TITLE 326 AIR POLLUTION CONTROL BOARD

FINDINGS AND DETERMINATION OF THE COMMISSIONER
PURSUANT TO IC 13-14-9-8 AND DRAFT RULE
LSA Document #11-99

DEVELOPMENT OF AMENDMENTS TO RULES CONCERNING PERMITTING OF ETHANOL PRODUCTION FACILITIES

PURPOSE OF NOTICE

The Indiana Department of Environmental Management (IDEM) has developed draft rule language for amendments to 326 IAC 2 concerning the term "chemical process plants" in the major source category. The amendments would clarify that ethanol production facilities are excluded from that term's meaning. IDEM is soliciting written comment on the draft rule language and will schedule a public hearing before the Air Pollution Control Board (board) for consideration of adoption of these rules.

CITATIONS AFFECTED: 326 IAC 2-2-1; 326 IAC 2-3-2; 326 IAC 2-7-1.

AUTHORITY: IC 13-14-18; IC 13-17-3-4; IC 13-17-3-11.

STATUTORY REQUIREMENTS

IC 13-14-9-8 recognizes that under certain circumstances it may be appropriate to reduce the number of public comment periods and public hearings routinely provided. In cases where the commissioner determines that there is no anticipated benefit from a second public comment period and first public hearing, IDEM may forgo these opportunities for public comment and proceed directly to the public hearing and board meeting at which the draft rule is considered for adoption. Two opportunities for public comment (with this notice and at the public hearing prior to adoption of the rule) remain under this procedure.

If the commissioner makes the determination of no anticipated benefit required by IC 13-14-9-8, the commissioner shall prepare written findings and publish those findings in the Indiana Register prior to the board meeting at which the draft rule is to be considered for adoption and include them in the board packet prepared for that meeting. This document constitutes the commissioner's written findings pursuant to IC 13-14-9-8.

The statute provides for this shortened rulemaking process if the commissioner determines that:

(1) the rule constitutes:
  (A) an adoption or incorporation by reference of a federal law, regulation, or rule that:
    (i) is or will be applicable to Indiana; and
    (ii) contains no amendments that have a substantive effect on the scope or intended application of the federal law or rule;
  (B) a technical amendment with no substantive effect on an existing Indiana rule; or
  (C) a substantive amendment to an existing Indiana rule, the primary and intended purpose of which is to clarify the existing rule; and

(2) the rule is of such nature and scope that there is no reasonably anticipated benefit to the environment or the persons referred to in IC 13-14-9-7(a)(2) from:
  (A) exposing the rule to diverse public comment under IC 13-14-9-3 or IC 13-14-9-4;
  (B) affording interested or affected parties the opportunity to be heard under IC 13-14-9-3 or IC 13-14-9-4; and
  (C) affording interested or affected parties the opportunity to develop evidence in the record collected under IC 13-14-9-3 and IC 13-14-9-4.

BACKGROUND

On May 1, 2007, U.S. EPA published a final rule: Prevention of Significant Deterioration (PSD), Nonattainment New Source Review (NSR), and Title V: Treatment of Certain Ethanol Production Facilities Under the "Major Emitting Facility" Definition. The final rule reinterpreted the component term "chemical process plants" within the statutory definition of "major emitting facility" and regulatory definitions of "major stationary source" and "major source" to exclude all facilities that produce ethanol through a natural fermentation process regardless of whether the ethanol is produced for human consumption, fuel, or an industrial purpose.

U.S. EPA opted to amend the term "chemical process plants" for several reasons. First, U.S. EPA was concerned about the disparate treatment of ethanol fuel production verses production of ethanol intended for human consumption that resulted by applying two different major source thresholds to the two manufacturing processes. Because the two manufacturing processes are substantially similar, U.S. EPA believed that the processes should be treated identically for the purposes of PSD, NSR, and Title V regulations regardless of the intended product. Second, U.S. EPA had concerns that continuing to regulate the ethanol fuel industry, under the

100 tons per year major source threshold, regardless of the production method, could stymie the growth of the industry, and hamper the nation's efforts towards energy independence. U.S. EPA noted that the Energy Policy Act of 2005 established a renewable fuel standard that requires an increasing use of renewable fuels in the country, and it is clear that continued growth of the ethanol industry will be important in achieving the country's energy and environmental objectives.

This rulemaking amends Indiana's definition of "major stationary source" at 326 IAC 2-2-1, the applicability of 326 IAC 2-3-2, and the definition of "major source" at 326 IAC 2-7-1 to exclude ethanol production facilities that produce ethanol by natural fermentation from the source category "chemical process plants". These amendments clarify that Indiana's use of the term "chemical process plants" in Indiana's PSD, NSR, and Title V rules is consistent with the federal rules. It will limit any potential conflicts that could result from an inconsistency with the federal regulatory term for "chemical process plants".

The draft rule language does not reference draft changes at 326 IAC 2-7-1 published in the Indiana Register on December 22, 2010, for rulemaking LSA Document #09-493 (Air Permit Review Rules: Near Term) since that rulemaking is on a longer rulemaking track and will not be scheduled for preliminary adoption until after this rulemaking is adopted by the Air Pollution Control Board.

IC 13-14-9-4 Identification of Restrictions and Requirements Not Imposed under Federal Law

No element of the draft rule imposes either a restriction or a requirement on persons to whom the draft rule applies that is not imposed under federal law. This draft rule imposes no restrictions or requirements because it is a direct adoption of federal requirements that are applicable to Indiana and contains no amendments that have a substantive effect on the scope or application of the federal rule

Potential Fiscal Impact

There is no fiscal impact with this rulemaking above and beyond what is already required by federal law. This rulemaking amends the term "chemical process plants" to exclude ethanol production facilities that produce ethanol by natural fermentation. This amendment to the term clarifies that Indiana's use of the term is consistent with the federal regulatory term for "chemical process plants".

Public Participation and Workgroup Information

At this time, no workgroup is planned for the rulemaking. If you feel that a workgroup or other informal discussion on the rule is appropriate, please contact Amy Smith, Rule and State Implementation Plan Development Section, Office of Air Quality at (317) 233-8628 or (800) 451-6027 (in Indiana).

Small Business Assistance Information

IDEM established a compliance and technical assistance (CTAP) program under IC 13-28-3. The program provides assistance to small businesses and information regarding compliance with environmental regulations. In accordance with IC 13-28-3 and IC 13-28-5, there is a small business assistance program ombudsman to provide a point of contact for small businesses affected by environmental regulations. Information on the CTAP program, the monthly CTAP newsletter, and other resources available can be found at:

http://www.in.gov/idem/4108.htm

For purposes of IC 4-22-2-28.1, the Small Business Regulatory Coordinator for this rule is:

Alison Beumer
IDEM Compliance and Technical Assistance Program - OPPTA
MC 60-04 IGCS W041
100 North Senate Avenue
Indianapolis, IN 46204-2251
(317) 232-8172 or (800) 988-7901
ctap@idem.in.gov

For purposes of IC 4-22-2-28.1, the Small Business Ombudsman designated by IC 5-28-17-5 is:

Ryan Asberry
Indiana Economic Development Corporation
One North Capitol, Suite 700
Indianapolis, IN 46204
(317) 232-8962
smallbizombudsman@iedc.in.gov

Resources available to regulated entities through the small business ombudsman include the ombudsman's duties stated in IC 5-28-17-5, specifically IC 5-28-17-5(9), investigating and attempting to resolve any matter regarding compliance by a small business with a law, rule, or policy administered by a state agency, either as a party to a proceeding or as a mediator.

