



Joseph E. Kernan  
Governor

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Commissioner

July 1, 2004

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TO: Interested Parties / Applicant  
RE: PSI - Gallagher / 043-7244-00004  
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 impracticable 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.

# PART 70 OPERATING PERMIT OFFICE OF AIR QUALITY

## PSI Energy, Inc. - Gallagher Generating Station Jackson Street New Albany, Indiana 47150

(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.: T043-7244-00004	
Issued by: Original Signed by Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: July 1, 2004 Expiration Date: July 1, 2009

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**Emergency Occurrence Report**

**Quarterly Deviation and Compliance Monitoring Report**

**Appendix A: Acid Rain Permit**

## 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)]

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

Responsible Official: Manager of the Gallagher Generating Station  
Source Address: Jackson Street, New Albany, Indiana 47150  
Mailing Address: c/o Steven Pearl, 1000 East Main Street, Plainfield, Indiana 46168  
Source Telephone: (317) 838-1758  
SIC Code: 4911  
County Location: Floyd  
Source Location Status: Non-attainment for Ozone under the 8 hour standard  
Attainment or unclassifiable for all other 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)]

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

- (a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Stack A has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOx burners were installed on Boiler No. 1 in 1993.
- (b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Stack A has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOx burners were installed on Boiler No. 2 in 1993.
- (c) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 3, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Stack B has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOx burners were installed on Boiler No. 3 in 1993.
- (d) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 4, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Stack B has continuous emissions monitors (CEMs)

for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NO<sub>x</sub> burners were installed on Boiler No. 4 in 1993.

- (e) A coal transfer system for Units 1, 2, 3, and 4, with a nominal throughput of 800 tons of coal per hour, construction commenced prior to 1974, with equipment including barge unloading, truck unloading, a coal storage pile, conveying, coal bunkers and scale equipped with dust collector for all units.

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

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

- (a) Cleaners and solvents characterized as follows: [326 IAC 8-3]
  - (1) Having a vapor pressure equal to or less than 2 kPa; 15 mm Hg; or 0.3 psi measured at 38 degrees C (100°F) or;
  - (2) Having a vapor pressure equal to or less than 0.7 kPa; 5mm Hg; or 0.1 psi measured at 20°C (68°F); the use of which for all cleaners and solvents combined does not exceed 145 gallons per 12 months.
- (b) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6. [326 IAC 8-3]
- (c) Flyash handling facility and transport systems, wet flyash sluiced and conveyed to multiple ash ponds, with a combined surface area of 102 acres. [326 IAC 6-4]

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

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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) Any application form, report, or compliance certification submitted under this permit or 326 IAC 2-7 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)]**

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- (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]**

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- (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, 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.
- (c) A copy of the PMPs shall be submitted to IDEM, OAQ upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions.

The 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 except as otherwise provided in 326 IAC 2-7-16.
- (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. Any emergencies that have been previously reported pursuant to

Paragraph (b)(5) of this condition and certified by the Responsible Official need only be referenced by the date of the original 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]**

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

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

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- (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]**

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- (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]**

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- (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]**

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- (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)]
- (e) No permit amendment or modification is required for the addition, operation or removal of a nonroad engine, as defined in 40 CFR 89.2.

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

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- (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]**

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- (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). The notification requirement per (a)(4) of this condition does not apply to emission trades of SO<sub>2</sub> or NO<sub>x</sub> under 326 IAC 21 or 326 IAC 10-4.
- (d) Alternative Operating Scenarios [326 IAC 2-7-20(d)]

The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-7-5(9). No prior notification of IDEM, OAQ, or U.S. EPA is required.
- (e) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the 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][IC 13-17-3-2]

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

- (a) Enter upon the Permittee's premises where a Part 70 source is located, or emissions related activity is conducted, or where records 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 permit amendment or modification to allow for 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, Billing, Licensing, and Training Section), to determine the appropriate permit fee.

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

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

## SECTION C SOURCE OPERATION CONDITIONS

Entire Source

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

- C.1 Particulate Emission Limitations For Processes with Process Weight Rates Less Than One Hundred (100) pounds per hour [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 emissions from any manufacturing 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 Motor Vehicle Fugitive Dust Sources [326 IAC 6-4-4]
- Pursuant to 326 IAC 6-4-4, no vehicle shall be driven or moved on any public street, road, alley, highway, or other thoroughfare, unless such vehicle is so constructed as to prevent its contents from dripping, sifting, leaking, or otherwise escaping therefrom so as to create conditions which

result in fugitive dust. This section applies only to the cargo any vehicle may be conveying and mud tracked by the vehicle.

**C.7 Stack Height [326 IAC 1-7]**

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The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted. The provisions of 326 IAC 1-7-1(3), 326 IAC 1-7-2, 326 IAC 1-7-3(c) and (d), 326 IAC 1-7-4 and 326 IAC 1-7-5(a), (b) and (d) are not federally enforceable.

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

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

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- (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.10 Compliance Requirements [326 IAC 2-1.1-11]**

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

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

### **C.11 Compliance Monitoring [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]**

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.12 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) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.
  - (C) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
  - (D) 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.
  - (E) 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 deviation from this permit.
- (e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous opacity monitoring system pursuant to 326 IAC 3-5.

C.13 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.

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 ( $\pm 2\%$ ) 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 ( $\pm 2\%$ ) 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.

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

#### **C.15 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.
- (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.16 Risk Management Plan [326 IAC 2-7-5(12)] [40 CFR 68]**

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

#### **C.17 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 ten (10) days or more until the unit or device will be shut down, then the Permittee shall promptly notify the IDEM, OAQ of the expected date of the shut down. The notification shall also include the status of the applicable compliance monitoring parameter with respect to normal, and the results of the response actions taken up to the time of notification.
  - (4) Failure to take reasonable response steps shall be considered a deviation from the permit.
- (c) The Permittee is not required to take any further response steps for any of the following reasons:
- (1) A false reading occurs due to the malfunction of the monitoring equipment and prompt action was taken to correct the monitoring equipment.
  - (2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for a minor permit modification to the permit, and such request has not been denied.
  - (3) An automatic measurement was taken when the process was not operating.
  - (4) The process has already returned or is returning to operating within "normal" parameters and no response steps are required.
- (d) When implementing reasonable steps in response to a compliance monitoring condition, if the Permittee determines that an exceedance of an emission limitation has occurred, the Permittee shall report such deviations pursuant to Section B-Deviations from Permit Requirements and Conditions.

- (e) The Permittee shall record all instances when 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.18 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.19 Emission Statement [326 IAC 2-7-5(3)(C)(iii)][326 IAC 2-7-5(7)][326 IAC 2-7-19(c)][326 IAC 2-6]**

- (a) Pursuant to 326 IAC 2-6-3(a)(1), the Permittee shall submit by July 1 of each year an emission statement covering the previous calendar year. The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4(c) and shall meet the following requirements:
  - (1) Indicate estimated actual emissions of all pollutants listed in 326 IAC 2-6-4(a);
  - (2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1(32) ("Regulated pollutant which is used only for purposes of Section 19 of this rule") from the source, for purposes of Part 70 fee assessment.

The 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 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.

C.20 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.21 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11]

- (a) The Permittee shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported. This report shall be submitted within thirty (30) days of the end of the reporting period. The Quarterly Deviation and Compliance Monitoring Report shall include the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:  
  
Indiana Department of Environmental Management  
Compliance Data Section, Office of Air Quality  
100 North Senate Avenue, P. O. Box 6015  
Indianapolis, Indiana 46206-6015
- (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, unless otherwise specified in this permit. For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.

## **Stratospheric Ozone Protection**

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

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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.

## **Ambient Monitoring Requirements [326 IAC 7-3]**

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

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- (a) The Permittee shall operate continuous ambient sulfur dioxide air quality monitors and a meteorological data acquisition system according to a monitoring plan submitted to the commissioner for approval. The monitoring plan shall include requirements listed in 326 IAC 7-3-2(a)(1), 326 IAC 7-3-2(a)(2) and 326 IAC 7-3-2(a)(3).
- (b) The Permittee and other operators subject to the requirements of this rule, located in the same county, may submit a joint monitoring plan to satisfy the requirements of this rule. [326 IAC 7-3-2(c)]
- (c) The Permittee may petition the commissioner for an administrative waiver of all or some of the requirements of 326 IAC 7-3 if such owner or operator can demonstrate that ambient monitoring is unnecessary to determine continued maintenance of the sulfur dioxide ambient air quality standards in the vicinity of the source. [326 IAC 7-3-2(d)]

## SECTION D.1 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) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Stack A has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOX burners were installed on Boiler No. 1 in 1993.

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

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

Pursuant to 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating: Emission limitations for facilities specified in 326 IAC 6-2-1(c)), the PM emissions from the Boiler No. 1 stack shall not exceed 0.38 pound per million Btu heat input (lb/MMBtu). This limitation was calculated using the following equation:

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

Where C = 50 F/m<sup>3</sup>  
Q = 5,560 MMBtu/hr (capacity of boilers 1-4)  
N = 2 (number of stacks)  
a = 0.8  
h = 550 Feet (average stack height)

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

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

- (a) When building a new fire in a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one (1) hour (ten (10) six (6)-minute averaging periods) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit entering the electrostatic precipitator, whichever occurs first.  
  
Operation of the electrostatic precipitator is not required during these times.
- (b) When shutting down a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one half (0.5) hour (five (5) six (6)-minute averaging periods).
- (c) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

D.1.3 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-4-9]

Pursuant to 326 IAC 7-4-9 (Floyd County Sulfur Dioxide Emission Limitations), the SO<sub>2</sub> emissions from Boiler No. 1 shall not exceed 4.70 pounds per million Btu (lbs/MMBtu) based on a thirty (30) day rolling weighted average.

D.1.4 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet the ASTM definition of coal.
- (b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids, binding agent, or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.
- (c) Any boiler or condenser tube chemical cleaning waste liquids fired in the boiler shall only contain the cleaning solution and two full volume boiler rinses.

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

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

- (H) Vibrator and rapper seals (including but not limited to air in-leakage, wear, and deterioration).
  - (I) TR set controllers (including but not limited to low voltage trip point, over current trip point, and spark rate).
  - (J) Vibrator air pressure settings.
- (3) Air and water infiltration, once per month. The recommended method for this inspection is for audible checks around ash hoppers/hatches, duct expansion joints, and areas of corrosion.

### Compliance Determination Requirements

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

By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM limitation in Condition D.1.1 shall be determined by a performance stack test conducted using Method 5 or other methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

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

#### D.1.7 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that the Boiler No. 1 is in operation and combusting fuel.

#### D.1.8 Continuous Emissions Monitoring [326 IAC 3-5]

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous emission monitoring systems shall be calibrated, maintained, and operated for measuring opacity, which meet all applicable performance specifications of 326 IAC 3-5-2.

#### D.1.9 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-9]

- (a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 4.70 pounds per MMBtu based on a thirty (30) day rolling weighted average.
- (b) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data shall be collected as follows:
  - (1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or
  - (2) Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (c) Upon written notification to IDEM by the Permittee, 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.1.10 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.1.11 Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

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

D.1.12 Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Appropriate response steps shall be taken in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports whenever the opacity exceeds twenty-five percent (25%) for three (3) consecutive six (6) minute averaging periods. In the event of opacity exceeding twenty-five percent (25%), response steps will be taken such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty-five percent (25%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.
- (b) Opacity readings in excess of twenty-five percent (25%) but not exceeding the opacity limit for the unit are not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

D.1.13 SO<sub>2</sub> Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the automatic coal sampling system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

- (a) Fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (b) If during the life of this permit the Permittee notifies the IDEM that, pursuant to 326 IAC 7-2-1(g), continuous emission monitoring data will be used instead of fuel sampling and

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

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

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

#### **D.1.14 Record Keeping Requirements**

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- (a) To document compliance with Section C - Opacity and Conditions D.1.1, D.1.2, D.1.8, D.1.11, and D.1.12, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.1.1 and D.1.2.
    - (1) Data and results from the most recent stack test.
    - (2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5.
    - (3) The results of all visible emission (VE) notations and Method 9 visible emission readings taken during any periods of COM downtime.
    - (4) All ESP parametric monitoring readings.
  - (b) To document compliance with Conditions D.1.3, D.1.9 and D.1.13, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO<sub>2</sub> limits as required in Conditions D.1.3 and D.1.9. The Permittee shall maintain records in accordance with (2) and (3) below during SO<sub>2</sub> CEM system downtime if a backup CEMs is not used.
    - (1) Whenever using CEMS data to demonstrate compliance with Condition D.1.3, the Permittee shall maintain all SO<sub>2</sub> continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g), with calendar dates and beginning and ending times of any CEM downtime.
    - (2) Whenever the Permittee is not using CEMS data to demonstrate compliance with condition D.1.3, the Permittee shall maintain all fuel sampling and analysis data, pursuant to 326 IAC 7-2.
    - (3) Whenever the Permittee is not using CEMS data to demonstrate compliance with condition D.1.3, the Permittee shall maintain actual fuel usage since last compliance determination period.

- (c) To document compliance with Condition D.1.5, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections, including any additional inspections prescribed by the Preventive Maintenance Plan.
- (d) Pursuant to 326 IAC 3-7-5(a), the Permittee shall develop a standard operating procedure (SOP) to be followed for sampling, handling, analysis, quality control, quality assurance, and data reporting of the information collected pursuant to 326 IAC 3-7-2 through 326 IAC 3-7-4. In addition, any revision to the SOP shall be submitted to IDEM, OAQ.
- (e) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

#### D.1.15 Reporting Requirements

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- (a) A quarterly report of opacity exceedances shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) A quarterly report of the thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per million Btus, and records of the daily average coal sulfur content, coal heat content, weighing factor, and daily average sulfur dioxide emission rate in pounds per million Btus shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. [326 IAC 7-2-1(c)(1)]  
  
The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) Pursuant to 326 IAC 3-5-7(5), reporting of continuous monitoring system instrument downtime, except for zero (0) and span checks, which shall be reported separately, shall include the following:
  - (1) Date of downtime.
  - (2) Time of commencement.
  - (3) Duration of each downtime.
  - (4) Reasons for each downtime.
  - (5) Nature of system repairs and adjustments.

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) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Stack A has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOX burners were installed on Boiler No. 2 in 1993.

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

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

Pursuant to 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating: Emission limitations for facilities specified in 326 IAC 6-2-1(c)), the PM emissions from the Boiler No. 2 stack shall not exceed 0.38 pound per million Btu heat input (lb/MMBtu). This limitation was calculated using the following equation:

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

Where C = 50 F/m<sup>3</sup>  
Q = 5,560 MMBtu/hr(capacity of boilers 1-4)  
N = 2 (number of stacks)  
a = 0.8  
h = 550 Feet (average stack height)

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

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

- (a) When building a new fire in a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one (1) hour (ten (10) six (6)-minute averaging periods) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit entering the electrostatic precipitator, whichever occurs first.  
  
Operation of the electrostatic precipitator is not required during these times.
- (b) When shutting down a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one half (0.5) hour (five (5) six (6)-minute averaging periods).
- (c) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

#### D.2.3 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-4-9]

Pursuant to 326 IAC 7-4-9 (Floyd County Sulfur Dioxide Emission Limitations), the SO<sub>2</sub> emissions from Boiler No. 2 shall not exceed 4.70 pounds per million Btu (lbs/MMBtu) based on a thirty (30) day rolling weighted average.

D.2.4 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet the ASTM definition of coal.
- (b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids, binding agent, or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.
- (c) Any boiler or condenser tube chemical cleaning waste liquids fired in the boiler shall only contain the cleaning solution and two full volume boiler rinses.

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

- (a) A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and its emission control devices.
- (b) The PMP for an electrostatic precipitator shall include the following inspections, performed according to the indicated schedules:
  - (1) Plate and electrode alignment, every major maintenance outage, but no less than every 2 years;
  - (2) ESP TR set components, performed whenever there is an outage of any nature lasting more than three days, unless such inspections have been performed within the last six months. At a minimum, the following inspections shall be performed:
    - (A) Internal inspection of shell for corrosion (including but not limited to doors, hatches, insulator housings, and roof area).
    - (B) Effectiveness of rapping (including but not limited to buildup of dust on discharge electrodes and plates).
    - (C) Gas distribution (including but not limited to buildup of dust on distribution plates and turning vanes).
    - (D) Dust accumulation (including but not limited to buildup of dust on shell and support members that could result in grounds or promote advanced corrosion).
    - (E) Major misalignment of plates (including but not limited to a visual check of plate alignment).
    - (F) Rapper, vibrator and TR set control cabinets (including but not limited to motors and lubrication).
    - (G) Rapper assembly (including but not limited to loose bolts, ground wires, water in air lines, and solenoids).
    - (H) Vibrator and rapper seals (including but not limited to air in-leakage, wear, and deterioration).
    - (I) TR set controllers (including but not limited to low voltage trip point, over current trip point, and spark rate).

- (J) Vibrator air pressure settings.
- (3) Air and water infiltration, once per month. The recommended method for this inspection is for audible checks around ash hoppers/hatches, duct expansion joints, and areas of corrosion.

### Compliance Determination Requirements

#### D.2.6 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM limitation in Condition D.2.1 shall be determined by a performance stack test conducted using Method 5 or other methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

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

#### D.2.7 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that the Boiler No. 2 is in operation and combusting fuel.

#### D.2.8 Continuous Emissions Monitoring [326 IAC 3-5]

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous emission monitoring systems shall be calibrated, maintained, and operated for measuring opacity, which meet all applicable performance specifications of 326 IAC 3-5-2.

