City of Indianapolis
DPW
Department of Public Works
Bart Peterson, Mayor

TO: Interested Parties / Applicant

DATE: June 30, 2006

RE: Indianapolis Power & Light Company – Harding Street Station/ T097-6566-00033

FROM: Felicia A. Robinson
Manager of Environmental Planning

Notice of Decision: Approval

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 on July 3, 2006, 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).

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

Department of Public Works
Office of Environmental Services
2700 Belmont Avenue
Indianapolis, IN 46221
317-327-2234
Fax 327-2274
TDD 327-5186
indygov.org/dpw

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

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

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

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

If you have technical questions regarding the enclosed documents, please contact the Indianapolis Office of Environmental Services, Air Permits at (317) 327-2234.

Enclosures

City of Indianapolis DPW Department of Public Works
Bart Peterson, Mayor

PART 70 OPERATING PERMIT

INDIANA DEPARTMENT of ENVIRONMENTAL MANAGEMENT OFFICE OF AIR QUALITY and CITY of INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES

Indianapolis Power & Light Company - Harding Street Station
3700 South Harding Street, Indianapolis, Indiana 46217
4190 South Harding Street, Indianapolis, Indiana 46217

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the facilities 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 provisions 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 and the Code of Indianapolis and Marion County, Chapter 511. This permit also addresses certain new source review requirements for existing equipment and is intended to fulfill the new source review procedures pursuant to IAC 2-7-10.5, applicable to those conditions.

Operation Permit No.: T097-6566-00033	
Issued by: ORIGINAL SIGNED BY Nisha Sizemore, Chief Permits Branch, Office of Air Quality ORIGINAL SIGNED BY Felicia A. Robinson Administrator, Office of Environmental Services	Effective Date: July 3, 2006 Expiration Date: July 3, 2011

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SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) and the City of Indianapolis Office of Environmental Services (OES). The information describing the source contained in conditions A.1, A.3 and A.4 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

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

The Permittee owns and operates a stationary source consisting of coal, distillate oil and waste oil fired utility boilers as well as natural gas and distillate oil fired gas turbine combustion units to produce electricity for sale under a Standard Industrial Classification (SIC) Code of 4911 (establishments engaged in the generation, transmission or distribution of electric energy for sale).

Responsible Official:	Plant Manager, Harding Street Station
Source Address:	3700 South Harding Street, Indianapolis, Indiana 46217
	4190 South Harding Street, Indianapolis, Indiana 46217
Mailing Address:	3700 South Harding Street, Indianapolis, Indiana 46217
Source Telephone:	(317) 788-5200
SIC Code:	4911
County Location:	Marion
County Status:	Nonattainment for ozone under the 8-hour standard
	Nonattainment for PM2.5
	Attainment for all other criteria pollutants
Source Status:	Part 70 Permit Program
	Major Source under PSD and Emission Offset Rules
	Major Source, Section 112 of the Clean Air Act
	1 of 28 Source Categories

A.2 Part 70 Source Definition [326 IAC 2-7-1(22)]

This electric utility generating station consists of two (2) plants:

(a) Plant 1 is located at 3700 South Harding Street, Indianapolis, Indiana 46217, and consists of utility boilers and natural gas and distillate oil fired gas turbine combustion units to produce electricity for sale; and

(b) Plant 2 is associated with a communication transmitter tower at 4190 S. Harding Street, Indianapolis, Indiana, 46217, and consists of one (1) 81 horsepower diesel fired emergency generator identified as Generator # 1.

Since the two (2) plants are located in adjacent or contiguous properties, have the same SIC code and are under common control of the same entity, they will be considered one (1) source, effective from the date of issuance of this Part 70 permit.

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

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

(a) One (1) Combustion Engineering Boiler number 9 identified as Unit 9. Unit 9 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting to Stack/Vent ID 3-1. Equipped with no add on air pollution control equipment. Installed in 1942.

(b) One (1) Combustion Engineering Boiler number 10 identified as Unit 10. Unit 10 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting at Stack/Vent ID 4-1. Equipped with no add on air pollution control equipment.

Installed in 1947.

(c) One (1) Combustion Engineering Boiler number 50 identified as Unit 50. Unit 50 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 50 and exhausting at Stack/Vent ID 5-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 50. Installation date for Unit 50 is 1958.

(d) One (1) Combustion Engineering Boiler number 60 identified as Unit 60. Unit 60 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 60 and exhausting at Stack/Vent ID 6-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 60. Installation date for Unit 60 is 1961.

(e) One (1) Combustion Engineering Boiler number 70 identified as Unit 70. Unit 70 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 4123.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 70 and exhausting at Stack/Vent ID 7-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil and used oil are used as supplemental fuel and for firing during startup of Unit 70. Construction was commenced on Unit 70 prior to August 17, 1971, and completed in 1973.

(f) One (1) General Electric Gas Turbine Engine number GT1 identified as Unit GT1. Unit GT1 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT1-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT1 is 1973.

(g) One (1) General Electric Gas Turbine Engine number GT2 identified as Unit GT2. Unit GT2 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT2-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT2 is 1973.

(h) One (1) General Electric Gas Turbine Engine number GT3 identified as Unit GT3. Unit GT3 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT3-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT3 is 1973.

(i) One (1) General Electric Gas Turbine Engine number GT4 identified as Unit GT4. Unit GT4 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 875.0 million Btu per hour and exhausting at Stack/Vent ID GT4-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT4 is 1994.

(j) One (1) General Electric Gas Turbine Engine number GT5 identified as Unit GT5. Unit GT5 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 867.0 million Btu per hour and exhausting at Stack/Vent ID GT5-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT5 is 1995.

(k) One (1) General Electric Gas Turbine Model number PG7241 identified as Unit GT6. Unit GT6 is a natural gas fired unit with a design heat input capacity rated at 1,660 MMBtu per hour and exhausting at Stack/Vent ID GT-6. NO_x emissions will be controlled by dry low NO_x burners. Installation date for Unit GT6 is 2002.

(l) One (1) General Motors Reciprocating Internal Combustion Standby/Emergency Generator identified as Unit ST14. As an emergency generator, Unit ST14 will be operated less than 500 hours per year. Unit ST14 is distillate oil fired with a design heat input of 27.6 million Btu per hour. Equipped with no add on air pollution control equipment. Exhausting at Stack/Vent ID ST14-1. Installation date for Unit ST14 is 1967.

(m) Outside coal storage and handling identified as Unit ID ST37 and ST39. Includes railcar and truck receiving of coal, conveying of coal in enclosed conveyors to coal crusher houses and outside storage of coal. Annual rated storage and throughput of coal estimated to be 7.5 million tons per year. Paved and unpaved plant roads are identified as Unit ST41. Installation date of 1958.

A.4 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) Fuel oil fired combustion sources with heat input equal to or less than two (2) million Btu per hour and firing fuel containing less than five-tenths (0.5) percent sulfur by weight. [326 IAC 6.5-1-2(a)]

(b) The following equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment. [326 IAC 6.5-1-2(a)]

(c) Coal bunker and coal scale exhausts and associated dust collector vents. [326 IAC 6.5-1-2(a)]

(d) Gasoline generators not exceeding 110 horsepower. [326 IAC 6.5-1-2(a)]

(e) Vents from ash transport systems not operated at positive pressure. [326 IAC 6.5-1-2(a)]

(f) Paved and unpaved roads and parking lots with public access. [326 IAC 6-4]

(g) Coal pile wind erosion. Coal drop points. Coal crushing. [326 IAC 6-4]

(h) Conveying ash by slurry to retention ponds. [326 IAC 6.5-1-2(a)]

(i) Two (2) flyash silos identified as Unit 50/60 Flyash Silo and Unit 70 Flyash Silo for truck loading. Each silo is exhausted to a baghouse. [326 IAC 6.5-1-2(a)]

(j) Bottom ash and flyash retention ponds. [326 IAC 6.5-1-2(a)]

(k) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6. [326 IAC 8-3-2] [326 IAC 8-3-5]

(l) One (1) 81 horsepower diesel fired emergency generator identified as Emission Unit ID Generator # 1 associated with a communication transmitter tower located at 4190 S. Harding Street, Indianapolis, Indiana, 46217. [326 IAC 6.5-1-2(a)]

A.5 Part 70 Permit Applicability [326 IAC 2-7-2]

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

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

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

(c) It is an affected source under Title IV (Acid Deposition Control) of the Clean Air Act, as defined in 326 IAC 2-7-1(3).

SECTION B GENERAL CONDITIONS

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

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

B.2 Permit Term [326 IAC 2-7-5(2)] [326 IAC 2-1.1-9.5] [326 IAC 2-7-4(a)(1)(D)][IC 13-15-3-6(a)]

(a) This permit, T097-6566-00033, is issued for a fixed term of five (5) years from the effective date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit or of permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

(b) If IDEM, OAQ and OES, upon receiving a timely and complete renewal permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect, including any permit shield provided in 326 IAC 2-7-15, until the renewal permit has been issued or denied.

B.3 Term of Conditions [326 IAC 2-1.1-9.5]

Notwithstanding the permit term of a permit to construct, a permit to operate, or a permit modification, any condition established in a permit issued pursuant to a permitting program approved in the state implementation plan shall remain in effect until:

(a) the condition is modified in a subsequent permit action pursuant to Title I of the Clean Air Act; or

(b) the emission unit to which the condition pertains permanently ceases operation.

B.4 Enforceability [326 IAC 2-7-7]

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

(b) The Indianapolis Air Pollution Control Board (IAPCB) has adopted by reference state rules listed in Appendix A of this permit. The version adopted by reference includes all amendments, additions and repeals filed with the Secretary of State through May 10, 2003 and published in the Indiana Register June 1, 2003, unless otherwise indicated in the adoption by reference or in Appendix A. For the purposes of this permit, all state rules adopted by reference by the IAPCB are enforceable by OES using local enforcement procedures. Unless otherwise stated, all terms and conditions in this permit that are local requirements, including any provisions designed to limit the source's potential to emit, are enforceable by OES.

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 2-7-4(b)] [326 IAC 2-7-5(6)(E)] [326 IAC 2-7-6(6)]

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

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

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

(a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

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

(c) A responsible official is defined at 326 IAC 2-7-1(34).

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

(a) The Permittee shall annually submit a compliance certification report which addresses the status of the source's compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. The initial certification shall cover the time period from the effective date of the permit 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 no later than April 15 of each year to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

and

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

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

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

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

(2) The compliance status;

(3) Whether compliance was continuous or intermittent;

(4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-7-5(3).

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

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

(a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after the effective date of this permit, including the following information on each facility:

(1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;

(2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and

(3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

If due to circumstances beyond the Permittee's control, the PMPs cannot be prepared and maintained within the above time frame, the Permittee may extend the date an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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

(b) A copy of the PMPs shall be submitted to IDEM, OAQ and OES, upon request and within

a reasonable time, and shall be subject to review and approval by IDEM, OAQ and OES. IDEM, OAQ and OES, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMPs do not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(c) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation, Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

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

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

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

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

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

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

(4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAQ and 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: 317-233-0178 (ask for Compliance Section)
Facsimile Number: 317-233-6865.
and
OES Telephone Number 317-327-2234 (ask for OES Compliance Section)
OES Facsimile Number: 317-327-2274

(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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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) The Permittee seeking to establish the occurrence of an emergency shall make records available upon request to ensure that failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However, IDEM, OAQ and/or OES, 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 and/or OES, by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-7 and any other applicable rules.

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

(h) The Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

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

(a) Pursuant to 326 IAC 2-7-15, the Permittee has been granted a permit shield. The permit shield provides that compliance with the conditions of this permit shall be deemed compliance with any applicable requirements as of the effective date of this permit, 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, and/or OES 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 effective date;

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

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

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

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

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

B.13 Prior Permits Superseded [326 IAC 2-1.1-9.5] [326 IAC 2-7-10.5]

(a) All terms and conditions of permits established prior to T097-6566-00033 and issued pursuant to permitting programs approved into the state implementation plan have been either:

(1) incorporated as originally stated,

(2) revised under 326 IAC 2-7-10.5, or

(3) deleted under 326 IAC 2-7-10.5.

(b) Provided that all terms and conditions are accurately reflected in this permit, all previous registrations and permits are superseded by this Part 70 Operating permit, except for permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

B.14 Termination of Right to Operate [326 IAC 2-7-10] [326 IAC 2-7-4(a)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-7-3 and 326 IAC 2-7-4(a).

B.15 Deviations from Permit Requirements and Conditions [326 IAC 2-7-5(3)(C)(ii)]

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

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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.16 Permit Modification, Reopening, Revocation and Reissuance, or Termination [326 IAC 2-7-5(6)(C)] [326 IAC 2-7-8(a)] [326 IAC 2-7-9]

(a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a Part 70 permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-7-5(6)(C)] The notification by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAQ or 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, or OES to reopen and revise this permit shall follow the same

procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-7-9(b)]

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

B.17 Permit Renewal [326 IAC 2-7-3] [326 IAC 2-7-4] [326 IAC 2-7-8(e)]

(a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and OES, 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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Permits
2700 South Belmont Avenue
Indianapolis, Indiana 46221

(b) A timely renewal application is one that is:

(1) Submitted at least nine (9) months prior to the date of the expiration of this permit; and

(2) If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ and OES, on or before the date it is due.

(c) If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-7 until IDEM, OAQ and/or OES, 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 or OES, any additional information identified as being needed to process the application. [326 IAC 2-7-4(a)(2)(D) and (E)]

B.18 Source Modification Requirement [326 IAC 2-7-10.5]

(a) A modification, construction, or reconstruction is governed by the requirements of 326 IAC 2 and 326 IAC 2-7-10.5.

(b) Any modification at an existing major source is governed by the requirements of 326 IAC 2-2-2 and/or 326 IAC 2-3-2.

B.19 Permit Amendment or Modification [326 IAC 2-7-11] [326 IAC 2-7-12] [40 CFR 72]

(a) Permit amendments and modifications are governed by the requirements of 326 IAC 2-7-11 or 326 IAC 2-7-12 whenever the Permittee seeks to amend or modify this permit.

(b) Pursuant to 326 IAC 2-7-11(b) and 326 IAC 2-7-12(a), administrative Part 70 permit amendments and permit modifications for purposes of the acid rain portion of a Part 70 permit shall be governed by regulations promulgated under Title IV of the Clean Air Act. [40 CFR 72]

(c) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Permits
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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

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

B.20 Permit Revision Under Economic Incentives and Other Programs [326 IAC 2-7-5(8)] [326 IAC 2-7-12 (b)(2)]

(a) No Part 70 permit revision shall be required under any approved economic incentives, marketable Part 70 permits, emissions trading, and other similar programs or processes for changes that are provided for in a Part 70 permit.

(b) Notwithstanding 326 IAC 2-7-12(b)(1) and 326 IAC 2-7-12(c)(1), minor Part 70 permit modification procedures may be used for Part 70 modifications involving the use of economic incentives, marketable Part 70 permits, emissions trading, and other similar approaches to the extent that such minor Part 70 permit modification procedures are explicitly provided for in the applicable State Implementation Plan (SIP) or in applicable requirements promulgated or approved by the U.S. EPA.

B.21 Operational Flexibility [326 IAC 2-7-20] [326 IAC 2-7-10.5]

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

(1) The changes are not modifications under any provision of Title I of the Clean Air Act;

(2) Any preconstruction approval required by 326 IAC 2-7-10.5 has been obtained;

(3) The changes do not result in emissions which exceed the limitations provided in

this permit (whether expressed herein as a rate of emissions or in terms of total emissions);

(4) The Permittee notifies the:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Permits
2700 South Belmont Avenue
Indianapolis, Indiana 46221

and

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

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

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

Such records shall consist of all information required to be submitted to IDEM, OAQ and/or OES, 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 emission increases and decreases at the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-7-20(c). The

notification requirement per (a)(4) of this condition does not apply to emission trades of SO_2 or NO_X under 326 IAC 21 or 326 IAC 10-4.

(d) Alternative Operating Scenarios [326 IAC 2-7-20(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-7-5(9). No prior notification of IDEM, OAQ, or U.S. EPA is required.

(e) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.

(f) This condition does not apply to emission trades of SO_2 or NO_X under 326 IAC 21 or 326 IAC 10-4.

B.22 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 , OES, U.S. EPA, or an authorized representative to perform the following:

(a) Enter upon the Permittee's premises where a Part 70 source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;

(b) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, have access to and copy any records that must be kept under the conditions of this permit;

(c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;

(d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and

(e) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

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

(a) The Permittee must comply with the requirements of 326 IAC 2-7-11 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.

(b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Permits
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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.24 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.25 Credible Evidence [326 IAC 2-7-5(3)][326 IAC 2-7-6][62 FR 8314][326 IAC 1-1-6]

For the purpose of submitting compliance certifications or establishing whether or not the Permittee has violated or is in violation of any condition of this permit, nothing in this permit shall preclude the use, including the exclusive use, of any credible evidence or information relevant to whether the Permittee would have been in compliance with the condition of this permit if the appropriate performance or compliance test or procedure had been performed.

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

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

C.1 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 thirty percent (30%) 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.2 Open Burning [326 IAC 4-1] [IC 13-17-9]

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1.

C.3 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.

C.4 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).

C.5 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 by using good engineering practices (GEP) pursuant to 326 IAC 1-7-3.

C.6 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

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

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

C.7 Performance Testing [326 IAC 3-6]

(a) All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

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

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality

100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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 and OES not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, and/or OES, if the source submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

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

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

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

C.9 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 after the effective date of this permit. 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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment. For a boiler, the COMS shall be in operation at all times the induced draft fan is in operation.

(b) All COMS shall meet the performance specifications of 40 CFR 60, Appendix B, Performance Specification No. 1, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5.

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

(d) Whenever a COMS is malfunctioning or is down for maintenance or repairs for a period of for a period of twenty-four (24) hours or more and a backup COMS is not on line within twenty-four (24) hours of shutdown or malfunction of the primary COMS, the Permittee shall provide a certified opacity reader, who may be an employee of the Permittee or an independent contractor, to self-monitor the emissions from the emission unit stack.

(1) Visible emission readings shall be performed in accordance with 40 CFR 60, Appendix A, Method 9, for a minimum of five (5) consecutive six (6) minute averaging periods beginning not more than twenty-four (24) hours after the start of the malfunction or down time.

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

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

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

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

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

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous emission monitoring systems (CEMS) and related equipment.

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

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

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

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

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

(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, 40 CFR 60 or 40 CFR 75 or the Minor Permit Modification 097-14666-00033 issued by the City of Indianapolis Office of Environmental Services on November 9, 2001 for Unit GT6.

C.12 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

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

C.13 Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

(a) When required by any condition of this permit, an analog instrument used to measure a parameter related to the operation of an air pollution control device shall have a scale such that the expected maximum reading for the normal range shall be no less than twenty percent (20%) of full scale.

(b) The Permittee may request that the IDEM, OAQ approve the use of an instrument that does not meet the above specifications provided the Permittee can demonstrate that an alternative instrument specification will adequately ensure compliance with permit conditions requiring the measurement of the parameters.

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

C.14 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 June 30, 1998.

(b) Upon direct notification by IDEM, OAQ and/or OES, 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.15 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.16 Response to Exceedances or Excursions [326 IAC 2-7-5] [326 IAC 2-7-6]

(a) Upon detecting an excursion or exceedance, the Permittee shall restore operation of the emission unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.

(b) The response shall include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or shutdown conditions). Corrective actions may include, but are not limited to, the following:

(1) initial inspection and evaluation;

(2) recording that operations returned to normal without operator action (such as through a response by a computerized distribution control system); or

(3) any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable.

(c) A determination of whether the Permittee has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include, but is not limited to. the following:

(1) monitoring results;

(2) review of operation and maintenance procedures and records;

(3) inspection of the control device, associated capture system, and the process.

(d) Failure to take response steps shall be considered a deviation from the permit.

(e) The Permittee shall maintain the following records:

(1) monitoring data;

(2) monitor performance data, if applicable; and

(3) corrective actions taken.

C.17 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 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.18 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 purpose of fee assessment.

The statement must be submitted to:

Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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

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

C.19 General Record Keeping Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-6] [326 IAC 2-2][326 IAC 2-3]

(a) Records of all required data, reports and support information 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 kept at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner or OES makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner or OES 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 the effective date of this permit.

(c) If there is a reasonable possibility that a "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, other than projects at a Clean Unit (or at a source with Plant-wide Applicability Limitation (PAL)), which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with the following:

(1) Before beginning actual construction of the project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, document and maintain the following records:

(A) A description of the project.
(B) Identification of any emissions unit whose emissions of a regulated new source review pollutant could be affected by the project.
(C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:
(i) Baseline actual emissions;
(ii) Projected actual emissions;
(iii) Amount of emissions excluded under section 326 IAC 2-2-1(rr)(2)(A)(iii) and/or 326 IAC 2-3-1(mm)(2)(A)(3); and
(iv) An explanation for why the amount was excluded, and any netting calculations, if applicable.

(2) Monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any existing emissions unit identified in (1)(B) above; and

(3) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change is the project increases the design capacity of or the potential to emit that regulated NSR pollutant at the emissions unit.

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

(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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance

2700 South Belmont Avenue
Indianapolis, Indiana 46221

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

(f) If the Permittee is required to comply with the record keeping provisions of (c) in Section C - General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing Electric Utility Steam Generating Unit, the for that project the Permittee shall:

(1) Submit to IDEM, OAQ and OES a copy of the information required by (c)(1) in Section C - General Record Keeping Requirements.

(2) Submit to IDEM, OAQ and OES within sixty (60) days after the end of each year during which records are generated in accordance with (c)(2) and (3) in Section C - General Record Keeping Requirements. The report shall contain all information and data describing the annual emissions for the emissions units during the calendar year that preceded the submission of the report.

Reports required in this part shall be submitted to:

Indiana Department of Environmental Management
Air Compliance Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

(g) If the Permittee is required to comply with the record keeping provisions of (c) in Section C - General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit other than an Electric Utility Steam Generating Unit, and the project meets the following criteria, then the Permittee shall submit a report to IDEM, OAQ and OES:

(1) The annual emissions, in tons per year, from the project identified in (c)(1) in Section C - General Record Keeping Requirements exceed the baseline actual emissions, as documented and maintained under Section C - General Record Keeping Requirements (c)(1)(C)(i), by a significant amount, as defined in 326 IAC 2-2-1(xx) and/or 326 IAC 2-3-1(qq), for that regulated NSR pollutant, and

(2) The emissions differ from the preconstruction project as documented and maintained under Section C - General Record Keeping Requirements (c)(1)(C)(ii).

(h) The report for a project at an existing emissions unit, other than an Electric Utility Steam Generating Unit, shall be submitted within sixty (60) days after the end of the year and contain the following:

(1) The name, address, and telephone number of the major stationary source.

(2) The annual emissions calculated in accordance with (c)(2) and (3) in Section C - General Record Keeping Requirements.

(3) The emissions calculated under the actual-to-projected actual test stated in 326 IAC 2-2-2(d)(3) and/or 326 IAC 2-3-2(c)(3).

(4) Any other information that the Permittee deems fit to include in this report.

Reports required in this part shall be submitted to:

Indiana Department of Environmental Management
Air Compliance Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

(i) The Permittee shall make the information required to be documented and maintained in accordance with (c) in Section C - General Record Keeping Requirements available for review upon a request for inspection by IDEM, OAQ and OES. The general public may request this information from IDEM, OAQ under 326 IAC 17.1.

Stratospheric Ozone Protection

C.21 Compliance with 40 CFR 82 and 326 IAC 22-1

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

(a) Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR 82.156.

(b) Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.

(c) Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.

(d) Pursuant to 40 CFR 82, Subpart E (The Labeling of Products Using Ozone-Depleting Substances), all containers in which a Class I or Class II substance is stored or transported and all products containing a Class I substance shall be labeled as required under 40 CFR

Part 82.

SECTION D.1 FACILITY OPERATION CONDITIONS

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

(a) One (1) Combustion Engineering Boiler number 9 identified as Unit 9. Unit 9 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting to Stack/Vent ID 3-1. Equipped with no add on air pollution control equipment. Installed in 1942.

(b) One (1) Combustion Engineering Boiler number 10 identified as Unit 10. Unit 10 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting at Stack/Vent ID 4-1. Equipped with no add on air pollution control equipment. Installed in 1947.

(c) One (1) Combustion Engineering Boiler number 50 identified as Unit 50. Unit 50 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 50 and exhausting at Stack/Vent ID 5-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 50. Installation date for Unit 50 is 1958.

(d) One (1) Combustion Engineering Boiler number 60 identified as Unit 60. Unit 60 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 60 and exhausting at Stack/Vent ID 6-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 60. Installation date for Unit 60 is 1961.

(e) One (1) Combustion Engineering Boiler number 70 identified as Unit 70. Unit 70 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 4123.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 70 and exhausting at Stack/Vent ID 7-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil and used oil are used as supplemental fuel and for firing during startup of Unit 70. Construction was commenced on Unit 70 prior to August 17, 1971, and completed in 1973.

(f) One (1) General Electric Gas Turbine Engine number GT1 identified as Unit GT1. Unit GT1 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT1-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT1 is 1973.

(g) One (1) General Electric Gas Turbine Engine number GT2 identified as Unit GT2. Unit GT2 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT2-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT2 is 1973.

(h) One (1) General Electric Gas Turbine Engine number GT3 identified as Unit GT3. Unit GT3 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT3-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT3 is 1973.

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

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

D.1.1 Marion County [326 IAC 6.5-6][326 IAC 2-7-5]

(a) Pursuant to 326 IAC 6.5-6 (Marion County), the Permittee shall comply with the following emission limitations for particulate (PM):

Unit ID	PM Limit (pounds PM per million Btu)	PM Limit (tons per year)
Unit 9 (Boiler number 9)	0.015	1.9
Unit 10 (Boiler number 10)	0.015	2.2
Unit 50 (Boiler number 50)	0.135	82.2
Unit 60 (Boiler number 60)	0.135	82.2
Unit 70 (Boiler number 70)	0.10	830.7
Unit GT1 (Gas Turbine GT1)	0.015	0.28
Unit GT2 (Gas Turbine GT2)	0.015	0.28
Unit GT3 (Gas Turbine GT3)	0.015	0.28

(b) Pursuant to 326 IAC 2-7-5 (Part 70 Permits: Content) and 326 IAC 6.5-6 (Marion County):

(1) Boiler number 9, identified as Unit 9, shall be limited to a PM emission rate of two (2.0) pounds per thousand gallons (kgal) and the input of distillate oil fired in Unit 9 shall not exceed 1900 kgal per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6.5-6 can be demonstrated.

(2) Boiler number 10, identified as Unit 10, shall be limited to a PM emission rate of two (2.0) pounds per thousand gallons (kgal) and the input of distillate oil fired in Unit 10 shall not exceed 2200 kgal per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6.5-6 can be demonstrated.

(3) Gas Turbines GT1, GT2 and GT3, identified as Unit ID GT1, GT2 and GT3 shall be limited to a PM emission rate of twelve hundredths (0.012) pounds per million Btu and the input of distillate oil fired in Emission Unit ID GT1, GT2 and GT3 shall each not exceed 333,333 gallons per twelve (12) consecutive month period with compliance determined at the end of each month such that compliance with 326 IAC 6.5-6 can be demonstrated.

(c) Pursuant to 326 IAC 6.5-6(b) (Marion County), the Permittee shall be considered in compliance with the tons per year emission limits if within five percent (5%) of the emission limit established pursuant to 326 IAC 6.5-6.

D.1.2 Sulfur Dioxide (SO_2) Emission Limitations: Marion County [326 IAC 7-4-2]

(a) Pursuant to 326 IAC 7-4-2 (Sulfur Dioxide Emission Limitations: Marion County), the Permittee shall comply with the following emission limitations in pounds per million Btu:

Unit ID	SO_2 Limit (pounds per million Btu)
Unit 9 and Unit 10 (Boiler number 9 and Boiler number 10)	0.35
Unit 50 and Unit 60 (Boiler number 50 and Boiler number 60)	4.7
Unit 70 (Boiler number 70)	5.3
Unit GT1, Unit GT2 and Unit GT3 (Gas Turbines GT1, GT2 and GT3)	0.35

(b) As an alternative to the emission limitations listed above, pursuant to 326 IAC 7-4-2, Unit 9, 10, 50 and 60 and Unit GT1, GT2 and GT3 may comply with any one (1) of the sets of alternative emission limitations in pounds per million Btu as follows:

Alternative Scenario	Unit ID	SO_2 Limit (pounds per million Btu)
1	Unit 50 and Unit 60 (Boiler number 50 and Boiler number 60)	5.2
	Unit 9, Unit 10 and Unit GT1, GT2 and GT3 (Boiler number 9 and Boiler number 10 and Gas Turbines GT1, GT2 and GT3)	0.0
2	Unit 50 and Unit 60 (Boiler number 50 and Boiler number 60)	5.0
	Unit 9 and Unit 10 (Boiler number 9 and Boiler number 10)	0.0
	Unit GT1, GT2 and GT3 (Gas Turbines GT1, GT2 and GT3)	0.4
3	Unit 50 and Unit 60 (Boiler number 50 and Boiler number 60)	4.1
	Unit 9 and Unit 10 (Boiler number 9 and Boiler number 10)	0.35
	Unit GT1, GT2 and GT3 (Gas Turbines GT1, GT2 and GT3)	0.3

Alternative Scenario	Unit ID	SO_2 Limit (pounds per million Btu)
4	Unit 50 and Unit 60 (Boiler number 50 and Boiler number 60)	3.9
	Unit 9, Unit 10 and Unit GT1, GT2 and GT3 (Boiler number 9 and Boiler number 10 and Gas Turbines GT1, GT2 and GT3	0.35

(1) IDEM, OAQ and OES shall be notified prior to the reliance by the Permittee on any one (1) of the sets of alternative emission limitations as listed in the Table above.

(2) A log of hourly operating status for each boiler shall be maintained and made available to IDEM, OAQ and OES upon request. A daily summary indicating which boilers were in service during the day shall be submitted to IDEM, OAQ and OES quarterly. In addition, records of the daily average sulfur content, heat content, and sulfur dioxide emission rate for each day in which an alternative set of emission limitations is used shall be submitted to IDEM, OAQ and OES quarterly.

(3) For the purposes of 326 IAC 7-2-1(c)(1), during thirty (30) day periods in which the Permittee relies on more than one (1) set of alternative emission limitations, a separate thirty (30) day rolling weighted average for each set of limitations shall be determined. Each thirty (30) day rolling average shall be based on data from the previous thirty (30) operational days within the last ninety (90) days for that set of limitations. If the Permittee does not operate thirty (30) days under any one (1) set of limitations within the last ninety (90) days, the rolling weighted average shall be based on all operational days within the last ninety (90) days for that set of limitations.

D.1.3 Startup, Shutdown and Other Opacity Limits [326 IAC 5-1-3]

(a) Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), the following applies to Unit 9 and Unit 10:

(1) When building a new fire in Unit 9 or Unit 10, or shutting down Unit 9 or Unit 10, opacity may exceed the applicable limit established in 326 IAC 5-1-2 and stated in Section C - Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6)-minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]

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

(b) If Unit 9 or Unit 10 cannot meet the opacity limitations of 326 IAC 5-1-3(a) or (b), the Permittee may submit a written request to IDEM, OAQ, for a temporary alternative opacity limitation in accordance with 326 IAC 5-1-3(d). The Permittee must demonstrate that the alternative limit is needed and justifiable.

D.1.4 Startup, Shutdown and Other Opacity Limits [326 IAC 5-1-3(e)(2)] [326 IAC 5-1-3(b)]

(a) Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), the following applies to Unit 50, Unit 60 and Unit 70:

(1) When building a new fire in Unit 50 or Unit 60, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed a total of twenty-five (25) six-minute averaged periods (2.5 hours) during the startup period, or until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees Fahrenheit at the inlet of the electrostatic precipitator, which ever occurs first. [326 IAC 5-1-3(e)(2)]

(2) When building a new fire in Unit 70, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed a total of fifty (50) six-minute averaged periods (5.0 hours) during the startup period, or until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees Fahrenheit at the inlet of the electrostatic precipitator, which ever occurs first. [326 IAC 5-1-3(e)(2)]

(3) When shutting down Unit 50, Unit 60 and/or Unit 70, opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed a total of ten (10) six-minute averaged periods (1.0 hours) for each Unit.[326 IAC 5-1-3(e)(2)]

(4) Operation of the electrostatic precipitator for each Unit is not required during these times. [326 IAC 5-1-3(e)]

(b) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging periods 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)]

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

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

A Preventive Maintenance Plan (PMP), in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for Unit 9, 10, 50, 60, 70, GT1, GT2 and GT3 and any emission control devices.

Compliance Determination Requirements

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

No later than twenty four (24) months after the effective date of the Part 70 Permit for this source, compliance with the PM limitation in Condition D.1.1(a) for Boiler 50, 60 and 70, identified as Unit 50, 60 and 70, shall be determined by a performance stack test conducted utilizing methods as approved by the Commissioner. This test shall be repeated at least once every two (2) years following the date

of this valid compliance demonstration. Testing shall be conducted in accordance with Section C-Performance Testing.

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 precipitators (ESPs) shall be operated at all times that Boiler 50, 60 and 70, identified as Unit 50, 60 and 70, are in operation.

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

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous opacity monitoring systems for Unit 50, Unit 60 and Unit 70 shall be calibrated, maintained, and operated for measuring opacity, which meets the performance specifications of 326 IAC 3-5-2.

D.1.9 Sulfur Dioxide Emissions (SO_2) and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-2]

Compliance for Unit 50, Unit 60 and Unit 70 shall be determined as follows:

(a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of the SO_2 limitation(s) in pounds per million Btu for Unit 50, Unit 60 and Unit 70 stated in Condition D.1.2 using a thirty (30) day rolling weighted average.

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

(1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d) and (e); or

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

(c) Pursuant to 326 IAC 7-2-1(d), compliance or noncompliance with the emission limitations contained in 326 IAC 7-4 may be determined by a stack test conducted in accordance with 326 IAC 3-6 utilizing procedures outlined in 40 CFR 60, Appendix A, Method 6, 6A, 6C or 8.

(d) A determination of noncompliance, pursuant to either 326 IAC 7-2-1(d) or 326 IAC 7-2-1(e), shall not be refuted by evidence of compliance pursuant to the other method.

(e) 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 Sulfur Dioxide Emissions (SO_2) and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-2] [326 IAC 3-7-4]

Compliance for Unit 9, Unit 10 and Unit GT1, Unit GT2 and Unit GT3 shall be determined as follows:

(a) Pursuant to 326 7-2-1(c)(3), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of the SO_2 limitation(s) in pounds per million Btu for Unit 9, Unit 10 and Unit GT1, Unit GT2 and Unit GT3 stated in Condition D.1.2 using a calendar month average.

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

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

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

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

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

(C) Oil samples shall be collected from the transfer pipe as oil is being unloaded from the tanker truck load and is being transferred to the storage tank.

(c) Pursuant to 326 IAC 7-2-1(d), compliance or noncompliance with the emission limitations contained in 326 IAC 7-4 may be determined by a stack test conducted in accordance with 326 IAC 3-6 utilizing procedures outlined in 40 CFR 60, Appendix A, Method 6, 6A, 6C or 8.

(d) A determination of noncompliance, pursuant to either 326 IAC 7-2-1(d) or 326 IAC 7-2-1(e), shall not be refuted by evidence of compliance pursuant to the other method.

(e) 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)]

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

D.1.11 Electrostatic Precipitator (ESP) Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) The ability of the ESP's to control particulate emissions shall be monitored once per day, when the Unit's are in operation, by measuring and recording the primary and secondary voltages and the currents of the transformer-rectifier (T-R) sets.

(b) When for any one reading, operation is outside one of the normal ranges shown below, or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- Response to Exceedances or Excursions. A voltage or current reading outside the normal range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Exceedances or Excursions, shall be considered a deviation from this permit.

(1)	Primary voltage:	260 - 300 V
(2)	Secondary voltage:	35 - 55 kV
(3)	T-R set primary current:	50 - 75 A

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

(a) In the event opacity exceeds twenty five percent (25%) for three (3) consecutive six (6) minute averaging periods for Unit 50 or Unit 60, appropriate response steps shall be taken in accordance with Section C - Response to Exceedances or Excursions 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) In the event opacity exceeds twenty percent (20%) for three (3) consecutive six (6) minute averaging periods for Unit 70, appropriate response steps shall be taken in accordance with Section C - Response to Exceedances or Excursions such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty percent (20%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.

(c) Opacity readings in excess of twenty five percent (25%) for Unit 50 or Unit 60 but not exceeding the opacity limit for the Unit are not a deviation from this permit. Opacity readings in excess of twenty percent (20%) for Unit 70 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 - Response to Exceedances or Excursions, shall be considered a deviation from this permit.

(d) The Permittee may request that the IDEM, OAQ approve a different opacity trigger level than the one specified in (a), (b) and (c) of this condition, provided the Permittee can demonstrate, through stack testing or other appropriate means, that a different opacity trigger level is appropriate for monitoring compliance with applicable particulate matter mass emission limits.

D.1.13 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission (VE) notations of Unit 9 and/or Unit 10 stack exhaust(s) shall be performed once per day during normal daylight operations while combusting fuel oil. A trained employee shall record whether emissions are normal or abnormal.

(b) If abnormal emissions are observed at Unit 9 and/or Unit 10 exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Exceedances or Excursions. 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 - Response to Exceedances or Excursions, shall be considered a deviation from this permit.

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

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

D.1.14 SO_2 Monitoring System Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]

Whenever the SO_2 continuous emission monitoring system (CEMS) is malfunctioning or down for repairs or adjustments, the following shall be used to provide information related to SO_2 emissions:

(a) If the CEMS is down for less than twenty-four (24) hours, the Permittee shall substitute an average of the quality assured data from the hour immediately before and the hour immediately after the missing data period for each hour of missing data.

(b) If the CEMS is down for twenty-four (24) hours or more, fuel sampling shall be conducted as specified in 326 IAC 3-7-2(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.

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

D.1.15 Record Keeping Requirements

(a) To document compliance with Section C - Opacity and Conditions D.1.1, D.1.3, D.1.4, D.1.13 and D.1.14, the Permittee shall maintain records in accordance with (1) through (6) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.1.1, D.1.3 and D.1.4.

(1) monthly and twelve (12) consecutive month distillate oil consumption in Unit 9, Unit 10 and Units GT1, GT2 and GT3;

(2) data and results from the most recent stack test;

(3) all continuous opacity monitoring data, pursuant to 326 IAC 3-5;

(4) the results of all visible emission (VE) notations;

(5) the results of all Method 9 visible emission readings taken during any periods of COM downtime;

(6) all ESP parametric monitoring readings.

(b) To document compliance with Conditions D.1.2, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO_2 limit established in Condition D.1.2 and D.1.9 for Unit 50, Unit 60 and Unit 70.

(1) when using SO_2 CEMs to demonstrate compliance, all SO_2 continuous emissions monitoring data, pursuant to 326 IAC 3-5-6 and 326 IAC 7-2-1(g);

(2) when using fuel sampling and analysis to demonstrate compliance, all fuel sampling and analysis data, pursuant to 326 IAC 7-2;

(3) actual fuel usage since last compliance determination period.

(c) To document compliance with Condition D.1.2, the Permittee shall maintain records in accordance with (1) through (6) below. Records maintained for (1) through (6) shall be complete and sufficient to demonstrate to establish compliance with the SO_2 limit established in Condition D.1.2 for Unit 9, Unit 10, Unit GT1, Unit GT2 and Unit GT3.

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

(2) monthly weighted average sulfur content;

(3) fuel heat content;

(4) fuel consumption;

(5) monthly weighted average sulfur dioxide emission rate in pounds per million Btu;

(6) a log of hourly operating status for each Unit and a daily summary indicating which Units were in service during the day.

(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.1.16 Reporting Requirements

A quarterly report of opacity exceedances, continuous emission monitor exceedances and a quarterly summary of the information to document compliance with Condition(s) D.1.1, D.1.2, D.1.9, D.1.10 and D.1.14 shall be submitted to the address(es) listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, 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).

SECTION D.2 FACILITY OPERATION CONDITIONS

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

(i) One (1) General Electric Gas Turbine Engine number GT4 identified as Unit GT4. Unit GT4 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 875.0 million Btu per hour and exhausting at Stack/Vent ID GT4-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT4 is 1994.

(j) One (1) General Electric Gas Turbine Engine number GT5 identified as Unit GT5. Unit GT5 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 867.0 million Btu per hour and exhausting at Stack/Vent ID GT5-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT5 is 1995

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

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

D.2.1 General Provisions Relating to NSPS [326 IAC 12] [40 CFR Part 60, Subpart A]

The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to Unit GT4 and Unit GT5 as described in this section except when otherwise specified in 40 CFR Part 60, Subpart GG (Standards of Performance for Stationary Gas Turbines).

D.2.2 New Source Performance Standards (NSPS) [326 IAC 12] [40 CFR 60, Subpart GG]

Pursuant to 326 IAC 12 (New Source Performance Standards) and 40 CFR 60, Subpart GG (Standards of Performance for Stationary Gas Turbines), the Permittee shall:

(a) Limit nitrogen oxides (NO_x) emissions, as required by 40 CFR 60.332, to:

$$STD = (0.0075) * (14.4/Y) + F$$

Where: STD	=	Allowable NOx emissions in percent by volume at fifteen percent (15%) oxygen and on a dry basis (ppm = percent by volume x 10^4).
Y	=	Manufacturer's rated heat rate at manufacturer's rated load or, actual measured heat rate based on the lower heating value of fuel as measured at peak load in kilojoules per watt hour. Y shall not exceed 14.4 kilojoules per watt hour.
F	=	The fuel bound nitrogen allowance as defined in 40 CFR 60.332(a)(3).

(b) Limit sulfur dioxide (SO_2) emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at fifteen percent (15%) oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to eight tenths percent (0.8%) by weight;

D.2.3 Nitrogen Oxides (NO_x) - Best Available Control Technology (BACT) [326 IAC 2-2] [Construction Permit 097-2206-00033] [40 CFR 52.21]

Pursuant to 326 IAC 2-2 (Prevention of Significant Deterioration Requirements) and Construction Permit 097-2206-00033 issued August 27, 1992, Unit GT4 and Unit GT5 shall comply with the following BACT requirements for nitrogen oxides (NO_x) emissions:

(a) Application of wet injection;

(b) When burning natural gas, the NO_x emission rate shall not exceed forty two (42) ppmv at fifteen percent (15%) oxygen (O_2) on a dry basis;

(c) When burning distillate oil, the NO_x emission rate shall not exceed sixty five (65) ppmv at

fifteen percent (15%) oxygen (O_2) on a dry basis.

Pursuant to Operation Condition 13 of the Construction Permit 097-2206-00033 issued August 27, 1992, compliance with BACT requirements for nitrogen oxides (NO_x) emissions shall ensure compliance with NO_x emission rate specified in Condition D.2.2(a) and 40 CFR 60.332(a)(1).

D.2.4 PSD Minor Limit [326 IAC 2-2] [Construction Permit 097-2206-00033] [40 CFR 52.21]

Pursuant to 326 IAC 2-2 (Prevention of Significant Deterioration Requirements) and Construction Permit 097-2206-00033 issued August 27, 1992:

(a) The fuel sulfur weight percent of distillate oil fired in Unit GT4 and Unit GT5 is limited to five hundredths (0.05) percent by weight; and

(b) The combined total natural gas throughput (no fuel oil combusted) for Unit GT4 and Unit GT5 is limited to 6300 million cubic feet per twelve (12) consecutive month period with compliance determined at the end of each month; and

(c) The combined total distillate fuel oil throughput (no natural gas combusted) for Unit GT4 and Unit GT5 is limited to 12.8 million gallons per twelve (12) consecutive month period with compliance determined at the end of each month.

(d) One gallon of distillate fuel oil can be substituted for each 293 cubic feet reduction of natural gas consumption per twelve (12) consecutive month period with compliance determined at the end of each month.

This is equivalent to sulfur dioxide (SO_2) emissions of less than forty (40) tons per twelve (12) consecutive month period such that 326 IAC 2-2 will not apply to SO_2 emissions but will apply to NOx emissions.

D.2.5 Particulate Matter Limitations Except Lake County [326 IAC 6.5-1-2(a)]

Pursuant to 326 IAC 6.5-1-2(a) (Particulate Matter Limitations Except Lake County), particulate (PM) emissions from Unit GT4 and Unit GT5 shall each not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust air.

D.2.6 Sulfur Dioxide (SO_2) Emission Limitations [326 IAC 7-1.1-2]

Pursuant to 326 IAC 7-1.1-2 (Sulfur Dioxide (SO_2) Emission Limitations), SO_2 emissions from Unit GT4 and Unit GT5 shall each not exceed five tenths (0.5) pounds per million Btu when burning distillate oil. Compliance with 326 IAC 12 (New Source Performance Standards) and 40 CFR 60.333, Subpart GG (Standards of Performance for Stationary Gas Turbines) will demonstrate compliance with 326 IAC 7-1.1-2 (Sulfur Dioxide (SO_2) Emission Limitations).

D.2.7 Opacity Limitations [326 IAC 2-2] [Construction Permit 097-2206-00033] [326 IAC 5-1]

Pursuant to the Construction Permit 097-2206-00033 issued August 27, 1992, opacity from Unit GT4 and Unit GT5 each shall not exceed twenty percent (20%) as determined by 40 CFR Part 60, Appendix A, Method 9.

D.2.8 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 Unit GT4 and Unit GT5 and any emission control devices.

Compliance Determination Requirements

D.2.9 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

The Permittee shall conduct a performance stack test utilizing Method 7 (40 CFR 60, Appendix A), or other methods as approved by the Commissioner for NO_x emissions from Unit GT4 and Unit GT5 no later than September 18, 2008 which corresponds to five (5) years since the last valid stack test. Performance stack testing for NO_x emissions shall be conducted while burning natural gas and while burning distillate oil. Performance Stack testing shall be repeated at least once every five (5) years

from the date of the most recent valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

D.2.10 New Source Performance Standards (NSPS) [326 IAC 12] [40 CFR 60, Subpart GG]

Pursuant to 40 CFR 60.334(a), the Permittee shall operate a continuous monitoring system to monitor and record the fuel consumption and the ratio of water to fuel being fired in Unit GT4 and Unit GT5.

D.2.11 Sulfur and Nitrogen Content [326 IAC 12] [40 CFR 60.334]

(a) Pursuant to 40 CFR 60.334(b), the Permittee shall monitor the daily sulfur content and the nitrogen content of the fuel being fired in Unit GT4 and Unit GT5 in accordance with 40 CFR 60.335.

(b) Alternatively, the Permittee may develop custom schedules for monitoring the sulfur and nitrogen content of fuel(s) fired in Unit GT4 and Unit GT5 based on the design and operation of the affected facility and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the USEPA before they can be used to comply with 40 CFR 60.334(b).

D.2.12 Sulfur Dioxide Emissions (SO_2) and Sulfur Content [326 IAC 7-2] [326 IAC 7-1.1-2]

Compliance for Unit GT4 and Unit GT5 shall be determined as follows:

(a) Pursuant to 326 IAC 7-2-1(c)(3), the Permittee shall demonstrate that the sulfur dioxide emissions for Unit GT4 and Unit GT5 each do not exceed the equivalent of five tenths (0.5) pounds per million Btu using a calendar month average.

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

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

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

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

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

(C) Oil samples shall be collected from the transfer pipe as oil is being unloaded from the tanker truck load and is being transferred to the storage tank.

(c) Pursuant to 326 IAC 7-2-1(d), compliance or noncompliance with the emission limitations contained in 326 IAC 7-4 may be determined by a stack test conducted in accordance with 326 IAC 3-6 utilizing procedures outlined in 40 CFR 60, Appendix A, Method 6, 6A, 6C or 8.

(d) A determination of noncompliance, pursuant to either 326 IAC 7-2-1(d) or 326 IAC 7-2-1(e), shall not be refuted by evidence of compliance pursuant to the other method.

(e) Upon written notification to IDEM, OAQ, continuous emission monitoring data collected and reported pursuant to 326 IAC 3-5 may be used as the means for determining compliance with the emission limitations in 326 IAC 7. Upon such notification, the other requirements

of 326 IAC 7-2 shall not apply [326 IAC 7-2-1(g)].

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

D.2.13 Sulfur and Nitrogen Content [326 IAC 12] [40 CFR 60.334]

The Permittee shall comply with the following custom monitoring schedule for Unit GT4 and Unit GT5 as approved for the site by the USEPA on October 26, 2000:

(a) Monitoring of fuel nitrogen content shall not be required while natural gas is the only fuel fired in the gas turbine.

(b) Sulfur Monitoring:

(1) Analysis for fuel sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM D3031-81; ASTM 3246-81; and ASTM D4084-82 as referenced in 40 CFR 60.335(d).

(2) Effective the date of this custom schedule, sulfur monitoring shall be conducted twice monthly for six months. If this monitoring shows little variability in the fuel sulfur content, and indicates consistent compliance with 40 CFR 60.333, then sulfur monitoring shall be conducted once per quarter for six quarters.

(3) If after the monitoring required in item (b)(2) above, or herein, the sulfur content of the fuel shows little variability and , calculated as sulfur dioxide, represents consistent compliance with the sulfur dioxide emission limits specified under 40 CFR 60.333, sample analysis shall be conducted twice per annum. This monitoring shall be conducted during the first and third quarters of each calendar year.

(4) Should any sulfur analysis as required in items (b)(2) or (b)(3) above indicate noncompliance with 40 CFR 60.333, the Permittee shall notify IDEM, OAQ and USEPA of such excess emissions and the custom schedule shall be re-examined. Sulfur monitoring shall be conducted weekly during the interim period when this custom schedule is being re-examined.

(5) If there is a change in fuel supply, the Permittee must notify IDEM, OAQ and USEPA of such change for re-examination of this custom schedule. A substantial change in fuel quality shall be considered as a change in fuel supply. Sulfur monitoring shall be conducted weekly during this interim period when this custom schedule is being re-examined.

(6) Records of sample analysis and fuel supply pertinent to this custom schedule shall be retained for a period of three (3) years, and be available for inspection by personnel of federal, state, and local air pollution control agencies.

D.2.14 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission (VE) notations of Unit GT4 and/or Unit GT5 stack exhaust(s) shall be performed once per day during normal daylight operations while combusting fuel oil. A trained employee shall record whether emissions are normal or abnormal.

(b) If abnormal emissions are observed at Unit GT4 and/or Unit GT5 exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Exceedances or Excursions. 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 - Response to Exceedances or Excursions, shall be considered

a deviation from this permit.

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

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

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

D.2.15 Record Keeping Requirements

(a) To document compliance with Conditions D.2.2 D.2.3, D.2.4, D.2.5, D.2.6, D.2.7, D.2.9, D.2.10, D.2.12, D.2.13 and D.2.14, the Permittee shall maintain records in accordance with (1) through (5) below. Records shall be complete and sufficient to establish compliance with the limits established in Conditions D.2.2, D.2.3, D.2.4, D.2.5, D.2.6, D.2.7 and D.2.14.

(1) Data and results from the most recent stack test;

(2) All fuel nitrogen content and sulfur content monitoring data*;*

(3) Records of fuel usage;

(4) Records of the fuel consumption and the ratio of water to fuel being fired in Unit GT4 and Unit GT5; and

(5) Visible emissions (VE) notations.

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

D.2.16 Reporting Requirements

(a) A quarterly summary of the information to document compliance with Condition(s) D.2.4 and D.2.12 shall be submitted to the address(es) listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, 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) The natural gas fired facility certification shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or its equivalent, within thirty (30) days after the end of the six (6) month period being reported. The natural gas-fired boiler certification does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(c) Periods of excess emissions shall be reported in accordance with the requirements of 40 CFR 60.334(c).

SECTION D.3 FACILITY OPERATION CONDITIONS

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

(k) One (1) General Electric Gas Turbine Model number PG7241 identified as Unit GT6. Unit GT6 is a natural gas fired unit with a design heat input capacity rated at 1,660 MMBtu per hour and exhausting at Stack/Vent ID GT-6. NO_x emissions will be controlled by dry low NO_x burners. Installation date for Unit GT6 is 2002.

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

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

D.3.1 General Provisions Relating to NSPS [326 IAC 12] [40 CFR Part 60, Subpart A]

The provisions of 40 CFR Part 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to Unit GT6 as described in this section except when otherwise specified in 40 CFR Part 60, Subpart GG (Standards of Performance for Stationary Gas Turbines).

D.3.2 New Source Performance Standards (NSPS) [326 IAC 12] [40 CFR 60, Subpart GG]

Pursuant to 40 CFR 60.330 Subpart GG (Standards of Performance for Stationary Gas Turbines) and 326 IAC 12 (New Source Performance Standards), the Permittee shall:

(a) Limit Nitrogen Oxides (NO_x) emissions, as required by 40 CFR 60.332, to:

$$STD = (0.0075) * (14.4/Y) + F$$

Where: STD	=	Allowable NOx emissions in percent by volume at fifteen percent (15%) oxygen and on a dry basis (ppm = percent by volume x 10^4).
Y	=	Manufacturer's rated heat rate at manufacturer's rated load or, actual measured heat rate based on the lower heating value of fuel as measured at peak load in kilojoules per watt hour. Y shall not exceed 14.4 kilojoules per watt hour.
F	=	The fuel bound nitrogen allowance as defined in 40 CFR 60.332(a)(3).

(b) Limit Sulfur dioxide (SO_2) emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at fifteen percent (15%) oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to eight tenths percent (0.8%) by weight;

D.3.3 PSD Minor Limit [326 IAC 2-2] [Minor Permit Modification 097-14666-00033]

In order to render the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration (PSD) Requirements) not applicable to Unit GT6 and pursuant to Operation Condition number 9 of the Minor Permit Modification 097-14666-00033 issued on November 9, 2001:

(a) Nitrogen Oxides (NO_x) emissions are limited to less than forty (40) tons per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that 326 IAC 2-2 will not apply. Compliance with the Nitrogen Oxides (NO_x) emissions limitation shall be demonstrated by installing and operating a continuous emission monitor for NO_x emissions from Unit GT6 in accordance with 326 IAC 3-5.

(b) Particulate (PM) emissions (filterable and condensible combined) shall be limited to 6.28 pounds per million cubic feet of natural gas burned such that 326 IAC 2-2 will not apply.

(c) PM10 emissions (filterable and condensible combined) shall be limited to 6.28 pounds per million cubic feet of natural gas burned such that 326 IAC 2-2 will not apply.

(d) Carbon Monoxide (CO) emissions shall be limited to 14.3 pounds per million cubic feet of

natural gas burned such that 326 IAC 2-2 will not apply.

(e) The input of natural gas to Unit GT6 shall be less than 4772 million cubic feet per twelve (12) consecutive month period with compliance determined at the end of each month.

D.3.4 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for Unit GT6 and any emission control devices.

Compliance Determination Requirements

D.3.5 Continuous Emissions Monitoring [326 IAC 3-5] [Minor Permit Modification 097-14666-00033]

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions) and Operation Condition number 9 of the Minor Permit Modification 097-14666-00033 issued on November 9, 2001, continuous monitoring systems for Unit GT6 shall be calibrated, maintained and operated for measuring NO_x which meets the performance specifications of 326 IAC 3-5-2 (Continuous Monitoring of Emissions).

D.3.6 Sulfur and Nitrogen Content [326 IAC 12] [40 CFR 60.334]

(a) Pursuant to 40 CFR 60.334(b), the Permittee shall monitor the daily sulfur content and the nitrogen content of the fuel being fired in Unit GT6 in accordance with 40 CFR 60.335.

(b) Alternatively, the Permittee may develop custom schedules for monitoring the sulfur and nitrogen content of fuel(s) fired in Unit GT6 based on the design and operation of the affected facility and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the USEPA before they can be used to comply with 40 CFR 60.334(b).

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

Within twenty four (24) months after the effective date of this Part 70 Operating Permit, in order to demonstrate compliance with Condition D.3.3, the Permittee shall perform PM, PM-10 and CO testing using methods as approved by the Commissioner. Testing shall be conducted in accordance with Section C- Performance Testing.

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

D.3.8 Sulfur and Nitrogen Content [326 IAC 12] [40 CFR 60.334]

As stated in the U.S. EPA Region 5 approval letter dated June 16, 2004, the Permittee shall comply with the following custom monitoring schedule for Unit GT6 as approved by the U.S. EPA for Unit GT4 and Unit GT5 on October 26, 2000:

(a) Monitoring of fuel nitrogen content shall not be required while natural gas is the only fuel fired in the gas turbine.

(b) Sulfur Monitoring:

(1) Analysis for fuel sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM D3031-81; ASTM 3246-81; and ASTM D4084-82 as referenced in 40 CFR 60.335(d).

(2) Effective the date of this custom schedule, sulfur monitoring shall be conducted twice monthly for six months. If this monitoring shows little variability in the fuel sulfur content, and indicates consistent compliance with 40 CFR 60.333, then sulfur monitoring shall be conducted once per quarter for six quarters.

(3) If after the monitoring required in item (b)(2) above, or herein, the sulfur content of the fuel shows little variability and, calculated as sulfur dioxide, represents consistent compliance with the sulfur dioxide emission limits specified under 40 CFR 60.333, sample analysis shall be conducted twice per annum. This monitoring shall be conducted during the first and third quarters of each calendar year.

(4) Should any sulfur analysis as required in items (b)(2) or (b)(3) above indicate noncompliance with 40 CFR 60.333, the Permittee shall notify IDEM, OAQ and USEPA of such excess emissions and the custom schedule shall be re-examined. Sulfur monitoring shall be conducted weekly during the interim period when this custom schedule is being re-examined.

(5) If there is a change in fuel supply, the Permittee must notify IDEM, OAQ and USEPA of such change for re-examination of this custom schedule. A substantial change in fuel quality shall be considered as a change in fuel supply. Sulfur monitoring shall be conducted weekly during this interim period when this custom schedule is being re-examined.

(6) Records of sample analysis and fuel supply pertinent to this custom schedule shall be retained for a period of three (3) years, and be available for inspection by personnel of federal, state, and local air pollution control agencies.

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

D.3.9 Record Keeping Requirements

(a) To document compliance with Conditions D.3.2, D.3.3, D.3.4, D.3.5, D.3.6, and D.3.8, 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 Conditions D.3.2, D.3.3, D.3.4, D.3.5, D.3.6, and D.3.8.

(1) Data and results from the most recent stack test;

(2) All fuel nitrogen content and sulfur content monitoring data;

(3) All NO_x continuous emissions monitoring data;

(4) Actual fuel usage since last compliance determination period.

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

D.3.10 Reporting Requirements

(a) A quarterly summary of the information to document compliance with Condition D.3.3 shall be submitted to the address(es) listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, 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) The natural gas fired facility certification shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or its equivalent, within thirty (30) days after the end of the six (6) month period being reported. The natural gas-fired boiler certification does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

(c) Periods of excess emissions shall be reported in accordance with the requirements of 40 CFR 60.334(c).

SECTION D.4 FACILITY OPERATION CONDITIONS

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

(l) One (1) General Motors Reciprocating Internal Combustion Standby/Emergency Generator identified as Unit ST14. As an emergency generator, Unit ST14 will be operated less than 500 hours per year. Unit ST14 is distillate oil fired with a design heat input of 27.6 million Btu per hour. Equipped with no add on air pollution control equipment. Exhausting at Stack/Vent ID ST14-1. Installation date for Unit ST14 is 1967.

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

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

D.4.1 Particulate Matter Limitations Except Lake County [326 IAC 6.5-1-2(a)]

Pursuant to 326 IAC 6.5-1-2(a) (Particulate Matter Limitations Except Lake County), particulate (PM) emissions from Unit ST14 shall not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust air.

D.4.2 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 Unit ST14.

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

D.4.3 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of Stack/Vent ID ST14-1 exhaust shall be performed once per day during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(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, not counting startup or shut down time.

(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 abnormal emissions are observed from Unit ST14 stack exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, 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.4.4 Record Keeping Requirements

(a) The Permittee shall maintain records of annual operating hours per year for Unit ST14.

(b) To document compliance with Condition D.4.3, the Permittee shall maintain records of visible emission notations of Stack/Vent ID ST14-1 once per day.

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

SECTION D.5 FACILITY OPERATION CONDITIONS

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

(m) Outside coal storage and handling identified as Unit ID ST37 and ST39. Includes railcar and truck receiving of coal, conveying of coal in enclosed conveyors to coal crusher houses and outside storage of coal. Annual rated storage and throughput of coal estimated to be 7.5 million tons per year. Paved and unpaved plant roads are identified as Unit ST41. Installation date of 1958.