The Small Business Assistance Program Ombudsman is:

Brad Baughn
IDEM Small Business Assistance Program Ombudsman
MC 50-01 IGCN 1307
100 North Senate Avenue
Indianapolis, IN 46204-2251

(317) 234-3386
bbaughn@idem.in.gov

FINDINGS

The commissioner of IDEM has prepared findings regarding this rulemaking on amendments to the term "chemical process plants" in Indiana's PSD, NSR, and Title V air permitting rules, in order to be consistent with federal regulations. These findings are prepared under IC 13-14-9-8 and are as follows:

(1) This rule is an amendment to an existing Indiana rule, the primary and intended purpose of which is to clarify the existing rule.

(2) This rule is the direct adoption of federal requirements that are applicable to Indiana.

(3) Indiana is required by federal law to adopt air permitting requirements as established by the U.S. EPA.

(4) The public will benefit from prompt adoption of this rule because the correction will ensure that Indiana's use of the term "chemical process plants" in Indiana's air permitting rules is consistent with the federal rules adopted by the U.S. EPA.

(5) I have determined that under the specific circumstances pertaining to this rule, there would be no benefit to the environment or to persons to be regulated or otherwise affected by this rule from the first public comment period and first public hearing.

(6) The draft rule is hereby incorporated into these findings.

_____
Thomas W. Easterly
Commissioner
Indiana Department of Environmental Management

REQUEST FOR PUBLIC COMMENTS

This notice requests the submission of comments on the draft rule language, including suggestions for specific revisions to language to be contained in the rule. Mailed comments should be addressed to:

#11-99 (APCB) Permitting of Ethanol Production Facilities
Amy Smith Mail Code 61-50
Rule and SIP Development Section
Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue
Indianapolis, Indiana 46204

Hand delivered comments will be accepted by the receptionist on duty at the tenth floor reception desk, Office of Air Quality, 100 North Senate Avenue, Indianapolis, Indiana.

Comments may be submitted by facsimile at the IDEM fax number: (317) 233-5967, Monday through Friday, between 8:15 a.m. and 4:45 p.m. Please confirm the timely receipt of faxed comments by calling the Rule and State Implementation Plan Development Section at (317) 234-6530.

COMMENT PERIOD DEADLINE

Comments must be postmarked, faxed, or hand delivered by April 15, 2011.

Additional information regarding this action may be obtained from Amy Smith, Rule and State Implementation Plan Development Section, Office of Air Quality, (317) 233-8628 or (800) 451-6027 (in Indiana).

DRAFT RULE

SECTION 1. 326 IAC 2-2-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-2-1 Definitions

Authority: IC 13-14-8; IC 13-17-3
Affected: IC 13-15; IC 13-17

Sec. 1. (a) The definitions in this section apply throughout this rule.

(b) "Actual emissions" means the actual rate of emissions of a regulated new source review (NSR) pollutant from an emissions unit as determined in accordance with the following:

(1) In general, actual emissions as of a particular date shall equal the average rate, in tons per year, at which the unit actually emitted the pollutant during a consecutive twenty-four (24) month period preceding the particular date and representative of normal source operation. The department shall allow the use of a different time period upon a determination that it is more representative of normal source operation. Actual

emissions shall be calculated using the unit's actual operating hours, production rates, and types of materials processed, stored, or combusted during the selected time period.

(2) The department may presume that source-specific allowable emissions for the unit are equivalent to the actual emissions of the unit.

(3) For any emissions unit that has not begun normal operations on the particular date, actual emissions shall equal the potential to emit of the unit on that date.

(4) The term shall not apply for calculating a significant emissions increase under section 2(d) of this rule or for establishing a PAL under 326 IAC 2-2.4. Instead, subsections (e) and (pp) shall apply for those purposes.

(c) "Adverse impact on visibility" means visibility impairment that interferes with the management, protection, preservation, or enjoyment of the visitor's visual experience of the federal Class I area as defined in section 13 of this rule. This determination must be made on a case-by-case basis taking into account the geographic extent, intensity, duration, frequency, and time of visibility impairment, and how these factors correlate with:

(1) times of visitor use of the federal Class I area; and

(2) the frequency and timing of natural conditions that reduce visibility.

(d) "Allowable emissions" means the emissions rate of a stationary source calculated using the maximum rated capacity of the source (unless a source is subject to enforceable permit limits that restrict the operating rate or hours of operation, or both) and the most stringent of the:

(1) applicable standards as set forth in 40 CFR Part 60* and 40 CFR Part 61*;

(2) SIP emissions limitation, including those with a future compliance date; or

(3) emissions rate specified as an enforceable permit condition, including those with a future compliance date.

(e) "Baseline actual emissions" means the rate of emissions, in tons per year, of a regulated NSR pollutant, as determined in accordance with the following:

(1) For any existing electric utility steam generating unit, the term means the average rate, in tons per year, at which the unit actually emitted the pollutant during any consecutive twenty-four (24) month period selected by the owner or operator within the five (5) year period immediately preceding when the owner or operator begins actual construction of the project. The commissioner shall allow the use of a different time period upon a determination that it is more representative of normal source operation. The baseline actual emissions shall be determined in accordance with the following:

(A) The average rate shall include fugitive emissions to the extent quantifiable and emissions associated with start-ups, shutdowns, and malfunctions to the extent they are affected by the project.

(B) The average rate shall be adjusted downward to exclude any noncompliant emissions that occurred while the source was operating above any emission limitation that was legally enforceable during the consecutive twenty-four (24) month period.

(C) For a regulated NSR pollutant, when a project involves multiple emissions units, only one (1) consecutive twenty-four (24) month period may be used to determine the baseline actual emissions for the emissions units being changed. A different consecutive twenty-four (24) month period can be used for each regulated NSR pollutant.

(D) The average rate shall not be based on any consecutive twenty-four (24) month period for which there is inadequate information available for determining annual emissions, in tons per year, and for adjusting this amount if required by clause (B).

(2) For an existing emissions unit other than an electric utility steam generating unit, the term means the average rate, in tons per year, at which the emissions unit actually emitted the pollutant during any consecutive twenty-four (24) month period selected by the owner or operator within the ten (10) year period immediately preceding either the date the owner or operator begins actual construction of the project or the date a complete permit application is received by the department for a permit required by this rule, except that the ten (10) year period shall not include any period earlier than November 15, 1990. The baseline actual emissions shall be determined in accordance with the following:

(A) The average rate shall include fugitive emissions to the extent quantifiable and emissions associated with start-ups, shutdowns, and malfunctions to the extent they are affected by the project.

(B) The average rate shall be adjusted downward to exclude any noncompliant emissions that occurred while the source was operating above an emission limitation that was legally enforceable during the consecutive twenty-four (24) month period.

(C) The average rate shall be adjusted downward to exclude any emissions that would have exceeded an emission limitation with which the major stationary source must currently comply had the major stationary source been required to comply with the limitations during the consecutive twenty-four (24) month period. However, if an emission limitation is part of a maximum achievable control technology standard that the U.S. EPA proposed or promulgated under 40 CFR Part 63*, the baseline actual emissions need only be adjusted if the department has applied the emissions reductions to an attainment demonstration or maintenance plan consistent with the requirements of 326 IAC 2-3-3(b)(12).

(D) For a regulated NSR pollutant, when a project involves multiple emissions units, only one (1)

consecutive twenty-four (24) month period may be used to determine the baseline actual emissions for all the emissions units being changed. A different consecutive twenty-four (24) month period can be used for each regulated NSR pollutant.

(E) The average rate shall not be based on any consecutive twenty-four (24) month period for which there is inadequate information available for determining annual emissions, in tons per year, and for adjusting this amount if required by clauses (B) and (C).

