

**CONSTRUCTION PERMIT
OFFICE OF AIR MANAGEMENT**

General Electric Company
One Lexan Lane, Mt. Vernon, Indiana 47620-9364

is hereby authorized to construct

a plastic sheet coating operation, identified as FMR II.
This FMR II will replace an existing coating process of different type of coating application.

Raw materials used, rates of these raw materials and method of coating for both the existing and new process are considered as confidential information.

This permit is issued to the above mentioned company (herein known as the Permittee) under the provisions of 326 IAC 2-1 and 40 CFR 52.780, with conditions listed on the attached pages.

Construction Permit No.: CP-129-8316-00002	
Issued by: Paul Dubenetzky, Branch Chief Office of Air Management	Issuance Date:

Construction Conditions

General Construction Conditions

1. That the data and information supplied with the application shall be considered part of this permit. Prior to any proposed change in construction which may affect allowable emissions, the change must be approved by the Office of Air Management (OAM).
2. That this permit to construct does not relieve the Permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.

Effective Date of the Permit

3. That pursuant to IC 13-15-5-3, this permit becomes effective upon its issuance.
4. That pursuant to 326 IAC 2-1-9(b)(Revocation of Permits), the Commissioner may revoke this permit if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.
5. That notwithstanding Construction Condition No. 6, all requirements and conditions of this construction permit shall remain in effect unless modified in a manner consistent with procedures established for modifications of construction permits pursuant to 326 IAC 2 (Permit Review Rules).

First Time Operation Permit

6. That this document shall also become a first-time operation permit pursuant to 326 IAC 2-1-4 (Operating Permits) when, prior to start of operation, the following requirements are met:
 - (a) The attached affidavit of construction shall be submitted to the Office of Air Management (OAM), Permit Administration & Development Section, verifying that the facilities were constructed as proposed in the application. The facilities covered in the Construction Permit may begin operating on the date the Affidavit of Construction is postmarked or hand delivered to IDEM.
 - (b) If construction is completed in phases; i.e., the entire construction is not done continuously, a separate affidavit must be submitted for each phase of construction. Any permit conditions associated with operation start up dates such as stack testing for New Source Performance Standards (NSPS) shall be applicable to each individual phase.
 - (c) Permittee shall receive an Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section and attach it to this document.
 - (d) The operation permit will be subject to annual operating permit fees pursuant to 326 IAC 2-7-19 (Fees).
 - (e) The Permittee has submitted their Part 70 application (T-129-6794-00002) on October 2, 1996 for the existing source. The equipment being reviewed under this permit shall be incorporated in the submitted Part 70 application.
7. That when the facility is constructed and placed into operation the following operation conditions

shall be met:

Operation Conditions

General Operation Conditions

1. That the data and information supplied in the application shall be considered part of this permit. Prior to any change in the operation which may result in an increase in allowable emissions exceeding those specified in 326 IAC 2-1-1 (Construction and Operating Permit Requirements), the change must be approved by the Office of Air Management (OAM).
2. That the Permittee shall comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder.

Preventive Maintenance Plan

3. That pursuant to 326 IAC 1-6-3 (Preventive Maintenance Plans), the Permittee shall prepare and maintain a preventive maintenance plan, including the following information:
 - (a) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices.
 - (b) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions.
 - (c) Identification of the replacement parts which will be maintained in inventory for quick replacement.

The preventive maintenance plan shall be submitted to IDEM, OAM upon request and shall be subject to review and approval.

Transfer of Permit

4. That pursuant to 326 IAC 2-1-6 (Transfer of Permits):
 - (a) In the event that ownership of this FMR II is changed, the Permittee shall notify OAM, Permit Branch, within thirty (30) days of the change. Notification shall include the date or proposed date of said change.
 - (b) The written notification shall be sufficient to transfer the permit from the current owner to the new owner.
 - (c) The OAM shall reserve the right to issue a new permit.

Permit Revocation

5. That pursuant to 326 IAC 2-1-9(a)(Revocation of Permits), this permit to construct and operate may be revoked for any of the following causes:
 - (a) Violation of any conditions of this permit.
 - (b) Failure to disclose all the relevant facts, or misrepresentation in obtaining this permit.