Insignificant Activities:

Coal bunker and coal scale exhausts and associated dust collector vents. [326 IAC 6.5-1-2(a)]
Coal pile wind erosion. Coal drop points. Coal crushing. [326 IAC 6.5-1-2(a)]
Paved and unpaved roads and parking lots with public access. [326 IAC 6-4]

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

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

D.5.1 Particulate Matter Limitations Except Lake County [326 IAC 6.5-1-2(a)]

Pursuant to 326 IAC 6.5-1-2(a) (Particulate Matter Limitations Except Lake County), particulate (PM) emissions from coal bunker and coal scale exhausts and coal crushing each shall not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust air.

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 Unit ST37 and Unit ST39 and coal bunker and coal scale exhausts.

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

D.5.3 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of coal bunker and coal scale exhausts and of the coal unloading station doorways shall be performed once per day during normal daylight operations while in operation or unloading coal. A trained employee shall record whether emissions are normal or abnormal.

(b) If any visible emissions of dust are observed from the coal unloading station doorways, the Permittee shall take reasonable response steps in accordance with Section C - Response to Exceedances or Excursions. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Exceedances or Excursions, shall be considered a deviation from this permit.

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

(d) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

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

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

D.5.4 Record Keeping Requirements

(a) To document compliance with Section C - Opacity and Condition D.5.3, the Permittee shall maintain records of the visible emission notations of coal bunker and coal scale exhausts and visible emission notations of the coal unloading station doorways once per day.

(b) 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)]:

Insignificant Activities

(a) Two (2) flyash silos identified as Unit 50/60 Flyash Silo and Unit 70 Flyash Silo for truck loading. Each silo is exhausted to a baghouse. [326 IAC 6.5-1-2(a)]

(b) Vents from ash transport systems not operated at positive pressure. [326 IAC 6.5-1-2(a)]

(c) Conveying ash by slurry to retention ponds. [326 IAC 6.5-1-2(a)]

(d) Bottom ash and flyash retention ponds. [326 IAC 6.5-1-2(a)]

(e) Fuel oil fired combustion sources with heat input equal to or less than two (2) million Btu per hour and firing fuel containing less than five-tenths (0.5) percent sulfur by weight. [326 IAC 6.5-1-2(a)]

(f) The following equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment. [326 IAC 6.5-1-2(a)]

(g) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6. [326 IAC 8-3-2] [326 IAC 8-3-5]

(h) One (1) 81 horsepower diesel fired emergency generator identified as Emission Unit ID Generator # 1 associated with a communication transmitter tower located at 4190 S. Harding Street, Indianapolis, Indiana, 46217. [326 IAC 6.5-1-2(a)]

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

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

D.6.1 Particulate Matter Limitations Except Lake County [326 IAC 6.5-1-2(a)]

Pursuant to 326 IAC 6.5-1-2(a) (Particulate Matter Limitations Except Lake County), particulate (PM) emissions from Unit 50/60 Flyash Silo, Unit 70 Flyash Silo, vents from ash transport systems, conveying ash by slurry to retention ponds, bottom ash and flyash retention ponds, fuel oil fired combustion sources with heat input equal to or less than two (2) million Btu per hour, brazing equipment, cutting torches, soldering equipment, welding equipment and Emission Unit ID Generator # 1 shall each not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust air.

D.6.2 Volatile Organic Compounds (VOCs) [326 IAC 8-3-2] [326 IAC 8-3-5(a)]

(a) Pursuant to 326 IAC 8-3-2 (Organic Solvent Degreasing Operations: Cold Cleaner Operation), for cold cleaning operations existing as of January 1, 1980 located in Marion County and which are located at sources which have potential emissions of one hundred (100) tons or greater per year of VOC, the Permittee shall:

(1) Equip the cleaner with a cover;
(2) Equip the cleaner with a facility for draining cleaned parts;
(3) Close the degreaser cover whenever parts are not being handled in the cleaner;
(4) Drain cleaned parts for at least fifteen (15) seconds or until dripping ceases;
(5) Provide a permanent, conspicuous label summarizing the operation requirements;
(6) Store waste solvent only in covered containers an 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.

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

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

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

(B) The solvent is agitated; or

(C) The solvent is heated.

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

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

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

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

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

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

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

(c) Pursuant to 326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control), for cold cleaner degreaser operations without remote solvent reservoirs existing as of 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.

SECTION E TITLE IV CONDITIONS

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

(a) One (1) Combustion Engineering Boiler number 9 identified as Unit 9. Unit 9 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting to Stack/Vent ID 3-1. Equipped with no add on air pollution control equipment. Installed in 1942.

(b) One (1) Combustion Engineering Boiler number 10 identified as Unit 10. Unit 10 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting at Stack/Vent ID 4-1. Equipped with no add on air pollution control equipment. Installed in 1947.

(c) One (1) Combustion Engineering Boiler number 50 identified as Unit 50. Unit 50 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 50 and exhausting at Stack/Vent ID 5-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 50. Installation date for Unit 50 is 1958.

(d) One (1) Combustion Engineering Boiler number 60 identified as Unit 60. Unit 60 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 60 and exhausting at Stack/Vent ID 6-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 60. Installation date for Unit 60 is 1961.

(e) One (1) Combustion Engineering Boiler number 70 identified as Unit 70. Unit 70 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 4123.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 70 and exhausting at Stack/Vent ID 7-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil and used oil are used as supplemental fuel and for firing during startup of Unit 70. Construction was commenced on Unit 70 prior to August 17, 1971, and completed in 1973.

(f) One (1) General Electric Gas Turbine Engine number GT4 identified as Unit GT4. Unit GT4 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 875.0 million Btu per hour and exhausting at Stack/Vent ID GT4-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT4 is 1994.

(g) One (1) General Electric Gas Turbine Engine number GT5 identified as Unit GT5. Unit GT5 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 867.0 million Btu per hour and exhausting at Stack/Vent ID GT5-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT5 is 1995.

(h) One (1) General Electric Gas Turbine Model number PG7241 identified as Unit GT6. Unit GT6 is a natural gas fired unit with a design heat input capacity rated at 1,660 MMBtu per hour and exhausting at Stack/Vent ID GT-6. NO_x emissions will be controlled by dry low NO_x burners. Installation date for Unit GT6 is 2002.

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

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 and revision(s) 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 B, 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_x Budget Permit for NO_x Budget Units Under 326 IAC 10-4-1(a)

ORIS Code: 990

NO_X 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) Combustion Engineering Boiler number 9 identified as Unit 9. Unit 9 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting to Stack/Vent ID 3-1. Equipped with no add on air pollution control equipment. Installed in 1942.

(b) One (1) Combustion Engineering Boiler number 10 identified as Unit 10. Unit 10 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting at Stack/Vent ID 4-1. Equipped with no add on air pollution control equipment. Installed in 1947.

(c) One (1) Combustion Engineering Boiler number 50 identified as Unit 50. Unit 50 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 50 and exhausting at Stack/Vent ID 5-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 50. Installation date for Unit 50 is 1958.

(d) One (1) Combustion Engineering Boiler number 60 identified as Unit 60. Unit 60 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 60 and exhausting at Stack/Vent ID 6-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 60. Installation date for Unit 60 is 1961.

(e) One (1) Combustion Engineering Boiler number 70 identified as Unit 70. Unit 70 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 4123.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 70 and exhausting at Stack/Vent ID 7-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil and used oil are used as supplemental fuel and for firing during startup of Unit 70. Construction was commenced on Unit 70 prior to August 17, 1971, and completed in 1973.

(f) One (1) General Electric Gas Turbine Engine number GT4 identified as Unit GT4. Unit GT4 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 875.0 million Btu per hour and exhausting at Stack/Vent ID GT4-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT4 is 1994.

(g) One (1) General Electric Gas Turbine Engine number GT5 identified as Unit GT5. Unit GT5 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 867.0 million Btu per hour and exhausting at Stack/Vent ID GT5-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT5 is 1995.

(h) One (1) General Electric Gas Turbine Model number PG7241 identified as Unit GT6. Unit GT6 is a natural gas fired unit with a design heat input capacity rated at 1,660 MMBtu per hour and exhausting at Stack/Vent ID GT-6. NO_x emissions will be controlled by dry low NO_x burners. Installation date for Unit GT6 is 2002.

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

This NO_X 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_X budget source and each NO_X budget unit shall operate each unit in compliance with this NO_X budget permit.

(b) The NO_X budget units subject to this NO_X budget permit include the following: Unit 9, Unit 10, Unit 50, Unit 60, Unit 70, Unit GT4, Unit GT5, and Unit GT6.

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

(a) The owners and operators and, to the extent applicable, the NO_X authorized account representative of the NO_X budget source and each NO_X 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_X 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_X budget source and each NO_X budget unit at the source shall hold NO_X allowances available for compliance deductions under 326 IAC 10-4-10(j), as of the NO_X 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_X 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_X budget trading program, or a change in regulatory status of a NO_X budget opt-in unit.

(b) Each ton of NO_X emitted in excess of the NO_X budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.

(c) Each NO_X 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_X allowances shall be held in, deducted from, or transferred among NO_X 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_X 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_X allowance was allocated.

(f) A NO_X allowance allocated under the NO_X budget trading program is a limited authorization to emit one (1) ton of NO_X in accordance with the NO_X budget trading program. No provision of the NO_X budget trading program, the NO_X budget permit application, the NO_X 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_X allowance allocated under the NO_X 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_X allowance to or from each NO_X 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_X budget permit of the NO_X 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_X budget unit that has excess emissions in any ozone control period shall do the following:

(a) Surrender the NO_X 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_X budget source and each NO_X 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_X authorized account representative for the source and each NO_X 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_X 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_X budget trading program.

(d) Copies of all documents used to complete a NO_X budget permit application and any other submission under the NO_X budget trading program or to demonstrate compliance with the requirements of the NO_X 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, OES, 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_X authorized account representative of the NO_X budget source and each NO_X budget unit at the source shall submit the reports and compliance certifications required under the NO_X 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_X authorized account representative: "I am authorized to make this submission on behalf of the owners and operators of the NO_X budget sources or NO_X 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_X authorized account representative shall submit required information to:

Indiana Department of Environmental Management
Office of Air Quality
100 North Senate Avenue,
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

(d) Where 326 IAC 10-4 requires a submission to U.S. EPA, the NO_X authorized account representative shall submit required information to:

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

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

The owners and operators of each NO_X budget source shall be liable as follows:

(a) Any person who knowingly violates any requirement or prohibition of the NO_X budget trading program, a NO_X 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_X 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_X budget trading program that occurs prior to the date that the revision takes effect.

(d) Each NO_X budget source and each NO_X budget unit shall meet the requirements of the NO_X budget trading program.

(e) Any provision of the NO_X budget trading program that applies to a NO_X budget source, including a provision applicable to the NO_X authorized account representative of a NO_X budget source, shall also apply to the owners and operators of the source and of the NO_X budget units at the source.

(f) Any provision of the NO_X budget trading program that applies to a NO_X budget unit, including a provision applicable to the NO_X authorized account representative of a NO_X 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_X authorized account representative of one (1) NO_X budget unit shall not be liable for any violation by any other NO_X budget unit of which

they are not owners or operators or the NO_X authorized account representative and that is located at a source of which they are not owners or operators or the NO_X authorized account representative.

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

No provision of the NO_X budget trading program, a NO_X budget permit application, a NO_X 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_X authorized account representative of a NO_X budget source or NO_X 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

and

CITY of INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION
DATA COMPLIANCE

PART 70 OPERATING PERMIT
CERTIFICATION

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033

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
Indianapolis, Indiana 46204-2251
Phone: 317-233-5674
Fax: 317-233-5967
and
CITY of INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION
2700 South Belmont Ave.
Indianapolis Indiana 46221
Phone: 317-327-2234
Fax: 317-327-2274

PART 70 OPERATING PERMIT
EMERGENCY OCCURRENCE REPORT

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033
This form consists of 2 pages **Page 1 of 2**

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

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

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

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

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

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

Form Completed by: _____

Title / Position: _____

Date: _____

Telephone: _____

A certification is not required for this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
and
CITY of INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION
DATA COMPLIANCE

PART 70 OPERATING PERMIT
SEMI-ANNUAL NATURAL GAS FIRED FACILITY CERTIFICATION
(Applicable for boilers or turbines 10 MMBtu/hr or larger, without a COM)
use this form for all natural gas and gas-/oil units)

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033

Natural Gas Only Alternate Fuel burned From:_____ To:_____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete. Signature:
Printed Name:
Title/Position:
Telephone:
Date:

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

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
and
CITY of INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION
DATA COMPLIANCE
Part 70 Usage Report

(submit report quarterly)

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033
Facility: Unit 9 and Unit 10
Parameter: Distillate oil consumption
Limit: 1900 kgals for Unit 9 and 2200 kgals for Unit 10 per twelve consecutive month period with compliance determined at the end of each month

Month: _____ **Year:** _____

Month		Column 1	Column 2	Column 1 + Column 2
		This Month	Previous 11 Months	12 Month Total
Month	Unit 9			
	Unit 10			
Month	Unit 9			
	Unit 10			
Month	Unit 9			
	Unit 10			

No deviation occurred in this month.
Deviation/s occurred in this month.
Deviation has been reported on: _____

Submitted by: _____

Title/Position: _____

Signature: _____

Date: _____

Telephone: _____

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
and
CITY of INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION
DATA COMPLIANCE
Part 70 Usage Report

(submit report quarterly)

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033
Facility: Unit GT1, GT2 and GT3
Parameter: Distillate oil consumption
Limit: 333,333 gallons per Unit per twelve consecutive month period with compliance determined at the end of each month

Month: _____ **Year:** _____

Month		Column 1	Column 2	Column 1 + Column 2
		This Month	Previous 11 Months	12 Month Total
Month	Unit GT1			
	Unit GT2			
	Unit GT3			
Month	Unit GT1			
	Unit GT2			
	Unit GT3			
Month	Unit GT1			
	Unit GT2			
	Unit GT3			

No deviation occurred in this month.
Deviation/s occurred in this month.
Deviation has been reported on: _____

Submitted by: _____

Title/Position: _____

Signature: _____

Date: _____

Telephone: _____

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
and
CITY of INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION
DATA COMPLIANCE

Part 70 Usage Report
(Submit Report Quarterly)

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033
Facility: Unit GT4 and Unit GT5
Parameter: Combined Natural Gas and Natural Gas Equivalent usage
Limit: 6300 MMCF per twelve (12) consecutive month period with compliance determined at the end of each month. 1.0 gallon of distillate fuel usage is equivalent to 293 cubic feet of Natural Gas usage.

Quarter:_____ **Year:**_____

	Column 1	Column 2	Column 3
	Total natural gas usage this month (MMCF)	Total natural gas equivalents for distillate fuel oil usage this month (gal x 293 = MMCF)	Twelve consecutive month period combined natural gas and equivalents usage (MMCF)
Month			
Month			
Month			

No deviation occurred in this month.
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.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY COMPLIANCE DATA SECTION
and
INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION DATA COMPLIANCE

Part 70 Report
(Submit Report Quarterly)

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033
Facility: Unit GT6
Parameter: NO_x emissions
Limit: Less than forty (40) tons per twelve (12) consecutive month period with compliance determined at the end of each month.

Quarter:_____ **Year:**____

	Column 1	Column 2	Column 3
	NOx emissions this month (tons)	NOx emissions previous eleven months (tons)	Twelve consecutive month period NOx emissions (tons)
Month			
Month			
Month			

No deviation occurred in this month.

Deviation/s occurred in this month.

Deviation has been reported on: _____

Submitted by: _____
Title/Position: _____
Signature: _____
Date: _____
Phone: _____

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY COMPLIANCE DATA SECTION
and
INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION DATA COMPLIANCE

Part 70 Usage Report
(Submit Report Quarterly)

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033
Facility: Unit GT6
Parameter: Natural Gas Usage
Limit: 4772 million cubic feet per twelve (12) consecutive month period with compliance determined at the end of each month.

Quarter:_____ Year:____

	Column 1	Column 2	Column 1 + Column 2
	Total natural gas usage this month (MMCF)	**Total natural gas usage previous 11 months (MMCF)**	**Twelve consecutive month period natural gas usage (MMCF)**
Month			
Month			
Month			

No deviation occurred in this month.

Deviation/s occurred in this month.

Deviation has been reported on: _____

Submitted by: _____
Title/Position: _____
Signature: _____
Date: _____
Phone: _____

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION
and
CITY of INDIANAPOLIS OFFICE of ENVIRONMENTAL SERVICES
AIR QUALITY MANAGEMENT SECTION
DATA COMPLIANCE

PART 70 OPERATING PERMIT
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT

Source Name: Indianapolis Power & Light Company - Harding Street Station
Source Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Mailing Address: 3700 South Harding Street, Indianapolis, Indiana 46217
Part 70 Permit No.: T097-6566-00033
Months: _____ **to** _____ **Year:** _____

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

NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD

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

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

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

Form Completed By: ______________________________

Title/Position: ______________________________

Date: ______________________________

Telephone: ______________________________

Attach a signed certification to complete this report.

Appendix A

The following state rules have been adopted by reference by the Indianapolis Air Pollution Control Board and are enforceable by Indianapolis Office of Environmental Services (OES) using local enforcement procedures.

(1) 326 IAC 1
(2) 326 IAC 2-3-1 through 2-3-5;
(3) 326 IAC 2-4-1 through 2-4-6;
(4) 326 IAC 2-6-1 through 2-6-4;
(5) 326 IAC 2-7-1 through 2-7-18, 2-7-20 through 2-7-25;
(6) 326 IAC 2-8-1 through 2-8-15, 2-8-17 through 2-8-10;
(7) 326 IAC 2-9-1 through 2-9-14;
(8) 326 IAC 2-10-1 through 2-10-5 (The IAPCB adoption adds the language “state or local” immediately after the word “federal” in 326 IAC 2-10-1);
(9) 326 IAC 2-11-1, 2-11-3 and 2-11-4 (The IAPCB adoption adds the language “federal, state or local” immediately after the word “by” in 326 IAC 2-11-1);
(10) 326 IAC 3-1.1-1 through 3-1.1-5;
(11) 326 IAC 3-2.1-1 through 3-2.1-5;
(12) 326 IAC 3-3-1 through 3-3-5;
(13) 326 IAC 4-2-1 through 4-2-2;
(14) 326 IAC 5-1-1 (a), (b) and c) (5), 5-1-2 (1), (2)(A), (2)c) (4), 5-1-3 through 5-1-5, 5-1-7;
(15) 326 IAC 6;
(16) 326 IAC 7-1.1-1 and 7-1.1-2;
(17) 326 IAC 7-2-1;
(18) 326 IAC 7-3-1 and 7-3-2;
(19) 326 IAC 7-4-2(28) through (31) (Instead of adopting by reference 7-4-2(1) through (27), the IAPCB regulation substitutes the same requirements listed in a format in which the companies are alphabetized and emission points known to no longer exist have been deleted);
(20) 326 IAC 8-1-0.5 except (b), 8-1-1 through 8-1-2, 8-1-3 except c), (g) and (i), 8-1-5 through 8-1-12;
(21) 326 IAC 8-2-1 through 8-2-12 (The IAPCB adoption by reference of 8-2- 5 adds additional language specific to Zimmer Paper Products, Incorporated as subpart c);
(22) 326 IAC 8-3-1 through 8-3-7;
(23) 326 IAC 8-4-1 through 8-4-5, 8-4-6 (a)(6), (a)(8) and (a)(14) and 8-4-6(b)(1), (b)(3) and 8-4-6c) (In place of 8-4-6(b)(2), which was not adopted, the IAPCB adopted language requiring a pressure relief valve set to release at no less than four and eight-tenths (4.8) Kilo Pascals (seven-tenths (0.7) pounds per square inch)), 8-4-7 except (e), 8-4-8 and 8-4-9;
(24) 326 IAC 8-5-1 through 8-5-4, 8-5-5 except (a)(3) and (d)(3);
(25) 326 IAC 8-6-1 and 8-6-2;
(26) 326 IAC 9-1-1 and 9-1-2;
(27) 326 IAC 10; (adopted January 8, 2004)
(28) 326 IAC 11-1-1 through 11-1-2;
(29) 326 IAC 11-2-1 through 11-2-3;
(30) 326 IAC 11-3-1 through 11-3-6;
(31) 326 IAC 14-1-1 through 14-1-4;
(32) 326 IAC 14-2-1 except 40 CFR 61.145;
(33) 326 IAC 14-3-1;
(34) 326 IAC 14-4-1;
(35) 326 IAC 14-5-1;
(36) 326 IAC 14-6-1;
(37) 326 IAC 14-7-1;
(38) 326 IAC 14-8-1 through 14-8-5;
(39) 326 IAC 15-1-1, 15-1-2(a)(1), (a)(2) and (a)(8), 15-1-3 and 15-1-4;
(40) 326 IAC 20;
(41) 326 IAC 21;
(42) 326 IAC 21-1-1 (The adoption states that “or the administrator of OES” is added in (b));
(43) 326 IAC 22-1-1 (The adoption states that “or the administrator of OES” is added in (b)).

Appendix B

Acid Rain Permit and Subsequent Revisions

APPENDIX B

Phase II
Acid Rain Permit

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Source: **Harding Street Station (formerly known as Elmer W. Stout Generating Station)**
Address: **3700 South Harding Street, Indianapolis, IN 46217**
Operated by: **Indianapolis Power and Light**
Owned by: **Indianapolis Power and Light**
ORIS Code: **990**
Effective: **January 1, 2000 through December 31, 2004**

This permit is issued under the provisions of 326 Indiana Administrative Code (IAC) 21.

Operation Permit No.: AR 097-5106-00033	
Issued by: Felicia R. George, Assistant Commissioner Office of Air Management	Issuance Date: December 31, 1997 Expiration Date: December 31, 2004

Revised Operation Permit No.: AAR 097-10326 -00033	Pages Affected: All
Issued by: Original signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief, Permits Branch Office of Air Quality	Issuance Date: June 17, 2002 Expiration Date: December 31, 2004

Title IV source description: exempt boiler units 1 through 8, oil fired boiler unit 9, oil fired boiler unit 10, tangentially-fired boiler unit 50, tangentially-fired boiler unit 60, tangentially-fired boiler unit 70, natural gas fired turbine units GT4, GT5, and GT6.

1 Statutory and Regulatory Authorities

In accordance with Indiana Code (IC) 13-17-3-4 and IC 13-17-3-11 as well as Title IV of the Clean Air Act, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) issues this permit pursuant to 326 IAC 2 and 326 IAC 21 (incorporates by reference 40 CFR 72 through 78).

2 Standard Permit Requirements [326 IAC 21]

(a) The designated representative has submitted a complete acid rain permit application in accordance with the deadlines in 40 CFR 72.30.

(b) The owners and operators of each affected source and each affected unit shall operate the unit in compliance with this acid rain permit.

3 Monitoring Requirements [326 IAC 21]

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

(b) The emissions measurements recorded and reported in accordance with 40 CFR 75 shall be used to determine compliance by the unit with the acid rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.

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

4 Sulfur Dioxide Requirements [326 IAC 21]

(a) The owners and operators of each source and each affected unit at the source shall:

(1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 72.2), in the unit's compliance subaccount, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and

(2) Comply with the applicable acid rain emissions limitations for sulfur dioxide.

(b) Each ton of sulfur dioxide emitted in excess of the acid rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.

(c) An affected unit shall be subject to the requirements under paragraph (a) of the sulfur dioxide requirements as follows:

(1) starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or,

(2) starting on the latter of January 1, 2000, or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).

(d) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.

(e) An allowance shall not be deducted in order to comply with the requirements under subcondition (a)(1) of this condition prior to the calendar year for which the allowance was allocated.

(f) An allowance allocated by the U.S. EPA under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, an acid rain permit application, an acid rain permit, the acid rain portion of an operating permit, or the written exemption under 40 CFR 72.7, 72.8 and 326 IAC 21, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.

(g) An allowance allocated by U.S. EPA under the Acid Rain Program does not constitute a property right.

(h) No permit revision may be required for increases in emissions that are authorized by allowances acquired pursuant to the Acid Rain Program, provided that the increases do not require a permit revision under any other applicable requirement. [326 IAC 2-7-5(4)(A)].

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

(j) Sulfur dioxide (SO_2) allowances shall be allocated to each unit at the source as follows:

SO_2 Allowance Allocations for Unit 9					
year	2000	2001	2002	2003	2004
Tons	1*	1*	1*	1*	1*

SO_2 Allowance Allocations for Unit 10					
year	2000	2001	2002	2003	2004
Tons	2*	2*	2*	2*	2*

SO_2 Allowance Allocations for Unit 50					
year	2000	2001	2002	2003	2004
Tons	1,673*	1,673*	1,673*	1,673*	1,673*

SO_2 Allowance Allocations for Unit 60					
year	2000	2001	2002	2003	2004
tons	2,057*	2,057*	2,057*	2,057*	2,057*

SO_2 Allowance Allocations for Unit 70					
year	2000	2001	2002	2003	2004
Tons	10,177*	10,177*	10,177*	10,177*	10,177*

* The number of allowances allocated to Phase II affected units by U.S. EPA may change in a revision to 40 CFR 73 Tables 2, 3, and 4 and 326 IAC 21. In addition, the number of allowances actually held by an affected source in a unit account may differ from the number allocated by U.S. EPA. Neither of the aforementioned conditions necessitate a revision to the unit SO_2 allowance allocations identified in this permit (See 40 CFR 72.84).

SO_2 Allowance Allocations for Unit GT4					
year	2000	2001	2002	2003	2004
tons	NA**	NA**	NA**	NA**	NA**

SO_2 Allowance Allocations for Unit GT5					
year	2000	2001	2002	2003	2004
tons	NA**	NA**	NA**	NA**	NA**

SO_2 Allowance Allocations for Unit GT6					
year	2000	2001	2002	2003	2004
tons	NA**	NA**	NA**	NA**	NA**

* * These units have no SO_2 allowance allocations from U.S. EPA. The allowances shall be obtained from

other sources to account for the SO_2 emissions from these units as required by 40 CFR 72.9(c).

5 Nitrogen Oxides Requirements [326 IAC 21]

(a) The owners and operators of the source and each affected unit at the source shall comply with the applicable acid rain emissions limitation for nitrogen oxides (NO_X).

(b) NOx Emission Averaging Plan for Unit 50:

(1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves the NOx emissions averaging plans for this unit. Each plan is effective for one calendar year for the years 2000, 2001, 2002, 2003, and 2004. Under each plan, this unit's NOx emissions shall not exceed the annual average alternative contemporaneous emission limitation of 0.44 lb/mmBtu. In addition, this unit shall not have an annual heat input less than 6,797,000 mmBtu.

(2) Under each plan, the actual Btu-weighted annual average NOx emission rate for the units in the plan shall be less than or equal to the Btu-weighted annual average NOx emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then this unit shall be deemed to be in compliance for that year with its alternative contemporaneous annual emission limitation and annual heat input limit, as specified in (1) above.

(3) In addition to the described NO_X compliance plan, this unit shall comply with all other applicable requirements of 40 CFR part 76, including the duty to reapply for a NO_X compliance plan and requirements covering excess emissions.

(c) NOx Emission Averaging Plan for Unit 60:

(1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves the NOx emissions averaging plans for this unit. Each plan is effective for one calendar year for the years 2000, 2001, 2002, 2003, and 2004. Under each plan, this unit's NOx emissions shall not exceed the annual average alternative contemporaneous emission limitation of 0.45 lb/mmBtu.

(2) Under each plan, the actual Btu-weighted annual average NOx emission rate for the units in the plan shall be less than or equal to the Btu-weighted annual average NOx emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then this unit shall be deemed to be in compliance for that year with its alternative contemporaneous annual emission limitation, as specified in (1) above.

(3) In addition to the described NO_X compliance plan, this unit shall comply with all

other applicable requirements of 40 CFR part 76, including the duty to reapply for a NO_X compliance plan and requirements covering excess emissions.

(d) NOx Emission Averaging Plan for Unit 70:

(1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves the NOx emissions averaging plans for this unit. Each plan is effective for one calendar year for the years 2000, 2001, 2002, 2003, and 2004. Under each plan, this unit's NOx emissions shall not exceed the annual average alternative contemporaneous emission limitation of 0.40 lb/mmBtu. In addition, this unit shall not have an annual heat input less than 25,412,000 mmBtu.

(2) Under each plan, the actual Btu-weighted annual average NOx emission rate for the units in the plan shall be less than or equal to the Btu-weighted annual average NOx emission rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations under 40 CFR 76.5. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then this unit shall be deemed to be in compliance for that year with its alternative contemporaneous annual emission limitation and annual heat input limit, as specified in (1) above.

(3) In addition to the described NO_X compliance plan, this unit shall comply with all other applicable requirements of 40 CFR part 76, including the duty to reapply for a NO_X compliance plan and requirements covering excess emissions.

(e) Oil fired boiler units 9 and 10, and natural gas fired turbine units GT4, GT5, and GT6 are not subject to nitrogen oxides emissions limitation requirements.

6 Excess Emissions Requirements for Sulfur Dioxide and Nitrogen Oxides[40 CFR 77] [326 IAC 21]

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

(b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
Air Compliance Section 1, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Ms. Cecilia Mijares
Air and Radiation Division
U.S. Environmental Protection Agency, Region V
77 West Jackson Boulevard
Chicago, IL 60604-3590

and

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

(c) The owners and operators of an affected unit that has excess emissions (as defined in 40 CFR 72.2) in any calendar year shall:

(1) Pay to U.S. EPA without demand the penalty required, and pay to U.S. EPA upon demand the interest on that penalty, as required by 40 CFR 77 and 326 IAC 21; and

(2) Comply with the terms of an approved sulfur dioxide offset plan, as required by 40 CFR 77 and 326 IAC 21.

7 Record Keeping and Reporting Requirements [326 IAC 21]

(a) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site each of the following documents for a period of 5 years, as required by 40 CFR 72.9(f), from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by U.S. EPA or IDEM, OAQ:

(1) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

(2) All emissions monitoring information collected in accordance with 40 CFR 75.54 shall be retained on site for 3 years;

(3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and

(4) Copies of all documents used to complete an acid rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

(b) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72.90 subpart I, 40 CFR 75, and 326 IAC 21.

8 Submissions [326 IAC 21]

(a) The designated representative shall submit a certificate of representation, and any

superseding certificate of representation, to U.S. EPA and IDEM, OAQ in accordance with 40 CFR 72 and 326 IAC 21.

(b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
Permit Administration Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

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

(c) Each submission under the Acid Rain Program shall be submitted, signed and certified by the designated representative for all sources on behalf of which the submission is made.

(d) In each submission under the Acid Rain Program, the designated representative shall certify, by his or her signature the following statements, which shall be included verbatim in the submission:

(1) "I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made.", and

(2) "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."

(e) The designated representative of a source shall serve notice on each owner and operator of the source and of an affected unit at the source:

(1) By the date of submission, of any Acid Rain Program submissions by the designated representative;

(2) Within 10 business days of receipt of a determination, of any written determination by U.S. EPA or IDEM, OAQ; and,

(3) Provided that the submission or determination covers the source or the unit.

(f) The designated representative of a source shall provide each owner and operator of an affected unit at the source a copy of any submission or determination under condition (e)

of this section, unless the owner or operator expressly waives the right to receive a copy.

9 Severability [326 IAC 21]

Invalidation of the acid rain portion of an operating permit does not affect the continuing validity of the rest of the operating permit, nor shall invalidation of any other portion of the operating permit affect the continuing validity of the acid rain portion of the permit. [40 CFR 72.72(b), 326 IAC 21, and 326 IAC 2-7-5(5)].

10 Liability [326 IAC 21]

(a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete acid rain permit application, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to section 113(c) of the Clean Air Act and IDEM pursuant to 326 IAC 21 and IC 13-30-3.

(b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Clean Air Act and 18 USC 1001 and shall be subject to criminal enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.

(c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.

(d) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.

(e) Any provision of the Acid Rain Program that applies to an affected source, including a provision applicable to the designated representative of an affected source, shall also apply to the owners and operators of such source and of the affected units at the source.

(f) Any provision of the Acid Rain Program that applies to an affected unit, including a provision applicable to the designated representative of an affected unit, shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO_x averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(g) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Clean Air Act.

11 Effect on Other Authorities [326 IAC 21]

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

construed as:

(a) Except as expressly provided in Title IV of the Clean Air Act (42 USC 7651 to 7651(o)), exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

(b) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Clean Air Act;

(c) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law;

(d) Modifying the Federal Power Act (16 USC 79(a) et seq.) or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,

(e) Interfering with or impairing any program for competitive bidding for power supply in a state in which such a program is established.

Indiana Department of Environmental Management
Office of Air Quality
and
City of Indianapolis
Office of Environmental Services

Addendum to the
Technical Support Document for a Part 70 Operating Permit

Source Name:	**Indianapolis Power & Light Company - Harding Street Station**
Source Location:	**3700 South Harding Street, Indianapolis, Indiana 46217**
	4190 South Harding Street, Indianapolis, Indiana 46217
County:	**Marion**
SIC Code:	**4911**
Operation Permit No.:	**T097-6566-00033**
Permit Reviewer:	**M. Caraher**

On January 2, 2004, the Indiana Department of Environmental Management, Office of Air Quality (OAQ) and the City of Indianapolis, Office of Environmental Services (OES) had a notice published in the Indianapolis Star, Indianapolis, Indiana, stating that Indianapolis Power & Light Company - Harding Street Station had applied for a Part 70 Operating Permit relating to the operation of a stationary source consisting of coal, distillate oil and waste oil fired utility boilers and natural gas and distillate oil fired gas turbine combustion units to produce electricity for sale under a Standard Industrial Classification (SIC) Code of 4911 (establishments engaged in the generation, transmission or distribution of electric energy for sale). The notice also stated that OAQ and OES proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of sixty (60) days to provide comments on whether or not this permit should be issued as proposed.

On February 11, 2004, the United States Environmental Protection Agency (EPA) Region V submitted comments to IDEM, OAQ and OES.

On February 12, 2004 and on February 23, 2004, Indianapolis Power & Light Company - Harding Street Station submitted comments to OES during the public notice comment period.

On March 4, 2004, IDEM, OAQ and OES received written comments from Baker & Daniels who submitted the comments on behalf of Indianapolis Power & Light Company - Harding Street Station.

On March 1, 2004, IDEM, OAQ and OES received written comments from the Indiana Electric Utility Air Work Group (IEUAWG). On March 4, 2004, IEUAWG submitted supplemental comments for the Indianapolis Power & Light Company - Harding Street Station.

On October 26, 2004, IDEM, OAQ and OES proposed the Part 70 Operating Permit to U.S. EPA for a 45 day review period. The 45 day U.S. EPA review period ended December 10, 2004. IDEM, OAQ and OES received no comments.

On April 3, 2006, IDEM, OAQ and OES made additional changes to the proposed Part 70 Operating Permit. These additional changes will be discussed in this Addendum to the Technical Support Document following the changes made by IDEM, OAQ and OES based on public notice comments received.

The following changes to the proposed Part 70 Operating Permit will be made. The Technical Support Document (TSD) will remain as it originally appeared when published. OAQ and OES prefer that

the TSD reflect the permit that was on public notice. Changes to the permit or technical support material that occur after the permit has been published are documented in this Addendum to the Technical Support Document. This accomplishes the desired result of ensuring that these types of concerns are documented and part of the record regarding this permit decision. The Permit Table of Contents has been updated to reflect changes where necessary without being included in the response to comments and formatting changes have been made that do not change the meaning, intent or language of the permit. The summary of the changes made by IDEM and OES, public comments, and responses to comments follows with ~~strikeout~~ showing deleted text and **bold** showing new text.

The following comments were received from United States Environmental Protection Agency (EPA) Region V on February 11, 2004:

Comment # 1

It is suggested that the full name of the company (Indianapolis Power and Light Company) be listed somewhere in the permit for future reference purposes.

Response to Comment # 1

On March 4, 2004, Baker & Daniels, on behalf of IPL, requested that the name on the Cover page of the Part 70 Operating Permit be changed from "IPL" to "Indianapolis Power & Light Company." Therefore, the name of the source listed on the Cover page has been changed to **Indianapolis Power & Light Company** ~~IPL~~ - Harding Street Station. In addition, all references to IPL - Harding Street Station throughout the Part 70 Operating Permit have been changed to state **Indianapolis Power & Light Company** ~~IPL~~- Harding Street Station.

Comment # 2

Condition D.1.1(b) - We are unable to locate these permit conditions within the cited regulation, please cite the origin of these requirements so they may be referenced.

Response to Comment # 2

Condition D.1.1(b) limits PM emissions from Unit 9, Unit 10, Unit GT1, Unit GT2 and Unit GT3 such that compliance with the ton per year emission rate, as specified in 326 IAC 6.5-6 (Marion County), formerly 326 IAC 6-1-12 (Particulate Rules: Marion County), is made enforceable as a practical matter (see Response to Comment # 3 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information).

At the AP-42 emission factor for particulate (PM) of 2 pounds per 1000 gallons of distillate fuel oil burned (see TSD Appendix A page 3 of 12), Unit 9 and 10 are each in compliance with the PM emission limit of 0.015 pounds per million Btu (2.0 #/kgal x kgal/1000 gal x gal/0.14 MMBtu = 0.014 pounds per million Btu). However, each Unit does not have add on control equipment for PM and the potential emission rate exceeds the 326 IAC 6.5-6 limitation of 1.9 and 2.2 tons per year, respectively (see TSD Appendix A page 3 of 12). Therefore, fuel use per twelve (12) consecutive month period must be restricted such that compliance with 326 IAC 6.5-6 will be demonstrated. Pursuant to 326 IAC 2-7-5 (Part 70 Permits: Content), each Part 70 Operating Permit shall contain emission limitations and standards, including those operational requirements and limitations, that assure compliance with all applicable requirements and any additional requirement that is enforceable by the State at the time of a Part 70 Operating Permit issuance. Therefore, pursuant to 326 IAC 2-7-5, Unit 9 and Unit 10 each have the input of distillate oil fired restricted per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6.5-6 will be demonstrated. Condition D.1.1(b) references 326 IAC 2-7-5 (Part 70 Permits: Content) and 326 IAC 6.5-6 (Marion County), formerly 326 IAC 6-1-12(a) (Particulate Rules: Marion County), as the applicable rule cites.

At the AP-42 emission factor for particulate (PM) of 0.012 pounds per million Btu heat input (see TSD Appendix A page 7 of 12), Unit GT1, GT2 and GT3 are in compliance with the PM emission limit of 0.015 pounds per million Btu. However, each Unit does not have add on control equipment for PM and the potential emission rate exceeds the 326 IAC 6-1-12 limitation of 0.28 tons per year for each Unit (see TSD Appendix A page 7 of 12). Therefore, fuel use per twelve (12) consecutive month period must be restricted such that compliance with 326 IAC 6.5-6, formerly 326 IAC 6-1-12, will be demonstrated. Pursuant to 326 IAC 2-7-5 (Part 70 Permits: Content), each Part 70 permit shall contain emission limitations and standards, including those operational requirements and limitations, that assure compliance with all applicable requirements and any additional requirement that is enforceable by the State at the time of a Part 70 Operating Permit issuance. Therefore, pursuant to 326 IAC 2-7-5, Unit GT1, Unit GT2 and Unit GT3 each have the input of distillate oil fired restricted per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6.5-6 will be demonstrated. Condition D.1.1(b) references 326 IAC 2-7-5 (Part 70 Permits: Content) and 326 IAC 6.5-6, formerly 326 IAC 6-1-12(a) (Particulate Rules: Marion County) as the applicable rule cites.

Therefore, the only change to Condition D.1.1(b) (Particulate Rules: Marion County) is the change to the title and rule cite of the Condition.

D.1.1 ~~Particulate Rules:~~ Marion County [326 IAC 6**.5-6** ~~-1-12~~][326 IAC 2-7-5]

Comment # 3

Condition D.1.4(a) - We are unable to locate the language within this condition in 326 IAC 5-1-3(e). Please explain where these conditions are from.

Response to Comment # 3

See Response to Comment # 19 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment.

Comment # 4

Condition D.1.4(b) - The remaining part of the regulatory requirement that the Permittee demonstrate that the alternative limit is needed and justifiable "during periods of startup and shutdown or when removing ashes from the fuel bed or furnace in a boiler or blowing tubes" appears to be missing from the permit condition. It is suggested the full requirement be included if this is the intended provision.

Condition D.1.4(b) - It is assumed that Condition (b) applies to Units 50, 60, and 70 but it is not explicitly stated as thus, it is suggested that this be clarified.

Response to Comment # 4

See Response to Comment # 19 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment.

Comment # 5

Condition D.1.9 - As stated, the condition heading "Continuous Emissions Monitoring" is confusing since this appears to be a requirement to add a COM. It is suggested that the word "emissions" be replaced with "opacity" throughout this condition to alleviate confusion in D.1.10(c).

Response to Comment # 5

Condition D.1.**8**~~9~~ is revised to reflect the exact title of 326 IAC 3-5 (Continuous Monitoring of Emissions) and “emissions” has been replaced with “opacity “ in the Condition requirements as follows:

D.1.**8**~~9~~ Continuous **Monitoring of** Emissions ~~Monitoring~~ [326 IAC 3-5]

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous **opacity** ~~emission~~ monitoring systems for Unit 50, Unit 60 and Unit 70 shall be calibrated, maintained, and operated for measuring opacity, which meets the performance specifications of 326 IAC 3-5-2.

See Response to Comment # 20 and Response to Comment # 23 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information.

Comment # 6

For Conditions D.1.10(b), D.1.11(b) - What is the frequency of sampling required for coal sampling or CEM use and what is the frequency of oil sampling for Condition D.1.11(b)? Condition D.1.10, D.1.11 - 326 IAC 7-2-1(f) is missing from these permit conditions, please explain.

Response to Comment # 6

Condition D.1.**9**~~10~~(b) (Sulfur Dioxide Emissions (SO_2) and Sulfur Content) states that sampling and analysis procedures for coal fired Unit 50, Unit 60 and Unit 70 shall be performed pursuant to 326 IAC 3-7-2(a) (Coal Sampling and Analysis Methods). Therefore, pursuant to 326 IAC 3-7-2(a)(9) (Coal Sampling and Analysis Methods), composite samples shall be collected for analysis at a minimum of one (1) time per twenty-four (24) hour period.

Condition D.1.**10**~~11~~(b) (Sulfur Dioxide Emissions (SO_2) and Sulfur Content) states for the distillate fuel fired Unit 9, Unit 10 and Units GT1, GT2 and GT3, the Permittee may rely upon vendor analysis of fuel delivered, if accompanied by a vendor certification, as allowed by 326 IAC 3-7-4(b) (Fuel Oil Sampling; Analysis Methods), or sampling and analysis procedures shall be performed in accordance with 326 IAC 3-7-4(a). If not relying on vendor analysis of each fuel shipment, the frequency of fuel oil sampling is stated in Condition D.**10**~~11~~(b)(2)(A) and (B).

Condition D.1.**9**~~10~~(c) (Sulfur Dioxide Emissions (SO_2) and Sulfur Content) and D.**10**~~11~~(c) (Sulfur Dioxide Emissions (SO_2) and Sulfur Content) state, pursuant to 326 IAC 7-2-1(g), a continuous emissions monitor for SO_2 emissions may be used as the means for determining compliance with the applicable emission limitations of 326 IAC 7 if the continuous emission monitoring data is collected and reported pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions). Therefore, pursuant to 326 IAC 3-5-2(2)(B), continuous monitoring systems that measure SO_2 emissions shall complete a minimum of one (1) cycle of operation (sampling, analyzing, and data recording) for each successive fifteen (15) minute measuring period. Pursuant to 326 IAC 3-5-2(5), if the monitoring system is a requirement of 40 CFR Part 75, then the appropriate instrument span values and cycling times pursuant to the applicable Part shall be used.

326 IAC 7-2-1(f) (Sulfur Dioxide Compliance: Reporting Methods to Determine Compliance) did not appear in the public notice version Part 70 Operating Permit. This requirement stated, "a determination of noncompliance pursuant to either method in subsection (d) or (e) shall not be refuted by evidence of compliance pursuant to the other method." Subsection (d) stated that compliance could also be demonstrated by stack testing. Therefore, the requirements of 326 IAC 7-2-1(d) and (f) have been inserted as follows, with the change additionally made to Condition D.2.12 (Sulfur Dioxide Emissions (SO_2) and Sulfur Content) (see Response to Comment # 20 and Response to Comment # 24 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information):

D.1.**9**~~10~~ Sulfur Dioxide Emissions (SO_2) and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-2]

Compliance for Unit 50, Unit 60 and Unit 70 shall be determined as follows:

(a) Pursuant to 326 IAC 7-2-1(c), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of the SO_2 limitation(s) in pounds per million Btu

for Unit 50, Unit 60 and Unit 70 stated in Condition D.1.2 using a thirty (30) day rolling weighted average.

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

(1) Coal sampling shall be performed using the methods specified in 326 IAC 3-7-2(a), and sample preparation and analysis shall be performed as specified in 326 IAC 3-7-2(c), (d) and (e); or

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

(c) Pursuant to 326 IAC 7-2-1(d), compliance or noncompliance with the emission limitations contained in 326 IAC 7-4 may be determined by a stack test conducted in accordance with 326 IAC 3-6 utilizing procedures outlined in 40 CFR 60, Appendix A, Method 6, 6A, 6C or 8.

(d) A determination of noncompliance pursuant to either 326 IAC 7-2-1(d) or 326 IAC 7-2-1(e) shall not be refuted by evidence of compliance pursuant to the other method.

(e) ~~(c)~~ Upon written notification to IDEM 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**~~11~~ Sulfur Dioxide Emissions (SO_2) and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-2] [326 IAC 3-7-4]

Compliance for Unit 9, Unit 10 and Unit GT1, Unit GT2 and Unit GT3 shall be determined as follows:

(a) Pursuant to 326 7-2-1(c)(3), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of the SO_2 limitation(s) in pounds per million Btu **for Unit 9, Unit 10 and Unit GT1, Unit GT2 and Unit GT3** stated in Condition D.1.2 using a calendar month average.

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

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

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

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

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

(c) Pursuant to 326 IAC 7-2-1(d), compliance or noncompliance with the emission limitations contained in 326 IAC 7-4 may be determined by a stack test conducted in accordance with 326 IAC 3-6 utilizing procedures outlined in 40 CFR 60, Appendix A, Method 6, 6A, 6C or 8.

(d) A determination of noncompliance, pursuant to either 326 IAC 7-2-1(d) or 326 IAC 7-2-1(e), shall not be refuted by evidence of compliance pursuant to the other method.

(e) ~~(c)~~ Upon written notification to IDEM 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)]

Comment # 7

Conditions D.1.10(c), D.1.11(c), D.2.12(c) - These conditions are not listed in the SIP (i.e. only in the Indiana Admin. Code), Indiana should be able to determine compliance with emission limits using "any information available" in accordance with Sec. 113(a) of the CAA. It is suggested that this condition be removed or revised.

Condition D.1.17(b)(1) - It is suggested that the phrase "pursuant to 326 IAC 7-2-1(g)" be removed from the permit because CEMs are already required through the Acid Rain program and data should be available to demonstrate compliance with D.1.2.

Response to Comment # 7

The existing State enforceable provision, 326 IAC 7-2-1(g), allows for continuous emission monitoring data, collected and reported pursuant to 326 IAC 3-5, to be used as the means for determining compliance with the emission limitations in 326 IAC 7. Condition B.**25**~~24~~ (Credible Evidence) clarifies that any credible evidence can be used to demonstrate compliance or noncompliance with any condition of this Permit. Therefore, there is no change to the newly lettered Conditions D.1.**9**~~10(c)~~**(e)**, D.1.**10**~~11(c)~~**(e)** or D.2.12~~(c)~~**(e)**.

With regard to Condition D.1.**15**~~17~~(b)(1) and in order for the source to potentially substitute SO_2 CEM data, currently collected pursuant to 40 CFR Part 75, to report compliance with the applicable emission limitations of 326 IAC 7, there has to be Part 70 Operating Permit Condition that allows discontinuing fuel sampling and analysis requirements of 326 IAC 7. Condition B.**25**~~24~~(Credible Evidence) clarifies that any credible evidence can be used to demonstrate compliance or noncompliance with any condition of this Permit.

Condition D.1.**15**~~17~~(b) requires that records be complete and sufficient to determine compliance with the SO_2 emission limitations for Unit 50, Unit 60 and Unit 70. In order to provide additional clarity with regard to the type of records kept, the following changes are made to Condition D.1.**15**~~17~~(b) (see Response to Comment # 28 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information):

D.1.**15**~~17~~ Record Keeping Requirements

(a) To document compliance with Section C - Opacity and Conditions D.1.1, D.1.3, D.1.4, ~~D.1.6,~~ D.1.13 **and** D.1.14 ~~, D.1.15 and D.1.16~~, the Permittee shall maintain records in accordance with (1) through ~~(5)~~ **(6)** below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.1.1, D.1.3 and D.1.4.

(1) monthly and twelve (12) consecutive month distillate oil consumption in Unit 9,

Unit 10 and Units GT1, GT2 and GT3;

(2) data and results from the most recent stack test;

(3) all continuous opacity monitoring data, pursuant to 326 IAC 3-5;

(4) the results of all visible emission (VE) notations**;** ~~and~~

(5) the results of all Method 9 visible emission readings taken during any periods of COM downtime;

(6) ~~(5)~~ All ESP parametric monitoring readings.

(b) To document compliance with Conditions D.1.2, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO_2 limit established in Condition D.1.2 and **D.1.9** ~~D.1.10~~ for Unit 50, Unit 60 and Unit 70.

(1) **when using SO_2 CEMs to demonstrate compliance,** all SO_2 continuous emissions monitoring data, pursuant to 326 IAC 3-5-6 and 326 IAC 7-2-1(g);

(2) **when using fuel sampling and analysis to demonstrate compliance**, all fuel sampling and analysis data, pursuant to 326 IAC 7-2;

(3) actual fuel usage since last compliance determination period.

Comment # 8

Conditions D.1.17(c), D.2.16(c), D.3.11(c) - A typographical error exists in these conditions.

Response to Comment # 8

The typographical error in Condition D.1.**15**~~17~~(c) (Record Keeping Requirements) has been changed as follows (see Response to Comment # 28 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information):

(c) To document compliance with Conditions D.1.2, the Permittee shall maintain records in accordance with (1) through (6) below. Records maintained for (1) through **(6)** ~~(4)~~ shall be complete and sufficient to demonstrate to establish compliance with the SO_2 limit established in Condition D.1.2 for Unit 9, Unit 10, Unit GT1, Unit GT2 and Unit GT3.

The typographical error for Condition D.2.16(c) (Reporting Requirements) and Condition D.3.**10** ~~11~~(c) (Reporting Requirements) are the same typographical error where Part 60 had inadvertently been left out of the CFR citation. This typographical error for each Condition has been changed as follows:

(c) Periods of excess emissions shall be reported in accordance with the requirements of 40 CFR **60.** 334(c).

Comment # 9

Condition D.2.7 - Please state the required EPA Methodology in the permit.

Response to Comment # 9

The appropriate EPA Methodology has been inserted along with a revision to the correct Construction Permit tracking number for the August 27, 1992 issuance of 097-2206-00033 as follows

(see Response to Comment # 31 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information):

D.2.7 Opacity Limitations [326 IAC 2-2] [Construction Permit 097-2206-00**0**3**3**~~10~~] [326 IAC 5-1]

Pursuant to the Construction Permit 097-2206-00**0**3**3**~~10~~ issued August 27, 1992, opacity from Unit GT4 and Unit GT5 each shall not exceed twenty percent (20%) **as determined by 40 CFR Part 60, Appendix A, Method 9**.

Comment # 10

Condition D.2.13 - The referenced CFR citation does not exist; 60.335(b)(2) should be 60.335(d)?

Response to Comment # 10

The correct reference is 40 CFR 60.335(d) for Condition D.2.13(b). A typographical error also exists for an ASTM Method for gaseous fuels. The Condition typographical errors are revised as follows:

D.2.13 Sulfur and Nitrogen Content [326 IAC 12] [40 CFR 60.334]

The Permittee shall comply with the following custom monitoring schedule for Unit GT4 and Unit GT5 as approved for the site by the USEPA on October 26, 2000:

(a) Monitoring of fuel nitrogen content shall not be required while natural gas is the only fuel fired in the gas turbine.

(b) Sulfur Monitoring:

(1) Analysis for fuel sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM **D3031-81** ~~D30301-81~~; ASTM 3246-81; and ASTM D4084-82 as referenced in 40 CFR 60.335 **(d)** ~~(b)(2)~~.

Comment # 11

Condition D.2.15 - The requirement of D.2.10 to "record the ratio of water to fuel being fired in GT4 and GT5" appears to be missing from the list of record keeping requirements. Also, why are the Conditions D.2.2, D.2.5, D.2.6, D.2.9, D.2.10, and D.2.12 not included in the list of conditions that require documentation to demonstrate compliance?

Response to Comment # 11

Condition D.2.12 (Sulfur Dioxide Emissions and Sulfur Content) was referenced in Condition D.2.15 (Record Keeping Requirements). Record keeping of the fuel consumption and the ratio of water to fuel fired in Unit GT4 and Unit GT5 must be included. Condition D.2.2 (New Source Performance Standard (NSPS)), Condition D.2.5 (Particulate Rules; Particulate Emission Limitations), Condition D.2.6 (Sulfur Dioxide (SO_2 Emission Limitations), Condition D.2.9 (Testing Requirements) and Condition D.2.10 (New Source Performance Standard (NSPS)) should be included and are now included in Condition D.2.15 (Record Keeping Requirements) as follows (see Response to Comment # 21 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information):

D.2.15 Record Keeping Requirements

(a) To document compliance with Conditions **D.2.2** D.2.3, D.2.4, **D.2.5, D.2.6,** D.2.7, **D.2.9, D.2.10,** D.2.12, D.2.13 and D.2.14, the Permittee shall maintain records in accordance with (1) through (5) below. Records shall be complete and sufficient to establish

compliance with the limits established in Conditions **D.2.2,** D.2.3, D.2.4, **D.2.5, D.2.6,** D.2.7 and D.2.14.

(1) Data and results from the most recent stack test;

(2) All fuel nitrogen content and sulfur content monitoring data;

(3) Records of fuel usage;

(4) Records of the fuel consumption and the ratio of water to fuel being fired in Unit GT4 and Unit GT5; and

~~(4)~~**(5)** Visible emissions (VE) notations.

~~(5) All preventive maintenance measures taken.~~

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

Comment # 12

Condition D.3.3 - Emission limits for PM, SO_2, CO, and Lead included in minor permit modification 097-14666-00033 have been excluded from the draft Part 70/NSR permit. Since the unit's PTE for both PM and CO are over the significance threshold, it does not appear that these emission limits can be removed. Furthermore, we are unable to locate justification for their removal within the TSD.

Response to Comment # 12

The Minor Permit Modification 097-14666-00033 issued on November 9, 2001 by the City of Indianapolis OES for Unit GT6 installation modified the Significant Source Modification 097-10952-00033 issued by the City of Indianapolis, Environmental Resources Management Division on August 17, 1999. The Minor Permit Modification 097-14666-00033 allowed IPL - Harding Street Station to install a different natural gas fired (Unit GT6) gas turbine instead of a distillate fuel or natural gas fired turbine as was permitted by the Significant Source Modification 097-10952-00033.

Page 7 of 59 of the public notice TSD in item (h) of the Existing Approvals section contained the discussion of what was not carried over from the Minor Permit Modification 097-14666-00033. There are no Lead emissions from the natural gas fired turbine Unit GT6. Therefore, there is no applicable requirement for Lead emissions from Unit GT6. Emission limitations for PM/PM10 and CO, as stated in Condition 9(a)(1) and (4) of the Minor Permit Modification 097-14666-00033, are existing applicable requirements. Condition 9(a)(1) and (4) of the Minor Permit Modification 097-14666-00033 stated "PM/PM10 emissions (filterable and condensible combined) - are limited to less than 15 tons per year; Carbon Monoxide (CO) - is limited to less than 100 tons per year." However, the Minor Permit Modification 097-14666-00033 did not contain a fuel use limitation or short term emission limitations in order to demonstrate compliance with the PM/PM10 and CO ton per year emission limitations.

Pursuant to the Minor Source Modification 097-14666-00033 issued November 9, 2001, compliance with the Nitrogen Oxides (NO_X) emissions limitation shall be demonstrated by installing and operating a continuous emission monitor for NO_X emissions from Unit GT6 in accordance with 326 IAC 3-5. Pursuant to the Minor Source Modification 097-14666-00033 issued November 9, 2001, compliance with the Nitrogen Oxides (NO_X) emissions limitation will ensure that all criteria pollutants emitted shall stay below significant modification thresholds. However, limiting actual NO_X emissions to less than forty (40) tons per twelve consecutive month period does not limit PM/PM10 and CO emissions to less than the major modification threshold pursuant to 326 IAC 2-2. The major modification threshold for PM is twenty five (25) tons per year, the major modification threshold for PM10 is fifteen (15) tons per year and the major modification threshold for CO is one hundred (100) tons per year. Therefore, an enforceable

short term limit using AP-42 Table 3.1-1 and Table 3.1-2a (4/00) emission factors for PM, PM10 and CO and a fuel use limitation per twelve (12) consecutive month period is now required to limit PM emissions to less than twenty five (25) tons per twelve (12) consecutive month period, PM10 emissions to less than fifteen (15) tons per twelve (12) consecutive month period and to limit CO emissions to less than one hundred (100) tons per twelve (12) consecutive month period such that compliance with 326 IAC 2-2 will be demonstrated.

In addition, performance stack testing for PM/PM10 and CO is now required because Unit GT6 has not been historically performance stack tested for PM/PM10 and/or CO to demonstrate that the enforceable short term emission rate and the twelve (12) consecutive month fuel use limitation limits PM/PM10 and CO emissions such that 326 IAC 2-2 does not apply. Listed below is the derivation of the fuel use limitation and the resultant potential to emit utilizing AP-42 Table 3.1-1 and 3.1-2a(4/00) emission factors.

0.0066 lb PM & PM10/MMBtu x MMBtu/0.00105 MMCF x ton/2000 lb x X MMCF/yr = < 15 tons PM/PM10 per year

X = 4772 MMCF/year

Pollutant	PM (ton/yr)	PM10 (ton/yr)	Lead (ton/yr)	CO (ton/yr)	SO_2 (ton/yr)	NO_x (ton/yr)	VOC (ton/yr)
Limited Potential to Emit from Unit GT6 @ 4772 MMCF/yr	14.9	14.9	0.0	34.1	2.3	< 40.0	4.8
PSD and Emission Offset Rules Significant Levels	25	15	0.6	100	40.0	40.0	40.0

At a Btu content of 0.00105 MMBtu per million cubic feet of natural gas burned, the AP-42 Table 3.1-2a (4/00) emission factor of 0.0066 pounds PM & PM10 per MMBtu is equivalent to 6.28 pounds PM/PM10 per million cubic feet of natural gas burned (0.0066 lbs PM & PM10/MMBtu x 0.00105 MMBtu/MMCF = 6.28 lbs PM/MMCF). At a Btu content of 0.00105 MMBtu per million cubic feet of natural gas burned, the AP-42 Table 3.1-1 (4/00) emission factor of 0.015 pounds CO per MMBtu is equivalent to 14.3 pounds CO per million cubic feet of natural gas burned (0.015 lbs CO/MMBtu x 0.00105 MMBtu/MMCF = 14.3 lbs CO/MMCF).

Therefore, the emission limitations for PM/PM10 and CO stated in Condition 9(a)(1) and (4) of the Minor Permit Modification 097-14666-00033 are existing applicable requirements. In order to demonstrate compliance with Condition 9(a)(1) and (4) of the Minor Source Modification 097-14666-00033 issued November 9, 2001, emission limitations for PM/PM10 and CO are now included in the Part 70 Operating Permit as follows:

D.3.3 PSD Minor Limit [326 IAC 2-2] [Minor Permit Modification 097-14666-00033]

In order to render the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration (PSD) Requirements) not applicable to Unit GT6 ~~Pursuant to 326 IAC 2-2 (Prevention of Significant Deterioration Requirements)~~ and **pursuant to** Operation Condition number 9 of the Minor Permit Modification 097-14666-00033 issued on November 9, 2001:

(a) Nitrogen Oxides (NO_x) emissions are limited to less than forty (40) tons per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that 326 IAC 2-2 will not apply.

~~(b)~~ Compliance with the Nitrogen Oxides (NO_x) emissions limitation shall be demonstrated by installing and operating a continuous emission monitor for NO_x emissions from Unit GT6 in accordance with 326 IAC 3-5.

(b) Particulate (PM) emissions (filterable and condensible combined) shall be limited

to 6.28 pounds per million cubic feet of natural gas burned such that 326 IAC 2-2 will not apply.

(c) PM10 emissions (filterable and condensible combined) shall be limited to 6.28 pounds per million cubic feet burned of natural gas burned such that 326 IAC 2-2 will not apply.