(3) For a new emissions unit, the baseline actual emissions for purposes of determining the emissions increase that will result from the initial construction and operation of the unit shall equal zero (0) and thereafter, for all other purposes, shall equal the unit's potential to emit.

(4) For a PAL for a stationary source, the baseline actual emissions shall be calculated as follows:

(A) For an existing electric utility steam generating unit, in accordance with subdivision (1).

(B) For an existing emissions unit except an existing electric utility steam generating unit, in accordance with subdivision (2).

(C) For a new emissions unit, in accordance with subdivision (3).

(f) "Baseline area" means the following:

(1) Any intrastate area (and every part thereof) designated as attainment or unclassifiable in accordance with 326 IAC 1-4 in which the major stationary source or major modification establishing the minor source baseline date would construct or would have an air quality impact equal to or greater than one (1) microgram per cubic meter ($\mu g/m^3$) (annual average) of the pollutant for which the minor source baseline date is established.

(2) Area redesignations under 326 IAC 1-4 and Section 107(d)(1)(D) or 107(d)(1)(E) of the CAA cannot intersect or be smaller than the area of impact of any major stationary source or major modification that:

(A) establishes a minor source baseline date; or

(B) is subject to 40 CFR Part 52.21* and this rule and would be constructed in the same state as the state proposing the redesignation.

(3) Any baseline area established originally for the total suspended particulate (TSP) increments shall remain in effect and shall apply for purposes of determining the amount of available PM_{10} increments, except that the baseline area shall not remain in effect if the U.S. EPA rescinds the corresponding minor source baseline date in accordance with 40 CFR Part 52.21(b)(14)(iv)*.

(g) "Baseline concentration" means that ambient concentration level that exists in the baseline area at the time of the applicable minor source baseline date. A baseline concentration is determined for each pollutant for which a minor source baseline date is established and shall include the following:

(1) The actual emissions, as defined in subsection (b), representative of sources in existence on the applicable minor source baseline date except as provided in subdivision (3).

(2) The allowable emissions of major stationary sources that commenced construction before the major source baseline date, but were not in operation by the applicable minor source baseline date.

(3) The following will not be included in the baseline concentration and will affect the applicable maximum allowable increase or increases:

(A) Actual emissions, as defined in subsection (b), from any major stationary source on which construction commenced after the major source baseline date.

(B) Increases and decreases of actual emissions, as defined in subsection (b), at any stationary source occurring after the minor source baseline date.

(h) "Begin actual construction" means, in general, initiation of physical on-site construction activities on an emissions unit that are of a permanent nature. Such activities include, but are not limited to, the following:

(1) Installation of building supports and foundations.

(2) Laying underground pipework.

(3) Construction of permanent storage structures.

With respect to a change in method of operations, the term refers to those on-site activities other than preparatory activities that mark the initiation of the change.

(i) "Best available control technology" or "BACT" means an emissions limitation, including a visible emissions standard, based on the maximum degree of reduction for each regulated NSR pollutant that would be emitted from any proposed major stationary source or major modification, that the commissioner, on a case-by-case basis, taking into account energy, environmental, and economic impacts and other costs, determines is achievable for the source or modification through application of production processes or available methods, systems, and techniques, including fuel cleaning or treatment or innovative fuel combustion techniques for control of the pollutant. In no event shall application of BACT result in emissions of any pollutant that would exceed the emissions allowed by any applicable standard under 40 CFR Part 60* and 40 CFR Part 61*. If the commissioner determines that technological or economic limitations on the application of measurement methodology to a particular emissions unit would make the imposition of an emissions standard not feasible, a design, equipment, work practice, operational standard, or combination thereof may be prescribed instead to satisfy the requirements

for the application of BACT. The standard shall, to the degree possible, set forth the emissions reduction achievable by implementation of the design, equipment, work practice, or operation and shall provide for compliance by means that achieve equivalent results.

(j) "Building, structure, facility, or installation" means all of the pollutant-emitting activities that belong to the same industrial grouping, are located on one (1) or more contiguous or adjacent properties, and are under the control of the same person (or persons under common control) except the activities of any vessel. Pollutant-emitting activities shall be considered as part of the same industrial grouping if they belong to the same major group, for example, that have the same first two (2) digit code, as described in the Standard Industrial Classification Manual, 1972, as amended by the 1977 Supplement (U.S. Government Printing Office)*.

(k) "Clean coal technology" means any technology, including technologies applied at the precombustion, combustion, or postcombustion stage, at a new or existing facility that will achieve significant reductions in air emissions of sulfur dioxide or oxides of nitrogen associated with the utilization of coal in the generation of electricity or process steam that was not in widespread use as of November 15, 1990.

(l) "Clean coal technology demonstration project" means a project using funds appropriated under the heading "Department of Energy-Clean Coal Technology", up to a total amount of two billion five hundred million dollars ($2,500,000,000) for commercial demonstration of clean coal technology or similar projects funded through appropriations for the U.S. EPA. The federal contribution for a qualifying project shall be at least twenty percent (20%) of the total cost of the demonstration project.

(m) "Commence", as applied to construction of a major stationary source or major modification, means that the owner or operator has all necessary preconstruction approvals or permits and either has:
(1) begun, or caused to begin, a continuous program of actual on-site construction of the source to be completed within a reasonable time; or
(2) entered into binding agreements or contractual obligations, which cannot be canceled or modified without substantial loss to the owner or operator, to undertake a program of actual construction of the source to be completed within a reasonable time.

(n) "Complete" means, in reference to an application for a permit, that the application contains all of the information necessary for processing the application. Designating an application complete for purposes of permit processing does not preclude the department from requesting or accepting any additional information.

(o) "Construction" means any physical change or change in the method of operation, including:
(1) fabrication;
(2) erection;
(3) installation;
(4) demolition; or
(5) modification;
of an emissions unit, that would result in a change in emissions.

(p) "Continuous emissions monitoring system" or "CEMS" means all of the equipment that may be required to meet the data acquisition and availability requirements of this rule to complete the following:
(1) Sample emissions on a continuous basis.
(2) If applicable, condition emissions.
(3) Analyze emissions on a continuous basis.
(4) Provide a record of emissions on a continuous basis.

(q) "Continuous emissions rate monitoring system" or "CERMS" means the total equipment required for the determination and recording of the pollutant mass emissions rate in terms of mass per unit of time.

(r) "Continuous parameter monitoring system" or "CPMS" means all of the equipment necessary to meet the data acquisition and availability requirements of this rule to:
(1) monitor:
(A) process and control device operational parameters; and
(B) other information, such as gas flow rate, O_2 or CO_2 concentrations; and
(2) record the average operational parameter value on a continuous basis.

(s) "Electric utility steam generating unit" means any steam electric generating unit that is constructed for the purpose of supplying more than one-third (1/3) of its potential electric output capacity and more than twenty-five (25) megawatts electrical output to any utility power distribution system for sale. Any steam supplied to a steam distribution system for the purpose of providing steam to a steam-electric generator that would produce electrical energy for sale is also considered in determining the electrical energy output capacity of the affected facility.

(t) "Emissions unit" means any part of a stationary source that emits or would have the potential to emit any regulated NSR pollutant. For purposes of this rule, there are the following two (2) types of emissions units:

(1) A new emissions unit is any emissions unit that is, or will be, newly constructed and that has existed for less than two (2) years from the date the emissions unit first operated.
(2) An existing emissions unit is any emissions unit that does not meet the requirements in subdivision (1). A replacement unit is an existing emissions unit.