- (c) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of this permit shall not require revocation of this permit.
- (d) Noncompliance with orders issued pursuant to 326 IAC 1-5 (Episode Alert Levels) to reduce emissions during an air pollution episode.
- (e) For any other cause which establishes in the judgment of IDEM, the fact that continuance of this permit is not consistent with the purposes of 326 IAC 2-1 (Permit Review Rules).

Availability of Permit

6. That pursuant to 326 IAC 2-1-3(l), the Permittee shall maintain the applicable permit on the premises of this source and shall make this permit available for inspection by the IDEM, (local agency if applicable) or other public official having jurisdiction.

Malfunction Condition

7. That pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

- (a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Management (OAM) or appointed representative upon request.
- (b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAM, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.
- (c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).
- (d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

Annual Emission Reporting

8. (a) That pursuant to 326 IAC 2-6 (Emission Reporting), the Permittee must annually submit an emission statement for the source. This statement must be received by July 1 of each year and must comply with the minimum requirements specified in 326 IAC 2-6-4.
- (b) The annual statement must be submitted to:

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

- (c) The annual emission statement covers the twelve (12) consecutive month time period starting January 1 and ending December 31.

PSD Minor Modification Limit

- 9. (a) That the input volatile organic compound (VOC) of the FMR II shall be limited to 780 tons per 365-day period, rolled on a daily basis. This production limitation, with a VOC overall control efficiency of 95%, is equivalent to 39 tons of VOC emissions per 365-day period, rolled on a daily basis. Therefore, the Prevention of Significant Deterioration (PSD) rules, 326 IAC 2-2 and 40 CFR 52.21, will not apply.
- (b) This VOC input limitation will also satisfies the BACT requirement under 326 IAC 8-1-6 (New Facilities, General Reduction Requirements).
- (c) During the first 365 days of operation, the VOC in the input material used are subject to a cumulative usage limit, such that the:
 - (i) limit on the first day shall be 2.14 tons of VOC,
 - (ii) limit shall increase each day by 2.14 tons, and
 - (iii) limit total input VOC shall be 780 tons on the 365th day of the operation.
- (d) Any change or modification which may increase the allowable VOC emissions to 40 tons per year from FMR II shall obtain a PSD permit pursuant to 326 IAC 2-2 before such change may occur.
- (e) The Permittee shall monitor and record the identity of the boiler(s) to which the VOC are sent and the operating temperature of such boiler(s).

BACT Control Requirement

- 10. That when a VOC based coating is applied at the FMR II operation, the following conditions shall apply:
 - (a) Pursuant to 326 IAC 8-1-6, the Erie Boiler, rated at 249 MMBTU/hour and/or the Riley Boiler, rated 192.4 MMBTU/hour, shall operate at all times that the FMR II is operating using VOC based coating.
 - (b) When operating, the boilers shall maintain a minimum operating temperature of 1,400° F or a temperature determined in the compliance tests (described in Operation Condition 11) to maintain a minimum 98% destruction of the VOC captured at a minimum of 97%.

Performance Testing

- 11. That pursuant to 326 IAC 2-1-3 (Construction and Operating Permit Requirements) compliance stack tests shall be performed to comply with Operation Condition Nos. 9 and 10 of this permit, within 60 days after achieving maximum production rate, but no later than 180 days after initial start-up. These tests shall be performed according to 326 IAC 3-2.1 (Source Sampling Procedures) using the methods specified in the rule or as approved by the Commissioner.
 - (a) A test protocol shall be submitted to the OAM, Compliance Data Section, 35 days in advance of the test.
 - (b) The Compliance Data Section shall be notified of the actual test date at least two (2) weeks prior to the date.

- (c) All test reports must be received by the Compliance Data Section within 45 days of completion of the testing.
- (d) When the results of the stack test performed exceed the level specified in this permit, the Permittee shall take appropriate corrective actions. The Permittee shall submit a description of these corrective actions to IDEM, OAM, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize emissions from the affected facility while the corrective actions are being implemented. IDEM, OAM shall notify the Permittee within thirty (30) days, if the corrective actions taken are deficient. The Permittee shall submit a description of additional corrective actions taken to IDEM, OAM within thirty (30) days of receipt of the notice of deficiency. IDEM, OAM reserves the authority to use enforcement activities to resolve noncompliant stack tests.
- (e) 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, OAM that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAM may extend the retesting deadline. Failure of the second test to demonstrate compliance with the appropriate permit conditions may be grounds for immediate revocation of the permit to operate the affected facility.
- (f) The Permittee, in lieu of (d) and (e), may request that the VOC input limit specified in Operation Condition No. 9(a) be adjusted to reflect the actual overall VOC control demonstrated during the stack test using the following equation:

$$\text{VOC input} = \frac{39 \text{ tons/year}}{[1 - (\text{Capture Efficiency})(\text{Destruction Efficiency})]}$$

The Commissioner shall evaluate such request.

