant to 326 IAC 6-2-4. Since process upset can occur suddenly and without warning, possibly causing a violation of 326 IAC 5-1 or 326 IAC 6-2-4, the OAQ does not believe that daily notations would be sufficient for the Permittee to certify continuous compliance.

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 plant emissions during normal operations. This knowledge and awareness during all shifts can minimize lag time in addressing control failure.

IDEM believes that the requirement to have a trained employee work at the plant for at least one month is reasonable and appropriate. Emissions from other "similar facilities" may not have the same appearance or characteristics due to the many possible different circumstances surrounding the different facilities. For example, emissions from two identical boilers located at different plants may appear visibly different to an observer due to many factors, including the position of the sun, the background emissions, the individual fuel characteristics, the background seen when viewing the emissions, etc. As such, changing the condition as suggested would also necessitate a description of how to determine if the facility is to be considered "similar" enough to qualify as appropriate training.

Comment 40

Emergency Occurrence Report form

In the first information submittal box, first bullet, modify statement to read:

"The Permittee must notify the Office of Air Quality (OAQ), within four (4) **daytime** business hours…."

This change is consistent with the Emergency provision contained in section B.11(b)(4).

In the first information submittal box, second bullet, modify statement to read:

"The Permittee must submit notice in writing or by facsimile within two (2) working **business** days…".

Response to Comment 40

IDEM agrees to change the form to state "four (4) daytime business hours..."

IDEM does not agree to change the form to state "...within two (2) working business days..." See response to comment 5.

Changes are shown below.

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

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

- The Permittee must notify the Office of Air Quality (OAQ), within four (**4**) **daytime** business hours (1-800-451-6027 or 317-233-5674, ask for Compliance Section); and
- The Permittee must submit notice in writing or by facsimile within two (**2**) working days (Facsimile Number: 317-233-5967), and follow the other requirements of 326 IAC 2-7-16.

Comment 41

Technical Support Document

Page 3 of 12, Actual Emissions Table: It should be noted that these emissions were from the three dismantled coal fired boilers. The three natural gas fired combustion turbines are now in operation.

Throughout: Delete references to 40 CFR 52.21, it is no longer applicable with Indiana's program approval.

Response to Comment 41

IDEM does agree that the coal fired boilers are no longer operating at the plant. IDEM also agrees that 40 CFR 52.21 is no longer applicable since Indiana's PSD program has been approved. However, IDEM prefers to have the TSD document the reasoning for the public noticed version of the permit. This addendum to the TSD explains any changes to the permit after public notice. This method provides documentation for each step in the permit process. As a result, IDEM does not make changes to the TSD after public notice.

Upon further review, IDEM has made the following revisions to the permit.

1. The turbines and the associated emissions control equipment are subject to the requirements of 326 IAC 2-7-5(13) which requires a preventive maintenance plan to be in place.

D.1.8 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 these facilities and their emission control devices.

D.1.14 Record Keeping Requirements

(d) To document compliance with D.1.3, the Permittee shall maintain records of the natural gas analyses, including the sulfur and nitrogen content of the gas.

(c) To document compliance with Condition D.1.8, the Permittee shall maintain of records of any additional inspections prescribed by the Preventive Maintenance Plan.

~~(e)~~**(d)** All records shall be maintained in accordance with Section C – General Record Keeping Requirements, of this permit.

2. Condition C.17 (Emission Statement) has been revised as shown below:

~~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~~ **This statement** must be received ~~by July 1 of each year~~ **in accordance with the compliance schedule specified in 326 IAC 2-6-3,** and must comply with the minimum requirements specified in 326 IAC 2-6-4. **The submittal should cover the period identified in 326 IAC 2-6.** The ~~annual~~ emission statement 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);

(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.

~~(b)~~ ~~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:

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

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

~~(c)~~**(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 on or before the date it is due.

Indiana Department of Environmental Management
Office of Air Quality

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

Source Background and Description

Source Name:	**PSI Energy, Inc. – Noblesville Generating Station**
Source Location:	**21225 Riverwood Ave, Noblesville, IN 46060**
County:	**Hamilton**
SIC Code:	**4911**
Operation Permit No.:	**T057-7173-00004**
Permit Reviewer:	**Patrick Burton**

The Office of Air Quality (OAQ) has reviewed a Part 70 permit application from PSI Energy, Inc.-Noblesville Generating Station, relating to the operation of a stationary electric utility generating station.