(u) "Federal land manager" means, with respect to any lands in the United States, the secretary of the department with authority over the lands.

(v) "Federally enforceable" means all limitations and conditions that are enforceable by the U.S. EPA, including:
(1) those requirements developed pursuant to 40 CFR Part 60* and 40 CFR Part 61*;
(2) requirements within the SIP; and
(3) any permit requirements established pursuant to 40 CFR Part 52.21* or under regulations approved pursuant to 40 CFR Part 51, Subpart I*, including operating permits issued under an EPA-approved program that is incorporated into the SIP and expressly requires adherence to any permit issued under the program.

(w) "Fugitive emissions" means those emissions that could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening.

(x) "High terrain" means any area having an elevation nine hundred (900) feet or more above the base of the stack of a source.

(y) "Indian governing body" means the governing body of any tribe, band, or group of Indians subject to the jurisdiction of the United States and recognized by the United States as possessing power of self-government.

(z) "Indian reservation" means any federally recognized reservation established by:
(1) treaty;
(2) agreement;
(3) executive order; or
(4) act of Congress.

(aa) "Innovative control technology" means any system of air pollution control that has not been adequately demonstrated in practice, but would have a substantial likelihood of achieving greater continuous emissions reduction than any control system in current practice or of achieving at least comparable reductions at lower cost in terms of energy, economics, or nonair quality environmental impacts.

(bb) "Lowest achievable emission rate" or "LAER" means, for any source, the more stringent rate of emissions based on the most stringent emissions limitation of the following:
(1) Contained in the SIP for the class or category of stationary source unless the owner or operator of the proposed stationary source demonstrates that the limitations are not achievable.
(2) Achieved in practice by the class or category of stationary source. This limitation, when applied to a modification, means the LAER for the new or modified emissions unit within the stationary source. In no event shall the application of the LAER allow a proposed new or modified stationary source to emit any pollutant in excess of the amount allowable under applicable new source standards of performance.

(cc) "Low terrain" means any area other than high terrain.

(dd) "Major modification" means any physical change in, or change in the method of operation of, a major stationary source that would result in a significant emissions increase and a significant net emissions increase of a regulated NSR pollutant from the major stationary source. The following shall apply:
(1) Any significant emissions increase from any emissions units or net emissions increase at a major stationary source that is significant for VOC shall be considered significant for ozone.
(2) A physical change or change in the method of operation shall not include the following:
(A) Routine maintenance, repair, and replacement.
(B) Use of an alternative fuel or raw material by reason of an order under Sections 2(a) and 2(b) of the Energy Supply and Environmental Coordination Act of 1974 or by reason of a natural gas curtailment plan pursuant to the Federal Power Act.
(C) Use of an alternative fuel by reason of an order under Section 125 of the CAA.
(D) Use of an alternative fuel at a steam generating unit to the extent that the fuel is generated from municipal solid waste.
(E) Use of an alternative fuel or raw material by a source that the source:
(i) was capable of accommodating before January 6, 1975, unless the change would be prohibited under any enforceable permit condition that was established after January 6, 1975, pursuant to:
(AA) 40 CFR Part 52.21*;
(BB) this rule;
(CC) 326 IAC 2-3; or

(DD) minor new source review regulations approved pursuant to 40 CFR Part 51.160 through 40 CFR Part 51.166*; or

(ii) is approved to use under any permit issued under 40 CFR Part 52.21* or under this rule.

(F) An increase in the hours of operation or in the production rate unless the change would be prohibited under any enforceable permit condition that was established after January 6, 1975, pursuant to 40 CFR Part 52.21* or under this rule or 326 IAC 2-3.

(G) Any change in ownership at a source.

(H) The installation, operation, cessation, or removal of a temporary clean coal technology demonstration project provided that the project complies with:

(i) the SIP; and

(ii) other requirements necessary to attain and maintain the national ambient air quality standards during the project and after the project is terminated.

(I) The installation or operation of a permanent clean coal technology demonstration project that constitutes repowering provided that the project does not result in an increase in the potential to emit of any regulated pollutant emitted by the unit. This exemption shall apply on a pollutant-by-pollutant basis.

(J) The reactivation of a very clean coal-fired electric utility steam generating unit.

(3) The term shall not apply to a particular regulated NSR pollutant when the major stationary source is complying with the requirements under 326 IAC 2-2.4 for a PAL for that pollutant. Instead, the definition at 326 IAC 2-2.4-2(g) shall apply.

(ee) "Major source baseline date" means the following:

(1) In the case of particulate matter and sulfur dioxide, January 6, 1975.

(2) In the case of nitrogen dioxide, February 8, 1988.

(ff) "Major stationary source" means the following:

(1) Any of the following stationary sources of air pollutants that are located or proposed to be located in an attainment or unclassifiable area as designated in 326 IAC 1-4 and that emit or have the potential to emit one hundred (100) tons per year or more of any regulated NSR pollutant:

(A) Fossil fuel-fired steam electric plants of more than two hundred fifty million (250,000,000) British thermal units per hour heat input.

(B) Coal cleaning plants (with thermal driers).

(C) Kraft pulp mills.

(D) Portland cement plants.

(E) Primary zinc smelters.

(F) Iron and steel mill plants.

(G) Primary aluminum ore reduction plants.

(H) Primary copper smelters.

(I) Municipal incinerators capable of charging more than fifty (50) tons of refuse per day.

(J) Hydrofluoric, sulfuric, and nitric acid plants.

(K) Petroleum refineries.

(L) Lime plants.

(M) Phosphate rock processing plants.

(N) Coke oven batteries.

(O) Sulfur recovery plants.

(P) Carbon black plants (furnace process).

(Q) Primary lead smelters.

(R) Fuel conversion plants.

(S) Sintering plants.

(T) Secondary metal production plants.

(U) Chemical process plants, **excluding ethanol production facilities that produce ethanol by natural fermentation included in North American Industry Classification System (NAICS) codes 325193 for Ethyl Alcohol Manufacturing or 312140 for Distilleries, as revised in 2007**.**

(V) Fossil fuel boilers (or combinations thereof) totaling more than two hundred fifty million (250,000,000) British thermal units per hour heat input.

(W) Taconite ore processing plants.

(X) Glass fiber processing plants.

(Y) Charcoal production plants.

(Z) Petroleum storage and transfer units with a total storage capacity exceeding three hundred thousand (300,000) barrels.

(2) Any stationary source with the potential to emit two hundred fifty (250) tons per year or more of a regulated NSR pollutant.

(3) Any of the following stationary sources with potential emissions of five (5) tons per year or more of lead or

lead compounds measured as elemental lead:
(A) Primary lead smelters.
(B) Secondary lead smelters.
(C) Primary copper smelters.
(D) Lead gasoline additive plants.
(E) Lead-acid storage battery manufacturing plants that produce two thousand (2,000) or more batteries per day.
(4) Any other stationary source with potential emissions of twenty-five (25) or more tons per year of lead or lead compounds measured as elemental lead.
(5) Any physical change occurring at a stationary source not qualifying under subdivisions (1) through (4) if the change would by itself qualify as a major stationary source under subdivisions (1) through (4).
(6) Notwithstanding subdivisions (1) through (5), a source or modification of a source shall not be considered a major stationary source if it would qualify under subdivisions (1) through (5) only if fugitive emissions, to the extent quantifiable, are considered in calculating potential to emit of the stationary source or modification and the source does not belong to any of the categories listed in subdivision (1) or any other stationary source category that, as of August 7, 1980, is being regulated under Section 111 or 112 of the CAA (42 U.S.C. 7411 or 42 U.S.C. 7412).
(7) A major stationary source that is major for VOC shall be considered major for ozone.