#### D.2.9 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-9]

- (a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 4.70 pounds per MMBtu based on a thirty (30) day rolling weighted average.
- (b) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data shall be collected as follows:
  - (1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or
  - (2) Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (c) Upon written notification to IDEM by the Permittee, 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.2.10 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.2.11 Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

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

D.2.12 Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Appropriate response steps shall be taken in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports whenever the opacity exceeds twenty-five percent (25%) for three (3) consecutive six (6) minute averaging periods. In the event of opacity exceeding twenty-five percent (25%), response steps will be taken such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty-five percent (25%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.
- (b) Opacity readings in excess of twenty-five percent (25%) but not exceeding the opacity limit for the unit are not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

D.2.13 SO<sub>2</sub> Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the automatic coal sampling system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

- (a) Fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (b) If during the life of this permit the Permittee notifies the IDEM that, pursuant to 326 IAC 7-2-1(g), continuous emission monitoring data will be used instead of fuel sampling and analysis, then whenever the SO<sub>2</sub> continuous emission monitoring system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

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

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

#### **D.2.14 Record Keeping Requirements**

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- (a) To document compliance with Section C - Opacity and Conditions D.2.1, D.2.2, D.2.8, D.2.11, and D.2.12, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.2.1 and D.2.2.
    - (1) Data and results from the most recent stack test.
    - (2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5.
    - (3) The results of all visible emission (VE) notations and Method 9 visible emission readings taken during any periods of COM downtime.
    - (4) All ESP parametric monitoring readings.
  - (b) To document compliance with Conditions D.2.3, D.2.9 and D.2.13, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO<sub>2</sub> limits as required in Conditions D.2.3 and D.2.9. The Permittee shall maintain records in accordance with (2) and (3) below during SO<sub>2</sub> CEM system downtime if a backup CEM is not used.
    - (1) Whenever using CEMS data to demonstrate compliance with Condition D.2.3, the Permittee shall maintain all SO<sub>2</sub> continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g), with calendar dates and beginning and ending times of any CEM downtime.
    - (2) Whenever the Permittee is not using CEMS data to demonstrate compliance with condition D.2.3, the Permittee shall maintain all fuel sampling and analysis data, pursuant to 326 IAC 7-2.
    - (3) Whenever the Permittee is not using CEMS data to demonstrate compliance with condition D.2.3, the Permittee shall maintain actual fuel usage since last compliance determination period.
  - (c) To document compliance with Condition D.2.5, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections, including any additional inspections prescribed by the Preventive Maintenance Plan.

- (d) Pursuant to 326 IAC 3-7-5(a), the Permittee shall develop a standard operating procedure (SOP) to be followed for sampling, handling, analysis, quality control, quality assurance, and data reporting of the information collected pursuant to 326 IAC 3-7-2 through 326 IAC 3-7-4. In addition, any revision to the SOP shall be submitted to IDEM, OAQ.
- (e) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

#### D.2.15 Reporting Requirements

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- (a) A quarterly report of opacity exceedances shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) A quarterly report of the thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per million Btus, and records of the daily average coal sulfur content, coal heat content, weighing factor, and daily average sulfur dioxide emission rate in pounds per million Btus shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. [326 IAC 7-2-1(c)(1)]

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

- (c) Pursuant to 326 IAC 3-5-7(5), reporting of continuous monitoring system instrument downtime, except for zero (0) and span checks, which shall be reported separately, shall include the following:
  - (1) Date of downtime.
  - (2) Time of commencement.
  - (3) Duration of each downtime.
  - (4) Reasons for each downtime.
  - (5) Nature of system repairs and adjustments.

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.3 FACILITY OPERATION CONDITIONS

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

One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 3, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Stack B has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOX burners were installed on Boiler No. 3 in 1993.

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

#### D.3.1 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-2-3]

Pursuant to 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating: Emission limitations for facilities specified in 326 IAC 6-2-1(c)), the PM emissions from the Boiler No. 3 stack shall not exceed 0.38 pound per million Btu heat input (lb/MMBtu). This limitation was calculated using the following equation:

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

Where C = 50 F/m<sup>3</sup>  
Q = 5,560 MMBtu/hr(capacity of boilers 1-4)  
N = 2 (number of stacks)  
a = 0.8  
h = 550 Feet (average stack height)

#### D.3.2 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

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

- (a) When building a new fire in a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed four (4) hours (forty (40) six (6)-minute averaging periods) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit entering the electrostatic precipitator, whichever occurs first.

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

- (b) When shutting down a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one half (0.5) hour (five (5) six (6)-minute averaging periods).
- (c) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

D.3.3 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-4-9 ]

Pursuant to 326 IAC 7-4-9 (Floyd County Sulfur Dioxide Emission Limitations), the SO<sub>2</sub> emissions from Boiler No. 3 shall not exceed 4.70 pounds per million Btu (lbs/MMBtu) based on a thirty (30) day rolling weighted average.

D.3.4 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet the ASTM definition of coal.
- (b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids, binding agent, or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.
- (c) Any boiler or condenser tube chemical cleaning waste liquids fired in the boiler shall only contain the cleaning solution and two full volume boiler rinses.

D.3.5 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

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

- (I) TR set controllers (including but not limited to low voltage trip point, over current trip point, and spark rate).
- (J) Vibrator air pressure settings.
- (3) Air and water infiltration, once per month. The recommended method for this inspection is for audible checks around ash hoppers/hatches, duct expansion joints, and areas of corrosion.

### Compliance Determination Requirements

#### D.3.6 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

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By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM limitation in Condition D.3.1 shall be determined by a performance stack test conducted using Method 5 or other methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

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

#### D.3.7 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

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Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that the Boiler No. 3 is in operation and combusting fuel.

#### D.3.8 Continuous Emissions Monitoring [326 IAC 3-5]

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Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous emission monitoring systems shall be calibrated, maintained, and operated for measuring opacity, which meet all applicable performance specifications of 326 IAC 3-5-2.

#### D.3.9 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-9]

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- (a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 4.70 pounds per MMBtu based on a thirty (30) day rolling weighted average.
- (b) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data shall be collected as follows:
  - (1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or
  - (2) Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (c) Upon written notification to IDEM by the Permittee, 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.3.10 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.3.11 Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

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

D.3.12 Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Appropriate response steps shall be taken in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports whenever the opacity exceeds twenty-five percent (25%) for three (3) consecutive six (6) minute averaging periods. In the event of opacity exceeding twenty-five percent (25%), response steps will be taken such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty-five percent (25%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.
- (b) Opacity readings in excess of twenty-five percent (25%) but not exceeding the opacity limit for the unit are not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

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

Whenever the automatic coal sampling system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

- (a) Fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (b) If during the life of this permit the Permittee notifies the IDEM that, pursuant to 326 IAC 7-2-1(g), continuous emission monitoring data will be used instead of fuel sampling and analysis, then whenever the SO<sub>2</sub> continuous emission monitoring system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

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

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

#### **D.3.14 Record Keeping Requirements**

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- (a) To document compliance with Section C - Opacity and Conditions D.3.1, D.3.2, D.3.8, D.3.11, and D.3.12, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.3.1 and D.3.2.
    - (1) Data and results from the most recent stack test.
    - (2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5.
    - (3) The results of all visible emission (VE) notations and Method 9 visible emission readings taken during any periods of COM downtime.
    - (4) All ESP parametric monitoring readings.
  - (b) To document compliance with Conditions D.3.3, D.3.9 and D.3.13, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO<sub>2</sub> limits as required in Conditions D.3.3 and D.3.9. The Permittee shall maintain records in accordance with (2) and (3) below during SO<sub>2</sub> CEM system downtime if a backup CEM is not used.
    - (1) Whenever using CEMS data to demonstrate compliance with Condition D.3.3, the Permittee shall maintain all SO<sub>2</sub> continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g), with calendar dates and beginning and ending times of any CEM downtime.
    - (2) Whenever the Permittee is not using CEMS data to demonstrate compliance with condition D.3.3, the Permittee shall maintain all fuel sampling and analysis data, pursuant to 326 IAC 7-2.
    - (3) Whenever the Permittee is not using CEMS data to demonstrate compliance with condition D.3.3, the Permittee shall maintain actual fuel usage since last compliance determination period.
  - (c) To document compliance with Condition D.3.5, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections, including any additional inspections prescribed by the Preventive Maintenance Plan.

- (d) Pursuant to 326 IAC 3-7-5(a), the Permittee shall develop a standard operating procedure (SOP) to be followed for sampling, handling, analysis, quality control, quality assurance, and data reporting of the information collected pursuant to 326 IAC 3-7-2 through 326 IAC 3-7-4. In addition, any revision to the SOP shall be submitted to IDEM, OAQ.
- (e) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

#### D.3.15 Reporting Requirements

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- (a) A quarterly report of opacity exceedances shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) A quarterly report of the thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per million Btus, and records of the daily average coal sulfur content, coal heat content, weighing factor, and daily average sulfur dioxide emission rate in pounds per million Btus shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. [326 IAC 7-2-1(c)(1)]

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

- (c) Pursuant to 326 IAC 3-5-7(5), reporting of continuous monitoring system instrument downtime, except for zero (0) and span checks, which shall be reported separately, shall include the following:
  - (1) Date of downtime.
  - (2) Time of commencement.
  - (3) Duration of each downtime.
  - (4) Reasons for each downtime.
  - (5) Nature of system repairs and adjustments.

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.4 FACILITY OPERATION CONDITIONS

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

One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 4, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Stack B has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOX burners were installed on Boiler No. 4 in 1993.

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

#### D.4.1 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-2-3]

Pursuant to 326 IAC 6-2-3 (Particulate Emission Limitations for Sources of Indirect Heating: Emission limitations for facilities specified in 326 IAC 6-2-1(c)), the PM emissions from the Boiler No. 4 stack shall not exceed 0.38 pound per million Btu heat input (lb/MMBtu). This limitation was calculated using the following equation:

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

Where C = 50 F/m<sup>3</sup>  
Q = 5,560 MMBtu/hr(capacity of boilers 1-4)  
N = 2 (number of stacks)  
a = 0.8  
h = 550 Feet (average stack height)

#### D.4.2 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

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

- (a) When building a new fire in a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed four (4) hours (forty (40) six (6)-minute averaging periods) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit entering the electrostatic precipitator, whichever occurs first.

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

- (b) When shutting down a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one half (0.5) hour (five (5) six (6)-minute averaging periods).
- (c) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

#### D.4.3 Sulfur Dioxide (SO<sub>2</sub>) [326 IAC 7-4-9]

Pursuant to 326 IAC 7-4-9 (Floyd County Sulfur Dioxide Emission Limitations), the SO<sub>2</sub> emissions from Boiler No. 4 shall not exceed 4.70 pounds per million Btu (lbs/MMBtu) based on a thirty (30) day rolling weighted average.

D.4.4 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet the ASTM definition of coal.
- (b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids, binding agent, or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.
- (c) Any boiler or condenser tube chemical cleaning waste liquids fired in the boiler shall only contain the cleaning solution and two full volume boiler rinses.

D.4.5 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

- (a) A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and its emission control devices.
- (b) The PMP for an electrostatic precipitator shall include the following inspections, performed according to the indicated schedules:
  - (1) Plate and electrode alignment, every major maintenance outage, but no less than every 2 years;
  - (2) ESP TR set components, performed whenever there is an outage of any nature lasting more than three days, unless such inspections have been performed within the last six months. At a minimum, the following inspections shall be performed:
    - (A) Internal inspection of shell for corrosion (including but not limited to doors, hatches, insulator housings, and roof area).
    - (B) Effectiveness of rapping (including but not limited to buildup of dust on discharge electrodes and plates).
    - (C) Gas distribution (including but not limited to buildup of dust on distribution plates and turning vanes).
    - (D) Dust accumulation (including but not limited to buildup of dust on shell and support members that could result in grounds or promote advanced corrosion).
    - (E) Major misalignment of plates (including but not limited to a visual check of plate alignment).
    - (F) Rapper, vibrator and TR set control cabinets (including but not limited to motors and lubrication).
    - (G) Rapper assembly (including but not limited to loose bolts, ground wires, water in air lines, and solenoids).
    - (H) Vibrator and rapper seals (including but not limited to air in-leakage, wear, and deterioration).
    - (I) TR set controllers (including but not limited to low voltage trip point, over current trip point, and spark rate).
    - (J) Vibrator air pressure settings.

- (3) Air and water infiltration, once per month. The recommended method for this inspection is for audible checks around ash hoppers/hatches, duct expansion joints, and areas of corrosion.

### **Compliance Determination Requirements**

#### **D.4.6 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]**

By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM limitation in Condition D.4.1 shall be determined by a performance stack test conducted using Method 5 or other methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

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

#### **D.4.7 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]**

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that the Boiler No. 4 is in operation and combusting fuel.

#### **D.4.8 Continuous Emissions Monitoring [326 IAC 3-5]**

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous emission monitoring systems shall be calibrated, maintained, and operated for measuring opacity, which meet all applicable performance specifications of 326 IAC 3-5-2.

#### **D.4.9 Sulfur Dioxide Emissions and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-9]**

- (a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of 4.70 pounds per MMBtu based on a thirty (30) day rolling weighted average.
- (b) Pursuant to 326 IAC 7-2-1(e) and 326 IAC 3-7, coal sampling and analysis data shall be collected as follows:
  - (1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d), and (e); or
  - (2) Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (c) Upon written notification to IDEM by the Permittee, 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.4.10 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.4.11 Transformer-Rectifier (T-R) Sets [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

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

### D.4.12 Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Appropriate response steps shall be taken in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports whenever the opacity exceeds twenty-five percent (25%) for three (3) consecutive six (6) minute averaging periods. In the event of opacity exceeding twenty-five percent (25%), response steps will be taken such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty-five percent (25%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.
- (b) Opacity readings in excess of twenty-five percent (25%) but not exceeding the opacity limit for the unit are not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

### D.4.13 SO<sub>2</sub> Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the automatic coal sampling system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

- (a) Fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (b) If during the life of this permit the Permittee notifies the IDEM that, pursuant to 326 IAC 7-2-1(g), continuous emission monitoring data will be used instead of fuel sampling and analysis, then whenever the SO<sub>2</sub> continuous emission monitoring system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:
  - (1) If the CEM system is down for less than eight (8) hours, the Permittee shall substitute an average of the quality-assured data from the hour immediately before and the hour immediately after the missing data period for each hour of missing data.

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

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

#### **D.4.14 Record Keeping Requirements**

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- (a) To document compliance with Section C - Opacity and Conditions D.4.1, D.4.2, D.4.8, D.4.11, and D.4.12, the Permittee shall maintain records in accordance with (1) through (4) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.4.1 and D.4.2.
  - (1) Data and results from the most recent stack test.
  - (2) All continuous opacity monitoring data, pursuant to 326 IAC 3-5.
  - (3) The results of all visible emission (VE) notations and Method 9 visible emission readings taken during any periods of COM downtime.
  - (4) All ESP parametric monitoring readings.
- (b) To document compliance with Conditions D.4.3, D.4.9 and D.4.13, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO<sub>2</sub> limits as required in Conditions D.4.3 and D.4.9. The Permittee shall maintain records in accordance with (2) and (3) below during SO<sub>2</sub> CEM system downtime if a backup CEM is not used.
  - (1) Whenever using CEMS data to demonstrate compliance with Condition D.4.3, the Permittee shall maintain all SO<sub>2</sub> continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g), with calendar dates and beginning and ending times of any CEM downtime.
  - (2) Whenever the Permittee is not using CEMS data to demonstrate compliance with condition D.4.3, the Permittee shall maintain all fuel sampling and analysis data, pursuant to 326 IAC 7-2.
  - (3) Whenever the Permittee is not using CEMS data to demonstrate compliance with condition D.4.3, the Permittee shall maintain actual fuel usage since last compliance determination period.
- (c) To document compliance with Condition D.4.5, the Permittee shall maintain records of the results of all boiler and emission control equipment inspections, including any additional inspections prescribed by the Preventive Maintenance Plan.
- (d) Pursuant to 326 IAC 3-7-5(a), the Permittee shall develop a standard operating procedure (SOP) to be followed for sampling, handling, analysis, quality control, quality assurance,

and data reporting of the information collected pursuant to 326 IAC 3-7-2 through 326 IAC 3-7-4. In addition, any revision to the SOP shall be submitted to IDEM, OAQ.

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

#### D.4.15 Reporting Requirements

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- (a) A quarterly report of opacity exceedances shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) A quarterly report of the thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per million Btus, and records of the daily average coal sulfur content, coal heat content, weighing factor, and daily average sulfur dioxide emission rate in pounds per million Btus shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported. [326 IAC 7-2-1(c)(1)]

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

- (c) Pursuant to 326 IAC 3-5-7(5), reporting of continuous monitoring system instrument downtime, except for zero (0) and span checks, which shall be reported separately, shall include the following:
  - (1) Date of downtime.
  - (2) Time of commencement.
  - (3) Duration of each downtime.
  - (4) Reasons for each downtime.
  - (5) Nature of system repairs and adjustments.

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.5 FACILITY OPERATION CONDITIONS

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

A coal transfer system for Boilers No. 1, No. 2, No. 3, and No. 4, with a nominal throughput of 800 tons of coal per hour, construction commenced prior to 1974, with equipment including barge unloading, truck unloading, a coal storage pile, conveying, coal bunkers and scale equipped with dust collector for all units.

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

#### D.5.1 Particulate [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the particulate emission rate from the coal storage and handling drop points, coal bunkers and scale exhausts, and associated dust collector vents shall not exceed 75 pounds per hour when operating at a process weight of 800 tons per hour. This is determined by the following equation:

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

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

When the process weight rate exceeds two hundred (200) tons per hour, the maximum allowable emission may exceed 75 pounds per hour, provided the concentration of particulate matter in the discharge gases to the atmosphere is less than 0.10 pounds per one thousand (1,000) pounds of gases.