Permitted Emission Units and Pollution Control Equipment

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

(1) Three Natural Gas Fired Combined Cycle Systems [each includes a stationary combustion turbine and Heat Recovery Steam Generator (HRSG)], identified as CT-3, CT-4, and CT-5, installed in 2003, with a nominal capacity of 749.5 MMBtu per hour each based on 100% load, 55 F ambient temperature and natural gas higher heating value (833.9 MMBtu/hr at 100% load, -20 F and natural gas higher heating value), using DLN on each turbine and SCR and oxidation catalyst in each HRSG as control, and exhausting to stack 3-2, 4, and 5 respectively.

(2) One Mechanical Draft Cooling Tower with five cells, identified as WT-1, installed in 2003, with a maximum capacity of 100,000 gallons per minute, using a high efficiency mist eliminators as control, and exhausting to stacks WT 1-A through 1-E.

Unpermitted Emission Units and Pollution Control Equipment

The source also consists of the following unpermitted facilities/units:

(1) One (1) no. 2 fuel oil-fired boiler, identified as Heating Boiler, installed in 1990, with a maximum heat input capacity of 9.923 million Btu per hour (MMBtu/hr), with no control equipment and exhausting to stack H-1.

New Emission Units and Pollution Control Equipment

There are no new facilities to be reviewed.

Insignificant Activities

The source also consists of the following insignificant activities, as defined in 326 IAC 2-7-1(21):

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

(2) Distillate fuel oil system including unloading and storage in one 15,800 gallon storage tank.

Existing Approvals

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

(1) OP 29-08-92-0125, issued on August 1, 1988;

(2) OP 29-08-92-0126, issued on August 1, 1988;

(3) OP 29-08-92-0127, issued on August 1, 1988;

(4) OP 29-08-92-0128, issued on August 1, 1988;

(5) AR 057-5206-00004, issued on December 31, 1997;

(6) Administrative Amendment AR 057-10319-00004, issued on February 13, 2003; and

(7) Significant Source Modification, 057-14278-00004, issued on October 22, 2001.

Enforcement Issue

(a) IDEM is aware that equipment has been operated prior to receipt of the proper permit. The subject equipment is listed in this Technical Support Document under the condition entitled *Unpermitted Emission Units and Pollution Control Equipment.*

(b) IDEM is reviewing this matter and will take appropriate action. This proposed permit is intended to satisfy the requirements of the construction permit rules.

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 November 14, 1996.

A notice of completeness letter was mailed to the source on January 10, 1997.

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source 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."

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

Pollutant	Potential to Emit (tons/year)
PM	no data
PM-10	greater than 250
SO_2	greater than 250
VOC	less than 100
CO	greater than 250
NO_x	greater than 250

Note: For the purpose of determining Title V applicability for particulates, PM-10, not PM, is the regulated pollutant in consideration.

HAP's	Potential to Emit (tons/year)
Methane	less than 10 tons/year
Chromium	less than 10 tons/year
Arsenic	less than 10 tons/year
All Other HAPs	less than 10 tons/year
TOTAL	less than 25 tons/year

(a) The potential to emit (as defined in 326 IAC 2-1.1-1(16) of particulate matter less than ten (10) microns (PM_{10}), sulfur dioxide (SO_2), nitrogen oxides (NOx), and carbon monoxide (CO) are equal to or greater than 100 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.

(b) Fugitive Emissions
Since this type of operation is one of the twenty-eight (28) listed source categories under 326 IAC 2-2, 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 the 2001 OAQ emission data.

Pollutant	Actual Emissions (tons/year)
PM-10	30
SO_2	4,689
VOC	5
CO	42
NO_x	1,579

County Attainment Status

The source is located in Hamilton County.

Pollutant	Status
PM-10	attainment
SO_2	attainment
NO_2	attainment
Ozone	attainment
CO	attainment
Lead	attainment

(a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Hamilton County has been designated as attainment or unclassifiable for ozone.

(b) Hamilton County has been classified as attainment or unclassifiable for VOC emissions. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

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

(a) The three Natural Gas Fired Combined Cycle Systems, identified as CT-3, CT-4, and CT-5, are subject to the New Source Performance Standard, 326 IAC 12, (40 CFR 60, Subpart GG) because the heat input at peak load is equal or greater than 10.7 gigajoules per hour (10 MMBtu per hour), based on the lower heating value of the fuel fired.

Pursuant to 326 IAC 12-1 and 40 CFR 60, Subpart GG (Stationary Gas Turbines), the Permittee shall:

(1) Limit nitrogen oxides emissions to 0.0092 % by volume at 15% oxygen on a dry basis, as required by 40 CFR 60.332, to:

$$STD = 0.0075 \frac{(14.4)}{Y} + F,$$

where STD = allowable NO_x emissions (percent by volume at 15 percent oxygen on a dry basis).