(d) Carbon Monoxide (CO) emissions shall be limited to 14.3 pounds per million cubic feet of natural gas burned such that 326 IAC 2-2 will not apply.

(e) The input of natural gas to Unit GT6 shall be less than 4772 million cubic feet per twelve (12) consecutive month period with compliance determined at the end of each month.

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

Within twenty four (24) months after the effective date of this Part 70 Operating Permit, in order to demonstrate compliance with Condition D.3.3, the Permittee shall perform PM, PM10 and CO testing using methods as approved by the Commissioner. Testing shall be conducted in accordance with Section C- Performance Testing.

In addition, a Part 70 Usage Report Form for natural gas usage in Unit GT6 is necessary to document natural gas fuel usage per twelve (12) consecutive month period such that PM/PM10 and CO emissions are less than the major modification threshold pursuant to 326 IAC 2-2 and has been added as follows:

Part 70 Usage Report
(Submit Report Quarterly)

Source Name: **Indianapolis Power & Light Company - Harding Street Station**
Source Address: **3700 South Harding Street, Indianapolis, Indiana 46217**
Mailing Address: **3700 South Harding Street, Indianapolis, Indiana 46217**
Part 70 Permit No.: **T097-6566-00033**
Facility: **Unit GT6**
Parameter: **Natural Gas usage**
Limit: **4772 million cubic feet per twelve (12) consecutive month period with compliance determined at the end of each month.**

Quarter:_____ **Year:**_____

	Column 1	Column 2	Column 1 + Column 2
	Total natural gas usage this month (MMCF)	Total natural gas usage previous 11 months (MMCF)	Twelve consecutive month period natural gas usage (MMCF)
Month			
Month			

	Column 1	Column 2	Column 1 + Column 2
	Total natural gas usage this month (MMCF)	**Total natural gas usage previous 11 months (MMCF)**	**Twelve consecutive month period natural gas usage (MMCF)**
Month			

Comment # 13

Condition D.3.9 - Although the application of this custom monitoring schedule was approved for GT4 and GT5 and included as a condition in the construction permit, this schedule appears to be unit specific and therefore cannot be applied to GT6 without another determination from USEPA or IDEM Enforcement.

Response to Comment # 13

The provisions of 40 CFR 60.333 Subpart GG (Standards of Performance for Stationary Gas Turbines) apply to each stationary gas turbine which commences construction, modification or reconstruction after October 3, 1977 and has a heat input at peak load equal to greater than 10.7 gigajoules per hour. Pursuant to 40 CFR 60.334(b)(2), the permittee may develop a custom fuel schedule for each affected facility. However, each custom fuel schedule for an affected facility must be approved by the Administrator before it can be used to comply with alternative fuel sulfur and nitrogen content monitoring. Unit GT6 does utilize the same pipeline natural gas that Unit GT4 and Unit GT5 utilizes.

In a letter dated April 27, 2004, the Indianapolis Power & Light Company - Harding Street Station petitioned U.S. EPA Region V to approve a custom fuel schedule for Unit GT6 that is identical to the custom fuel schedule for Unit GT4 and Unit GT5 approved by U.S. EPA Region V in a letter dated October 26, 2000. On June 16, 2004, U.S. EPA Region V sent an approval letter to the Indianapolis Power & Light Company - Harding Street Station stating, "U.S. EPA did in fact approve a schedule for these units in a letter dated October 26, 2000. If in fact the natural gas supply source is the same for these units as it is for GT6, then U.S. EPA would consider the data gathered for GT4 and GT5 reflective of the data that would be gathered for GT6. Therefore, the sulfur content for GT6 can be monitored by continuing to collect samples twice per year." As a result, Condition D.3.**8**~~9~~ Sulfur and Nitrogen Content shall remain in the Part 70 Operating Permit. However, the first sentence of Condition D.3.**8**~~9~~ is revised as follows:

D.3.**8**~~9~~ Sulfur and Nitrogen Content [326 IAC 12] [40 CFR 60.334]

As stated in the U.S. EPA Region 5 approval letter dated June 16, 2004, the ~~The~~ Permittee shall comply with the following custom monitoring schedule for Unit GT6 as approved ~~for the site~~ by the U.S. EPA for Unit GT4 and Unit GT5 on October 26, 2000:

(a) Monitoring of fuel nitrogen content shall not be required while natural gas is the only fuel fired in the gas turbine.

(b) Sulfur Monitoring:

(1) Analysis for fuel sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM D3031-81; ASTM 3246-81; and ASTM D4084-82 as referenced in 40 CFR 60.335(d).

(2) Effective the date of this custom schedule, sulfur monitoring shall be conducted twice monthly for six months. If this monitoring shows little variability in the fuel sulfur content, and indicates consistent compliance with 40 CFR 60.333, then sulfur monitoring shall be conducted once per quarter for six quarters.

(3) If after the monitoring required in item (b)(2) above, or herein, the sulfur content of the fuel shows little variability and , calculated as sulfur dioxide, represents consistent compliance with the sulfur dioxide emission limits specified under 40 CFR 60.333, sample analysis shall be conducted twice per annum. This monitoring shall be conducted during the first and third quarters of each calendar year.

(4) Should any sulfur analysis as required in items (b)(2) or (b)(3) above indicate noncompliance with 40 CFR 60.333, the Permittee shall notify IDEM, OAQ and USEPA of such excess emissions and the custom schedule shall be re-examined. Sulfur monitoring shall be conducted weekly during the interim period when this custom schedule is being re-examined.

(5) If there is a change in fuel supply, the Permittee must notify IDEM, OAQ and USEPA of such change for re-examination of this custom schedule. A substantial change in fuel quality shall be considered as a change in fuel supply. Sulfur monitoring shall be conducted weekly during this interim period when this custom schedule is being re-examined.

(6) Records of sample analysis and fuel supply pertinent to this custom schedule shall be retained for a period of three (3) years, and be available for inspection by personnel of federal, state, and local air pollution control agencies.

Comment # 14

Condition D.4.1, D.5.1 - We are unable to locate in the TSD a demonstration as to why the emission limits listed do not require any methods to demonstrate compliance (i.e. monitoring, record keeping, reporting).

Response to Comment # 14

Pursuant to 326 IAC 2-7-5 (Part 70 Permit: Permit Content), each of these Sections requires a preventive maintenance plan and requires compliance monitoring. Compliance monitoring for these units is required because these Units are significant emission units and are subject to an applicable requirement, 326 IAC 6.5-1-2(a), formerly 326 IAC 6-1-2(a). Therefore, the preventive maintenance plan requirement has been inserted as Condition D.4.2 and visible emissions notations have been inserted as Condition D.4.3. The requirement to conduct visible emission notations for all non-fugitive coal handling activities has been added to Section D.5. Compliance monitoring conditions are in the permit, pursuant to 326 IAC 2-7-5(3), in order to "assure that all reasonable information is provided to evaluate continuous compliance with the applicable requirements." IDEM, OAQ and OES have determined that once per day monitoring of visible emission notations is generally sufficient to ensure proper operation. IDEM, OAQ and OES have also determined that monitoring these parameters once per day is sufficient to satisfy the requirements of the Part 70 rules at 326 IAC 2-7-5 and 326 IAC 2-7-6. Therefore, the following changes are made to Section D.4 and Section D.5 (see Response to Comment # 27 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information):

D.4.2 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 Unit ST14.

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

D.4.3 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of Stack/Vent ID ST14-1 exhaust shall be performed once per day during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(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, not counting startup or shut down time.

(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 abnormal emissions are observed from Unit ST14 stack exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this Permit.

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 Unit ST37 and Unit ST39 **and coal bunker and coal scale exhausts.**

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

D.5.3 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of **coal bunker and coal scale exhausts and of** the coal unloading station doorways shall be performed once per **day** ~~shift~~ during normal daylight operations while **in operation or** unloading coal. A trained employee shall record whether ~~any~~ emissions are **normal or abnormal** ~~observed~~.

(b) If any visible emissions of dust are observed from the coal unloading station doorways, the Permittee shall take reasonable response steps in accordance with Section C - **Response to Exceedances or Excursions** ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - **Response to Exceedances or Excursions** ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~, shall be considered a deviation from this permit.

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

(d) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

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

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

D.5.4 Record Keeping Requirements

(a) To document compliance with Section C - Opacity and Condition D.5.3, the Permittee shall maintain records of the visible emission notations **of coal bunker and coal scale exhausts and** visible emission notations of the coal unloading station doorways **once per day**.

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

Comment # 15

Condition D.4.1 and A.3(l) - Since this is a "Emergency Generator" and the PTE emission estimates in the TSD (Appendix A) were based on operation of 500 hours per year, it is suggested that the facility/unit description within the permit be revised to indicate that the generator will be operated less than 500 hrs per year in accordance with EPA guidance "Calculating PTE from Emergency Generators." In addition, it is suggested that a record keeping requirement to maintain records of the total operating hours per year be added to the permit.

Response to Comment # 15

As an emergency generator, the potential to emit regulated pollutants was calculated at a maximum of 500 operating hours per year. At 500 annual operating hours, the potential to emit any regulated pollutant is each less than twenty five (25) tons per year (see TSD Appendix A page 10 of 12). If the potential to emit is calculated in excess of 500 annual operating hours, the potential to emit regulated pollutants would exceed twenty five (25) tons per year (see TSD Appendix A page 10 of 12). Therefore, additional clarification of the description in A.3(l) (Emission Units and Pollution Control Equipment Summary) and D.4.1 for this Unit is needed in regard to the maximum annual operating hours for this Unit and record keeping of annual operating hours needs to be inserted. Therefore, Condition A.3(l) is revised and Condition D.4.4 is added as follows:

(l) One (1) General Motors Reciprocating Internal Combustion Standby/Emergency Generator identified as Unit ST14. **As an emergency generator, Unit ST14 will be operated less than 500 hours per year.** Unit ST14 is distillate oil fired with a design heat input of 27.6 million Btu per hour. Equipped with no add on air pollution control equipment. Exhausting at Stack/Vent ID ST14-1. Installation date for Unit ST14 is 1967.

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

D.4.4 Record Keeping Requirements

(a) The Permittee shall maintain records of annual operating hours per year for Unit ST14.

(c) To document compliance with Condition D.4.3, the Permittee shall maintain records of visible emission notations of Stack/Vent ID ST14-1 once per day.

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

Comment # 16

Installation Permit Number 920033-01 (9/22/92) Allowable Emissions (Page 1) - Please explain why the emission limitations for PM, SO_2, CO and VOC for the combustion of fuel oil and natural gas were not incorporated into the Title V/NSR permit.

Response to Comment # 16

Installation Permit Number 920033-01 was issued by the City of Indianapolis OES on September 22, 1992 to satisfy Indianapolis Air Pollution Control Board construction permit review rules for Unit GT4 and Unit GT5. This determination was preceded by the Indiana Department of Environmental Management OAQ Construction Permit 097-2206-00033 issued on August 27, 1992 for Unit GT4 and Unit GT5 installation. Pursuant to Operation Condition No. 11 of Construction Permit 097-2206-00033, distillate oil fired in Unit GT4 and Unit GT5 shall not exceed 0.05% by weight. Pursuant to Operation Condition No. 12 of Construction Permit 097-2206-00033, limiting total consumption of natural gas, distillate fuel and distillate fuel equivalents, shall limit the PM, PM10, SO_2, CO and VOC emissions to less than 25, 15, 40, 100 and 40 tons per year, respectively. Therefore, 326 IAC 2-2 will not apply to these emissions but will apply to NO_x emissions.

There is currently no applicable Indianapolis Air Pollution Control Board Regulation that exists to additionally limit or further limit short term or long term (tons per year) emissions of TSP, NO_x, CO or VOC. Therefore, no short term or long term emission limitation from CP 920033-01 is being incorporated in to the proposed Part 70 Operating Permit for PM, CO, NO_x and VOC. In the Existing Approvals section of the public notice TSD on page 7 of 59, is a discussion of why TSP, NO_x, CO and VOC are being dropped from Construction Permit number CP 920033-01 issued by the City of Indianapolis.

40 CFR Part 60 Subpart GG (Standards of Performance for Stationary Gas Turbines) applies to Unit GT4 and Unit GT5. The NO_x short term limitation is set at 42 ppmv and 65 ppmv, respectively, pursuant to CP 097-2206-00033, and satisfied the PSD BACT requirements of 326 IAC 2-2-3(a)(3) at the time of Construction Permit issuance. Therefore, no long term limit for NO_x was established in the Construction Permit or stated by Subpart GG. The fuel sulfur content limitation and the natural gas and distillate fuel oil consumption limitation(s) serve to limit SO_2 and PM10 emissions to 39.6 and 14.4 tons per year, respectively. No short term limitations (lb/hr or lb/MMBtu) for PM, PM10, CO or VOC were listed in IDEM, OAQ's Construction Permit issued (August 27, 1992) prior to OES' (September 22, 1992).

On February 12, 2004 and on February 23, 2004, Indianapolis Power & Light Company - Harding Street Station submitted comments to OES to revise the total potential to emit fugitive dust from activities and operations located at 3700 South Harding Street.

Comment # 1

Based on a review of the Title V Permit application, the annual emission statement submitted April 15, 2003 and potential to emit fugitive dust calculations using AP-42 emission factors, we believe that a more accurate estimate of total fugitive particulate emissions from our plant site is 12.028 tons per year and fugitive PM-10 is estimated at 3.023 tons per year. These emission estimates seem more reasonable based on visual inspection of our coal handling systems and plant site and the fact that we have a history of little or no complaints or citations for excessive fugitive dust emissions from our plant.

The emissions estimated in the Title V application use 7.5 million tons per year of coal use. Actual annual coal use is much lower. During the past few years, our coal usage is running around 1.7 million tons per year. As noted in the summary, it seems that the majority of our emissions arise from traffic on our paved and unpaved roads. Since December 2003, we are no longer receiving tanker truck loads of ash or softener sludge from the Perry K Steam Plant. This should reduce the traffic of heavier trucks on our roads and should reduce the particulate emissions from this source going forward.

Response to Comment # 1

IDEM, OAQ and OES have reviewed the calculations and information submitted by the Indianapolis Power & Light Company - Harding Street Station on February 12, 2004 and on February 23, 2004 to revise the total potential to emit fugitive dust, pursuant to 326 IAC 6-5, from activities and operations located at 3700 South Harding Street. A review of the emission factors and the potential to emit PM and PM10 from these operations is included in Appendix A of this Addendum to the Technical Support Document (see TSD Addendum Appendix A page 1 and 2 of 2). This review utilizes the maximum rated throughput of 7.5 million tons per year. The potential to emit fugitive dust from the Indianapolis Power & Light Company - Harding Street Station is less than 25 tons of PM per year. The potential to emit fugitive dust is summarized in the table below:

	PM	PM-10
Transfer of coal and ash	1.7	1.0
Coal storage pile	1.9	0.9
Traffic on paved roads	4.1	0.8
Traffic on unpaved roads	7.0	1.9
Ash ponds	negligible (handled wet)	negligible (handled wet)
Total	**14.7**	**4.6**

Therefore, 326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations) is not an applicable requirement for this source. Condition C.5 (Fugitive Particulate Matter Emission Limitations) is deleted from the Part 70 Operating Permit and the fugitive particulate matter emissions control plan submitted on April 8, 2003 that was included as Appendix C is deleted from the Part 70 Operating Permit as follows (all remaining Section C Conditions are renumbered):

~~C.5 Fugitive Particulate Matter Emission Limitations [326 IAC 6-5]~~

~~Pursuant to 326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations), fugitive particulate matter emissions shall be controlled according to the plan submitted on April 8, 2003. The plan is included as Appendix C.~~

~~Appendix C~~

~~Fugitive Dust Plan~~

~~Pursuant to 326 IAC 6-5~~

The following comments were received on March 4, 2004 from Baker & Daniels who submitted the comments on behalf of Indianapolis Power & Light Company - Harding Street Station.

Comment # 1

IPL requests that the name on the Cover page of the permit be changed from "IPL" to "Indianapolis Power & Light Company."

Response to Comment # 1

The name of the source listed on the Cover page has been changed to **Indianapolis Power & Light Company** ~~IPL~~ - Harding Street Station. In addition, all references to IPL - Harding Street Station throughout the Part 70 Operating Permit have been changed to state **Indianapolis Power & Light Company** ~~IPL~~- Harding Street Station.

Comment # 2

IPL requests that Condition A.1 (General Information) be revised as follows:

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

The Permittee owns and operates a stationary source consisting of coal, distillate oil and waste oil fired utility boilers as well as natural gas and distillate oil fired gas turbine combustion units to produce electricity for sale under a Standard Industrial Classification (SIC) Code of 4911 (establishments engaged in the generation, transmission or distribution of electric energy for sale).

Responsible Official:	**Plant Manager, Harding Street Station** ~~Stephen Powell, Senior Vice President - Electric Production~~
Source Address:	3700 South Harding Street, Indianapolis, Indiana 46217 4190 South Harding Street, Indianapolis, Indiana 46217
Mailing Address:	**3700 South Harding Street, Indianapolis, Indiana 46217** ~~1230 West Morris Street, Indianapolis, Indiana 46221~~
Source Telephone:	(317) **788-5200** ~~261-8839~~
SIC Code:	4911
County Location:	Marion
County Status:	Attainment for all criteria pollutants
Source Status:	Part 70 Permit Program Major Source under PSD; Major Source, Section 112 of the Clean Air Act 1 of 28 Source Categories

Response to Comment # 2

In discussions with IPL following the March 4, 2004 submittal of Public Notice comments received, IPL stated that it is a corporation which owns the Harding Street Station. As a result, a duly authorized representative of any person listed in 326 IAC 2-7-1(34)(A) can be designated the "Responsible Official" if the representative is responsible for the overall operation of one (1) or more manufacturing, production, or operating facilities subject to a Part 70 Operating Permit and either, the

facilities employ more than 250 persons or have gross annual sales or expenditures exceeding twenty five million dollars; or the delegation of authority to such representative is approved in advance by the Commissioner. IPL has stated that gross annual sales and annual expenditures each exceed twenty five million dollars and that it is a corporation. Therefore, the "Plant Manager" meets the definition of the "Responsible Official," pursuant to 326 IAC 2-7-1(34)(A), and the requested changes detailed above in Comment # 2 have been made to Condition A.1.

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. Marion County has been designated as nonattainment for the 8-hour ozone standard.

Marion County has been classified as nonattainment for PM2.5 in 70 FR 943 dated January 5, 2005. Until U.S. EPA adopts specific New Source Review rules for PM2.5 emissions, it has directed states to regulate PM10 emissions as a surrogate for PM2.5 emissions, pursuant to Nonattainment New Source Review requirements.

Therefore, the following revisions have been added to A.1 (General Information):

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

The Permittee owns and operates a stationary source consisting of coal, distillate oil and waste oil fired utility boilers as well as natural gas and distillate oil fired gas turbine combustion units to produce electricity for sale under a Standard Industrial Classification (SIC) Code of 4911 (establishments engaged in the generation, transmission or distribution of electric energy for sale).

Responsible Official:	**Plant Manager, Harding Street Station** ~~Steven Powell, Senior Vice President - Electric Production~~
Source Address:	3700 South Harding Street, Indianapolis, Indiana 46217 4190 South Harding Street, Indianapolis, Indiana 46217
Mailing Address:	**3700 South Harding Street, Indianapolis, Indiana 46217** ~~1230 West Morris Street, Indianapolis, Indiana 46221~~
Source Telephone:	(317) **788-5200** ~~261-8839~~
SIC Code:	4911
County Location:	Marion
Source Location Status:	**Nonattainment for ozone under the 8-hour standard** **Nonattainment for PM2.5** Attainment for all **other** criteria pollutants
Source Status:	Part 70 Permit Program Major Source, under PSD ~~Rule~~ **and Emission Offset Rules** Major Source, Section 112 of the Clean Air Act 1 of 28 Source Categories

Although the Technical Support Document (TSD) 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 and PM2.5 designations. The county attainment status regarding other pollutants remain unchanged; therefore, it will not be shown below other than in the table County Attainment Status.

The source is located in Marion County.

Pollutant	Status
PM-10	unclassifiable
PM2.5	**nonattainment**
SO_2	maintenance attainment
NO_2	attainment

Pollutant	Status
1-hour Ozone	maintenance attainment
8-hour Ozone	**basic nonattainment**
CO	attainment
Lead	unclassifiable

~~(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. Marion 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.~~

(a) Volatile organic compounds (VOC) and Nitrogen Oxides (NO_X) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC and NO_X emissions are considered when evaluating the rule applicability relating to the ozone standards. Marion County has been designated as nonattainment for the 8-hour ozone standard. Therefore, VOC and NO_X emissions were reviewed pursuant to the requirements for nonattainment new source review.

(b) Marion County has been classified as nonattainment for PM2.5 in 70 FR 943 dated January 5, 2005. Until U.S. EPA adopts specific New Source Review rules for PM2.5 emissions, it has directed states to regulate PM10 emissions as a surrogate for PM2.5 emissions, pursuant to Nonattainment New Source Review requirements. See the State Rule Applicability for the source section.

Comment # 3

IPL requests that Condition A.2 (Part 70 Source Definition) be revised to remove references to separate Plants 1 and 2; change “transformer station” to “communication transmitter tower” and remove reference to the Calciment Blend Corporation from the IPL permit.

Despite the fact that the facility identified as Plant 2 has a separate address from the main Harding Street Station, the operations are actually one operation and, therefore, the references to Plant 1 and Plant 2 should be deleted from the permit.

Furthermore, the facility identified as a “transformer station” is actually a “communication transmitter tower” and this change should be made to the permit whether or not the Plant 1 and Plant 2 references are deleted.

Finally, IPL does not believe that the Indianapolis Power & Light Company - Harding Street Station and the Calciment Blend Corporation facilities meet the definition of “major source” as a single entity. Therefore, IPL requests that all references to the Calciment Blend Corporation operations be deleted from this permit, and the Addendum to the Technical Support Document reflect the determination that the two operations are indeed separate sources for Part 70 purposes. The definition of “major source” in the Part 70 regulations treats two operations (located on adjacent properties) as a single source where both are under common control of the same person (or persons under common control) and either belong to a single major industrial grouping (i.e., all have the same two digit SIC code) or one facility is considered a support facility to the other. “Support facility” is defined as when at least 50% of the output of the support facility is dedicated to the source. IPL believes that the Indianapolis Power & Light Company - Harding Street Station and the Calciment Blend Corporation operations meet none of these tests but adjacency. The sources are not under common control, could exist independent of each other, do not share the same SIC code, and neither facility dedicates 50% of its output to the other. Therefore, IPL and Calciment should not be considered to be the same source for Part 70 purposes.

Response to Comment # 3

The first step in determining Part 70 Operating Permit requirements for the Calciment Blend Corporation and the Indianapolis Power & Light Company - Harding Street Station is determining whether the potential to emit from all of the air pollutant emitting activities of a source meets or exceeds Part 70 applicability thresholds. The cornerstone of the analysis is determining which activities should be grouped together and characterized as a single source for purposes of determining potential to emit and for coverage of Part 70 Operating Permit conditions. The Clean Air Act, the Federal Part 70 rules and the Indiana Part 70 Operating Permit rules define the term "source" based on several factors. In many cases whether activities are a single source or not will be highly fact dependent. A major source of regulated pollutants is defined as all activities located on contiguous or adjacent property under the common control of the same person (or persons under common control) belonging to a single industrial grouping where the aggregate potential to emit for the activities exceeds the applicable Part 70 Operating Permit threshold.

On May 28, 2004, IDEM, OAQ and OES met with the Indianapolis Power & Light Company - Harding Street Station to discuss the contractual and operational relationship between the Indianapolis Power & Light Company - Harding Street Station and the Calciment Blend Corporation. As a result of the information provided from that meeting, IDEM, OAQ and OES have reevaluated the determination of whether or not these two operations should be considered the same source for Part 70 Operating Permit purposes.

The Calciment Blend Corporation operations, located at 4192 South Harding Street, are adjacent and contiguous to the Indianapolis Power & Light Company - Harding Street Station operations, which are located at 4190 and 3700 South Harding Street.

The two operations do not have common ownership. Absent common ownership, common control may still exist. A first test in determining common control focuses on whether one activity is an auxiliary activity which directly serves the purpose of another primary activity and whether the owner or operator of the primary activity has a major role in the auxiliary activity. An auxiliary activity directly serves the purpose of a primary activity by supplying a necessary raw material to the primary activity or performing an integral part of the production process for the primary activity. The second part of a common control determination, absent common ownership, is whether the auxiliary activity would exist absent the needs of the primary activity. If all or a majority of the output of an auxiliary activity is consumed by the primary activity then common control exists. In examining common control for this determination, the Indianapolis Power & Light Company - Harding Street Station operations are the primary activity because these operations were in existence prior to the Calciment Blend Corporation, the primary activity is to produce electricity for sale and because flyash is provided to the Calciment Blend Corporation from this primary activity. Calciment Blend Corporation does not supply a necessary raw material to the Indianapolis Power & Light Company - Harding Street Station. As part of the production of electricity, the Indianapolis Power & Light Company - Harding Street Station produces flyash as part of its emissions control and primary activities. The Calciment Blend Corporation assists the Indianapolis Power & Light Company - Harding Street Station by removing some of the flyash. However, the Calciment Blend Corporation does not perform an integral part of the production of electricity because it removes 20% or less of the flyash that IPL produces. If Calciment were to cease operations, there would be little, if any, effect on the Indianapolis Power & Light Company - Harding Street Station's Operations. In determining whether or not the auxiliary activity would exist absent the needs of the primary activity, the Calciment Blend Corporation has received flyash from Citizens Thermal Energy in Indianapolis and, therefore, it could continue to operate even if the Indianapolis Power & Light Company - Harding Street Station no longer supplied it with flyash.

The two operations do not have the same two digit Standard Industrial Classification (SIC) Code. The Indianapolis Power & Light Company - Harding Street Station is operating under an SIC Code of 49 (establishments engaged in the generation, transmission or distribution of electric energy for sale) and the Calciment Blend Corporation is operating under a SIC Code of 32 (manufacturing concrete products, except brick and block, from a combination of cement and aggregate). Absent the same two digit SIC

Code, the activities may belong to the same industrial grouping if one activity can be characterized as a support activity for a primary activity. Support activities assist in the production of the principal or primary product. Because the Calciment Blend Corporation does not perform an integral part of the production of electricity because it removes 20% or less of the flyash that IPL produces, the Calciment Blend Corporation is not a support facility for the primary operation, the Indianapolis Power & Light Company.

Therefore, IDEM, OAQ and OES have determined that Indianapolis Power & Light Company-Harding Street Station and Calciment Blend Corporation are not under the common control of Indianapolis Power & Light Company - Harding Street Station. Therefore, a separate Part 70 Operating Permit (T097-17405-00424) will not be issued to Calciment Blend Corporation solely for administrative purposes because the Calciment Blend Corporation is not considered the same source as the Indianapolis Power & Light Company - Harding Street Station for Part 70 Operating Permit rule applicability. All reference to the Calciment Blend Corporation in the Part 70 Operating Permit for the Indianapolis Power & Light Company - Harding Street Station (T097-6566-00033) has been deleted.

Plant 2, identified in Condition A.2 (Part 70 Source Definition) of the public notice Part 70 Operating Permit, was previously permitted as an Exemption on January 22, 2002 under 097-15287-00420 and, for the review and issuance, was incorrectly reviewed as a separate source. The Part 70 Operating Permit needs to provide the necessary documentation that the "communication transmitter tower" should be combined with Plant 1 for this review and issuance under T097-6566-00033. Since the two (2) plants are located in adjacent or contiguous properties, have the same SIC code and are under common control of the same entity, they will be considered one (1) source, effective from the date of issuance of this Part 70 permit. Per source comment, all reference to "transformer station" for operations at Plant 2 located at 4190 South Harding Street in the Part 70 Operating Permit has been changed to "communication transmitter tower." Since, effective from the date of issuance of this Part 70 Operating Permit, they will be considered one (1) source, the reference to Plant 2 in Condition A.4(l) (Specifically Regulated Insignificant Activities) has been deleted with the identical change made to the Section D.6 description box for this Unit.

On September 1, 2005, 326 IAC 6-1 (Particulate Rules) was repealed as stated in the Indiana Register (28 IR 3454). All non-Lake County PM limitations have been placed into 326 IAC 6.5 (Particulate Matter Limitations Except Lake County). Marion County sources specifically listed in 326 IAC 6-1-12 (Particulate Rules: Marion County) are now listed in 326 IAC 6.5-6 (Marion County). Therefore, all references to 326 IAC 6-1-2(a) have been changed to 326 IAC 6**.5**-1-2(a) and all references to 326 IAC 6-1-12 have been changed to 326 IAC 6**.5-6-**~~1-12~~ throughout the Part 70 Operating Permit.

Therefore, the following changes are made to Condition A.2 (Part 70 Source Definition) and A.4 (Specifically Regulated Insignificant Activities) of the Part 70 Operating Permit:

A.2 Part 70 Source Definition [326 IAC 2-7-1(22)]

This electric utility generating station consists of two (2) plants:

(a) Plant 1 is located at 3700 South Harding Street, Indianapolis, Indiana 46217, and consists of utility boilers and natural gas and distillate oil fired gas turbine combustion units to produce electricity for sale; and

(b) Plant 2 is **associated with** a **communication transmitter tower** ~~transformer station~~ at 4190 S. Harding Street, Indianapolis, Indiana, 46217, and consists of ~~an~~ **one (1)** 81 horsepower diesel fired emergency generator identified as Generator # 1.

Since the two (2) plants are located in adjacent or contiguous properties, have the same SIC code and are under common control of the same entity, they will be considered one (1) source, effective from the date of issuance of this Part 70 permit.

~~This electric utility generating station consists of a source with an on-site contractor:~~

~~(a) Indianapolis Power & Light Company - Harding Street Station, the primary operation, is located at 3700 South Harding Street, Indianapolis, Indiana 46217; and~~

~~(b) Calciment Blend Corporation, the supporting operation, is located at 4192 South Harding Street, Indianapolis, Indiana, 46217.~~

~~IDEM, OAQ and OES have determined that Indianapolis Power & Light Company- Harding Street Station and Calciment Blend Corporation are under the common control of Indianapolis Power & Light Company - Harding Street Station. These two operations are considered one source because a support relationship exists, whereby, all of the fly ash used by Calciment will be generated and supplied by the Indianapolis Power & Light Company - Harding Street Station. Therefore, these two operations are considered one source due to contractual control and because each plant is adjacent and/or contiguous to the other plant. Therefore, the term "source" in the Part 70 documents refers to both Indianapolis Power & Light Company - Harding Street Station and Calciment Blend Corporation as one source.~~

~~Separate Part 70 permits will be issued to Indianapolis Power & Light Company - Harding Street Station with Permit No.: 097-6566-00033 and Calciment Blend Corporation with Permit No.: 097-17405-00033 solely for administrative purposes.~~

A.4 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):

(l) ~~Plant 2 located at a transformer station at 4190 S. Harding Street, Indianapolis, Indiana, 46217, and consisting of an~~ **One (1)** 81 horsepower diesel fired emergency generator identified as Emission Unit ID Generator # 1 **associated with a communication transmitter tower located at 4190 S. Harding Street, Indianapolis, Indiana, 46217**. [326 IAC 6**.5**-1-2(a)]

Comment # 4

IPL request that changes to Condition A.3 (Emission Units and Pollution Control Equipment Summary) dates of installation and construction should be changed to reflect that these events occurred prior to the relevant applicability dates for the regulations of concern. These changes should be made to the facility descriptions in Section D.1, Section D.3, Section D.6, Section E and Section F of the Permit. Please note that these requested changes are not being made to Emission Unit ID ST14, Emission Unit ID ST37 and Emission Unit ID ST39 as IPL has additional comments on these Emission Units included in Section D.4 and Section D.5 of the permit. IPL requests the following changes be made to Condition A.3 in the event the requested deletion of Sections D.4 and D.5 are not made:

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

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

(a) One (1) Combustion Engineering Boiler number 9 identified as Unit 9. Unit 9 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting to Stack/Vent ID 3-1. Equipped with no add on air pollution control equipment. **Installed prior to August 17, 1971** ~~in 1942~~.

(b) One (1) Combustion Engineering Boiler number 10 identified as Unit 10. Unit 10 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting at Stack/Vent ID 4-1. Equipped with no add on air pollution control equipment. Installed **prior to August 17, 1971** ~~in 1947.~~

(c) One (1) Combustion Engineering Boiler number 50 identified as Unit 50. Unit 50 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 50 and exhausting at Stack/Vent ID 5-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 50. Installation date for Unit 50 is **prior to August 17, 1971** ~~1958.~~

(d) One (1) Combustion Engineering Boiler number 60 identified as Unit 60. Unit 60 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 60 and exhausting at Stack/Vent ID 6-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 60. Installation date for Unit 60 is **prior to August 17, 1971** ~~1961~~.

(e) One (1) Combustion Engineering Boiler number 70 identified as Unit 70. Unit 70 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 4123.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 70 and exhausting at Stack/Vent ID 7-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil and **used** ~~waste~~ oil are used as supplemental fuel and for firing during startup of Unit 70. **Construction was commenced on** ~~Installation date for~~ Unit 70 **prior to August 17, 1971** ~~is 1973.~~

(f) One (1) General Electric Gas Turbine Engine number GT1 identified as Unit GT1. Unit GT1 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT1-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT1 is **prior to October 3, 1977** ~~1973~~.

(g) One (1) General Electric Gas Turbine Engine number GT2 identified as Unit GT2. Unit GT2 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT2-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT2 is **prior to October 3, 1977** ~~1973~~.

(h) One (1) General Electric Gas Turbine Engine number GT3 identified as Unit GT3. Unit GT3 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT3-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT3 is **prior to October 3, 1977** ~~1973.~~

(i) One (1) General Electric Gas Turbine Engine number GT4 identified as Unit GT4. Unit GT4 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 875.0 million Btu per hour and exhausting at Stack/Vent ID GT4-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT4 is 1994.

(j) One (1) General Electric Gas Turbine Engine number GT5 identified as Unit GT5. Unit GT5 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 867.0 million Btu per hour and exhausting at Stack/Vent ID GT5-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date

for Unit GT5 is 1995.

(k) One (1) General Electric Gas Turbine Model number PG7241 identified as Unit GT6. Unit GT6 is a natural gas fired unit ~~rated at 152.64 MW and~~ with a design heat input capacity rated at 1,660 MMBTU per hour and exhausting at Stack/Vent ID GT-6. NO_x emissions will be controlled by dry low NO_x burners. Installation date for Unit GT6 is 2002.

(l) One (1) General Motors Reciprocating Internal Combustion Standby/Emergency Generator identified as Unit ST14. Unit ST14 is distillate oil fired with a design heat input of 27.6 million Btu per hour. Equipped with no add on air pollution control equipment. Exhausting at Stack/Vent ID ST14-1. Installation date for Unit ST14 is 1967.

(m) Outside coal storage and handling identified as Unit ID ST37 and ST39. Includes railcar **and truck** receiving of coal, conveying of coal in ~~an~~ enclosed conveyor**s** to ~~a~~ coal crusher house**s** and outside storage of coal. ~~Maximum a~~ **A**nnual rated storage and throughput of coal estimated to be 7.5 million tons per year. Paved and unpaved plant roads are identified as Unit ST41. Installation date of 1958.

Response to Comment # 4

In regard to the requested installation date changes, the Part 70 Operating Permit application provided the exact installation dates for each of these Units. The exact installation date in the Part 70 Operating Permit and in the public notice TSD discussion of applicable requirements provided a regulatory review of applicable requirements. Therefore, the exact installation date, coupled with the resultant TSD discussion of applicable requirements, provide more clarity than the requested installation date changes to the Emission Units identified in Condition A.3, Section D.1, Section D.3, Section D.6, Section E and Section F of the Part 70 Operating Permit. However, the requested change in the description for Unit 70 to add the construction commencement date to the description of Unit 70 provides the additional clarity that Unit 70 is not subject to 40 CFR 60.40 Subpart D because Unit 70 commenced construction in July 1970, which is prior to August 17, 1971. The public notice TSD stated that Unit 70 was not subject to the provisions of 40 CFR 60.40 Subpart D because of the commence construction date. The requested commence construction date will be added to the description for Unit 70 in Condition A.3, Section D.1, Section E and Section F of the Part 70 Operating Permit.

With regard to the requested deletion of the megawatt rating for Unit GT6, the design heat input capacity for Unit GT6 is already stated as 1,660 MMBtu/hr for Unit GT6. Therefore, the deletion of the megawatt rating for Unit GT6 will be consistent with the descriptions of how capacity is described for Unit GT1, Unit GT2, Unit GT3, Unit GT4 and Unit GT5 at Indianapolis Power & Light Company - Harding Street Station.

The requested changes to the description for Unit 70 and the requested changes to Unit GT6, Unit ST37 and ST39 in Section A.3 and Section D.3, Section D.6 are made as follows:

(e) One (1) Combustion Engineering Boiler number 70 identified as Unit 70. Unit 70 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 4123.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 70 and exhausting at Stack/Vent ID 7-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil and **used** ~~waste~~ oil are used as supplemental fuel and for firing during startup of Unit 70. **Construction was commenced on Unit 70 prior to August 17, 1971, and completed in** ~~Installation date for Unit 70 is~~ 1973.

(k) One (1) General Electric Gas Turbine Model number PG7241 identified as Unit GT6. Unit GT6 is a natural gas fired unit ~~rated at 152.64 MW and~~ with a design heat input

capacity rated at 1,660 MMBTU per hour and exhausting at Stack/Vent ID GT-6. NO_x emissions will be controlled by dry low NO_x burners. Installation date for Unit GT6 is 2002.

(m) Outside coal storage and handling identified as Unit ID ST37 and ST39. Includes railcar **and truck** receiving of coal, conveying of coal in ~~an~~ enclosed conveyor**s** to ~~a~~ coal crusher house**s** and outside storage of coal. ~~Maximum a~~ **A**nnual rated storage and throughput of coal estimated to be 7.5 million tons per year. Paved and unpaved plant roads are identified as Unit ST41. Installation date of 1958.

Comment # 5

IPL requests the changes to the description of its emission units described in Condition A.4 (Specifically Regulated Insignificant Activities) as described below. These requested changes to Condition A.4 do not include deletions that would be appropriate in response to requested changes for Section D.5 and Section D.6. Instead these changes to Condition A.4 are made in the event the deletions to Section D.5 and Section D.6 are not made.

A.4 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):

(i) Flyash silo identified as Emission Unit**s 50, 60 and** 70 ~~Flyash silo~~ for truck loading. Exhausted to a baghouse. [326 IAC 6-1-2(a)]

Response to Comment # 5

After further review of flyash silo information with the Indianapolis Power & Light Company - Harding Street Station, the following changes to Condition A.4(i) (Specifically Regulated Insignificant Activities) were made. The requested changes were additionally made to the description box in Section D.6:

A.4 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):

(i) Two (2) Flyash silo**s** identified as Unit **50/60 Flyash Silo and Unit** 70 Flyash Silo for truck loading. **Each** silo is ~~E~~**e**xhausted to a baghouse. [326 IAC 6**.5**-1-2(a)]

Comment # 6

It is not clear that the “August 10, 1997" and “September 1, 1997" dates listed in Condition B.3 (Enforceability) are current. IPL requests that, if appropriate, this Condition and the list in Appendix A be reviewed and updated as necessary. Please update the list of State rules that have been incorporated by reference in Appendix A of the TSD to include 326 IAC 10-3 and 326 IAC 10-4. At a minimum, IPL notes that 326 IAC 10, concerning NO_x emissions has been incorporated by reference into the Indianapolis Air Pollution Control Board (IAPCB) rules. No suggested revision is included at this time for this Condition.

Response to Comment # 6

The Indianapolis Air Pollution Control Board updated its adoption of select State rules at the May 10, 2003 Indianapolis Air Pollution Control Board meeting. The adoption is for those State rules amended or adopted through the June 1, 2003 Indiana Register. 326 IAC 10 was adopted by reference by the Indianapolis Air Pollution Control Board on January 8, 2004.

Upon further review, IDEM, OAQ and OES have decided to include the following updates to further address and clarify the permit term and the term of the conditions. This includes the addition of the condition: Term of Conditions [326 IAC 2-1.1-9.5] and changes to the following conditions: Permit Term, Prior Permits Superseded, Termination of Right to Operate, and Permit Renewal. Please note that some of the conditions have been rearranged, including B.**4**~~3~~ (Enforceability), in addition to the new condition.

B.2 Permit Term [326 IAC 2-7-5(2)] [326 IAC 2-1.1-9.5] **[326 IAC 2-7-4(a)(1)(D)][IC 13-15-3-6(a)]**

(a) This permit**, T097-6566-00033**, is issued for a fixed term of five (5) years from the **effective date** ~~issuance date~~ of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit or of permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

(b) **If IDEM, OAQ and OES, upon receiving a timely and complete renewal permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect, including any permit shield provided in 326 IAC 2-7-15, until the renewal permit has been issued or denied.**

B.3 Term of Conditions [326 IAC 2-1.1-9.5]

Notwithstanding the permit term of a permit to construct, a permit to operate, or a permit modification, any condition established in a permit issued pursuant to a permitting program approved in the state implementation plan shall remain in effect until:

(a) the condition is modified in a subsequent permit action pursuant to Title I of the Clean Air Act; or

(b) the emission unit to which the condition pertains permanently ceases operation.

B.**14** ~~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.13 Prior Permits Superseded [326 IAC 2-1.1-9.5] [**326 IAC 2-7-10.5]**

(a) All terms and conditions of ~~previous~~ permits **established prior to T097-6566-00033 and** issued pursuant to permitting programs approved into the state implementation plan have been either:

(1) incorporated as originally stated,

(2) revised **under 326 IAC 2-7-10.5,** or

(3) deleted **under 326 IAC 2-7-10.5.**

~~by this permit.~~

(b) **Provided that all terms and conditions are accurately reflected in this permit, all** ~~All~~ previous registrations and permits are superseded by this **Part 70 Operating** permit, except for permits issued pursuant to Title IV of the Clean Air Act **and** ~~or~~ 326 IAC 21 (Acid Deposition Control).

B.**17**~~16~~ Permit Renewal [326 IAC 2-7-3] [326 IAC 2-7-4] **[326 IAC 2-7-8(e)]**

(a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and OES, 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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Permits
2700 South Belmont Avenue
Indianapolis, Indiana 46221

(b) ~~Timely Submittal of Permit Renewal [326 IAC 2-7-4(a)(1)(D)]~~

~~(1)~~ A timely renewal application is one that is:

(1) ~~(A)~~ Submitted at least nine (9) months prior to the date of the expiration of this permit; and

(2) ~~(B)~~ If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ and OES, on or before the date it is due.

~~(2) If IDEM, OAQ and/or OES, upon receiving a timely and complete permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect, including any permit shield provided in 326 IAC 2-7-15, until the renewal permit has been issued or denied.~~

(c) ~~Right to Operate After Application for Renewal [326 IAC 2-7-3] [326 IAC 2-7-4]~~
If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-7 until IDEM, OAQ and/or OES, 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 or OES, any additional information identified as being needed to process the application. [326 IAC 2-7-4(a)(2)(D) and (E)]

~~(d) United States Environmental Protection Agency Authority [326 IAC 2-7-8(e)]~~
~~If IDEM, OAQ, and/or OES 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.~~3~~**4** Enforceability [326 IAC 2-7-7]

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

(b) The Indianapolis Air Pollution Control Board (IAPCB) has adopted by reference state rules listed in Appendix A of this permit. The version adopted by reference includes all amendments, additions and repeals filed with the Secretary of State through **May 10, 2003** ~~August 10, 1997~~ and published in the Indiana Register **June 1, 2003** ~~September 1, 1997~~, unless otherwise indicated in the adoption by reference **or in Appendix A**. For the purposes of this permit, all state rules adopted by reference by the IAPCB are enforceable by OES using local enforcement procedures. Unless otherwise stated, all terms and conditions in this permit that are local requirements, including any provisions designed to limit the source's potential to emit, are enforceable by OES.

Appendix A

The following state rules have been adopted by reference by the Indianapolis Air Pollutant Control Board and are enforceable by Indianapolis Office of Environmental Services (OES) using local enforcement procedures.

(1) **326 IAC 1** ~~326 IAC 1-1-1 through 1-1-3 and 1-1-5;~~
~~(2) 326 IAC 1-2-1 through 1-2-91 (In addition, the IAPCB has adopted several local definitions);~~
~~(3) 326 IAC 1-3-1 through 1-3-4;~~
~~(4) 326 IAC 1-4-1 (The IAPCB added to the adoption by reference a citation to 61 FR 58482 (November 15, 1996));~~
~~(5) 326 IAC 1-5-1 through 1-5-5;~~
~~(6) 326 IAC 1-6-1 through 1-6-6;~~
~~(7) 326 IAC 1-7-1 through 1-7-5~~
(8) 326 IAC 2-3-1 through 2-3-5;
(9) 326 IAC 2-4-1 through 2-4-6;
(10) 326 IAC 2-6-1 through 2-6-4;
(11) 326 IAC 2-7-1 through 2-7-18, 2-7-20 through 2-7-25;
(12) 326 IAC 2-8-1 through 2-8-15, 2-8-17 through 2-8-10;
(13) 326 IAC 2-9-1 through 2-9-14;
(14) 326 IAC 2-10-1 through 2-10-5 (The IAPCB adoption adds the language "state or local" immediately after the word "federal" in 326 IAC 2-10-1);
(15) 326 IAC 2-11-1, 2-11-3 and 2-11-4 (The IAPCB adoption adds the language "federal, state or local" immediately after the word "by" in 326 IAC 2-11-1);
(16) 326 IAC 3-1.1-1 through 3-1.1-5;
(17) 326 IAC 3-2.1-1 through 3-2.1-5;
(18) 326 IAC 3-3-1 through 3-3-5;
(19) 326 IAC 4-2-1 through 4-2-2;
(20) 326 IAC 5-1-1 (a), (b) and c) (5), 5-1-2 (1), (2)(A), (2)c) (4), 5-1-3 through 5-1-5, 5-1-7;
(21) **326 IAC 6**
(22) 326 IAC 7-1.1-1 and 7-1.1-2;
(23) 326 IAC 7-2-1;
(24) 326 IAC 7-3-1 and 7-3-2;
(25) 326 IAC 7-4-2(28) through (31) (Instead of adopting by reference 7-4-2(1) through (27), the IAPCB regulation substitutes the same requirements listed in a format in which the companies are alphabetized and emission points known to no longer exist have been deleted);
(26) 326 IAC 8-1-0.5 except (b), 8-1-1 through 8-1-2, 8-1-3 except c), (g) and (i), 8-1-5

through 8-1-12;
(27) 326 IAC 8-2-1 through 8-2-12 (The IAPCB adoption by reference of 8-2- 5 adds additional language specific to Zimmer Paper Products, Incorporated as subpart c);
(28) 326 IAC 8-3-1 through 8-3-7;
(29) 326 IAC 8-4-1 through 8-4-5, 8-4-6 (a)(6), (a)(8) and (a)(14) and 8-4-6(b)(1), (b)(3) and 8-4-6c) (In place of 8-4-6(b)(2), which was not adopted, the IAPCB adopted language requiring a pressure relief valve set to release at no less than four and eight-tenths (4.8) Kilo Pascals (seven-tenths (0.7) pounds per square inch)), 8-4-7 except (e), 8-4-8 and 8-4-9;
(30) 326 IAC 8-5-1 through 8-5-4, 8-5-5 except (a)(3) and (d)(3);
(31) 326 IAC 8-6-1 and 8-6-2;
(32) 326 IAC 9-1-1 and 9-1-2;
(33) **326 IAC 10 (adopted January 8, 2004)**
(34) 326 IAC 11-1-1 through 11-1-2;
(35) 326 IAC 11-2-1 through 11-2-3;
(36) 326 IAC 11-3-1 through 11-3-6;
(37) 326 IAC 14-1-1 through 14-1-4;
(38) 326 IAC 14-2-1 except 40 CFR 61.145;
(39) 326 IAC 14-3-1;
(40) 326 IAC 14-4-1;
(41) 326 IAC 14-5-1;
(42) 326 IAC 14-6-1;
(43) 326 IAC 14-7-1;
(44) 326 IAC 14-8-1 through 14-8-5;
(45) 326 IAC 15-1-1, 15-1-2(a)(1), (a)(2) and (a)(8), 15-1-3 and 15-1-4;
(46) **326 IAC 20** ~~326 IAC 20-1-1 through 20-1-4 (In 20-1-3(b)(2) the adoption states that "permitting authority" means the commissioner of IDEM or the administrator of OES, whichever is applicable);~~
~~(46) 326 IAC 20-2-1;~~
~~(47) 326 IAC 20-3-1;~~
~~(48) 326 IAC 20-4-1;~~
~~(49) 326 IAC 20-5-1;~~
~~(50) 326 IAC 20-6-1;~~
~~(51) 326 IAC 20-7-1;~~
~~(52) 326 IAC 20-8-1;~~
~~(52) 326 IAC 20-9-1;~~
~~(53) 326 IAC 20-14-1;~~
~~(54) 326 IAC 20-15-1;~~
~~(55) 326 IAC 20-16-1;~~
~~(56) 326 IAC 20-17-1;~~
~~(57) 326 IAC 20-18-1;~~
~~(58) 326 IAC 20-19-1;~~
~~(59) 326 IAC 20-20-1;~~
~~(60) 326 IAC 20-21-1;~~
(47) **326 IAC 21**
(48) 326 IAC 21-1-1 (The adoption states that "or the administrator of OES" is added in (b));
(49) 326 IAC 22-1-1 (The adoption states that "or the administrator of OES" is added in (b)).

Comment # 7

In regard to Condition B.10 (Preventive Maintenance Plan), IPL notes that 326 IAC 1-6-3 sets out requirements relevant to emission control devices. The language in the proposed permit may cause confusion because it could be construed to go beyond the rule language where it requires "...the following information *on each facility*..." (emphasis added), whereas the rule requires simply, "...the following information..." IPL requests that this provision be revised to accurately reflect the rule language as follows:

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

(a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, including the following information ~~on each facility~~:

Also there is a typographical error in subpart B.10(d) as shown below:

(d) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation, Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to **satisfy** ~~satisify~~ the PMP requirements of 326 IAC 1-6-3 for that unit.

Response to Comment # 7

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

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

(b) 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

(c) 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. Therefore, the requested deletion of "...on each facility" in B.10(a) cannot be made. 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."

Many types of facilities require maintenance in order to prevent excess emissions. If equipment is not maintained, then increased emissions will eventually result.

IDEM, OAQ and OES have determined that the Permittee is not required to keep records of all preventive maintenance. However, where the Permittee seeks to demonstrate that an emergency has occurred, the Permittee must provide, upon request, records of preventive maintenance in order to establish that the lack of proper maintenance did not cause or contribute the deviation. Therefore, IDEM, OAQ and OES have deleted paragraph (b) of Condition B.10 (Preventive Maintenance), and have amended Condition B.11 (Emergency Provisions) as follows:

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

(a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after **the effective date** ~~issuance~~ of this permit, including the following information on each facility:

(1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;

(2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and

(3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

If, due to circumstances beyond the Permittee's control, the PMPs cannot be prepared and maintained within the above time frame, the Permittee may extend the date an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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

~~(b) The Permittee shall implement the PMPs, including any required record keeping, as necessary to ensure that failure to implement a PMP does not cause or contribute to an exceedance of any limitation on emissions or potential to emit.~~

(b) ~~(c)~~ A copy of the PMPs shall be submitted to IDEM, OAQ and OES, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ and OES. IDEM, OAQ and OES, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMP**s** do~~es~~ not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

(c) ~~(d)~~ To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation, Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to **satisfy** ~~satisify~~ the PMP requirements of 326 IAC 1-6-3 for that unit.

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

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

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

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

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

(3) During the period of an emergency, the Permittee took all reasonable steps to

minimize levels of emissions that exceeded the emission standards or other requirements in this permit;

(4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAQ and 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: **317-233-0178** ~~317-233-5674~~ (ask for Compliance Section)
Facsimile Number: **317-233-6865** ~~317-233-5967~~
and
OES Telephone Number 317-327-2234 (ask for OES Compliance Section)
OES Facsimile Number: 317-327-2274

(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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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) **The Permittee seeking to establish the occurrence of an emergency shall make**

records available upon request to ensure that failure to implement a PMP did not cause or contribute to an exceedance of any limitations on emissions. However, IDEM, OAQ and/or OES, 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 and/or OES, 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.

Comment # 8

In regard to Condition B.11(a) (Emergency Provisions), this condition should be revised to reflect the entire provision of 326 IAC 2-7-16(a) as indicated below:

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 or this Condition**.

Response to Comment # 8

There is nothing otherwise provided in the Condition with respect to health based limits. Therefore, there are no additional changes to Condition B.11 (Emergency Provisions).

Comment # 9

In regard to Condition C.5 (Fugitive Particulate Matter Emission Limitations), IPL requests that this Condition be deleted. IPL has provided documentation to OES on February 12, 2004 and on February 23, 2004 that the potential to emit fugitive dust is less than 25 tons per year and would not trigger this requirement. Therefore, the requirement to have a fugitive particulate matter emissions control plan is not an applicable requirement.

However, if the Condition is not deleted, IPL requests that the fugitive particulate matter control plan not be included in the permit, as an Appendix or otherwise. The applicable requirement does not contemplate receiving approval every time the plan is revised, and certainly not an approval at the level of a permit modification, even if minor. Further, this request is consistent with the treatment of other plans such as the Compliance Response Plan that is not included in the permit. If Condition C.5 is not deleted as requested, the latest revision of the fugitive particulate matter emission control plan should be referenced only and not included in the permit as shown below:

C.5 Fugitive Particulate Matter Emission Limitations [326 IAC 6-5]

Pursuant to 326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations), fugitive particulate matter emissions shall be controlled according to the **latest revision of the** plan submitted on April 8, 2003. ~~The plan is included as Appendix C.~~

Response to Comment # 9

IPL has provided documentation to IDEM, OAQ and OES on February 12, 2004 and on February 23, 2004 that the potential to emit fugitive dust, pursuant to 326 IAC 6-5, is less than 25 tons per year (see TSD Addendum Appendix A page 1 and 2 of 2). Therefore, the requirement to have a fugitive particulate matter emissions control plan is not an applicable requirement. Condition C.5 (Fugitive Particulate Matter Emission Limitations) and Appendix C, which contained the April 8, 2003 Fugitive Dust Control Plan have been deleted from the Part 70 Operating Permit. All remaining Section C Conditions have been renumbered.

Comment # 10

In regard to Condition C.10 (Compliance Monitoring), IPL requests that this Condition provide 180 days from the effective date of the permit for implementation of all required monitoring and record keeping because 90 days is not enough time for procurement, installation and testing of equipment and related employee training involved in such implementation. Therefore, IPL requests that this Condition be revised as follows:

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

Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented within **one hundred eighty (180)** ~~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 **one hundred eighty (180)** ~~ninety (90) days~~, the Permittee may extend the compliance schedule related to the equipment for an additional ninety (90) days provided the Permittee notifies:

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

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

in writing, prior to the end of the initial **one hundred eighty (180)** ~~ninety (90)~~ day compliance schedule, with full justification of the reasons for the inability to meet this date.

Response to Comment # 10

In regard to Condition C.**9**~~10~~ (Compliance Monitoring), ninety (90) days is believed to be generally adequate to install any required monitoring equipment that is not already present. Note that this refers only to monitoring equipment, such as a pressure gauge, not to control equipment. For monitoring already legally required, there is no ninety (90) day window. The condition also contains a provision that, if due to circumstances beyond its control, this schedule cannot be met, the Permittee may extend the compliance schedule an additional ninety (90) days by notifying IDEM, OAQ 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. However, Condition C.**9**~~10~~ is revised as follows:

C.**9**~~10~~ Compliance Monitoring [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented within ninety (90) days **after the effective date of**

this ~~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:

Comment # 11

In regards to Condition C.11 (Maintenance of Continuous Opacity Monitoring Equipment), IPL requests that the requirement be deleted for visible emissions notations to be performed once per hour during daylight operations when the COM will be down for more than one hour, because the requirement is unduly burdensome in that IPL has a limited number of employees on staff to do such VE notations. IPL requests to change this Condition as follows:

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

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment.

(b) All continuous opacity monitoring systems shall meet the performance specifications of 40 CFR 60, Appendix B, Performance Specification No. 1, and are subject to monitor system certification requirements pursuant to 326 IAC 3-5.

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

(d) Whenever a continuous opacity monitor (COM) is malfunctioning or will be down for calibration, maintenance, or repairs for a period of **twenty four hours** ~~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 boiler at the time of the reading.~~

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

(B) ~~If abnormal emissions are noted during two consecutive emission notations, the Permittee shall begin Method 9 opacity observations with four hours of the second abnormal notation.~~

(C) ~~VE notations may be discontinued once a COM is online or formal Method 9 readings have been implemented.~~

(2) ~~If~~ a COM is not online within twenty-four (24) hours of shutdown or malfunction of the primary COM, the Permittee shall provide certified opacity reader(s), who may be employees of the Permittee or independent contractors, to self-monitor the emissions from the boiler 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 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.

(**2**~~3~~) If abnormal emissions are observed at any boiler exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

(**3**~~4~~) All of the opacity readings during this period shall be reported with the Quarterly Opacity Exceedances Reports.

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

Response to Comment # 11

Upon further review, IDEM, OAQ and OES have determined that no additional monitoring will be required during COM downtime, until the COM has been down for twenty-four (24) hours. This allows the Permittee to focus on the task of repairing the COM during the first twenty-four (24) hour period. After twenty-four (24) hours of COM downtime, the Permittee will be required to conduct Method 9 readings for thirty (30) minutes. Once Method 9 readings are required to be performed, the readings should be performed twice per day at least four or six hours apart, rather than once every four (4) hours, until a COMS is back in service.

C.**10**~~11~~ Maintenance of Continuous Opacity Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous opacity monitoring systems (COMS) and related equipment. For a boiler, the COM**S** shall be in operation at all times the induced draft fan is in operation.

(b) All **COMS** ~~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 **COMS** ~~continuous opacity monitoring system~~ occurs, a record shall be made of the times and reasons of the breakdown and efforts made to correct the problem.

(d) Whenever a **COMS** ~~continuous opacity monitor (COM)~~ is malfunctioning or **is** ~~will be~~ down for ~~calibration,~~ maintenance~~,~~ or repairs for a period of **twenty-four (24) hours** ~~one (1) hour~~ or more **and a backup COMS is not on line within twenty-four (24) hours of shutdown or malfunction of the primary COMS**, ~~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 boiler at the time of the reading.~~

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

~~(B) If abnormal emissions are noted during two consecutive emission notations, the Permittee shall begin Method 9 opacity observations with four hours of the second abnormal notation.~~

~~(C) VE notations may be discontinued once a COM is online or formal Method 9 readings have been implemented.~~

~~(2) If a COM is not online within twenty-four (24) hours of shutdown or malfunction of the primary COM,~~ the Permittee shall provide **a** certified opacity reader~~(s)~~, who may be **an** employee~~s~~ of the Permittee or **an** independent contractor~~s~~, to self-monitor the emissions from the **emission unit** ~~boiler~~ stack.

(1) ~~(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.

(2) ~~(B)~~ Method 9 opacity readings shall be repeated for a minimum five (5) consecutive six (6) minute averaging periods at least **twice per day** ~~once every four (4) hours~~ during daylight operations, **with at least four (4) hours between each set of readings,** until ~~such time that~~ a COM**S** is online ~~in operation~~.

(3) ~~(C)~~ Method 9 readings may be discontinued once a COM**S** is online.

~~(3) If abnormal emissions are observed at any boiler exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.~~

(4) **Any** ~~All of the~~ opacity **exceedances determined by Method 9** readings ~~during this period~~ shall be reported with the Quarterly Opacity Exceedances Reports.

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

Comment # 12

In regard to Condition C.12 (Maintenance of Continuous Emission Monitoring Equipment), IPL requests that Condition C.12 be revised to apply to only those continuous emission monitoring systems and related equipment required under the permit. As it now stands, it could be construed to apply even to process monitoring equipment not required by the permit.

IPL also requests that Subpart C.12(d)(2) be deleted, and subpart C.12(d)(1) be revised accordingly, as shown below. The subpart would require supplemental or intermittent monitoring if the CEM goes down and "is not used to monitor NO_X or SO_2 emissions pursuant to 40 CFR 75 or 326 IAC 10-4." Whether or not the CEM is used pursuant to 40 CFR 75, the data substitution provisions for Part 75 are an effective means of addressing times when the CEM data is unavailable. Therefore, this Condition should require compliance with Part 75 data substitution provisions when any required CEM is down for maintenance or repairs. IPL requests the following changes be made as follows:

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

This condition applies to only those continuous emission monitoring systems (CEM) required under this permit.