(gg) "Minor source baseline date" means the earliest date after the trigger date on which a major stationary source or major modification subject to the requirements of this rule or to 40 CFR Part 52.21* submits a complete application under the relevant regulations, including the following:
(1) The trigger date is the following:
(A) In the case of particulate matter and sulfur dioxide, August 7, 1977.
(B) In the case of nitrogen dioxide, February 8, 1988.
(2) The baseline date is established for each pollutant for which increments or other equivalent measures have been established if:
(A) the area in which the proposed source or modification would construct is designated as attainment or unclassifiable under 326 IAC 1-4 for the pollutant on the date of its complete application under this rule; and
(B) in the case of a major stationary source, the pollutant would be emitted in significant amounts, or, in the case of a major modification, there would be a significant net emissions increase of the pollutant.
(3) Any minor source baseline date established originally for the TSP increments shall remain in effect and shall apply for purposes of determining the amount of available PM_{10} increments, except that the commissioner may rescind a minor source baseline date where it can be shown, to the satisfaction of the commissioner, that the emissions increase from the major stationary source, or net emissions increase from the major modification, responsible for triggering that date did not result in a significant amount of PM_{10} emissions.

(hh) "Necessary preconstruction approvals or permits" means those permits or approvals required under federal air quality control laws and regulations and air quality control laws and regulations that are part of the SIP.

(ii) "Net emissions increase", with respect to any regulated NSR pollutant emitted by a major stationary source, means the following:
(1) The amount by which the sum of the following exceeds zero (0):
(A) The increase in emissions from a particular physical change or change in the method of operation at a stationary source as calculated under section 2(d) of this rule.
(B) Any other increases and decreases in actual emissions at the major stationary source that are contemporaneous with the particular change and are otherwise creditable. Baseline actual emissions for calculating increases and decreases under this clause shall be determined as provided in subsection (e), except that subsection (e)(1)(C) and (e)(2)(D) shall not apply.
(2) An increase or decrease in actual emissions is contemporaneous with the increase from the particular change only if it occurs between the following:
(A) The date five (5) years before construction of the particular change commences.
(B) The date that the increase from the particular change occurs.
(3) An increase or decrease in actual emissions is creditable only if the department has not relied on the increase or decrease in actual emissions in issuing a permit to the source under 40 CFR Part 52.21* or this rule and the permit is in effect when the increase in actual emissions from the particular change occurs.
(4) An increase or decrease in actual emissions of sulfur dioxide, particulate matter, or nitrogen oxides that occurs before the applicable minor source baseline date is creditable only if it is required to be considered in calculating the amount of maximum allowable increases remaining available.
(5) An increase in actual emissions is creditable only to the extent that a new level of actual emissions exceeds the old level.
(6) A decrease in actual emissions is creditable only to the extent that:

(A) the old level of actual emissions or the old level of allowable emissions, whichever is lower, exceeds the new level of actual emissions;
(B) it is enforceable as a practical matter at and after the time that actual construction on the particular change begins; and
(C) it has approximately the same qualitative significance for public health and welfare as that attributed to the increase from the particular change.
(7) An increase that results from the physical change at a source occurs when the emissions unit on which construction occurred becomes operational and begins to emit a particular pollutant. Any replacement unit that requires shakedown becomes operational only after a reasonable shakedown period not to exceed one hundred eighty (180) days.
(8) Subsection (b)(1) shall not apply for determining creditable increases and decreases.

(jj) "Plant-wide applicability limitation" or "PAL" means an emission limitation expressed in tons per year, for a pollutant at a major stationary source, that is enforceable as a practical matter and established source-wide in accordance with this rule. For the purposes of this rule, a PAL is an actuals PAL.

(kk) "Pollution prevention" means the following:
(1) Any activity that eliminates or reduces the release of air pollutants, including fugitive emissions, and other pollutants to the environment prior to recycling, treatment, or disposal, through:
(A) process changes;
(B) product reformulation or redesign; or
(C) substitution of less polluting raw materials.
(2) The term does not include:
(A) recycling, except certain in-process recycling practices;
(B) energy recovery;
(C) treatment; or
(D) disposal.

(ll) "Potential to emit" means the maximum capacity of a stationary source to emit a pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation or the effect it would have on emissions is enforceable as a practical matter. Secondary emissions do not count in determining the potential to emit of a stationary source.

(mm) "Predictive emissions monitoring system" or "PEMS" means all of the equipment necessary to, on a continuous basis:
(1) monitor:
(A) process and control device operational parameters; and
(B) other information, such as gas flow rate, O_2 or CO_2 concentrations; and
(2) calculate and record the mass emissions rate, such as pounds per hour.

(nn) "Prevention of significant deterioration program" or "PSD program" means a major source preconstruction permit program that has been approved by the U.S. EPA and incorporated into the SIP to implement the requirements of 40 CFR Part 51.166 or the program in 40 CFR Part 52.21. Any permit issued under the program is a major NSR permit.

(oo) "Project" means a physical change in, or change in the method of operation of, an existing major stationary source.

(pp) "Projected actual emissions" means the following:
(1) The maximum annual rate, in tons per year, at which an existing emissions unit is projected to emit a regulated NSR pollutant in any consecutive twelve (12) month period of the five (5) years following the date the unit resumes regular operation after the project, or in any consecutive twelve (12) month period of the ten (10) years following the date the unit resumes regular operation, if the project involves increasing the emissions unit's design capacity or its potential to emit that regulated NSR pollutant and full utilization of the unit would result in a significant emissions increase or a significant net emissions increase at the major stationary source.
(2) In determining the projected actual emissions under this subsection, before beginning actual construction, the owner or operator of the major stationary source:
(A) shall:
(i) consider all relevant information, including, but not limited to:
(AA) historical operational data;
(BB) the company's own representations;
(CC) the company's expected business activity and the company's highest projections of business

activity;
(DD) the company's filings with the state or federal regulatory authorities; and
(EE) compliance plans under the approved SIP;
(ii) include fugitive emissions to the extent quantifiable and emissions associated with start-ups, shutdowns, and malfunctions to the extent they are affected by the project; and
(iii) exclude, in calculating any increase in emissions that result from the particular project, that portion of the unit's emissions following the project that an existing unit could have accommodated during the consecutive twenty-four (24) month period used to establish the baseline actual emissions under subsection (e) and that are also unrelated to the particular project, including any increased utilization due to product demand growth; or
(B) in lieu of using the method set out in clause (A), may elect to use the emissions unit's potential to emit, in tons per year, as defined under subsection (ll).

(qq) "Reactivation of a very clean coal-fired electric utility steam generating unit" means any physical change or change in the method of operation associated with the commencement of commercial operations by a coal-fired utility unit after a period of discontinued operation where the unit:
(1) has not been in operation for the two (2) year period prior to the enactment of the CAA Amendments of 1990, and the emissions from the unit continue to be carried in the department's emissions inventory at the time of enactment;
(2) was equipped prior to shutdown with a continuous system of emissions control that achieves a removal efficiency for sulfur dioxide of not less than eighty-five percent (85%) and a removal efficiency for particulates of not less than ninety-eight percent (98%);
(3) is equipped with low-NO_x burners prior to the time of commencement of operations following reactivation; and
(4) is otherwise in compliance with the requirements of the CAA.

(rr) "Reasonably available control technology" or "RACT" means devices, systems, process modifications, or other apparatus or techniques that are reasonably available taking into account:
(1) the necessity of imposing the controls in order to attain and maintain a national ambient air quality standard;
(2) the social, environmental, and economic impact of the controls; and
(3) alternative means of providing for attainment and maintenance of the standard.