Y = manufacturer's rated heat rate at manufacturer's rated load (kilojoules per watt hour) or, actual measured heat rate based on lower heating value of fuel as measured at actual peak load for the facility. The value of Y shall not exceed 14.4 kilojoules per watt hour.

F = NO_x emission allowance for fuel-bound nitrogen as defined in paragraph (a)(3) of 40 CFR 60.332.

Pursuant to Construction Permit 057-14278-00004, the annual NO_x emissions from the combustion turbine units shall be limited to 184.99 tons per year and the hourly NO_x emissions from the combustion turbine units shall be limited to 32.7 pounds per hour except during startup and shutdown.

(2) Limit sulfur dioxide emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at 15 percent oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to 0.8 percent by weight;

(3) Install a continuous monitoring system to monitor and record the fuel consumption and the ratio of water to fuel being fired in the turbine, as required by 40 CFR 60.334(a);

(4) Monitor the sulfur content and nitrogen content of the fuel being fired in the turbine, as required by 40 CFR 60.334(b).

(5) Report periods of excess emissions, as required by 40 CFR 334(c).

(b) The HRSGs will not be equipped with supplemental natural gas fired duct burners, therefore 40 CFR 60 Subparts Da (Electric Utility Steam generating Units), Db (New Source Performance Standards for Industrial Steam Generating Units), or Dc (New Source Performance Standards for Small Industrial-Commercial-Institutional Steam Generating Units) do not apply.

(c) The three Natural Gas Fired Combined Cycle Systems, identified as CT-3, CT-4, and CT-5, are not subject to 40 CFR 63, Subpart YYYY, (National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines) since the combustion turbines formaldehyde emission limit, as permitted in Construction Permit 057-14278-00004, is below the major source threshold for HAPs.

(d) The Heating Boiler fuel oil storage tank is not subject to the New Source Performance Standard. 326 IAC 12, (40 CFR 60.110, Subparts K, Ka, or Kb) because the oil tank used by the Heating Boiler was constructed prior to June 11, 1973.

(e) The degreasing station is not subject to the National Emission Standards for Hazardous Air Pollutants, 326 IAC 20-6-1 (40 CFR 63, Subpart T) because the solvents listed in 40 CFR 63.460(a) are not used.

(f) 40 CFR 72 through 40 CFR 78 (Acid Rain Permit)
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. The Acid Rain permit for this source is attached to the Title V permit as Appendix A, and is incorporated by reference.

Title IV Emissions Allowances
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:

(1) 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.

(2) 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.

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

State Rule Applicability - Entire Source

326 IAC 2-2 (Prevention of Significant Deterioration)

Pursuant to Construction Permit 057-14278-00004, on February 28, 2003 coal fired boilers #1, 2, and 3 were permanently removed from service and made inoperative, therefore the requirements of 326 IAC 2-2 (PSD) do not apply to the modification for addition of combustion turbines CT-3, CT-4, and CT-5.

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 one hundred (100) tons per year) of SO_2, CO, NOx and PM10. 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 July 1 of each year and contain the minimum requirement 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).

326 IAC 4-1 (Open Burning)

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 5-1 (Opacity Limitations)

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 forty percent (40%) 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.

326 IAC 6-4 (Fugitive Dust Emissions)

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 21-1 (Acid Deposition Control)

Pursuant to 326 IAC 21 (Acid Deposition Control), the Permittee shall comply with all provisions of the Acid Rain permit AR 057-5206-00004, issued on December 31, 1997, and revision(s) issued for this source.

State Rule Applicability - Fuel Oil-Fired Heating Boiler

326 IAC 6-2-4 ((Particulate Matter Emissions Limitations for Sources of Indirect Heating)Pursuant to 326 IAC 6-2-4 (Particulate Matter Emissions for Sources of Indirect Heating), the PM emissions from the Heating Boiler shall not exceed 0.60 pounds per million Btu heat input (lb/MMBtu). This limitation was calculated using the following equation:

$Pt = \frac{1.09}{Q^{0.26}}$ Where Q = 9.923 MMBtu/hr (capacity of Heating Boiler)

$Pt = \frac{1.09}{9.923^{0.26}}$

$Pt = \frac{1.09}{1.816}$

Pt = **.60**

326 IAC 7-1.1 (Sulfur Dioxide Emission Limitations)

Pursuant to 326 IAC 7-1.1, the SO_2 emissions from the Heating Boiler shall not exceed five-tenths (0.5) pounds per million Btu (lbs/MMBtu) for distillate oil combustion.

Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7-4, fuel sampling and analysis data shall be collected at all times that the Heating Boiler is venting and in operation, in order to comply with this limit.