#### D.5.2 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for the emission control devices associated with the facilities in this section.

### Compliance Determination Requirements

#### D.5.3 Particulate Control [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the watering system for the coal storage pile shall be in operation and control emissions as needed when coal is being unloaded. The Permittee is not required to operate the watering system when due to adverse weather conditions, the watering system may be at risk of freezing.

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

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

- (a) Visible emission notations of the coal storage and handling drop points, coal bunkers and scale exhausts, and associated dust collector vents shall be performed once per shift during normal daylight operations. A trained employee shall record whether any emissions are observed.
- (b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.
- (c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

- (d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.
- (e) If any emissions are observed from the coal storage and handling drop points, coal bunkers and scale exhausts, or associated dust collector vents, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions), 326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

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

#### **D.5.5 Record Keeping Requirements**

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- (a) To document compliance with Section C - Opacity, Section C -Fugitive Dust Emissions, and Condition D.5.4, the Permittee shall maintain records of the visible emission notations of the coal storage and handling drop points, coal bunkers and scale exhausts, and associated dust collector vents and all response steps taken and the outcome for each.
- (b) To document compliance with Condition D.5.2, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

## SECTION D.6 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.)

Insignificant Activities [326 IAC 2-7-1(21)]:

- (1) Flyash handling facility and transport systems, wet flyash sluiced and conveyed to multiple ash ponds, with a combined surface area of 102 acres. [326 IAC 6-4] [326 IAC 6-3]
- (2) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6.

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

#### D.6.1 Organic Solvent Degreasing Operations: Cold Cleaner Operation [326 IAC 8-3-2]

Pursuant to 326 IAC 8-3-2 (Cold Cleaner Operations), 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.6.2 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 a cold cleaner degreaser facility, 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°C) (one hundred degrees Fahrenheit (100°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°C) (one hundred degrees Fahrenheit (100°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°C) (one hundred degrees Fahrenheit (100°F)), or if the solvent is heated to a temperature greater than forty-eight and nine-tenths degrees Celsius (48.9°C) (one hundred twenty degrees Fahrenheit (120°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 or 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) for a cold cleaning facility, the Permittee 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.

#### D.6.3 Fugitive Dust Emission Limitations [326 IAC 6-4-2]

Pursuant to 326 IAC 6-4-2:

- (a) Any ash storage pond area generating fugitive dust shall be in violation of this rule (326 IAC 6-4) if any of the following criteria are violated:
  - (1) A source or combination of sources which cause to exist fugitive dust concentrations greater than sixty-seven percent (67%) in excess of ambient upwind concentrations as determined by the following formula:

$$P = \frac{100(R) - U}{U}$$

Where

P = Percentage increase

R = Number of particles of fugitive dust measured at downward receptor site  
U = Number of particles of fugitive dust measured at upwind or background site

- (2) The fugitive dust is comprised of fifty percent (50%) or more respirable dust, then the percent increase of dust concentration in subdivision (1) of this section shall be modified as follows:

$$P_R = (1.5 \pm N) P$$

Where

N = Fraction of fugitive dust that is respirable dust;

$P_R$  = allowable percentage increase in dust concentration above background;  
and

P = no value greater than sixty-seven percent (67%).

- (3) The ground level ambient air concentrations exceed fifty (50) micrograms per cubic meter above background concentrations for a sixty (60) minute period.
- (4) If fugitive dust is visible crossing the boundary or property line of a source. This subdivision may be refuted by factual data expressed in subdivisions (1), (2) or (3) of this section. 326 IAC 6-4-2(4) is not federally enforceable.
- (b) Pursuant to 326 IAC 6-4-6(6) (Exceptions), fugitive dust from a source caused by adverse meteorological conditions will be considered an exception to this rule (326 IAC 6-4) and therefore not in violation.

#### D.6.4 Particulate [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the particulate emission rate from the flyash handling facility and flyash transport systems shall not exceed an amount determined by the following:

- (a) 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:

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

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

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

- (c) When the process weight rate exceeds two hundred (200) tons per hour, the allowable emission may exceed the pounds per hour limitation calculated using the above equation, provided the concentration of particulate in the discharge gases to the atmosphere is less than 0.10 pounds per one thousand (1,000) pounds of gases.

#### D.6.5 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for the emission control devices associated with the facilities in this section.

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

#### **D.6.6 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]**

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- (a) Visible emission notations of the ash storage pond area(s) shall be performed at least once per day during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.
- (b) If visible emissions are observed crossing the property line or boundaries of the property, right-of-way, or easement on which the source is located, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Adverse weather conditions shall not relieve the Permittee of responsibility to take reasonable response steps to mitigate fugitive dust formation and transport. 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.
- (c) If abnormal emissions are observed from the ash storage pond area(s), the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions), 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
- (d) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.
- (e) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (f) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

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

#### **D.6.7 Record Keeping Requirements**

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- (a) To document compliance with Section C - Opacity, Section C -Fugitive Dust Emissions, and Conditions D.6.3 and D.6.6, the Permittee shall maintain records of the visible emission notations of the fly ash storage pond area(s).
- (b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

## SECTION E TITLE IV ACID RAIN PROGRAM 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.)

- (a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Stack A has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOx burners were installed on Boiler No. 1 in 1993.
- (b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Stack A has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOx burners were installed on Boiler No. 2 in 1993.
- (c) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 3, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Stack B has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOx burners were installed on Boiler No. 3 in 1993.
- (d) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 4, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Stack B has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NOx burners were installed on Boiler No. 4 in 1993.

### 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.

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

**ORIS Code:** 1008

NO<sub>x</sub> Budget Source [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.)

- (a) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Stack A has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NO<sub>x</sub> burners were installed on Boiler No. 1 in 1993.
- (b) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Stack A has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NO<sub>x</sub> burners were installed on Boiler No. 2 in 1993.
- (c) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 3, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Stack B has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NO<sub>x</sub> burners were installed on Boiler No. 3 in 1993.
- (d) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 4, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Stack B has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Low-NO<sub>x</sub> burners were installed on Boiler No. 4 in 1993.

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

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

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

- (a) The owners and operators of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit shall operate each unit in compliance with this NO<sub>x</sub> budget permit.
- (b) The NO<sub>x</sub> budget units subject to this NO<sub>x</sub> budget permit include the following: Boiler No. 1, Boiler No. 2, Boiler No. 3, and Boiler No. 4.

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

- (a) The owners and operators and, to the extent applicable, the NO<sub>x</sub> authorized account representative of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall comply with the monitoring requirements of 40 CFR 75 and 326 IAC 10-4-12.

- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 326 IAC 10-4-12 shall be used to determine compliance by each unit with the NO<sub>x</sub> budget emissions limitation under 326 IAC 10-4-4(c) and Condition F.4, Nitrogen Oxides Requirements.

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

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

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

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

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

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

Unless otherwise provided, the owners and operators of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall keep, either on site at the source or at a central location within Indiana for those owners or operators with unattended sources, each of the following documents for a period of five (5) years:

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

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

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

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

information or omitting required statements and information, including the possibility of fine or imprisonment."

- (c) Where 326 IAC 10-4 requires a submission to IDEM, OAQ, the NO<sub>x</sub> authorized account representative shall submit required information to:

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

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

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

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

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

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

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

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

## INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT OFFICE OF AIR QUALITY

### PART 70 OPERATING PERMIT CERTIFICATION

Source Name: PSI Energy, Inc. - Gallagher Generating Station  
Source Address: Jackson Street, New Albany, Indiana 47150  
Mailing Address: c/o Steven Pearl, 1000 East Main Street, Plainfield, Indiana 46168  
Part 70 Permit No.: T043-7244-00004

**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. - Gallagher Generating Station  
Source Address: Jackson Street, New Albany, Indiana 47150  
Mailing Address: c/o Steven Pearl, 1000 East Main Street, Plainfield, Indiana 46168  
Part 70 Permit No.: T043-7244-00004

**This form consists of 2 pages**

**Page 1 of 2**

- ☛ 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 <sub>2</sub> , VOC, NO <sub>x</sub> , CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

Form Completed by: \_\_\_\_\_

Title / Position: \_\_\_\_\_

Date: \_\_\_\_\_

Phone: \_\_\_\_\_

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. - Gallagher Generating Station  
 Source Address: Jackson Street, New Albany, Indiana 47150  
 Mailing Address: c/o Steven Pearl, 1000 East Main Street, Plainfield, Indiana 46168  
 Part 70 Permit No.: T043-7244-00004

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

This report shall be submitted on a quarterly basis. 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".	
<input checked="" type="radio"/> NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.	
<input checked="" type="radio"/> THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD	
<b>Permit Requirement</b> (specify permit condition #)	
<b>Date of Deviation:</b>	<b>Duration of Deviation:</b>
<b>Number of Deviations:</b>	
<b>Probable Cause of Deviation:</b>	
<b>Response Steps Taken:</b>	
<b>Permit Requirement</b> (specify permit condition #)	
<b>Date of Deviation:</b>	<b>Duration of Deviation:</b>
<b>Number of Deviations:</b>	
<b>Probable Cause of Deviation:</b>	
<b>Response Steps Taken:</b>	

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

Form Completed By: \_\_\_\_\_

Title/Position: \_\_\_\_\_

Date: \_\_\_\_\_

Phone: \_\_\_\_\_

Attach a signed certification to complete this report.

# Indiana Department of Environmental Management Office of Air Quality

## Addendum to the Technical Support Document (TSD) for a Part 70 Operating Permit

### Source Description and Amendment Request

**Source Name:** PSI Energy, Inc. - Gallagher Generating Station  
**Source Location:** Jackson Street, New Albany, Indiana, 47150  
**County:** Floyd  
**SIC Code:** 4911  
**Operation Permit No.:** T043-7244-00004  
**Permit Reviewer:** Gurinder Saini / Patrick Burton

On December 10, 2003, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) (hereafter referred to as 'The Department') had a notice published in The New Albany Tribune in New Albany, Indiana, stating that PSI Energy, Inc. – Gallagher 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 approval and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on the draft permit.

On December 12, 2003, Steven L. Pearl, on behalf of PSI Energy, Inc., submitted comments on the Draft Part 70 Operating Permit. These comments and the Department responses with any changes made to the permit as a result of the comments are as follows (The language deleted is shown in ~~strikeout~~ and that added is shown in **bold**):

### 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 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.

The department 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

Table of Contents

Revise the Table of contents consistent with the permit mark up. The revisions to the Table of Contents are consistent with the comments to follow.

## Response 2

The department has revised the Table of Contents in accordance with changes discussed in this document.

## Comment 3

### Section A, Source Summary

**Condition A.1, General Information: Revise Responsible Official from “Station Manager of the Gallagher Generating Station” to “Manager of the Gallagher Generating Station”.**

Condition A.2(a), Emission Units and Pollution Control Summary: Change monitor location from “Boiler No. 1” to “**Stack A**”. The monitors are located in the shared stack rather than on the individual boilers.

Condition A.2(b), Emission Units and Pollution Control Summary: Change monitor location from “Boiler No. 2” to “**Stack A**”. The monitors are located in the shared stack rather than on the individual boilers.

Condition A.2(c), Emission Units and Pollution Control Summary: Change monitor location from “Boiler No. 3” to “**Stack B**”. The monitors are located in the shared stack rather than on the individual boilers.

Condition A.2(d), Emission Units and Pollution Control Summary: Change monitor location from “Boiler No. 4” to “**Stack B**”. The monitors are located in the shared stack rather than on the individual boilers.

Condition A.3(b) & (c), Specifically Regulated Insignificant Activities: Delete Condition A.3(b) (Covered conveyors) and Condition A.3(c) (the Coal bunker and scale exhausts...), this equipment would be covered under A.2(e).

Condition A.3(d), Specifically Regulated Insignificant Activities: Modify to read: “*Degreasing operations that do not exceed one hundred forty-five (145) gallons **evaporative loss per** twelve months,...*”.

Condition A.3(e), Specifically Regulated Insignificant Activities: Change “62 acres” of ash pond surface area to “**102 acres**”.

## Response 3

The responsible official in Section A under A.1 has been revised as follows:

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 Gallagher Generating Station

Descriptions of equipment included in condition A.2 of Section A, facility description boxes in Section D.1 through D.4, description boxes in Section E and Section F are revised in response to comments above. In addition, the language describing installations of low-NOx burners at the boilers is revised to clarify that the new burners were installed as follows:

*A.2 (a), D.1, E and F facility description box:*

One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. ~~Boiler No. 1~~ **Stack A** has continuous emissions monitors (CEMs) for nitrogen oxides (NOX) and sulfur dioxide (SO2) and a continuous opacity monitor (COM). ~~Boiler No. 1 was configured with a low-NOX burner in 1993.~~ **Low-NOX burners were installed on Boiler No. 1 in 1993.**

*A.2 (b), D.2, E and F facility description box:*

One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. ~~Boiler No. 2 Stack A~~ has continuous emissions monitors (CEMs) for nitrogen oxides (NOX) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). ~~Boiler No. 2 was configured with a low NOX burner in 1993.~~ **Low-NOX burners were installed on Boiler No. 2 in 1993.**

*A.2 (c), D.3, E and F facility description box:*

One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 3, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. ~~Boiler No. 3 Stack B~~ has continuous emissions monitors (CEMs) for nitrogen oxides (NOX) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). ~~Boiler No. 3 was configured with a low NOX burner in 1993.~~ **Low-NOX burners were installed on Boiler No. 3 in 1993.**

*A.2 (d), D.4, E and F facility description box:*

One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 4, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. ~~Boiler No. 4 Stack B~~ has continuous emissions monitors (CEMs) for nitrogen oxides (NOX) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). ~~Boiler No. 4 was configured with a low NOX burner in 1993.~~ **Low-NOX burners were installed on Boiler No. 4 in 1993.**

*A.3(e) and description box in D.5 is revised to add the dust collector related to the operation:*

A coal transfer system for Units 1, 2, 3, and 4, with a nominal throughput of 800 tons of coal per hour, construction commenced prior to 1974, with equipment including barge unloading, truck unloading, a coal storage pile, and conveying, **coal bunkers and scale equipped with dust collector** for all units.

The equipment listed in A.3 (b) & (c) are deleted from the Section A and Section D.5 as it is already covered under A.2 (e). The ash pond area in condition A.3 is also revised as requested by the commentator. The requested change to the language A.3 (d) for the operation of degreasing operation is not granted. This is because the rule 326 IAC 2-7-1 (21)(G)(vi)(CC) does not list the 145 gallon threshold as 'evaporative loss' per 12 month period. Therefore, the department could not add the suggested language but for clarification this threshold is established for the solvent that has evaporated at the end of 12 month period and does not include the solvent still retained in the container.

The changes to the permit language are shown as follows:

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) Cleaners and solvents characterized as follows: [326 IAC 8-3]

- (1) Having a vapor pressure equal to or less than 2 kPa; 15 mm Hg; or 0.3 psi measured at 38 degrees C (100°F) or;
- (2) Having a vapor pressure equal to or less than 0.7 kPa; 5mm Hg; or 0.1 psi measured at 20°C (68°F); the use of which for all cleaners and solvents combined does not exceed 145 gallons per 12 months.

~~(b) — Conveyors as follows: [326 IAC 6-3]~~

~~(1) — Covered conveyor for coal or coke conveying of less than or equal to 360 tons per day;~~

~~(2) — Underground conveyors.~~

~~(c) — Coal bunker and coal scale exhausts and associated dust collector vents. [326 IAC 6-3]~~

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

~~(ec) Flyash handling facility and transport systems, wet flyash sluiced and conveyed to multiple ash ponds, with a combined surface area of ~~62~~ **102** acres. [326 IAC 6-4]~~

#### SECTION D.5 FACILITY OPERATION CONDITIONS

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

A coal transfer system for Boilers No. 1, No. 2, No. 3, and No. 4, with a nominal throughput of 800 tons of coal per hour, construction commenced prior to 1974, with equipment including barge unloading, truck unloading, a coal storage pile, and conveying for all units.

The following insignificant activities:

~~(1) — Coal bunker and coal scale exhausts and associated dust collector vents. [326 IAC 6-3].~~

#### Comment 4

Condition B.8 (Certification)

Condition B.8(a), Certification: In the first sentence, delete the phrase “*or required by an applicable requirement*”. If a certification is not required by the Part 70 permit, it should not be a violation of the permit to omit the 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 4

The department has made changes to the language in condition B.8 in order to address the concerns expressed by the commentator, 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)]~~

~~(a) Where specifically designated by this permit or required by an applicable requirement, **a**Any application form, report, or compliance certification submitted **under this permit or 326 IAC 2-7** 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).

### Comment 5

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).

Condition B.10(a), Preventive Maintenance Plan: In first sentence, change: “...*ninety (90) days after issuance of this permit...*” to “...***ninety (90) days after effectiveness of this permit condition...***”. This revision will allow for any delays or stays of effectiveness.

Condition B.10(a)(1), Preventive Maintenance Plan: Revise to read: “*Identification of the individual(s) by title of those responsible for inspecting, maintaining, and repairing emission control devices;*”. This wording will allow identification of responsibility without mandating a revision to the PMP with each personnel change.

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

Condition B.10(c), Preventive Maintenance Plan: Delete “*and approval*” and the final phrase of paragraph so it will read: “*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.~~”

### Response 5

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”.

In order to address the commentator’s concern about the changes in personnel mandating a permit change, the Condition B.10(a)(1) has been revised to include the phrase “by title”.