(ss) "Regulated NSR pollutant" means any of the following:
(1) Any:
(A) pollutant for which a national ambient air quality standard has been promulgated; and
(B) constituents or precursors for the pollutants identified by the U.S. EPA.
(2) Any pollutant that is subject to any standard promulgated under Section 111 of the CAA.
(3) Any Class I or II substance subject to a standard promulgated under or established by Title VI of the CAA.
(4) Any pollutant that otherwise is subject to regulation under the CAA as defined in subsection (zz).
(5) Notwithstanding subdivisions (1) through (4), any or all HAPs either listed in Section 112 of the CAA or added to the list pursuant to Section 112(b)(2) of the CAA, which have not been delisted pursuant to Section 112(b)(3) of the CAA, are not regulated NSR pollutants unless the listed HAP is also regulated as a constituent or precursor of a general pollutant listed under Section 108 of the CAA.
(6) Notwithstanding subdivision (5), any pollutant listed in subsection (ww)(1)(A) through (ww)(1)(U).

(tt) "Replacement unit" means an emissions unit for which all the criteria listed in subdivisions (1) through (4) are met. No creditable emission reductions shall be generated from shutting down the existing emission unit that is replaced. The following applies:
(1) The emissions unit is a reconstructed unit within the meaning of 40 CFR 60.15(b)(1)*, or the emissions unit completely takes the place of an existing emissions unit.
(2) The emissions unit is identical to or functionally equivalent to the replaced emissions unit.
(3) The replacement does not alter the basic design parameters, as discussed in 40 CFR 51.165(h)(2), of the process unit.
(4) The replaced emissions unit is permanently removed from the major stationary source, otherwise permanently disabled, or permanently barred from operation by a permit that is enforceable as a practical matter. If the replaced emissions unit is brought back into operation, it shall constitute a new emissions unit.

(uu) "Repowering" means replacement of an existing coal-fired boiler with one (1) of the following clean coal technologies:
(1) Atmospheric or pressurized fluidized bed combustion.
(2) Integrated gasification combined cycle.
(3) Magnetohydrodynamics.
(4) Direct and indirect coal-fired turbines.

(5) Integrated gasification fuel cells.
(6) As determined by the U.S. EPA, in consultation with the Secretary of Energy, a derivative of one (1) or more of these technologies, and any other technology capable of controlling multiple combustion emissions simultaneously with improved boiler or generation efficiency and with significantly greater waste reduction relative to the performance of technology in widespread commercial use as of November 15, 1990.

The term shall also include any oil or gas-fired unit, or both, that has been awarded clean coal technology demonstration funding as of January 1, 1991, by the Department of Energy. The department shall give expedited consideration to permit applications for any source that satisfies the requirements of this subsection and is granted an extension under Section 409 of the CAA.

(vv) "Secondary emissions" means emissions that would occur as a result of the construction or operation of a major stationary source or major modification, but do not come from the major stationary source or major modification itself. The term includes emissions from any off-site support facility that would not be constructed or increase its emissions except as a result of the construction or operation of the major stationary source or major modification. For the purpose of this rule, secondary emissions must be specific, well-defined, quantifiable, and impact the same general area as the source or modification that causes the secondary emissions. The term does not include any emissions that come directly from a mobile source, such as emissions from:
(1) the tailpipe of a motor vehicle;
(2) a train; or
(3) a vessel.

(ww) "Significant" means the following:
(1) In reference to a net emissions increase or the potential of the source to emit any of the following pollutants, a rate of emissions that would equal or exceed any of the following rates:
(A) Carbon monoxide: one hundred (100) tons per year.
(B) Nitrogen oxides: forty (40) tons per year.
(C) Sulfur dioxide: forty (40) tons per year.
(D) Particulate matter: twenty-five (25) tons per year.
(E) PM_{10}: fifteen (15) tons per year.
(F) Ozone: forty (40) tons per year of VOC.
(G) Lead: six-tenths (0.6) ton per year.
(H) Asbestos: seven one-thousandths (0.007) ton per year.
(I) Beryllium: four ten-thousandths (0.0004) ton per year.
(J) Mercury: one-tenth (0.1) ton per year.
(K) Vinyl chloride: one (1) ton per year.
(L) Fluorides: three (3) tons per year.
(M) Sulfuric acid mist: seven (7) tons per year.
(N) Hydrogen sulfide (H_2S): ten (10) tons per year.
(O) Total reduced sulfur (including H_2S): ten (10) tons per year.
(P) Reduced sulfur compounds (including H_2S): ten (10) tons per year.
(Q) Municipal waste combustor organics (measured as total tetra- through octa-chlorinated dibenzo-p-dioxins and dibenzofurans): thirty-five ten-millionths (0.0000035) or 3.5×10^{-6} ton per year.
(R) Municipal waste combustor metals (measured as particulate matter): fifteen (15) tons per year.
(S) Municipal waste combustor acid gases (measured as sulfur dioxide and hydrogen chloride): forty (40) tons per year.
(T) Municipal solid waste landfills emissions (measured as nonmethane organic compounds): fifty (50) tons per year.
(U) Ozone-depleting substances (ODS): one hundred (100) tons per year.
(V) Pollutant greenhouse gases (GHGs): as specified in subsection (zz).
(W) Any regulated NSR pollutant other than the pollutants listed in this subsection: any emission rate.
(2) Any emissions rate or any net emissions increase associated with a major stationary source or major modification that:
(A) would be constructed within ten (10) kilometers of a Class I area; and
(B) has an impact on the area equal to or greater than one (1) microgram per cubic meter (24-hour average).

(xx) "Significant emissions increase" means, for a regulated NSR pollutant, an increase in emissions that is significant, as defined in subsection (ww), for that pollutant.

(yy) "Stationary source" means any building, structure, facility, or installation that emits or may emit a regulated NSR pollutant. A stationary source does not include emissions resulting from an internal combustion engine used for transportation purposes or from a nonroad engine or nonroad vehicle.

(zz) "Subject to regulation" means, for any air pollutant, that the pollutant is subject to either a provision in the

CAA, or a nationally applicable regulation codified by the U.S. EPA in 40 CFR, Chapter I, Subchapter C, that requires actual control of the quantity of emissions of that pollutant, and that the control requirement has taken effect and is operative to control, limit, or restrict the quantity of emissions of that pollutant released from that regulated activity, except as follows:

(1) Greenhouse gases (GHGs), the air pollutant defined in 40 CFR 86.1818-12(a)*, as added by 75 FR 25686 (May 7, 2010), as the aggregate group of six (6) greenhouse gases shall not be subject to regulation except as provided in subdivisions (4) and (5). Pollutant GHGs includes the following:

(A) Carbon dioxide.
(B) Nitrous oxide.
(C) Methane.
(D) Hydrofluorocarbons.
(E) Perfluorocarbons.
(F) Sulfur hexafluoride.

(2) For purposes of subdivisions (3) through (5), "tons per year (tpy) CO_2 equivalent emissions (CO_2e)" shall represent an amount of GHGs emitted and shall be calculated as follows:

(A) Multiply the mass amount of emissions in tpy for each of the six (6) greenhouse gases in the pollutant GHGs by the gas's associated global warming potential published in 40 CFR 98, Subpart A, Table A-1 (Global Warming Potentials)*, as added by 74 FR 56395 (October 30, 2009).
(B) Sum the resultant value from clause (A) for each gas to compute a tpy CO_2e.