State Rule Applicability - (3) Natural Gas Fired Combined Cycle Systems and Mechanical Draft Cooling Tower

326 IAC 2-4.1-1 (HAPs Major Source: New Source Toxics Control)

The New Source Toxics Control rule requires any new or reconstructed major source of hazardous air pollutants (HAPs) for which there are no applicable NESHAP to implement maximum achievable control technology (MACT), determined on a case-by-case basis, when the potential to emit is greater than 10 tons per year of any single HAP. Information on emissions of the 187 hazardous air pollutants are listed in the OAQ Construction Permit Application, Form Y (set forth in the Clean Air Act Amendments of 1990). These pollutants are either carcinogenic or otherwise considered toxic and are commonly used by industry.

The New Source Toxic Rule is not applicable because any single HAP emission is not greater than or equal to 10 tons per year and any combination HAP emissions are not greater than or equal to 25 tons per year for the (3) natural gas fired combined cycle turbines.

326 IAC 6-3-2 (Process Operations)

Pursuant to Significant Source Modification, 057-14278-00004, issued on October 22, 2001, and 326 IAC 6-3-2, the particulate matter (PM) from the new mechanical draft cooling tower shall be limited by the following:

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

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour and
P = process weight rate in tons per hour (.0279)

The High efficiency mist eliminator shall be in operation at all times the mechanical draft cooling tower is in operation, in order to comply with this limit.

326 IAC 7-1 (Sulfur Dioxide Emission Limitations)

The (3) natural gas fired combined cycle turbines are subject to the requirements of 326 IAC 7-1.1 because they are fuel combustion facilities and the SO_2 potential to emit is greater than 25 tons per year. Pursuant to 326 IAC 7-1.1-2, there are no specific emission limitations for the combustion of natural gas. Pursuant to 326 IAC 7-2-1, the Permittee shall submit natural gas reports of the calendar month average sulfur content, heat content, natural fuel consumption and sulfur dioxide emission rate in pounds per million Btu, upon request of OAQ.

326 IAC 8 (Volatile Organic Compound Requirements)

The VOC potential emissions from the (3) natural gas fired combined cycle turbines are 23.14 tons per year, therefore 326 IAC 8-1-6 (reduction of VOC emissions using best available control technology (BACT)) does not apply.

State Rule Applicability - Insignificant Activities

326 IAC 8-3-2 (Organic Solvent Degreasing Operations)

Pursuant to 326 IAC 8-3-2 (Cold Cleaner Operations), for cold cleaning operations constructed after January 1, 1980, the Permittee shall:

(a) Equip the cleaner with a cover;

(b) Equip the cleaner with a facility for draining cleaned parts;

(c) Close the degreaser cover whenever parts are not being handled in the cleaner;

(d) Drain cleaned parts for at least fifteen (15) seconds or until dripping ceases;

(e) Provide a permanent, conspicuous label summarizing the operation requirements;

(f) Store waste solvent only in covered containers and not dispose of waste solvent or transfer it to another party, in such a manner that greater than twenty percent (20%) of the waste solvent (by weight) can evaporate into the atmosphere.

326 IAC 8-3-5(a) (Cold Cleaner Operations)

(a) Pursuant to 326 IAC 8-3-5(a) (Cold Cleaner Degreaser Operation and Control), for cold cleaner degreaser operations without remote solvent reservoirs, constructed after July 1, 1990, the Permittee shall ensure that the following control equipment requirements are met:

(1) Equip the degreaser with a cover. The cover must be designed so that it can be easily operated with one (1) hand if:

(A) The solvent volatility is greater than two (2) kiloPascals (fifteen (15) millimeters of mercury or three-tenths (0.3) pounds per square inch) measured at thirty-eight degrees Celsius (38^{O}C) (one hundred degrees Fahrenheit (100^{O}F));

(B) The solvent is agitated; or

(C) The solvent is heated.

(2) Equip the degreaser with a facility for draining cleaned articles. If the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38^{O}C) (one hundred degrees Fahrenheit (100^{O}F)), then the drainage facility must be internal such that articles are enclosed under the cover while draining. The drainage facility may be external for applications where an internal type cannot fit into the cleaning system.

(3) Provide a permanent, conspicuous label which lists the operating requirements outlined in subsection (b).

(4) The solvent spray, if used, must be a solid, fluid stream and shall be applied at a pressure which does not cause excessive splashing.