The suggestion by the commentator to change “does not cause or contribute...” to “does not cause or is the primary contributor...” in paragraph (b) of the condition defeats the purpose of preventive maintenance as it can be a secondary contributor to the exceedance of the limitation on emissions. 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.

Since any limitation on emissions is the same as a limit on potential to emit, IDEM agrees to delete “or potential to emit” from paragraphs (b) and (c). The deletion of words ‘and approval’ by the commentator is not granted because the department retains the authority to address any preventive maintenance item not addressed in the PMP in order to prevent excess emissions. Therefore, PMPs will be subject to approval by the department.

The following changes are made to condition B.10:

- (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**, responsible for inspecting, maintaining, and repairing emission control devices;  
.....
- (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~~.

**Comment 6**

Condition B.11(a), Emergency Provisions: The language in this condition should be changed to match the regulation by adding a phrase to the end of condition which states “...**except as provided in 326 IAC 2-7-16 or this condition**”.

Condition B.11(b)(5), Emergency Provisions: Revise 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 or included in reports required elsewhere in the permit do not have to be included in the Quarterly Deviation and Compliance Report.***” 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), or included in an excess emissions report should not need to be reiterated again in the quarterly report.

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 or included in reports required elsewhere in the permit do not have to be included in the Quarterly Deviation and Compliance Report.**"

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 6**

The department has added the language from the 326 IAC 2-7-16 in the part (a) of condition B.11 as shown below.

Paragraph (b)(5) states the time period exactly as 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 the department's business days.

As explained in response to previous comment, it is not necessary to point out that there may be one preventative maintenance plan that covers all affected units, or separate plans for each unit.

326 IAC 2-7-6(1) requires that any document or report under 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 the department and U.S. EPA have agreed that the emergency reports to be submitted within 2 days of an emergency does not require a certification by the responsible official. The emergencies lasting longer than one hour need to be reported under (b)(5) of this condition. The part (h) of this condition was intended to address other type of emergencies that are not required to be reported per (b)(5) and to provide the Responsible Official's certification of previously reported emergencies. In order to clarify this intent the department has added language to part (h) stating that the previously reported emergencies need only be referenced by date on the Quarterly Report. Reporting the emergency again by reference in the Quarterly Deviation and Compliance Monitoring Report fulfills the obligation to satisfy the requirements of 326 IAC 2-7-6(1), which requires all reports to be certified.

The condition B.11 is changed as follows:

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, **except as otherwise provided in 326 IAC 2-7-16.**
- ....
- (h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report. **Any emergencies that have been previously reported pursuant to Paragraph (b)(5) of this condition and certified by the Responsible Official need only be referenced by the date of the original report.**

**Comment 7**

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 7**

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 8**

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 8**

The department has explained in response to comment 6 that the Permittee needs to comply with the certification requirements for reporting deviations; therefore no change is needed to any permit condition.

#### **Comment 9**

Condition B.15(a), Permit Modification, Reopening, Revocation and Reissuance, or Termination: Delete the last sentence requiring certification. This provision itself is not requiring any particular submittal from the source, thus it does not make sense that the provision impose a certification requirement.

#### **Response 9**

The certification by the responsible official for notification requirements in part (a) of the condition B.15 pertains to the request by the Permittee for a Part 70 permit modification, revocation and reissuance, or termination, or of a notification of planned changes at the Source. Any request for approval of such actions will need to be certified by the responsible official.

#### **Comment 10**

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 10**

It is not clear from the comment, which term the commentator 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 is the "reasonable" and appropriate method for informing the applicant of the need for additional information. In addition, the condition already states that the deadline for submitting information must be reasonable. The rule states that the department 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 11**

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.**

Condition B.20(e), Operational Flexibility: Revise the second sentence to read "*Therefore, the ~~notification requirements of part (a) of this condition do not apply.~~*" This provision states that backup fuel switches are not alternative operating scenarios, thus none of the requirements of part (a) apply.

### Response 11

The department concurs that the 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 or to the NOx Budget Trading Program. These trade do not require notice or modification as stated in condition E.2 and F.40. Therefore, no change has been made to Condition B.20(c) as a result of this comment.

Changes to the condition B.20(a) 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.

.....

(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.

### Comment 12

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 12

The department 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, the department 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.

326 IAC 2-7-5(3)(B)(ii)(DD) states that the Permittee shall retain records on-site for three (3) years and shall make them available upon request for the two (2) years following. Therefore, it is appropriate to require the records to be kept on-site and IDEM inspectors have the authority to inspect the area where the records are kept.

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

The department does not agree to the commentator'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 13

Conditions B.23 and B.24, Renumber to B.22 and B.23. The draft permit skips B.22 as a condition number.

## Response 13

The condition B.23 and B.24 are renumbered as follows:

~~B.23~~ Transfer of Ownership or Operational Control [326 IAC 2-7-11]

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B.243 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-7-5(7)] [326 IAC 2-1.1-7]

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**Comment 14**

Condition B.22(b) [renumbered from B.23], Transfer of Ownership or Operational Control: Revise to read “*Any application requesting **a permit revision that allows for** a change in the ownership or operational control...*”. This revision makes clear that IDEM approves only the change in the permit term and not the change in ownership itself.

**Response 14**

The department concurs with the commentator and in order to clarify the purpose of the request has made following change to condition B.22 [condition B.23 in the draft permit]:

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

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.....

- (b) Any application requesting a **permit amendment or modification to allow for** 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:

**Comment 15**

Condition B.23(a) [renumbered from B.24], 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 15**

It is not necessary to add the word “applicable” to B.23(a), because Condition B.23(b) and 326 IAC 2-7-19(e) already spells out what the Permittee must do if there is a dispute about the applicable fees.

**Comment 16**

Condition B.23(b) [renumbered from B.24], Annual Fee Payment: Delete the phrase “*or revocation of this permit*”. The fee provisions of 326 IAC 2-7-19 do not provide for permit revocation for non-payment of fees, and including an explicit permit term with such an extraordinary response to nonpayment of fees, as opposed to traditional enforcement, is unwarranted.

**Response 16**

In a provision under 326 IAC 2-1.1-7, the department has the authority to revoke the permit in response to non-payment of annual fees. Therefore no change is made to the permit.

**Comment 17**

Condition C.1(a), Particulate Emission Limitations For Processes with Process Weight Rates Less Than One Hundred (100) pounds per hour: Delete this condition. Subpart P does not regulate processes with emissions below 100 pounds per hour.

Condition C.1(b), Particulate Emission Limitations For Processes with Process Weight Rates Less Than

One Hundred (100) pounds per hour: This provision should be changed to reflect the regulatory language, as follows “...*particulate emissions from any manufacturing process...*”.

### Response 17

The Indiana State Implementation Plan under 40 CFR 52 Subpart P at §52.770 (c)(34), incorporates by reference the Indiana Administrative Code regulations at 326 IAC 6-3-2 [which at the time was codified as 325 IAC 6-3]. The previous version of 326 IAC 6-3-2 lays out a table for allowable particulate rate of emissions based on process weight rate. The first entry in this table is process weight rate of 100 pounds per hour that has corresponding allowable emissions rate for particulate as 0.551 pounds per hour. Therefore, 40 CFR Subpart P does authorize the limitation contained in C.1 (a). Therefore no change is needed for C.1 (a). The department has agreed to add the regulatory language in C.1 (b) as follows:

#### 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]

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- (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 emissions from any **manufacturing** 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.

### Comment 18

Condition C.3, Open Burning: If open burning is to be regulated by this permit, the permit should also provide for the routine exceptions such as the annual fire training. Rather than require the source to make an annual application for the routine variance, approval for annual fire training conducted at the station should be added to the permit. Add the following language, which is consistent with language routinely used in annual approvals:

**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**

- (8) nearby roads, structures, power lines, fuel storage areas or pipelines. The Floyd County Health Department, Floyd 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 18**

The variances for conducting open burning are issued by 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 separate approvals for annual fire extinguish training activities. Fire training approvals are only valid for one (1) year while the term of this permit is five (5) years.

#### **Comment 19**

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.**"

This language is in conjunction with the Operation Standards contained in conditions D.1.4, D.2.4, D.3.4 and D.4.4.

#### **Response 19**

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 20**

Condition C.9(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 20**

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.9 Performance Testing [326 IAC 3-6]

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- .....  
(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 21

Condition C.11, Compliance Monitoring: Change first sentence beginning in 2<sup>nd</sup> line: “...shall be implemented within ninety (90) days of **the effectiveness of the applicable permit conditions issuance.**” This change will allow for any delays or stays of effectiveness of the applicable permit conditions.

Condition C.11, Compliance Monitoring: Revise 3<sup>rd</sup> sentence to read: “If due to circumstances beyond its **reasonable** control, ~~that~~ equipment cannot be installed and operated **or monitoring related activities cannot be implemented** within 90 days...”.

## Response 21

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”.

The addition of word ‘reasonable’ adds an element of subjectivity in this condition where a sound determination of reasonableness is dependent upon the individual’s perspective. This change is unnecessary since the department has always worked closely with Permittees in order to understand any situations and conditions beyond Permittees’ control that may cause delay in any such implementation.

It is highly unlikely that the ‘monitoring related activities’ will not be implemented within the 90 days timeframe allowed in the permit. This permit does not pertain to construction of any new emissions unit. Therefore, with respect to the existing emission units at this Source, the Permittee is already aware of the monitoring requirements per the various regulations that are applicable to the equipment and the draft version of this permit. The department does not intend to grant a blanket exemption for not complying with the 90 days deadline. As already stated, the department will be cognizant of any special circumstances or situation beyond Permittee’s control, that may force the Permittee to miss the 90 days deadline and will work closely with Permittee on a case-by-case basis to resolve any such issues.

## Comment 22

### C.12 (Maintenance of Continuous Opacity Monitoring Equipment)

As a general matter, PSI does not agree that visible emission observations or notations are necessary during brief monitor outages, particularly if the boiler is operating under steady state conditions. PSI recommends deletion of Condition C.12(d) in its entirety. However, pursuant to our commitment to compliance, PSI will accept this condition if the changes recommended in the following comments (pertaining to Condition C.12(d)) are made.

In paragraph (d), change “one (1) hour” to “four (4) hours”. In cases of monitor maintenance or malfunction, it is not always possible to determine if the monitor will be down for an hour or more in time to coordinate staff availability to conduct the VE notations.

In (d)(1), revise the second sentence to read:

~~“A trained~~ **An** employee shall record whether emissions...”

Revise (d)(1)(A) to read:

~~A trained employee is an employee who has~~ **The employee must have** worked at the plant **or similar facility** at least one month and ~~has been trained~~ **be familiar** in the appearance...

In the event that a certified VE reader is not available after 24 hours of monitor downtime, add C.12(d)(3) which will allow continuation of the VE notations for an additional 24 hours:

**For unscheduled COM shutdowns or malfunctions, if a certified Visible Emissions (VE) reader is not available at the end of the first 24 hours, visible emission notations in accordance with (a) above shall continue for an additional 24 hours in lieu of VE readings.**

In the event that a certified VE reader is not available after 48 hours, or the onsite VE reader has failed to re-certify for whatever reason, add C.12(d)(4):

**If a certified Visible Emissions reader is not available after 48 hours, a previously certified VE reader may be used to comply with (2) above.**

Visible Emission Observations or notations should not be required if the facility is not operating; therefore, add C.12(e):

**The Visible Emission Notations and Visible Emission Reading requirements of (d) above shall not apply during periods when the boiler is not in operation and combusting coal.**

## **Response 22**

The characteristics of emissions from each facility are unique. What appear to be normal emissions from one facility may not be normal for another facility. For example, normal emissions from a unit equipped with a scrubber will appear very different from a similar unit that is not equipped with a scrubber. Therefore, the requirement to have a trained employee work at the plant for at least one month is reasonable and appropriate.

The Permittee is required to certify continuous compliance with all conditions of the permit. The Permittee must have sufficient information available in order to be able to certify continuous compliance. If the COMS fails and the Permittee does not perform any supplemental monitoring during the period of time when the COMS is not operating, there will not be sufficient information available for the Permittee to be able to certify continuous compliance during that time period. Therefore, the permit must include a requirement to perform supplemental monitoring whenever the COMS is not in operation and the emission unit is in operation. Therefore, the requirement to have a certified visible emissions reader on-site within 24 hours of a COM shutdown or malfunction is reasonable and necessary. The Method 9 visible emissions readings by a certified person assure that any variations in the coal specifications or boiler load do not adversely impact emission rates. Normal/abnormal visible emission notations by someone, who is not trained to perform Method 9 visible emissions readings, would not be adequate to differentiate such variations.

The part (d) of condition C.12 specifically lists the circumstances under which the visible emissions notations or Method 9 opacity readings need to be performed. The requirements in part (d) apply only when 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. Therefore, the commentator's suggested language is not needed in this case.

No change is made to any permit condition because of this comment.

## **Comment 23**

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 23

The department has made the requested change as shown below.

#### C.13 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 24

Condition C.14, Pressure Gauge and Other Instrument Specifications: Delete this condition, it is not necessary and not authorized.

### Response 24

Monitoring the pressure drop across the baghouses is important for determining the proper operation of the baghouses. In order to measure the pressure drop with a level of accuracy acceptable to the department, adequate pressure drop gauges must be used. The authority for the condition is in 326 IAC 2-1.1-11, 326 IAC 2-7-5(3) and 326 IAC 2-7-6(1) and is cited in the title of the condition. Therefore, the department has retained the requirement for specifications of pressure gauges and other instruments in this permit.

### Comment 25

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 25

The department has made the requested change as shown below:

#### C.15 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.**
- (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 26

Condition C.17 (Compliance Response Plan)

As a general matter, PSI does not agree that IDEM has the authority to require a CRP in this permit, and recommends deletion of Condition C.17 in its entirety. However, pursuant to our commitment to compliance, PSI will accept this condition if the changes recommended in the following comments

(pertaining to Condition C.17) are made.

In paragraph (a), delete the first sentence. PSI does not concede that a CRP is required in the Part 70 permit nor is it necessary for each compliance monitoring provision. Revise the last sentence, regarding the effective date, to read

The CRP shall be prepared within ninety (90) days after ~~issuance of this permit~~ **effectiveness of the applicable permit conditions** by the Permittee,...

In paragraph (a)(1), delete the last portion of the condition:

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

Delete paragraph (a)(2). 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.

Modify paragraph (b) to read:

~~“For each compliance monitoring condition of permit r~~Reasonable response steps shall be taken when indicated by the provisions of that compliance monitoring condition as follows:”

In paragraph (b)(2), modify the last sentence to read:

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.~~

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.

In paragraph (b)(4), failure to take response steps should not be considered a deviation if no exceedance of an emission limitation has occurred. Thus, modify (b)(4) to read:

Failure to take reasonable response steps, **in conjunction with emissions in excess of an applicable limitation**, shall be considered a deviation from the permit.

Condition C.17(c)(4), Compliance Response Plan: The final phrase is self evident and redundant, the condition should be revised to read:

The process has already returned or is returning to operating within “normal” parameters ~~and no response steps are required.”~~

In paragraph (e), revise the 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 26

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”.

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

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

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

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

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

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

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

The notification requirement in (b)(3) only applies 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.

The language in (c)(4) is not deleted because it requires the Permittee to take further response steps after an upset even though the process has become normal but steps are needed to continue to operate in an optimal manner.

The department has agreed to change paragraph (e) as requested by the commentator as follows:

C.17 Compliance Response Plan - Preparation, Implementation, Records, and Reports  
[326 IAC 2-7-5] [326 IAC 2-7-6]

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- .....
- (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 27

Condition C.18 (Actions Related to Noncompliance Demonstrate by a Stack Test)

Change current paragraph (c) to paragraph (d) and add a new paragraph (c) as follows:

**The Permittee is not required to follow the specific procedures set out in (a) and (b) above if the Permittee and IDEM, OAQ agree to a different schedule of activities to address any noncompliant situation. IDEM, OAQ will agree to any such alternative procedures proposed by the Permittee so long as they are reasonable and consistent with applicable law.**

This addition will allow both IDEM and the Permittee more flexible in resolving any noncompliant situations.

### Response 27

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

### Comment 28

Condition C.19 (Emission Statement)

Delete paragraph (a)(2). This provision serves no purpose except for fee assessment. Since this source already meets the maximum fee assessment, this condition is unnecessary.

### Response 28

If the source meets the maximum fee assessment according to the requirements of paragraph (a)(1), then paragraph (a)(2) would not be applicable to this Source. Therefore, no change is made to the permit due to this comment.

### Comment 29

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 29

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 the department would consider to be unreasonable. Therefore, the department does not agree to change the language in condition C.20(a).

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 30

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 As specified in the specific reporting requirement, reports do require the shall include a certification 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 30

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.

The department 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".

The department 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 such as those pursuant to acid rain program or the NOx allowance rule, which are not specified in Section D of the permit.

### Comment 31

Condition D.1, Facility Description: Change monitor location from "*Boiler No. 1*" to "**Stack A**".

### Response 31

The description in box in Section D.1 has been changed as shown in the response 3 of this ATSD.

### Comment 32

In Sections D.1, D.2, D.3, D.4, and D.5, add a condition titled "Opacity" which states:

**"Pursuant to 326 IAC 5-1-2(1)(A) (Opacity Limitations), 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. Compliance with 326 IAC 5-1-2(1)(A) shall be deemed compliance with 326 IAC**

### 5-1-2(1)(B)."

Opacity monitoring and compliance has long been established for this facility based on a six minute average, and it is PSI's contention that compliance based on a six minute average is sufficient to indicate compliance with the 15 non-overlapping 1 minute averages of 60%. The source should not be subjected to the time and expense of revising the monitor procedures and software to specifically monitor for 15 non-overlapping one minute averages in six hours.