Reporting Requirements

12. That a log of information necessary to document compliance with Operation Condition Nos. 9 and 10 of this permit shall be maintained. These records shall be kept for at least the past 36 month period and made available upon request to the Office of Air Management (OAM).

- (a) A quarterly summary shall be submitted to:

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

within thirty (30) calendar days after the end of the quarter being reported in the format attached. These records shall include the coating, thinner and clean up solvent usage, material safety data sheet (MSDS) and the date of use.

- (b) Unless otherwise specified in this permit, any notice, report, or other submissions required by this permit shall be timely if:
 - (i) Postmarked on or before the date it is due; or

- (ii) Delivered by any other method if it is received and stamped by IDEM, OAM, on or before the date it is due.
- (c) All instances of deviations from any requirements of this permit must be clearly identified in such reports.
- (d) Any corrective actions taken as a result of an exceedance of a limit, an excursion from the parametric values, or a malfunction that may have caused excess emissions must be clearly identified in such reports.
- (e) The first report shall cover the period commencing the postmarked submission date of the Affidavit of Construction.

Indiana Department of Environmental Management Office of Air Management

Technical Support Document (TSD) for New Construction and Operation

Source Background and Description

Source Name: General Electric Company
 Source Location: One Lexan Lane, Mount Vernon, Indiana 47620-9364
 County: Posey
 Construction Permit No.: CP-129-8316-00002
 SIC Code: 3081
 Permit Reviewer: Iryn Calilung

The Office of Air Management (OAM) has reviewed an application from General Electric Company relating to the construction and operation of a plastic sheet coating operation, identified as FMR II. This FMR II will replace an existing coating process of a different type of coating application.

General Electric Company requested that raw materials used, rates of these raw materials and method of coating application for both the existing and new processes be considered confidential information. Two (2) existing boilers rated at 249 million (MM)BTU/hour and 192.4 MMBTU/hour will be used as VOC controls to fulfill the Best Available Control Technology (BACT) requirement. these two (2) boilers are already used to control the VOC emissions from the existing process that is being replaced by FMR II, therefore, there are no expected exceedance in the operation of the two (2) boilers.

An interim construction approval for this operation was issued on April 21, 1997.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (°F)
09-002	-	250	7.5	225,000	300
09-106	-	55	5.67	65,000	400
10-199	-	23.5	1.3x1.75	NA	150

Recommendation

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

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

An application for the purposes of this review was received on March 14, 1997, with additional information received on May 6, 1997 and July 28, 1997.

Emissions Calculations

See Appendix A (Emissions Calculation Spreadsheets) for detailed calculations (2 pages). These spreadsheets are considered confidential materials.

Total Potential and Allowable Emissions

Indiana Permit Allowable Emissions Definition (after compliance with applicable rules, based on 8,760 hours of operation per year at rated capacity):

Pollutant	Allowable Emissions (tons/year)	Potential Emissions (tons/year)
Particulate Matter (PM)	-	-
Particulate Matter (PM10)	-	-
Sulfur Dioxide (SO ₂)	-	-
Volatile Organic Compounds (VOC)	39	244
Carbon Monoxide (CO)	-	-
Nitrogen Oxides (NO _x)	-	-
Single Hazardous Air Pollutant (HAP)	-	21
Combination of HAPs	-	21