(5) Equip the degreaser with one (1) of the following control devices if the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38^{O}C) (one hundred degrees Fahrenheit (100^{O}F)), or if the solvent is heated to a temperature greater than forty-eight and nine-tenths degrees Celsius (48.9^{O}C) (one hundred twenty degrees Fahrenheit (120^{O}F)):

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

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

(C) Other systems of demonstrated equivalent control such as a refrigerated chiller of carbon adsorption. Such systems shall be submitted to the U.S. EPA as a SIP revision.

(b) Pursuant to 326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control), the owner or operator of a cold cleaning facility construction of which commenced after July 1, 1990, shall ensure that the following operating requirements are met:

(1) Close the cover whenever articles are not being handled in the degreaser.

(2) Drain cleaned articles for at least fifteen (15) seconds or until dripping ceases.

(3) Store waste solvent only in covered containers and prohibit the disposal or transfer of waste solvent in any manner in which greater than twenty percent (20%) of the waste solvent by weight could evaporate.

326 IAC 8-4-3 (Petroleum Liquid Storage Tanks)

(a) The requirements of 326 IAC 8-4-3 (Petroleum Liquid Storage Tanks) do not apply to the boilers' fuel oil storage tank or the generators' fuel oil storage tank because they were constructed prior to January 1, 1980.

326 IAC 8-4-6 (Gasoline Dispensing Facilities)

Pursuant to 326 IAC 8-4-1 (Applicability), 326 IAC 8-4-6 (Gasoline Dispensing Facilities) does not apply to the storage tank or dispensing facility because they were constructed prior to July 1, 1989 and have monthly throughputs less than 10,000 gallons.

State Rule Applicability - Fugitive Emissions from Vehicle Traffic

326 IAC 6-4 (Fugitive Dust Emissions)

Pursuant to 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. 326 IAC 6-4-2(4) is not federally enforceable.

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 Section D of the permit 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 Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

The compliance monitoring requirements applicable to this source are as follows:

(1) The combustion turbines have applicable compliance monitoring conditions as specified below:

(a) Pursuant to 326 IAC 3-5-1(c)(2)(A)(i), an opacity monitor is not required because only gaseous fuel is combusted. The only fuel combusted at this source is natural gas.

(b) Pursuant to 326 IAC 3-5-1(c)(2)(B), an SO2 continuous emission monitor (CEM) is not required because the source is not equipped with an SO2 control.

(c) Pursuant to 326 IAC 3-5-1(d)(1), the owner or operator of a new or existing source with an emission limitation or permit requirement established under 326 IAC 2-7 shall be required to install a continuous

emission monitoring system or alternative monitoring plan as allowed under the Clean Air Act and 326 IAC 3-5.

(d) For NO_X and CO, the Permittee shall install, calibrate, certify, operate and maintain a continuous monitoring system for stacks designated as 3-2, 4 and 5 in accordance with 326 IAC 3-5-2 and 3-5-3.

(1) The continuous emission monitoring system (CEMS) shall measure NO_X and CO emissions rates in pounds per hour and parts per million (ppmvd) at 15% O_2. To demonstrate compliance with the NO_X limit, the source shall take an average of the pounds of NO_X emissions per hour over a three (3) hour block. To demonstrate compliance with the CO limit, the source shall take an average of the pounds of CO emissions per hour over a twenty four (24) hour period. The source shall maintain records of the parts per million and the pounds per hour.

(e) The Permittee shall submit to IDEM, OAQ, within ninety (90) days after monitor installation, a complete written continuous monitoring standard operating procedure (SOP), in accordance with the requirements of 326 IAC 3-5-4.

(f) The Permittee shall record the output of the system and shall perform the required record keeping, pursuant to 326 IAC 3-5-6, and reporting, pursuant to 326 IAC 3-5-7. The source shall also be required to maintain records of the amount of natural gas combusted per turbine on a monthly basis and the heat input capacity.

Compliance with this condition shall determine continuous compliance with the NO_X and CO emission limits established in this permit

These monitoring conditions are necessary because the units must operate properly to ensure continuous compliance with 326 IAC 5-1 (Opacity Limitations) and 326 IAC 2-7 (Part 70).

(2) The Heating Boiler has applicable compliance monitoring conditions as specified below:

(a) Visible emission (VE) notations of the heating boiler stack exhaust shall be performed once per shift during normal daylight operations while combusting distillate fuel oil. A trained employee shall record whether emissions are normal or abnormal.

(b) If abnormal emissions are observed at any boiler 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 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 violation of this permit.

(c) “Normal” means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

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

This monitoring condition is necessary to ensure compliance with 326 IAC 5, 326 IAC 6, and 326 IAC 2-7 (Part 70).

Conclusion

The operation of this stationary electric utility generating station shall be subject to the conditions of the attached proposed **Part 70 Permit No. T057-7173-00004.**