(a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous emission monitoring systems (CEMS) and related equipment.

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

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

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

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

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

(e) Nothing in this permit shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 3-5, 326 IAC 10-4, 40 CFR 60 or 40 CFR 75 or the Minor Permit Modification 097-14666-00033 issued by the City of Indianapolis Office of Environmental Services on November 9, 2001 for Unit GT6.

Response to Comment # 12

Condition C.**11**~~12~~ (Maintenance of Continuous Emission Monitoring Equipment) applies to only those continuous emission monitoring systems and related equipment required under the permit. Condition C.**11**~~12~~(d) specifically references NO_X or SO_2 emissions continuous emissions monitoring required as a Federally Applicable Requirement. Condition C.**11**~~12~~ addresses what needs to be done

should CEMS, including the NO_X CEM for Unit GT6, malfunction or become inoperable. Therefore, there is no change to Condition C.**11**~~12~~ (Maintenance of Continuous Emission Monitoring Equipment).

Comment # 13

In regard to Condition C.14 (Pressure Gauge Specification and Other Instrument Specifications), IPL requests, as a threshold matter, that this Condition be deleted in its entirety from the permit. IPL believes the agency does not have the authority to require these types of specific instrument specifications, which are, at any rate, more appropriately included in a compliance response plan. Furthermore, the specifications included in the Condition are arbitrarily set, in that they are not based on any source specific information. Therefore, IPL requests that this Condition be deleted, or if the Condition is not deleted, it should be revised to remove the specific instrument specifications and simply require that appropriate specifications be included in the Compliance Response Plan.

Response to Comment # 13

Monitoring the pressure drop across baghouses is important for determining the proper operation of baghouses. In order to accurately measure the pressure drop, 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. Condition C.**13**~~14~~**(b)**~~(c)~~ states "The Permittee may request that the IDEM, OAQ approve the use of an instrument that does not meet the above specifications provided the Permittee can demonstrate that an alternative instrument specification will adequately ensure compliance with permit conditions requiring the measurement of the parameters."

With regard to Condition C.**13**~~14~~ (Pressure Gauge and Other Instrument Specifications), IDEM, OAQ and OES realize that these specifications can only be practically applied to analog units, and has, therefore, clarified the condition to state that the condition only applies to analog units. Upon further review, IDEM, OAQ and OES has also determined that the accuracy of the instruments is not nearly as important as whether the instrument has a range that is appropriate for the normal expected reading of the parameter. Therefore, the accuracy requirements have been removed from the condition.

C.**13**~~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~~ **When required by any condition of this permit, an analog instrument used to measure a parameter related to the operation of an air pollution control device** shall have a scale such that the expected **maximum** ~~normal~~ reading **for the normal range** shall be no less than twenty percent (20%) of full scale ~~and be accurate within plus or minus two percent (±2%) of full scale reading~~.

~~(b) Whenever a condition in this permit requires the measurement of a voltage, current, temperature or flow rate, the instrument employed shall have a scale such that the expected normal reading shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent (±2%) of full scale reading.~~

(b) ~~(c)~~ The Permittee may request **that** the IDEM, OAQ approve the use of ~~a pressure gauge or other~~ **an** instrument that does not meet the above specifications provided the Permittee can demonstrate **that** an alternative ~~pressure gauge or other~~ instrument specification will adequately ensure compliance with permit conditions requiring the measurement of ~~pressure drop or other~~ **the** parameters.

Comment # 14

IPL believes that IDEM, OAQ and OES may not have authority to require a Compliance Response Plan under the Title V program and Condition C.17 (Compliance Response Plan - Preparation, Implementation, Records, and Reports) because that plan is not an applicable requirement and is not necessary to assure compliance. Therefore, IPL requests that Condition C.17 be deleted. However, if this Condition is not deleted, IPL requests several changes to the proposed Condition as follows to provide 180 days for preparation of the CRP and to revise Condition C.17(b)(3) be revised to require notification to OES and not to IDEM, OAQ:

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. A CRP shall be submitted to IDEM, OAQ and OES upon request. The CRP shall be prepared within **one hundred eighty (180)** ~~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 and the Permittee documents such response in accordance with subsection (e) below, the Permittee shall amend its Compliance Response Plan to include such response steps taken.

(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

(2) If none of the reasonable response steps listed in the Compliance Response 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 Permittee shall promptly notify the **OES** ~~IDEM, OAQ~~ of the expected date of the shut down, the status of the applicable compliance monitoring parameter with respect to normal, and the results of the actions taken up to the time of notification.

(4) Failure to take reasonable response steps shall constitute a deviation from the permit.

Response to Comment # 14

IDEM, OAQ and OES have reconsidered the requirement to develop and follow a Compliance Response Plan. The Permittee will still be required to take reasonable response steps when a compliance monitoring parameter is determined to be out of range or abnormal. Replacing the requirement to develop and follow a Compliance Response Plan with a requirement to take reasonable response steps will ensure that the control equipment is returned to proper operation as soon as practicable, while still allowing the Permittee the flexibility to respond to situations that were not anticipated. The Section D conditions that refer to this condition have been revised to reflect the new condition title, and the following changes have been made to this Section C condition:

C.**16**~~17 Compliance Response Plan - Preparation, Implementation, Records, and Reports~~ **Response to Excursions or Exceedances**
[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. A CRP shall be submitted to IDEM, OAQ and OES 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 time frame 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 and the Permittee documents such response in accordance with subsection (e) below, the Permittee shall amend its Compliance Response Plan to include such response steps taken.~~

~~(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:~~

~~(3) Reasonable response steps shall be taken as set forth in the Permittee's current Compliance Response Plan; or~~

~~(4) If none of the reasonable response steps listed in the Compliance Response 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 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 constitute a deviation from the permit.~~

~~(c) The Permittee is not required to take any further response steps for any of the following reasons:~~

~~(1) A false reading occurs due to the malfunction of the monitoring equipment and prompt action was taken to correct the monitoring equipment.~~

~~(2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for a minor permit modification to the permit, and such request has not been denied.~~

~~(3) An automatic measurement was taken when the process was not operating.~~

~~(4) The process has already returned or is returning to operating within "normal" parameters and no response steps are required.~~

~~(d) When implementing reasonable steps in response to a compliance monitoring condition, if the Permittee determines that an exceedance of an emission limitation has occurred, the Permittee shall report such deviations pursuant to Section B-Deviations from Permit Requirements and Conditions.~~

~~(e) The Permittee shall record all instances when, in accordance with Section D, response steps are taken. In the event of an emergency, the provisions of 326 IAC 2-7-16 (Emergency Provisions) requiring prompt corrective action to mitigate emissions shall prevail.~~

~~(f) Except as otherwise provided by a rule or provided specifically in Section D, all monitoring as required in Section D shall be performed when the emission unit is operating, except for time necessary to perform quality assurance and maintenance activities.~~

(a) Upon detecting an excursion or exceedance, the Permittee shall restore operation of the emission unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.

(b) The response shall include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or shutdown conditions). Corrective actions may include, but are not limited to, the following:

(1) initial inspection and evaluation;

(2) recording that operations returned to normal without operator action (such as through a response by a computerized distribution control system); or

(3) any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable.

(c) A determination of whether the Permittee has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include, but is not limited to. the following:

(1) monitoring results;

(2) review of operation and maintenance procedures and records;

(3) inspection of the control device, associated capture system, and the process.

(d) Failure to take response steps shall be considered a deviation from the permit.

(e) The Permittee shall maintain the following records:

(1) monitoring data;

(2) monitor performance data, if applicable; and

(3) corrective actions taken.

Comment # 15

IPL requests that Condition C.19 (Emission Statement) be amended to reflect the appropriate deadline for submittal of the emission statement of July 1 of each year, as required by the rule amendments to 326 IAC 2-6, adopted by the Air Pollution Control Board in December 2003. In addition, IPL requests that the time period to which the statement shall pertain and any other appropriate changes be made to be consistent with the rule. IPL notes that other changes to Condition C.19 are probably necessary to reflect the amended regulation.

Response to Comment # 15

Since this source is required to have an operating permit under 326 IAC 2-7, Part 70 Permit Program, this source is subject to 326 IAC 2-6, Emission Reporting. The source also has potential to emit greater than or equal to 2500 tons of Nitrogen Oxides (NO_x), greater than or equal to 2500 tons of particulate less than ten microns in aerodynamic diameter (PM10), greater than or equal to 2500 tons of Carbon Monoxide (CO) and greater than or equal to 2500 tons of Sulfur Dioxide (SO_2); therefore, an emission statement covering the previous calendar year must be submitted by July 1 annually. The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4.

Based on the rule revisions to 326 IAC 2-6, which became effective March 27, 2004, the following changes are made to Condition C.**18**~~19~~ - Emission Statement:

C.**18**~~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~~ **Pursuant** to ~~the requirements of 326 IAC 2-6,~~ **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:** ~~that must be received by annual April 15th 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:~~

(1) Indicate estimated actual emissions of ~~criteria pollutants from the source~~ all pollutants listed in 326 IAC 2-6-4(a); ~~, in compliance with 326 IAC 2-6 (Emission Reporting);~~

(2) Indicate estimated actual emissions of regulated pollutants as defined by 326 IAC 2-7-1(32) (“Regulated pollutant which is used only for purposes of Section 19 of this rule”) from the source, for purpose~~s~~ of ~~Part 70~~ fee assessment.

~~(b) The annual emission statement covers the twelve (12) consecutive month time period starting December 1 and ending November 30~~. 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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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

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

Comment # 16

In regards to Condition C.23 (Application Requirements for Section 112(j) of the Clean Air Act), there is a typographical error in the numbering under subpart C.23(b) as it may be out of sequence.

Response to Comment # 16

Condition C.23 is no longer applicable and has been removed from the Part 70 Operating Permit as follows:

~~Part 2 MACT Application Submittal Requirement~~

~~C.23 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~~

~~(6) The MACT standard or standards for the affected source categories included at the source are promulgated.~~

~~(g) 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~~

~~and~~

~~Office of Environmental Services~~
~~Air Quality Management Section, Permits~~
~~2700 South Belmont Avenue~~
~~Indianapolis, Indiana 46221~~

In addition, EPA is concerned about the Technical Support Document (TSD) statement that a unit is not subject to a New Source Performance Standard (NSPS) because construction of that unit commenced prior to the applicability date. They feel that the statement is inaccurate/incomplete because NSPS can be triggered by reconstruction or modification as well. A permit shield is granted only by a nonapplicability determination made in the Part 70 Operating Permit, not by a statement in the TSD. Nonetheless, EPA has recommended that IDEM and OES make the statement below in each Addendum to the Technical Support Document so that the TSD is not misleading and would not present an obstacle to making a more complete determination.

The applicability of state and federal rules presented in the Technical Support Document is based on the information provided in the Part 70 application and contained in IDEM and OES' files. This information was not comprehensive enough to provide a nonapplicability determination in the TSD or to provide a permit shield in the Part 70 Permit itself.

In addition, several MACT standards have become effective since the Part 70 Operating permit was proposed to U.S. EPA. A discussion of applicability or nonapplicability is as follows:

Section 112(j) Maximum Achievable Control Technology (MACT)

The requirements of Section 112(j) of the Clean Air Act (40 CFR Part 63.50 through 63.56) are not applicable to this source because the source does not include any 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.

The Indianapolis Power & Light Company - Harding Street Station submitted a Part 1 Maximum Achievable Control Technology (MACT) application on May 14, 2002 under the requirements of Section 112(j) of the Clean Air Act (40 CFR 63.50 through 63.56). The Part 1 MACT application indicated that the source is a major source of hazardous air pollutants (HAP) and consists of emission units potentially subject to the proposed emission standards 40 CFR 63 Subpart DDDDD (National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters), 40 CFR 63 Subpart YYYY (National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines) or 40 CFR 63 Subpart ZZZZ (National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines). Since the final MACT standard for each of these three standards was signed final by the US EPA Administrator prior to May 15, 2004, the Indianapolis Power & Light Company - Harding Street Station is no longer subject to the requirements of Section 112(j) of the Clean Air Act (40 CFR Part 63.50 through 63.56) for that source category in accordance with 40 CFR 63.50(c). Therefore, no Part 2 Maximum Achievable Control Technology (MACT) application is required.

40 CFR 63 Subpart DDDDD (National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters)

Unit 9, Unit 10, Unit 50, Unit 60 and Unit 70 are each not subject to the National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters. Each of these Units is an electric utility steam generating unit, as defined by 40 CFR 63.7575, because each of these Units is a fossil fuel fired combustion unit of more than 25 megawatts that serves a generator that produces electricity for sale. Therefore, pursuant to 40 CFR 63.7491(c), each electric utility generating Unit is not subject to 40 CFR 63, Subpart DDDDD.

40 CFR 63 Subpart YYYY (National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines)

Unit GT1, Unit GT2, Unit GT3, Unit GT4, Unit GT5 and Unit GT6 are each not subject to the National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines because each Unit commenced construction or reconstruction on or before January 14, 2003 and is, therefore, an existing stationary combustion turbine. Pursuant to 40 CFR 63.6090(a)(4), existing stationary combustion turbines are not subject to 40 CFR 63, Subpart YYYY (National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines).

40 CFR 63 Subpart ZZZZ (National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE))

Unit ST14, one (1) General Motors Reciprocating Internal Combustion Standby/Emergency Generator, and Unit Generator # 1, which is an emergency generator associated with a communication transmitter tower located at 4190 S. Harding Street, are each not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE). Each Unit is an existing compression ignition stationary reciprocating internal combustion engine, as defined by 40 CFR 63.6675. However, pursuant to 40 CFR 63.6590(b)(3), there are no applicable requirements from 40 CFR 63, Subpart ZZZZ and 40 CFR Subpart A for existing compression engine RICE.

Comment # 17

In regards to Condition D.1.1(b), the setting out of fuel usage limitations should be deleted. These usage limits are not found in the underlying applicable requirement. To the extent requirements in the permit for determining or monitoring compliance are appropriate, they should not be set out as an emission limitation, nor should they restrict fuel usage beyond that contemplated by the applicable requirement when no change has been made to the rule or to the units themselves. Therefore, IPL requests that the following changes be made to Condition D.1.1(b):

~~(b) Pursuant to 326 IAC 2-7-5 (Part 70 Permits: Content) and 326 IAC 6-1-12(a) (Particulate Rules: Marion County):~~

~~(1) Boiler number 9, identified as Unit 9, shall be limited to a PM emission rate of two (2.0) pounds per thousand gallons (kgal) and the input of distillate oil fired in Unit 9 shall not exceed 1900 kgal per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6-1-12 can be demonstrated.~~

~~(b) Boiler number 10, identified as Unit 10, shall be limited to a PM emission rate of two (2.0) pounds per thousand gallons (kgal) and the input of distillate oil fired in Unit 10 shall not exceed 2200 kgal per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6-1-12 can be demonstrated.~~

~~(3) Gas Turbines GT1, GT2 and GT3, identified as Unit ID GT1, GT2 and GT3 shall be limited to a PM emission rate of twelve hundredths (0.012) pounds per million Btu and the input of distillate oil fired in Emission Unit ID GT1, GT2 and GT3 shall each not exceed 333,333 gallons per twelve (12) consecutive month period with compliance determined at the end of each month such that compliance with 326 IAC 6-1-12 can be demonstrated.~~

Response to Comment # 17

Condition D.1.1(b) limits PM emissions from Unit 9, Unit 10, Unit GT1, Unit GT2 and Unit GT3 such that compliance with the ton per year emission rate, as specified in 326 IAC 6.5-6 (Marion County), formerly 326 IAC 6-1-12 (Particulate Rules: Marion County), is made enforceable as a practical matter.

At the AP-42 emission factor for particulate (PM) of 2 pounds per 1000 gallons of distillate fuel oil burned (see TSD Appendix A page 3 of 12), Units 9 and 10 are each in compliance with the PM emission limit of 0.015 pounds per million Btu (2.0 #/kgal x kgal/1000 gal x gal/0.14 MMBtu = 0.014 pounds per million Btu). However, each Unit does not have add on control equipment for PM and the potential emission rate exceeds the 326 IAC 6.5-6 limitation of 1.9 and 2.2 tons per year, respectively (see TSD Appendix A page 3 of 12). Therefore, fuel use per twelve (12) consecutive month period must be restricted such that compliance with 326 IAC 6.5-6 will be demonstrated. Pursuant to 326 IAC 2-7-5 (Part 70 Permits: Content), each Part 70 Operating Permit shall contain emission limitations and standards, including those operational requirements and limitations, that assure compliance with all applicable requirements and any additional requirement that is enforceable by the State at the time of a Part 70 permit issuance. Therefore, pursuant to 326 IAC 2-7-5, Unit 9 and Unit 10 each have the input of distillate oil fired restricted per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6.5-6 will be demonstrated. Condition D.1.1(b) references 326 IAC 2-7-5 (Part 70 Permits: Content) and 326 IAC 6.5-6 (Marion County), formerly 326 IAC 6-1-12 (Particulate Rules: Marion County), as the applicable rule cites.

At the AP-42 emission factor for particulate (PM) of 0.012 pounds per million Btu heat input (see TSD Appendix A page 7 of 12), Units GT1, GT2 and GT3 are in compliance with the PM emission limit of 0.015 pounds per million Btu. However, each Unit does not have add on control equipment for PM and the potential emission rate exceeds the 326 IAC 6.5-6 limitation of 0.28 tons per year for each Unit (see TSD Appendix A page 7 of 12). Therefore, fuel use per twelve (12) consecutive month period must be restricted such that compliance with 326 IAC 6.5-6 will be demonstrated. Pursuant to 326 IAC 2-7-5 (Part 70 Permits: Content), each Part 70 permit shall contain emission limitations and standards, including those operational requirements and limitations, that assure compliance with all applicable requirements and any additional requirement that is enforceable by the State at the time of a Part 70 permit issuance. Therefore, pursuant to 326 IAC 2-7-5, Unit GT1, Unit GT2 and Unit GT3 each have the input of distillate oil fired restricted per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6.5-6 will be demonstrated. Condition D.1.1(b)

references 326 IAC 2-7-5 (Part 70 Permits: Content) and 326 IAC 6.5-6 (Marion County), formerly 326 IAC 6-1-12 (Particulate Rules: Marion County), as the applicable rule cites.

Therefore, the only change to Condition D.1.1(b) (Particulate Rules: Marion County) is the change to the title and rule cite of the Condition.

D.1.1 ~~Particulate Rules:~~ Marion County [326 IAC 6**.5-6** ~~-1-12~~][326 IAC 2-7-5]

Comment # 18

In regards to Condition D.1.3 (Temporary Alternative Opacity Limitations), IPL requests that this provision allow an exemption from the 30% opacity limitation for ten (10) six-minute averaging periods during startup. Further, IPL requests removal of the requirement not to exceed 60% opacity for any six minute averaging period. To the extent a request for such an exemption is needed, IPL hereby makes this request and will provide information if needed.

In subpart D.1.3(a)(2), the language has a potential to be confusing. Therefore, IPL requests that the last sentence be revised to indicate that averaging periods in excess of the applicable limit shall not be permitted for more than three 6-minute averaging periods in a twelve hour period as follows:

D.1.3 Temporary Alternative Opacity Limitations [326 IAC 5-1-3]

(a) Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), the following applies to Unit 9 and Unit 10:

(1) When building a new fire in Unit 9 or Unit 10, or shutting down Unit 9 or Unit 10, opacity may exceed the applicable limit established in 326 IAC 5-1-2 and stated in Section C - Opacity. ~~However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period~~. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than **ten (10)** ~~two (2)~~ six (6)-minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]

(2) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2 and stated in Section C - Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging period in any sixty (60) minute period. The averaging periods **in excess of the applicable limit** 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)]

Response to Comment # 18

The language in Condition D.1.3(a)(1) is stated directly from 326 IAC 5-1-3 and, therefore, cannot be additionally exempted or restated without an approved Temporary Alternative Opacity Limitation for Unit 9 or Unit 10, pursuant to 326 IAC 5-1-3(d) and (e). However, Unit 9 and Unit 10 each burn distillate fuel oil which is not a fuel identified in 326 IAC 5-1-3(d). Therefore, Unit 9 and Unit 10 are not eligible for a Temporary Alternative Opacity Limit pursuant to 326 IAC 5-1-3(d) and (e). However, to provide additional clarity, Condition D.1.3 is amended as follows:

D.1.3 **Startup, Shutdown and Other Opacity Limits** ~~Temporary Alternative Opacity Limitations~~ [326 IAC 5-1-3]

(a) Pursuant to 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), the following applies to Unit 9 and Unit 10:

(1) When building a new fire in Unit 9 or Unit 10, or shutting down Unit 9 or Unit 10, opacity may exceed the applicable limit established in 326 IAC 5-1-2 and stated in Section C - Opacity. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period. Opacity in excess of the applicable limit established in 326 IAC 5-1-2 shall not continue for more than two (2) six (6)-minute averaging periods in any twenty-four (24) hour period. [326 IAC 5-1-3(a)]

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

Comment # 19

In regards to Condition D.1.4 (Temporary Alternative Opacity Limitations), IPL requests that this Condition be revised to reflect necessary changes needed to safely and properly operate the ESPs and make the Part 70 permit condition consistent with the current operating permit requirements.

First, IPL requests that the temporary alternative opacity limit included in IPL's current operating permit, which has no time restriction. There is no justification for requiring the ESPs to be operated at flue gas temperatures below the 250 degree threshold.

Second, even if the time element is retained, there is no justification or authority for restricting the five hour exemption period for Unit 70 to only the first three years of the permit. To the extent this three year limitation is intended to force IPL to utilize natural gas for startup, as the TSD indicates, IPL believes it is beyond the agencies' authority to force a change to natural gas in this manner. Therefore, the reference to this restriction in subpart D.1.4(a)(2) and the requirements relating to the final two years of the permit term should be deleted.

Third, these temporary alternative opacity limitations recognize the serious safety concerns associated with operating the ESPs with the flue gases temperature below 250 degrees F. Operating ESPs only when the flue gas temperatures are above 250 degrees F is also consistent with the manufacturer's operating recommendations. Therefore, the requirement that apparently trumps the exceptions to operation of the ESP in subpart D.1.4(a)(4) when "necessary to comply with these limits" cannot stand. IPL requests the additional language set out below to ensure consistency with 326 IAC 5-1-3 and necessary safety procedures.

Finally, the language in subpart D.1.4(b) regarding limits applicable when removing ashes or blowing tubes in potentially confusing. IPL suggests that it be clarified as follows: ~~The averaging periods~~ **Opacity in excess of the applicable emission standard** shall not be permitted for more than three (3) six-minute averaging periods in a twelve hour period.

Therefore, IPL requests the following changes be made to Condition D.1.4 (Temporary Alternative Opacity Limitations):

D.1.4 Temporary Alternative Opacity Limitations [326 IAC 5-1-3(e)]

(a) Pursuant to 326 IAC 5-1-3(e) (Temporary Alternative Opacity Limitations), the following applies to Unit 50, Unit 60 and Unit 70:

(4) When building a new fire in Unit 50 or Unit 60, an exemption from the thirty percent (30%) opacity limit is allowed ~~for up to twenty five (25) six-minute averaged periods (2.5 hours), or~~ until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees~~, which ever occurs first~~. [326 IAC 5-1-3(e)]

(5) ~~For the first three (3) years following the issuance date of the Title V Permit for this source, w~~ **W**hen building a new fire in Unit 70, an exemption from the thirty percent (30%) opacity limit is allowed ~~for up to fifty (50) six-minute averaged periods (5.0 hours), or~~ until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees~~, which ever occurs first. For the remaining two (2) years of this Part 70 Permit, the standard temporary alternative opacity limit, pursuant to 326 IAC 5-1-3(a), shall be allowed for Unit startups.~~ [326 IAC 5-1-3(e)]

(6) When shutting down Unit 50, Unit 60 and/or Unit 70, an exemption from the thirty percent (30%) opacity limit is allowed for up to ten (10) six-minute averaged periods (1.0 hours) for each Unit. [326 IAC 5-1-3(e)]

(7) Operation of the electrostatic precipitator for each Unit is not required during these times unless necessary to comply with these limits **and consistent with safe and proper operation of equipment**. [326 IAC 5-1-3(e)]

(b) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging periods in any sixty (60) minute period. ~~The averaging periods~~ **Opacity in excess of the applicable emission standard** 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)]

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

Response to Comment # 19

With regard to the first, second and third part of the comment, Condition D.1.4(a) (Temporary Alternative Opacity Limitations) does not mandate that the ESP(s) be utilized when the flue gas temperature is less than 250 Fahrenheit. Condition D.1.4(a) grants a temporary alternative to the requirements of 326 IAC 5-1-3(a) and (b). On May 3, 2000 IPL - Harding Street Station submitted a Temporary Alternative Opacity Limit (TAOL) application (097-12225-00033). On January 26, 2001, IPL - Harding Street Station submitted additional historical data as support information for the request. The application request is combined with this review and issuance. IDEM, OAQ and OES have reviewed the information submitted by IPL - Harding Street Station in the TAOL request. IDEM, OAQ and OES have also evaluated historic continuous opacity monitor system (COMS) data from the first quarter of 2000 to the first quarter of 2002. The Condition requirements stated in Condition D.1.4(a) are requirements approved by the Commissioner based on this information and are not specific measures outlined in 326 IAC 5-1-3(e).

IDEM, OAQ and OES agree to delete the expiration of the five hour exemption for Unit 70 after three years from the issuance date of the Part 70 Operating Permit. IDEM, OAQ and OES agree to delete the statement, "unless necessary to comply with these limits" from Condition D.1.4(a)(4).

With regard to the final part of the comment, Condition D.1.4(b) is stated exactly as the wording in 326 IAC 5-1-3(b). Therefore, there is no change to Condition D.1.4(b). However, for clarification purposes, the following changes are made to Condition D.1.4:

D.1.4 **Startup, Shutdown and Other Opacity Limits** ~~Temporary Alternative Opacity Limitations~~ [326 IAC 5-1-3(e)**(2)**] **[326 IAC 5-1-3(b)]**

(a) Pursuant to 326 IAC 5-1-3~~(e)~~ (Temporary Alternative Opacity Limitations), the following applies to Unit 50, Unit 60 and Unit 70:

(1) When building a new fire in Unit 50 or Unit 60, **opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed a total of** ~~an exemption from the thirty percent (30%) opacity limit is allowed for up to~~ twenty five (25) six-minute averaged periods (2.5 hours) **during the startup period**, or until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees **Fahrenheit at the inlet of the electrostatic precipitator**, which ever occurs first. [326 IAC 5-1-3(e)**(2)**]

(2) ~~For the first three (3) years following the issuance date of the Title V Permit for this source, when~~ **When** building a new fire in Unit 70, **opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed a total of** ~~an exemption from the thirty percent (30%) opacity limit is allowed for up to~~ fifty (50) six-minute averaged periods (5.0 hours) **during the startup period**, or until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees **Fahrenheit at the inlet of the electrostatic precipitator**, which ever occurs first. ~~For the remaining two (2) years of this Part 70 Permit, the standard temporary alternative opacity limit, pursuant to 326 IAC 5-1-3(a), shall be allowed for Unit startups.~~ [326 IAC 5-1-3(e)**(2)**]

(3) When shutting down Unit 50, Unit 60 and/or Unit 70, **opacity may exceed the applicable limitation established in 326 IAC 5-1-2 for a period not to exceed a total of** ~~an exemption from the thirty percent (30%) opacity limit is allowed for up to~~ ten (10) six-minute averaged periods (1.0 hours) for each Unit. [326 IAC 5-1-3(e)**(2)**]

(4) Operation of the electrostatic precipitator for each Unit is not required during these times ~~unless necessary to comply with these limits~~. [326 IAC 5-1-3(e)]

(b) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable limit established in 326 IAC 5-1-2. However, opacity levels shall not exceed sixty percent (60%) for any six (6)-minute averaging period and opacity in excess of the applicable limit shall not continue for more than one (1) six (6)-minute averaging periods 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)]

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

Comment # 20

Subparts D.1.5(b) and (c) to Condition D.1.5 (Operation Standards) should be deleted because they include the requirements under the Federal regulations for solid and hazardous waste management which are not within the agencies authority to include in a Title V air permit. In addition to the solid and hazardous waste regulations, the draft permit cites 326 IAC 2-1.1-5(a)(4), which states that a permit shall not be issued if the terms and conditions of the permit are not protective of public health. We do not believe that this regulation of the Air Pollution Control Board provides the authority to include hazardous and solid waste requirements in an air permit.

Additionally, this Condition should not restrict firing of cleaning waste liquids to two boiler rinses because no regulation provides authority to include such a restriction.

Therefore, IPL requests that Subparts D.1.5(b) and (c) be deleted, and the remaining subparts relabeled and modified. Condition D.1.12 (Cleaning Waste Analysis) must be deleted as well.

Response to Comment # 20

Upon further review, IDEM, OAQ and OES have determined that the following conditions do not need to be included in the permit, since they are each regulated by other agencies. All subsequent Section D conditions have been renumbered to reflect the deletions.

~~D.1.5 Operation Standards [326 IAC 2-1.1-5(a)(4)] [40 CFR 261] [40 CFR 279] [329 IAC 13]~~

~~(a) All coal burned, including coal treated with any additive, shall meet ASTM specifications for classification as coal (ASTM D388).~~

~~(b) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in these facilities without the appropriate RCRA permit. Any boiler tube chemical cleaning waste liquids, binding agent, or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.~~

~~(c) Used oil may be combusted as supplemental fuel for energy recovery in compliance with 40 CFR Part 279 (Standards for the management of used oil) and 329 IAC 13 (Used Oil Management). Used oil shall only be combusted in Unit 70.~~

~~(d) Any boiler tube chemical cleaning waste liquids fired in the boiler shall only contain the cleaning solution and no more than two full volume boiler rinses.~~

~~This Condition is not federally enforceable pursuant to this Part 70 Operating Permit.~~

~~D.1.12 Cleaning Waste Analysis [326 IAC 2-1.1-5(a)(4)] [40 CFR 261]~~

~~The Permittee shall use appropriate test methods as listed in 40 CFR Part 261 to analyze all boiler chemical cleaning wastes that will be burned, to determine compliance with the Operation Standards condition in this D section. This Condition is not federally enforceable pursuant to this Part 70 Operating Permit.~~

~~D.1.19 Used Oil Requirements~~

~~The used oil burned in Unit 70 shall comply with the used oil requirements specified in 329 IAC 13 (Used Oil Management). Pursuant to 329 IAC 13-3-2 (Used Oil Specifications), used oil burned for energy recovery that is classified as off-specification used oil fuel shall comply with the provisions of 329 IAC 13-8 (Used Oil Burners Who Burn Off-specification Used Oil For Energy Recovery), including:~~

~~(a) Receipt of an EPA identification number as outlined in 329 IAC 13-8-3 (Notification),~~

~~(b) Compliance with the used oil storage requirements specified in 329 IAC 13-8-5 (Used Oil Storage), and~~

~~(c) Maintaining records pursuant to 329 IAC 13-8-6 (Tracking).~~

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

Comment # 21

IPL notes that the Preventive Maintenance Plan rule provides requirements relative to emission control devices and therefore it should not require information about facilities independent of the emission control devices associated with those facilities. Furthermore, for any facility that does not have an emission control device, the PMP should not be required at all. In Section D.1, this would include Units 9, 10, GT1, GT2 and GT3. In Section D.2, this comment pertains to GT4 and GT5 and Condition D.2.8 (Preventive Maintenance Plan). In Section D.3, PMP's are inappropriate for low NO_x burners as there is no maintenance to be performed. Therefore, Condition D.3.5 (Preventive Maintenance Plan) should be deleted in its entirety.

Furthermore, the regulation does not provide the authority to specify the types of requirements included in the proposed permit subpart D.1.6(b) for an ESP. Therefore, IPL requests that the preventive maintenance plan condition be revised to apply to emission control devices only, and therefore apply only to emission control devices for Units 50, 60 and 70. IPL requests that Condition D.2.8 be revised to state "...**any emissions control devices for**..." Furthermore, IPL requests that subpart D.1.6(b) be deleted in its entirety as follows:

D.1.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

(a) A Preventive Maintenance Plan (PMP), in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for **any emission control devices** for Unit ~~9, 10~~, 50, 60, **and** 70~~, GT1, GT2 and GT3 and any 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.~~

Response to Comment # 21

The Preventive Maintenance Plan requirement must be in every applicable Part 70 Operating Permit pursuant to 326 IAC 2-7-5(13). This rule refers back to the existing Preventive Maintenance requirement for existing sources as described in 326 IAC 1-6-3 (Malfunctions: Preventive Maintenance Plans). This Preventive Maintenance Plan rule sets out the requirements for:

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

(b) 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

(c) 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. Therefore, for Unit GT6 as described in Section D.3, which is equipped with low NO_x burners, the PMP requirement affects the entirety of the emission unit. 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." Many types of facilities require maintenance in order to prevent excess emissions. If equipment is not maintained, then increased emissions will eventually result.

However, upon further review, IDEM, OAQ and OES have determined that it is the Permittee's responsibility to include routine control device inspection requirements in the applicable preventive maintenance plan. Since the Permittee is in the best position to determine the appropriate frequency of control device inspections and the details regarding which components of the control device should be inspected, the conditions requiring control device inspections have been removed from the permit. In addition, the requirement to keep records of the inspections has been removed.

D.1.~~5~~**6** Preventive Maintenance Plan [326 IAC 2-7-5(13)]

~~(a)~~ ~~A Preventive Maintenance Plan (PMP), in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for Unit 9, 10, 50, 60, 70, GT1, GT2 and GT3 and any 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.~~

D.1.~~15~~**17** Record Keeping Requirements

(a) To document compliance with Section C - Opacity and Conditions D.1.1, D.1.3, D.1.4, ~~D.1.6,~~ D.1.13 **and** D.1.14 ~~, D.1.15 and D.1.16~~, the Permittee shall maintain records in accordance with (1) through ~~(5)~~ **(6)** below. Records shall be complete and sufficient to

establish compliance with the limits established in Section C - Opacity and in Conditions D.1.1, D.1.3 and D.1.4.

(1) monthly and twelve (12) consecutive month distillate oil consumption in Unit 9, Unit 10 and Units GT1, GT2 and GT3;

(2) data and results from the most recent stack test;

(3) all continuous opacity monitoring data, pursuant to 326 IAC 3-5;

(4) the results of all visible emission (VE) notations**;** ~~and~~

(5) the results of all Method 9 visible emission readings taken during any periods of COM downtime;

(6) ~~(5)~~ All ESP parametric monitoring readings.

(b) To document compliance with Conditions D.1.2, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO_2 limit established in Condition D.1.2 and D.1.**9**~~10~~ for Unit 50, Unit 60 and Unit 70.

(1) when using SO_2 CEMs to demonstrate compliance, all SO_2 continuous emissions monitoring data, pursuant to 326 IAC 3-5-6 and 326 IAC 7-2-1(g);

(2) when using fuel sampling and analysis to demonstrate compliance, all fuel sampling and analysis data, pursuant to 326 IAC 7-2;

(3) actual fuel usage since last compliance determination period.

(c) To document compliance with Condition D.1.2, the Permittee shall maintain records in accordance with (1) through (6) below. Records maintained for (1) through (6) shall be complete and sufficient to demonstrate to establish compliance with the SO_2 limit established in Condition D.1.2 for Unit 9, Unit 10, Unit GT1, Unit GT2 and Unit GT3.

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

(2) monthly weighted average sulfur content;

(3) fuel heat content;

(4) fuel consumption;

(5) monthly weighted average sulfur dioxide emission rate in pounds per million Btu;

(6) a log of hourly operating status for each Unit and a daily summary indicating which Units were in service during the day.

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

D.2.15 Record Keeping Requirements

(a) To document compliance with Conditions D.2.2 D.2.3, D.2.4, D.2.5, D.2.6, D.2.7, D.2.9, D.2.10, D.2.12, D.2.13 and D.2.14, the Permittee shall maintain records in accordance with (1) through (6) below. Records shall be complete and sufficient to establish compliance with the limits established in Conditions D.2.2, D.2.3, D.2.4, D.2.5, D.2.6, D.2.7 and D.2.14.

(1) Data and results from the most recent stack test;

(2) All fuel nitrogen content and sulfur content monitoring data*;*

(3) Records of fuel usage;

(4) Records of the fuel consumption and the ratio of water to fuel being fired in Unit GT4 and Unit GT5;

(5) Visible emissions (VE) notations; and

~~(6) All preventive maintenance measures taken.~~

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

D.3.**9**~~10~~ Record Keeping Requirements

(a) To document compliance with Conditions D.3.2, D.3.3, D.3.4, D.3.5, D.3.6, **and** D.3.8 ~~and D.3.9~~, the Permittee shall maintain records in accordance with (1) through **(4)** ~~(5)~~ below. Records shall be complete and sufficient to establish compliance with the limits established in Conditions D.3.2, D.3.3, D.3.4, D.3.5, D.3.6, **and** D.3.8**.** ~~and D.3.9.~~

(1) Data and results from the most recent stack test;

(2) All fuel nitrogen content and sulfur content monitoring data;

(3) All NO_x continuous emissions monitoring data;

(4) Actual fuel usage since last compliance determination period.

~~(5) The Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.~~

D.5.4 Record Keeping Requirements

(a) ~~To document compliance with Condition D.5.2, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.~~

~~(b)~~ To document compliance with Section C - Opacity and Condition D.5.3, the Permittee shall maintain records of the visible emission notations of coal bunker and coal scale exhausts and visible emission notations of the coal unloading station doorways once per day.

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

Comment # 22

IPL notes that language included in Condition D.1.8 (Operation of Electrostatic Precipitator) has a potential to be confusing and suggests the phrase "are vented to the ESPs" be deleted from the Condition.

Furthermore, IPL requests that the permit clarify that ESPs are not required to be in operation when doing so would be inconsistent with safety precautions. IDEM, OAQ recently approved a permit condition that in PSI Energy, Inc. Henry County Generating Station, New Castle, IN (T065-15440-00032) in the TSD Addendum page 7 of 19 that provides acceptable language as follows:

> Comment:
> Condition C.6 - Operation of Equipment: Modify to read: "Except as otherwise provided by statute or rule, or in this permit, all air pollution control equipment listed in this permit and used to comply with an applicable requirement shall be operated at all times, consistent with safe and proper operation of equipment, that the units vented to the control equipment are in operation." Thus revision will provide the times when the water injection system cannot be in operation, such as startup and shutdown. Further, this revision is consistent with the current permit, CP 065-1049-00032.
>
> Response:
> In order to be consistent with CP 065-10469-00032, after further review, the IDEM, OAQ has changed Condition C.6 as follows:
>
> C.6 Operation of Equipment [326 IAC 2-7-6(6)]
> Except as otherwise provided by statute or rule, or in this permit, all air pollution control equipment listed in this permit and used to comply with an applicable requirement shall be operated at all times, **consistent with safe and proper operation of equipment** that the emission units vented to the control equipment are in operation.

Response to Comment # 22

The first part of Condition D.1.**7**~~8~~ allows for the exceptions that would be consistent with safe and proper operation of equipment. However, the statement "...vented to the ESPs" has been deleted from the Condition requirement as follows:

D.1.**7**~~8~~ Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitators (ESPs) shall be operated at all times that Boiler 50, 60 and 70, identified as Unit 50, 60 and 70, are ~~vented to the ESPs~~ in operation.

Comment # 23

There is a typographical error in that the word "opacity" should be changed to "emissions" for Condition D.1.9 (Continuous Emission Monitoring). IPL requests that this Condition be revised to apply to only those CEMs required under the permit. As it now stands, it could be construed to apply to even process monitoring equipment not required by the permit. Please revise as follows:

D.1.9 Continuous Emissions Monitoring [326 IAC 3-5]

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous emission monitoring systems **required by this permit** for Unit 50, Unit 60 and Unit 70 shall be calibrated, maintained,

and operated for measuring **emissions** ~~opacity~~, which meets the performance specifications of 326 IAC 3-5-2.

Response to Comment # 23

There is no typographical error in Condition D.1.**8**~~9~~ (Continuous Emissions Monitoring). Unit 50, 60 and 70 are each fossil fuel fired units and each has a maximum heat input capacity in excess of one hundred million (100,000,000) Btu per hour. Therefore, pursuant to 326 IAC 3-5-1(b), the source is required to install and operate a continuous opacity monitor (COM) for each Unit. COM's have been installed on these units and the source is in compliance with the provisions of 326 IAC 3-5 (performance and operating specifications, certifications, standard operating procedures (SOP), quality assurance specifications and record keeping and reporting).

These existing units do not have add on SO_2 or NO_x pollution control equipment. Units 50, 60 and 70 are not subject to 326 IAC 12 (New Source Performance Standards) and have not obtained a Construction Permit under 326 IAC 2 requiring the installation of continuous emission monitor(s) (CEM) for SO_2 or NO_x. Therefore, pursuant to 326 IAC 3-5-1(c)(2)(B) & (C), the source is not required to operate SO_2 or NO_x CEMs for Units 50, 60 and 70.

Therefore, pursuant to 326 IAC 3-5 (Continuous Emissions Monitoring), continuous opacity monitoring systems for Units 50, 60 and 70 shall be calibrated, maintained and operated for measuring opacity which meet the performance specifications of 326 IAC 3-5-2. There is no need to state "required by this permit" as the Condition requirement to operate a COM(s) is a permit requirement. Condition D.1.**8**~~9~~ is revised to reflect the exact title of 326 IAC 3-5 (Continuous Monitoring of Emissions) and "emissions" has been replaced with "opacity " in the Condition requirements as follows:

D.1.**8**~~9~~ Continuous **Monitoring of** Emissions ~~Monitoring~~ [326 IAC 3-5]

Pursuant to 326 IAC 3-5 (Continuous Monitoring of Emissions), continuous **opacity** ~~emission~~ monitoring systems for Unit 50, Unit 60 and Unit 70 shall be calibrated, maintained, and operated for measuring opacity, which meets the performance specifications of 326 IAC 3-5-2.

Comment # 24

IPL requests that the requirements for sampling and analysis of fuel oil set out in Condition D.1.11(b)(2) (Sulfur Dioxide Emissions (SO_2) and Sulfur Content) and in D.2.12 (Sulfur Dioxide Emissions (SO_2) and Sulfur Content) be revised to reflect the language of 326 IAC 3-7-4(a), and that the permit language that addresses the frequency and type of sampling be clarified as follows to allow the plant to continue following the ASTM procedures that are in place at this time:

D.1.11 Sulfur Dioxide Emissions (SO_2) and Sulfur Content [326 IAC 7-2] [326 IAC 7-4-2] [326 IAC 3-7-4]

Compliance for Unit 9, Unit 10 and Unit GT1, GT2 and GT3 shall be determined as follows:

(a) Pursuant to 326 7-2-1(c)(3), the Permittee shall demonstrate that the sulfur dioxide emissions do not exceed the equivalent of the SO_2 limitation(s) in pounds per million Btu stated in Condition D.1.2 using a calendar month average.

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

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

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

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

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

(C) Oil samples shall be collected from the transfer pipe as oil is being unloaded from the tanker truck load and is being transferred to the storage tank.

D.2.12 Sulfur Dioxide Emissions (SO_2) and Sulfur Content [326 IAC 7-2] [326 IAC 7-1.1-2]

Compliance for Unit GT4 and Unit GT5 shall be determined as follows:

(a) Pursuant to 326 IAC 7-2-1(c)(3), the Permittee shall demonstrate that the sulfur dioxide emissions for Unit GT4 and Unit GT5 each do not exceed the equivalent of five tenths (0.5) pounds per million Btu using a calendar month average.

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

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

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

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

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

(C) Oil samples shall be collected from the transfer pipe as oil is being unloaded from the tanker truck load and is being transferred to the storage tank.

Response to Comment # 24

326 IAC 3-7-4(a) provides that equivalent alternative procedures, such as relying on vendor analysis of fuel delivered to the source, may be used to demonstrate compliance with 326 IAC 7-2-1(c). However, if the source does not rely on vendor analysis of fuel delivered, the frequency of sampling and analysis for fuel burned at the source needs to be stated. Condition D.1.**10**~~11~~(b)(2) and Condition D.2.12 state the frequency of oil sampling and analysis should the source not rely on vendor analysis. Therefore, the requested changes were made to Condition D.1.**10**~~11~~(b)(2) and Condition D.2.12.

Comment # 25

IPL requests that Condition D.1.13 (Electrostatic Precipitator (ESP) Parametric Monitoring) be deleted because its requirements extend beyond the Agencies' authority. These types of requirements are appropriately included in the CRP to be developed by the permittee, who is in the best position to determine what response steps are most appropriate. Therefore, this Condition should be deleted.

Response to Comment # 25

The detailed requirements for inspecting the ESPs in Condition D.1.**11**~~13~~ are taken from a USEPA Publication titled "Operation and Maintenance Manual for Electrostatic Precipitators", which is

document number EPA/625/1-85/017 and was developed by the US EPA in coordination with EPRI and utility industry input. The schedule for the inspections strikes a balance between providing the source with the flexibility to perform the inspections and ensuring that the ESPs are in an operating condition sufficient to assure continuous compliance with applicable requirements. A Part 70 permit is required to include requirements sufficient to ensure continuous compliance with the applicable requirements.

However, upon further review, IDEM, OAQ and OES have determined that once per day monitoring of the control device is generally sufficient to ensure proper operation of the control device. IDEM, OAQ and OES have also determined that monitoring these parameters once per day is sufficient to satisfy the requirements of the Part 70 rules at 326 IAC 2-7-5 and 326 IAC 2-7-6.

D.1.**11**~~13~~ Electrostatic Precipitator (ESP) Parametric Monitoring [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) The ability of the ESP's to control particulate emissions shall be monitored once per **day** ~~shift~~, when the Unit's are in operation, by measuring and recording the primary and secondary voltages and the currents of the transformer-rectifier (T-R) sets.

(b) When for any one reading, operation is outside one of the normal ranges shown below, or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. A voltage or current reading outside the normal range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

(1)	Primary voltage:	260 - 300 V
(2)	Secondary voltage:	35 - 55 kV
(3)	T-R set primary current:	50 - 75 A

Comment # 26

Condition D.1.14 (Opacity Readings) should be deleted because its requirements extend beyond the Agencies' authority. These types of requirements are appropriately included in the CRP to be developed by the permittee, who is in the best position to determine what response steps are most appropriate. Therefore, this Condition should be deleted.

Response to Comment # 26

Pursuant to 326 IAC 3-5, the Indianapolis Power & Light Company - Harding Street Station is required to operate continuous opacity monitors (COM) on Unit 50, Unit 60 and Unit 70 to measure opacity from each boiler. Pursuant to 326 IAC 5-1, each boiler is subject to a thirty percent (30%) opacity limit. Pursuant to 326 IAC 6, each boiler is also subject to particulate matter emission rates. The particulate matter emission limits and the opacity limits are entirely separate requirements. Therefore, compliance with a thirty percent (30%) opacity limit does not indicate compliance with the applicable particulate matter emissions limit.

Condition D.1.**12**~~14~~ (Opacity Readings) does not establish an opacity limit that is more stringent than the opacity limits established by 326 IAC 5. Rather, the condition requires the Permittee to take response steps when the opacity is above the level indicative of normal operating conditions. During normal operations, opacity from the boilers is significantly less than the opacity triggers in Condition D.1.**12**~~14~~ as evidenced by historic COM data. Therefore, it is appropriate for the Permittee to take response steps when the opacity is significantly higher than opacity under normal operation. An opacity reading that is in compliance with 326 IAC 5-1, but above the level of normal operating conditions, requires a response step, but it is not a violation. It is only a violation if the Permittee fails to take any response steps. IDEM, OAQ has the authority to require such monitoring pursuant to 326 IAC 2-7-5(1) and 327 IAC 2-7-6(1). However, IDEM, OAQ and OES have added a new paragraph to the condition that clarifies how the Permittee can apply for a revision to the trigger level.

D.1.**12**~~14~~ Opacity Readings [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) In the event opacity exceeds twenty five percent (25%) for three (3) consecutive six (6) minute averaging periods for Unit 50 or Unit 60, appropriate response steps shall be taken in accordance with Section C - **Response to Exceedances or Excursions** ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~ 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) In the event opacity exceeds twenty percent (20%) for three (3) consecutive six (6) minute averaging periods for Unit 70, appropriate response steps shall be taken in accordance with Section C - **Response to Exceedances or Excursions** ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~ such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty percent (20%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.

(c) Opacity readings in excess of twenty five percent (25%) for Unit 50 or Unit 60 but not exceeding the opacity limit for the Unit are not a deviation from this permit. Opacity readings in excess of twenty percent (20%) for Unit 70 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 - **Response to Exceedances or Excursions** ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~, shall be considered a deviation from this permit.

(d) The Permittee may request that the IDEM, OAQ approve a different opacity trigger level than the one specified in (a), (b) and (c) of this condition, provided the Permittee can demonstrate, through stack testing or other appropriate means, that a different opacity trigger level is appropriate for monitoring compliance with applicable particulate matter mass emission limits.

Comment # 27

IPL believes that the requirement to perform visible emission notations once per shift during normal daylight operations, as stated in Condition D.1.15 (Visible Emissions Notations), is unnecessarily burdensome for the purpose of assuring compliance. Therefore, IPL requests that this Condition be revised to require visible emission notations once per day during normal daylight operations while combusting fuel oil.

IPL does not believe that visible emissions notations are necessary for assurance of compliance for combustion turbines that use water injection for NO_X emission control. Such a requirement, as stated in Condition D.2.14 (Visible Emissions Notations), is unduly burdensome and not expected to result in any environmental benefit. Therefore, this Condition should be removed from the Permit.

Response to Comment # 27

Unit 9, Unit 10, Unit GT4 and Unit GT5 are each not equipped with a continuous opacity monitor. Compliance monitoring conditions are in the permit, pursuant to 326 IAC 2-7-5(3), in order to "assure that all reasonable information is provided to evaluate continuous compliance with the applicable requirements."

The requirement to perform visible emission notations during normal daylight operations and when a boiler is burning No. 2 fuel oil is used to indicate that the source is in compliance with the particulate matter limits and to indicate to the source whether a problem exists in the operation.

Upon further review, IDEM, OAQ and OES have determined that once per day monitoring of visible emission notations is generally sufficient to ensure proper operation. IDEM, OAQ and OES have also determined that monitoring these parameters once per day is sufficient to satisfy the requirements of the Part 70 rules at 326 IAC 2-7-5 and 326 IAC 2-7-6. Therefore, the following changes and additions were made to the visible emissions notations in Section D.1, D.2, D.4 and D.5 and to record keeping conditions in Section D.5 to reflect the change from once per shift to once per day:

D.1.**13**~~15~~ Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission (VE) notations of Unit 9 and/or Unit 10 stack exhaust(s) shall be performed once per **day** ~~shift~~ during normal daylight operations while combusting fuel oil. A trained employee shall record whether emissions are normal or abnormal.

(b) If abnormal emissions are observed at Unit 9 and/or Unit 10 exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. 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 - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

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

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

D.2.14 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission (VE) notations of Unit GT4 and/or Unit GT5 stack exhaust(s) shall be performed once per **day** ~~shift~~ during normal daylight operations while combusting fuel oil. A trained employee shall record whether emissions are normal or abnormal.

(b) If abnormal emissions are observed at Unit GT4 and/or Unit GT5 exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. 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 - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

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

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

D.4.3 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of Stack/Vent ID ST14-1 exhaust shall be performed once per day during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(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, not counting startup or shut down time.

(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 abnormal emissions are observed from Unit ST14 stack exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this Permit.

D.4.4 Record Keeping Requirements

(a) The Permittee shall maintain records of annual operating hours per year for Unit ST14.

(b) To document compliance with Condition D.4.3, the Permittee shall maintain records of visible emission notations of Stack/Vent ID ST14-1 once per day.

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

D.5.3 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of coal bunker and coal scale exhausts and of the coal unloading station doorways shall be performed once per **day** ~~shift~~ during normal daylight operations while in operation or unloading coal. A trained employee shall record whether emissions are normal or abnormal.

(b) If any visible emissions of dust are observed from the coal unloading station doorways, the Permittee shall take reasonable response steps in accordance with Section C - Response to Excursions or Exceedances. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Response to Excursions or Exceedances, shall be considered a deviation from this permit.

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

(d) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

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

D.5.4 Record Keeping Requirements

(a) To document compliance with Section C - Opacity and Condition D.5.3, the Permittee shall maintain records of the visible emission notations of coal bunker and coal scale exhausts and visible emission notations of the coal unloading station doorways once per **day** ~~shift~~.

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

Comment # 28

In general, IPL requests that the requirements of Condition D.1.17 (Recordkeeping Requirements) and Condition D.2.15 (Recordkeeping Requirements) be revised to reflect the various changes requested in the associated underlying conditions for which records are required to be kept. Suggested revisions are shown below. Also, IPL requests that subpart D.1.17(b) be revised to indicate that such records will be required only when the corresponding data are otherwise required to be collected by this permit. Finally, IPL requests that subpart D.1.17(d) be revised to require inspection records for the emission control equipment only. Inspection records for the boiler itself are not necessary to assure compliance with applicable requirements.

D.1.17 Record Keeping Requirements

(a) To document compliance with Section C - Opacity and Conditions D.1.1, D.1.3, D.1.4, D.1.6, D.1.13, D.1.14, D.1.15 and D.1.16, the Permittee shall maintain records in accordance with (1) through (5) below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.1.1, D.1.3 and D.1.4.

(1) monthly and twelve (12) consecutive month distillate oil consumption in Unit 9, Unit 10 and Units GT1, GT2 and GT3;

(2) data and results from the most recent stack test;

(3) all continuous opacity monitoring data, pursuant to 326 IAC 3-5;

(4) the results of all visible emission (VE) notations and Method 9 visible emission readings taken during any periods of COM downtime;

(5) All ESP parametric monitoring readings.

(b) To document compliance with Conditions D.1.2, the Permittee shall maintain records in accordance with (1) through (3) below **, as appropriate to the compliance determination method in use for the time period involved**. Records shall be complete and sufficient to establish compliance with the SO_2 limit established in Condition D.1.2 and D.1.10 for Unit 50, Unit 60 and Unit 70.

(1) all SO_2 continuous emissions monitoring data, pursuant to 326 IAC 7-2-1(g);

(2) all fuel sampling and analysis data, pursuant to 326 IAC 7-2;

(3) actual fuel usage since last compliance determination period.

(c) To document compliance with Conditions D.1.2, the Permittee shall maintain records in accordance with (1) through (6) below. Records maintained for (1) through (4) shall be complete and sufficient to demonstrate to establish compliance with the SO_2 limit established in Condition D.1.2 for Unit 9, Unit 10, Unit GT1, Unit GT2 and Unit GT3.

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

(2) monthly weighted average sulfur content;

(3) fuel heat content;

(4) fuel consumption;

(5) monthly weighted average sulfur dioxide emission rate in pounds per million Btu;

(6) a log of hourly operating status for each Unit and a daily summary indicating which Units were in service during the day.

(d) The Permittee shall maintain records of the results of all ~~boiler and~~ emission control equipment inspections.

(e) 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.

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

Response to Comment # 28

With regard to Condition D.1.**15**~~17~~(d), 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. Many types of facilities require maintenance in order to prevent excess emissions. If equipment is not maintained, then increased emissions will eventually result.

Condition D.1.**15**~~17~~(b) requires that records be complete and sufficient to determine compliance with the SO_2 emission limitations for Unit 50, Unit 60 and Unit 70. In order to provide additional clarity with regard to the type of records kept, the following changes are made to Condition D.1.**15**~~17~~ and Condition D.1.**16**~~18~~:

D.1.**15**~~17~~ Record Keeping Requirements

(a) To document compliance with Section C - Opacity and Conditions D.1.1, D.1.3, D.1.4, ~~D.1.6,~~ D.1.13 **and** D.1.14 ~~, D.1.15 and D.1.16~~, the Permittee shall maintain records in accordance with (1) through ~~(5)~~ **(6)** below. Records shall be complete and sufficient to establish compliance with the limits established in Section C - Opacity and in Conditions D.1.1, D.1.3 and D.1.4.

(1) monthly and twelve (12) consecutive month distillate oil consumption in Unit 9, Unit 10 and Units GT1, GT2 and GT3;

(2) data and results from the most recent stack test;

(3) all continuous opacity monitoring data, pursuant to 326 IAC 3-5;

(4) the results of all visible emission (VE) notations**;** ~~and~~

(5) the results of all Method 9 visible emission readings taken during any periods of COM downtime;

(6) ~~(5)~~ All ESP parametric monitoring readings.

(b) To document compliance with Conditions D.1.2, the Permittee shall maintain records in accordance with (1) through (3) below. Records shall be complete and sufficient to establish compliance with the SO_2 limit established in Condition D.1.2 and **D.1.9** ~~D.1.10~~ for Unit 50, Unit 60 and Unit 70.

(1) **when using SO_2 CEMs to demonstrate compliance,** all SO_2 continuous emissions monitoring data, pursuant to 326 IAC 3-5-6 and 326 IAC 7-2-1(g);

(2) **when using fuel sampling and analysis to demonstrate compliance**, all fuel sampling and analysis data, pursuant to 326 IAC 7-2;

(3) actual fuel usage since last compliance determination period.

D.1.**16**~~18~~ Reporting Requirements

A quarterly report of opacity exceedances, continuous emission monitor exceedances and a quarterly summary of the information to document compliance with Condition(s) D.1.1, D.1.2**, D.1.9, D.1.10 and D.1.14** ~~and D.1.10, D.1.11 and D.1.16~~ shall be submitted to the address(es) listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, 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).

Comment # 29

IPL notes a typographical error in the test under Condition D.2.2(a) (New Source Performance Standards) and Condition D.3.2(a) (New Source Performance Standards), where the second instance of the word "kilojoules" is misspelled.

Response to Comment # 29

The second instance of the word "kilojoules" has been revised to be spelled correctly in Condition D.2.2(a) (New Source Performance Standards) and Condition D.3.2(a) (New Source Performance Standards) as follows:

D.2.2 New Source Performance Standards (NSPS) [326 IAC 12] [40 CFR 60, Subpart GG]

Pursuant to 326 IAC 12 (New Source Performance Standards) and 40 CFR 60, Subpart GG (Standards of Performance for Stationary Gas Turbines), the Permittee shall:

(a) Limit nitrogen oxides (NO_x) emissions, as required by 40 CFR 60.332, to:

$$STD = (0.0075) * (14.4/Y) + F$$

Where: STD	=	Allowable NOx emissions in percent by volume at fifteen percent (15%) oxygen and on a dry basis (ppm = percent by volume x 10^4).
Y	=	Manufacturer's rated heat rate at manufacturer's rated load or, actual measured heat rate based on the lower heating value of fuel as measured at peak load in kilojoules per watt hour. Y shall not exceed 14.4 **kilojoules** ~~kiloloules~~ per watt hour.
F	=	The fuel bound nitrogen allowance as defined in 40 CFR 60.332(a)(3).

Comment # 30

IPL notes that a typographical error occurs in Condition D.2.3(c) (Nitrogen Oxides (NO_x) - Best Available Control Technology (BACT)), in that the word "exceed" should be inserted as follows "...shall not **exceed** sixty five..."

Response to Comment # 30

The word exceed has been inserted in Condition D.2.3(c) (Nitrogen Oxides (NO_x) - Best Available Control Technology (BACT)) as follows:

D.2.3 Nitrogen Oxides (NO_x) - Best Available Control Technology (BACT) [326 IAC 2-2] [Construction Permit 097-2206-00310] [40 CFR 52.21]

(c) When burning distillate oil, the NO_x emission rate shall not **exceed** sixty five (65) ppmv at fifteen percent (15%) oxygen (O_2) on a dry basis.

Comment # 31

For Condition D.2.7 (Opacity Limitations), IPL requests that this Condition be revised to reflect the appropriate element for measurement of opacity of a six minute block average. Therefore, IPL requests that this Condition be revised as follows:

D.2.7 Opacity Limitations [326 IAC 2-2] [Construction Permit 097-2206-00310] [326 IAC 5-1]

Pursuant to the Construction Permit 097-2206-00310 issued August 27, 1992, opacity from Unit GT4 and Unit GT5 each shall not exceed twenty percent (20%)**, based on a six (6)-minute block average**.

Response to Comment # 31

The appropriate EPA methodology for determining compliance for Condition D.2.7 (Opacity Limitations) has been inserted as follows:

D.2.7 Opacity Limitations [326 IAC 2-2] [Construction Permit 097-2206-00033] [326 IAC 5-1]

Pursuant to the Construction Permit 097-2206-00033 issued August 27, 1992, opacity from Unit GT4 and Unit GT5 each shall not exceed twenty percent (20%) **as determined by 40 CFR Part 60, Appendix A, Method 9**.