- (a) Allowable emissions are determined from the applicability of rule 326 IAC 2-2 (PSD).
- (b) The allowable emissions based on the rules cited are less than the potential emissions, therefore, the allowable emissions are used for the permitting determination.
- (c) Allowable emissions (as defined in the Indiana Rule) of VOC are greater than 25 tons per year. Therefore, pursuant to 326 IAC 2-1, Sections 1 and 3, a construction permit is required.
- (d) Allowable emissions (as defined in the Indiana Rule) of a single hazardous air pollutant (HAP) are greater than 10 tons per year and/or the allowable emissions of any combination of the HAPs are greater than 25 tons per year. Therefore, pursuant to 326 IAC 2-1, a construction permit is required.
- (e) Pursuant to the IDEM's Policy on Air Toxic Rules, dated December 13, 1995, IDEM will not enforce the provisions of 326 IAC 2-1-1(b)(1)(H), as adopted by the Air Board on March 10, 1994. This means that modification of a major source of HAPs which will increase the allowable emissions of any one (1) HAP by 4 tons per year or any combination of HAPs by 10 tons per year will not be required to obtain a construction permit. The Policy is in effect immediately and will continue to be in effect until the effective date of amendments to Indiana's rule for new and modified sources of HAPs. This Policy may be extended or modified at IDEM's discretion.

However, this construction permit is required because of the requirements of 326 IAC 2-1, Sections 1 and 3.

County Attainment Status

- (a) Volatile organic compounds (VOC) and oxides of nitrogen are precursors for the formation of ozone. Therefore, VOC and NO_x emissions are considered when evaluating the rule applicability relating to the ozone standards. Posey County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NO_x emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2

and 40 CFR 52.21.

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

Source Status

Existing Source PSD, Part 70 or FESOP Definition (emissions after controls, based on 8,760 hours of operation per year at rated capacity and/ or as otherwise limited):

Pollutant	Emissions (ton/yr)
PM	523
PM10	-
SO ₂	26746
VOC	2482
CO	1145
NO _x	7837

- (a) This existing source is a major stationary source because at least one attainment regulated pollutant is emitted at a rate of 250 tons per year.
- (b) These emissions data were based on the OAM AIRS Facility Quick Look Report, dated September 18, 1996. This information is used for PSD major source determination only and not to be taken as emission limitations.

Proposed Modification

PTE from the proposed modification (based on 8,760 hours of operation per year at rated capacity including enforceable emission control and production limit, where applicable):

Pollutant	PM (ton/yr)	PM10 (ton/yr)	SO ₂ (ton/yr)	VOC (ton/yr)	CO (ton/yr)	NO _x (ton/yr)
Proposed Modification	-	-	-	39	-	-
Contemporaneous Increases	-	-	-	-	-	-
Contemporaneous Decreases	-	-	-	-	-	-
Net Emissions	-	-	-	39	-	-
PSD or Offset Significant Level	25	15	40	40	100	40

- (a) This modification to an existing major stationary source is not major because the emissions increase is less than the PSD significant levels. Therefore, pursuant to 326 IAC 2-2, and 40 CFR 52.21, the PSD requirements do not apply.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

This existing source has submitted their Part 70 (T-129-6794-00002) application on October 2, 1996. The FMR II being reviewed under this permit shall be incorporated in the submitted Part 70 application.

Federal Rule Applicability

- (a) There are no New Source Performance Standards (326 IAC 12) and 40 CFR Part 60 applicable to this facility.
- (b) 40 CFR Part 60, Subpart III (Standards of Performance for VOC From The Synthetic Organic Chemical Manufacturing Industry (SOCMI) Air Oxidation Processes) : This FMR II is not subject to this federal rule because it is a plastic sheeting coating operation, and not a facility that produces chemical products as specified in the applicability of the rule.
- (c) There are no NESHAP 40 CFR Part 63 applicable to this facility.

State Rule Applicability

- 1. 326 IAC 2-6 (Emission Reporting)
This source is subject to 326 IAC 2-6 (Emission Reporting), because the source emits more than 100 tons/yr of VOC. Pursuant to this rule, the owner/operator of this facility must annually submit an emission statement of the facility. The annual statement must be received by July 1 of each year and must contain the minimum requirements as specified in 326 IAC 2-6-4.
- 2. 326 IAC 2-2 (PSD)
The VOC emissions from the plastic sheet coating operation, identified as FMR II will be limited at 39 tons/year, therefore, 326 IAC 2-2 (PSD) will not apply.