Condition D.1.x(b), Opacity: Add second paragraph to this condition which states:

**"Opacity in excess of the applicable limitation may not be considered a violation provided that the total time in excess does not exceed three percent (3%) of the boiler operating time on a quarterly basis, and the primary causes are not due to a lack of maintenance or improper operation."**

Adding such condition will provide the Permittee with some degree of certainty regarding the unavoidable excess opacity readings, but would still provide IDEM, OAQ with enforcement discretion over such excess opacity readings.

### Response 32

Since it is possible for an emission unit to be in compliance with 326 IAC 5-1-2(1)(A) and still be out of compliance with 326 IAC 5-1-2(1)(B), the department does not agree to add the requested language.

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

### Comment 33

Condition D.1.2(a)(1), Temporary Alternative Opacity Limitations: Revise to read: When building a new fire in a boiler, ~~or shutting down a boiler,~~ opacity may exceed the 40 % opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one (1) hour (ten (10) six (6) minute averaging periods) or until the flue gas temperature **entering the electrostatic precipitator** reaches two hundred fifty (250) degrees Fahrenheit, whichever occurs first. This change is consistent with PSI's 2000 TAOL request and is necessary to comply during some boiler startups.

Condition D.1.2(a)(1), Temporary Alternative Opacity Limitations: Revise 2nd paragraph to read: "Operation of the electrostatic precipitator is not required during these times ~~unless necessary to comply with these limits.~~ PSI will not agree to any condition that requires operation of equipment outside of its design parameters and potentially puts personnel and/or equipment at risk.

These comments also apply to Conditions D.2.2, D.3.2 and D.4.2.

### Response 33

The changes recommended by the commentator are incorporated in the permit conditions D.1.2, D.2.2, D.3.2 and D.4.2 as follows:

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

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

- (a) When building a new fire in a boiler, ~~or shutting down a boiler,~~ opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one (1)

hour (ten (10) six (6)-minute averaging periods) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit **entering the electrostatic precipitator**, whichever occurs first.

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

#### Comment 34

Condition D.1.4(c), Operation Standards: Revise condition to include condenser tube cleaning as follows: "Any boiler **or condenser** tube chemical cleaning waste liquids, ...".

This comment also applies to Conditions D.2.4, D.3.4 and D.4.4.

#### Response 34

The department has made the requested change as shown below.

#### D.1.4 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]

- (a) All coal burned, including coal treated with any additive, shall meet the ASTM definition of coal.
- (b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in this facility. Any boiler tube chemical cleaning waste liquids, binding agent, or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.
- (c) Any boiler **or condenser** tube chemical cleaning waste liquids fired in the boiler shall only contain the cleaning solution and two full volume boiler rinses.

The same changes have also been made to Conditions D.2.4, D.3.4 and D.4.4.

#### Comment 35

Condition D.1.5(a), Preventative Maintenance Plan: Revise D.1.5(a) as follows:

"A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit , is required for this facility's ~~and its~~ emission control devices."

The PMP requirement applies to emission control devices only.

Condition D.1.5(b), Preventative Maintenance Plan: Condition D.1.5(b) should be deleted. Condition B.11 requires that the Permittee prepare and maintain the PMP. Obviously the Permittee is best qualified to develop and implement the PMP, and IDEM should not seek to micro-manage the source by mandating the PMP contents.

These comments also apply to Conditions D.2.5, D.3.5 and D.4.5.

#### Response 35

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

- (1) Identification of the individuals responsible for inspecting, maintaining and repairing the emission control equipment (326 IAC 1-6-3(a)(1)),

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

It is clear from the structure of the wording in 326 IAC 1-6-3 that the PMP requirement affects the entirety of the applicable facilities. Only 326 IAC 1-6-3(a)(1) is limited, in that it requires identification of the personnel in charge of only the emission control equipment, and not any other facility equipment. 326 IAC 1-6-3(b) provides that "...as deemed necessary by the commissioner, any person operating a facility shall comply with the requirements of subsection (a) of this section."

In addition to preventive maintenance performed on the control devices, preventive maintenance should be performed on the boilers themselves because lack of proper maintenance on the boiler can result in boiler tube leaks or improper burner air settings which can result in increased emissions. The ESP must operate properly in order for the boilers to achieve compliance; therefore, it is reasonable and necessary to require the Permittee to inspect the ESP periodically. There has been no change to the permit as a result of this comment.

### Comment 36

Condition D.1.7, Operation of Electrostatic Precipitator: Revise to read:

"Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that the Boiler No. 1 ~~vented to the ESP~~ is in operation **and combusting coal, except during periods of startup, shutdown or emergency.**"

If this condition has enough value to include in the permit, it should be specific as to the term "operation" and should include the established exceptions. PSI will not accept a condition that requires ESP operation during times when the operation will present a potential hazard to personnel or equipment.

This comment also applies to Conditions D.2.7, D.3.7 and D.4.7.

### Response 36

The word "operation" is further defined by inserting the phrase "and combusting fuel." The department agrees to remove the words "vented to the ESP." The phrase "except during periods of startup, shutdown, or emergency" is not necessary because the condition already states "Except as otherwise provided by statute or rule or in this permit..." The applicable requirements regarding the ESP operation during startups, shutdowns, and emergencies are provided elsewhere in the permit. Changes to the condition are shown below.

#### D.1.7 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

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Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that the Boiler No. 1 ~~vented to the ESP~~ is in operation **and combusting fuel.**

The same revisions have been made to Conditions D.2.7, D.3.7 and D.4.7.

### Comment 37

Condition D.1.11, Transformer-Rectifier (T-R) Sets: As a general matter, PSI does not agree that IDEM has the authority to require compliance monitoring in this permit, and recommends deletion of Condition D.1.11 in its entirety. However, PSI will accept this condition if the changes recommended in the following comments (pertaining to Condition D.1.11) are made.

Condition D.1.11(a), Transformer-Rectifier (T-R) Sets: PSI disagrees that Compliance Monitoring (including this TR set condition) is required in this permit. PSI will agree, however, to monitor the TR sets in service at least once per day (but not once per shift). PSI does not agree to a permit requirement to monitor the ESP parameters such as the primary and secondary voltages and the currents. Such a requirement is part of an overly burdensome record keeping burden created by this permit, and is an attempt to micro-manage facility operations. This provision should be revised to read "The ability of the ESP to control particulate shall be monitored once per ~~shift~~ **day**, when the unit is in operation, by ~~measuring and~~ recording the number of T-R sets in service."

Condition D.1.11(b), Transformer-Rectifier (T-R) Sets: PSI will further not agree to implement a CRP whenever the TR sets in service falls below 90%, as we believe this will inhibit our ability to operate the facility in a normal and efficient manner. If this condition is to be included in the permit, the CRP trigger level should be no higher than 75% of the TR sets in service.

These comments also apply to Conditions D.2.11, D.3.11 and D.4.11.

### **Response 37**

The ESPs controlling the boilers must operate properly at all times to assure that the boilers maintain continuous compliance with all applicable requirements. In order to assure proper operation of the ESPs, the department has included permit conditions requiring the Permittee to monitor the performance of the ESPs by monitoring certain ESP operating parameters once per shift. The department has the authority to require such monitoring pursuant to 326 IAC 2-7-5(1) and 326 IAC 2-7-6(1). These rules are cited in the title of the compliance monitoring section of the permit.

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. All shifts should be in tune with the work practices necessary to ensure continual compliance with permit requirements. These work practices should include an understanding and awareness of proper ESP operating parameters. This knowledge and awareness during all shifts can minimize lag time in addressing control failure.

Failure to take any response steps whenever the percentage of T-R sets in service falls below 90%, is considered a violation of the permit. An abnormal condition of the ESP can indicate that the control device is not operating at peak efficiency, or possibly a malfunction of the ESP. Less than optimum operation of the ESP could cause an exceedance of a particulate matter limitation or an exceedance of an opacity limit. Without performing a stack test, the Permittee could not affirm that the abnormal conditions in the ESP were not causing a violation of the particulate matter limits in the permit. It is unlikely that the Permittee would be able to perform a particulate matter stack test immediately upon observing the abnormal conditions of the ESP. Without taking any response steps or doing any stack tests, the only information available regarding emissions would be that the percentage of T-R sets in service is less than 90%. This limited information about the operation of control device does not provide reasonable assurance of compliance with the particulate matter limits in the permit. For these reasons, the Permittee is required to take response steps whenever the percentage of T-R sets in service falls below 90%, and the failure to take any response steps in accordance with the CRP will be considered a violation of the permit.

At this time PSI has not provided any information about IDEM approved stack tests that demonstrate that compliance can be achieved when only 75% of the T-R sets are in service. Therefore, the department does not agree to change the condition to allow only 75% of the T-R sets to be in service. If the Permittee can provide information describing in detail the compliance status and variations on T-R Sets in service to the department in a request, the department will work closely with the Permittee to provide maximum flexibility and also preserve the goal of reasonable assurance of compliance.

### **Comment 38**

Condition D.1.12, Opacity Readings: As stated in the comment to D.1.11, PSI disagrees that Compliance Monitoring is required in this permit. Further, PSI will not agree to an artificial lowering of the opacity limit

to 25% as attempted in this condition. In addition to being an artificial lowering of the limit, this condition will cause a significant increase in record keeping, and a significant modification in the opacity monitoring software.

These comments also apply to Conditions D.2.12, D.3.12 and D.4.12.

### Response 38

PSI is required pursuant to 326 IAC 3-5 to operate continuous opacity monitors (COM) to measure opacity from the boilers. Pursuant to 326 IAC 5-1, the boilers are subject to a 40% opacity limit. Pursuant to 326 IAC 6-2-3, the boilers are also subject to particulate matter emission rates. The particulate matter emission limits and the opacity limits were established completely independently of one another. Therefore, compliance with a 40% opacity limit does not indicate compliance with the applicable particulate matter emissions limit.

During normal operations opacity from the boilers is significantly less than twenty-five percent, as evidenced by the results of the department approved stack testing. Since the stack testing demonstrated compliance with the PM emissions when opacity levels were well below the opacity limits, it is appropriate for PSI to take response steps when the observed opacity is significantly above the levels demonstrated during a compliant stack test.

The condition D.1.12 does not establish an opacity limit that is more stringent than the opacity limits established by 326 IAC 5-1. Rather, the condition requires the Permittee to take response steps when the opacity is above the level indicative of normal operating conditions. An opacity reading that is in compliance with 326 IAC 5-1, but above the level of normal operating conditions and requires a response step is not considered a violation. It is only a violation if the Permittee fails to take any response steps. The department has the authority to require such monitoring pursuant to 326 IAC 2-7-5(1) and 326 IAC 2-7-6(1).

Unusually high opacity levels can indicate a process upset or a malfunction of the control device. Either of these situations could cause an exceedance of a particulate matter limitation. Without performing a stack test, the Permittee could not affirm that the unusually high opacity levels were not indicating a violation of the particulate matter limits in the permit. It is unlikely that the Permittee would be able to perform a particulate matter stack test immediately upon observing unusually high opacity levels from a stack. Without taking any response steps or conducting any stack test, the only information available regarding emissions would be that the opacity levels were unusually high. This limited information about the operation of control device does not provide reasonable assurance of compliance with the particulate matter limits in the permit. For these reasons, the Permittee is required to take response steps whenever unusually high opacity levels are observed and the failure to take any response steps in accordance with the CRP will be considered a violation of the permit.

### Comment 39

Condition D.1.13(b), SO<sub>2</sub> Monitoring System Downtime: The last sentence in D.1.14(b) should be revised to read:

**"...whenever the SO<sub>2</sub> continuous emission monitoring system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions: the Permittee shall comply with the requirements of 40 CFR 75 Subpart D - Missing Data Substitution Procedures."**

Subparts (b)(1) and (b)(2) should be deleted in entirety. This revision is consistent with the federal monitoring requirements, and PSI does not agree with the additional requirements included in this condition.

These comments also apply to Conditions D.2.13, D.3.13 and D.4.13.

### Response 39

The department has determined that for SO<sub>2</sub> emissions, which are prone to variability based on coal sulfur values, the Part 75 data substitution procedures may not be as representative as coal sampling and analysis to show compliance with a short term limit when the CEMS is down for a long period of time. Therefore, Part 75 data substitution cannot be used to demonstrate compliance with 326 IAC 7-4-12 for coal boilers.

### Comment 40

Condition D.1.14(a), Record Keeping Requirements: Consistent with previous comments, delete references to D.1.11 and D.1.12, and delete D.1.14(a)(4) pertaining to "All ESP parametric monitoring readings".

Condition D.1.14(b), Record Keeping Requirements: Consistent with comment regarding D.1.13(b), PSI does not agree with the specified SO<sub>2</sub> CEMS system downtime parametric monitoring, thus the last sentence in (b) pertaining to CEMS downtime records should be deleted. Further, SO<sub>2</sub> CEMS are not currently required by this permit and therefore, the permit requirement to maintain SO<sub>2</sub> monitoring records in D.1.14(b)(1) should be deleted. As an alternative, PSI would accept these record keeping requirements if they were contingent upon written notification that the CEMS would be used for demonstrating compliance consistent with Condition D.1.9(c).

Condition D.1.15(c), Record Keeping Requirements: Modify to read: "...the Permittee shall maintain records of the results of all boiler and emission control equipment inspections,..." As stated previously, the permit required PMP need not include the boiler.

These comments also apply to Conditions D.2.14, D.3.14 and D.4.14.

### Response 40

The department does not agree to delete the parametric monitoring requirements or the CEMS downtime monitoring requirements as already explained in prior responses. Also as already explained in response 35 the department does not agree that the PMP does not apply to the boiler. As a result, the record keeping conditions associated with these requirements have been retained in the permit.

The department does agree to change Conditions D.1.14(b), D.2.14(b), D.3.14(b) and D.4.14 (b) to clarify that records of SO<sub>2</sub> CEMS data are only required when the Permittee has chosen to demonstrate compliance with the SO<sub>2</sub> limit using CEMS data. The revised condition D.1.14(b) is shown below:

#### D.1.14 Record Keeping Requirements

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- .....
- (b) To document compliance with Conditions D.1.3, D.1.9 and D.1.13, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO<sub>2</sub> limits as required in Conditions D.1.3 and D.1.9. The Permittee shall maintain records in accordance with (2) and (3) below during SO<sub>2</sub> CEM system downtime if a backup CEMS is not used.
- (1) **Whenever using CEMS data to demonstrate compliance with Condition D.1.3, the Permittee shall maintain all** SO<sub>2</sub> continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g), with calendar dates and beginning and ending times of any CEMS downtime. ~~and~~
- (2) **Whenever the Permittee is not using CEMS data to demonstrate compliance with Condition D.1.3, the Permittee shall maintain all** fuel sampling and analysis data, pursuant to 326 IAC 7-2.

- (3) **Whenever the Permittee is not using CEMS data to demonstrate compliance with Condition D.1.3, the Permittee shall maintain actual** Actual fuel usage since last compliance determination period.

#### Comment 41

Condition D.1.15, Reporting Requirements: Add D.1.15(d) to state:

**"Submittal of the reports required by this section shall fulfill all reporting requirements for this source."**

These comments also apply to Conditions D.2.15, D.3.15, and D.4.15.

#### Response 41

The department 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, such as those pursuant to acid rain program or the NOx allowance rule, which are not specified in Section D of the permit.

#### Comment 42

Condition D.4.7, Operation of Electrostatic Precipitator: Delete partial sentence at end of condition which states "*shall be operated as needed to maintain compliance with applicable SO2 emission limits.*" This appears to be a fragment or artifact from another condition, and is not relevant to ESP operation.

#### Response 42

The department concurs with the commentator that the part of the condition was included in error and has revised the condition D.4.7 as follows:

#### D.4.7 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

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Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitator shall be operated at all times that the Boiler No. 4 ~~vented to the ESP~~ is in operation **and combusting fuel**. ~~shall be operated as needed to maintain compliance with applicable SO2 emission limits.~~

#### Comment 43

Condition D.5.1, Particulate: Revise to read:

"the particulate emissions from the coal storage and handling drop points, coal bunkers and scale exhausts, an associated dust collector vents shall not exceed 75 pounds per hour when operating at **or below** a process weight of 800 tons per hour."

#### Response 43

The particulate emission limit pursuant to this rule is based upon the throughput of material at any given time. Since the throughput of material can vary over time, the applicable particulate emission limit can also vary. The permit states the limit based upon the maximum possible throughput to the process. However, the department does not agree that this limit is applicable during periods when the throughputs are much lower than the maximum throughput.

#### Comment 44

Condition D.5.2, Preventive Maintenance Plan: Revise to read:

"A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for ~~these facilities and~~ the emission control devices."

As previously noted, the PMP applies to emission controls.

#### Response 44

As explained in response 35, the department has the authority to require a PMP for the facility as well as the emission control device. However, the department does agree that in this specific case, there are some emission units in Section D.5 that do not need to have a PMP because there is no preventive maintenance that is needed that would effect emissions. The department has revised the condition as shown below.

#### D.5.2 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

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A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for ~~these facilities and~~ the emission control devices **associated with the facilities in this section.**

#### Comment 45

Condition D.5.4(a), Visible Emissions Notations: Revise to read: "Visible emission notations ~~of~~ **from** the transfer points baghouse exhausts shall be performed ~~once per shift~~ **monitored** during normal daylight operations. ~~A trained by an employee shall record~~ **instructed to observe** whether any emissions are observed."