Comment # 32

For Condition D.2.9 (Testing Requirements), IPL notes that the testing required by this Condition was most recently performed in tests that were completed September 18, 2003. Therefore, IPL requests that the Condition be revised to require the performance test no later than September 18, 2008 and at least once every five years thereafter.

Response to Comment # 32

NO_X emission testing last occurred on September 18, 2003. NO_X emissions demonstrated compliance with Construction Permit 097-2206-00033 issued August 27, 1992 and 40 CFR 60.332, Subpart GG. Therefore, the retesting date is revised to be five (5) years from the date of the last test that demonstrated compliance with the applicable limit. Retesting should occur no later than September 18, 2008 and at least once every five (5) years from the date of the most recent valid compliance demonstration as follows:

D.2.9 Testing Requirements [326 IAC 2-7-6(1),(6)] [326 IAC 2-1.1-11]

The Permittee shall conduct a performance stack test utilizing Method 7 (40 CFR 60, Appendix A), or other methods as approved by the Commissioner for NO_x emissions from Unit GT4 and Unit GT5 no later than September **18, 2008** ~~24, 2004~~ which corresponds to five (5) years since the last valid stack test. Performance stack testing for NO_x emissions shall be conducted while burning natural gas and while burning distillate oil. Performance Stack testing shall be repeated at least once every five (5) years from the date of the most recent valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

Comment # 33

IPL requests that Condition D.2.16(b) (Reporting Requirements) and Condition D.3.11(b) (Reporting Requirements) be deleted in its entirety because it applies to natural gas boilers and neither unit in Section D.2 or D.3 of the permit is a natural gas fired boiler. Furthermore, IPL requests that Condition D.2.16(c) and Condition D.3.11(c) be deleted as no such applicable requirement exists.

Response to Comment # 33

The Semi-Annual Natural Gas Fired Facility Certification is to be submitted semi-annually to certify that either natural gas or an alternate fuel was burned in these units. Unit GT4 and Unit GT5 each have applicable compliance monitoring that requires visible emission (VE) notations be performed once per day during normal daylight operations while combusting fuel oil. If the Unit does not burn distillate fuel oil during normal daylight operations, visible emission notations are not required for that Unit. Unit GT6 is a natural gas fired combustion turbine. While burning natural gas, these Units do not have to perform visible emission notations once per day. Therefore, this Certification Form is used to document that only natural gas was burned and, hence, once per day VE record keeping is not necessary during these times. The Semi-Annual Natural Gas Fired Facility Report Form that appeared on page 67 of 78 of the public notice Part 70 Operating Permit is correctly titled. However, the name of the Report Form in Condition D.2.16(b) and Condition D.3.**9**~~11~~(b) was incorrectly stated and revised as follows Condition D.2.16(b) (with identical revision to Condition D.3.**9**~~11~~(b)):

D.2.16 Reporting Requirements

(a) A quarterly summary of the information to document compliance with Condition(s) D.2.4 and D.2.12 shall be submitted to the address(es) listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, 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) The natural gas **fired facility** ~~boiler~~ certification shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or its equivalent, within thirty (30) days after the end of the six (6) month period being reported. The natural gas-fired boiler certification does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Comment # 34

IPL requests that Condition D.3.4 (Particulate Rules: Particulate Emission Limitations) be deleted in its entirety because Unit GT6 combusts natural gas only and is therefore, not subject to 326 IAC 6-1, pursuant to the exclusion under 326 IAC 6-1-1(b) for combustion units that burn only natural gas at sources or facilities identified in 326 IAC 6-1-12 of the rule, as long as the units continue to burn only natural gas.

Response to Comment # 34

Unit GT6 is not specifically listed in 326 IAC 6.5-6 (Marion County). However, the source, Indianapolis Power & Light Company - Harding Street Station (formerly IPL (Stout)), is listed in 326 IAC 6.5-6. Unit GT6 burns only natural gas. Therefore, Unit GT6 is provided the exclusion under 326 IAC 6.5-1-1(b) for combustion units that burn only natural gas at sources or facilities identified in 326 IAC 6.5-6 of the rule, as long as the units continue to burn only natural gas. Therefore, Condition D.3.4 (Particulate Rules: Particulate Emission Limitations) is deleted as follows with remaining Conditions renumbered to reflect the deletion:

~~D.3.4 Particulate Rules; Particulate Emission Limitations [326 IAC 6-1-2(a)]~~

~~Pursuant to 326 IAC 6-1-2(a) (Particulate Rules; Particulate Emission Limitations), Particulate (PM) emissions from Unit GT6 shall not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust air.~~

Comment # 35

For Condition D.3.6 (Testing Requirements), IPL requests that the testing requirement be deleted for this unit because a CEM is in place and it is therefore, unnecessary to conduct testing to assure compliance.

Response to Comment # 35

Unit GT6 conducted its initial stack testing compliance demonstration for NO_X emissions, required pursuant to 40 CFR 63.330 Subpart GG, on August 20, 2002. Pursuant to Operation Condition number 9 of the Minor Permit Modification 097-14666-00033 issued on November 9, 2001, continuous monitoring systems for Unit GT6 shall be calibrated, maintained and operated for measuring NO_X which meets the performance specifications of 326 IAC 3-5-2 (Continuous Monitoring of Emissions). Therefore, the NO_X stack testing requirement of the public notice Condition D.3.6 is no longer necessary and is deleted as follows (with a renumbering of remaining Section D.3 Conditions):

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

~~The Permittee shall conduct a performance stack test utilizing Method 7 (40 CFR 60, Appendix A), or other methods as approved by the Commissioner for NO_x emissions from Unit GT6 no later than September 20, 2007 which corresponds to five (5) years since the last valid stack test. Performance Stack testing shall be repeated at least once every five (5) years from the date of the most recent valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.~~

Comment # 36

IPL requests that Section D.4 be deleted in its entirety because the process listed in this Section is not subject to 326 IAC 6-1. The regulation is applicable to a given facility only if it has the potential to emit one hundred tons per year or actual emissions of ten tons per year. Unit ST14 has neither. If Section D.4 is not deleted, Section D.4 should be revised as necessary to be consistent with those changes requested for Condition A.3.

Response to Comment # 36

Unit ST14 has the potential to emit particulate (PM) (see public notice TSD Appendix A page 10 of 12). 326 IAC 6.5-1-1 states that this rule is applicable to sources or facilities located in Marion County and specifically listed in 326 IAC 6.5-6 (Marion County) or if the source or facility is not specifically listed in 326 IAC 6.5-6 and the source or facility has potential to emit one hundred (100) tons or more or has actual emissions of ten (10) tons or more of particulate matter per year. Indianapolis Power & Light Company - Harding Street Station has the potential to emit PM in excess of one hundred tons per year.

Pursuant to 326 IAC 6.5-1-2, particulate matter emissions from facilities not limited by 326 IAC 6.5-1-2(b), (e), (f), or (g) shall not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust. Unit ST14 is not limited by 326 IAC 6.5-1-2(b), (e), (f), or (g). Therefore, Unit ST14 is subject to the requirements of 326 IAC 6.5-1-2(a). As a result, all PM emitting facilities, not specifically listed in 326 IAC 6.5-6, at the source are limited to three hundredths (0.03) grains per dry standard cubic foot of exhaust.

Comment # 37

IPL requests that Section D.5 be deleted in its entirety because the processes listed in this Section are sources of fugitive dust only, with no emission points. IPL does not have the ability to monitor the emission rates from these units to determine compliance with particulate matter limitations and likewise cannot perform visible emission notations since there are no emissions points, as IDEM, OAQ and OES have acknowledged on page 43 of 59 of the public noticed Technical Support Document. These processes are already regulated under Condition C.4 (Fugitive Dust Emissions) [326 IAC 6-4]

Further for the reasons set out in our comment on Section D.4, IPL requests that Section D.5 be deleted because none of the units listed in Section D.5 are subject to 326 IAC 6-1. However, if Section D.5 is not deleted, Section D.5 should be revised as necessary to be consistent with those changes requested for Condition A.3.

Response to Comment # 37

Unit ST37, Unit ST39 and Insignificant Activity coal handling activities identified in Section D.5 each have the potential to emit particulate (PM) (see TSD Addendum Appendix A page 1 and 2 of 2). 326 IAC 6.5-1-1 states that this rule is applicable to sources or facilities located in Marion County and specifically listed in 326 IAC 6.5-6 (Marion County) or if the source or facility is not specifically listed in 326 IAC 6.5-6 and the source or facility has potential to emit one hundred (100) tons or more or has actual emissions of ten (10) tons or more of particulate matter per year. Indianapolis Power & Light Company - Harding Street Station has the potential to emit PM in excess of one hundred tons per year (see public notice TSD Appendix A pages 1 through 12 of 12 and see the Potential to Emit table on page 9 of 59 of the public notice TSD).

Pursuant to 326 IAC 6.5-1-2, particulate matter emissions from facilities not limited by 326 IAC 6.5-1-2(b), (e), (f), or (g) shall not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust. Unit ST41, Unit ST37 and Unit ST39, coal pile wind erosion and coal drop points, are each not limited by 326 IAC 6.5-1-2(b), (e), (f), or (g) but are fugitive particulate matter emitting activities. The insignificant coal handling activities identified as coal bunker and coal scale exhausts and coal crushing are each not limited by 326 IAC 6.5-1-2(b), (e), (f), or (g). Therefore, the insignificant coal handling

activities identified as coal bunker and coal scale exhausts and coal crushing are each subject to the requirements of 326 IAC 6.5-1-2(a). As a result, all PM emitting facilities, not specifically listed in 326 IAC 6.5-6, and that are not fugitive emissions at the source, are limited to three hundredths (0.03) grains per dry standard cubic foot of exhaust. Therefore, Condition D.5.1 is amended as follows:

D.5.1 **Particulate Matter Limitations Except Lake County** ~~Particulate Rules; Particulate Emission Limitations~~ [326 IAC 6**.5**-1-2(a)]

~~(a) Pursuant to 326 IAC 6-1-2(a) (Particulate Rules; Particulate Emission Limitations), particulate (PM) emissions from outside coal storage and handling, identified as Unit ST37 and Unit ST39, shall each not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust air.~~

~~(b)~~ Pursuant to 326 IAC 6**.5**-1-2(a) **(Particulate Matter Limitations Except Lake County)** ~~(Particulate Rules; Particulate Emission Limitations)~~, particulate (PM) emissions from coal bunker and coal scale exhausts, ~~coal pile wind erosion, coal drop points~~ and coal crushing each shall not exceed three hundredths (0.03) grains per dry standard cubic foot of exhaust air.

Comment # 38

If Section D.5 is not deleted, IPL requests that Condition D.5.2 (Preventive Maintenance Plan), Condition D.5.3 (Visible Emission Notations) and Condition D.5.4 (Record Keeping Requirements) should each be deleted.

Condition D.5.2 should be deleted because it should only apply to facilities that have emission control devices, and only those facilities subject to 326 IAC 6-2. It is likely that none of the Section D.5 facilities meet either test and should therefore, be deleted.

Condition D.5.3 should be deleted because these requirements serve no useful purpose in that VE readings will not indicate whether the facilities are in compliance with the relevant rules, nor are there any compliance steps that could be taken regarding these fugitive emissions sources. These facilities are subject to Condition C.4, which should be sufficient to control the operations.

Condition D.5.4 (Record keeping Requirements) should be deleted because once Condition D.5.3 is deleted, Condition D.5.4 will be unnecessary.

Response to Comment # 38

Pursuant to 326 IAC 2-7-5 (Part 70 Permit: Permit Content), a preventive maintenance plan is required for Unit ST37 and Unit ST39. Compliance monitoring for these units is required because these Units are subject to an applicable requirement, 326 IAC 6.5-1-2(a). Visible emission notations are required for non-fugitive coal handling activities. IDEM, OAQ and OES have confirmed with Indianapolis Power & Light Company - Harding Street Station that there are no baghouse dust collectors on coal handling activities. There are coal bunker vent fans but these vent fans are used primarily to provide ventilation on the bunkers and not for dust collection. These fans exhaust directly to the outside air. Therefore, the following changes are made to Section D.5:

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 Unit ST37 and Unit ST39 **and coal bunker and coal scale exhausts.**

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

D.5.3 Visible Emissions Notations [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

(a) Visible emission notations of **coal bunker and coal scale exhausts and of** the coal unloading station doorways shall be performed once per **day** ~~shift~~ during normal daylight operations while **in operation or** unloading coal. A trained employee shall record whether any emissions are observed.

(b) If any visible emissions of dust are observed from the coal unloading station doorways, the Permittee shall take reasonable response steps in accordance with Section C - **Response to Exceedances or Excursions** ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - **Response to Exceedances or Excursions** ~~Compliance Response Plan - Preparation, Implementation, Records, and Reports~~, shall be considered a deviation from this permit.

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

(d) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

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

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

D.5.4 Record Keeping Requirements

~~(a) To document compliance with Condition D.5.2, the Permittee shall maintain records of any additional inspections prescribed by the Preventive Maintenance Plan.~~

(a) ~~(b)~~ To document compliance with Section C - Opacity and Condition D.5.3, the Permittee shall maintain records of the visible emission notations **of coal bunker and coal scale exhausts and** visible emission notations of the coal unloading station doorways **once per day**.

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

Comment # 39

IPL requests that Section D.6 should be revised as necessary to be consistent with those changes requested for Condition A.3 and to remove all of the listed facilities except the degreasers because none of the listed units are subject to 326 IAC 6-1. Therefore, Condition D.6.1 (Particulate Rules: Particulate Emission Limitations) requests that this Condition be deleted.

Response to Comment # 39

All of the Insignificant Activities listed in Section D.6 are specifically regulated Insignificant Activities. 326 IAC 6.5-1-1 states that this rule is applicable to sources or facilities located in Marion County and specifically listed in 326 IAC 6.5-6 (Marion County) or if the source or facility is not specifically listed in 326 IAC 6.5-6 and the source or facility has potential to emit one hundred (100) tons or more or has actual emissions of ten (10) tons or more of particulate matter per year. Indianapolis Power & Light Company - Harding Street Station has the potential to emit PM in excess of one hundred tons per year

(see public notice TSD Appendix A pages 1 through 12 of 12 and see the Potential to Emit table on page 9 of 59 of the public notice TSD). Therefore, 326 IAC 6.5-1 (Particulate Matter Limitations Except Lake County) is an applicable requirement for Insignificant Activities with the potential to emit particulate (PM) listed in Section D.6.

Comment # 40

IPL requests that Condition D.6.2 (Volatile Organic Compounds (VOC) be revised to reflect the appropriate requirements, if any that apply to its only degreaser, which is a citrus based degreaser. It is not clear from the regulations that this degreaser is an organic solvent degreaser subject to 326 IAC 8-3. If so, only those requirements that are appropriate to this individual degreaser should be included in the permit because no other facility would meet the definition of "cold cleaning degreaser."

Response to Comment # 40

Information has not been submitted by IPL - Harding Street Station to update or modify the Part 70 Permit application with regard to "degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6". The degreasing operations are subject to 326 IAC 8-3-2 and 326 IAC 8-3-5 because degreasing operations meet the applicability requirements under 326 IAC 8-3-1(a) & (b). Therefore, there is no change to Condition D.6.2 (Volatile Organic Compounds (VOC).

Comment # 41

Please change the mailing address listed in each Report Form to match the correct source mailing address of:

3700 South Harding Street, Indianapolis, Indiana 46217
~~1230 West Morris Street, Indianapolis, Indiana 46221~~

Response to Comment # 41

The mail address listed in each Report Form has been changed to match the correct source mailing address of:

3700 South Harding Street, Indianapolis, Indiana 46217
~~1230 West Morris Street, Indianapolis, Indiana 46221~~

Comment # 42

IPL notes that there is a potential for confusion in the title of column 2 of the Part 70 Usage Report Form for Unit GT4 and Unit GT5. Therefore, IPL suggests that the title of the column should be change to the following: "Total Natural Gas Equivalent for Distillate Fuel Oil Usage this Month."

Response to Comment # 42

Distillate fuel oil equivalents should be reported in the Part 70 Usage Report Form for Unit GT4 and Unit GT5. In order to clarify the intent and information included in the Report Form for Unit GT4 and Unit GT5, the following revisions have been made to the Report Form table:

	Column 1	Column 2	Column 3
	Total natural gas usage this month **(MMCF)**	Total ~~fuel oil use~~ **natural gas** equivalents **for distillate fuel oil usage** this month **(gal x 293 = MMCF)**	Twelve consecutive month period combined natural gas and equivalents usage **(MMCF)**
Month			
Month			
Month			

Comment # 43

On various Part 70 Report Forms, a typographical error occurs in the source name, and should be changed as follows in each place where it occurs: "Harding Street Station ~~Station~~."

Response to Comment # 43

The typographical error occurred on two (2) Part 70 Report Forms (for Unit 9 & Unit 10 and for Unit GT1, GT2 and GT3) and on the Part 70 Operating Permit Certification Report Form. Each instance has been revised as follows:

Source Name: Indianapolis Power & Light Company - Harding Street Station ~~Station~~

Comment # 44

In several places in the TSD, Emission Units ST37 and ST39 (Outside Coal Storage and Handling) and Emission Unit ST41 (Paved and Unpaved Roads) are characterized as "unpermitted units" that potentially subject IPL to enforcement, even though the permit acknowledges that these sources of fugitive emissions were in service decades before the Clean Air Act. IPL has submitted revised emissions information to OES related to these units, and requests that the TSD Addendum provide corrected emission calculations and clearly state that no enforcement issues exist related to these fugitive sources.

IPL also requests that the TSD Addendum reflect changes corresponding to all comments in this letter.

Response to Comment # 44

Indianapolis Power & Light Company - Harding Street Station claimed limited liability for these units on Form GSD 01 of the Part 70 Operating Permit application received on September 13, 1996. Therefore, the public notice TSD classified these emission units as "unpermitted units" because they were claimed to have been "unpermitted units" in the application. The potential to emit particulate (PM) and PM10 from fugitive operations was revised following the public notice period based on information submitted by Indianapolis Power & Light Company - Harding Street Station on February 12, 2004 and on February 23, 2004. Approximately, fourteen and seven tenths (14.7) tons of PM is the potential to emit

from fugitive emissions at Indianapolis Power & Light Company - Harding Street Station. Therefore, these units are significant emission units but do not have the potential to emit greater than twenty five (25) tons of particulate (PM) or PM10. Therefore, there is no change to these units being classified as "unpermitted units."

The TSD Addendum will reflect any changes made to the Part 70 Operating Permit. The Technical Support Document (TSD) will remain as it originally appeared when published. OAQ and OES prefer that the TSD reflect the permit that was on public notice. Changes to the permit or technical support material that occur after the permit has been published are documented in this Addendum to the Technical Support Document.

On March 1, 2004, IDEM, OAQ and OES received written comments from the Indiana Electric Utility Air Work Group (IEUAWG). On March 4, 2004, IEUAWG submitted supplemental comments for the IPL - Harding Street Station.

The Indiana Electric Utility Air Work Group (IEUAWG), consisting of American Electric Power, Cinergy Corp., Dominion, Hoosier Energy, Indianapolis Power & Light Company, Indiana-Kentucky Electric Corporation, Northern Indiana Public Service Company and Vectren Corporation is responding to the request for comments on the Public Notice Draft of the IPL Title V Permit for the Harding Street Station. As a group, we believe that we are an interested party to this proceeding as we own and operate similar facilities in the State of Indiana which will be the subject of future Title V permitting decisions by IDEM and OES. As such, any permit term finalized in this permit may have a direct impact on the permit terms imposed on our facilities, such terms having the potential to negatively impact our ability to operate our facilities.

Comment # 1

Condition B.10 - Preventive Maintenance Plan, and Conditions D.1.6, D.2.8, D.3.5 and D.5.2. There is no statutory basis for this requirement, and so IDEM and OES are without authority to impose it. Nor is there any rule authorizing imposition of these requirements. The rule calling for PMPs is 326 IAC 1-6, which applies only to facilities required to be permitted under 326 IAC 2-5.1 or 2-6.1. Both of the latter rules exclude from their coverage facilities required to have a Part 70 Permit. Therefore, neither rule requires that Harding Street Station have a permit there under, and 326 IAC 1-6 does not require that Harding Street units have PMPs. Nor is there any basis anywhere for any of the detailed requirements in Condition D.1.6, which imposes numerous monitoring requirements that are neither necessary nor in accord with 326 IAC 2-7-5(3)(A).

In several places of the permit, the permit includes preventive maintenance plan requirements for emission control devices and "facilities," and it also includes specific detailed maintenance requirements to be performed on the equipment. We object to those conditions on three grounds.

There is no direct statutory or regulatory authority, state or federal, for the preventive maintenance plan requirement. The PMP requirement arises out of 326 IAC 1-6-1. That rule applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1 which applies to applies to new sources built after 1998 and exempts existing sources operating pursuant to a permit issued under IAC 2-6.1 or 2-7. So 325 IAC 2-5.1 does not apply to these units. 326 IAC 2-6.1 applies to sources in existence before December 25, 1998 that meet an applicability criterion in 326 IAC 2-5.1-3(a) "except for sources required to have a Part 70 permit as described in 326 IAC 2-7-2. Thus, 326 IAC 2-6.1 does not apply to these units either, and so there is no basis for mentioning PMPs in the Harding Street permit.

Second, even if a PMP were required, it has never been the intent or the practice for the PMP requirements to apply to emission units - the rule was intended to apply only to control devices. This is why the first section of 326 IAC 1-6-3 refers explicitly to "emission control devices".

Third, it is not within IDEM and OES' authority to develop the plans and then impose on the companies. On the contrary, the PMP regulations state that the "person responsible" for operating the subject facility shall prepare and maintain a PMP. It is the responsibility of the permittee or operator of the source, not the regulatory agency to develop and appropriate plans. We object to the permit's prescriptive requirements such as time frames in which to conduct inspections and identification of the devices to be checked. Essentially, IDEM and OES are assuming control of these plans which is not within the scope of the regulations or within their authority. All references to PMPs should be stricken from the permit because IDEM and OES are without authority to require PMPs of the Harding Street Station.

If the PMP requirement is nonetheless included within this permit in D.1.6, D.2.8, D.3.5 and D.5.2, it should, at a minimum, be modified for each Condition as follows:

D.1.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

~~(a) A Preventive Maintenance Plan (PMP), in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for~~ **the emissions control devices at the facility** ~~Unit 9, 10, 50, 60, 70, GT1, GT2 and GT3 and any 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.~~

Response to Comment # 1

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

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

(b) 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

(c) 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. Therefore, the deletion of "...on each facility" in B.10(a) cannot be made. 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." Many types of facilities require maintenance in order to prevent excess emissions. If equipment is not maintained, then increased emissions will eventually result.

Many types of facilities require maintenance in order to prevent excess emissions. If equipment is not maintained, then increased emissions will eventually result.

IDEM, OAQ and OES have determined that the Permittee is not required to keep records of all preventive maintenance. However, where the Permittee seeks to demonstrate that an emergency has occurred, the Permittee must provide, upon request, records of preventive maintenance in order to establish that the lack of proper maintenance did not cause or contribute to the deviation.

See Response to Comment # 7 and Response to Comment # 21 of the IDEM, OAQ and OES responses to the March 4, 2004 Baker & Daniels comments for additional information.

Comment # 2

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

While this practice has been highly successful under the past permitting and compliance scheme, it will not work under Title V. However, since the facility utilizes the same equipment that has been in place for many years to successfully comply with particulate and opacity limits, it is still necessary to have this same allowance in place. We therefore believe that IDEM and OES should add a provision to this

condition that allows up to 3% of the operating hours to exceed the opacity standard for the facility and still allow the certification of full compliance with the provisions of the permit under this section.

Putting this threshold into the permit is not a permanent action that cannot be reconsidered if control technologies improve. IDEM and OES will still have the opportunity to revisit the threshold each time the Title V Permit is renewed. This would allow periodic changes if justified.

In addition, other states and courts have provided such an allowance. For example, the district court in the Eastern District of Tennessee four that Tennessee's 2% allowance was reasonable as follows:

> "Finally, NPCA claims that TDEC's interpretation that COM monitoring, with it 2% de minimis exception is a more restrictive emission standard is unreasonable and, perhaps, therefore not facially valid. I disagree. I disagree with the DC Circuit Court of Appeals that changing the method of measuring compliance with an emission limitation can affect the stringency of the limitation itself (See Appalachian Power Company v. EPA; Portland Cement Association v. Ruckelshaus). Obviously, monitoring the smoke stack emissions continuously with equipment capable of reliably measuring the opacity will identify many more Exceedances than will be identified by an operator eye balling the smoke stack emissions once per day, or less. I believe that it was completely reasonable for TDEC to consider the COM by TVA at its plants to be a more restrictive standard than the Tennessee SIP required and therefore, concluding that EPA approval of that more restrictive standard was not necessary."

Other states such as Ohio, North Carolina, Kentucky and Florida also have recognized exemption levels. Failure to include such an allowance provides a competitive disadvantage for the State of Indiana, without justification.

In order to implement this necessary provision, we recommend that IDEM and OES change Condition C.1 as follows by adding the language of a new subsection (c) as set forth below:

C.1 Opacity [326 IAC 5-1]

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

(a) Opacity shall not exceed an average of thirty percent (30%) 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) For units for which opacity is monitored continuously, any opacity in excess of the applicable limitations contained in this condition will not be considered a violation provided that the total time in excess does not exceed 3% of the total boiler operating time on a quarterly basis and the primary causes of the Exceedances are not due to lack of maintenance or improper operations.

Response to Comment # 2

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

Comment # 3

Condition C.10 - Compliance Monitoring. To the extent that these conditions remain in the permit, IEUAWG requests that IDEM and OES confirm that the following specific plans and operational/monitoring activities are not required to be developed and implemented until 90 days after issuance of the permit: Preventive Maintenance Plan (B.10, D.1.6, D.2.8, D.3.5, D.5.2); Pressure Gauge and Other Instrument Specifications (C.14); Compliance Response Plan (C.17); Electrostatic Precipitator (ESP) Parametric Monitoring (D.1.13); Opacity Readings (D.1.14); SO_2 Monitor Downtime (D.1.16); Visible Emission Notations (D.1.15, D.2.14, D.5.3, D.6.5); Maintenance of Continuous Opacity Monitoring Equipment (C.11); and all related record keeping and reporting.

Response to Comment # 3

Condition C.**9**~~10~~ (Compliance Monitoring) states, "Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance."

In regards to the ninety (90) day PMP preparation requirement in Condition B.10 (Preventive Maintenance Plan), Condition B.10 states, 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 IDEM, OAQ and OES. Pursuant to 326 IAC 1-6-3 (Malfunctions: Preventive Maintenance Plans), existing sources with an emission unit having the potential to emit a regulated air pollutant in excess of twenty five (25) tons per year should have already prepared a preventive maintenance plan for that emission unit. Therefore, there is no change to Condition B.10.

In regard to Condition C.**9**~~10~~ (Compliance Monitoring), ninety (90) days is believed to be generally adequate to install any required monitoring equipment that is not already present. Note that this refers only to monitoring equipment, such as a pressure gauge, not to control equipment. For monitoring already legally required, there is no ninety (90) day window. The condition also contains a provision that, if due to circumstances beyond its control, this schedule cannot be met, the Permittee may extend the compliance schedule an additional ninety (90) days by notifying IDEM, OAQ 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. Therefore, there is no change to Condition C.**9**~~10~~.

See Response to Comment # 13 and Response to Comment # 14 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comments for additional information on compliance response and instrument specifications.

Comment # 4

Condition C.10(d) - Maintenance of Continuous Opacity Monitoring Equipment. Condition C.10(a) through (c) require installation and operation of continuous opacity monitors as called for by 326 IAC 3-5 and 2-5-5(3)(A)(1). The rule at 326 IAC 2-7-5(3) calls for imposition of "minimum" monitoring requirements called for by law. Thus, the requirements of 326 IAC 2-7-5(3) are completely satisfied by use of COMs. Nothing in the law calls for redundant monitoring systems of methods. There is no applicable requirement in any statute, rule, or permit calling for Method 9 readings at facilities required to operate a COM. For that reason, it is not necessary under 326 IAC 2-5-3(A)(iii) to impose back up Method 9 readings any more than it is necessary to require immediate stack testing if a NO_X or SO_2 monitor goes down unexpectedly. Condition C.10(d) should therefore be deleted.

Response to Comment # 4

Pursuant to 326 IAC 2-7-5 (c)(3) (Part 70 Permit Program: Permit Content), each Part 70 Operating Permit shall contain, "Monitoring and related record keeping and reporting requirements, which assure that all reasonable information is provided to evaluate continuous compliance with the applicable requirements. Such monitoring requirements shall assure use of terms, test methods, units, averaging periods, and other statistical conventions consistent with the applicable requirement." Pursuant to 326 IAC 3-5, Unit 50, Unit 60 and Unit 70 are each required to be equipped with a COM. Should the COM malfunction or be in operable, an alternative compliance monitoring provision must be employed.

See Response to Comment # 11 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information.

Comment # 5

Condition C.17 - Compliance Response Plan - Preparation, Implementation, Records and Reports. As a legal matter, IDEM and OES are not authorized to impose a requirement to develop and implement a "compliance response plan "(CRP). There is no requirement in the Indiana regulations or statutes that a source develop a CRP. On the contrary, that term is not defined anywhere. Title V does not impose new substantive requirements, but instead requires that all the applicable requirements be consolidated into one document - the Part 70 Operating Permit (see EPA statement in the Federal Register with respect to Indiana's Part 70 program: "Applicable requirements must exist independently of Title V permits...Title V authority cannot modify existing applicable requirements."

It is also important to note that IDEM and OES are not authorized to create requirements out of whole cloth. As agencies of state government, IDEM and OES have only the powers expressly conferred by statute. The authority of the State to engage in administrative action is limited to that which is granted by statute.

(Charles A. Beard Classroom Teachers Association v. Board of School Trustees) "A keystone of administrative law is the proposition that an administrative agency has no powers which are not expressly or impliedly granted by statute, All doubtful claims to a power claimed by a governmental agency must be resolved against the agency. The administrative agency can only exercise its powers in conformity with the statutes. For these reasons, Condition C.17 should be deleted, along with every reference to "compliance response plans."

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

Response to Comment # 5

See Response to Comment # 14 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment.

Comment # 6

Condition C.18 - Actions Related to Noncompliance Demonstrated by a Stack Test. IDEM and OES should modify this condition to allow themselves and the permit holder more flexibility in the event a stack test is failed. As currently written, this condition specifies certain actions that must be taken when noncompliance is demonstrated by a stack test. In reality, negotiations to resolve the issue generally occur on the spot between representatives of the source, IDEM and OES. The specific corrective measures are often subsequently developed during consultation with IDEM and OES depending on the specific circumstances. The specific procedures set out in Condition C.18 interfere with the ability of IDEM and OES and the permit holder to develop timely or subsequent constructive alternatives and these

requirements inhibit flexibility. In order to restore the current flexibility, the condition should be modified by adding a new subsection (c) as indicated below and relettering the remaining subsections:

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

~~(c)~~ **(d)** IDEM, OAQ reserves the authority to take any actions allowed under law in response to noncompliant stack tests.

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

Response to Comment # 6

A noncompliant stack test indicates a violation of an emission limit or standard. The required action for the permittee must be expressly stated and not be dependent on available time for consultation. The Condition as currently written provides sufficient flexibility for IDEM, OAQ and the Permittee to establish a different schedule of activities if appropriate. For example, paragraph (b) already states that should the Permittee demonstrate to IDEM, OAQ that retesting in 120 days is not practicable, IDEM, OAQ may extend the retesting deadline. Therefore, no change to Condition C.**17**~~18~~ (Actions Related to Noncompliance Demonstrated by a Stack Test) is necessary.

Comment # 7

Conditions D.1.3 and D.1.4 - Temporary Alternative Opacity Limitations. IEUAWG objects to the termination of opacity exemptions for startup/shutdown events. No justification provided as to why such a termination should occur, and no justification is provided regarding why emissions that have been acceptable for the last several decades are not acceptable now. This termination of the temporary alternative opacity limitations is inappropriate and unjustified. In accordance with the discussion above, TAOLs in the Part 70 Permit should be identical to those in Harding Street Station's present permits. The rules indicate that the existing permits continue in effect after a Title V operating permit is issued. IDEM and OES have no authority to revoke or modify Harding Street's existing permits except for cause pursuant to IC 13-15-7-1 in a proceeding under ID 4-2-21.5. Since there is no cause, no change should be made to the TAOL's in the existing permit.

These conditions should be modified as follows:

D.1.4 Temporary Alternative Opacity Limitations [326 IAC 5-1-3(e)]

(a) Pursuant to 326 IAC 5-1-3(e) (Temporary Alternative Opacity Limitations), the following applies to Unit 50, Unit 60 and Unit 70:

(1) When building a new fire in Unit 50 or Unit 60, an exemption from the thirty percent (30%) opacity limit is allowed for up to twenty five (25) six-minute averaged periods (2.5 hours), or until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees, which ever occurs first. [326 IAC 5-1-3(e)]

(2) ~~For the first three (3) years following the issuance date of the Title V Permit for this source, when~~ **When** building a new fire in Unit 70, an exemption from the thirty percent (30%) opacity limit is allowed for up to fifty (50) six-minute averaged periods (5.0 hours), or until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees, which ever occurs first. For the remaining two (2) years of this Part 70 Permit, the standard temporary alternative opacity limit, pursuant to 326 IAC 5-1-3(a), shall be allowed for Unit startups. [326 IAC 5-1-3(e)]

Response to Comment # 7

See Response to Comment # 18 and Response to Comment # 19 of the IDEM, OAQ and OES responses to the March 4, 2004 Baker & Daniels comments.

Comment # 8

Condition D.1.8 - Operation of Electrostatic Precipitator. As currently structured, Condition D.1.8 requires the electrostatic precipitators to be operated at all times when the controlled processes are in operation. These requirements conflict with the regulations that allow continued operation even when the emission control equipment is not operating. Such situations include startup, shutdown, emergencies, malfunctions and situations where a unit can comply with the underlying regulations without operation of the control equipment. In addition, these requirements may cause a violation of other employee safety regulations during some operating regimens.

There is no regulation or statute that requires continuous operation of the electrostatic precipitator if it is not needed to satisfy an emission limit. The legal requirement is to comply with the emission limit, and it is up to the source to choose the methods for achieving compliance. We believe that this section should be revised to allow non-operation of the control equipment when the limits are met, as would currently be the case. The following proposed revision to this condition accomplishes this goal.

D.1.8 Operation of Electrostatic Precipitator [326 IAC 2-7-6(6)]

Except as otherwise provided by statute or rule or in this permit, the electrostatic precipitators (ESPs) shall be operated **as needed to maintain compliance with applicable emission limits.** ~~at all times, consistent with safe and proper operation of equipment, that Boiler 50, 60 and 70, identified as Unit 50, 60 and 70, are vented to the ESPs.~~

Response to Comment # 8

Compliance stack testing of controlled units has historically been performed with the electrostatic precipitators in operation. There is no evidence to support that a unit can comply with the underlying regulations without operation of the control equipment.

See Response to Comment # 22 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information.

Comment # 9

Condition D.1.13 - Electrostatic Precipitator (ESP) Parametric Monitoring. This provision is completely uncalled for by an applicable requirement, statute, or rule and IDEM and OES have no authority to impose it. The condition is made up out of whole cloth and inserted into the permit gratuitously. It is beyond IDEM and OES' authority to impose. Compliance with particulate limits is monitored by continuous opacity monitors required elsewhere in the permit. As EPA state in the Federal Register with respect to Indiana's Part 70 program, " Applicable requirements must exist independently of Title V Permits...Title V authority cannot modify existing applicable requirements. Condition D.1.13 should be deleted from the permit.

Response to Comment # 9

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, IDEM, OAQ and OES have included permit conditions requiring the Permittee to monitor the performance of the ESPs by monitoring certain ESP operating parameters. IDEM 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.

See Response to Comment # 25 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment for additional information.

Comment # 10

Condition D.1.14 - Opacity Readings. For the reasons set forth above, we believe that IDEM and OES have greatly exceeded its statutory and regulatory authority in this provision in attempting to set "triggers" below the applicable opacity limit and by attempting to change the time period for evaluating the limit. The only proper way to take this action is through notice and comment rule making where full technical justification is made available to the regulated community and other interested parties to review. Condition D.1.14 sets opacity triggers below the thirty percent limit established by regulation and requires activities to be conducted based on that trigger. This essentially changes the limit promulgated in the Board's rule without the safeguards attendant to the rule making procedures required by statute. It also conflicts with the regulatory provision allowing up to sixty percent opacity for a certain period of time without causing a violation of the opacity regulations.

IDEM and OES must remove this requirement and restructure this section to conform to the properly promulgated opacity regulations. The cited sections do not give IDEM and OES the authority to ignore existing state laws and regulations.

Response to Comment # 10

See Response to Comment # 26 of the IDEM, OAQ and OES response to the March 4, 2004 Baker & Daniels comment.

Comment # 11

As noted in IEUAWG original comments, these supplemental comments submitted March 4, 2004 note that each of the draft permits for the interested parties IEUAWG represents contain extensive requirements for Method 9 opacity readings and various other monitoring and "parametric monitoring" schemes not called for by any applicable requirements, any rule or regulation, or anything else. Those earlier comments are buttressed by USEPA's recent rulemaking entitled "Revisions to Clarify the Scope of Certain Monitoring Requirements for Federal and State Operating Permit Programs" which appears at 69 Fed. Reg. 3202 (January 22, 2004).

In that rule making, EPA clarified the "periodic monitoring" rule at 40 CFR 70.6(a)(3)(i)(B) and the umbrella monitoring rule at 40 CFR 70.6(c)(1). The Indiana counter parts are basically identical and are at 326 IAC 2-7-5(3)(A)(ii) and 2-7-6(1), respectively, and are usually cited in the draft permits as the authority for the objected to monitoring requirements. EPA's recent rulemaking said the following,

> "Today EPA is committing to exercise its discretion under the Act to require any necessary improvements to existing monitoring through rule making, except where the periodic monitoring rules authorize the case by case addition of monitoring to individual permits. The EPA's interpretation of the Act, its own regulations, recent Court decisions, and several policy considerations underlie this decision. EPA believes, as a matter of policy, that it will be less burdensome on State, local and tribal permitting authorities and on sources, and far more equitable and efficient, to require any necessary improvements in monitoring requirements through rule makings to revise federal applicable requirements or SIP rules, rather than by requiring permitting authorities to conduct case by case sufficiency monitoring reviews of individual permits.
>
> Furthermore, EPA has decided not to adopt the changes to the regulatory text of the umbrella monitoring rules that were proposed in September 2002. For various reasons, EPA also has determined that the correct interpretation of the umbrella monitoring rules is that they do not establish a separate regulatory standard or basis requiring or authorizing the review and enhancement of existing monitoring independent of such review and enhancement as may be required under different provisions of the operating permits program rules that specifically set forth permit content for monitoring. Upon reflection, EPA now believes that the plain language of the umbrella monitoring rules indicates that they constitute "Umbrella provisions" for monitoring that direct permitting authorities to include monitoring required under existing statutory and regulatory authorities in permits, and which include and gain meaning from the more specific requirements for monitoring set forth in different provisions of the rules. The policy considerations described in this preamble as relevant to EPA's exercise of its discretion under the Act also inform EPA's interpretation of the umbrella monitoring rules. Thus, the effect of today's action will be that the umbrella monitoring rules neither require nor authorize permitting authorities to create new monitoring in operating permits, apart from including in permits such monitoring as may be required under the periodic monitoring rules and under applicable requirements, including the CAM rule where it applies.

Thus, based on this new authority, we again reiterate that IDEM should remove from its Title V Permits its various parametric monitoring schemes, such as voltage requirements and inspection requirements, that are not found any where in the rules.

Response to Comment # 11

While the IDEM, OAQ recognizes the U.S. EPA's action and its interpretation of the federal provisions, the action does not affect the OAQ's ability or authority to require compliance monitoring in Part 70 permits. Indiana's Part 70 (326 IAC 2-7-5) rules concerning compliance monitoring are significantly different than the corresponding federal counterpart (40 CFR 70.6). 40 CFR 70.6(a) states that all Part 70 permits shall contain sufficient compliance monitoring to demonstrate compliance. The provisions of 326 IAC 2-7-5(3) state that the Part 70 permits must include: "Monitoring and related record keeping and reporting requirements which assure that all reasonable information is provided to evaluate continuous compliance with the applicable requirements." The need to ensure continuous compliance in 326 IAC 2-7-5(3) gives IDEM broader authority than what is specified in 40 CFR 70.6(a). In addition, the language of 326 IAC 2-7-5(3) clearly suggests that existing federal monitoring requirements are considered only as minimum permit requirements. Therefore, the difference between the corresponding state and federal rules results in IDEM's warranted and legal ability to institute additional and more stringent compliance monitoring.

On April 3, 2006, IDEM, OAQ and OES made the following additional changes to the proposed Part 70 Operating Permit.

IDEM, OAQ/OES Revision 1

The cover page and the signatories for the cover page of the Part 70 Operating Permit have been updated as follows:

Operation Permit No.: T097-6566-00033	
Issued by: **Nisha Sizemore, Chief** ~~Janet G. McCabe, Assistant Commissioner~~ **Permits Branch,** Office of Air Quality **Felicia A. Robinson** **Administrator** ~~John B. Chavez~~ ~~Administrator,~~ Office of Environmental Services	**Effective** ~~Issuance~~ Date: Expiration Date:

IDEM, OAQ/OES Revision 2

The IDEM, OAQ mail address has been updated throughout the Part 70 Operating Permit and the Phase II Acid Rain Permit AR 097-5106-00033 that is Appendix B to the Part 70 Operating Permit as follows:

Indiana Department of Environmental Management
Office of Air Quality
100 North Senate Avenue ~~, P.O. Box 6015~~
Indianapolis, Indiana **46204-2251** ~~46206-6015~~

IDEM, OAQ/OES Revision 3

In the IDEM, OAQ Nonrule Policy Document, a table is given as an example for how permittees can submit annual compliance certifications. Condition B.9 (Annual Compliance Certification) is being revised to remove "in letter format" so that it does not contradict the guidance and effective date of the permit is inserted to replace final permit issuance.

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

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

IDEM, OAQ/OES Revision 4

In the second sentence of Condition (Permit Shield), the word "in" is removed to be consistent with 326 IAC 2-7-15(a) and effective date is inserted to replace issuance date in (a) and (d)(2).

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

(a) Pursuant to 326 IAC 2-7-15, the Permittee has been granted a permit shield. The permit shield provides that compliance with the conditions of this permit shall be deemed ~~in~~ compliance with any applicable requirements as of the **effective date of this permit** ~~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.

(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 **effective date** ~~issuance~~;

IDEM, OAQ/OES Revision 5

When Condition B.**15**~~14~~(a) - Deviations from Permit Requirements was updated in December 2001, the third sentence of the Quarterly Deviation and Compliance Monitoring Report Form should have been revised to be consistent with the Condition. It is not clear on the Report Form that the deviations that are not required to be reported on that Form are those that are deviations required to be reported pursuant to an applicable requirement that exists independent of the Permit. Therefore, the statement in the Quarterly Deviation and Compliance Monitoring Report Form is revised to state:

This report shall be submitted quarterly based on a calendar year. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. **A deviation required to be reported pursuant to an applicable requirement that exists independent of the permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report.** ~~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”.

IDEM, OAQ/OES Revision 6

Condition B.**18**~~17~~ (Source Modification) has been renamed and updated concerning modifications to a major source. This change is due to Nonattainment New Source Review reform. Permitted sources must certify in their annual compliance certification if they make changes without notice.

B.**18**~~17~~ Source Modification **Requirement [**~~326 IAC 1-2-42~~] [326 IAC 2-7-10.5]

(a) A modification, construction, or reconstruction is governed by the requirements of 326 IAC 2 and 326 IAC 2-7-10.5.

(b) Any modification at an existing major source is governed by the requirements of 326 IAC 2-2-2 and/or 326 IAC 2-3-2.

~~(a) The Permittee shall obtain approval as required by 326 IAC 2-7-10.5 from the OAQ prior to making any modification to the source. Pursuant to 326 IAC 1-2-42, "Modification" means one (1) or more of the following activities at an existing source:~~

~~(1) A physical change or change in the method of operation of any existing emissions unit that increases the potential to emit any regulated pollutant that could be emitted from the emissions unit, or that results in emissions of any regulated pollutant not previously emitted.~~

~~(2) Construction of one (1) or more new emissions units that have the potential to emit regulated air pollutants.~~

~~(3) Reconstruction of one (1) or more existing emission units that increases the potential to emit of any regulated air pollutant.~~

~~(b) Any application requesting a source modification shall be submitted to:~~

~~Indiana Department of Environmental Management~~
~~Permits Branch, Office of Air Quality~~
~~100 North Senate Avenue~~
~~Indianapolis, Indiana 46204-2251~~

~~and~~

~~Office of Environmental Services~~
~~Air Quality Management Section, Permits~~
~~2700 South Belmont Avenue~~
~~Indianapolis, Indiana 46221~~

~~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.~~

IDEM, OAQ/OES Revision 7

Upon further review, IDEM, OAQ and OES have decided to remove (e) from Condition B.**19**~~18~~ (Permit Amendment or Modification) concerning nonroad engines. 40 CFR 89, Appendix A specifically indicates that states are not precluded from regulating the use and operation of nonroad engines, such as regulations on hours of usage, daily mass emission limits, or sulfur limits on fuel; nor are permits regulating such operations precluded, once the engine is no longer new.

B.**19**~~18~~ Permit Amendment or Modification [326 IAC 2-7-11] [326 IAC 2-7-12] [40 CFR 72]

(a) Permit amendments and modifications are governed by the requirements of 326 IAC 2-7-11 or 326 IAC 2-7-12 whenever the Permittee seeks to amend or modify this permit.

(b) Pursuant to 326 IAC 2-7-11(b) and 326 IAC 2-7-12(a), administrative Part 70 permit amendments and permit modifications for purposes of the acid rain portion of a Part 70 permit shall be governed by regulations promulgated under Title IV of the Clean Air Act. [40 CFR 72]

(c) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Permits
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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.~~

IDEM, OAQ/OES Revision 8

Condition B.**21**~~20~~ (Operational Flexibility) was revised to provide clarification and a new section (f) was added for sources subject to Acid Rain and/or NO_X SIP requirements.

B.**21**~~20~~ Operational Flexibility [326 IAC 2-7-20] [326 IAC 2-7-10.5]

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

(1) The changes are not modifications under any provision of Title I of the Clean Air Act;

(2) Any preconstruction approval required by 326 IAC 2-7-10.5 has been obtained;

(3) The changes do not result in emissions which exceed the **limitations provided in** ~~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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Permits

2700 South Belmont Avenue
Indianapolis, Indiana 46221

and

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

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

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

Such records shall consist of all information required to be submitted to IDEM, OAQ and/or OES, 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 **emission** increases and decreases ~~in emissions in~~ **at** the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-7-20(c). The notification requirement per (a)(4) of this condition does not apply to emission trades of SO_2 or NO_X under 326 IAC 21 or 326 IAC 10-4.

(d) Alternative Operating Scenarios [326 IAC 2-7-20(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-7-5(9). No prior notification of IDEM, OAQ, or U.S. EPA is required.

(e) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.

(f) This condition does not apply to emission trades of SO_2 or NO_X under 326 IAC 21 or 326 IAC 10-4.

IDEM, OAQ/OES Revision 9

Indiana was required to incorporate credible evidence provisions into state rules consistent with the SIP call published by U.S. EPA in 1997 (62 Fed. Reg. 8314, Feb 24, 1997). Indiana has incorporated the credible evidence provision in 326 IAC 1-1-6. This rule is effective March 16, 2005. Therefore, the previous credible evidence condition is replaced with the condition that reflects the rule.

B.**25**~~24~~ Credible Evidence [326 IAC 2-7-5(3)][326 IAC 2-7-6][62 FR 8314]**[326 IAC 1-1-6]**

For the purpose of submitting compliance certifications or establishing whether or not the Permittee has violated or is in violation of any condition of this permit, nothing in this permit shall preclude the use, including the exclusive use, of any credible evidence or information relevant to whether the Permittee would have been in compliance with the condition of this permit if the appropriate performance or compliance test or procedure had been performed.

~~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.~~

IDEM, OAQ/OES Revision 10

Additional language was added to Condition C.**5**~~6~~ (Stack Height) in order state how the Permittee is complying with the rule.

C.**5**~~6~~ Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted **by using good engineering practices (GEP) pursuant to 326 IAC 1-7-3.**

IDEM, OAQ/OES Revision 11

The Section C record keeping and reporting requirements have been revised to include the 326 IAC 2-2 (Prevention of Significant Deterioration (PSD) Requirements) and 326 IAC 2-3 (Emission Offset) provisions for existing major sources. In addition, all record keeping requirements not already legally required shall be implemented within ninety (90) days of the effective date of this permit.

C.19 General Record Keeping Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-6]**[326 IAC 2-2][326 IAC 2-3]**

(a) Records of all required data, reports and support information 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 kept at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner or OES makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner or OES 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 **the effective date of this** permit.

(c) If there is a reasonable possibility that a "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, other than projects at a Clean Unit (or at a source with Plant-wide Applicability Limitation (PAL)), which is not part of a "major modification" (as defined in 326 IAC 2-2-1(ee) and/or 326 IAC 2-3-1(z)) may result in significant emissions increase and the Permittee elects to utilize the "projected actual emissions" (as defined in 326 IAC 2-2-1(rr) and/or 326 IAC 2-3-1(mm)), the Permittee shall comply with the following:

(1) Before beginning actual construction of the project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit, document and maintain the following records:

(A) A description of the project.
(B) Identification of any emissions unit whose emissions of a regulated new source review pollutant could be affected by the project.
(C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including:
(i) Baseline actual emissions;
(ii) Projected actual emissions;
(iii) Amount of emissions excluded under section 326 IAC 2-2-1(rr)(2)(A)(iii) and/or 326 IAC 2-3-1(mm)(2)(A)(3); and
(iv) An explanation for why the amount was excluded, and any netting calculations, if applicable.

(2) Monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any existing emissions unit identified in (1)(B) above; and

(3) Calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five (5) years following resumption of regular operations after the change, or for a period of ten (10) years following resumption of regular operations after the change is the project increases the design capacity of or the potential to emit that regulated NSR pollutant at the emissions unit.

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

(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
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

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

(f) If the Permittee is required to comply with the record keeping provisions of (c) in Section C - General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing Electric Utility Steam Generating Unit, the for that project the Permittee shall:

(1) Submit to IDEM, OAQ and OES a copy of the information required by (c)(1) in Section C - General Record Keeping Requirements.

(2) Submit to IDEM, OAQ and OES within sixty (60) days after the end of each year during which records are generated in accordance with (c)(2) and (3) in Section C - General Record Keeping Requirements. The report shall contain all information and data describing the annual emissions for the emissions units during the calendar year that preceded the submission of the report.

Reports required in this part shall be submitted to:

Indiana Department of Environmental Management
Air Compliance Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

(g) If the Permittee is required to comply with the record keeping provisions of (c) in Section C - General Record Keeping Requirements for any "project" (as defined in 326 IAC 2-2-1(qq) and/or 326 IAC 2-3-1(ll)) at an existing emissions unit other than an Electric Utility Steam Generating Unit, and the project meets the following criteria, then the Permittee shall submit a report to IDEM, OAQ and OES:

(1) The annual emissions, in tons per year, from the project identified in (c)(1) in Section C - General Record Keeping Requirements exceed the baseline actual emissions, as documented and maintained under Section C - General Record Keeping Requirements (c)(1)(C)(i), by a significant amount, as defined in 326 IAC 2-2-1(xx) and/or 326 IAC 2-3-1(qq), for that regulated NSR pollutant, and

(2) The emissions differ from the preconstruction project as documented and maintained under Section C - General Record Keeping Requirements (c)(1)(C)(ii).

(h) The report for a project at an existing emissions unit, other than an Electric Utility Steam Generating Unit, shall be submitted within sixty (60) days after the end of the year and contain the following:

(1) The name, address, and telephone number of the major stationary source.

(2) The annual emissions calculated in accordance with (c)(2) and (3) in Section C - General Record Keeping Requirements.

(3) The emissions calculated under the actual-to-projected actual test stated in 326 IAC 2-2-2(d)(3) and/or 326 IAC 2-3-2(c)(3).

(4) Any other information that the Permittee deems fit to include in this report.

Reports required in this part shall be submitted to:

Indiana Department of Environmental Management
Air Compliance Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

and

Office of Environmental Services
Air Quality Management Section, Data Compliance
2700 South Belmont Avenue
Indianapolis, Indiana 46221

(i) The Permittee shall make the information required to be documented and maintained in accordance with (c) in Section C - General Record Keeping Requirements available for review upon a request for inspection by IDEM, OAQ and OES. The general public may request this information from IDEM, OAQ under 326 IAC 17.1.

IDEM, OAQ/OES Revision 12

Testing should occur within twenty four (24) months **after the effective date of the** Part 70 Permit rather than within twenty four (24) months following Part 70 Permit issuance. Therefore, Condition D.1.6 was revised as follows:

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

No later than twenty four (24) months **after the effective date of the** ~~following the issuance date of the~~ Part 70 Permit for this source, compliance with the PM limitation in Condition D.1.1(a) for Boiler 50, 60 and 70, identified as Unit 50, 60 and 70, shall be determined by a performance stack test conducted utilizing methods as approved by the Commissioner. This test shall be

repeated at least once every two (2) years following the date of this valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

Coal Storage & Handling
and Paved/Unpaved roads
fugitive emissions
Emission Unit ID ST37,
ST39 and ST41

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, IN 46217
Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: May 10, 2004

From GSD-05: Fugitive Emissions reported as :

190	tons PM/yr
95.2	tons PM10/yr

The following information submitted by the source on 2/12/04 and 2/23/04 revised these estimates as follows:

Coal Transfer:

E = (k)(0.0032)(U/5)^1.3/(M/2)1.4 (AP-42 13.2.4-3)(1/95) Max capacity = 7.5 million tons/yr

Where:	E =	emission factor in lbs/ton of coal	
	k =	particle size multiplier =	0.74 for PM; 0.35 for PM10
	U =	wind speed in mph =	9.6 for open air transfer; 1.0 for railcar unloading
	M =	material moisture (%) =	12% as received; 13% with water application

The following emission factors are derived for coal transfer:

A) Enclosed transfer with water applied:

PM = E= (0.74)(0.0032)(1/5)^1.3/(13/2)^1.4 = 2.126E-05 lbs/ton
PM10 = E= (0.35)(0.0032)(1/5)^1.3/(13/2)^1.4 = 1.006E-05 lbs/ton

B) Open transfer with water applied:

PM = E= (0.74)(0.0032)(9.6/5))^1.3/(13/2)^1.4 = 4.023E-04 lbs/ton
PM10= E= (0.35)(0.0032)(9.6/5)^1.3/(13/2)^1.4 = 1.903E-04 lbs/ton

Unloading Coal to Pile (4 enclosed transfer points & 1 open transfer point):

Emissions =	((4 x 2.126E-05 x 7,500,000) + (4.023E-04 x 7,500,00)) /2000 =	**1.5 tons PM/yr**
Emissions =	((4 x 1.006E-05 x 7,500,000) + (1.903E-04 x 7,500,00)) /2000 =	0.9 tons PM10/yr

Reclaiming coal from Pile (3 enclosed transfer points):

Emissions =	(3 x 2.126E-05 x 7,500,000) / 2000 =	**0.23 tons PM/yr**
Emissions =	(3 x 1.006E-05 x 7,500,000) / 2000 =	0.11 tons PM10/yr

Ash Transfer (all transfer to ponds is totally wet): **therefore, ash transfer emissions are negligible**

E = (k)(0.0032)(U/5)^1.3/(M/2)1.4 (AP-42 13.2.4-3)

remaining ash is silo transferred to tank truck (not fugitive) max capacity = 110,000 tons/yr

Where:	E =	emission factor in lbs/ton of coal	
	k =	particle size multiplier =	0.74 for PM; 0.35 for PM10
	U =	wind speed in mph =	9.6 for open air transfer; 1.0 for railcar unloading
	M =	material moisture (%) =	2%

PM =	(0.74)(0.0032)(9.6/5))^1.3/(2.0/2)^1.4 x (110,000/2000) =	0.3 tons PM/yr
PM10=	(0.35)(0.0032)(9.6/5)^1.3/(2.0/2)^1.4 x (110,000/2000) =	0.14 tons PM10/yr

Coal Storage:

Storage emissions, which result from wind erosion, are determined by the following calculations (AP-42 13.2.5)(1/95):

Ef =	k N (sum of Pi) I=1, N	
where k =	1	particle size multiplier (1 for PM, 0.5 for PM10)
N =	1	number of disturbances per month
Pi =	16.2	sum of the erosion potential
Ef =	16.2	gram/m^2
area of pile =	0.0409	square miles

Ep (storage) = (16.2 gram/m^2) x (0.0409 mile^2) x 259988 meter^2 / mile^2) x (lb/454 gram) x (ton / 2000 lbs)
= **1.90 tons PM/yr**
= **0.95 tons PM10/yr**
where storage capacity = 7,500,000 tons storage capacity

Coal Storage & Handling
and Paved/Unpaved roads
fugitive emissions
Emission Unit ID ST37,
ST39 and ST41

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, IN 46217
Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: May 10, 2004

* * paved roads * *

The following calculations determine the amount of emissions created by unpaved roads, based on 8,760 hours of use and AP-42, Ch 13.2.1 (12/2003).

0 trip/hr x
0 mile/trip x
2 (round trip) x
8760 hr/yr = 55340 miles per year

Ef = k*[(s/2)^0.65]*[(W/3)^b]
= 0.15 lb/mile
where k = 0.082 (particle size multiplier for PM) (0.016 for PM10)
s = 5 mean % silt content on paved roads
b = 1.5 Constant for PM-10 and PM-30 or TSP
W = 3 tons average vehicle weight

$$E = \frac{0.15 \text{ lb/mi} \times 55340 \text{ mi/yr}}{2000 \text{ lb/ton}} =$$

4.10 tons PM/yr
0.80 tons PM10/yr

Taking natural mitigation due to precipitation into consideration:
Eext = E * [(365-p)/365] = 2.69 tons/yr

where p = 125 days of rain greater than or equal to 0.01 inches(see Fig. 13.2.2-1)

* * unpaved roads * *

The following calculations determine the amount of emissions created by unpaved roads, based on 8,760 hours of use and AP-42, Ch 13.2.2 (12/2003).

Ef = k*[(s/12)^a]*[(W/3)^b]/(M/0.2)^c](365-n/365)
Ef = 4.23 lb/mile x (W/3)^0.5 (1.1 x (W/3)^0.5 for PM10)
where k = 10 (particle size multiplier for PM) (2.6 for PM10)
s = 6.4 mean % silt content of unpaved roads
a = 0.8
b = 0.5 Constant for PM
c = 0.4 Constant for PM
n = 125 no. of days with > 0.01 in precip
M = 0.2 surface material moisture content
W = tons average vehicle weight

Flyash tankers:
430 trucks/year
W = 17 tons
round trip = 0.6 miles PM = 4.23 x (17/3)^0.5 x 430 trucks/yr x 0.6 miles/truck x ton/2000 lbs = 1.2 tons/yr
0.4 tons PM10/yr

Bottom Ash Triaxle
670 trucks/yr
W = 8.5 tons
round trip = 0.6 miles PM = 4.23 x (8.5/3)^0.5 x 670 trucks/yr x 0.6 miles/truck x ton/2000 lbs = 1.4 tons/yr
0.4 tons PM10/yr

Softener Sludge Tankers
780 trucks/yr
W = 20 tons
round trip = 0.6 miles PM = 4.23 x (20/3)^0.5 x 780 trucks/yr x 0.6 miles/truck x ton/2000 lbs = 2.5 tons/yr
0.7 tons PM10/yr

Operations Pickup Trucks
365 trucks/yr
W= 2 tons
round trip = 3 miles PM = 4.23 x (2/3)^0.5 x 365 trucks/yr x 3.0 miles/truck x ton/2000 lbs = 1.9 tons/yr
0.5 tons PM10/yr

PM SUM = 7.0 tons/yr
PM10 SUM = 1.9 tons PM10/yr

Indiana Department of Environmental Management
Office of Air Quality
and
City of Indianapolis
Office of Environmental Services

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

Source Background and Description

Source Name:	**IPL - Harding Street Station**
Source Location:	**3700 South Harding Street, Indianapolis, Indiana 46217**
	4190 South Harding Street, Indianapolis, Indiana 46217
County:	**Marion**
SIC Code:	**4911**
Operation Permit No.:	**T097-6566-00033**
Permit Reviewer:	**M. Caraher**

The Indiana Department of Environmental Management Office of Air Quality (OAQ) and the City of Indianapolis Office of Environmental Services (OES) have reviewed a Part 70 permit application from IPL - Harding Street Station relating to the operation of a stationary source consisting of coal, distillate oil and waste oil fired utility boilers and natural gas and distillate oil fired gas turbine combustion units to produce electricity for sale under a Standard Industrial Classification (SIC) Code of 4911 (establishments engaged in the generation, transmission or distribution of electric energy for sale).