The calculation below show the VOC input limitation equivalent to the 39 tons/year:

- (a) Destruction Efficiency at 98% and Capture Efficiency at 97% (see BACT conclusion below for details).
- (b)
$$\text{VOC input} = \frac{\text{VOC limit tons/yr}}{[1-(\text{Cap \%})(\text{Des \%})]}$$
$$\text{VOC input} = \frac{39 \text{ tons/yr}}{(1-(0.97)(0.98])}$$
$$\text{VOC input} = 780 \text{ tons/yr}$$

- 3. 326 IAC 8-1-6 (General Reduction, New Facilities)
 - (a) BACT analysis submitted by General Electric Company has been performed in

accordance with Draft "Top Down: BACT Analysis Guidance" US EPA, Office of Air Quality Planning Standards, March 15, 1990. The analysis consists of the use of the following:

- (i) On-line search of the BACT/LAER Clearinghouse;
 - (ii) Permit Engineers from IDEM, OAM and Region 5 US EPA; and
 - (iii) Permits from other regulatory agencies.
- (b) The following most recently issued permits of that has similar operation have been used for BACT analysis, comparison and determination.
- (i) Rexam Industries, Lancaster, SC
 - (ii) Screen Art, Knoxville, TN
 - (iii) Tech Industries, RI
 - (iv) Toyota Motor Manufacturing, Georgetown, KY
- (c) The table below summarizes the BACT analysis submitted by General Electric Company:

Control technology	Technical Feasibility	Economical Feasibility	
		Total Annual Cost (\$/yr)	Total Cost per ton removed (\$/ton)
On-site Boilers (249 and 192.4 MMBTU/hour)	These 2 on-site boilers are existing and being used for the other existing coating lines. The proposed control efficiency will be 95%, with 97% capture efficiency and 98% destruction efficiency.	0 (since the 2 boilers are existing)	
Carbon Adsoption	These 3 options are technically feasible and comparable to the 3 existing boilers in terms of VOC destruction, but since the 3 boilers are existing and have been used to control VOC on the existing coating operation, the use of the boilers will be chosen as the BACT option.	552,862	1,498
Catalytic Incinerator		803,742	2,177
Thermal Incinerator		877,309	2,377
Condensation Control	This is not technically feasible because of the presence of multiple VOCs and the very low boiling points of these VOCs.	Since, this is not technically feasible, no cost analysis was made.	
<p>BACT Conclusion:</p> <p>(a) The VOC potential emissions from the plastic sheet coating operation are approximately 244 tons/year. Two (2) existing boilers (rated at 249 and 192.4 MMBTU/hour) will be used for VOC controls. At the same the VOC emissions are limited at 39 tons/year, such that 326 IAC 2-2 (PSD) will not apply. The 39 ton/year VOC limit will also satisfy the 326 IAC 8-1-6 BACT requirements.</p> <p>(b) Also, the method of coating application should also be considered as the BACT option. (Note: The method of coating application has been requested by General Electric Company to be confidential information.)</p>			

4. 326 IAC 6-3 (Process Operations)

Based on the method of coating application used in the FMR II, there is no PM overspray. Therefore, this rule does not apply.

(Note: The method of coating application has been requested by General Electric Company to be confidential information.)

Air Toxic Emissions

Indiana presently requests applicants to provide information on emissions of the 187 hazardous air pollutants set out in the Clean Air Act Amendments of 1990. These pollutants are either carcinogenic or otherwise considered toxic and are commonly used by industries. They are listed as air toxics on the Office of Air Management (OAM) Construction Permit Application Form Y.

- (a) This FMR II is not subject to 326 IAC 2-1-3.4 (New Air Toxic Rules), because it is a modification (replacing an existing coating operation of different method of spray application) to an existing permitted coating line.
- (b) The spreadsheet for detailed air toxic calculations (1 page) has been considered as confidential information.

Conclusion

The construction of this plastic sheet coating operation, identified as FMR II, will be subject to the conditions of the attached proposed **Construction Permit No. CP-129-8316-00002**.