Condition D.5.4(c), Visible Emissions Notations: Revise to read: In the case of batch or discontinuous operations, ~~readings shall be taken~~ **monitoring shall be** during that part of the operation..."

Condition D.5.4(d), Visible Emissions Notations: Revise to read: ~~"A trained employee is an employee who has~~ **The employee must have** worked at the plant **or similar facility** at least one month and ~~has been trained~~ **be familiar** in the appearance..."

Condition D.5.4(e), Visible Emissions Notations: The records required for such frequent monitoring of all the potential emission sources are overly burdensome, and PSI objects to this needless requirement. However, PSI will agree to maintaining records of those instances where abnormal emissions are noted. Revise first sentence to read: "If ~~any~~ **abnormal** emissions are observed...". Also revise last sentence: "Failure to take response steps...**in conjunction with a violation of an applicable opacity limitation** shall be considered a deviation from this permit."

Condition D.5.5(a), Record Keeping and Reporting Requirements: To reduce the required record keeping burden, revise to read: "...the Permittee shall maintain records ~~of the visible emission notations of~~ **of any abnormal emissions observed from** the coal storage and handling drop points..."

These comments also applied to conditions D.6.6 and D.6.7 of this permit.

#### Response 45

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 6-3-2. Since process upset can occur suddenly and without warning, possibly causing a violation of 326 IAC 5-1 or 326 IAC 6-3-2, the daily notations would not 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. 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.

The requirement to have a trained employee work at the plant for at least one month is reasonable and appropriate. The characteristics of emissions from each facility are unique. What may appear to be normal emissions from one facility may not be normal for another facility.

A Method 9 certified observer is not required to conduct the visible emission notations for these processes. Therefore, there is not information about the actual level of opacity during the abnormal emissions from these processes. Thus, the department cannot add the suggested language that the violation only occurs if the applicable opacity limitation is exceeded in conjunction with the failure to take response steps.

In order to maintain continuous compliance the department cannot add the recommended language in D.5.5 requiring to keep the records of visible emissions notations only when the "abnormal" emissions are observed. To meet the goal of continuous reasonable assurance of compliance the Permittee shall maintain all records of the visible emissions notations.

#### **Comment 46**

Section D.6(1), Facility Description: Modify to ash pond surface area from "62 acres" to "**102 acres**".

Section D.6(2), Facility Description: Modify to read: "Degreasing operations that do not exceed one hundred forty-five (145) gallons **evaporative loss per** twelve months,...".

#### **Response 46**

The department has revised the descriptions in the section D.6 as shown in the earlier part of this document.

#### **Comment 47**

Condition D.6.5, Preventive Maintenance Plan: Revise to read: "A Preventive Maintenance Plan, in accordance with Section B – Preventive Maintenance Plan, of this permit, is required for these facilities' ~~and any~~ emission control devices." As previously noted, the PMP applies to emission controls.

#### **Response 47**

As explained in earlier response, the department has the authority to require a PMP for the facility as well as the emission control device. However, the department does agree that in this specific case, emission units in Section D.6 do not need to have a PMP because there is no preventive maintenance that is needed that would effect emissions. The department has revised the condition as shown below.

#### **D.6.5 Preventive Maintenance Plan [326 IAC 2-7-5(13)]**

---

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for ~~these facilities and~~ the emission control devices **associated with the facilities in this section.**

### Comment 48

Forms

Part 70 Operating Permit Certification: Revise mailing address to “**c/o Steven Pearl**, 1000 East Main Street, Plainfield, Indiana 46168”.

### Response 48

The department has revised the forms in the permit to reflect the following change.

Mailing Address: **c/o Steven Pearl**, 1000 East Main Street, Plainfield, Indiana 46168

### Comment 49

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). And (3) 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 49

The department agrees to change the form to state “four (4) daytime business hours...”

The department does not agree to change the form to state “...within two (2) working business days...”  
See response to comment 6.

Changes to the form are shown below.

**This form consists of 2 pages**

**Page 1 of 2**

<p>9 This is an emergency as defined in 326 IAC 2-7-1(12)</p> <p>C The Permittee must notify the Office of Air Quality (OAQ), within four (4) <b>daytime</b> business hours (1-800-451-6027 or 317-233-5674, ask for Compliance Section); and</p> <p>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.</p>
---

### Comment 50

Part 70 Quarterly Deviation and Compliance Monitoring Report: Revise first two sentences in description box to read: “This report shall be submitted **on a quarterly basis**. ~~Based on a calendar year. For the purpose of this permit, calendar year means the twelve (12) month period from January 1 to December 31 inclusive.~~” The description as written is confusing. The quarterly report should cover only the three months in the respective quarter.

### Response 50

The department has revised the language in the Part 70 Quarterly Deviation and Compliance Monitoring Report form as follows:

This report shall be submitted **on a quarterly basis based on a calendar year.** ~~For the purpose of this permit, "calendar year" means the twelve (12) month period from January 1 to December 31 inclusive.~~ Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. 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".

### Comment 51

Technical Support Document

Permitted Emission Units and Pollution Control Equipment – Modify consistent with descriptions corrected in Condition A.

Modify remainder of TSD consistent with permit comments.

### Response 51

The department does not revise the Technical Support Document (TSD) in response to comments during the public notice. Any changes to the requirements of the permit or technical information are duly noted in this Addendum to the Technical Support Document. The department prefers that the TSD reflect the technical basis for the draft permit that was presented for comment during the public notice period. In addition the Addendum to the TSD reflects the technical reasons for changes in the final permit due to any comments received. No change is made to any permit condition for this comment.

On January 7, 2004, the Arthur L. Williams, Director, Louisville Kentucky Air Pollution Control District submitted written comments on the draft 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 strikethrough font.

### Comment 1

Condition C.12 (d)(1) Maintenance of Continuous Opacity Monitoring Equipment: This condition requires monitoring of emissions in terms of 'normal' or 'abnormal'. In order to meet the monitoring requirement of 40 CFR § 70.6 (a)(3)(i)(B) and 40 CFR § 70.6 (c)(1), abnormal opacity needs to be defined in the permit.

### Response 1

The department has included a description of what constitutes 'normal' emissions. This description was unintentionally left out of the condition C.12. The language describing 'normal' emissions is added to this condition as shown below. In this permit, the department intended the use of term 'abnormal' consistent with common practices, that anything that is **not** 'normal' is considered 'abnormal'. Thus, there is no need to define what specifically constitute 'abnormal' emissions.

#### C.12 Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

.....

- (d) Whenever a continuous opacity monitor (COM) is malfunctioning or will be down for calibration, maintenance, or repairs for a period of one (1) hour or more, 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) **For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.**
- (C) **In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.**
- (DB) 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.
- (EG) VE notations may be discontinued once a COM is online or formal Method 9 readings have been implemented.

#### **Comment 2**

Condition D.1.11 (a) Transformer-Rectifier (T-R) Sets: The condition requires to monitor the ESP parameters once per shift. For the condition to meet the monitoring requirements of 40 CFR § 70.6 (a)(3)(i)(B) and 40 CFR § 70.6 (c)(1), duration of a shift needs to be defined in the permit.

#### **Response 2**

The primary function of this permit is to identify applicable requirements that are pertinent to the emissions of air pollutants from this Source. The department does not intend to interfere with the operational practices of the source or their ability to conduct business by defining 'shift'. Therefore, the department has relied on the dictionary meaning of the word 'shift' i.e. "a change from one person .. to another, a group of workers that relieve another on a regular schedule". As already explained the requirement to monitor once per shift is to keep the plant personnel during each shift familiar with the operation of emissions units and control devices in a manner to minimize the emissions of pollutants. No change is made to any permit condition.

#### **Comment 3**

Condition D.5.1 Particulate: The permit does not contain any monitoring or record keeping to demonstrate compliance with the PM emission limits per 40 CFR § 70.6 (a)(3)(i)(B) and 40 CFR § 70.6 (c)(1). The permit should contain requirements to calculate and record the hourly PM emissions.

#### **Response 3**

The limitation in condition D.5.1 applies to the coal handling system consisting of coal storage and handling drop point, coal bunkers and scale exhausts and associated dust collector vents. These are intermittent processes and observation of visible emission notations provides reasonable assurance of compliance for the equipment. Calculating and recording PM emissions can neither be accurate nor are essential in order to demonstrate compliance. Therefore, no change is made to any permit condition.

#### **Comment 4**

Condition D.5.4 Visible Emission Notations: The condition requires to monitor the visible emissions once per shift. For this condition to meet the monitoring requirements of 40 CFR § 70.6 (a)(3)(i)(B) and 40 CFR

§ 70.6 (c)(1), duration of a shift needs to be defined in the permit. Also, for this condition to meet the monitoring requirements of 40 CFR § 70.6 (a)(3)(i)(B) and 40 CFR § 70.6 (c)(1), a Method 9 should be required to demonstrate compliance at least monthly if any visible emissions are observed during any of the observations.

#### **Response 4**

Response 2 above describes the department's position on the definition of 'shift'. The Federal Regulation cited by the commentator does not specifically require the Permittee to perform Method 9 observations if any emissions are observed. The department has required the Permittee to maintain the records of visible emission notations and if any emissions were observed. In addition, the Permittee is required to take reasonable response steps in accordance with the compliance response plan required in Section C of the permit. During the plant inspections and review of the compliance status, these records are analyzed to determine if adequate response steps were taken during times when emissions were observed. Therefore, it provides a reasonable assurance of compliance. No change is needed to any permit conditions.

#### **Comment 5**

An explanation should be included in the summary detailing why the changes did not trigger PSD/NSR or NSPS. These changes include, but not limited to, the installation of the low-NOx burners and the replacement of the boiler tubes.

#### **Response 5**

The department had received an application for a Part 70 Operating Permit from this source on November 21, 1996. Based on the information in this application, the applicability of various State and Federal regulations was evaluated. The outcome of this evaluation was presented as part of the draft permit package in the Technical Support Document (TSD) accompanying the permit. At this time, the department does not have any additional information to change the outcome of the evaluation documented in the TSD. U.S.EPA has issued a Notice of Violation dated March 31, 2004, alleging violations of Prevention of Significant Deterioration and/or Non-attainment New Source Review requirements at Gallagher Generating Station. The department will participate in the subsequent resolution of this matter and will revise the permit in needed. No change is made to any permit condition.

#### **Comment 6**

The Louisville MSA is immediately downwind of this source, and will likely be designated non-attainment for both the 8 hour Ozone and PM 2.5 standard. Therefore, this source should be subject to emission limits and applicable requirements that are protective of human health and the environment, do not significantly contribute to exceedence of any NAAQS, and are comparable to and at least as stringent as the limits and requirements for other similar sources in or near non-attainment areas.

#### **Response 6**

The Part 70 Operating Permit incorporates only existing applicable requirements into the permit. Indiana may develop additional requirements to address the non-attainment status of the area as part of a revised State Implementation Plan (SIP). The department will work closely with various stakeholders to develop and implement the SIP consistent with the regulations and is otherwise protective of health and welfare of the environment.

Upon further review, the department has determined that the following revisions to the permit were necessary.

### Revision 1

A rule cite to the applicable statute is added to the condition B.21 as follows:

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

### Revision 2

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

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

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

### Revision 3

Corrections have been made to Condition C.7 (Stack Height) in order to correctly state which provisions are not federally enforceable.

C.7 Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted. The provisions of **326 IAC 1-7-1(3)**, 326 IAC 1-7-2, 326 IAC 1-7-3(c) and (d), 326 IAC 1-7-4(d), (e), and (f), and 326 IAC 1-7-5(a), (b), and (d) are not federally enforceable.

### Revision 4

In conditions C.9 (c) and C.16, the term 'source' is replaced by 'Permittee' to be consistent with the usage of the same as follows:

C.9 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 ~~source~~ **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.

C.16 Risk Management Plan [326 IAC 2-7-5(12)] [40 CFR 68]

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

### Revision 5

The following revisions were made to the C.19 Emission Statement condition to incorporate the revisions to 326 IAC 2-6 that became effective March 27, 2004. The revised rule was published in the April 1, 2004 Indiana Register

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

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

- (1) Indicate estimated actual emissions of ~~criteria pollutants from the source, in compliance with 326 IAC 2-6 (Emission Reporting)~~ **all pollutants listed in 326 IAC 2-6-4(a);**
- (2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1 (32) (“Regulated pollutant, which is used only for purposes of Section 19 of this rule”) from the source, for purpose of 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).

(eb) 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.

## Revision 6

Condition D.5.3 is revised to exempt the Permittee from watering the coal pile when, due to weather conditions, there is a risk of freezing of equipment as follows:

D.5.3 Particulate Control [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the watering system for the coal storage pile shall be in operation and control emissions as needed when coal is being unloaded. **The Permittee is not required to operate the watering system when due to adverse weather conditions, the watering system may be at risk of freezing.**

## Revision 7

There is a typographic correction in condition D.6.3(a) as shown below.

D.6.3 Fugitive Dust Emission Limitations [326 IAC 6-4-2]

Pursuant to 326 IAC 6-4-2:

(a) Any ash storage pond area generating fugitive dust ~~is~~ shall be in violation of this rule (326

IAC 6-4) if any of the following criteria are violated:

**Revision 8**

In condition D.6.6 (b), further language is added to clarify that the Permittee has the obligation to take reasonable measures to minimize emission during the adverse weather conditions also and any failure to take response steps will be considered a deviation from the permit. This change is as follows:

D.6.6 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

- (a) Visible emission notations of the ash storage pond area(s) shall be performed at least once per day during normal daylight operations. A trained employee shall record whether emissions are normal or abnormal.
- (b) If visible emissions are observed crossing the property line or boundaries of the property, right-of-way, or easement on which the source is located, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. **Adverse weather conditions shall not relieve the Permittee of responsibility to take all reasonable response steps to mitigate fugitive dust formation and transport.** 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.

**Revision 9**

The report form included at the end of the permit does not accurately reflect the calculation for the SO<sub>2</sub> emissions on monthly rolling average. The Permittee has already developed and implemented reporting formats and guidelines to submit information in accordance with the requirements of the applicable regulation. Therefore, the department has deleted this form from the permit as follows:

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

**~~Part 70 Quarterly Report for Use When Combusting Coal~~**

Source Name: \_\_\_\_\_ PSI Energy, Inc. – Gallagher Generating Station  
 Source Address: \_\_\_\_\_ Jackson Street, New Albany, Indiana 47150  
 Mailing Address: \_\_\_\_\_ 1000 East Main Street, Plainfield, Indiana 46168  
 Part 70 Permit No.: \_\_\_\_\_ T043-7244-00004  
 Facility: \_\_\_\_\_ Boilers No. 1, 2, 3, and 4.  
 Parameter: \_\_\_\_\_ Sulfur Dioxide (SO<sub>2</sub>) from coal combustion  
 Limit: \_\_\_\_\_ 4.70 pounds per million Btu heat input

FACILITY: \_\_\_\_\_ YEAR: \_\_\_\_\_

Day	Daily Average Coal Sulfur Content (%)	Daily Average Coal Heat Content (MMBtu/lb)	Coal Consumption (Tons)	Equivalent Sulfur Dioxide Emissions (lbs/MMBtu)		
				This day	Previous 29 days	30 Day Total

1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
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\_\_\_\_\_ No deviation occurred in this quarter.

\_\_\_\_\_ Deviation/s occurred in this quarter.  
\_\_\_\_\_ Deviation has been reported on: \_\_\_\_\_

\_\_\_\_\_ Submitted by: \_\_\_\_\_  
\_\_\_\_\_ Title / Position: \_\_\_\_\_  
\_\_\_\_\_ Signature: \_\_\_\_\_  
\_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_\_ Phone: \_\_\_\_\_

\_\_\_\_\_ Attach a signed certification to complete this report.

### Revision 10

PSI Energy, Inc. – Gallagher Generating Station submitted a Part 1 Maximum Achievable Control Technology (MACT) application under the requirements of Section 112(j) of the Clean Air Act (CAA) (40 CFR 63.50 through 63.56) on May 10, 2002. The Part 1 MACT application indicated that PSI Energy, Inc. – Gallagher Generating Station was subject to Section 112(j) because the source is a major source of hazardous air pollutants and has the following units that could be regulated under the Reciprocating Internal Combustion Engine source category: a vertical fire pump fueled by No. 2 fuel oil and rated at 321 horsepower; and an emergency generator, rated at 500 kilowatts and fired by diesel fuel. Since the final MACT standard for the Reciprocating Internal Combustion Engine source category was signed by the US EPA Administrator on February 26, 2004 and is considered promulgated by the US EPA, PSI Energy, Inc. – Gallagher Generating Station is no longer subject to Section 112(j) for that source category in accordance with 40 CFR 63.50(c). Therefore, no Part 2 MACT Application will be due, and Condition C.24 will be deleted from the permit since it is no longer applicable.

In addition, the vertical fire pump and the emergency generator are not subject to the requirements of the final MACT standard for Reciprocating Internal Combustion Engines, National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE), 40 CFR 63, Subpart ZZZZ. The vertical fire pump is rated at less than 500 brake horsepower; therefore it is not an affected source pursuant to 40 CFR 63.6590. While the site-rating of the emergency generator was not provided in the application, the emergency generator is an existing compression ignition (CI) stationary RICE as well as an existing emergency stationary RICE, as defined by 40 CFR 63.6675. Pursuant to 40 CFR 63.6590(b)(3), there are no applicable requirements from 40 CFR 63, Subpart ZZZZ and 40 CFR 63, Subpart A for existing CI stationary RICE and existing emergency stationary RICE.