Source Definition

This electric utility generating station consists of two (2) plants:

(a) Plant 1 is located at 3700 South Harding Street, Indianapolis, Indiana 46217, and consists of utility boilers and natural gas and distillate oil fired gas turbine combustion units to produce electricity for sale; and

(b) Plant 2 is located at a transformer station at 4190 S. Harding Street, Indianapolis, Indiana, 46217, and consists of an 81 horsepower diesel fired emergency generator identified as Generator # 1.

Since the two (2) plants are located in adjacent or contiguous properties, have the same SIC code and are under common control of the same entity, they will be considered one (1) source, effective from the date of issuance of this Part 70 permit. Plant 2 was previously permitted as an Exemption on January 22, 2002 under 097-15287-00420 and is now combined with Plant 1 for this review and issuance under T097-6566-00033.

This electric utility generating station consists of a source with an on-site contractor:

(a) IPL - Harding Street Station, the primary operation, is located at, 3700 South Harding Street, Indianapolis, Indiana 46217; and

(b) Calciment Blend Corporation, the supporting operation, is located at 4192 South Harding Street, Indianapolis, Indiana, 46217.

IDEM, OAQ and OES have determined that IPL- Harding Street Station and Calciment Blend Corporation are under the common control of IPL - Harding Street Station. These two operations are considered one source because a support relationship exists, whereby, all of the fly ash used by Calciment will be generated and supplied by the IPL - Harding Street Station. Therefore, these two operations are considered one source due to contractual control and because each operation

is adjacent and/or contiguous to the other operation. Therefore, the term "source" in the Part 70 documents refers to both IPL - Harding Street Station and Calciment Blend Corporation as one source.

Separate Part 70 permits will be issued to IPL - Harding Street Station and Calciment Blend Corporation solely for administrative purposes.

Permitted Emission Units and Pollution Control Equipment

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

(a) One (1) Combustion Engineering Boiler number 9 identified as Unit 9. Unit 9 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting to Stack/Vent ID 3-1. Equipped with no add on air pollution control equipment. Installed in 1942.

(b) One (1) Combustion Engineering Boiler number 10 identified as Unit 10. Unit 10 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting at Stack/Vent ID 4-1. Equipped with no add on air pollution control equipment. Installed in 1947.

(c) One (1) Combustion Engineering Boiler number 50 identified as Unit 50. Unit 50 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 50 and exhausting at Stack/Vent ID 5-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 50. Installation date for Unit 50 is 1958.

(d) One (1) Combustion Engineering Boiler number 60 identified as Unit 60. Unit 60 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 60 and exhausting at Stack/Vent ID 6-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 60. Installation date for Unit 60 is 1961.

(e) One (1) Combustion Engineering Boiler number 70 identified as Unit 70. Unit 70 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 4123.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 70 and exhausting at Stack/Vent ID 7-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil and waste oil are used as supplemental fuel and for firing during startup of Unit 70. Installation date for Unit 70 is 1973.

(f) One (1) General Electric Gas Turbine Engine number GT1 identified as Unit GT1. Unit GT1 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT1-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT1 is 1973.

(g) One (1) General Electric Gas Turbine Engine number GT2 identified as Unit GT2. Unit GT2 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT2-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT2 is 1973.

(h) One (1) General Electric Gas Turbine Engine number GT3 identified as Unit GT3. Unit GT3 is a distillate oil fired unit with a design heat input capacity rated at 299.0 million Btu per hour and exhausting at Stack/Vent ID GT3-1. Model number MS 5000. Equipped with no add on air pollution control equipment. Installation date for Unit GT3 is 1973.

(i) One (1) General Electric Gas Turbine Engine number GT4 identified as Unit GT4. Unit GT4 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 875.0 million Btu per hour and exhausting at Stack/Vent ID GT4-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT4 is 1994.

(j) One (1) General Electric Gas Turbine Engine number GT5 identified as Unit GT5. Unit GT5 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 867.0 million Btu per hour and exhausting at Stack/Vent ID GT5-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT5 is 1995.

(k) One (1) General Electric Gas Turbine Model number PG7241 identified as Unit GT6. Unit GT6 is a natural gas fired unit rated at 152.64 MW and with a design heat input capacity rated at 1,660 MMBTU per hour and exhausting at Stack/Vent ID GT-6. NO_x emissions will be controlled by dry low NO_x burners. Installation date for Unit GT6 is 2002.

Unpermitted Emission Units and Pollution Control Equipment

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

(a) One (1) General Motors Reciprocating Internal Combustion Standby/Emergency Generator identified as Unit ST14. Unit ST14 is distillate oil fired with a design heat input of 27.6 million Btu per hour. Equipped with no add on air pollution control equipment. Exhausting at Stack/Vent ID ST14-1. Installation date for Unit ST14 is 1967.

(b) Outside coal storage and handling identified as Unit ID ST37 and ST39. Includes railcar receiving of coal, conveying of coal in an enclosed conveyor to a coal crusher house and outside storage of coal. Maximum annual rated storage and throughput of coal estimated to be 7.5 million tons per year. Paved and unpaved plant roads are identified as Unit ST41. Installation date of 1958.

Insignificant Activities

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

(a) Fuel oil fired combustion sources with heat input equal to or less than two (2) million Btu per hour and firing fuel containing less than five-tenths (0.5) percent sulfur by weight. [326 IAC 6-1-2(a)]
(b) Combustion source flame safety purging on startup.
(c) A gasoline fuel transfer and dispensing operation, handling less than or equal to 1300 gallons per day, such as filling of tanks, locomotives, automobiles having a storage capacity less than or equal to 10,500 gallons.
(d) A petroleum fuel, other than gasoline, dispensing facility having a storage capacity of less than or equal to 10,500 gallons and dispensing less than or equal to 230,000 gallons per month.
(e) Storage tanks with capacity less than or equal to 1000 gallons and annual throughputs of less than 12,000 gallons.
(f) Vessels storing lubricating oils, hydraulic oils, machining oils and machining fluids.
(g) Refractory storage not requiring air pollution control equipment.
(h) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6. [326 IAC 8-3-2] [326 IAC 8-5]
(i) Cleaners and solvents characterized as follows:
A) having a vapor pressure equal to or less than 2 kPa; 15mm Hg; or 0.3 psi measured at 38 degrees C (100°F) or;

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

(j) The following equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment. [326 IAC 6-1-2(a)]

(k) Closed loop heating and cooling systems.

(l) Any of the following structural steel and bridge fabrication activities:
A) Cutting of 200,000 linear feet or less of one inch (1.0") plate or equivalent.
B) Using eighty (80) tons or less of welding consumables.

(m) Activities associated with the treatment of wastewater streams with an oil and grease content less than or equal to 1% by volume.

(n) Any operation using aqueous solutions containing less than 1% by weight of VOCs excluding HAPs.

(o) Forced and induced draft cooling tower system not regulated under a NESHAP.

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

(q) Heat exchanger cleaning and repair.

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

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

(t) Paved and unpaved roads and parking lots with public access. [326 IAC 6-4 & 326 IAC 6-5]

(u) Underground conveyors.

(v) Coal bunker and coal scale exhausts and associated dust collector vents. [326 IAC 6-1-2(a)]

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

(x) Purging of gas lines and vessels that is related to routine maintenance and repair of buildings, structures, or vehicles at the source where air emissions from those activities would not be associated with any production process.

(y) Flue gas conditioning systems and associated chemicals such as the following: sodium sulfate; ammonia; and sulfur trioxide.

(z) 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.

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

(bb) On site fire and emergency response training approved by the Department.

(cc) Gasoline generators not exceeding 110 horsepower. [326 IAC 6-1-2(a)]

(dd) Stationary fire pumps.

(ee) Purge double block and bleed valves.

(ff) Filter or coalescer media changeout.

(gg) Vents from ash transport systems not operated at positive pressure. [326 IAC 6-1-2(a)]

(hh) A laboratory as defined by 326 IAC 2-7-1(21)(D).

(ii) Farm operations.

(jj) Activities or categories of activities with individual HAP emissions not previously identified. Any unit emitting greater than 1 pound per day but less than 5 pounds per day or 1 ton per year of a single HAP: Three (3) hydrazine storage tanks.

(kk) Eight (8) fuel oil storage tanks including two (2) 200,000 gallon storage tanks, three (3) 300,000 gallon storage tanks and three (3) 900,000 gallon storage tanks. All tanks were constructed prior to 1980.

(ll) Sealed ammonia cylinders.

(mm) Foam fire suppression sealed tank.

(nn) Freon usage.

(oo) Coal pile wind erosion. Coal drop points. Coal crushing. [326 IAC 6-4 & 326 IAC 6-5]

(pp) Evaporation of boiler cleaning chemicals.
(qq) Conveying ash by slurry to retention ponds. [326 IAC 6-1-2(a)]
(rr) Emission Unit ID 70 Flyash silo for truck loading. Exhausted to a baghouse. [326 IAC 6-1-2(a)]
(ss) Bottom ash and flyash retention ponds. [326 IAC 6-1-2(a)]
(tt) Plant 2 located at a transformer station at 4190 S. Harding Street, Indianapolis, Indiana, 46217, and consisting of an 81 horsepower diesel fired emergency generator identified as Emission Unit ID Generator # 1. [326 IAC 6-1-2(a)]

Existing Approvals

The source constructed or has been operating under the following previous approvals:

(a) Certificate of Operation 0033-1 through 0033-16 issued by the City of Indianapolis, Environmental Resources Management Division on August 3, 1989 for Units 1 through 10, Units 50, 60 and 70 and Units GT1, GT2 and GT3; and

(b) Construction Permit number CP 097-2206-00033 issued by the Indiana Department of Environmental Management Office of Air Management on August 27, 1992 for Unit GT4 and GT5 installation; and

(c) Construction Permit number CP 920033-01 issued by the City of Indianapolis Environmental Resources Management Division on September 22, 1992 for Unit GT4 and GT5 installation; and

(d) Exemption letter issued by the Indiana Department of Environmental Management Office of Air Management on April 19, 1996 for Unit 70 waste oil (generated on site during normal operation) combustion; and

(e) SO_2 portion of Phase I Acid Rain Permit issued by USEPA Region 5 on September 13, 1994. NO_x portion of Phase I Acid Rain Permit issued by USEPA Region 5 on September 21, 1994. Permit administratively amended by USEPA Region 5 on May 31, 1995 to change compliance dates for nitrogen oxides compliance plans and to change requirements in NO_x averaging plans consistent with 40 CFR Part 76 (as promulgated on April 13, 1995); and

(f) Phase II Acid Rain Permit (AR097-5106-00033) issued by the Indiana Department of Environmental Management Office of Air Management on December 31, 1997 for Unit 9, Unit 10, Unit 50, Unit 60, Unit 70 and Units GT4 and GT5 which replaced the Phase I Acid Rain Permit. The Administrative Amendment (AAR-097-10326-00033) to the Phase II Acid Rain Permit issued by the Indiana Department of Environmental Management Office of Air Quality on June 17, 2002 for Unit 9, Unit 10, Unit 50, Unit 60, Unit 70 and Units GT4, GT5 and GT6; and

(g) Exemption letter issued by the City of Indianapolis, Environmental Resources Management Division on May 1, 1998 for Unit 50 and Unit 70 landfill gas combustion; and

(h) Significant Source Modification 097-10952-00033 issued by the City of Indianapolis, Environmental Resources Management Division on August 17, 1999 for Unit GT6 installation; and

(i) Minor Permit Modification 097-14666-00033 issued by the City of Indianapolis Office of Environmental Services on November 9, 2001 which amended 10952 to allow the installation of a different model simple cycle gas turbine, burning natural gas only and allowing an increase in heat input capacity from 1,041 million Btu per hour to 1,660 million Btu per hour for Unit GT6; and

(j) Exemption letter 097-15287-00420 issued by the City of Indianapolis Office of Environmental Services on January 22, 2002 for an emergency generator located at 4190 South Harding

Street and installed in 1988, burning diesel fuel, with an output of 81 HP and identified as Unit Generator #1.

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. The following terms and conditions from previous approvals have been determined no longer applicable; therefore, were not incorporated into this Part 70 permit:

(a) All conditions in Certificate of Operation 0033-1 through 0033-8 issued by the City of Indianapolis, Environmental Resources Management Division on August 3, 1989 have not been included in the proposed Title V Permit.

Reason not incorporated: Certificate of Operation 0033-1 through 0033-8 are fuel oil fired boilers, Units 1 through 8, that have since been retired and are no longer in service. These units were not included in the initial Title V Permit application received from IPL - Harding Street Station.

(b) All pound per hour emission limitations for PM, SO_2, NO_x, CO and VOC are dropped from Certificates of Operation 0033-9 through 0033-16.

Reason not incorporated: 326 IAC 6-1-12 and 326 IAC 7-4-2 contain SIP limitations for these facilities in lbs/MMBtu and tons per year for PM and in lbs/MMBtu for SO_2. There were no previously existing applicable Federal, State or Local rules regarding short term or long term emission limitations for NO_x, CO or VOC for these existing facilities. OES previously invoiced sources based on the pollutant potentially emitted at the highest ton per year rate regardless of whether or not there was an existing underlying applicable requirement. Emissions in pounds per hour and tons per year were calculated to determine the applicable fee and had been included in past permits as an allowable emission rate for inventory information and fee purposes only.

(c) All ton per year limitations for SO_2, NO_x, CO and VOC are dropped form Certificates of Operation 0033-9 through 0033-16.

Reason not incorporated: See comment (b) above.

(d) Condition number 4 of Certificate of Operation 0033-11 through 13 issued August 3, 1989.

Reason not incorporated: On May 3, 2000 IPL - Harding Street Station submitted a Temporary Alternative Opacity Limit (TAOL) SIP Revision request application (097-12225-00033), as allowed pursuant to 325 IAC 5-1-3(d), to request an increase in the number of six-minute opacity exceedances allowed by Condition 4 during startups and shutdowns for Unit 50 , 60 and 70. On January 26, 2001, IPL - Harding Street Station submitted additional historical data as support information in a letter dated January 26, 2001.

Condition 4 stated, “During boiler 50 and 60 startups, visible emissions may exceed 30 percent opacity until the flue gas temperature entering the electrostatic precipitator (ESP) reaches 250 degrees F and the boiler is no longer firing oil (at which time the ESP shall be energized). During boiler 50 and 60 shutdowns, visible emissions may exceed 30 percent opacity for up to 10 (ten) six minute average periods. During boiler 70 startups, visible emissions may exceed 30 percent opacity until the flue gas temperature entering the ESP reaches 250 degrees F (at which time the ESP shall be energized). During boiler 70 shutdowns, visible emissions may exceed 30 percent opacity for a maximum of 15 six-minute average periods. During the above periods, all reasonable efforts shall be made to minimize the number and magnitude of the exceedances. The Indianapolis Air Pollution Control Division shall be notified verbally within one working hour from the beginning of all startups and shutdowns.”

IDEM, OAQ and OES have evaluated historic COM data from the first quarter of 2000 to the first quarter of 2002. TAOL's have been developed by IDEM, OAQ and OES for Unit 50 and 60 that serve to put a time limit on opacity exceedances for startup of these units but keep the shutdown opacity exceedances the same at no more than ten (10) six-minute averaged periods. The TAOL that has been developed by IDEM, OAQ and OES for Unit 70 serves to put a time limit on opacity exceedances for startup and decreases shutdown opacity exceedances from fifteen (15) six-minute averaged periods to no more than ten (10) six-minute averaged periods (see TSD ***State Rule Applicability - Individual Facilities*** for a detailed discussion). As a result, the developed TAOL replaces the requirements of the previously existing Condition 4. In addition, there is no existing State, Federal or Local regulatory requirement requiring the source to verbally notify OES of Unit startup or shutdown. Therefore, the verbal notification requirement is not incorporated in to this proposed Permit.

(e) All reference to ASME Power Test Procedure has been dropped from Certificates of Operation 0033-9 through 0033-16. Condition # 5 had stated "The Permittee shall conduct performance test(s) and shall analyze the data in accordance with ASME Power Test Code Procedure."

Reason not incorporated: 326 IAC 6-1-12 contains PM SIP emission limitations. At the time of Certificate of Operation issuance, August 3, 1989, the PM SIP had direct reference to the ASME Power Test Code Procedure as the method to demonstrate or verify compliance with the SIP limit(s). However, the PM SIP has since been revised, effective 5/27/99, to state "Compliance shall be determined using 40 CFR Part 60, Appendix A, Method 5." Therefore, reference to the ASME Power Test Procedure is no longer correct as the method to demonstrate or verify compliance with 326 IAC 6-1-12 limits. In addition, IPL - Harding Street Station has requested that reference to ASME Power Test Procedure be dropped from the Title V Permit.

(f) All reference to pound per hour and tons per year limitations for TSP, NO_x, CO and VOC are being dropped from Construction Permit number CP 920033-01 issued by the City of Indianapolis Environmental Resources Management Division on September 22, 1992 for Unit GT4 and Unit GT5.

Reason not incorporated: 40 CFR Part 60 Subpart GG (Standards of Performance for Stationary Gas Turbines) applies to Unit GT4 and Unit GT5. The NO_x short term limitation is set at 42 ppmv and 65 ppmv, respectively, pursuant to CP 097-2206-00033 issued by the Indiana Department of Environmental Management Office of Air Management on August 27, 1992, and satisfying PSD BACT requirements of 326 IAC 2-2-3(a)(3) at the time of Construction Permit issuance. Therefore, no long term limit for NO_x was established in the Construction Permit or stated by Subpart GG. The fuel sulfur content limitation and the natural gas and distillate fuel oil consumption limitation(s) serve to limit SO_2 and PM10 emissions to 39.6 and 14.4 tons per year, respectively. No short term limitations for TSP, PM10, CO or VOC were listed in IDEM, OAM's Construction Permit issued (August 27, 1992) prior to OES' (September 22, 1992). Therefore, no short term emission limitation from CP 920033-01 is being incorporated in to the proposed Title V Permit for TSP, PM10, CO and VOC.

(g) All conditions stated in the Exemption letter issued by the City of Indianapolis, Environmental Resources Management Division on May 1, 1998 for Unit 50 and Unit 70 landfill gas combustion.

Reason not incorporated: During the Title V drafting process, IPL-Harding Street Station stated that they do not have the capability to burn landfill gas and that they do not, at this time, plan to install the capability to burn landfill gas.

(h) Significant Source Modification 097-10952-00033 issued by the City of Indianapolis, Environmental Resources Management Division on August 17, 1999 for Unit GT6 installation.

The Unit GT6 equipment description was modified. Operating Condition 9(a)(3) and 9(b)(1) were deleted and Operation Condition 11 fuel consumption limitations were deleted.

Reason not incorporated: Minor Permit Modification 097-14666-00033 issued by the City of Indianapolis Office of Environmental Services on November 9, 2001 amended 097-10952-00033 to allow the installation of a different model simple cycle gas turbine, burning natural gas only and allowing an increase in heat input capacity from 1,041 million Btu per hour to 1,660 million Btu per hour for Unit GT6. As a result, all reference to Unit GT6 burning fuel oil was deleted. Operation Condition 9(a)(3), referencing the installation of a fuel consumption monitoring system and monitoring the water injection ratio, was no longer necessary due to the new Unit GT6 being a simple cycle gas turbine with no water injection. Operation Condition (9)(b)(1) was deleted because it pertained to fuel sulfur sampling for distillate oil consumption. The Operation Condition 11 was deleted and the fuel consumption limit was replaced by the requirement to install a Continuous Emission Monitoring (CEM) system for NO_x emissions.

(i) Operation Condition number 8(b) of the Minor Permit Modification 097-14666-00033 issued by the City of Indianapolis Office of Environmental Services on November 9, 2001 for Unit GT6.

Reason not incorporated: This Condition referenced a custom fuel monitoring schedule that IDEM, OAQ approved on December 28, 1994 for Unit GT4 and Unit GT5. This monitoring schedule allowed the sulfur content of natural gas to be analyzed within thirty (30) calendar days of each one (1) billion standard cubic feet landmark consumption period. Because the site utilizes pipeline quality natural gas, the approved schedule for Unit GT4 and Unit GT5 was incorporated in to Unit GT6's fuel monitoring schedule.

USEPA was petitioned by IPL - Harding Street Station on September 28, 2000 for USEPA approval of a custom fuel monitoring schedule for Unit GT4 and Unit GT5 as allowed pursuant to 40 CFR 60.334(b). On October 26, 2000, USEPA approved a custom fuel monitoring schedule for the site for pipeline quality natural gas for Unit GT4 and Unit GT5. As a result, the October 26, 2000 custom fuel schedule approval for the site replaces the Operation Condition 8(b) custom fuel monitoring schedule.

(j) Source identification number of 00420 contained in the Exemption letter 097-15287-00420 issued by the City of Indianapolis Office of Environmental Services on January 22, 2002.

Reason not incorporated: The Exemption letter for an emergency generator located at 4190 South Harding Street and installed in 1988, burning diesel fuel, with an output of 81 HP and identified as Unit Generator #1 was given the application tracking number and issuance number of 097-15287-00420. All adjacent or contiguous source activities that are under the common ownership or control of the source and that have the same SIC number and/or a support relationship exists should be attributed to the source. Therefore, the correct source number is 00033 and not 00420. This insignificant activity will be combined in this proposed permit and issuance.

Enforcement Issue

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

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

Recommendation

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

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

An administratively complete Part 70 permit application for the purposes of this review was received on September 13, 1996. Additional information was received on June 2, 1998 to revise the application and include landfill gas combustion in Unit 50 and Unit 70 as well as to change the name of the Responsible Official on updated Compliance Data forms. On May 3, 2000 IPL - Harding Street Station submitted a Temporary Alternative Opacity Limit (TAOL) SIP Revision request application (097-12225-00033). On January 26, 2001, IPL - Harding Street Station submitted additional historical data as support information for the SIP Revision request. The application request is combined with this review and issuance.

The name change from the Elmer W. Stout Station to the Harding Street Station was incorporated in to the First Minor Permit Modification 097-14666-00033 for Unit GT6 replacement issued on November 9, 2001.

A notice of completeness letter was mailed to the source on November 25, 1996.

Emission Calculations

See Appendix A of this document for detailed emissions calculations (pages 1 through 12 of 12).

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 Emissions (tons/year)
PM	greater than 250
PM-10	greater than 250
SO_2	greater than 250
VOC	greater than 100 less than 250
CO	greater than 250
NO_x	greater than 250

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

HAP’s	Potential Emissions (tons/year)
Polycyclic Organic Matter	0.74
Formaldehyde	20.2
Selenium Compounds	0.003
Hydrogen Chloride	287.0
Nickel	34.7
Arsenic	18.4

HAP's	Potential Emissions (tons/year)
Beryllium	2.3
Cadmium	1.2
Chromium	42.4
Lead	13.8
Manganese	80.4
Mercury	0.5
Hydrogen Flouride	101.3
TOTAL	602.9

(a) The potential to emit (as defined in 326 IAC 1-2-55) of PM10, SO_2, NO_x, VOC and CO are equal to or greater than 100 tons per year Therefore, the source is subject to the provisions of 326 IAC 2-7.

and

(b) The potential to emit (as defined in 326 IAC 1-2-55) of any single HAP is equal to or greater than ten (10) tons per year and the potential emissions (as defined in 326 IAC 1-2-55) 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 (specifically, fossil fuel-fired steam electric plants of more than two hundred fifty (250) million British thermal units per hour heat input), the fugitive particulate matter emissions are counted toward determination of Prevention of Significant Deterioration (PSD) and Emission Offset applicability.

Actual Emissions

The following table shows the actual emissions from the source. This information reflects the 2002 OAQ emission data.

Pollutant	Actual Emissions (tons/year)
PM	732.2
PM-10	230.3
SO_2	44,519.3
VOC	70.9
CO	497.3
NO_x	6919.9
Lead	0.1
HAP (specify)	none reported

Potential to Emit After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 operating permit.

	Potential to Emit (tons/year)						
Process/facility	PM	PM-10	SO_2	VOC	CO	NO_X	HAPs
Unit 9 Boiler 9	0.015 lbs/MMBtu & 1.9 (a)	1.2	44.7; (b)	0.2	4.8	22.8	0.1 / 0.2

	Potential to Emit (tons/year)						
Process/facility	PM	PM-10	SO_2	VOC	CO	NO_X	HAPs
Unit 10 Boiler 10	0.015 lbs/MMBtu & 2.2 (a)	1.4	51.8; (b)	0.2	5.5	26.4	0.1 / 0.2
Unit 50 Boiler 50	0.035 lbs/MMBtu & 82.2 (a)	7043.6	53954.6; (b)	16.7	159.1	4176.1	47.5 / 90.0
Unit 60 Boiler 60	0.035 lbs/MMBtu & 82.2 (a)	7043.6	53954.6; (b)	16.7	159.1	4176.1	49.8 / 92.8
Unit 70 Boiler 70	0.1 lbs/MMBtu & 830.7 (a)	28555.4	218736.5; (b)	67.7	645.0	16930.1	192.0 / 401.6
Unit GT1 Gas Turbine GT1	0.015 lbs/MMBtu & 0.28 (a)	0.2	7.1; (b)	0.0	0.1	20.5	0.0 / 0.0
Unit GT2 Gas Turbine GT2	0.015 lbs/MMBtu & 0.28 (a)	0.2	7.1; (b)	0.0	0.1	20.5	0.0 / 0.0
Unit GT3 Gas Turbine GT3	0.015 lbs/MMBtu & 0.28 (a)	0.2	7.1; (b)	0.0	0.1	20.5	0.0 / 0.0
Unit GT4 & Unit GT5 Gas Turbines GT4 & GT5	<25 (c)	< 15 (c)	< 40 (c)	< 25 (c)	< 100 (c)	919.8; < 42 ppmv (nat gas); < 65 ppmv (#2 oil)(c)	2.3 / 2.3
Unit GT6 Gas Turbine GT6	2.6	1.8	0.3	0.8	5.9	< 40 (d)	0.3 / 0.3
Unit Generator # 1 Emergency Generator # 1	0.0	0.0	0.0	0.0	0.0	0.2	0.0 / 0.0
Unit ST14 Emergency Generator - Reciprocating Engine	0.5	0.4	2.1	0.6	5.9	22.1	0.0 / 0.0

	Potential to Emit (tons/year)						
Process/facility	PM	PM-10	SO_2	VOC	CO	NO_X	HAPs
Unit ST37, ST39 & ST41 Coal Storage & Handling & Paved/Unpaved Roads	190.0	95.2	---	---	---	---	---
Total Emissions	<1238.3	<42768.5	<326805.9	<127.9	<1085.6	<26375.1	292.1 / 592.8

Note: (a) Pursuant to 326 IAC 6-1-12.
(b) Pursuant to 326 IAC 7-4-2 (30); See TSD *State Rule Applicability - Individual Facilities* for a detailed discussion.
(c) Pursuant to CP 097-2206-00033 issued by the Indiana Department of Environmental Management Office of Air Management on August 27, 1992 for Unit GT4 and GT5 installation.
(d) Pursuant to Significant Source Modification 097-10952-00033 issued on August 17, 1999 for Unit GT6 installation and Minor Permit Modification 097-14666-00033 issued on November 9, 2001 which amended 097-10952-00033.

All other values represent unrestricted PTE or resultant PTE following an enforceable limitation for a limited pollutant. This Table does not list or reflect Acid Rain limitations.

County Attainment Status

The source is located in Marion County.

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

(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. Marion 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.

(b) Marion County has been classified as attainment or unclassifiable for PM-10, NO_x, SO_2, CO and Lead. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

(c) Fugitive Emissions
Since this type of operation is one of the twenty-eight (28) listed source categories (specifically, fossil fuel fired steam electric plants of more than two hundred and fifty (250) million British thermal units per hour heat input) under 326 IAC 2-2, the fugitive emissions are counted toward determination of PSD and Emission Offset applicability.

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 52.21 (Prevention of Significant Deterioration of Air Quality), 326 IAC 2-2 (Prevention of Significant Deterioration (PSD) Requirements) and 326 IAC 2-3 (Emission Offset)

Facilities (Unit ST14, ST37, ST39 and ST41) listed in this document under ***Unpermitted Emission Units and Pollution Control Equipment,*** commenced operation prior to Prevention of Significant Deterioration rules (40 CFR Part 52). Therefore, pursuant to 326 IAC 2-2, the PSD requirements and 326 IAC 2-3, the Emission Offset requirements do not apply to Emission Unit ID ST14, ST37, ST39 and ST41.

40 CFR 60 (New Source Performance Standards) and 326 IAC 12 (New Source Performance Standards)

(a) Unit 9, 10, 50 and 60 are each not subject to 40 CFR 60.40 Subpart D (Standards of Performance for Fossil-Fuel-Fired Steam Generators for which Construction is Commenced After August 17, 1971) because each unit commenced construction prior to August 17, 1971 and has not had a modification resulting in an increase in emissions for which the standard applies.

Unit 70 commenced construction in July 1970 which is prior to August 17, 1971 and has not had a modification resulting in an increase in emissions for which the standard applies. Therefore, Unit 70 is not subject to the provisions of 40 CFR 60.40 Subpart D.

(b) Unit 9, 10, 50, 60 and 70 are each not subject to 40 CFR 60.40a Subpart Da (Standards of Performance for Electric Utility Steam Generating Units for which Construction Commenced after September 18, 1978) because each unit commenced construction prior to September 18, 1978 and has not had a modification resulting in an increase in emissions for which the standard applies.

(c) Unit 9, 10, 50, 60 and 70 are each not subject to 40 CFR 60.40b Subpart Db (Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units) because each unit commenced operation prior to June 19, 1984 and each unit has not had a modification resulting in an increase in emissions for which the standard applies.

(d) Unit 9, 10, 50, 60 and 70 are each not subject to 40 CFR 60.40c Subpart Dc (Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units) because each unit each unit exceeds 100 million Btu per hour maximum heat input, each unit commenced operation prior to June 9, 1989, and each unit has not had a modification resulting in an increase in emissions for which the standard applies.

(e) 40 CFR 60.670 Subpart OOO (Standards of Performance for Nonmetallic Mineral Processing Plants) does not apply because the source does not crush or grind nonmetallic minerals as defined in 40 CFR 60.671. On November 26, 1997, EPA published a notice of policy clarification in the Federal Register that crushing or grinding of nonmetallic minerals must take place at a source for Subpart OOO to be applicable and as long as crushing or grinding occurs at a nonmetallic mineral processing plant, any affected facility listed in 40 CFR 60.670(a) may be subject to Subpart OOO. Therefore, 40 CFR 60.670 Subpart OOO

does not apply to the IPL - Harding Street Station because coal is not a nonmetallic mineral as defined in 40 CFR 60.671.

(f) 40 CFR 60.250 Subpart Y (Standards of Performance for Coal Preparation Plants) does not apply to this source because this source commenced operation prior to October 24, 1974 and there have been no modifications that increased the amount of any air pollutant to which the standard applies for the coal preparation plant (breaking, crushing or screening of coal).

(g) Unit GT1, GT2 and GT3, Gas Turbines GT1, GT2 and GT3, are each not subject to 40 CFR 60.330 Subpart GG (Standards of Performance for Stationary Gas Turbines) and 326 IAC 12 (New Source Performance Standards) because these units were installed prior to the applicability date of October 3, 1977 and each unit has not had a modification resulting in an increase in emissions for which the standard applies.

(h) Unit GT4 and Unit GT5 are each subject to 40 CFR 60.330 Subpart GG (Standards of Performance for Stationary Gas Turbines) and 326 IAC 12 (New Source Performance Standards) because each Unit was constructed after October 3, 1977 and each Unit has a heat input at peak load in excess of 10.7 gigajoules per hour, based on the lower heating value of the fuel fired.

Pursuant to 40 CFR 60.330 Subpart GG (Standards of Performance for Stationary Gas Turbines) and 326 IAC 12 (New Source Performance Standards):

(1) Limit Nitrogen Oxides (NO_x) emissions, as required by 40 CFR 60.332, to:

$$STD = (0.0075) * (14.4/Y) + F$$

Where: STD	=	Allowable NOx emissions in percent by volume at fifteen percent (15%) oxygen and on a dry basis (ppm = percent by volume x 10^4).
Y	=	Manufacturer's rated heat rate at manufacturer's rated load or, actual measured heat rate based on the lower heating value of fuel as measured at peak load in kilojoules per watt hour. Y shall not exceed 14.4 kilojoules per watt hour.
F	=	The fuel bound nitrogen allowance as defined in 40 CFR 60.332(a)(3).

(2) Limit Sulfur dioxide (SO_2) emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at fifteen percent (15%) oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to eight tenths percent (0.8%) by weight;

(3) Operate a Continuous Monitoring System to monitor and record the fuel consumption and the ratio of water to fuel being fired in each turbine as required by 40 CFR 60.334(a);

(4) The Permittee shall monitor the sulfur content and nitrogen content of the fuel being fired in each turbine as required by 40 CFR 60.334(b). To meet the requirements of 40 CFR 60.334(b), the Permittee shall use the methods specified in 40 CFR 60.335(a) and (d) to determine the nitrogen and sulfur content(s) of the fuel being burned in each turbine. Pursuant to 40 CFR 60.334(b)(2), the Permittee or the fuel vendor(s) may develop custom fuel schedules for determination of the values based on the design and operation of each turbine and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the Administrator before they can be used to comply with 40 CFR 60.334(b);

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

The Permittee shall comply with the following custom monitoring schedule for Unit GT4 and

Unit GT5 as approved by the USEPA on October 26, 2000:

(1) Monitoring of fuel nitrogen content shall not be required while natural gas is the only fuel fired in the gas turbine.

(2) Sulfur Monitoring:

(A) Analysis for fuel sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM D30301-81; ASTM 3246-81; and ASTM D4084-82 as referenced in 40 CFR 60.335(b)(2).

(B) Effective the date of this custom schedule, sulfur monitoring shall be conducted twice monthly for six months. If this monitoring shows little variability in the fuel sulfur content, and indicates consistent compliance with 40 CFR 60.333, then sulfur monitoring shall be conducted once per quarter for six quarters.

(C) If after the monitoring required in item 2(B) above, or herein, the sulfur content of the fuel shows little variability and, calculated as sulfur dioxide, represents consistent compliance with the sulfur dioxide emission limits specified under 40 CFR 60.333, sample analysis shall be conducted twice per annum. This monitoring shall be conducted during the first and third quarters of each calendar year.

(D) Should any sulfur analysis as required in items 2(B) or 2(C) above indicate noncompliance with 40 CFR 60.333, the Permittee shall notify IDEM, OAQ and USEPA of such excess emissions and the custom schedule shall be re-examined. Sulfur monitoring shall be conducted weekly during the interim period when this custom schedule is being re-examined.

(3) If there is a change in fuel supply, the Permittee must notify IDEM, OAQ and USEPA of such change for re-examination of this custom schedule. A substantial change in fuel quality shall be considered as a change in fuel supply. Sulfur monitoring shall be conducted weekly during this interim period when this custom schedule is being re-examined.

(4) Records of sample analysis and fuel supply pertinent to this custom schedule shall be retained for a period of three (3) years, and be available for inspection by personnel of federal, state, and local air pollution control agencies.

These Units were initially permitted under Construction Permit number CP 097-2206-00033 issued by the Indiana Department of Environmental Management Office of Air Management on August 27, 1992 and Construction Permit number CP 920033-01 issued by the City of Indianapolis Environmental Resources Management Division on September 22, 1992. Each Unit utilizes water injection.

Pursuant to 326 IAC 2-2 and Construction Permit # CP 097-2206-00033 issued August 27, 1992, the fuel sulfur weight percent is limited to five hundredths (0.05) percent by weight which demonstrates compliance with the applicable NSPS requirement of not burning fuel which contains sulfur in excess of eight tenths percent (0.8%) by weight.

Nitrogen Oxides (NO_x) emissions are limited to the equation listed in 40 CFR 60.332(a)(1) which yields an emission rate in percent by volume at 15 percent oxygen and on a dry basis. However, the NO_x emission limit listed in the Construction Permit CP # 097-2206-00033 issued August 27, 1992 (see table below) is a more restrictive limit than what the equation found in the NSPS would yield. Therefore, NO_x emissions are limited pursuant to 326 IAC

2-2-3(a)(3) and Construction Permit CP # 097-2206-00033 issued August 27, 1992 which demonstrates compliance with 40 CFR 60.332(a)(1).

The initial stack testing of these units was performed within the time frame designated by 40 CFR 60.8 (Performance Test) and the results are listed in the table below:

Unit	Test Date	Pollutant	Results	Allowable Limit
GT4	04/27/94-04/29/94	PM10	4.82 lbs/hr	< 15 tons/yr
		SO_2	6.1 ppmv @ 15% O_2 & dry basis	0.015 % by volume @ 15 % O_2 & dry basis
		NO_x	40.2 ppmv @ 15% O_2 & dry basis while burning natural gas	42 ppmv - natural gas & 65 ppmv - distillate oil (@ 15 % O_2 & dry basis)
			61.5 ppmv @ 15% O_2 & dry basis while burning distillate oil	
GT5	01/17/95-01/20/95	PM10	8.0 lbs/hr	< 15 tons/yr
		SO_2	6.0 ppmv @ 15% O_2 & dry basis	0.015 % by volume @ 15 % O_2 & dry basis
		NO_x	36.3 ppmv @ 15% O_2 & dry basis while burning natural gas	42 ppmv - natural gas & 65 ppmv - distillate oil (@ 15 % O_2 & dry basis)
			56.5 ppmv @ 15% O_2 & dry basis while burning distillate oil	

Sulfur content of the oil fired during the emission testing was determined to be three hundredths percent (0.03%) by weight sulfur and the sulfur content of natural gas was determined to be one thousandths percent (0.001%) sulfur by weight.

Additional testing for NO_x emissions while firing natural gas only was conducted on August 24, 1999 for Unit GT4 and on August 25, 1999 for Unit GT5. The Unit GT4 stack emission rate was 33.7 ppmv and the Unit GT5 stack emission rate was 39.3 ppmv. Unit GT4 and GT5 are in compliance with the emission limits established pursuant to 40 CFR 60.332 and 40 CFR 60.333.

(i) Unit GT6, Gas Turbine GT6 is subject to the New Source Performance Standard 40 CFR 60.330 Subpart GG (Standards of Performance for Stationary Gas Turbines) and 326 IAC 12 (New Source Performance Standards) because this unit was installed after the applicability date of October 3, 1977 and has a heat input at peak load in excess of 10.7 gigajoules per hour, based on the lower heating value of the fuel fired.

Pursuant to 40 CFR 60.330 Subpart GG (Standards of Performance for Stationary Gas Turbines) and 326 IAC 12 (New Source Performance Standards), the Permittee shall:

(1) Limit Nitrogen Oxides (NO_x) emissions, as required by 40 CFR 60.332, to:

$$STD = (0.0075) * (14.4/Y) + F$$

Where: STD = Allowable NOx emissions in percent by volume at fifteen percent (15%) oxygen and on a dry basis (ppm = percent by volume x 10^4).

Y = Manufacturer's rated heat rate at manufacturer's rated load or, actual measured heat rate based on the lower heating value of fuel as measured

at peak load in kilojoules per watt hour. Y shall not exceed 14.4 kilojoules per watt hour.

F = The fuel bound nitrogen allowance as defined in 40 CFR 60.332(a)(3).

(2) Limit Sulfur dioxide (SO_2) emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at fifteen percent (15%) oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to eight tenths percent (0.8%) by weight;

(3) The Permittee shall monitor the sulfur content and nitrogen content of the fuel being fired as required by 40 CFR 60.334(b). To meet the requirements of 40 CFR 60.334(b), the Permittee shall use the methods specified in 40 CFR 60.335(a) and (d) to determine the nitrogen and sulfur content of the fuel being burned. Pursuant to 40 CFR 60.334(b)(2), the Permittee or the fuel vendor(s) may develop custom fuel schedules for determination of the values based on the design and operation and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the Administrator before they can be used to comply with 40 CFR 60.334(b);

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

Unit GT6 utilizes the same pipeline quality natural gas that Unit GT4 and Unit GT5 utilize. Therefore, for Unit GT6, the Permittee shall comply with the following custom monitoring schedule for Unit GT4 and Unit GT5 as approved for the site by the USEPA on October 26, 2000:

(1) Monitoring of fuel nitrogen content shall not be required while natural gas is the only fuel fired in the gas turbine.

(2) Sulfur Monitoring:

(A) Analysis for fuel sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuel, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM D30301-81; ASTM 3246-81; and ASTM D4084-82 as referenced in 40 CFR 60.335(b)(2).

(B) Effective the date of this custom schedule, sulfur monitoring shall be conducted twice monthly for six months. If this monitoring shows little variability in the fuel sulfur content, and indicates consistent compliance with 40 CFR 60.333, then sulfur monitoring shall be conducted once per quarter for six quarters.

(C) If after the monitoring required in item 2(B) above, or herein, the sulfur content of the fuel shows little variability and , calculated as sulfur dioxide, represents consistent compliance with the sulfur dioxide emission limits specified under 40 CFR 60.333, sample analysis shall be conducted twice per annum. This monitoring shall be conducted during the first and third quarters of each calendar year.

(D) Should any sulfur analysis as required in items 2(B) or 2(C) above indicate noncompliance with 40 CFR 60.333, the Permittee shall notify IDEM, OAQ and USEPA of such excess emissions and the custom schedule shall be re-examined. Sulfur monitoring shall be conducted weekly during the interim period when this custom schedule is being re-examined.

(3) If there is a change in fuel supply, the Permittee must notify IDEM, OAQ and USEPA of such change for re-examination of this custom schedule. A substantial

change in fuel quality shall be considered as a change in fuel supply. Sulfur monitoring shall be conducted weekly during this interim period when this custom schedule is being re-examined.

(4) Records of sample analysis and fuel supply pertinent to this custom schedule shall be retained for a period of three (3) years, and be available for inspection by personnel of federal, state, and local air pollution control agencies.

This Unit was initially permitted under Significant Source Modification 097-10952-00033 issued by the City of Indianapolis, Environmental Resources Management Division on August 17, 1999. It was modified under Minor Permit Modification 097-14666-00033 issued by the City of Indianapolis Office of Environmental Services on November 9, 2001. The modification amended 10952 to allow the installation of a different model simple cycle gas turbine, burning natural gas only and allowing an increase in heat input capacity from 1,041 million Btu per hour to 1,660 million Btu per hour for Unit GT6. The replacement Unit GT6 does not utilize water injection or burn oil.

Pursuant to the Minor Permit Modification 097-14666-00033 issued on November 9, 2001 and 40 CFR 60.330, nitrogen oxides (NO_x) emissions are limited by the equation stated in 40 CFR 60.332 and sulfur dioxide (SO_2) emissions are limited as required by 40 CFR 60.333, to 0.015 percent by volume at fifteen percent (15%) oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to eight tenths percent (0.8%) by weight. Pursuant to Condition 9(b) of the Minor Permit Modification 097-14666-00033 issued on November 9, 2001, IPL- Harding Street Station shall install and operate a continuous emissions monitoring (CEM) system on Unit GT6 stack exhaust for NO_x emissions in accordance with 326 IAC 3-5 (Continuous Monitoring of Emissions).

The initial stack testing of Unit GT6 for nitrogen oxides (NO_x) emissions was performed on August 20, 2002 within the time frame designated by 40 CFR 60.8 (Performance Test). The highest nitrogen oxides (NO_x) emission rate at any load was found to be 8.08 ppmv corrected to fifteen percent (15.0%) O_2. The pipeline quality natural gas sulfur content was determined to be one thousandths percent (0.001%) sulfur by weight during Unit GT4 and Unit GT5 initial stack testing. Therefore, Unit GT6 is in compliance with the emission limits established pursuant to 40 CFR 60.332 and 40 CFR 60.333.

(j) The Insignificant Activities - Eight (8) fuel oil storage tanks including two (2) 200,000 gallon storage tanks, three (3) 300,000 gallon storage tanks and three (3) 900,000 gallon storage tanks are each not subject to 40 CFR 60.110 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) or 40 CFR 60.110a Subpart Ka (Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction, or Modification Commenced After May 18, 1978, 1973, and Prior to July 23, 1984) because they do not store a petroleum liquid as defined in 40 CFR 60.111 and 40 CFR 60.111a. None of the storage tanks are subject to 40 CFR 60.110b Subpart Kb (Standards of Performance for Volatile Organic Liquid Storage Vessels Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984) as all tanks were constructed prior to 1980 which is prior to the applicability date of July 23, 1984 and have not had a modification or reconstruction. Therefore, Subpart K, Ka or Kb do not apply to any of the aforementioned storage tanks.

40 CFR 61 (National Emission Standards for Hazardous Air Pollutants) and 326 IAC 14 (Emission Standards for Hazardous Air Pollutants)

This source is not subject to 40 CFR 61 (National Emission Standards for Hazardous Air Pollutants) or 326 IAC 14 (Emission Standards for Hazardous Air Pollutants) because neither the source nor any specific emission unit performs any activity specifically regulated by 40 CFR 61 or 326 IAC 14. There

are no applicable provisions pursuant to 40 CFR 61 or 326 IAC 14. Therefore, 40 CFR 61 (National Emission Standards for Hazardous Air Pollutants) and 326 IAC 14 (Emission Standards for Hazardous Air Pollutants) do not apply.

40 CFR 63 (National Emission Standards for Hazardous Air Pollutants) and 326 IAC 20 (Hazardous Air Pollutants)

(a) This source is not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAPs) (40 CFR 63.460, Subpart T National Emission Standards for Halogenated Solvent Cleaning) or 326 IAC 20 (Hazardous Air Pollutants) because the source does not utilize any solvent specifically identified in 40 CFR 63.460(a) in a total concentration greater than five percent (5.0%) by weight as a cleaning or drying agent in an individual batch vapor, in-line vapor, in-line cold or batch cold solvent cleaning machine. Wipe cleaning activities, such as using a rag containing halogenated solvent or a spray cleaner using halogenated solvent are not covered under the provisions of this Subpart.

(b) The requirements of Section 112(j) of the Clean Air Act (40 CFR 63.50 through 63.56) are applicable to this source because the source is a major source of Hazardous Air Pollutants (HAPs) and the source includes one or more units that belong to one or more source categories affected the Section 112(j) Maximum Achievable Control Technology (MACT) Hammer date of May 15, 2002.

This rule requires a source to:
(1) Submit a Part 1 MACT Application by May 15, 2002: and
(2) Submit a Part 2 MACT Application within twenty four (24) months after the Permittee submitted a Part 1 MACT Application.

The Permittee submitted a Part 1 MACT Application on May 14, 2002. Therefore, the Permittee is required to submit the Part 2 MACT Application on or before May 14, 2004. Note that on April 25, 2002, *Earthjustice* filed a lawsuit against the USEPA regarding the April 5, 2002 revisions to the rules implementing Section 112(j) of the Clean Air Act. In particular, *Earthjustice* is challenging the USEPA's twenty four (24) month period between the Part 1 and Part 2 MACT Application due dates. Therefore, the Part 2 MACT Application due date may be changed as a result of the suit. Based on proposed settlement published in the August 26, 2002 *Federal Register*, it appears that USEPA intends to revise the rule so that the due date of the Part 2 MACT Application will be within twelve (12) months after the Permittee submitted the Part 1 MACT Application.

(c) Pursuant to 40 CFR 63.56(a), the Permittee shall comply with an applicable promulgated MACT standard in accordance with the schedule provided in the MACT standard if the MACT standard is promulgated prior to the Part 2 MACT application deadline or prior to the issuance of a permit with a case-by-case Section 112(j) MACT determination. The MACT requirements include the applicable General Provisions requirements of 40 CFR 63 Subpart A. Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than one hundred and twenty (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 in to the Part 70 Permit. After IDEM, OAQ receives the initial notification, any of the following will occur:

(1) If three (3) or more years remain on the Part 70 Permit term at the time the MACT is promulgated, IDEM, OAQ will notify the source that IDEM, OAQ will reopen the Permit to include the MACT requirements pursuant to 326 IAC 2-7-9; or

(2) If less than three (3) years remain on the Part 70 Permit term at the time the MACT is promulgated, the Permittee must include information regarding the MACT in the renewal application, including the information required in 326 IAC 2-7-4(c); or

(3) The Permittee may submit an application for a significant permit modification under 326 IAC 2-7-12 to incorporate the MACT requirements. The application may include information regarding which portions of the MACT are applicable to the emission units at the source and which compliance options will be followed.

40 CFR 64 (Compliance Assurance Monitoring)

Neither the source nor any emission unit at the source is currently subject to the requirements of 40 CFR Part 64 (Compliance Assurance Monitoring) because:

(a) An administratively complete Part 70 permit application for the purposes of this review was received on September 13, 1996 which is prior to the applicability date of April 20, 1998; and

(b) A notice of completeness letter was mailed to the source on November 25, 1996 which is prior to the applicability date of April 20, 1998; and

(c) Unit GT6, Gas Turbine GT6 (permitted under Significant Source Modification 097-10952-00033 on August 17, 1999 for Emission Unit ID GT6 installation and Minor Permit Modification 097-14666-00033 on November 9, 2001 which amended 10952 to allow the installation of a different model simple cycle gas turbine) does not constitute a Pollutant Specific Emissions Unit (PSEU) under 40 CFR Part 64 because GT6 does not have the limited potential to emit in excess of one hundred (100) tons per year and does not utilize a control device to comply with an applicable requirement.

40 CFR 72 through 40 CFR 78 (Acid Rain Permit)

Unit 9, 10, 50, 60, 70 and GT4, GT5 and GT6 are each subject to the Acid Rain Program Provisions of Title IV of the 1990 Clean Air Act Amendments as listed in 40 CFR Part 72 through 78 and are, therefore, subject to 326 IAC 21 (Acid Deposition Control).

The Phase II Acid Rain permit for this source, AR 097-5106-00033, issued on December 31, 1997, and the amendment to the Acid Rain permit for this source, AAR 097-10326-00033, issued on June 17, 2002, is incorporated by reference into this Part 70 Permit. Appendix B of the Title V Permit contains the Phase II Acid Rain Permit and requirements.

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.

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

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 261 (Identification and Listing of Hazardous Waste)
40CFR 279 (Standards for the Management of Used Oil)

This permit does not include any review pursuant to 326 IAC 2-2 (Prevention of Significant Deterioration). However, language has been added to the D Sections for boilers in the Part 70 Permits for the electric utility plants to address the need for additional evaluation if a source elects to fire a fuel that was not included in previous permitting.

Also, several conditions citing 40 CFR 261 (Identification and Listing of Hazardous Waste) and 40CFR 279 (Standards for the Management of Used Oil) have been included in the D Sections for these boilers. Inclusion of these conditions was not the result of actions at a specific plant. This language was included to address general concerns regarding the possible disposal of hazardous materials in large boilers; and to note the necessity of the occasional use of boiler cleaning solution in all large boilers and the special allowances provided for firing used oil as a supplemental fuel in utility boilers.

These conditions include:

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

For oil-fired boilers:

(a) The burning of hazardous waste, as defined by 40 CFR 261, is prohibited in these facilities.

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

For coal-fired boilers:

(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 these facilities. Any boiler tube chemical cleaning waste liquids, binding agent, or used oil combusted shall meet the toxicity characteristic requirements for non-hazardous waste.

(c) Used oil may be combusted as supplemental fuel for energy recovery in compliance with 40 CFR 279 (Standards for the Management of Used Oil) and 329 IAC 13 (Used Oil Management). Used oil shall only be combusted in Units 50, 60 and 70; used oil contaminant materials generated on site shall only be combusted in Unit 70.

(d) Any boiler tube chemical cleaning waste liquids fired in the boiler shall only contain the cleaning solution and two (2) full volume boiler rinses.

Cleaning Waste Analysis [326 IAC 2-1.1-5(a)(4)][40 CFR 261]
The Permittee shall use appropriate test methods as listed in 40 CFR 261 to analyze all boiler chemical cleaning wastes that will be burned to determine compliance with the Operation Standards condition in this D Section.

Used Oil Requirements [326 IAC 2-1.1-5(a)(4)][40 CFR 279][329 IAC 13]
The used oil burned in Units 50, 60 and 70 shall comply with the used oil requirements specified in 329 IAC 13 (Used Oil Management). Pursuant to 329 IAC 13-3-2 (Used Oil Specifications), used oil burned for energy recovery that is classified as off-specification used oil fuel shall comply with the provisions of 329 IAC 13-8 (Used Oil Burners who Burn Off-Specification Used Oil for Energy Recovery), including:

(a) Receipt of an EPA identification number as outlined in 329 IAC 13-8-3 (Notification)

(b) Compliance with the used oil storage requirements specified in 329 IAC 13-8-5 (Used Oil Storage), and

(c) Maintaining records pursuant to 329 IAC 13-8-6 (Tracking).

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

State Rule Applicability - Entire Source

326 IAC 1-5-2 (Emergency Reduction Plans)

(a) The source submitted a revised Emergency Reduction Plan (ERP) on June 30, 1998. The ERP has been verified to fulfill the requirements of 326 IAC 1-5-2 (Emergency Reduction Plans).

(b) Upon direct notification by IDEM, OAQ and/or OES 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]

326 IAC 1-6-3 (Preventive Maintenance Plan)

A Preventive Maintenance Plan (PMP) should have been developed for each emission unit with potential emissions in excess of minimum permitting thresholds. A Part 70 application requirement 326 IAC 2-7-4(c)(10) is a confirmation that the source maintains on-site a preventive maintenance plan as described in 326 IAC 1-6-3.

Based on OES's review, a PMP is required for the Units 9, 10, 50, 60, 70 and Units GT1, GT2, GT3, GT4, GT5, GT6 and Unit ST14.

326 IAC 1-7 (Stack Height Provisions)

The source is subject to 326 IAC 1-7 because potential and actual PM and SO_2 emissions exceed 25 tons per year. The source is in compliance with the provisions of 326 IAC 1-7 (Stack Height Provisions).

326 IAC 2-2 (Prevention of Significant Deterioration (PSD) Requirements)

Pursuant to 326 IAC 2-2(p)(1), this source is a major PSD source because the source has the potential to emit regulated pollutant(s) in excess of one hundred (100) tons per year, is located in an attainment or unclassifiable area and is on the list of 28 source categories (specifically, fossil fuel-fired steam electric plants of more than two hundred fifty (250) million British thermal units per hour heat input) as identified in 326 IAC 2-2(p)(1).

Unit 9, 10, 50, 60, 70, GT1, GT2, GT3, ST14, ST 37, ST39 and ST41 installation all predate August 7, 1977 and were therefore not subject to PSD requirements at the time of installation. None of these Units have had a modification or reconstruction since August 7, 1977. Therefore, 326 IAC 2-2 (Prevention of Significant Deterioration (PSD) Requirements) do apply to Unit 9, 10, 50, 60, 70, GT1, GT2, GT3, ST14, ST 37, ST39 and ST41.

Unit GT4 and GT5 were subject to PSD New Source Review requirements and permitted as a Major PSD Modification in Construction Permit number CP 097-2206-00033 issued by the Indiana Department of Environmental Management Office of Air Management on August 27, 1992. Unit GT6 took enforceable limitations on potential to emit NO_x in Significant Source Modification 097-10952 and Minor Permit Modification 097-14666 such that 326 IAC 2-2 would not apply (See TSD ***State Rule Applicability - Individual Facilities*** for a detailed discussion).

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

This existing source commenced operation prior to July 27, 1997 and has not undergone a construction or a reconstruction of a major HAP source after July 27, 1997. Emission Unit ID GT6 (see TSD Appendix A page 9 of 12) which commenced construction and operation after July 27, 1997 did not have- the potential to emit a single HAP or any combination of HAP in excess of one ton per year. Therefore, this source is not subject to 326 IAC 2-4.1.

326 IAC 2-6 (Emission Reporting)

This source is subject to 326 IAC 2-6 (Emission Reporting), because it is located in Marion County and has the potential to emit more than ten (10) tons per year of NO_x and VOC and more than one hundred (100) tons per year of PM10, SO_2 and CO. Pursuant to this rule, the owner/operator of the source must annually submit an emission statement for the source. The annual statement must be received by April 15 of each year and contain the minimum 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 2-7 (Part 70 Permit Program)

Pursuant to 326 IAC 2-7-2 (Part 70 Permit Program: Applicability), this stationary source is required to have a Part 70 Permit 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).

Actual emissions exceed major source thresholds as defined in 326 IAC 2-7-1(22) (see TSD ***Actual Emissions)*** and, therefore, the source has not requested to have potential to emit enforceably restricted under 326 IAC 2-8 (FESOP), 326 IAC 2-9 (Source Specific Operating Agreement) or 326 IAC 2-10 (Permit by Rule) such that 326 IAC 2-7 does not apply. This source filed a Part 70 Permit application with IDEM, OAQ and OES on September 13, 1996.

326 IAC 3 (Monitoring Requirements)

See TSD ***State Rule Applicability - Individual Facilities*** for a detailed discussion of 326 IAC 3 (Monitoring Requirements) applicability and requirements.

326 IAC 4-2 (Incinerators) and 326 IAC 9-1-2 (Carbon Monoxide Emission Rules)

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

Note:
Used oil fired in utility boilers is regulated as a supplemental fuel for energy recovery, not a waste, pursuant to 40 CFR 279 (Standards for the Management of Used Oil) and 329 IAC 13 (Used Oil Management).

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 Exemptions), opacity shall meet the following, unless otherwise stated in this permit:

(a) Opacity shall not exceed an average of thirty percent (30%) opacity in twenty-four (24) consecutive readings as determined by 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) When building a new fire in a boiler or shutting down a boiler, visible emissions shall not exceed an average of sixty percent (60%) opacity. Visible emissions in excess of the applicable opacity limit established by 326 IAC 5-1-2 shall not continue for more than twelve (12) continuous minutes on one (1) occasion in any twenty four (24) hour period.

(d) When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, visible emissions may exceed the applicable opacity limit established in 326 IAC 5-1-2; however, visible emissions shall not exceed sixty percent (60%) opacity and visible emissions in excess of the applicable opacity limit shall not continue for more than six (6) continuous minutes on one (1) occasion in a sixty (60) minute period. The visible emissions shall not be permitted on more than three (3) occasions in a twelve (12) hour period.

326 IAC 6-1-2(a) (Particulate Rules; Particulate Emission Limitations)

Sources or facilities located in Marion County which have the potential to emit greater than one hundred (100) tons per year of particulate or that have actual emissions greater than ten (10) tons per year and are not otherwise limited by 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12 shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

326 IAC 6-4 (Fugitive Dust Emissions)

A source or sources generating fugitive dust shall be in violation of this rule (326 IAC 6-4) if any of the following criteria are violated:

(a) 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:

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

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

(b) 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:

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

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%).

(a) The ground level ambient air concentrations exceed fifty (50) micrograms per cubic meter above background concentrations for a sixty (60) minute period.

(b) 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 (a), (b) or (c) of this section.

326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations)

The source has fugitive PM emissions from coal storage and handling that were not previously permitted or accounted for (see ***Unpermitted Units and Pollution Control Equipment***). IPL - Harding Street Station submitted actual emissions estimates for fugitive emissions (see TSD Appendix A page 11 of 12). IPL - Harding Street Station did not previously submit a fugitive dust control plan which is required under 326 IAC 6-5 for sources with potential fugitive PM emissions exceeding 25 tons per year and located in the area(s) specifically identified in 326 IAC 6-5-1(a). Pursuant to 326 IAC 6-5, the source is required to:

(a) Submit a written fugitive particulate matter emissions control plan within six (6) months following December 13, 1985.

(b) A control plan or a request for an exemption from the control plan shall be included in all permit applications and submitted to the commissioner.

(c) Any control practice or measure has that has been used to determine applicability or exemption of this rule (326 IAC 6-5) shall be incorporated into the source's operating permit.

IPL - Harding Street Station submitted a Fugitive Dust Control Plan, pursuant to 326 IAC 6-5, on April 8, 2003. The Plan is attached to the Part 70 Permit as Appendix C.

326 IAC 7 (Sulfur Dioxide Rules)

All facilities with a potential to emit twenty five (25) tons per year or ten (10) pounds per hour of sulfur dioxide shall comply with the limitations in 326 IAC 7-1.1-2 (Sulfur Dioxide Emission Limitations: Specified) and compliance test methods in 326 IAC 7-2 (Sulfur Dioxide Compliance). The above facilities shall also comply with the sulfur dioxide emission limitations and other requirements pursuant to 326 IAC 2 (Permit Review Rules), 326 IAC 7-4 (Sulfur Dioxide Emission Limitations and Requirements by County), and 326 IAC 12 (New Source Performance Standards). See TSD ***State Rule Applicability - Individual Facilities*** for a detailed discussion of 326 IAC 7-4 applicability for Unit 9, 10, 50, 60, 70 and GT1, GT2, GT3. See TSD ***State Rule Applicability - Individual Facilities*** for a detailed discussion of 326 IAC 12 applicability for GT4, GT5 and GT6. No other emission unit at the source has the potential to emit or has restricted potential to emit sulfur dioxide in excess of twenty five (25) tons per year or ten (10) pounds per hour.