Indiana Department of Environmental Management Office of Air Management

Addendum to the Technical Support Document for New Construction and Operation

Source Background and Description

Source Name:	General Electric Company
Source Location:	One Lexan Lane, Mount Vernon, Indiana 47620-9364
County:	Posey
Construction Permit No.:	CP-129-8316-00002
SIC Code:	3081
Permit Reviewer:	Iryn Calilung

On August 27, 1997, the Office of Air Management (OAM) had a notice published in the Mount Vernon Democrat, Mount Vernon, Indiana, stating that General Electric Company had applied for a construction permit to construct and operate a plastic sheet coating operation, identified as FMR II. The notice also stated that OAM proposed to issue a permit for this installation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

On September 26, 1997, General Electric Company submitted comments on the proposed construction permit. Additional comment was submitted on October 8, 1997. The summary of the comments and corresponding responses is as follows:

Comment 1. General Electric Company commented that Operation Condition No. 5: Permit Revocation, item (e) which was originally written as follows:

(e) For any cause which establishes in the judgment of IDEM, the fact that continuance of this permit is not consistent with purposes of 326 IAC 2-1 (Permit Review Rules).

should be changed to the following to reflect the actual language of the rule (changes are bolded for emphasis):

(e) For any **other** cause which establishes in the judgment of IDEM, the fact that continuance of this permit is not consistent with **the** purposes of 326 IAC 2-1 (Permit Review Rules).

Response 1: The Operation Condition No. 5, item (e) is revised as indicated.

Comment 2: General Electric Company commented that Operation Condition No. 7: Malfunction Condition should specify the correct rule citation, which is 326 IAC 2-7-16.

Operation Condition No. 7 was originally written as follows:

That pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

Response 2: 326 IAC 2-7-16 is the rule citation for Emergency Provision. 326 IAC 2-7 rules that are

applicable to the source will be incorporated when the TV application of the source is reviewed. Operation Condition No. 7 specified the requirements under the Malfunction requirements, therefore, the rule citation will not be changed.

Comment 3: General Electric Company commented that Operation Condition No. 9: PSD Minor Modification Limit, item (a) which was originally written as follows:

- (a) That the input volatile organic compound (VOC) of the FMR II shall be limited to 780 tons per 365-day period, rolled on a daily basis. This production limitation, with a VOC overall control efficiency of 95%, is equivalent to 39 tons of VOC emissions per 365-day period, rolled on a daily basis. Therefore, the Prevention of Significant Deterioration (PSD) rules, 326 IAC 2-2 and 40 CFR 52.21, will not apply.

should be changed to include the actual VOC usage of FMR II for the past two (2) years, since FMR II is a replacement of an existing coating process of a different kind of coating application. The average VOC usage for the past 2 years (1995 -1996) was 53.8 tons/year. Since the original FMR was also controlled by the same boilers, then the actual emissions are tons/year. See calculations below:

$$\begin{aligned} \text{Actual VOC emissions} &= (\text{Actual VOC usage}) * [1 - \text{Cap\%}] * (\text{Des \%}) \\ \text{Actual VOC emissions} &= (53.8 \text{ tons/yr}) * [1 - (0.97)] * (0.98) \\ &= 2.66 \text{ tons/year} \end{aligned}$$

Response 3: If the actual emissions of the original FMR will be accounted in this new FMR II, the contemporaneous increases and decreases of the source shall also be evaluated to determine that the proposed construction is a minor modification to the existing major source.

After discussion with General Electric Company, they decided that it is better to leave the VOC limit as it was proposed. Therefore, Operation Condition No. 9: PSD Minor Modification Limit will not change.

Comment 4: General Electric Company commented that Operation Condition No. 9: PSD Minor Modification Limit, item (c) which was originally written as follows:

- (c) During the first 365 days of operation, the input material usage shall be limited such that the total usage divided by the accumulated days of operation shall not exceed the limit specified.

should be changed as follows to reflect the correct daily limit for the first 365 days of operation (changes are bolded for emphasis):

- (c) During the first 365 days of operation, the **VOC in the** input material **used** are **subject to a cumulative usage limit, such that the:**
- (i) **limit on the first day shall be 2.14 tons of VOC,**
(note: VOC = (780 tons/year)*(1 year/365 days) = 2.14 tons/day)
 - (ii) **limit shall increase each day by 2.14 tons, and**
 - (iii) **limit total input VOC shall be 780 tons on the 365th day of the**

operation.

Response 4: Operation Condition No. 9, item (c) is revised as indicated.