(3) "Emissions increase", as used in subdivisions (4) and (5), means that both a significant emissions increase as calculated using the procedures in 40 CFR 51.166(a)(7)(iv)* and a significant net emissions increase as defined in subsections (ii) and (ww) occur. For the pollutant GHGs, an emissions increase shall be based on tpy CO_2e, and shall be calculated assuming the pollutant GHGs is a regulated NSR pollutant, and "significant" is defined as seventy-five thousand (75,000) tpy CO_2e instead of applying the value in subsection (ww)(1)(W).

(4) Beginning January 2, 2011, the pollutant GHGs is subject to regulation if the stationary source is:

(A) a new major stationary source for a regulated NSR pollutant that is not GHGs and will emit or will have the potential to emit seventy-five thousand (75,000) tpy CO_2e or more; or
(B) an existing major stationary source for a regulated NSR pollutant that is not GHGs and will have an emissions increase of a regulated NSR pollutant, and an emissions increase of seventy-five thousand (75,000) tpy CO_2e or more.

(5) Beginning July 1, 2011, in addition to the provisions in subdivision (4), the pollutant GHGs shall be subject to regulation at:

(A) a new stationary source that will emit or will have the potential to emit one hundred thousand (100,000) tpy CO_2e or more; or
(B) an existing stationary source that emits or has the potential to emit one hundred thousand (100,000) tpy CO_2e or more, when such stationary source undertakes a physical change or change in the method of operation that will result in an emissions increase of seventy-five thousand (75,000) tpy CO_2e or more.

(aaa) "Temporary clean coal technology demonstration project" means a clean coal technology demonstration project that:

(1) is operated for a period of five (5) years or less; and
(2) complies with the SIP and other requirements necessary to attain and maintain the national ambient air quality standards during the project and after the project is terminated.

*These documents are incorporated by reference. Copies may be obtained from the Government Printing Office, 732 North Capitol Street NW, Washington, D.C. 20401 or are available for review and copying at the Indiana Department of Environmental Management, Office of Air Quality, Indiana Government Center North, Tenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

****These documents are incorporated by reference. Copies may be obtained through the U.S. Census Bureau website at: www.census.gov/eos/www/naics or are available for review and copying at the Indiana Department of Environmental Management, Office of Air Quality, Indiana Government Center North, Tenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.**

(Air Pollution Control Board; 326 IAC 2-2-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2391; filed Apr 13, 1988, 3:35 p.m.: 11 IR 3022; filed Jan 6, 1989, 3:30 p.m.: 12 IR 1102; filed Jun 14, 1989, 5:00 p.m.: 12 IR 2020; filed Nov 25, 1998, 12:13 p.m.: 22 IR 997; errata filed May 12, 1999, 11:23 a.m.: 22 IR 3105; filed Oct 23, 2000, 9:47 a.m.: 24 IR 668; filed Mar 23, 2001, 3:03 p.m.: 24 IR 2412; filed Dec 20, 2001, 4:30 p.m.: 25 IR 1557; filed Mar 9, 2004, 3:45 p.m.: 27 IR 2216; filed Aug 10, 2004, 3:35 p.m.: 27 IR 3889; filed Oct 1, 2010, 3:48 p.m.: 20101027-IR-326070372FRA; filed Feb 14, 2011, 11:20 a.m.: 20110316-IR-326100505FRA; errata filed Feb 16, 2011, 2:28 p.m.: 20110316-IR-326110089ACA)

SECTION 2. 326 IAC 2-3-2 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-3-2 Applicability

Authority: IC 13-14-8; IC 13-17-3
Affected: IC 13-15; IC 13-17

Sec. 2. (a) This rule applies to new major stationary sources or major modifications constructed in an area designated, as of the date of submittal of a complete application, as nonattainment in 326 IAC 1-4, for a pollutant for which the stationary source or modification is major.

(b) This rule applies to modifications of major stationary sources of VOC or oxides of nitrogen (unless a NO_X waiver is in effect) in serious and severe ozone nonattainment areas as follows:
(1) A modification of a major stationary source with a de minimis increase in emissions shall be exempt from section 3 of this rule.
(2) A modification having an increase in emissions that is not de minimis to an existing major stationary source that does not have the potential to emit one hundred (100) tons or more of VOC or oxides of nitrogen (unless a NO_X waiver is in effect) per year will not be subject to section 3(a) of this rule if the owner or operator of the source elects to internal offset the increase by a ratio of one and three-tenths (1.3) to one (1). If the owner or operator does not make the election or is unable to, section 3(a) of this rule applies, except that BACT shall be substituted for LAER required by section 3(a)(2) of this rule.
(3) A modification having an increase in emissions that is not de minimis to an existing major stationary source emitting or having the potential to emit one hundred (100) tons of VOC or oxides of nitrogen (unless a NO_X waiver is in effect) or more per year will be subject to the requirements of section 3(a) of this rule, except that the owner or operator may elect to internal offset the increase at a ratio of one and three-tenths (1.3) to one (1) as a substitute for LAER required by section 3(a)(2) of this rule.

(c) The requirements of this rule will be applied in accordance with the following:
(1) Except as otherwise provided in subsection (k) and consistent with the definition of major modification in section 1(y) of this rule, a project is a major modification for a regulated NSR pollutant if it causes a significant emissions increase and a significant net emissions increase except for VOC emissions in a severe or serious nonattainment area for ozone. The project is not a major modification if it does not cause a significant emissions increase. If the project causes a significant emissions increase, then the project is a major modification only if it also results in a significant net emissions increase.
(2) Prior to beginning actual construction, the procedure for calculating whether a significant emissions increase will occur depends upon the type of emissions units being modified, in accordance with this subsection, except for VOC emissions in a severe or serious nonattainment area for ozone. The procedure for calculating, before beginning actual construction, whether a significant net emissions increase will occur at the major stationary source is contained in section 1(cc) of this rule. Regardless of any preconstruction projections, a major modification results if the project causes a significant emissions increase and a significant net emissions increase.
(3) For an actual-to-projected-actual applicability test for projects that only involve existing emissions units, a significant emissions increase of a regulated NSR pollutant is projected to occur if the sum of the difference between the projected actual emissions and the baseline actual emissions for each existing emissions unit equals or exceeds the significant amount for that pollutant.
(4) For an actual-to-potential applicability test for projects that only involve construction of new emissions units, a significant emissions increase of a regulated NSR pollutant is projected to occur if the sum of the difference between the potential to emit from each new emissions unit following completion of the project and the baseline actual emissions of these units before the project equals or exceeds the significant amount for that pollutant.
(5) For projects that involve a combination of emission units using the tests in subdivisions (3) and (4), a significant emissions increase of a regulated NSR pollutant is projected to occur if the sum of the emissions increases for each emissions unit, using the method specified in subdivisions (3) and (4), as applicable, with respect to each emissions unit, for each type of emissions unit equals or exceeds the significant amount for that pollutant.

(d) At the time that a particular source or modification becomes a major stationary source or major modification solely by virtue of a relaxation in any enforceable limitation that was established after August 7, 1980,

on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction on hours of operation, then this rule applies to the source or modification as though construction had not yet commenced on the source or modification.

(e) In the case of an area that has been redesignated nonattainment, any source that would not have been required to submit a permit application under 326 IAC 2-2 concerning the prevention of significant deterioration will not be subject to this rule if construction commences within eighteen (18) months of the area's redesignation.