### ~~Part 2 MACT Application Submittal Requirement~~

~~C.24 Application Requirements for Section 112(j) of the Clean Air Act [40 CFR 63.52(e)]  
[40 CFR 63.56(a)] [40 CFR 63.9(b)] [326 IAC 2-7-12]~~

~~(a) The Permittee shall submit a Part 2 Maximum Achievable Control Technology (MACT) Application in accordance with 40 CFR 63.52(e)(1). The Part 2 MACT Application shall meet the requirements of 40 CFR 63.53(b).~~

~~(b) Notwithstanding paragraph (a), the Permittee is not required to submit a Part 2 MACT Application if the Permittee no longer meets the applicability criteria of 40 CFR 63.50 by the application deadline in 40 CFR 63.52(e)(1). For example, the Permittee would not have to submit a Part 2 MACT Application if, by the application deadline:~~

~~(1) The source is no longer a major source of hazardous air pollutants, as defined in 40 CFR 63.2;~~

~~(2) The source no longer includes one or more units in an affected source category~~

~~for which the U.S. EPA failed to promulgate an emission standard by May 15, 2002; or~~

~~(3) The MACT standard or standards for the affected source categories included at the source are promulgated.~~

~~(c) Notwithstanding paragraph (a), pursuant to 40 CFR 63.56(a), the Permittee shall comply with an applicable promulgated MACT standard in accordance with the schedule provided in the MACT standard if the MACT standard is promulgated prior to the Part 2 MACT Application deadline or prior to the issuance of permit with a case-by-case Section 112(j) MACT determination. The MACT requirements include the applicable General Provisions requirements of 40 CFR 63, Subpart A. Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than 120 days after the effective date of the MACT, unless the MACT specifies otherwise. The initial notification shall be submitted to:~~

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

~~and~~

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

## Revision 11

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

Source Location Status: **Nonattainment for Ozone under the 8 hour standard**  
Attainment or unclassifiable for all **other** criteria pollutants

and,

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

## County Attainment Status

The source is located in Floyd County.

Pollutant	Status
PM-10	Attainment or unclassifiable
SO <sub>2</sub>	Attainment or unclassifiable
NO <sub>2</sub>	Attainment or unclassifiable
1-hour Ozone	Attainment or unclassifiable
8-hour Ozone	non-attainment
CO	Attainment or unclassifiable
Lead	Attainment or unclassifiable

- (a) Volatile organic compounds (VOC) and Nitrogen Oxides (NO<sub>x</sub>) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NO<sub>x</sub> emissions are considered when evaluating the rule applicability relating to the ozone standards. Floyd County has been designated as nonattainment for the 8-hour ozone standard. Therefore, VOC and NO<sub>x</sub> emissions were reviewed pursuant to the requirements for nonattainment new source review.

## 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. - Gallagher Generating Station  
**Source Location:** Jackson Street, New Albany, Indiana 47150  
**County:** Floyd  
**SIC Code:** 4911  
**Operation Permit No.:** T043-7244-00004  
**Permit Reviewer:** Patrick Burton

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

#### Permitted Emission Units and Pollution Control Equipment

The source consists of the following permitted emission units and pollution control devices:

- (1) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Boiler No. 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Boiler No. 1 was configured with a low NO<sub>x</sub> burner in 1993.
- (2) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Boiler No. 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Boiler No. 2 was configured with a low NO<sub>x</sub> burner in 1993.
- (3) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 3, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Boiler No. 3 has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Boiler No. 3 was configured with a low NO<sub>x</sub> burner in 1993.
- (4) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 4, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Boiler No. 4 has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Boiler No. 4 was configured with a low NO<sub>x</sub> burner in 1993.
- (5) A coal transfer system for Units 1, 2, 3, and 4, with a nominal throughput of 800 tons of coal per hour, construction commenced prior to 1974, with equipment including barge unloading, truck unloading, a coal storage pile, and conveying for all units.

## 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) Equipment powered by internal combustion engines of capacity equal to or less than 500,000 Btu/hour, except where total capacity of equipment operated by one stationary source exceeds 2,000,000 Btu/hour.
- (2) A gasoline fuel transfer and dispensing operation handling less than or equal to 1,300 gallons per day, such as filling of tanks, locomotives, automobiles, having a storage capacity less than or equal to 10,500 gallons.
- (3) A petroleum fuel, other than gasoline, dispensing facility having a storage capacity less than or equal to 10,500 gallons, and dispensing less than or equal to 230,000 gallons per month.
- (4) The following VOC and HAP storage containers:
  - (A) Storage tanks with capacity less than or equal to 1,000 gallons and annual throughput less than 12,000 gallons.
  - (B) Vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids.
- (5) Application of oils, greases, lubricants, or other nonvolatile materials applied as temporary protective coatings.
- (6) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6. [326 IAC 8-3]
- (7) Cleaners and solvents characterized as follows:
  - (A) Having a vapor pressure equal to or less than 2 kPa; 15 mm Hg; or 0.3 psi measured at 38 degrees C (100EF) or;
  - (B) Having a vapor pressure equal to or less than 0.7 kPa; 5mm Hg; or 0.1 psi measured at 20EC (68EF); the use of which for all cleaners and solvents combined does not exceed 145 gallons per 12 months.
- (8) The following equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment.
- (9) Closed loop heating and cooling systems.
- (10) Any of the following structural steel and bridge fabrication activities:
  - (A) Cutting 200,000 linear feet or less of one inch (10) plate or equivalent.
  - (B) Using 80 tons or less of welding consumables.

- (11) Activities associated with the treatment of wastewater streams with an oil and grease content less than or equal to 1% by volume.
- (12) Activities associated with the transportation and treatment of sanitary sewage, provided discharge to the treatment plant is under the control of the owner/operator, that is, an on-site sewage treatment facility.
- (13) Any operation using aqueous solutions containing less than 1% by weight of VOCs, excluding HAPs.
- (14) Water based adhesives that are less than or equal to 5% by volume of VOCs, excluding HAPs.
- (15) Replacement or repair of electrostatic precipitators, bags in baghouses and filters in other air filtration equipment.
- (16) Heat exchanger cleaning and repair.
- (17) Process vessel degreasing and cleaning to prepare for internal repairs.
- (18) Stockpiled soils from soil remediation activities that are covered and waiting transportation for disposal.
- (19) Paved and unpaved roads and parking lots with public access.
- (20) Conveyors as follows: [326 IAC 6-1]
  - (A) Covered conveyor for coal or coke conveying of less than or equal to 360 tons per day;
  - (B) Uncovered coal conveying of less than or equal to 120 tons per day;
  - (C) Underground conveyors.
- (21) Coal bunker and coal scale exhausts and associated dust collector vents.
- (22) Asbestos abatement projects regulated by 326 IAC 14-10.
- (23) Flue gas conditioning systems and associated chemicals such as the following: sodium sulfate; ammonia; and sulfur trioxide.
- (24) Equipment used to collect any material that might be released during a malfunction, process upset, or spill cleanup, including catch tanks, temporary liquid separators, tanks, and fluid handling equipment.
- (25) Blowdown for any of the following: sight glass; boiler; compressors; pumps; and cooling tower.
- (26) On-site fire and emergency response training approved by the department.
- (27) Emergency generators as follows:
  - (A) Gasoline generators not exceeding 110 horsepower.

- (B) Diesel generators not exceeding 1600 horsepower.
- (28) Stationary fire pumps.
- (29) Filter and coalescer media changeout.
- (30) Vents from ash transport systems not operated at positive pressure.
- (31) A laboratory as defined in 326 IAC 2-7-1(21)(D).
- (32) Farm operations.
- (33) Other activities and categories with emissions below insignificant thresholds:
  - (A) One (1) fuel oil storage tank, installed prior to 1973, with a capacity of 100,000 gallons, used to store fuel oil for boiler start-up.

### **Existing Approvals**

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

- (1) OP 22-02-93-0098, issued on May 15, 1989;
- (2) OP 22-02-93-0099, issued on May 15, 1989;
- (3) OP 22-02-93-0100, issued on May 15, 1989;
- (4) OP 22-02-93-0101, issued on May 15, 1989;
- (5) OP 42-01-93-0102, issued on May 15, 1989;
- (5) Administrative Amendment AR 043-10317-00004, issued on March 10, 2003; and
- (6) AR 043-5209-00004, issued on December 31, 1997.

All terms and conditions of previous permits issued pursuant to permitting programs approved into the state implementation plan have been either incorporated as originally stated, revised, or deleted by this permit. All previous registrations and permits are superseded by this permit.

### **Enforcement Issue**

There are no enforcement actions pending.

### **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 21, 1996.

A notice of completeness letter was mailed to the source on January 17, 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	greater than 100
PM-10	greater than 100
SO <sub>2</sub>	greater than 100
VOC	greater than 100
CO	greater than 100
NO <sub>x</sub>	greater than 100

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)
Lead Compounds	greater than 10
All Other HAPs	less than 10 each
TOTAL	greater than 25

- (a) The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of PM-10, SO<sub>2</sub>, VOC, CO and NO<sub>x</sub> are equal to or greater than 100 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.
- (b) The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of any single HAP is equal to or greater than ten (10) tons per year and the potential to emit (as defined in 326 IAC 2-1.1-1(16)) of a combination HAPs is greater than or equal to twenty-five (25) tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.
- (c) Fugitive Emissions  
 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	185
SO <sub>2</sub>	47,559
VOC	50
CO	360
NO <sub>x</sub>	6,677

**County Attainment Status**

The source is located in Floyd County.

Pollutant	Status
PM-10	attainment
SO <sub>2</sub>	attainment/unclassified
NO <sub>2</sub>	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. Floyd County has been designated as attainment or unclassifiable for ozone. Therefore, VOC emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (2) Floyd County has been classified as attainment or unclassifiable for all other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

**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**

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 Part 70 operating 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:

- (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.

#### 40 CFR 60 (New Source Performance Standards)

The four (4) pulverized coal-fired dry bottom boilers, identified as Boiler No. 1, Boiler No. 2, Boiler No. 3, and Boiler No. 4 are not subject to the requirements of the New Source Performance Standard, 326 IAC 12, (40 CFR 60.40 through 60.48c, Subparts D, Da, Db, and Dc, Standards of Performance for Fossil-Fuel-Fired Steam Generators and Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units), because all of the boilers were constructed before August 17, 1971, and have not been modified after that date.

The coal processing is not subject to the requirements of the New Source Performance Standard, 326 IAC 12 (40 CFR 60, Subpart Y, Standards of Performance for Coal Preparation Plants) because the coal processing and conveying equipment, storage systems, and transfer and loading systems were all constructed before October 24, 1974, and have not been modified after that date.

The gasoline and distillate fuel oil storage tanks are not subject to the requirements of the New Source Performance Standard, 326 IAC 12 (40 CFR 60, Subpart K, (Standards of Performance for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction, or Modification Commenced After June 11, 1973, and prior to May 19, 1978) because they were all installed prior to 1973.

The fuel oil storage tank, with a capacity of 100,000 gallon oil tank is not subject to the New Source Performance Standard. 326 IAC 12, (40 CFR 60.110, Subparts K, Ka, or Kb) because the tank was constructed prior to June 11, 1973.

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.

#### 40 CFR 63 (National Emission Standards for Hazardous Air Pollutants)

The requirements of Section 112(j) of the Clean Air Act (40 CFR Part 63.50 through 63.56) are applicable to this source because the source is a major source of HAPs (i.e., the source has the potential to emit 10 tons per year or greater of a single HAP or 25 tons per year or greater of a combination of HAPs) and the source includes one or more units that belong to one or more

source categories affected by the Section 112(j) Maximum Achievable Control Technology (MACT) Hammer date of May 15, 2002.

- (1) This rule requires the source to:
  - (A) Submit a Part 1 MACT Application by May 15, 2002; and
  - (B) Submit a Part 2 MACT Application for each affected source category in accordance with the appropriate Part 2 MACT Application deadline listed in Table 1 to 40 CFR 63, Subpart B for the affected source category.
- (2) The Permittee submitted a Part 1 MACT Application on May 10, 2002.
- (3) Pursuant to 40 CFR 63.56(a), the Permittee shall comply with an applicable promulgated MACT standard in accordance with the schedule provided in the MACT standard if the MACT standard is promulgated prior to the Part 2 MACT Application deadline or prior to the issuance of permit with a case-by-case Section 112(j) MACT determination. The MACT requirements include the applicable General Provisions requirements of 40 CFR 63, Subpart A. Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than 120 days after the effective date of the MACT, unless the MACT specifies otherwise. The MACT and the General Provisions of 40 CFR 63, Subpart A will become new applicable requirements, as defined by 326 IAC 2-7-1(6), that must be incorporated into the Part 70 permit. After IDEM, OAQ receives the initial notification, any of the following will occur:
  - (A) If three or more years remain on the Part 70 permit term at the time the MACT is promulgated, IDEM, OAQ will notify the source that IDEM, OAQ will reopen the permit to include the MACT requirements pursuant to 326 IAC 2-7-9; or
  - (B) If less than three years remain on the Part 70 permit term at the time the MACT is promulgated, the Permittee must include information regarding the MACT in the renewal application, including the information required in 326 IAC 2-7-4(c); or
  - (C) The Permittee may submit an application for a significant permit modification under 326 IAC 2-7-12 to incorporate the MACT requirements. The application may include information regarding which portions of the MACT are applicable to the emission units at the source and which compliance options will be followed.

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

#### **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<sub>2</sub>, CO, VOC, NO<sub>x</sub> and PM<sub>10</sub>. 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 5-1-3 (Temporary Alternative Opacity Limitations)

Energizing an Electrostatic Precipitator (ESP) when the flue gas temperature is below the sulfuric acid dew point can result in damage to the precipitator. Condensation of sulfuric acid in the ESP may cause corrosion. It may also condense on the dust in the unit causing hard deposits which reduce the PM collection efficiency of the ESP. During the ignition of a coal-fired boiler, there is also a risk of a fire or an explosion if the ESP is energized too early. Normal sparking can ignite any combustible gases in the unit. It is not reasonable to require the use of an ESP when the ESP cannot be safely energized. Therefore, less restrictive opacity requirements are commonly applied during startup and shutdown for boilers that rely on ESPs for opacity control.

Most of the old State operating permits for utilities with coal-fired boilers included alternative opacity limits for periods of startup and shutdown. These pre-existing alternative limits, also known as opacity exemptions, were not federally enforceable. The Part 70 operating permits for these sources include federally enforceable Temporary Alternative Opacity Limits (TAOLs). The new TAOLs are established using the Quarterly Excess Opacity Emissions Reports from each source. The State is bound by the provisions in 326 IAC 5-1-3(e) to establish limits which, among other things, "limit the duration and extent of excess emissions to the greatest degree practicable," and "minimize the duration and extent of excess emissions."

### 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 6-4-2(4) is not federally enforceable.

### 326 IAC 6-4-4 (Motor vehicle fugitive dust sources)

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

### 326 IAC 7-3 (Ambient Monitoring)

- (a) The Permittee shall operate continuous ambient sulfur dioxide air quality monitors and a meteorological data acquisition 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)]

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 043-5209-00004 and revision(s) issued for this source.

**State Rule Applicability - Coal-fired Boilers No. 1, No. 2, No. 3, and No. 4**

326 IAC 2-2 (Prevention of Significant Deterioration)

The coal-fired boilers were constructed prior to the applicability dates of the PSD requirements of 326 IAC 2-2.

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

(a) Pursuant to 326 IAC 5-1-3(e) (Temporary Alternative Opacity Limitations), the following applies to Boilers No. 1, No. 2, No. 3, and No. 4 :

- (1) When building a new fire in a boiler, or shutting down a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one (1) hour (ten (10) six (6)-minute averaging periods) or until the flue gas temperature reaches two hundred fifty (250) degrees Fahrenheit, whichever occurs first.
- (2) When shutting down a boiler, opacity may exceed the 40% opacity limitation established in 326 IAC 5-1-2 for a period not to exceed one half (0.5) hour (five (5) six (6)-minute averaging periods).
- (3) Operation of the electrostatic precipitator is not required during these times unless necessary to comply with these limits.
- (4) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods shall not be permitted for more than three (3) six (6)-minute averaging periods in a twelve (12) hour period. [326 IAC 5-1-3(b)]

326 IAC 6-2-3 (Particulate Matter Emissions Limitations for Sources of Indirect Heating)

Pursuant to 326 IAC 6-2-3 (Particulate Matter Emissions Limitations for Sources of Indirect Heating), the PM emissions from Boilers No. 1, No. 2, No. 3, and No. 4 shall each be limited to 0.38 pound per million Btu heat input based on each boiler having a heat input capacity of 1390 million Btu per hour. The limitation was calculated using the following equation:

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

Where C = 50 F/m<sup>3</sup>  
Q = 5,560 MMBtu/hr (capacity of boilers 1-4)  
N = 2 (number of stacks)  
a = 0.8  
h = 550 Feet (average stack height)

Calculations for 326 IAC 6-2-3 PM limit:

$$Pt = \frac{(50) (0.8) (550)}{76.5 (5560^{0.75}) (2^{0.25})}$$

$$\text{Pt} = \frac{22000}{76.5 (643.88) (1.189)} \quad \text{Pt} = \frac{22000}{58,566.35} \quad \text{Pt} = \underline{.38 \text{ lb/MMBtu}}$$

The electrostatic precipitators (ESP) shall be in operation at all times Boilers No. 1, No. 2, No. 3, and No. 4 are in operation, in order to comply with the 0.38 lb/MMBtu PM limit.