Comment 5: General Electric Company suggested that the following requirement be added in Operation Condition No. 9: PSD Minor Modification Limit, as item (e):

(e) The Permittee shall monitor and record the identity of the boiler(s) to which the VOC are sent and the operating temperature of such boiler(s).

Response 5: This new requirement will be added in the final permit as suggested.

Comment 6: General Electric Company suggested that the following sentence shall be added as the first sentence of Operation Condition No. 10: BACT Control Requirement for clarification:

10. That when a VOC based coating is applied at the FMR II operation, the following conditions shall apply:

Response 6: The sentence is added in the final permit as suggested.

Comment 7: General Electric Company commented that Operation Condition No. 10: BACT Control Requirement, item (a), which was written as follows:

(a) That pursuant to 326 IAC 8-1-6, the two (2) boilers, rated at 249 MMBTU/hour and 192.4 MMBTU/hour, shall operate at all times that the FMR II is operated.

shall identify the two (2) boilers not just by their ratings, but also by their models, as follows:

(a) Pursuant to 326 IAC 8-1-6, the **Erie Boiler**, rated at 249 MMBTU/hour and/or the **Riley Boiler**, rated 192.4 MMBTU/hour, shall operate at all times that the FMR II is operating using VOC based coating.

Response 7: Operation Condition No. 10, item (a) is revised as indicated.

Comment 8: General Electric Company indicated that the minimum captured efficiency of the VOC control (1 boilers) as BACT requirements shall not be indicated in the Operation Condition No. 10, item (b), which was written as follows:

(b) When operating, the boilers shall maintain a minimum operating temperature of 1,400° F or a temperature determined in the compliance tests (described in Operation Condition 11) to maintain a minimum 98% destruction of the VOC captured at a minimum of 97%.

Response 8: It is necessary not only to indicate the destruction efficiency of the VOC control, but also the capture efficiency of the control device, because these two (2) efficiencies were used to determine the VOC input limit used to avoid PSD review. Therefore, Operation Condition No. 10, item (b) will not change.

Comment 9: General Electric Company suggested some minor changes in Operation Condition 11: Performance Testing, items (d) and (e), for clarification purposes, which were originally written as follows:

- (d) Whenever the results of the stack test performed exceed the level specified in this permit, appropriate corrective actions shall be implemented within thirty (30) days of receipt of the test results. These actions shall be implemented immediately unless notified by OAM that they are acceptable. The Permittee shall minimize emissions while the corrective actions are being implemented.
- (e) Whenever the results of the stack test performed exceed the level specified in this permit, a second test to demonstrate compliance shall be performed within 120 days. Failure of the second test to demonstrate compliance may be grounds for immediate revocation of this permit to operate the affected facility.

The suggested changes with changes also initiated by OAM are as follows (changes are bolded for emphasis):

- (d) **When the results of the stack test performed exceed the level specified in this permit, the Permittee shall take appropriate corrective actions. The Permittee shall submit a description of these corrective actions to IDEM, OAM, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize emissions from the affected facility while the corrective actions are being implemented. IDEM, OAM shall notify the Permittee within thirty (30) days, if the corrective actions taken are deficient. The Permittee shall submit a description of additional corrective actions taken to IDEM, OAM within thirty (30) days of receipt of the notice of deficiency. IDEM, OAM reserves the authority to use enforcement activities to resolve noncompliant stack tests.**
- (e) **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, OAM that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAM may extend the retesting deadline. Failure of the second test to demonstrate compliance with the appropriate permit conditions may be grounds for immediate revocation of the permit to operate the affected facility.**

Response 9: Operation Condition No. 11, Items (d) and (e) are revised.

Comment 10: General Electric Company suggested that the following requirement be added in Operation Condition 11, as item (f):

- (f) **The Permittee, in lieu of (d) and (e), may request that the VOC input limit specified in Operation Condition No. 9(a) be adjusted to reflect the actual overall VOC control demonstrated during the stack test using the**

following equation:

$$\text{VOC input} = \frac{39 \text{ tons/year}}{[1 - (\text{Capture Efficiency})(\text{Destruction Efficiency})]}$$

The Commissioner shall evaluate such request.

Response 10: The above mentioned requirement will be added in the final permit as suggested.

Due to addition of operating conditions, the final construction permit has increased from 9 pages to 10 pages.