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

Pursuant to 326 IAC 7-3 (Sulfur Dioxide Rules: Ambient Monitoring), sources with actual SO_2 emissions of greater than ten thousand (10,000) tons per year shall install and operate one or two air quality monitors and one meteorological instrumentation system in areas of expected maximum ambient concentration in the vicinity. Monitoring plans shall have been submitted to the Commissioner prior to October 1, 1991. Pursuant to 326 IAC 7-3-2(d), a source owner or operator may petition the Commissioner for an administrative waiver of all or some of the requirements of 326 IAC 7-3 if the source can demonstrate that ambient monitoring is unnecessary to determine continued maintenance of the SO_2 ambient air quality standards in the vicinity of the source. A waiver shall be effective upon written approval by the Commissioner.

In 1997, IPL - Harding Street Station submitted a request to IDEM, OAQ seeking to discontinue its operation of ambient SO_2 and meteorological monitoring sites downwind of the source. IDEM, OAQ issued a letter to IPL - Harding Street Station on August 22, 1997 allowing IPL - Harding Street Station to discontinue operating these sites on the grounds that the most recent ten (10) year highest SO_2 readings were less than fifty percent (50%) of the 24 hour and the 3 hour National Ambient Air Quality Standards (NAAQS) for SO_2 for sites 18-0970-0054 and 18-109-1001.

The City of Indianapolis Office of Environmental Services (OES) continues operation of its existing Harding Street SO_2 site 18-097-0057 presently located at 1327 South Harding Street.

326 IAC 8 (Volatile Organic Compound Rules)

This source is located in Marion County and was in existence as of January 1, 1980 and does have the potential to emit one hundred (100) tons or greater of VOC per year. However, 326 IAC 8-6 (Organic Solvent Emission Limitations) does not apply to this source because the rule applies to sources of emissions of organic solvents which are VOC and which are liquids at standard conditions and which are used as dissolvers, viscosity reducers, carrying agents, and cleaning agents. This source consists of fuel combustion units that generate VOC emissions from the products of combustion and do not involve the use of solvents as defined in 326 IAC 1-2-72. Therefore, 326 IAC 8-6 (Organic Solvent Emission Limitations) does not apply to this source.

Unit 9, 10, 50, 60, 70, GT1, GT2, GT3 and ST14 all commenced operation prior to January 1, 1980 and are therefore not subject to 326 IAC 8-1-6 (General Provisions Relating to VOC Rules: General Reduction Requirements for New Facilities).

Unit GT4 and GT5, which commenced operation in 1994 and 1995, had fuel use limitations on natural gas and/or distillate fuel oil consumption included in Construction Permit 097-2206-00033 issued August 27, 1992 such that SO_2 emissions did not exceed forty (40) tons per year which served to enforceably restrict VOC emissions to less than twenty five (25) tons per twelve (12)

consecutive month period such that 326 IAC 8-1-6 did not apply. Unit GT6, which commenced operation in 2002, had fuel use limitations on natural gas consumption included in Minor Permit Modification 097-14666-00033 issued November 9, 2001 such that NO_x emissions did not exceed forty (40) tons per year which served to enforceably restrict VOC emissions to less than twenty five (25) tons per twelve (12) consecutive month period such that 326 IAC 8-1-6 did not apply.

The Insignificant Activities - Eight (8) fuel oil storage tanks including two (2) 200,000 gallon storage tanks, three (3) 300,000 gallon storage tanks and three (3) 900,000 gallon storage tanks are each not subject to 326 IAC 8-4-3 (Petroleum Sources: Petroleum Liquid Storage Facilities) because the tanks do not store petroleum liquids. Each tank is not subject to or 326 IAC 8-9 (Volatile Organic Liquid Storage Vessels) because 326 IAC 8-9 is not applicable to sources located in Marion County. Each tank is not subject to 326 IAC 8-1-6 (General Provisions Relating to VOC Rules: General Reduction Requirements for New Facilities) because each tank was constructed prior to 1980.

326 IAC 9 (Carbon Monoxide Emission Limits)

This source does not perform any of the operations identified in 326 IAC 9. Therefore, 326 IAC 9 does not apply to this source.

326 IAC 10-4 (NO_x Budget Trading Program)

See TSD ***State Rule Applicability - Individual Facilities*** for a detailed discussion.

326 IAC 11 (Emission Limitations for Specific Types of Operations)

This source does not perform any of the operations identified in 326 IAC 11. Therefore, 326 IAC 11 does not apply to this source.

326 IAC 12 (New Source Performance Standards)

See TSD discussion under ***Federal Rule Applicability*** for discussion of NSPS applicability.

326 IAC 14 (Emission Standards for Hazardous Air Pollutants)

There are no applicable NESHAPs for this source under 40 CFR Part 61 and 326 IAC 14. Therefore, 326 IAC 14 does not apply to this source. See TSD discussion under ***Federal Rule Applicability*** for discussion of NESHAP applicability.

326 IAC 15 (Lead Rules)

This source is not a stationary source listed in 326 IAC 15-1-2 (Lead Emission Limitations: Source-Specific Provisions). Therefore, 326 IAC 15 does not apply to this source.

326 IAC 17 (Public Records; Confidential Information; Confidentiality Agreements)

This source did not claim any information as confidential in the Part 70 Permit application received from the source on September 13, 1996. No information has historically been claimed as confidential by the source.

326 IAC 20 (Hazardous Air Pollutants) and 40 CFR 63 (National Emission Standards for Hazardous Air Pollutants)

See TSD discussion under ***Federal Rule Applicability*** for a detailed discussion.

326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit)

See TSD discussion under ***Federal Rule Applicability*** and ***State Rule Applicability - Individual Facilities*** for a detailed discussion.

State Rule Applicability - Individual Facilities

Unit 9, 10, 50, 60 and 70 (Boilers 9, 10, 50, 60 & 70)

326 IAC 3-5 (Continuous Monitoring of Emissions)

326 IAC 3-5 applies to all fossil fuel fired steam generators of greater than one hundred million (100,000,000) Btu per hour heat input capacity.

(a) Unit 9 and Unit 10 are each fossil fuel fired units and each has a maximum heat input capacity in excess of one hundred million (100,000,000) Btu per hour. 326 IAC 3-5-1(c)(2) requires the source to install and operate a continuous opacity monitor (COM) for each unit. However, 326 IAC 3-5-1(c)(2)(A) exempts Unit 9 and 10 from a COM requirement because the Units are oil fired and are able to comply with 326 IAC 5 (Opacity Limitations) and 326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating) without using add on particulate collection equipment. Therefore, the source is not required to operate a continuous opacity monitor pursuant to 326 IAC 3-5-1(c)(2)(A) for Units 9 and 10. These existing units do not have add on SO_2 or NO_x pollution control equipment. Units 9 and 10 are not subject to 326 IAC 12 (New Source Performance Standards) and have not obtained a Construction Permit under 326 IAC 2 requiring the installation of continuous emission monitor(s) (CEM) for SO_2 or NO_x. Therefore, the source is not required to operate SO_2 or NO_x CEMs for Units 9 and 10 pursuant to 326 IAC 3-5-1(c)(2)(B) & (C).

(b) Unit 50, 60 and 70 are each fossil fuel fired units and each has a maximum heat input capacity in excess of one hundred million (100,000,000) Btu per hour. Pursuant to 326 IAC 3-5-1(b), the source is required to install and operate a continuous opacity monitor (COM) for each unit. COM's have been installed on these units and the source is in compliance with the provisions of 326 IAC 3-5 (performance and operating specifications, certifications, standard operating procedures (SOP), quality assurance specifications and record keeping and reporting). These existing units do not have add on SO_2 or NO_x pollution control equipment. Units 50, 60 and 70 are not subject to 326 IAC 12 (New Source Performance Standards) and have not obtained a Construction Permit under 326 IAC 2 requiring the installation of continuous emission monitor(s) (CEM) for SO_2 or NO_x. Therefore, the source is not required to operate SO_2 or NO_x CEMs for Units 50, 60 and 70 pursuant to 326 IAC 3-5-1(c)(2)(B) & (C).

Pursuant to 326 IAC 3-5 (Continuous Emissions Monitoring), continuous emission monitoring systems for Units 50, 60 and 70 shall be calibrated, maintained and operated for measuring opacity which meet the performance specifications of 326 IAC 3-5-2.

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

(a) The following applies, except as otherwise provided in subsections (c) through (d). When building a new fire in a boiler, or shutting down a boiler, opacity may exceed the applicable limit established in section 2 of this rule; however, opacity levels shall not exceed sixty percent (60%) for any six (6) minute averaging period. Opacity in excess of the applicable limit established in section 2 of this rule shall not continue for more than two (2) six (6) minute averaging periods in any twenty-four (24) hour period.

(b) The following applies, except as otherwise provided in subsections (c) through (d). When removing ashes from the fuel bed or furnace in a boiler or blowing tubes, opacity may exceed the applicable opacity limit established in section 2 of this rule; however, opacity 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.

(c) For sources or facilities that cannot meet the alternative opacity limitation requirements of subsection (a) or (b), the commissioner may grant a temporary alternative opacity limitation of longer duration and greater opacity than provided under subsections (a) and (b) under this subsection in accordance with the following:

(1) The source or facility burns the following fuels alone or in combination with each other or with any other fossil fuel:
(A) Coal.
(B) Wood.

(C) #4, #5, or #6 fuel oil.
(D) Tire-derived fuel.
(E) Petroleum coke.

The commissioner may approve a temporary alternative opacity limitation based on the combustion of other types of fuels as long as the source demonstrates that the combustion of the fuel is necessary, alternative fuels are not available or cost-efficient, and the fuels are identified in the submittal to the U.S. EPA required under section 7 of this rule.

(2) The source or facility owner or operator demonstrates that the temporary alternative opacity limitation is needed and justifiable during periods of startup and shutdown or when removing ashes from the fuel bed or furnace in a boiler or blowing tubes by providing a written petition that does the following:

(a) Requests a state implementation plan (SIP) revision to establish a temporary alternative opacity limitation under this subsection. Sources subject to 326 IAC 2-7 or 326 IAC 2-8 shall include the petition for a SIP revision with the initial permit application, permit revision application, or permit renewal application.

(b) Demonstrate that during periods of startup and shutdown, or when removing ashes from the fuel bed or furnace in a boiler or blowing tubes, the limits of subsections (a) through (b) cannot be met and that the owners and operators shall, to the extent practicable, maintain and operate an affected facility, including air pollution control equipment, in a manner consistent with good air pollution control practice by doing the following:
(i) Minimizing emissions.
(ii) Minimizing duration of startups and shutdowns.
(iii) Minimize the excess emissions caused by the startups and shutdowns.

(c) Demonstrate that during periods of startup and shutdown the temporary alternative opacity limitation will not impact the maintenance of the National Ambient Air Quality Standards (NAAQS).

(d) Demonstrate that during routine operations the source is in compliance with the applicable opacity limitation under section 2 of this rule.

(3) A determination of whether acceptable operating and maintenance procedures are being used shall be based on information provided to the commissioner. The information concerning emissions and operating procedures may include, but is not limited to, the following:
(A) Monitoring results.
(B) Opacity observations.
(C) Review of operating and maintenance procedures.
(D) Inspection of the source.

(4) As a condition of the temporary alternative opacity limitation, the commissioner may require a source to do the following:

(A) Install a certified opacity emissions monitor. The requirement to install a certified opacity emissions monitor shall be based on, but not limited to, the type and size of the emission unit, the normal operating schedule, normal operating conditions, and the availability of alternative monitoring methods, and other relevant site-specific information.

(B) Operate the certified opacity emissions monitor in accordance with procedures specified in 326 IAC 3.

(C) Maintain other records needed to verify compliance with the temporary alternative opacity limitation.

(5) For sources required to install a continuous opacity monitor (COM) that do not have previous opacity monitor data, the temporary alternative opacity limitation shall be reviewed by the commissioner after two (2) years of monitoring. The duration of the

temporary alternative opacity limitation may be adjusted based on the monitoring data.

(6) The commissioner shall reserve the authority to do the following:
  (A) Require a source that has been granted a temporary alternative opacity limit under this subsection to install a COM at a later date if it is determined the COM is necessary to demonstrate compliance with the temporary alternative opacity limit.
  (B) Deny a request for a temporary alternative opacity limit if economically and technically feasible means are available to meet a limit that is less than the limit requested.

(7) The temporary alternative opacity limit established for a source shall be submitted to the U.S. EPA as a state implementation plan (SIP) revision in accordance with section 7 of this rule.

(d) Notwithstanding the provisions in subsections (a) through (c), this subsection applies to sources existing on the effective date of this rule located in counties other than Lake County. If, on the effective date of this rule, an existing source has different startup and shutdown conditions from those in subsection (a) or (b) in a valid operating permit, those conditions shall remain in effect until the department issues a final, effective Part 70 operating permit under 326 IAC 2-7 or a final, effective federally enforceable state operating permit under 326 IAC 2-8 for the source that does one (1) of the following:

(1) Makes the startup and shutdown conditions consistent with subsection (a) or (b).

(2) Incorporates startup and shutdown conditions that are at least as stringent as those conditions in the operating permit in effect as of the effective date of this rule. The conditions shall not be less stringent than the following:
  (A) During the startup of the following equipment, burning fuels identified in subsection (c)(1):
    (i) For equipment that is equipped with baghouses or electrostatic precipitators, the opacity limitation in section 2 of this rule shall not apply until the exhaust gases have achieved a temperature of two hundred fifty (250) degrees Fahrenheit at the inlet of the baghouses or electrostatic precipitators.
    (ii) For equipment that is either uncontrolled or that is equipped solely with mechanical collectors (including mechanical collectors that are equipped with sidestream separators or similar devices) for the control of particulate emissions, the opacity limitation in section 2 of this rule shall not apply for a period of not more than three (3) hours from the moment of startup.
  (B) During the shutdown of the following equipment, burning fuels identified in subsection (c)(1):
    (i) For equipment that is equipped with baghouses or electrostatic precipitators, the opacity limitation in section 2 of this rule shall not apply after the exhaust gases have dropped below temperature of two hundred fifty (250) degrees Fahrenheit at the inlet of the baghouses or electrostatic precipitators.
    (ii) For equipment that is either uncontrolled or that is equipped solely with mechanical collectors (including mechanical collectors that are equipped with sidestream separators or similar devices) for the control of particulate emissions, the opacity limitation in section 2 of this rule shall not apply for a period of not more than three (3) hours from the moment of shutdown.

The source shall include with a permit application, permit revision application, permit renewal application, or a supplement to such application, documentation including, but not limited to,

historical opacity information during periods of startup and shutdown and other pertinent information and proposed permit conditions that limit the duration and extent of excess emissions to the greatest extent practicable. The commissioner shall incorporate permit conditions that are necessary for safe and proper operation of equipment and minimize the duration and extent of excess emissions. Such conditions shall require the source to keep records of times of startups, shutdowns, and ash removals and may be more stringent than the operating permit conditions in effect as of the effective date of this rule.

(A) Provides an alternative temporary opacity limit in accordance with subsection (d). If the source requests such an alternative temporary opacity limit, the source shall demonstrate that the alternative limit is needed and justifiable in accordance with subsection (d)(2) through (d)(7).

Pursuant to 326 IAC 5-1-3(d), IPL - Harding Street Station submitted a SIP Revision request (097-12225-00033) on May 3, 2000 and filed a petition on January 26, 2001 seeking a temporary alternative opacity limit (TAOL) during periods of boiler startup and shutdown for Units 50, 60 and 70. Each of these units has a continuous opacity monitor (COM) installed pursuant to 326 IAC 3-5-1(b) and has been required to submit excess opacity data quarterly. Condition number 9 of the Certificate of Operation 0033-11 through 13 required quarterly reporting of COM data for these Units.

Units 50, 60 and 70 each burn coal and each Unit has documented historical COM data for startups and shutdowns. The minimum temperature at which the electrostatic precipitators (ESP) become effective for particulate control is 250 F. Historically, oil fires have been utilized during startup to get the ESP up to and above the 250 F operating temperature before energizing the ESP and, depending on the Unit, startup time to achieve 250 F or higher can be substantial. As a result, the source has documented that compliance with the existing opacity limitations pursuant to 326 IAC 5-1-3(a) and (b) cannot be achieved at all times and submitted support information January 26, 2001 seeking, at a minimum, that Condition number 4 of Certificate of Operation 0033-11 through 13 issued August 3, 1989 be carried over to the Part 70 Permit for these Units.

IDEM, OAQ and OES have evaluated historic COM data from the first quarter of 2000 to the first quarter of 2002. The TAOL for Unit 70 will expire three (3) years after Part 70 Permit issuance which is consistent with the agreement with USEPA in the 326 IAC 5-1-3 promulgation process. The expiration of Unit 70's TAOL is based on upon the duration of Unit 70 startup time, the availability of natural gas nearby as a possible option for startup fuel and the need to explore other startup fuels as a startup option in order to demonstrate eventual compliance with 326 IAC 5-1-3(a) and/or (b). The TAOL for Unit 50 and Unit 60 are not being proposed as having an expiration because these units are smaller than Unit 70 and have historical data showing less startup time. For these reasons, natural gas will not be pursued as a startup fuel for these Units at this time.

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

(a) When building a new fire in Unit 50 and/or Unit 60, an exemption from the thirty percent (30%) opacity limit is allowed for up to twenty five (25) six-minute averaged periods (2.5 hours), or until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees, which ever occurs first. [326 IAC 5-1-3(e)]

(b) For the first three (3) years following the issuance date of the Title V Permit for this source, when building a new fire in Unit 70, an exemption from the thirty percent (30%) opacity limit is allowed for up to fifty (50) six-minute averaged periods (5.0 hours), or until the flue gas temperature entering the electrostatic precipitator reaches two hundred and fifty (250) degrees, which ever occurs first. For the remaining two (2) years of this Part 70 Permit, the standard temporary alternative opacity limit, pursuant to 326 IAC 5-1-3(a), shall be allowed for Unit startups. [326 IAC 5-1-3(e)]

(c) When shutting down Unit 50, Unit 60 and/or Unit 70, an exemption from the thirty percent (30%) opacity limit is allowed for up to ten (10) six-minute averaged periods (1.0 hours) for each Unit. [326 IAC 5-1-3(e)]

(d) Operation of the electrostatic precipitator for each Unit is not required during these times unless necessary to comply with these limits. [326 IAC 5-1-3(e)]

326 IAC 10-4 (NO_x Budget Trading Program)

Pursuant to 326 IAC 10-4-2(16), Units 9, 10, 50, 60 and 70 are each considered an "electricity generating unit (EGU)" because each 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_x budget unit. Because this source meets the criteria of having one (1) or more NO_x budget units, it is a NOx budget source. The Permittee shall be subject to the requirements of this rule. The NO_X budget permit is in section F of the Part 70 permit. The Technical Support Document for the NO_X budget permit is provided as Appendix B to this Technical Support Document.

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

326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit)

Pursuant to 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 Subpart A (Acid Rain Program General Provisions), Unit 9, 10, 50, 60 and 70 are each an "affected unit" because each unit is specifically identified in Table 2 of 40 CFR 73.10 and any source that includes an affected unit shall be subject to the Acid Rain Program. Therefore, Unit 9, 10, 50, 60 and 70 are subject to the provisions of 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit).

The Phase II Acid Rain Permit (AR097-5106-00033) issued on December 31, 1997 and the Administrative Amendment (AAR-097-10326-00033) to the Phase II Acid Rain Permit issued on June 17, 2002 incorporate all applicable requirements pursuant to 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 78 (Acid Rain Permit) for Unit 9, Unit 10, Unit 50, Unit 60, Unit 70. The Phase II Acid Rain Permit is included in the proposed Title V Permit as Section E.1.

<u>Unit 9, 10, 50, 60, 70, GT1, GT2 and GT3</u> (Boilers 9, 10, 50, 60 & 70; Gas Turbines GT1, GT2 & GT3)

326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating)

Pursuant to 326 IAC 6-2-1(e), if any limitation established by this rule is inconsistent with applicable limitations contained in 326 IAC 6-1, then the limitation(s) contained in 326 IAC 6-1 prevail. Because particulate emissions from Unit 9, 10, 50, 60, 70, GT1, GT2 and GT3 are each subject to applicable limitations pursuant to 326 IAC 6-1-12 (Particulate Rules: Marion County), 326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating) does not apply to Unit 9, 10, 50, 60, 70, GT1, GT2 and GT3.

326 IAC 6-1-12 (Particulate Rules: Marion County)

Pursuant to 326 IAC 6-1-12, particulate (PM) is limited to the following ton per year and pound per million Btu emission limitations (along with a listing of the most recent stack test for compliance demonstration with short term limits in pounds per million Btu):

Unit	Tons per year	pounds / MMBtu	Stack Test Results	
			Date	pounds / MMBtu
9	1.9	0.015	none *	----
10	2.2	0.015	none *	----
50	82.2	0.135	09/15/98	0.039

Unit	Tons per year	pounds / MMBtu	Stack Test Results	
			Date	pounds / MMBtu
60	82.2	0.135	10/13/98	0.039
70	830.7	0.1	10/14/98	0.036
GT1	0.28	0.015	none *	----
GT2	0.28	0.015	none *	----
GT3	0.28	0.015	none *	----

* weren't required to test by previous permit conditions or have never conducted testing

Note: (a) Refer to TSD Appendix A page 3 of 12 and page 7 of 12 for a compliance determination for PM from Unit 9, 10, GT1, GT2 and GT3 (At an uncontrolled AP-42 emission factor for PM of 2.0 lbs/kgal, actual PM emissions equate to 0.014 pounds per million Btu for Unit 9 and 10. The AP-42 emission factor for PM for Units GT1, GT2 and GT3 is 0.012 pounds per million Btu).
(b) These Units are identified in the listing as IPL (Stout).

At the AP-42 emission factor for particulate (PM) of 2 pounds per 1000 gallons of distillate fuel oil burned (see TSD Appendix A page 3 of 12), Unit 9 and 10 are in compliance with the PM emission limit of 0.015 pounds per million Btu (2.0 #/kgal x kgal/1000 gal x gal/0.14 MMBtu = 0.014 pounds per million Btu). However, each Unit does not have add on control equipment for PM and the potential emission rate exceeds the 326 IAC 6-1-12 limitation of 1.9 and 2.2 tons per year, respectively (see TSD Appendix A page 3 of 12). Therefore, fuel use per twelve (12) consecutive month period must be restricted, as listed below, such that compliance with 326 IAC 6-1-12 can be demonstrated.

Unit 9: X kgal/yr x 2 #/1000 gal x 1000 gal/kgal x ton/2000 # = 1.9 tons PM/yr
X = 1900 kgal/yr

Unit 10: X kgal/yr x 2 #/1000 gal x 1000 gal/kgal x ton/2000 # = 2.2 tons PM/yr
X = 2200 kgal/yr

Therefore, distillate oil firing in Unit 9 is limited to 1900 kgal per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6-1-12 can be demonstrated. Distillate oil firing in Unit 10 is limited to 2200 kgal per twelve (12) consecutive month period with compliance demonstrated at the end of each month such that compliance with 326 IAC 6-1-12 can be demonstrated.

At the AP-42 emission factor for particulate (PM) of 0.012 pounds per million Btu heat input (see TSD Appendix A page 7 of 12), Unit GT1, GT2 and GT3 are in compliance with the PM emission limit of 0.015 pounds per million Btu. However, each Unit does not have add on control equipment for PM and the potential emission rate exceeds the 326 IAC 6-1-12 limitation of 0.28 tons per year for each Unit (see TSD Appendix A page 7 of 12). Therefore, fuel use per twelve (12) consecutive month period must be restricted, as listed below, such that compliance with 326 IAC 6-1-12 can be demonstrated.

Unit GT1, GT2 and GT3 (each Unit): X gal/yr x 0.012 #/MMBtu x 0.14 MMBtu/gal x ton/2000 # = 0.28 tons PM/yr
X = 333,333 gallons/yr

Add on particulate control equipment for Unit 50, 60 and 70 is necessary to determine compliance with 326 IAC 6-1-12 and there must be permit conditions relating to proper operation of the electrostatic precipitator control device(s) in order to comply with the PM limits. Unit 50, 60 and 70 are in compliance with the 326 IAC 6-1-12 pounds per million Btu emission rate based on past performance stack test results (see table above and TSD Appendix A page 12 of 12). Compliance with the long term ton per year limits for these Units will be demonstrated by compliance monitoring provisions for the control equipment.

Based on the Annual Air Emission Inventory Statement for the 2001 year inventory submitted

pursuant to 326 IAC 2-6 (Emission Reporting), actual PM emissions from Unit 50 were reported to be 79.5 tons per year (327,932 tons coal fired/year x 10(A)lbs PM/ton coal fired x ton PM/2000 lbs PM x (1.0 - 0.9943 control efficiency) + ignition fuel PM emissions of 0.02 tons/year = 79.5 tons PM emissions/year). Actual PM emissions from Unit 60 were reported to be 61.4 tons per year (267,514 tons coal fired/year x 10(A) lbs PM/ton coal fired x ton PM/2000 lbs/PM x (1.0 - 0.9946 control efficiency) + ignition fuel PM emissions of 0.02 tons/year = 61.4 tons PM emissions/year). Actual PM emissions from Unit 70 were reported to be 326.1 tons per year (1,255,726 tons coal fired/year x 10(A) lbs PM/ton coal fired x ton PM/2000 lbs PM x (1.0 - 0.9939 control efficiency) + ignition fuel PM emission of 0.09 tons/year = 326.1 tons PM emissions/year).

The electrostatic precipitator(s) for particulate control (PM) shall be in operation at all times Unit 50, 60 and/or 70 is in operation in order to comply with the PM limits. Therefore, these conditions limit PM emissions to less than the applicable emission limit pursuant to 326 IAC 6-1-12 such that compliance with 326 IAC 6-1-12 is demonstrated.

Pursuant to 326 IAC 6-1-12(b) (Particulate Rules: Marion County), the Permittee shall be considered in compliance with the tons per year emission limits if within five percent (5%) of the emission limit established pursuant to 326 IAC 6-1-12(a).

326 IAC 7-4-2 (Sulfur Dioxide Emission Limitations: Marion County)

Pursuant to 326 IAC 7-4-2(30), SO_2 emissions are limited to the following:

Unit	lbs/MMBtu
9 & 10 and Gas Turbines GT1, GT2 and GT3	0.35
50 and 60	4.7
70	5.3

As an alternative to the emission limitations listed in the table above, sulfur dioxide emissions from Units 9, 10, 50 and 60 and Units GT1, GT2 and GT3 may comply with any one of the sets of emission limitations in pounds per million Btu as follows:

Alternative Scenario #	Unit	lbs/MMBtu
1	9 & 10 and GT1, GT2 & GT3	0.0
	50 & 60	5.2
2	9 & 10	0.0
	GT1, GT2 & GT3	0.4
	50 & 60	5.0
3	9 & 10	0.35
	GT1, GT2 & GT3	0.3
	50 & 60	4.1
4	9 & 10 and GT1, GT2 & GT3	0.35
	50 & 60	3.9

Note: These Units are identified in the listing as Indianapolis Power and Light Stout.

Pursuant to 326 IAC 7-4-2:

(a) IDEM, OAQ and OES shall be notified prior to the reliance by IPL - Harding Street Station on any one (1) of the sets of alternative emission limitations as specified in the Table above, and

(b) A log of hourly operating status for each boiler shall be maintained and made available to IDEM, OAQ and OES upon request. A daily summary indicating which boilers were in service during the day shall be submitted to IDEM, OAQ and OES quarterly. In addition, records of the daily average sulfur content, heat content, and sulfur dioxide emission rate for each day in which an alternative set of emission limitations is used shall be submitted to IDEM, OAQ and OES quarterly.

(c) For the purposes of IAC 7-2-1(c)(1), during thirty (30) day periods in which IPL - Harding Street Station relies on more than one (1) set of alternative emission limitations, a separate thirty (30) day rolling weighted average for each set of limitations shall be determined. Each thirty (30) day rolling average shall be based on data from the previous thirty (30) operational days within the last ninety (90) days for that set of limitations. If IPL - Harding Street Station does not operate thirty (30) days under any one (1) set of limitations within the last ninety (90) days, the rolling weighted average shall be based on all operational days within the last ninety (90) days for that set of limitations.

(d) IPL - Harding Street Station shall install a stack diameter restriction for the stack serving Unit 50 and Unit 60. The stack diameter restriction shall reduce the diameter to six and one half (6.5) feet at the tip of the stack. The installation of the stack diameter restriction shall be in accordance with the following schedule:

(1) Complete preliminary design of modifications by December 2, 1988.
(2) Place orders for necessary modification by July 2, 1989.
(3) Complete installation by February 2, 1990.

IPL - Harding Street Station completed installation of stack diameter restrictions in accordance with 326 IAC 7-4-2 prior to February 2, 1990.

326 IAC 7-2-1 (Sulfur Dioxide Compliance: Reporting and Methods to Determine Compliance

Pursuant to 326 IAC 7-2-1:

(a) The Permittee shall submit quarterly reports of the thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per million Btu. Records of the daily average coal sulfur content, coal heat content, weighting factor, and daily average sulfur dioxide emission rate in pounds per million Btu shall be submitted to IDEM, OAQ and OES in the quarterly report and shall be maintained by the source owner or operator for a period of at least two (2) years.

(b) Fuel sampling and analysis data shall be collected pursuant to the procedures specified in 326 IAC 3-7 (Fuel Sampling and Analysis Procedures) and these data can be used to determine compliance or noncompliance with 326 IAC 7-4-2. Computation of calculated sulfur dioxide emission rates from fuel sampling and analysis data shall be based on the emission factor(s) contained in AP-42 unless other emission factors based on site specific are approved by IDEM, OAQ and OES.

(c) Compliance or noncompliance for coal fired combustion units shall be determined using a thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per million Btu.

(d) Compliance or noncompliance with fuel oil fired combustion units shall be determined using a calendar month average sulfur dioxide emission rate in pounds per million Btu.

Unit GT1, GT2 and GT3 (Gas Turbines GT1, GT2 & GT3)

326 IAC 3-5 (Continuous Monitoring of Emissions)

326 IAC 3-5 does not apply to Units GT1, GT2 and GT3 because these units are not steam generating units and each unit is not an affected facility as identified in 326 IAC 3-5-1(b). Therefore, 326 IAC 3-5 (Continuous Monitoring of Emissions) does not apply to Units GT1, GT2 and GT3.

326 IAC 10-4 (NO_x Budget Trading Program)

326 IAC 10-4 does not apply to Unit GT1, GT2 and/or GT3 because each Unit serves a generator that is less than twenty five (25) megawatts nameplate capacity. Therefore, neither Unit GT1, GT2 and/or GT3 is subject to the provisions of 326 IAC 10-4 (NO_x Budget Trading Program).

326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit)

Pursuant to 326 IAC 21 (Acid Deposition Control) and 40 CFR 72.6(b)(1) Subpart A (Acid Rain Program General Provisions), Units GT1, GT2 and GT3 are each not an "affected unit" under the provisions of the Acid Rain Program because each unit is a simple combustion turbine that commenced commercial operation prior to November 15, 1990 and has not added or used auxiliary firing after November 15, 1990. Therefore, the provisions of 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit) do not apply to Units GT1, GT2 and GT3.

Unit GT4 and GT5 (Gas Turbines GT4 & GT5)

326 IAC 2-2 (Prevention of Significant Deterioration)

These Units were initially permitted under Construction Permit number CP 097-2206-00033 issued by the Indiana Department of Environmental Management Office of Air Management on August 27, 1992 and Construction Permit number CP 920033-01 issued by the City of Indianapolis Environmental Resources Management Division on September 22, 1992. Each Unit utilizes water injection.

Pursuant to 326 IAC 2-2 (Prevention of Significant Deterioration) and Construction Permit number CP 097-2206-00033 issued August 27, 1992 by IDEM, OAQ, Units GT4 and GT5 are limited to the following combined total emission rate(s) such that 326 IAC 2-2 does not apply:

Pollutant	Tons per year
PM10	< 15
SO_2	< 40
VOC	< 40
CO	< 100

The gas turbines burn either natural gas or distillate fuel oil. Restrictions on the fuel sulfur weight percent for distillate fuel oil and throughput limitations for distillate oil and natural gas restrict sulfur dioxide (SO_2) emissions to less than forty (40) tons per year and would, effectively, limit all other regulated pollutants, except NO_x, to less than the major modification thresholds. Therefore, no additional short term limits are necessary to restrict PM/PM10, VOC or CO such that 326 IAC 2-2 would not otherwise apply.

Pursuant to 326 IAC 2-2 and Operation Conditions 11 and 12 of Construction Permit # CP 097-2206-00033 issued August 27, 1992;

(a) the fuel sulfur weight percent of distillate oil fired in Unit GT4 and Unit GT5 are each limited to five hundredths (0.05) percent by weight; and

(b) the combined total natural gas throughput (no fuel oil combusted) for Unit GT4 and Unit GT5 is limited to 6300 million cubic feet per twelve (12) consecutive month period with compliance

determined at the end of each month; and

(c) the combined total distillate fuel oil throughput (no natural gas combusted) for Unit GT4 and Unit GT5 is limited to 12.8 million gallons per twelve (12) consecutive month period with compliance determined at the end of each month.

(d) One gallon of distillate fuel oil can be substituted for each 293 cubic feet reduction of natural gas consumption per twelve (12) consecutive month period with compliance determined at the end of each month.

This is equivalent to sulfur dioxide (SO_2) emissions of less than forty (40) tons per twelve (12) consecutive month period and effectively limits PM, PM10, VOC and CO to less than twenty five (25) tons, fifteen (15) tons, forty (40) tons and one hundred (100) tons per twelve consecutive month period (the major modification threshold for each pollutant under 326 IAC 2-2) such that 326 IAC 2-2 will not apply to SO_2 emissions but will apply to NOx emissions.

Limiting the fuel sulfur weight percent to five hundredths (0.05) percent by weight demonstrates compliance with the applicable NSPS requirement of not burning fuel which contains sulfur in excess of eight tenths percent (0.8%) by weight.

Nitrogen Oxides (NO_x) emissions are limited to the equation listed in 40 CFR 60.332(a)(1) which yields an emission rate in percent by volume at 15 percent oxygen and on a dry basis. In addition, the potential to emit NO_x from Unit GT4 and Unit GT5 installation are subject to PSD and BACT requirements. Therefore, pursuant to 326 IAC 2-2 and Operation Condition 13 of Construction Permit # CP 097-2206-00033 issued August 27, 1992 BACT for NO_x emissions shall be satisfied by;

(a) Application of wet injection;

(b) When burning natural gas, the NO_x emission rate shall not exceed forty two (42) ppmv at fifteen percent (15%) oxygen (O_2) on a dry basis;

(c) When burning distillate oil, the NO_x emission rate shall not sixty five (65) ppmv at fifteen percent (15%) oxygen (O_2) on a dry basis.

However, the NO_x emission limit (65 ppmv burning oil and 42 ppmv burning natural gas) listed in the Construction Permit CP # 097-2206-00033 issued August 27, 1992 is a more restrictive limit than what the equation found in the NSPS would yield. Therefore, NO_x emissions are limited pursuant to 326 IAC 2-2-3(a)(3) and Construction Permit CP # 097-2206-00033 issued August 27, 1992 which demonstrates compliance with 40 CFR 60.332(a)(1).

Pursuant to 326 IAC 2-2 and Operation Condition 14 of the Construction Permit # CP 097-2206-00033 issued August 27, 1992, visible emissions from Unit GT4 and GT5 each shall not exceed twenty percent (20%).

Stack testing of Unit GT4 on April 27 through April 29, 1994 showed an SO_2 emission rate of 6.1 ppmv firing distillate oil at a sulfur weight percent of three hundredths percent (0.03%). Stack testing of Unit GT5 on January 17 through 20, 1995 showed an SO_2 emission rate of 6.0 ppmv firing distillate oil. Sampling distillate fuel oil for sulfur weight percent during stack testing verified compliance with the fuel sulfur weight percent of five hundredths (0.05) percent. Sampling natural gas sulfur content during stack testing resulted in a sulfur content of one thousandths percent (0.001%) sulfur by weight.

Stack testing of Unit GT4 on April 27 through April 29, 1994 showed a nitrogen oxides (NO_x) emissions rate of 61.5 ppmv burning oil and 40.2 ppmv burning natural gas. Stack testing of Unit GT5 on January 17 through 20, 1995 showed a nitrogen oxides (NO_x) emissions rate of 56.5 ppmv burning oil.

326 IAC 2-2-3(a)(3) (Prevention of Significant Deterioration Rule: Best Available Control Technology)

Pursuant to 326 IAC 2-2-3(a)(3) (Prevention of Significant Deterioration Rule: Best Available Control Technology) and Construction Permit # CP 097-2206-00033 issued August 27, 1992, Best Available Control Technology (BACT) for NO_x emissions was determined to be wet injection and a NO_x emission limit of 42 ppmv when firing natural gas and 65 ppmv when firing distillate fuel oil. No long term emission limit in tons per year was established or set by Construction Permit # CP 097-2206-00033.

Nitrogen Oxides (NO_x) emissions are limited to the equation listed in 40 CFR 60.332(a)(1) which yields an emission rate in percent by volume at 15 percent oxygen and on a dry basis. However, the NO_x emission limit (65 ppmv burning oil and 42 ppmv burning natural gas) listed in the Construction Permit CP # 097-2206-00033 issued August 27, 1992 is a more restrictive limit than what the equation found in the NSPS would yield. Therefore, NO_x emissions are limited pursuant to 326 IAC 2-2-3(a)(3) and Construction Permit CP # 097-2206-00033 issued August 27, 1992 which demonstrates compliance with 40 CFR 60.332(a)(1).

326 IAC 3-5 (Continuous Monitoring of Emissions)

326 IAC 3-5 does not apply to Units GT4 and GT5 because these units are not steam generating units and each unit is not an affected facility as identified in 326 IAC 3-5-1(b). No COM or CEM installation and operation requirement was contained in the initial Construction Permit number CP 097-2206-00033 issued by the Indiana Department of Environmental Management Office of Air Management on August 27, 1992. Therefore, 326 IAC 3-5 (Continuous Monitoring of Emissions) does not apply to Units GT4 and GT5.

However, pursuant to 40 CFR 60.334(a), 326 IAC 12 and Construction Permit 097-2206-00033, the Permittee shall install and operate a continuous monitoring system to monitor and record the fuel consumption and the ratio of water to fuel fired in the turbine(s) and the proper water to fuel ratios necessary to comply with 40 CFR 60.332 (pursuant to 40 CFR 60.335(a)(1)(iii)) shall be determined during initial testing. The system shall be accurate to within five percent (5.0%) of the actual of amount of fuel fired and the ratio(s) of water to fuel fired in each turbine. 326 IAC 3-5 contains no provisions for the frequency of calibration of fuel flow and/or water to fuel ratio(s) monitoring system.

326 IAC 6-1-2(a) (Particulate Rules; Particulate Emission Limitations)

Sources or facilities located in Marion County which have the potential to emit greater than one hundred (100) tons per year of particulate or that have actual emissions greater than ten (10) tons per year and are not otherwise limited by 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12 shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

This source has potential PM emissions in excess of one hundred (100) tons per year. Emission Unit GT4 and GT5 are not specifically identified in 326 IAC 6-1-12 (Particulate Rules: Marion County). Emission Unit GT4 and GT5 are each not subject to 326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating) because these Units do not heat an intermediate fluid and are therefore, not indirect heating units. Emission Unit GT4 and GT5 are each not subject to 326 IAC 6-3 because liquid and gaseous fuels are not part of the process weight as defined in 326 IAC 1-2-59 (Process Weight; Weight Rate Defined). Emission Unit ID GT4 and GT5 are each not subject to the provisions of 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12. Therefore, Unit GT4 and GT5 each shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust air.

326 IAC 7 (Sulfur Dioxide Rules)

Unit GT4 and Unit GT5 each have the potential to emit sulfur dioxide in excess of twenty five (25) tons per year (see TSD Appendix A page 8 of 12) when firing distillate fuel oil. The entire limited fuel throughput amount stated in Construction Permit number CP 097-2206-00033 issued by the Indiana Department of Environmental Management Office of Air Management on August 27, 1992 can be utilized in either turbine. Resultant SO_2 emissions from the combustion of the entire limited distillate fuel throughput amount in either Unit GT4 or Unit GT5 exceeds twenty five (25) tons per year (see TSD Appendix A page 8 of 12). Therefore, 326 IAC 7 (Sulfur Dioxide Rules) applies to Unit GT4 and Unit GT5 and each unit is limited to five tenths (0.5) pounds SO_2 emissions per million Btu heat input.

However, 326 IAC 7-1.1-1 states that facilities for which the sulfur dioxide limitations of 326 IAC 12

(New Source Performance Standards) are applicable shall comply with both limitations unless alternative limitations and requirements have been established in a Part 70 permit in accordance with 326 IAC 2-7-24. Unit ID GT4 and GT5 are each subject to 40 CFR Part 60 Subpart GG Standards of Performance for Stationary Gas Turbines and are therefore, limited to either 0.015 percent SO_2 by volume at fifteen percent (15%) oxygen and on a dry basis or not burn any fuel which contains in excess of eight tenths percent (0.8%) sulfur content by weight.

Pursuant to 326 IAC 2-2 and Construction Permit # CP 097-2206-00033 issued August 27, 1992, the fuel sulfur weight percent is limited to five hundredths percent (0.05) by weight and to no greater than 12.8 million gallons consumption per twelve (12) consecutive month period with compliance determined at the end of each month. This is equivalent to SO_2 emissions of less than forty (40) tons per twelve (12) consecutive month period such that compliance with 326 IAC 2-2 will be demonstrated. The fuel sulfur weight percent of five hundredths percent (0.05%) by weight is equivalent to five hundredths (0.05) pounds of SO_2 emissions per million Btu heat input (based on the AP-42 emission factor of 1.01(%S)) and demonstrates compliance with 326 IAC 7 (Sulfur Dioxide Rules) and 40 CFR Part 60 Subpart GG Standards of Performance for Stationary Gas Turbines. The methods to determine compliance, which includes a limitation of no greater than five hundredths percent (0.05%) by weight sulfur for distillate oil, shall be verified according to the provisions of 40 CFR 60.334(b)(1) and/or (b)(2).

326 IAC 10-4 (NO_x Budget Trading Program)

Pursuant to 326 IAC 10-4-2(16), Units GT4 and GT5 are each considered an “electricity generating unit (EGU)” because each unit 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_x budget unit. Because this source meets the criteria of having one (1) or more NO_x budget units, it is a NO_x budget source. The Permittee shall be subject to the requirements of this rule. The NO_X budget permit is in section F of the Part 70 permit. The Technical Support Document for the NO_X budget permit is provided as Appendix B to this Technical Support Document.

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

326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit)

Pursuant to 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 Subpart A (Acid Rain Program General Provisions), Unit GT4 and GT5 are each an “affected unit” because each unit is a utility unit as defined in 40 CFR 72.6(a)(3) that serves a generator after November 15, 1990 with a name plate capacity of greater than twenty five (25) Megawatts. Any source that includes an affected unit shall be subject to the Acid Rain Program. Therefore, Unit GT1 and GT2 are each subject to the provisions of 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit).

The Phase II Acid Rain Permit (AR097-5106-00033) issued on December 31, 1997 and the Administrative Amendment (AAR-097-10326-00033) to the Phase II Acid Rain Permit issued on June 17, 2002 incorporate all applicable requirements pursuant to 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 78 (Acid Rain Permit) for Unit GT4 and Unit GT5. The Phase II Acid Rain Permit is included in the proposed Title V Permit as Section E.1.

<u>Unit GT6</u> (Gas Turbine GT6)

326 IAC 2-2 (Prevention of Significant Deterioration)

Unit GT6 was initially permitted under the Significant Source Modification 097-10952-00033 issued August 17, 1999 by the City of Indianapolis Office of Environmental Services. The Minor Permit Modification 097-14666-00033 issued November 9, 2001 amended and replaced Significant Source Modification 097-10952-00033. The replacement Unit GT6 does not utilize water injection or burn distillate oil. Nitrogen oxide (NO_x) emissions from Unit GT6 are the controlling pollutant (see TSD

Appendix A page 9 of 12). Therefore, limiting NO_x emissions from Unit GT6 limit all other criteria pollutants to less than their respective major modification threshold (PM10 to less than 15 tons per year, SO_2 to less than 40 tons per year and CO to less than 100 tons per year).

Pursuant to Operation Condition 9(a) of the Minor Permit Modification 097-14666-00033 issued November 9, 2001, which amended and replaced Significant Source Modification 097-10952-00033 issued August 17, 1999, nitrogen oxide (NO_x) emissions from Unit GT6 are limited to less than forty (40) tons per twelve (12) consecutive month period with compliance determined at the end of each month such that 326 IAC 2-2 (Prevention of Significant Deterioration) does not apply: Pursuant to Operation Condition 9(b) of the Minor Permit Modification 097-14666-00033, a continuous emissions monitoring system (CEM) for nitrogen oxide (NO_x) emissions shall be installed and operated in accordance with 326 IAC 3-5 to demonstrate compliance with this NO_x emissions limit. Pursuant to Operation Condition 16 of the Minor Permit Modification 097-14666-00033 issued November 9, 2001, a log of the information necessary to document compliance with Operation Condition 9 shall be maintained and a quarterly summary of monthly NO_x emissions in tons per year and the most recent twelve (12) consecutive month period NO_x emissions in tons per year shall be reported to OAQ and OES.

326 IAC 3-5 (Continuous Monitoring of Emissions)

Unit GT6 is not required to install a continuous opacity monitoring (COM) system because Unit GT6 is not a steam generating unit and Unit GT6 is not an affected facility as identified in 326 IAC 3-5-1(b).

Operation Condition No. 9(b) of the Minor Permit Modification 097-14666-00033 issued November 9, 2001 by the City of Indianapolis Environmental Resources Management Division on November 9, 2001 required that IPL - Harding Street Station install and operate a continuous emission monitoring (CEM) system for Unit GT6 in accordance with 326 IAC 3-5 (Continuous Monitoring of Emissions) for nitrogen oxide (NO_x) emissions.

Pursuant to 326 IAC 3-5 (Continuous Emissions Monitoring), the continuous emission monitoring system for Unit GT6 shall be calibrated, maintained and operated for measuring NO_x emissions which meet the performance specifications of 326 IAC 3-5-2.

326 IAC 6-1-2(a) (Particulate Rules; Particulate Emission Limitations)

Sources or facilities located in Marion County which have the potential to emit greater than one hundred (100) tons per year of particulate or that have actual emissions greater than ten (10) tons per year and are not otherwise limited by 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12 shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

This source has potential PM emissions in excess of one hundred (100) tons per year. Unit GT6 is not specifically identified in 326 IAC 6-1-12 (Particulate Rules: Marion County). Unit GT6 is not subject to 326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating) because this Unit does not heat an intermediate fluid and is therefore, not an indirect heating unit. Unit GT6 is not subject to 326 IAC 6-3 because liquid and gaseous fuels are not part of the process weight as defined in 326 IAC 1-2-59 (Process Weight; Weight Rate Defined). Unit ID GT6 is not subject to the provisions of 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12. Therefore, pursuant to 326 IAC 6-1-2(a), PM emissions from Unit GT6 shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

326 IAC 7 (Sulfur Dioxide Rules)

Unit GT6 does not have the potential to emit greater than twenty five (25) tons per year or greater than ten (10) pounds per hour of sulfur dioxide (see TSD Appendix A page 9 of 12). Unit GT6 is not specifically identified in 326 IAC 7-4-2 (Sulfur Dioxide Emission Limitations: Marion County). Therefore, 326 IAC 7 (Sulfur Dioxide Rules) does not apply to Unit ID GT6.

Sulfur Dioxide emissions from Unit GT6 are subject to 40 CFR Part 60.330 Subpart GG Standards of Performance for Stationary Gas Turbines and are therefore, limited to either 0.015 percent SO_2 by volume at fifteen percent (15%) oxygen and on a dry basis or not burn any fuel which contains in

excess of eight tenths percent (0.8%) sulfur content by weight.

326 IAC 10-4 (NO_x Budget Trading Program)

Pursuant to 326 IAC 10-4-2(16), Unit GT6 is considered an "electricity generating unit (EGU)" because the unit 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_x budget unit. Because this source meets the criteria of having one (1) or more NO_x budget units, it is a NO_x budget source. The Permittee shall be subject to the requirements of this rule. The NO_X budget permit is in section F of the Part 70 permit. The Technical Support Document for the NO_X budget permit is provided as Appendix B to this Technical Support Document.

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

326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit)

Pursuant to 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 Subpart A (Acid Rain Program General Provisions), Unit GT6 is an "affected unit" because Unit GT6 is a utility unit as defined in 40 CFR 72.6(a)(3) that serves a generator after November 15, 1990 with a name plate capacity of greater than twenty five (25) Megawatts. Any source that includes an affected unit shall be subject to the Acid Rain Program. Therefore, Unit GT6 is subject to the provisions of 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 40 CFR 78 (Acid Rain Permit).

The Phase II Acid Rain Permit (AR097-5106-00033) issued on December 31, 1997 and the Administrative Amendment (AAR-097-10326-00033) to the Phase II Acid Rain Permit issued on June 17, 2002 incorporate all applicable requirements pursuant to 326 IAC 21 (Acid Deposition Control) and 40 CFR 72 through 78 (Acid Rain Permit) for Unit GT6. The Phase II Acid Rain Permit is included in the proposed Title V Permit as Section E.1.

<u>Unit ST14</u> (Emergency Generator)

326 IAC 2-1 (Permit Review Rules)

Unit ST14, one (1) General Motors reciprocating internal combustion standby/emergency generator, was installed in 1967. At five hundred (500) operating hours per year, potential to emit NO_x is estimated to be twenty two and one tenth (22.1) tons per year (see TSD Appendix A page 10 of 12) which exceeds the maximum exemption threshold of ten (10.0) tons per year as stated in 326 IAC 2-1.1-3(d). Therefore, Unit ST14, a General Motors distillate oil fired emergency generator exceeds minimum permitting thresholds and, is therefore, a significant emission unit. IDEM, OAQ and OES are aware that Unit ST14 has been constructed and/or operated prior to receipt of the proper permit. IDEM, OAQ and OES are reviewing this matter and will take appropriate action. This proposed permit is intended to satisfy the requirements of the construction permit rules.

326 IAC 2-2 (Prevention of Significant Deterioration)

Unit ST14, one (1) General Motors reciprocating internal combustion standby/emergency generator, was installed in 1967 which predates the applicability date of August 7, 1977 for 326 IAC 2-2 (Prevention of Significant Deterioration). Therefore, 326 IAC 2-2 (Prevention of Significant Deterioration) does not apply to Unit ST14.

326 IAC 6-1-2(a) (Particulate Rules; Particulate Emission Limitations)

Sources or facilities located in Marion County which have the potential to emit greater than one hundred (100) tons per year of particulate or that have actual emissions greater than ten (10) tons per year and are not otherwise limited by 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12 shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

This source has potential PM emissions in excess of one hundred (100) tons per year. Unit ST14 is not specifically identified in 326 IAC 6-1-12 (Particulate Rules: Marion County). Unit ST14 is not

subject to 326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating) because this Unit does not heat an intermediate fluid and is therefore, not an indirect heating unit. Unit ST14 is not subject to 326 IAC 6-3 because liquid and gaseous fuels are not part of the process weight as defined in 326 IAC 1-2-59 (Process Weight; Weight Rate Defined). Unit ID ST14 is not subject to the provisions of 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12. Therefore, pursuant to 326 IAC 6-1-2(a), PM emissions from Unit ST14 shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

326 IAC 7 (Sulfur Dioxide Rules)

Unit ST14 does not have the potential to emit sulfur dioxide in excess of twenty five (25) tons per year (see TSD Appendix A page 10 of 12). Therefore, 326 IAC 7 (Sulfur Dioxide Rules) does not apply to Unit ST14.

Unit ID ST37 and ST39 (Outside coal storage and handling);
Unit ST41 (Paved and unpaved plant roads)

326 IAC 2-1 (Permit Review Rules)

Unit ST37, Unit ST39 and Unit ST41 have the potential to emit particulate (PM) in excess of five (5.0) tons per year (see TSD Appendix A page 10 of 12) which exceeds the maximum exemption threshold of five (5.0) tons per year as stated in 326 IAC 2-1.1-3(d). Therefore, Unit ST37, ST39 and Unit ST41 have potential to emit that exceeds minimum permitting thresholds and, are therefore, significant emission units. IDEM, OAQ and OES are aware that Unit ST37, Unit ST39 and ST41 have been constructed and/or operated prior to receipt of the proper permit. IDEM, OAQ and OES are reviewing this matter and will take appropriate action. This proposed permit is intended to satisfy the requirements of the construction permit rules.

326 IAC 2-2 (Prevention of Significant Deterioration)

Unit ST37, ST39 and ST41 installation all predate August 7, 1977 and were therefore not subject to PSD requirements at the time of installation. None of these Units have had a modification or reconstruction since August 7, 1977. Therefore, 326 IAC 2-2 (Prevention of Significant Deterioration (PSD) Requirements) do apply to Unit ST37, ST39 and ST41.

326 IAC 6-1-2(a) (Particulate Rules; Particulate Emission Limitations)

Sources or facilities located in Marion County which have the potential to emit greater than one hundred (100) tons per year of particulate or that have actual emissions greater than ten (10) tons per year and are not otherwise limited by 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12 shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

This source has potential PM emissions in excess of one hundred (100) tons per year. None of these Units are specifically identified in 326 IAC 6-1-12 (Particulate Rules: Marion County). None of these Units are subject to the provisions of 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12. Therefore, pursuant to 326 IAC 6-1-2(a), PM emissions from Unit ST37, Unit ST39 and Unit ST41 each shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

These operations do not have an exhaust for which compliance with 326 IAC 6-1-2(a) can be demonstrated. All of these units were constructed prior to August 7, 1977 and, therefore, predate 326 IAC 2-2 applicability. There have been no modifications to these units that would have then been subject to 326 IAC 2-2. Therefore, an equivalent mass emission rate for these units is not necessary.

Insignificant Activities

326 IAC 6-1-2(a) (Particulate Rules; Particulate Emission Limitations)

Sources or facilities located in Marion County which have the potential to emit greater than one hundred (100) tons per year of particulate or that have actual emissions greater than ten (10) tons per year and are not otherwise limited by 326 IAC 6-1-2(b) through (g) or 326 IAC 6-1-12 shall not exceed three hundredth (0.03) grains per dry standard cubic foot of exhaust.

326 IAC 8-3 (Volatile Organic Compound Rules: Organic Solvent Degreasing Operations)

Pursuant to 326 IAC 8-3-1(a) (Organic Solvent Degreasing Operations: Applicability), 326 IAC 8-3-2 (Organic Solvent Degreasing Operations: Cold Cleaner Operation) is applicable to organic solvent degreasing operations located in Marion County and existing as of January 1, 1980 with potential emissions of one hundred (100) tons or greater per year of VOC. Cold cleaner degreasing operations at IPL - Harding Street Station were in existence as of January 1, 1980 and had potential VOC emissions in excess of one hundred (100) tons per year. Therefore, 326 IAC 8-3-2 applies to cold cleaner degreasing operations at IPL - Harding Street Station. Pursuant to 326 IAC 8-3-1(b) (Organic Solvent Degreasing Operations: Applicability), 326 IAC 8-3-5 (Organic Solvent Degreasing Operations: Cold Cleaner Degreaser Operation and Control) is applicable to organic solvent degreasing operations located in Marion County and existing as of July 1, 1990. IPL - Harding Street Station has existing cold cleaning operations located in Marion County and existing as of July 1, 1990. Therefore, 326 IAC 8-3-5 applies to cold cleaner degreasing operations at IPL - Harding Street Station.

(a) Pursuant to 326 IAC 8-3-2 (Organic Solvent Degreasing Operations: Cold Cleaner Operation), for cold cleaning operations existing as of January 1, 1980 located in Marion County and which are located at sources which have potential emissions of one hundred (100) tons or greater per year of VOC, the Permittee shall:

(1) Equip the cleaner with a cover;
(2) Equip the cleaner with a facility for draining cleaned parts;
(3) Close the degreaser cover whenever parts are not being handled in the cleaner;
(4) Drain cleaned parts for at least fifteen (15) seconds or until dripping ceases;
(5) Provide a permanent, conspicuous label summarizing the operation requirements;
(6) Store waste solvent only in covered containers an 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.

(b) Pursuant to 326 IAC 8-3-5(a) (Cold Cleaner Degreaser Operation and Control), for cold cleaner degreaser operations without remote solvent reservoirs existing as of July 1, 1990, located in Marion County, 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 ($38^{O}C$) (one hundred degrees Fahrenheit ($100^{O}F$));

(B) The solvent is agitated; or

(C) The solvent is heated.

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

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

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

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

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

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

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

(c) Pursuant to 326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control), 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.

Testing Requirements

Utilizing AP-42 emissions factors for particulate (PM), Units 9, 10, GT1, GT2 and GT3 each demonstrate compliance with the applicable emission limitation(s) pursuant to 326 IAC 6-1-12 (Particulate Rules; Particulate Emission Limitations) (see TSD Appendix A pages 2 and 6 of 12). Fuel sulfur content and fuel sampling and analysis data collected and reported pursuant to 326 IAC 7-2-1 (Sulfur Dioxide Compliance: Reporting and Methods to Determine Compliance) and 326 IAC 3-7 (Fuel Sampling and Analysis Procedures) are each utilized to demonstrate compliance with the applicable emission limitation(s) pursuant to 326 IAC 7-4-2 (Sulfur Dioxide Emission Limitations: Marion County). Therefore, the proposed permit does not have provisions to conduct performance stack testing for PM and/or SO_2 for Units 9, 10, GT1, GT2 and GT3 within a mandated or designated time frame. IDEM, OAQ and OES reserve the right to require the permittee to conduct performance stack testing upon request.

Unit 50, 60 and 70 each have add on particulate (PM) emission control equipment, electrostatic precipitators (ESP), and condition number 5 of the Certificate of Operation 0033-1 through 0033-16 issued on August 3, 1989 contained the requirement to conduct performance stack testing at least once every two (2) years. However, IPL - Harding Street Station has not conducted performance stack testing for particulate since 1998 (see TSD Appendix A page 11 of 12). IDEM, OAQ and OES are currently in the process of requiring IPL- Harding Street Station to conduct performance stack testing for PM emissions from Unit 50, 60 and 70 in calendar year 2003. Therefore, the proposed permit states, no later than twenty four (24) months following the issuance date of the Title V Permit for this source, compliance with the PM limitation for Unit 50, 60 and 70 shall be determined by a performance stack test conducted utilizing methods as approved by the Commissioner. This test shall be repeated at least once every two (2) years following the date of this valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing. Fuel sulfur content and fuel sampling and analysis data collected and reported pursuant to 326 IAC 7-2-1 (Sulfur Dioxide Compliance: Reporting and Methods to Determine Compliance) and 326 IAC 3-7 (Fuel Sampling and Analysis Procedures) are each utilized to demonstrate compliance with the applicable emission limitation(s) pursuant to 326 IAC 7-4-2 (Sulfur Dioxide Emission Limitations: Marion County).

Units GT4, GT5 and GT6 are each subject to 326 IAC 12 (New Source Performance Standards) and 40 CFR 60.330 Subpart GG (Standards of Performance for Stationary Gas Turbines). Pursuant to 40 CFR 60.8 (General Provisions Relating to NSPS), initial performance stack testing was conducted within the mandated time frames (see TSD Appendix A page 12 of 12). Retesting of Units GT4 and GT5 for NO_x emissions while firing natural gas was conducted in 1999. Because these Units are subject to NSPS, they will be required to performance stack test for NO_x emissions at least once every five (5) years plus one hundred and eighty days (180) from the date of the most recent valid compliance demonstration. For Unit GT4 and Unit GT5, the proposed permit states, the Permittee shall conduct a performance stack test utilizing Method 7 (40 CFR 60, Appendix A), or other methods as approved by the Commissioner for NO_x emissions from Unit GT4 and Unit GT5 no later than September 24, 2004 which corresponds to five (5) years since the last valid stack test. Performance stack testing for NO_x emissions shall be conducted while burning natural gas and while burning distillate oil. Performance Stack testing shall be repeated at least once every five (5) years from the date of the most recent valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

Because Unit GT6 is subject to NSPS, it will be required to performance stack test for NO_x emissions at least once every five (5) years plus one hundred and eighty days (180) from the date of the most recent valid compliance demonstration. For Unit GT6, the proposed permit states, the Permittee shall conduct a performance stack test utilizing Method 7 (40 CFR 60, Appendix A), or other methods as approved by the Commissioner for NO_x emissions from Unit GT6 no later than September 20, 2007 which corresponds to five (5) years since the last valid stack test plus one hundred and eighty (180) days. Performance Stack testing shall be repeated at least once every five (5) years from the date of the most recent valid compliance demonstration. Testing shall be conducted in accordance with Section C- Performance Testing.