#### 326 IAC 10-4 (NO<sub>x</sub> Budget Trading Program)

Pursuant to 326 IAC 10-4-2(16) each of these units is considered an "electricity generating unit (EGU)" because it commenced operation before January 1, 1997, and served a generator during 1995 or 1996 that had a nameplate capacity greater than twenty-five (25) megawatts that produced electricity for sale under a firm contract to the electric grid. Pursuant to 326 IAC 10-4-1(a)(1), an "EGU" is a NO<sub>x</sub> budget unit. Because this source meets the criteria of having one (1) or more NO<sub>x</sub> budget units, it is a NO<sub>x</sub> budget source. The Permittee shall be subject to the requirements of this rule. The NO<sub>x</sub> budget permit is in section F of the Part 70 permit. The Technical Support Document for the NO<sub>x</sub> budget permit is provided as Appendix A to this Technical Support Document.

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

#### State Rule Applicability - Coal Handling and Storage

##### 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes)

Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the particulate emission rate from the coal storage and handling drop points, coal bunkers and scale exhausts, and associated dust collector vents shall not exceed 75 pounds per hour when operating at a process weight of 800 tons/hr, as determined by the following equation:

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

$$E = 55.0 P^{0.11} - 40 \quad \text{where } E = \text{rate of emission in pounds per hour; and} \\ P = \underline{800} \text{ (process weight rate in tons per hour)}$$

$$E = 55.0 P^{0.11} - 40 \\ E = (55.0 \times 800^{0.11}) - 40 \\ E = (55.0 \times 2.086123) - 40 \\ E = 114.736 - 40 \\ \mathbf{E = 75 \text{ lb/hr}}$$

When the process weight exceeds two hundred (200) tons/hour, the maximum allowable emission may exceed 75 pounds per hour, provided the concentration of particulate matter in the discharge gases to the atmosphere is less than 0.10 pounds per one thousand (1,000) pounds of gases.

The baghouses shall be in operation at all times the associated drop point conveyors are in operation, in order to comply with this limit.

#### State Rule Applicability - Insignificant Activities

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

Pursuant to 326 IAC 8-3-2 (Cold Cleaner Operations), 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)

Pursuant to 326 IAC 8-3-5(a) (Cold Cleaner Operations) for a cold cleaner degreaser without remote solvent reservoirs constructed after July 1, 1990, the Permittee shall ensure that the following 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 (38EC) (one hundred degrees Fahrenheit (100EF));
  - (B) The solvent is agitated; or
  - (C) The solvent is heater.
- (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 (38EC) (one hundred degrees Fahrenheit (100EF)), 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 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 (38EC) (one hundred degrees Fahrenheit (100EF)), or if the solvent is heated to a temperature greater than forty-eight and nine-tenths degrees Celsius (48.9EC) (one hundred twenty degrees Fahrenheit (120EF));

- (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 U.S. EPA as a SIP revision.

**326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control)**

Pursuant to 326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control), for a cold cleaning facility construction of which commenced after July 1, 1990, the Permittee 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' start-up fuel oil storage tank because it was 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**

**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.

**Testing Requirements - Coal-Fired Boilers**

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

By December 31 of the second calendar year following the most recent stack test, or within 180 days after issuance of this permit, whichever is later, compliance with the PM limitation in Conditions D.1.1, D.2.1, D.3.1, and D.4.1 shall be determined by a performance stack test conducted using Method 5 or other methods as approved by the Commissioner. This testing shall be repeated by December 31 of every second calendar year following this valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

**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 Permittee, 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 Permittee'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 coal-fired boilers have applicable compliance monitoring conditions as specified below:

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

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

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

- (a) Appropriate response steps shall be taken in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports whenever the opacity exceeds twenty-five percent (25%) for three (3) consecutive six (6) minute averaging periods. In the event of opacity exceeding twenty-five percent (25%), response steps will be taken such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty-five percent (25%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.
- (b) Opacity readings in excess of twenty-five percent (25%) but not exceeding the opacity limit for the unit are not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

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

Whenever the automatic coal sampling system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:

- (a) Fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b). Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.
- (b) If during the life of this permit the Permittee notifies the IDEM that, pursuant to 326 IAC 7-2-1(g), continuous emission monitoring data will be used instead of fuel sampling and analysis, then whenever the SO<sub>2</sub> continuous emission monitoring system is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO<sub>2</sub> emissions:
  - (1) If the CEM system is down for less than eight (8) hours, the Permittee shall substitute an average of the quality-assured data from the hour immediately before and the hour immediately after the missing data period for each hour of missing data.
  - (2) If the CEM system is down for eight (8) hours or more, fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b), except that all samples shall be collected after the bunker. Fuel sample preparation and analysis shall be conducted as specified in 326 IAC 3-7-2(c), 326 IAC 3-7-2(d), and 326 IAC 3-7-2(e). Pursuant to 326 IAC 3-7-3, manual or other non-ASTM automatic sampling and analysis procedures may be used upon a demonstration, submitted to the department for approval, that such procedures provide sulfur dioxide emission estimates representative either of estimates based on coal sampling and analysis procedures specified in 326 IAC 3-7-2 or of continuous emissions monitoring.

These monitoring conditions are necessary to ensure compliance with 326 IAC 5, 326 IAC 6, and 326 IAC 2-7 (Part 70).

- (2) The coal handling and storage system has applicable compliance monitoring conditions as specified below:

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

- (a) Visible emission notations of the coal storage and handling drop points, coal bunkers and scale exhausts, and associated dust collector vents shall be performed once per shift during normal daylight operations. A trained employee shall record whether any emissions are observed.
- (b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation.
- (c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.
- (e) If any emissions are observed from the coal storage and handling drop points, coal

bunkers and scale exhausts, or associated dust collector vents, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions), 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

This monitoring condition are necessary because the process must operate properly to ensure continuous compliance with 326 IAC 5-1 (Opacity Limitations), 326 IAC 6-4, 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. T043-7244-00004**.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
Office of Air Quality

Appendix A to Technical Support Document (TSD):  
Technical Support Document for the NO<sub>x</sub> Budget Permit

**Source Background and Description**

**Source Name:** PSI Energy, Inc. - Gallagher Generating Station  
**Source Location:** Jackson Street, New Albany, Indiana 47150  
**Operated By:** PSI Energy, Inc.  
**Owned By:** PSI Energy, Inc.  
**ORIS Code:** 1008  
**Operation Permit No.:** T043-7244-00004  
**Permit Reviewer for NO<sub>x</sub> Budget Permit:** Rebecca Mason

**NO<sub>x</sub> Budget Permit Application and Rule Applicability**

A complete Nitrogen Oxides (NO<sub>x</sub>) Budget Permit Application for this NO<sub>x</sub> budget source was received on February 25, 2002. The Office of Air Quality (OAQ) has reviewed a NO<sub>x</sub> budget permit application from PSI Energy, Inc. - Gallagher Generating Station under 326 IAC 10-4-7 for the operation of the NO<sub>x</sub> budget source. The NO<sub>x</sub> budget source includes all NO<sub>x</sub> Budget Units at the source, including opt-in units, if applicable. The following units at the source are NO<sub>x</sub> Budget Units:

- (1) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 1, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Boiler No. 1 has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Boiler No. 1 was configured with a low NO<sub>x</sub> burner in 1993.
- (2) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 2, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack A. Boiler No. 2 has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Boiler No. 2 was configured with a low NO<sub>x</sub> burner in 1993.
- (3) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 3, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Boiler No. 3 has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Boiler No. 3 was configured with a low NO<sub>x</sub> burner in 1993.

- (4) One (1) dry bottom, pulverized coal-fired boiler, identified as Boiler No. 4, construction commenced prior to August 17, 1971, with a nominal heat input capacity of 1390 million Btu per hour (MMBtu/hr), with an electrostatic precipitator (ESP) for control of particulate matter, and exhausting to stack B. Boiler No. 4 has continuous emissions monitors (CEMs) for nitrogen oxides (NO<sub>x</sub>) and sulfur dioxide (SO<sub>2</sub>) and a continuous opacity monitor (COM). Boiler No. 4 was configured with a low NO<sub>x</sub> burner in 1993.

Pursuant to 326 IAC 10-4-7, the NO<sub>x</sub> budget permit shall be a complete and segregable portion of the Part 70 permit and the NO<sub>x</sub> budget portion of the Part 70 permit shall be administered in accordance with 326 IAC 2-7, except as provided otherwise by 326 IAC 10-4-7.

### Program Description

On October 27, 1998, the U.S. EPA promulgated final federal rules requiring 22 states and the District of Columbia to submit state implementation plan (SIP) revisions to reduce the regional transport of ozone. The federal rule focused on reducing NO<sub>x</sub> emissions in the affected states. In the federal rule, the U.S. EPA established a NO<sub>x</sub> emission "budget" for each of the affected states and the District of Columbia. The "budget" represents a reduction from emissions in the year 2007 that the U.S. EPA believes will reduce the transport of NO<sub>x</sub> emissions and will assist downwind areas in meeting ozone air quality standards. The states must demonstrate compliance with the "budget" by implementing control measures to reduce NO<sub>x</sub> emissions beginning May 31, 2004. While the rule does not mandate which sources will have to reduce emissions, the rule did provide options that would result in a 65% reduction of NO<sub>x</sub> emissions from utility boilers and a 60% reduction from large industrial (non-utility) boilers and turbines. IDEM developed the NO<sub>x</sub> Budget Trading Program in 326 IAC 10-4 in response to this mandate. The NO<sub>x</sub> reductions that will be achieved by this rule will result in significant air quality improvements throughout the state of Indiana, and will be especially important in those areas of the state where ozone levels exceed or regularly approach state and federal air quality health standards.

The Nitrogen Oxides Budget Trading Program is a regional cap and trade program among all the states subject to the NO<sub>x</sub> SIP call. Electricity generating units (EGUs) and non-electricity generating units (non-EGUs) are allocated allowances for tons of NO<sub>x</sub> that they are allowed to emit during the ozone season. IDEM allocates NO<sub>x</sub> allowances for the affected units, and owners or operators of these units are able to buy, sell, or trade allowances, as necessary, to demonstrate compliance with the unit's NO<sub>x</sub> emissions cap. Because this program is a regional program administered by U.S. EPA, sources are able to buy, sell or trade allowances across state boundaries and between different types of units and sources. More general information about the NO<sub>x</sub> SIP Call can be found at: <http://www.epa.gov/airmarkets/fednox/index.html> and <http://www.in.gov/idem/air/standard/Sip/index.html>.

### 326 IAC 10-4 (NO<sub>x</sub> Budget Trading Program) Requirements

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

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

- (1) Not less than the total NO<sub>x</sub> emissions for the ozone control period from the unit, as determined in accordance with 40 CFR 75 and 326 IAC 10-4-12;
- (2) To account for excess emissions for a prior ozone control period under 326 IAC 10-4-10(k)(5); or
- (3) To account for withdrawal from the NO<sub>x</sub> budget trading program, or a change in regulatory status of a NO<sub>x</sub> budget opt-in unit.

The NO<sub>x</sub> budget units shall be subject to the requirements under 326 IAC 10-4-4(c)(1) starting on May 31, 2004.

- (c) Pursuant to 326 IAC 10-4-4(d), the owners and operators of each NO<sub>x</sub> budget unit that has excess emissions in any ozone control period shall do the following:
  - (1) Surrender the NO<sub>x</sub> allowances required for deduction under 326 IAC 10-4-10(k)(5).
  - (2) Pay any fine, penalty, or assessment or comply with any other remedy imposed under 326 IAC 10-4-10(k)(7).
- (d) Pursuant to 326 IAC 10-4-4(e)(1), unless otherwise provided, the owners and operators of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall keep either on site at the source or at a central location within Indiana for those owners or operators with unattended sources, each of the following documents for a period of five (5) years:
  - (1) The account certificate of representation for the NO<sub>x</sub> authorized account representative for the source and each NO<sub>x</sub> budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 326 IAC 10-4-6(h). The certificate and documents shall be retained either on site at the source or at a central location within Indiana for those owners or operators with unattended sources beyond the five (5) year period until the documents are superseded because of the submission of a new account certificate of representation changing the NO<sub>x</sub> authorized account representative.
  - (2) All emissions monitoring information, in accordance with 40 CFR 75 and 326 IAC 10-4-12, provided that to the extent that 40 CFR 75 and 326 IAC 10-4-12 provide for a three (3) year period for record keeping, the three (3) year period shall apply.
  - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO<sub>x</sub> budget trading program.
  - (4) Copies of all documents used to complete a NO<sub>x</sub> budget permit application and any other submission under the NO<sub>x</sub> budget trading program or to demonstrate compliance with the requirements of the NO<sub>x</sub> budget trading program.

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

- (e) Pursuant to 326 IAC 10-4-4(e)(2), the NO<sub>x</sub> authorized account representative of the NO<sub>x</sub> budget source and each NO<sub>x</sub> budget unit at the source shall submit the reports and compliance certifications required under the NO<sub>x</sub> budget trading program, including those under 326 IAC 10-4-8, 326 IAC 10-4-12, or 326 IAC 10-4-13.

### Monitoring

The NO<sub>x</sub> Budget Trading Program references monitoring and reporting requirements from the Acid Rain program at 40 CFR Part 75. These provisions require, for most sources, the use of continuous emissions monitors (CEMs). A CEM is a system composed of various equipment that continuously measures the amount of nitrogen oxides emitted into the atmosphere in exhaust gases from the NO<sub>x</sub> budget unit's stack.

### NO<sub>x</sub> Emissions Allocations

- (a) Pursuant to 326 IAC 10-4-7(e), this NO<sub>x</sub> budget permit is deemed to incorporate automatically, upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NO<sub>x</sub> allowance to or from the compliance accounts of the NO<sub>x</sub> budget units or the overdraft account of the NO<sub>x</sub> budget source covered by this permit. The allocations for each ozone season and transaction information can be found at: <http://www.epa.gov/airmarkets/tracking/factsheet.html>. In addition, IDEM, OAQ posts proposed allocations prior to submitting them to the U.S. EPA on the following web site: <http://www.in.gov/idem/air/standard/Sip/index.html>.
- (b) The following requirements from 326 IAC 10-4-4(c) apply to NO<sub>x</sub> allowances:
- (1) Each ton of NO<sub>x</sub> emitted in excess of the NO<sub>x</sub> budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.
  - (2) NO<sub>x</sub> allowances shall be held in, deducted from, or transferred among NO<sub>x</sub> allowance tracking system accounts in accordance with 326 IAC 10-4-9 through 11, 326 IAC 10-4-13, and 326 IAC 10-4-14.
  - (3) A NO<sub>x</sub> allowance shall not be deducted, in order to comply with the requirements under 326 IAC 10-4-4(c)(1), for an ozone control period in a year prior to the year for which the NO<sub>x</sub> allowance was allocated.
  - (4) A NO<sub>x</sub> allowance allocated under the NO<sub>x</sub> budget trading program is a limited authorization to emit one (1) ton of NO<sub>x</sub> in accordance with the NO<sub>x</sub> budget trading program. No provision of the NO<sub>x</sub> budget trading program, the NO<sub>x</sub> budget permit application, the NO<sub>x</sub> budget permit, or an exemption under 326 IAC 10-4-3 and no provision of law shall be construed to limit the authority of the U.S. EPA or IDEM, OAQ to terminate or limit the authorization.

- (5) A NO<sub>x</sub> allowance allocated under the NO<sub>x</sub> budget trading program does not constitute a property right.
- (6) Upon recordation by the U.S. EPA under 326 IAC 10-4-10, 326 IAC 10-4-11, or 326 IAC 10-4-13, every allocation, transfer, or deduction of a NO<sub>x</sub> allowance to or from a NO<sub>x</sub> budget unit's compliance account or the overdraft account of the source where the unit is located is deemed to amend automatically, and become a part of, this NO<sub>x</sub> budget permit of the NO<sub>x</sub> budget unit by operation of law without any further review.

### **Other Record Keeping and Reporting Requirements**

Pursuant to 326 IAC 10-4-7(g), except as provided in 326 IAC 10-7-4(e), IDEM, OAQ shall revise the NO<sub>x</sub> budget permit, as necessary, in accordance with the permit modification and revision provisions under 326 IAC 2-7.

Pursuant to 326 IAC 10-4-7(b)(1)(C), for permit renewal, the NO<sub>x</sub> authorized account representative shall submit a complete NO<sub>x</sub> budget permit application covering the NO<sub>x</sub> budget units at the source in accordance with 326 IAC 2-7-4(a)(1)(D) with the Part 70 permit renewal.

### **Submissions**

The NO<sub>x</sub> authorized account representative for each NO<sub>x</sub> budget source on behalf of which a submission is made must sign and certify every report or other submission required by the NO<sub>x</sub> budget permit. The NO<sub>x</sub> authorized account representative must include the following certification statement in every submission: "I am authorized to make this submission on behalf of the owners and operators of the NO<sub>x</sub> budget sources or NO<sub>x</sub> budget units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

### **Recommendation**

The staff recommends to the Commissioner that the NO<sub>x</sub> budget permit be approved.

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

### **Additional Information**

Questions regarding the NO<sub>x</sub> budget permit can be directed to Rebecca Mason at the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ), 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana 46206-6015 or by telephone at (317) 233-9664 or toll free at 1-800-451-6027 extension 3-9664.

The source will be inspected by IDEM's compliance inspection staff. Persons seeking to obtain information regarding the source's compliance status or to report any potential violation of any permit condition should contact Dan Hancock at the Office of Air Quality (OAQ) address or by

telephone at (317) 232-8429 or toll free at 1-800-451-6027 extension 2-8429.

Copies of the Code of Federal Regulations (CFR) referenced in the permit may be obtained from:

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

or

The Government Printing Office  
Washington, D.C. 20402

or

on the Government Printing Office web site at  
<http://www.access.gpo.gov/nara/cfr/index.html>