Compliance Requirements

Permits issued under 326 IAC 2-7are 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 and OES, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

Compliance monitoring plans for demonstrating compliance are as follows under Rule 326 IAC 2-7-5(3) which requires all permitted sources to demonstrate that all emitting units are in continuos compliance with all "applicable requirements" as defined by 326 IAC 2-7-1(6). Compliance is demonstrated by taking sufficient measurements of emissions or operating parameters or by gathering other data.

Based on IDEM, OAQ and OES's review compliance monitoring requirements applicable to the coal fired boilers identified as Unit 50, 60 and 70 are as follows:

Preventive Inspections: Electrostatic Precipitator [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)]

(a) The following inspections shall be performed according to the indicated schedules in accordance with the Preventive Maintenance Plan prepared in accordance with Section B - Preventive Maintenance Plan:

(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.

Electrostatic Precipitator (ESP) Parametric Monitoring [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 primary and secondary voltages and the currents of the transformer-rectifier (T-R) sets.

(b) When for any one reading, operation is outside one of the normal ranges shown below, or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- Compliance Response Plan - Preparation, Implementation, Records, and Reports. A voltage or current reading outside the normal range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

(1) Primary voltage: 260 - 300 V
(2) Secondary voltage: 35 - 55 kV

(3) T-R set primary current: 50 - 75 A

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

(a) In the event opacity exceeds twenty five percent (25%) for three (3) consecutive six (6) minute averaging periods for Unit 50 or Unit 60, appropriate response steps shall be taken in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports 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) In the event opacity exceeds twenty percent (20%) for three (3) consecutive six (6) minute averaging periods for Unit 70, appropriate response steps shall be taken in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports such that the cause(s) of the excursion are identified and corrected and opacity levels are brought back below twenty percent (20%). Examples of expected response steps include, but are not limited to, boiler loads being reduced and ESP T-R sets being returned to service.

(c) Opacity readings in excess of twenty five percent (25%) for Unit 50 or Unit 60 but not exceeding the opacity limit for the Unit are not a deviation from this permit. Opacity readings in excess of twenty percent (20%) for Unit 70 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.

Note:
The IDEM, OAQ Compliance Branch and OES have used all recent stack test data and associated COM data and recent inspection findings to make a reasoned determination of what the Opacity Reading “trigger level” should be for each Unit. The trigger level is one of the surrogate tools used to determine continued compliance with a PM limit, in lieu of continuous emissions monitoring for particulate. The other surrogate used for boilers to indicate compliance with a PM limit is ESP performance data.

SO_2 Monitoring Downtime [326 IAC 2-7-6] [326 IAC 2-7-5(3)]
Whenever the SO_2 continuous emission monitoring system or the automatic coal sampling system is malfunctioning or down for repairs or adjustments, one of the following methods shall be used to provide information related to SO_2 emissions:

(a) The relevant requirements of 40 CFR 75 Subpart D - Missing Data Substitution Procedures shall be used to provide substitute data, or

(b) Fuel sampling shall be conducted as specified in 326 IAC 3-7-2(a) or (b), and 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.

Note:
The fuel sampling methods specified in 326 IAC 3-7-2(a) or 326 IAC 3-7-3 are required for sources that routinely use fuel analysis to demonstrate compliance with the SO2 limits established in 326 IAC 7 and that have total coal fired capacity greater than or equal to 1500 MMBtu per hour. However, fuel sampling is not required by 326 IAC 7-2 for sources that have been approved to use CEM data to demonstrate compliance with SO2 limits, and many of these sources no longer have the sampling equipment required by 326 IAC 3-7-2(a). Therefore, these sources are allowed to use the sampling methods specified in 326 IAC 3-7-2(b) during CEM downtime.

These monitoring conditions are necessary because the facilities and associated control devices must function properly to ensure compliance with SO_2 and PM limits and opacity limits under 326 IAC 7-4-2 (Sulfur Dioxide Emission Limitations: Marion County), 326 IAC 6-1-12 (Particulate Rules: Marion County), 326 IAC 5 (Opacity Limitations) and 326 IAC 2-7 (Part 70).

Based on IDEM, OAQ and OES's review compliance monitoring requirements applicable to Unit 9 and Unit 10 are as follows:

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

(a) Visible emission (VE) notations of Unit 9 and/or Unit 10 stack exhaust(s) shall be performed once per shift during normal daylight operations while combusting fuel oil. A trained employee shall record whether emissions are normal or abnormal.

(b) If abnormal emissions are observed at Unit 9 and/or Unit 10 exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

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

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

These monitoring conditions are necessary because the facilities must function properly to ensure compliance with PM limits and opacity limits under 326 IAC 6-1-12 (Particulate Rules: Marion County), 326 IAC 5 (Opacity Limitations) and 326 IAC 2-7 (Part 70).

Based on IDEM, OAQ and OES's review compliance monitoring requirements applicable to Unit GT4 and Unit GT5 are as follows:

Sulfur and Nitrogen Content [326 IAC 12] [40 CFR 60.334]
The Permittee shall comply with the following custom monitoring schedule for Unit GT4 and Unit GT5 as approved for the site by the USEPA on October 26, 2000:

(a) Monitoring of fuel nitrogen content shall not be required while natural gas is the only fuel fired in the gas turbine.

(b) Sulfur Monitoring:

(1) Analysis for fuel sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM D30301-81; ASTM 3246-81; and ASTM D4084-82 as referenced in 40 CFR 60.335(b)(2).

(2) Effective the date of this custom schedule, sulfur monitoring shall be conducted twice monthly for six months. If this monitoring shows little variability in the fuel sulfur content, and indicates consistent compliance with 40 CFR 60.333, then sulfur monitoring shall be conducted once per quarter for six quarters.

(3) If after the monitoring required in item (b)(2) above, or herein, the sulfur content of the fuel shows little variability and , calculated as sulfur dioxide,

represents consistent compliance with the sulfur dioxide emission limits specified under 40 CFR 60.333, sample analysis shall be conducted twice per annum. This monitoring shall be conducted during the first and third quarters of each calendar year.

(4) Should any sulfur analysis as required in items (b)(2) or (b)(3) above indicate noncompliance with 40 CFR 60.333, the Permittee shall notify IDEM, OAQ and USEPA of such excess emissions and the custom schedule shall be re-examined. Sulfur monitoring shall be conducted weekly during the interim period when this custom schedule is being re-examined.

(c) If there is a change in fuel supply, the Permittee must notify IDEM, OAQ and USEPA of such change for re-examination of this custom schedule. A substantial change in fuel quality shall be considered as a change in fuel supply. Sulfur monitoring shall be conducted weekly during this interim period when this custom schedule is being re-examined.

(d) Records of sample analysis and fuel supply pertinent to this custom schedule shall be retained for a period of three (3) years, and be available for inspection by personnel of federal, state, and local air pollution control agencies.

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

(a) Visible emission (VE) notations of Unit GT4 and/or Unit GT5 stack exhaust(s) shall be performed once per shift during normal daylight operations while combusting fuel oil. A trained employee shall record whether emissions are normal or abnormal.

(b) If abnormal emissions are observed at Unit GT4 and/or Unit GT5 exhaust, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Observation of abnormal emissions that do not violate an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.

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

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

These monitoring conditions are necessary because the facilities must function properly to ensure compliance with SO_2, NO_x and PM limits and opacity limits under 326 IAC 12 (New Source Performance Standards), 326 IAC 6-1-2(a) (Particulate Rules: Particulate Emission Limitations), 326 IAC 5 (Opacity Limitations) and 326 IAC 2-7 (Part 70).

Based on IDEM, OAQ and OES’s review compliance monitoring requirements applicable to Unit GT6 is as follows:

Sulfur and Nitrogen Content [326 IAC 12] [40 CFR 60.334]

The Permittee shall comply with the following custom monitoring schedule for Unit GT6 as approved for the site by the USEPA for Unit GT4 and Unit GT5 on October 26, 2000:

(a) Monitoring of fuel nitrogen content shall not be required while natural gas is the only fuel fired in the gas turbine.

(b) Sulfur Monitoring:

(1) Analysis for fuel sulfur content of the natural gas shall be conducted using one of the approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM D30301-81; ASTM 3246-81; and ASTM D4084-82 as referenced in 40 CFR 60.335(b)(2).

(2) Effective the date of this custom schedule, sulfur monitoring shall be conducted twice monthly for six months. If this monitoring shows little variability in the fuel sulfur content, and indicates consistent compliance with 40 CFR 60.333, then sulfur monitoring shall be conducted once per quarter for six quarters.

(3) If after the monitoring required in item (b)(2) above, or herein, the sulfur content of the fuel shows little variability and , calculated as sulfur dioxide, represents consistent compliance with the sulfur dioxide emission limits specified under 40 CFR 60.333, sample analysis shall be conducted twice per annum. This monitoring shall be conducted during the first and third quarters of each calendar year.

(4) Should any sulfur analysis as required in items (b)(2) or (b)(3) above indicate noncompliance with 40 CFR 60.333, the Permittee shall notify IDEM, OAQ and USEPA of such excess emissions and the custom schedule shall be re-examined. Sulfur monitoring shall be conducted weekly during the interim period when this custom schedule is being re-examined.

(c) If there is a change in fuel supply, the Permittee must notify IDEM, OAQ and USEPA of such change for re-examination of this custom schedule. A substantial change in fuel quality shall be considered as a change in fuel supply. Sulfur monitoring shall be conducted weekly during this interim period when this custom schedule is being re-examined.

(d) Records of sample analysis and fuel supply pertinent to this custom schedule shall be retained for a period of three (3) years, and be available for inspection by personnel of federal, state, and local air pollution control agencies.

These monitoring conditions are necessary for Unit GT6 because the Unit must function properly to ensure compliance with SO_2 and NO_x limits under 326 IAC 12 (New Source Performance Standards and 326 IAC 2-7 (Part 70).

Based on IDEM, OAQ and OES's review compliance monitoring requirements applicable to Unit ST37 and ST39 (Outside coal storage and handling) are as follows:

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

(a) Visible emission notations of the coal unloading station doorways shall be performed once per shift during normal daylight operations while unloading coal. A trained employee shall record whether any emissions are observed.

(b) If any visible emissions of dust are observed from the coal unloading station doorways, the Permittee shall take reasonable response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports. Observation of visible emissions that do not violate 326 IAC 6-4 (Fugitive Dust Emissions) or an applicable opacity limit is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from of this permit.

(c) For processes operated continuously, "normal" means those conditions prevailing, or

expected to prevail, eighty percent (80%) of the time the process is in operation.

(d) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

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

These monitoring conditions are necessary because the facilities must function properly to ensure compliance PM limits and opacity limits under 326 IAC 6-1-2(a) (Particulate Rules: Particulate Emission Limitations), 326 IAC 5 (Opacity Limitations) and 326 IAC 2-7 (Part 70).

Conclusion

The operation of this electric utility generating station shall be subject to the conditions of the attached proposed **Part 70 Permit No. T097-6566-00033.**

Summary of Units

Appendix A: Emission Calculations
Summary of Equipment/Rules for Units

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, Indiana 46217
Title V Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: 09/17/02

Emission Unit ID	Stack/Vent ID	Boiler Mfgr & Type of Boiler	Installation Date	Fuel(s)	Estimated Capacity Rating	Design Heat Input (MMBTU/HR)	Applicable Rule Limitations	Limit	Rule	Control (Y/N); Type; ID; Pollutant(s); Stack ID
9	3-1	Combustion Engineering Distillate Oil Firing	1942	# 2 fuel oil	3872 gal/hr	527	PM	0.015 #/MMBtu & 1.9 tpy	326 IAC 6-1-12	No; None; None; None; Stack/Vent ID 3-1
							PM10	none	----	
							SO2	0.35 #/MMBtu	326 IAC 7-4-2	
							NOx	none	----	
							VOC	none	----	
							CO	none	----	
							COM	none	----	
							CEM	none	----	
10	4-1	Combustion Engineering Distillate Oil Firing	1947	# 2 fuel oil	3872 gal/hr	527	PM	0.015 #/MMBtu & 2.2 tpy	326 IAC 6-1-12	No; None; None; None; Stack/Vent ID 4-1
							PM10	none	----	
							SO2	0.35 #/MMBtu	326 IAC 7-4-2	
							NOx	none	----	
							VOC	none	----	
							CO	none	----	
							COM	none	----	
							CEM	none	----	
50	5-1	Combustion Engineering Pulverized - Tangential	1958	coal # 2 fuel oil	45.6 tons/hr	1017	PM	0.135 #/MMBtu & 82.2 tpy	326 IAC 6-1-12	Yes: ESP; low NOx burners ID CE50 PM/(PM10) & NOx; Stack/Vent ID 5-1
							PM10	none	----	
							SO2	4.7 #/MMBtu	326 IAC 7-4-2	
							NOx	none	----	
							VOC	none	----	
							CO	none	----	
							COM	opacity	326 IAC 3-5	
							CEM	NOx; SO2	40 CFR 72 & 326 IAC 21	
60	6-1	Combustion Engineering Pulverized - Tangential	1961	coal # 2 fuel oil	45.7 tons/hr	1017	PM	0.135 #/MMBtu & 82.2 tpy	326 IAC 6-1-12	Yes: ESP; low NOx burners ID CE60 PM/(PM10) & NOx; Stack/Vent ID 6-1
							PM10	none	----	
							SO2	4.7 #/MMBtu	326 IAC 7-4-2	
							NOx	none	----	
							VOC	none	----	
							CO	none	----	
							COM	opacity	326 IAC 3-5	
							CEM	NOx; SO2	40 CFR 72 & 326 IAC 21	
70	7-1	Combustion Engineering Pulverized - Tangential	1973	coal # 2 fuel oil waste oil	185.7 tons/hr	4123	PM	0.1 #/MMBtu & 0.38 tpy	326 IAC 6-1-12	Yes: ESP; low NOx burners ID CE70 PM/(PM10) & NOx; Stack/Vent ID 7-1
							PM10	none	----	
							SO2	5.3 #/MMBtu	326 IAC 7-4-2	
							NOx	none	----	
							VOC	none	----	
							CO	none	----	
							COM	opacity	326 IAC 3-5	
							CEM	NOx; SO2	40 CFR 72 & 326 IAC 21	
GT1	GT1-1	General Electric Oil Fired Gas Turbine Model # MS 5000	1973	# 2 fuel oil	2704 gal/hr	299 32000 kva peak	PM	0.015 #/MMBtu & 0.28 tpy	326 IAC 6-1-12	No; None; None; None; Stack/Vent ID GT1-1
							PM10	none	----	
							SO2	0.35 #/MMBtu	326 IAC 7-4-2	
							NOx	none	----	
							VOC	none	----	
							CO	none	----	
							COM	none	----	
							CEM	none	----	
GT2	GT2-1	General Electric Oil Fired Gas Turbine Model # MS 5000	1973	# 2 fuel oil	2704 gal/hr	299 32000 kva peak	PM	0.015 #/MMBtu & 0.28 tpy	326 IAC 6-1-12	No; None; None; None; Stack/Vent ID GT2-1
							PM10	none	----	
							SO2	0.35 #/MMBtu	326 IAC 7-4-2	
							NOx	none	----	
							VOC	none	----	
							CO	none	----	
							COM	none	----	
							CEM	none	----	
GT3	GT3-1	General Electric Oil Fired Gas Turbine Model # MS 5000	1973	# 2 fuel oil	2704 gal/hr	299 32000 kva peak	PM	0.015 #/MMBtu & 0.28 tpy	326 IAC 6-1-12	No; None; None; None; Stack/Vent ID GT 3-1
							PM10	none	----	
							SO2	0.35 #/MMBtu	326 IAC 7-4-2	
							NOx	none	----	
							VOC	none	----	
							CO	none	----	
							COM	none	----	
							CEM	none	----	

notes: Acid Rain Program Requirements are not listed
alternative SO2 emission limitations (found in 326 IAC 7-4-2) are not listed for 9, 10, 50, 60, GT1, GT2 and GT3

Summary of Units

Appendix A: Emission Calculations
Summary of Equipment/Rules for Units

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, Indiana 46217
Title V Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: 9/17/2002

Emission Unit ID	Stack/Vent ID	Boiler Mfgr & Type of Boiler	Installation Date	Fuel(s)	Estimated Capacity Rating	Design Heat Input (MMBTU/HR)	Applicable Rule Limitations	Limit	Rule	Control (Y/N); Type; ID; Pollutant(s); Stack ID
							PM	0.03 gr/dscf	326 IAC 6-1-2(a)	
		General		natural gas	0.885 MMCF/hr		PM10	< 15 tpy	326 IAC 2-2 or 2-1-3	Yes;
								0.015% x vol @ 15%02;	40 CFR 60.333 (326 IAC 12);	
GT4	GT4-1	Electric	1994	# 2 fuel oil	6827 gal/hr	875	SO2	0.05% S; < 39.6 tpy	326 IAC 2-2	Water Injection;
								40 CFR 60.332(a)(1)	40 CFR 60.332 (326 IAC 12);	
								equation; 42 ppmv on gas &	326 IAC 2-2; 326 IAC 2-2-	
		Gas/Oil Fired					NOx	65 ppmv on oil	3(a)(3)	ID CEGT4;
		Combustion Turbine				105882 kva	VOC	< 40 tpy	326 IAC 2-2 or 2-1-3	NOx;
							CO	< 100 tpy	326 IAC 2-2 or 2-1-3	Stack/Vent ID GT 4-1
							COM	none	----	
								fuel combustion amt;water		
		Model # MS 7001				peak	CEM	to fuel ratio	40 CFR 60.334(a) (326 IAC 12)	
							PM	0.03 gr/dscf	326 IAC 6-1-2(a)	
		General		natural gas	0.885 MMCF/hr		PM10	< 15 tpy	326 IAC 2-2 or 2-1-3	Yes;
								0.015% x vol @ 15%02;	40 CFR 60.333 (326 IAC 12);	
GT5	GT5-1	Electric	1995	# 2 fuel oil	6827 gal/hr	867	SO2	0.05% S; < 39.6 tpy	326 IAC 2-2	Water Injection;
								40 CFR 60.332(a)(1)	40 CFR 60.332 (326 IAC 12);	
								equation; 42 ppmv on gas &	326 IAC 2-2; 326 IAC 2-2-	
		Gas/Oil Fired					NOx	65 ppmv on oil	3(a)(3)	ID CEGT5;
		Combustion Turbine				105882 kva	VOC	< 40 tpy	326 IAC 2-2 or 2-1-3	NOx;
							CO	< 100 tpy	326 IAC 2-2 or 2-1-3	Stack/Vent ID GT 5-1
							COM	none	----	
								fuel combustion amt;water		
		Model # MS 7001				peak	CEM	to fuel ratio	40 CFR 60.334(a) (326 IAC 12)	
							PM	0.03 gr/dscf	326 IAC 6-1-2(a)	
		General					PM10	none	----	No;
ST14	ST14-1	Motors	1967	# 2 fuel oil	203 gal/hr	27.6	SO2	none	---	None;
		Reciprocating					NOx	none	----	None;
		Internal Combustion Engine				3440 kva	VOC	none	----	None;
		(emergency generator)					CO	none	----	Stack/Vent ID ST 14-1
							COM	none	----	
							CEM	none	----	
							PM	0.03 gr/dscf	326 IAC 6-1-2(a)	
							PM10	none	----	No;
Generator	G-1	Reciprocating	1988	diesel	1.5 gal/hr	0.21	SO2	none	----	None;
# 1		Internal Combustion Engine					NOx	none	----	None;
		(emergency generator)					VOC	none	----	None;
							CO	none	----	Stack/Vent ID G-1
							COM	none	----	
							CEM	none	----	
							PM	0.03 gr/dscf	326 IAC 6-1-2(a)	
		General		natural gas	1.66 MMCF/hr	1660	PM10	none	----	No;
GT6	GT6-1	Electric	2002				SO2	40 CFR 60.333 (326 IAC 12)	40 CFR 60.333 (326 IAC 12)	None;
								40 CFR 60.332(a)(1)	40 CFR 60.332 (326 IAC 12);	
		Natural Gas Fired					NOx	equation: < 40 tpy	326 IAC 2-2	None;
		Combustion Turbine				105882 kva	VOC	none	----	None:
							CO	none	----	Stack/Vent ID GT 6-1
							COM	none	----	
		Model # PG7241				peak	CEM	NOx	326 IAC 2-2; 326 IAC 3-5	

notes: Acid Rain Program Requirements are not listed
alternative SO2 emission limitations (found in 326 IAC 7-4-2) are not listed for 9, 10, 50, 60, GT1, GT2 and GT3

Appendix A: Emission Calculations
Industrial Boilers - Distillate oil firing

Emission Unit ID's
 # 9 & # 10
Combustion Engineering
Boilers
(EACH UNIT)

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, IN 46217
Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: 12/09/02

Distillate Oil

Heat Input Capacity MMBtu/hr	Potential Throughput kgals/year	S = Weight % Sulfur
527.0	32975.1	0.3

	Pollutant					
	PM	SO2	NOx	VOC	CO	PM10
Emission Factor in lb/kgal	2.0	47.1 *(157S)*	24.0	0.20	5.0	1.3
Potential Emission in tons/yr	33.0	776.6	395.7	3.3	82.4	21.4
Potential Emissions in tons/yr @ limited throughput (#9)	1.9	44.7	22.8	0.2	4.8	1.2
Potential Emissions in tons/yr @ limited throughput (#10)	2.2	51.8	26.4	0.2	5.5	1.4

Methodology
1 gallon of No. 2 Fuel Oil has a heating value of 140,000 Btu
Potential Throughput (kgals/year) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1kgal per 1000 gallon x 1 gal per 0.140 MM Btu
Emission Factors are from AP 42 (9/98), Tables 1.3-1, 1.3-2, 1.3-3
Emission (tons/yr) = Throughput (kgals/ yr) x Emission Factor (lb/kgal)/2,000 lb/ton
Limited emissions (tons/yr) @ limited throughput = limited throughput (kgals/yr) x emission factor (lbs/kgal)/2,000 lb/ton

Compliance Determination

PM emfac uncontrolled = 2 #/kgal	2 # / kgal x 1 kgal / 1000 gal x 1 gal / 0.14 MMBtu =	0.014 #'s PM / MMBtu
	326 IAC 6-1-12 =	**0.015 #'s PM / MMBtu**
SO2 emfac uncontrolled @ % S		
SO2 @ 0.3 % S = 157(S) / kgal	157(.3) # / kgal x 1 kgal / 1000 gal x 1 gal / 0.14 MMBtu =	0.34 #'s SO2 / MMBtu
	326 IAC 7-4-2 =	**0.35 #'s SO2 / MMBtu**

326 IAC 6-1-12 PM limits in tpy (boiler 9 = 1.9; boiler 10 = 2.2) - fuel use limitation(s) because un/controlled PTE > SIP limit

max fuel consumption for 9 or 10 = 527 MMBtu/hr x 1 gal/0.14 MMBtu x 8760 hr/yr x 1 MMgal/10^6 gal = 33.0 MMgal/yr

limited fuel consumption for 9 = X kgal/yr x 2 lbs PM/1000 kgal x ton PM/2000 lbs PM = 1.9 tons/yr
X = 1900 kgal/yr
limited fuel consumption for 10 = X kgal/yr x 2 lbs PM/1000 kgal x ton PM/2000 lbs PM = 2.2 tons/yr
X = 2200 kgal/yr

	HAPs						
Source of Emfac	AP-42 (1.3)	AP-42 (1.3)	AP-42 (1.3)	Form GSD-08	Form GSD-08	AP-42 (1.3)	AP-42(1.3)
	POMs	Formaldehyde	Selenium	HCL	Nickel	Lead	Mercury
Emission Factor in lb/kgal	0.003	0.061	----	----	----	----	----
Emission Factor in lb/10^12 Btu			15			9	3
Potential Emission in tons/yr	5.4E-02	1.0E+00	2.5E-04	0.0E+00	0.0E+00	1.5E-04	4.9E-05
Potential Emissions in tons/yr @ limited throughput (#10)	3.6E-03	6.7E-02	1.7E-05	0.0E+00	0.0E+00	9.9E-06	3.3E-06

Methodology

Emfacs are from AP-42 (9/98) Table 1.3-8 & 1.3-10
Emission (tons/yr) = Throughput (MMBtu x E-06/MMBtu) x Emission Factor (lb/10^12 Btu)/2,000 lb/ton x 8760 hrs/yr
Form GSD-08 filed with Title V app & represents reported actual annual emissions for each boiler

Emission Unit ID # 50 Combustion Engineering Boiler

Appendix A: Emission Calculations
Industrial Boilers - Pulverized, Dry Bottom Tangential Fired

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, IN 46217
Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: 12/09/02

Coal

Heat Input Capacity MMBtu/hr	Potential throughput tons/yr =		
1017.0	556807.5	8000	Btu / lb coal
		5.1	% Sulfur by Weight = S
		11	% Ash by Weight = A

	Pollutant					
	PM	SO2	NOx	VOC	CO	PM10
Emission Factor in lb/ton	110.0 *(10A)*	193.8 *(38S)*	15.0	0.06	0.5	25.3 *(2.3A)*
Potential Emission in tons/yr	30624.4	53954.6	4176.1	16.7	139.2	7043.6

Methodology
PI-02 Application form listed 1 pound of coal has a heating value of 8000 Btu per pound; 5.1% sulfur worst case
Potential Throughput (tons/yr) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x lb coal / MMBtu x ton /2000 lbs
Emission Factors are from AP 42 (9/98), Tables 1.1-3, 1.1-4 and 1.1-19
Emission (tons/yr) = Throughput (tons/yr) x Emission Factor (lb/ton)/2,000 lb/ton

Compliance Determination
Compliance with 326 IAC 6-1-12 short term limits in pounds per MMBtu will be determined by stack testing

	HAPs											
Source of Emfac (Pulverized, dry bottom)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	Form GSD-08	Form GSD-08
	Arsenic	Beryllium	Cadmium	Chromium	Lead	Manganese	Mercury	Nickel	POMs	Formaldehyde	HCL	HF
Emission Factor in lb/10^12 Btu	684.0	81	44.4	1570.00	507.0	2980.0	16	1290	ND	ND	----	----
Potential Emission in tons/yr	3.0	0.4	0.2	7.0	2.3	13.3	0.1	5.7	0.0	0.0	47.5	10.6

Methodology
Emfac in lb/10^12 Btu * max heat input (MMBtu/hr) *1.0E-06* 8760hrs/yr * ton/2000 lbs = potential emissions in tons per year
Emission Factors are from AP 42 (9/98), Table 1.1-17
Form GSD-08 filed with Title V app & represents reported actual annual emissions estimates for each boiler

Distillate Oil

Heat Input Capacity MMBtu/hr	Potential Throughput kgals/year	S = Weight % Sulfur
1017.0	63635.1	0.3

	Pollutant					
	PM	SO2	NOx	VOC	CO	PM10
Emission Factor in lb/kgal	2.0	47.1 *(157.0S)*	24.0	0.20	5.0	1.3
Potential Emission in tons/yr	63.6	1498.6	763.6	6.4	159.1	41.4

Methodology
1 gallon of No. 2 Fuel Oil has a heating value of 140,000 Btu
Potential Throughput (kgals/year) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1kgal per 1000 gallon x 1 gal per 0.140 MM Btu
Emission Factors are from AP 42 (9/98), Tables 1.3-1, 1.3-2, 1.3-3
Emission (tons/yr) = Throughput (kgals/ yr) x Emission Factor (lb/kgal)/2,000 lb/ton

Compliance Determination

PM emfac uncontrolled = 2 #/kgal	2 # / kgal x 1 kgal / 1000 gal x 1 gal / 0.14 MMBtu =	0.014 #'s PM / MMBtu
	326 IAC 6-1-12 =	**0.135 #'s PM / MMBtu**
SO2 emfac uncontrolled @ % S SO2 @ 0.3 % S = 157(S) / kgal	157(.3) # / kgal x 1 kgal / 1000 gal x 1 gal / 0.14 MMBtu =	0.3 #'s SO2 / MMBtu
	326 IAC 7-4-2 =	**4.7 #'s SO2 / MMBtu**

	HAPs						
Source of Emfac	AP-42 (1.3)	AP-42 (1.3)	AP-42 (1.3)	Form GSD-08	Form GSD-08	AP-42 (1.3)	AP-42(1.3)
	POMs	Formaldehyde	Selenium	HCL	Nickel	Lead	Mercury
Emission Factor in lb/kgal	0.003	0.061	----	----	----	----	----
Emission Factor in lb/10^12 Btu			15			9	3
Potential Emission in tons/yr	1.0E-01	1.9E+00	4.8E-04	0.0E+00	0.0E+00	2.9E-04	9.5E-05

Methodology

Emfacs are from AP-42 (9/98) Table 1.3-8 & 1.3-10
Emission (tons/yr) = Throughput (MMBtu x E-06/MMBtu) x Emission Factor (lb/10^12 Btu)/2,000 lb/ton x 8760 hrs/yr
Form GSD-08 filed with Title V app & represents reported actual annual emissions for each boiler

Landfill Gas
Heat Input Capacity MMBtu/hr

No data at this time

Emission Unit ID # 60
Combustion Engineering Boiler

Appendix A: Emission Calculations
Industrial Boilers - Pulverized, Dry Bottom, Tangential Fired

Company Name:	**IPL - Harding Street Station**
Address City IN Zip:	**3700 South Harding Street, Indianapolis, IN 46217**
Plt ID:	**T097-6566-00033**
Reviewer:	**M. Caraher**
Date:	**12/09/02**

Coal

Heat Input Capacity MMBtu/hr	Potential throughput tons/yr =		
1017.0	556807.5	8000	Btu / lb coal
		5.1	% Sulfur by Weight = S
		11	% Ash by Weight = A

	Pollutant					
	PM	SO2	NOx	VOC	CO	PM10
Emission Factor in lb/ton	110.0 *(10A)*	193.8 *(38S)*	15.0	0.06	0.5	25.3 *(2.3A)*
Potential Emission in tons/yr	30624.4	53954.6	4176.1	16.7	139.2	7043.6

Methodology
PI-02 Application form listed 1 pound of coal has a heating value of 8000 Btu per pound; 5.1% sulfur worst case
Potential Throughput (tons/yr) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x lb coal / MMBtu x ton /2000 lbs
Emission Factors are from AP 42 (9/98), Tables 1.1-3, 1.1-4 and 1.1-19
Emission (tons/yr) = Throughput (tons/yr) x Emission Factor (lb/ton)/2,000 lb/ton

Compliance Determination
Compliance with 326 IAC 6-1-12 short term limits in pounds per MMBtu will be determined by stack testing

	HAPs											
Source of Emfac (Pulverized, dry bottom)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	AP-42 (1.1-17)	Form GSD-08	Form GSD-08
	Arsenic	Beryllium	Cadmium	Chromium	Lead	Manganese	Mercury	Nickel	POMs	ormaldehyd	HCL	HF
Emission Factor in lb/10^12 Btu	684.0	81	44.4	1570.00	507.0	2980.0	16	1290	ND	ND	----	----
Potential Emission in tons/yr	3.0	0.4	0.2	7.0	2.3	13.3	0.1	5.7	0.0	0.0	49.8	11.1

Methodology
Emfac in lb/10^12 Btu * max heat input (MMBtu/hr) *1.0E-06* 8760hrs/yr * ton/2000 lbs = potential emissions in tons per year
Emission Factors are from AP 42 (9/98), Table 1.1-17
Form GSD-08 filed with Title V app & represents reported actual annual emissions for each boiler

Distillate Oil

Heat Input Capacity MMBtu/hr	Potential Throughput kgals/year	S = Weight % Sulfur
1017.0	63635.1	0.3

	Pollutant					
	PM	SO2	NOx	VOC	CO	PM10
Emission Factor in lb/kgal	2.0	47.1 *(157.0S)*	24.0	0.20	5.0	1.3
Potential Emission in tons/yr	63.6	1498.6	763.6	6.4	159.1	41.4

Methodology
1 gallon of No. 2 Fuel Oil has a heating value of 140,000 Btu
Potential Throughput (kgals/year) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1kgal per 1000 gallon x 1 gal per 0.140 MM Btu
Emission Factors are from AP 42 (9/98), Tables 1.3-1, 1.3-2, 1.3-3
Emission (tons/yr) = Throughput (kgals/ yr) x Emission Factor (lb/kgal)/2,000 lb/ton

Compliance Determination

PM emfac uncontrolled = 2 #/kgal	2 # / kgal x 1 kgal / 1000 gal x 1 gal / 0.14 MMBtu =	0.014 #'s PM / MMBtu
	326 IAC 6-1-12 =	**0.135 #'s PM / MMBtu**
SO2 emfac uncontrolled @ % S SO2 @ 0.3 % S = 157(S) / kgal	157(.3) # / kgal x 1 kgal / 1000 gal x 1 gal / 0.14 MMBtu =	0.3 #'s SO2 / MMBtu
	326 IAC 7-4-2 =	**4.7 #'s SO2 / MMBtu**

	HAPs						
Source of Emfac	AP-42 (1.3)	AP-42 (1.3)	AP-42 (1.3)	Form GSD-08	Form GSD-08	AP-42 (1.3)	AP-42 (1.3)
	POMs	Formaldehyde	Selenium	HCL	Nickel	Lead	Mercury
Emission Factor in lb/kgal	0.003	0.061	----	----	----	----	----
Emission Factor in lb/10^12 Btu			15			9	3
Potential Emission in tons/yr	1.0E-01	1.9E+00	4.8E-04	0.0E+00	0.0E+00	2.9E-04	9.5E-05

Methodology

Emfacs are from AP-42 (9/98) Table 1.3-8 & 1.3-10
Emission (tons/yr) = Throughput (MMBtu x E-06/MMBtu) x Emission Factor (lb/10^12 Btu)/2,000 lb/ton x 8760 hrs/yr
Form GSD-08 filed with Title V app & represents reported actual annual emissions estimates for each boiler

Emission Unit ID # 70
Combustion Engineering Boiler

Appendix A: Emission Calculations
Industrial Boilers - Pulverized Tangential Fired

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, IN 46217
Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: 12/09/02

Coal

Heat Input Capacity MMBtu/hr	Potential throughput tons/yr =		
4123.0	2257342.5	8000	Btu / lb coal
		5.1	% Sulfur by Weight = S
		11	% Ash by Weight = A

	Pollutant					
	PM	SO2	NOx	VOC	CO	PM10
Emission Factor in lb/ton	110.0 *(10A)*	193.8 *(38S)*	15.0	0.06	0.5	25.3 *(2.3A)*
Potential Emission in tons/yr	124153.8	218736.5	16930.1	67.7	564.3	28555.4

Methodology
PI-02 Application form listed 1 pound of coal has a heating value of 8000 Btu per pound; 5.1% sulfur worst case
Potential Throughput (tons/yr) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x lb coal / MMBtu x ton /2000 lbs
Emission Factors are from AP 42 (9/98), Tables 1.1-3, 1.1-4 and 1.1-19
Emission (tons/yr) = Throughput (tons/yr) x Emission Factor (lb/ton)/2,000 lb/ton

Compliance Determination
Compliance with 326 IAC 6-1-12 short term limits in pounds per MMBtu will be determined by stack testing

	HAPs										
Source of Emfac (Pulverized, dry bottom)	AP-42 (1.1-13)	AP-42 (1.1-13)	AP-42 (1.1-13)	AP-42 (1.1-13)	AP-42 (1.1-13)	AP-42 (1.1-13)	AP-42 (1.1-13)	AP-42 (1.1-13)	AP-42 (1.1-13)	Form GSD-08	Form GSD-08
	Arsenic	Beryllium	Cadmium	Chromium	Lead	Manganese	Mercury	Nickel	POMs	HCL	HF
Emission Factor in lb/10^12 Btu	684.0	81	44.4	1570.00	507.0	2980.0	16	1290	ND	----	----
Potential Emission in tons/yr	12.4	1.5	0.8	28.4	9.2	53.8	0.3	23.3	0.0	192.0	80.1

Methodology
Emfac in lb/10^12 Btu * max heat input (MMBtu/hr) *1.0E-06* 8760hrs/yr * ton/2000 lbs = potential emissions in tons per year
Form GSD-08 filed with Title V app & represents reported actual annual emissions for each boiler

Distillate Oil

Heat Input Capacity MMBtu/hr	Potential Throughput kgals/year	S = Weight % Sulfur
4123.0	257982.0	0.3

	Pollutant					
	PM	SO2	NOx	VOC	CO	PM10
Emission Factor in lb/kgal	2.0	47.1 *(157.0S)*	24.0	0.20	5.0	1.3
Potential Emission in tons/yr	258.0	6075.5	3095.8	25.8	645.0	167.7

Methodology
1 gallon of No. 2 Fuel Oil has a heating value of 140,000 Btu
Potential Throughput (kgals/year) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1kgal per 1000 gallon x 1 gal per 0.140 MM Btu
Emission Factors are from AP 42 (9/98), Tables 1.3-1, 1.3-2, 1.3-3
Emission (tons/yr) = Throughput (kgals/ yr) x Emission Factor (lb/kgal)/2,000 lb/ton

Compliance Determination

PM emfac uncontrolled = 2 #/kgal	2 # / kgal x 1 kgal / 1000 gal x 1 gal / 0.14 MMBtu =	0.014 #'s PM / MMBtu
	326 IAC 6-1-12 =	**0.1 #'s PM / MMBtu**
SO2 emfac uncontrolled @ % S SO2 @ 0.3 % S = 157(S) / kgal	157(.3) # / kgal x 1 kgal / 1000 gal x 1 gal / 0.14 MMBtu =	0.3 #'s SO2 / MMBtu
	326 IAC 7-4-2 =	**5.3 #'s SO2 / MMBtu**

	HAPs						
Source of Emfac	AP-42 (1.3)	AP-42 (1.3)	AP-42 (1.3)	Form GSD-08	Form GSD-08	AP-42 (1.3)	AP-42 (1.3)
	POMs	Formaldehyde	Selenium	HCL	Nickel	Lead	Mercury
Emission Factor in lb/kgal	0.003	0.061	----	----	----	----	----
Emission Factor in lb/10^12 Btu			15			9	3
Potential Emission in tons/yr	4.3E-01	7.9E+00	1.9E-03	0.0E+00	0.0E+00	1.2E-03	3.9E-04

Methodology

Emfacs are from AP-42 (9/98) Table 1.3-8 & 1.3-10
Emission (tons/yr) = Throughput (MMBtu x E-06/MMBtu) x Emission Factor (lb/10^12 Btu)/2,000 lb/ton x 8760 hrs/yr
Form GSD-08 filed with Title V app & represents reported actual annual emissions estimates for each boiler

Waste Oil
Heat Input Capacity MMBtu/hr

No data at this time

Landfill Gas
Heat Input Capacity MMBtu/hr

No data at this time

Emission Unit ID
GT1, GT2 & GT3
General Electric
Oil fired Gas Turbines
(Each Unit)

Appendix A: Emission Calculations
Large Uncontrolled Gas Turbines

Company Name: **IPL - Harding Street Station**
Address City IN Zip: **3700 South Harding Street, Indianapolis, IN 46217**
Plt ID: **T097-6566-00033**
Reviewer: **M. Caraher**
Date: **12/09/02**

Distillate Oil

Heat Input Capacity MMBtu/hr	Potential Throughput kgals/year	S = Weight % Sulfur
299.0	18708.9	0.3

	Pollutant						
	PM	SO2	NOx	VOC	CO	PM10	Lead
Emission Factor in lb/MMBtu	0.012	0.303 *(1.01S)*	0.88	0.0004	0.003	0.007	1.4E-05
Potential Emission in tons/yr	15.7	396.8	1152.5	0.5	4.3	9.4	1.8E-02
Limited Fuel Consumption emission rate for each in tons/yr	0.28	7.1	20.5	0.0	0.1	0.2	3.3E-04

Methodology
1 gallon of No. 2 Fuel Oil has a heating value of 140,000 Btu
Potential Throughput (kgals/year) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1kgal per 1000 gallon x 1 gal per 0.140 MM Btu
Emission Factors are from AP 42 (4/00), Table 3.1-1 & Table 3.1-2a
Emission (tons/yr) = Heat input (MMBtu/hr) x Emission Factor (lb/MMbtu) x 8760 hr/yr x ton/2,000 lb
Limited Fuel Consumption for each in tons/yr = (see below X/gal yr * emfac *0.14 MMBtu/gal * ton/2000 lbs

HAPs

	* Formaldehyde	Mercury
Emission Factor in lb/MMBtu	2.8E-04	1.2E-06
Potential Emission in tons/yr	3.7E-01	1.6E-03
Limited Fuel Consumption emission rate in tons/yr	6.5E-03	2.8E-05

Methodology
* = Highest HAPs emission factor from AP-42
Emission Factors are from AP 42 (4/00), Tables 3.1-4 & Table 3.1-5
Emission (tons/yr) = Heat input (MMBtu/hr) x Emission Factor (lb/MMbtu) x 8760 hr/yr x ton/2,000 lb

Compliance Determination

PM emfac uncontrolled = 0.012 #'s PM / MMBtu
326 IAC 6-1-12 = **0.015 #'s PM / MMBtu**

SO2 emfac uncontrolled @ % S
SO2 @ 0.3 % S = 1.01(.3) #'s / MMBtu = 0.303 #'s / MMBtu
326 IAC 7-4-2 = **0.35 #'s SO2 / MMBtu**

326 IAC 6-1-12 PM limits in tpy (GT-1, GT-2 & GT-3 each limited to 0.28 tpy) - fuel use limitation(s)

max fuel consumption for each = 299 MMBtu/hr x 1 gal/0.14 MMBtu x 8760 hr/yr x 1 MMgal/10^6 gal = 18.7 MMgal/yr

limited fuel consumption for each = X gal/yr x 0.012 # PM/MMBtu x 0.14 MMBtu/gal x ton PM/2000 lbs PM = 0.28 tons PM/yr
X = 333,333 gal/yr

Emission Unit ID
GT4 (875 MMBtu/hr) &
GT 5 (867 MMBtu/hr)
General Electric
Oil/Gas fired Gas Turbines

Appendix A: Emission Calculations
Large Uncontrolled Gas Turbines

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, IN 46217
CP: 097-2206-00033 & 920033-01
Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: 12/09/02

Distillate Oil

Heat Input Capacity MMBtu/hr	Potential Throughput kgals/year	S = Weight % Sulfur	Total Limited Thoughput lgals/year
875.0	54750.0	0.05	12800.0

	Pollutant						
	PM	SO2	NOx	VOC	CO	PM10	Lead
Emission Factor in lb/MMBtu	0.012	0.051 *(1.01S)*	0.240	0.0004	0.076	0.007	1.4E-05
Potential Emission in tons/yr	46.0	193.5	919.8	1.6	291.3	27.6	1.8E-02
Combined Limited PTE in tons/yr @ Fuel Use Limit	10.8	40.0	215.0	0.4	68.1	6.5	0.0

Methodology
1 gallon of No. 2 Fuel Oil has a heating value of 140,000 Btu
Potential Throughput (kgals/year) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1kgal per 1000 gallon x 1 gal per 0.140 MM Btu
Emission Factors are from AP 42 (4/00), Table 3.1-1 & Table 3.1-2a for water injection units
Emission (tons/yr) = Heat input (MMBtu/hr) x Emission Factor (lb/MMbtu) x 8760 hr/yr x ton/2,000 lb

HAPs		
	* Formaldehyde	Mercury
Emission Factor in lb/MMBtu	2.8E-04	1.2E-06
Potential Emission in tons/yr	1.1E+00	4.6E-03
Combined Limited PTE in tons/yr @ Fuel Use Limit	0.3	0.0

Methodology
* = Highest HAPs emission factor from AP-42
Emission Factors are from AP 42 (4/00), Tables 3.1-4 & Table 3.1-5
Emission (tons/yr) = Heat input (MMBtu/hr) x Emission Factor (lb/MMbtu) x 8760 hr/yr x ton/2,000 lb

Compliance Determination
PSD Permit of 8/27/92 contains NOx & SO2 limitations on fuel use and tons per year emissions

Natural Gas

Heat Input Capacity MMBtu/hr	Mod(s) Limited Fuel Use otential thrupı (MMCF/yr)	< PSD (MMCF/yr)	S = Weight % Sulfur
875.0	7300.0	**6300**	8.10E-04 *

	Pollutant							
	PM	SO2	NOx	VOC	CO	PM10	Lead	Formaldehyde
Emission Factor in lb/MMBtu	0.007	0.001 *(0.94S)*	0.130	0.002	0.030	0.005	ND	7.1E-04
Potential Emission in tons/yr	25.3	2.9	498.2	8.0	115.0	18.0	0.0	2.7
Combined Limited PTE in tons/yr @ Fuel Use Limit	21.8	2.5	430.0	6.9	99.2	15.5	0.0	2.3

Methodology
Emission Factors are from AP 42 (4/00), Table 3.1-1 & Table 3.1-2a for water injection units
Emission (tons/yr) = Heat input (MMBtu/hr) x Emission Factor (lb/MMbtu) x 8760 hr/yr x ton/2,000 lb
* Based on typical S content of Natural gas of 2000 gr/MMCF

Compliance Determination
PSD Permit of 8/27/92 contains PM10, NOx & SO2 limitations on fuel use and tons per year emissions

Emission Unit ID
GT6
General Electric
Nat Gas Fired Gas Turbine

Appendix A: Emission Calculations
Large Uncontrolled Gas Turbines

Company Name:	**IPL - Harding Street Station**
Address City IN Zip:	**3700 South Harding Street, Indianapolis, IN 46217**
Sig Source Mod:	**097-10952-00033**
Minor Source Mod:	**097-14666-00033**
Plt ID:	**T097-6566-00033**
Reviewer:	**M. Caraher**
Date:	**12/09/02**

Natural Gas

leat Input Capacity		Mod(s) Limited Fuel Use
MMBtu/hr	Potential thruput (MMCF/yr)	< PSD (MMCF/yr)
1660.0	13849.1	**748.2**

S = Weight % Sulfur: 8.10E-04 *

	Pollutant							
	PM	SO2	NOx	VOC	CO	PM10	Lead	Formaldehyde
Emission Factor in lb/MMBtu	0.0066	0.001 *(0.94S)*	0.099	0.0021	0.015	0.0047	ND	7.1E-04
Potential Emission in tons/yr	48.0	5.5	719.8	15.3	109.1	34.2	ND	5.2
Limited PTE in tons/yr @ Fuel Use Limit	2.6	0.3	38.9	0.8	5.9	1.8	ND	0.3

Methodology

Emission Factors are from AP 42 (4/00), Table 3.1-1 & Table 3.1-2a for lean-premix units

Emission (tons/yr) = Heat input (MMBtu/hr) x Emission Factor (lb/MMbtu) x 8760 hr/yr x ton/2,000 lb

* Based on typical S content of Natural gas of 2000 gr/MMCF

Compliance Determination

Sig Mod & Minor Mod contain PM10, NOx & SO2 limitations on fuel use and tons per year emissions

Emission Unit ID
ST14
General Motors
Oil Fired Reciprocating
Engine - Emergency Generator

Appendix A: Emission Calculations
Large Reciprocating Internal Combustion Engine > 600 HP
Distillate Oil Fired

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, IN 46217
Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: 12/09/02

Heat Input Capacity MMBtu/hr

S= 0.3 = WEIGHT % SULFUR

if 1 HP = 2.5425E3 btu/hr then, 10,855 HP = 27.6 MMBtu/hr

27.6

	Pollutant						
	PM	PM10	SO2	NOx	VOC	CO	Combined HAP
Emission Factor in lb/MMBtu	0.070	0.057	0.303 (1.01S)	3.2	0.08	0.85	4.36E-03
Potential Emission in tons/yr (@ 500 hrs operation/yr)	0.5	0.4	2.1	22.1	0.6	5.9	0.0
Potential Emissions in lbs/hr	1.9	1.6	8.4	88.3	2.3	23.5	0.1
Potential Emissions in lbs/day	46.2	38.0	200.7	2119.7	54.3	563.0	2.9

Methodology

Emission Factors are from AP 42 (10/96) Table 3.4-1 and Table 3.4-2
1 hp = 2.5425E3 Btu/hr AP42 (Fifth edition, January 1995), Appendix A
Emission (tons/yr) = [Heat input rate (MMBtu/hr) x Emission Factor (lb/MMBtu)] * 500 hr/yr / (2,000 lb/ton)

Emission Unit ID
Generator # 1
Diesel
Fired Reciprocating
Engine - Emergency Generator
(Insignificant Activity)

Reciprocating Internal Combustion Engine < 600 HP

Heat Input Capacity MMBtu/hr

S= 0.3 = WEIGHT % SULFUR

if 1 HP = 2.5425E3 btu/hr then, 81 HP = 0.21 MMBtu/hr

0.21

	Pollutant						
	PM	PM10	SO2	NOx	VOC	CO	Combined HAP
Emission Factor in lb/MMBtu	0.31	0.31	0.29	4.41	0.36	0.95	6.45E-03
Potential Emission in tons/yr (@ 500 hrs operation/yr)	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Potential Emissions in lbs/hr	0.1	0.1	0.1	0.9	0.1	0.2	0.0
Potential Emissions in lbs/day	1.6	1.6	1.5	22.2	1.8	4.8	0.0

Methodology

Emission Factors are from AP 42 (10/96) Table 3.3-1
1 hp = 2.5425E3 Btu/hr AP42 (Fifth edition, January 1995), Appendix A
Emission (tons/yr) = [Heat input rate (MMBtu/hr) x Emission Factor (lb/MMBtu)] * 500 hr/yr / (2,000 lb/ton)

Appendix A: Emission Calculations
Fugitive Dust from Coal Storage & Handling

Coal Storage & Handling and Paved/Unpaved roads fugitive emissions Emission Unit ID ST37, ST39 and ST41

Company Name:	**IPL - Harding Street Station**
Address City IN Zip:	**3700 South Harding Street, Indianapolis, IN 46217**
Plt ID:	**T097-6566-00033**
Reviewer:	**M. Caraher**
Date:	**12/09/02**

From GSD-05: Fugitive Emissions reported as :

190.0	tons PM/yr
95.2	tons PM10/yr

Most Recent Stack Testing Summary

Appendix A: Emission Calculations
Stack Testing Summary

Company Name: IPL - Harding Street Station
Address City IN Zip: 3700 South Harding Street, Indianapolis, IN 46217
Plt ID: T097-6566-00033
Reviewer: M. Caraher
Date: 01/02/03

Emission Unit ID	Stack Test Date(s)	Pollutant	Test Result	Allowable Limit	Allowable Rule
9	N/A	PM	* see below	0.015 #/MMBtu	326 IAC 6-1-12
	N/A	SO2	* see below	0.35 #/MMBtu	326 IAC 7-4-2
10	N/A	PM	* see below	0.015 #/MMBtu	326 IAC 6-1-12
	N/A	SO2	* see below	0.35 #/MMBtu	326 IAC 7-4-2
50	09/15/98	PM	0.039 #/MMBtu	0.135 #/MMBtu	326 IAC 6-1-12
	N/A	SO2	** see below	4.7 #/MMBtu	326 IAC 7-4-2
60	10/13/98	PM	0.039 #/MMBtu	0.135 #/MMBtu	326 IAC 6-1-12
	N/A	SO2	** see below	4.7 #/MMBtu	326 IAC 7-4-2
70	10/14/98	PM	0.036 #/MMBtu	0.1 #/MMBtu	326 IAC 6-1-12
	N/A	SO2	** see below	5.3 #/MMBtu	326 IAC 7-4-2
GT1	N/A	PM	* see below	0.015 #/MMBtu	326 IAC 6-1-12
	N/A	S02	** see below	0.35 #/MMBtu	326 IAC 7-4-2
GT2	N/A	PM	* see below	0.015 #/MMBtu	326 IAC 6-1-12
	N/A	S02	** see below	0.35 #/MMBtu	326 IAC 7-4-2
GT3	N/A	PM	* see below	0.015 #/MMBtu	326 IAC 6-1-12
	N/A	S02	** see below	0.35 #/MMBtu	326 IAC 7-4-2
GT4	04/27-29/94	PM10	4.82 #/hr	< 15 tons/yr	326 IAC 2-2
	"	S02	6.1 ppmv @ 15% O2 on a dry basis	0.015% by volume @ 15% 02 on a dry basis (= 150 ppmv)	40 CFR 60.333
	"	NOx	40.2 ppmv-gas & 61.5 ppmv-oil	42 ppmv-gas & 65 ppmv-oil	40 CFR 60.332 & 326 IAC 2-2
	08/24/99	NOx	33.7 ppmv-gas	42 ppmv-gas & 65 ppmv-oil	40 CFR 60.332 & 326 IAC 2-2
GT5	1/17-20/95	PM10	8.0 #/hr	< 15 tons/yr	326 IAC 2-2
	"	SO2	6.0 ppmv @ 15% O2 on a dry basis	0.015% by volume @ 15% 02 on a dry basis (= 150 ppmv)	40 CFR 60.333
	"	NOx	36.3 ppmv-gas & 56.5 ppmv-oil	42 ppmv-gas & 65 ppmv-oil	40 CFR 60.332 & 326 IAC 2-2
	08/26/99	NOx	39.3 ppmv-gas	42 ppmv-gas & 65 ppmv-oil	40 CFR 60.332 & 326 IAC 2-2
GT6	08/20/02	NOx	8.08 ppmv - gas	0.0075 x (14.4/Y) + F	40 CFR 60.332
	N/A	PM	* see below	0.03 grains per dry standard cubic foot of exhaust	326 IAC 6-1-2(a)

notes: * = 1) weren't required to test because of previous permit conditions or 2) never conducted stack testing
** = emission rates determined by fuel sampling and analysis
Acid Rain Program requirements are not included

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Air Quality
and
City of Indianapolis
Office of Environmental Services

Appendix B to Technical Support Document (TSD): Technical Support Document for the NO_X Budget Permit

Source Background and Description

Source Name:	IPL - Harding Street Station
Source Location:	3700 South Harding Street, Indianapolis, Indiana 46217 4190 South Harding Street, Indianapolis, Indiana 46217
Operated By:	Indianapolis Power & Light Company
Owned By:	Indianapolis Power & Light Company
ORIS Code:	990
Operation Permit No.:	T097-6566-00033
Permit Reviewer for NO_X Budget Permit:	Rebecca Mason

NO_X Budget Permit Application and Rule Applicability

A complete Nitrogen Oxides (NO_X) Budget Permit Application for this NO_X budget source was received on August 18, 2003. The Office of Air Quality (OAQ) has reviewed a NO_X budget permit application from IPL - Harding Street Station under 326 IAC 10-4-7 for the operation of the NO_X budget source. The NOx budget source includes all NOx Budget Units at the source, including opt-in units, if applicable. The following units at the source are NO_X Budget Units:

(a) One (1) Combustion Engineering Boiler number 9 identified as Unit 9. Unit 9 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting to Stack/Vent ID 3-1. Equipped with no add on air pollution control equipment. Installed in 1942.

(b) One (1) Combustion Engineering Boiler number 10 identified as Unit 10. Unit 10 is a distillate oil fired unit with a design heat input capacity rated at 527.0 million Btu per hour and exhausting at Stack/Vent ID 4-1. Equipped with no add on air pollution control equipment. Installed in 1947.

(c) One (1) Combustion Engineering Boiler number 50 identified as Unit 50. Unit 50 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 50 and exhausting at Stack/Vent ID 5-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 50. Installation date for Unit 50 is 1958.

(d) One (1) Combustion Engineering Boiler number 60 identified as Unit 60. Unit 60 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 1017.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 60 and exhausting at Stack/Vent ID 6-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil is used as supplemental fuel and for firing during startup of Unit 60. Installation date for Unit 60 is 1961.

(e) One (1) Combustion Engineering Boiler number 70 identified as Unit 70. Unit 70 is a pulverized coal tangentially fired unit with a design heat input capacity rated at 4123.0 million Btu per hour. Emissions are directed to one (1) cold side electrostatic precipitator identified as Control Equipment ID CE 70 and exhausting at Stack/Vent ID 7-1. $S0_3$ injection is utilized as a flue gas conditioning agent for the electrostatic precipitator but the source is not required to perform gas conditioning. Also equipped with low NO_x burners. Distillate fuel oil and waste oil are used as supplemental fuel and for firing during startup of Unit 70. Installation date for Unit 70 is 1973.

(i) One (1) General Electric Gas Turbine Engine number GT4 identified as Unit GT4. Unit GT4 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 875.0 million Btu per hour and exhausting at Stack/Vent ID GT4-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT4 is 1994.

(j) One (1) General Electric Gas Turbine Engine number GT5 identified as Unit GT5. Unit GT5 is a distillate oil fired and/or natural gas fired unit with a design heat input capacity rated at 867.0 million Btu per hour and exhausting at Stack/Vent ID GT5-1. Model number MS 7001. Water injection performed for NO_x emission control. Installation date for Unit GT5 is 1995.

(k) One (1) General Electric Gas Turbine Model number PG7241 identified as Unit GT6. Unit GT6 is a natural gas fired unit rated at 152.64 MW and with a design heat input capacity rated at 1,660 MMBTU per hour and exhausting at Stack/Vent ID GT-6. NO_x emissions will be controlled by dry low NO_x burners. Installation date for Unit GT6 is 2002.

Pursuant to 326 IAC 10-4-7, the NO_X budget permit shall be a complete and segregable portion of the Part 70 permit and the NO_X 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_X emissions in the affected states. In the federal rule, the U.S. EPA established a NO_X 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_X 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_X 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_X emissions from utility boilers and a 60% reduction from large industrial (non-utility) boilers and turbines. IDEM developed the NO_X Budget Trading Program in 326 IAC 10-4 in response to this mandate. The NO_X 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_X SIP call. Electricity generating units (EGUs) and non-electricity generating units (non-EGUs) are allocated allowances for tons of NO_X that they are allowed to emit during the ozone season. IDEM allocates NO_X 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_X 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_X 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_X Budget Trading Program) Requirements

(a) Pursuant to 326 IAC 10-4-4(b), the owners and operators and, to the extent applicable, the NO_X authorized account representative of the NO_X budget source and each NO_X 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_X 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_X budget source and each NO_X budget unit at the source shall hold NO_X allowances available for compliance deductions under 326 IAC 10-4-10(j), as of the NO_X 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_X 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_X budget trading program, or a change in regulatory status of a NO_X budget opt-in unit.

The NO_X 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_X budget unit that has excess emissions in any ozone control period shall do the following:

(1) Surrender the NO_X 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_X budget source and each NO_X 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_X authorized account representative for the source and each NO_X 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_X 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_X budget trading program.

(4) Copies of all documents used to complete a NO_X budget permit application and

any other submission under the NO_X budget trading program or to demonstrate compliance with the requirements of the NO_X 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, OES, 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_X authorized account representative of the NO_X budget source and each NO_X budget unit at the source shall submit the reports and compliance certifications required under the NO_X 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_X 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_X budget unit's stack.

NO_X Emissions Allocations

(a) Pursuant to 326 IAC 10-4-7(e), this NO_X 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_X allowance to or from the compliance accounts of the NO_X budget units or the overdraft account of the NO_X 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_X allowances:

(1) Each ton of NO_X emitted in excess of the NO_X budget emissions limitation shall constitute a separate violation of the Clean Air Act (CAA) and 326 IAC 10-4.

(2) NO_X allowances shall be held in, deducted from, or transferred among NO_X 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_X 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_X allowance was allocated.

(4) A NO_X allowance allocated under the NO_X budget trading program is a limited authorization to emit one (1) ton of NO_X in accordance with the NO_X budget trading program. No provision of the NO_X budget trading program, the NO_X budget permit application, the NO_X 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_X allowance allocated under the NO_X 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_X allowance to or from a NO_X 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_X budget permit of the NO_X 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_X 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_X authorized account representative shall submit a complete NO_X budget permit application covering the NO_X 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_X authorized account representative for each NO_X budget source on behalf of which a submission is made must sign and certify every report or other submission required by the NO_X budget permit. The NO_X 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_X budget sources or NO_X 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_X 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_X budget permit can be directed to Rebecca Mason at the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ), 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana 46206-6015 or by telephone at (317) 233-9664 or toll free at 1-800-451-6027 extension 3-9664.

The source will be inspected by the City of Indianapolis, Office of Environmental Services (OES) 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 OES by telephone at (317) 327-2234 or by mail at Office of Environmental Services, Air Quality Management Section, 2700 South Belmont Avenue, Indianapolis, Indiana 46221.

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