(f) Major stationary sources or major modifications that would locate in any area designated as attainment or unclassifiable in the state and would exceed the following significant impact levels at any locality, for any pollutant that is designated as nonattainment, must meet the requirements specified in section 3(a)(1) through 3(a)(3) of this rule. All values are expressed in micrograms per cubic meter ($\mu g/m^3$):

Pollutant	Annual	24-hour	8-hour	3-hour	1-hour
Sulfur dioxide	1	5	X	25	X
Total suspended particulates	1	5	X	X	X
PM_{10}	1	5	X	X	X
Nitrous oxides	1	X	X	X	X
Carbon monoxide	X	X	500	X	2,000

(g) This rule does not apply to a source or modification, other than a source of VOC or oxides of nitrogen (unless a NO_X waiver is in effect) in a serious or severe ozone nonattainment area or a source of PM_{10} in a serious PM_{10} area, that would be a major stationary source or major modification only if fugitive emissions, to the extent quantifiable, are considered in calculating the potential to emit of the stationary source or modification and the source does not belong to any of the following categories:

(1) Coal cleaning plants (with thermal driers).
(2) Kraft pulp mills.
(3) Portland cement plants.
(4) Primary zinc smelters.
(5) Iron and steel mill plants.
(6) Primary aluminum ore reduction plants.
(7) Primary copper smelters.
(8) Municipal incinerators capable of charging more than two hundred fifty (250) tons of refuse per day.
(9) Hydrofluoric, sulfuric, and nitric acid plants.
(10) Petroleum refineries.
(11) Lime plants.
(12) Phosphate rock processing plants.
(13) Coke oven batteries.
(14) Sulfur recovery plants.
(15) Carbon black plants (furnace process).
(16) Primary lead smelters.
(17) Fuel conversion plants.
(18) Sintering plants.
(19) Secondary metal production plants.
(20) Chemical process plants, **excluding ethanol production facilities that produce ethanol by natural fermentation included in North American Industry Classification System (NAICS) codes 325193 for Ethyl Alcohol Manufacturing or 312140 for Distilleries, as revised in 2007*.**
(21) Fossil-fuel boilers (or combinations thereof) totaling more than two hundred fifty million (250,000,000) British thermal units per hour heat input.
(22) Petroleum storage and transfer unit with a storage capacity exceeding three hundred thousand (300,000) barrels.
(23) Taconite ore processing plants.
(24) Glass fiber processing plants.
(25) Charcoal production plants.
(26) Fossil fuel-fired steam electric plants of more than two hundred fifty million (250,000,000) British thermal units per hour heat input.
(27) Any other stationary source category that, as of August 7, 1980, is being regulated under Section 111 or 112 of the CAA.

(h) For purposes of this rule, secondary emissions from a source need not be considered in determining whether the source would qualify as a major source. If a source is subject to this rule on the basis of the direct emissions from the source, the applicable conditions must also be met for secondary emissions. The secondary emissions may be exempt from the requirements specified in section 3(a)(2) through 3(a)(3) of this rule.

(i) HAPs listed in and regulated by 326 IAC 14-1 are not exempt from this rule.

(j) The installation, operation, cessation, or removal of temporary clean coal technology demonstration projects funded under the Department of Energy-Clean Coal Technology Appropriations may be exempt from the requirements of section 3 of this rule. To qualify for this exemption, the project must:
(1) be at an existing facility;
(2) operate for not more than five (5) years; and
(3) comply with all other applicable rules for the area.

(k) For any major stationary source operating under a PAL for a regulated NSR pollutant, the major stationary source shall comply with requirements under 326 IAC 2-3.4.

(l) The following specific provisions apply with respect to any regulated NSR pollutant emitted from projects at existing emissions units at a major stationary source, other than projects at a source with a PAL, in circumstances where there is a reasonable possibility, within the meaning of this subsection, that a project that is not a part of a major modification may result in a significant emissions increase of a regulated NSR pollutant, and the owner or operator elects to use the method specified in section 1(kk)(2)(A) of this rule for calculating projected actual emissions:
(1) Before beginning actual construction of the project, the owner or operator shall document and maintain a record of the following information:
(A) A description of the project.
(B) Identification of the emissions units whose emissions of a regulated NSR 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 the following:
(i) The baseline actual emissions.
(ii) The projected actual emissions.
(iii) The amount of emissions excluded under section 1(kk)(2)(A)(iii) of this rule and an explanation for why the amount was excluded.
(iv) Any netting calculations, if applicable.
(2) If the emissions unit is an existing electric utility steam generating unit, before beginning actual construction, the owner or operator shall provide a copy of the information set out in subdivision (1) to the department. Nothing in this subdivision shall be construed to require the owner or operator of the unit to obtain any determination from the department before beginning actual construction.
(3) The owner or operator shall:
(A) monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any emissions units identified in subdivision (1)(B); and
(B) 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 if the project increases the design capacity or potential to emit of that regulated NSR pollutant at the emissions unit.
(4) If the unit is an existing electric utility steam generating unit, the owner or operator shall submit a report to the department within sixty (60) days after the end of each year during which records must be generated under subdivision (3) setting out the unit's annual emissions during the year that preceded submission of the report.
(5) If the unit is an existing unit other than an electric utility steam generating unit, the owner or operator shall submit a report to the department if the annual emissions, in tons per year, from the project identified in subdivision (1), exceed the baseline actual emissions, as documented and maintained under subdivision (1)(C), by a significant amount for that regulated NSR pollutant, and if the emissions differ from the preconstruction projection as documented and maintained under subdivision (1)(C). The report shall be submitted to the department within sixty (60) days after the end of the year. The report shall contain the following:
(A) The name, address, and telephone number of the major stationary source.

(B) The annual emissions as calculated under subdivision (3).
(C) The emissions calculated under the actual to projected actual test stated in subsection (c)(3).
(D) Any other information that the owner or operator wishes to include in the report.

(6) A reasonable possibility under this subsection occurs when the owner or operator calculates the project to result in either:
(A) a projected actual emissions increase of at least fifty percent (50%) of the amount that is a significant emissions increase, as defined in section 1(qq) of this rule, without reference to the amount that is a significant net emissions increase, for the regulated NSR pollutant; or
(B) a projected actual emissions increase that, added to the amount of emissions excluded under section 1(kk)(2)(A)(iii), sums to at least fifty percent (50%) of the amount that is a significant emissions increase, as defined in section 1(qq) of this rule, without reference to the amount that is a significant net emissions increase, for the regulated NSR pollutant. For a project for which a reasonable possibility occurs only within the meaning of this clause, and not also within the meaning of clause (A), then subdivisions (2) through (5) do not apply to the project.

(7) The owner or operator of the source shall make the information required to be documented and maintained under subdivisions (1) through (5) available for review upon a request for inspection by the department. The general public may request this information from the department under 326 IAC 17.1.

***These documents are incorporated by reference. Copies may be obtained through the U.S. Census Bureau website at: www.census.gov/eos/www/naics or are available for review and copying at the Indiana Department of Environmental Management, Office of Air Quality, Indiana Government Center North, Tenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.**

(Air Pollution Control Board; 326 IAC 2-3-2; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2404; filed Nov 12, 1993, 4:00 p.m.: 17 IR 728; filed Aug 17, 2001, 3:45 p.m.: 25 IR 11; filed Aug 10, 2004, 3:35 p.m.: 27 IR 3929; filed Oct 1, 2010, 3:48 p.m.: 20101027-IR-326070372FRA)

SECTION 3. 326 IAC 2-7-1, PROPOSED TO BE AMENDED AT 20110223-IR-326110085FDA, SECTION 1, IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-1 Definitions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11
Affected: IC 13-11-2

Sec. 1. For purposes of this rule, the definition given for a term in this rule shall control in any conflict between 326 IAC 1-2 and this rule. In addition to the definitions provided in IC 13-11-2, 326 IAC 1-2, and 326 IAC 2-1.1, the following definitions apply throughout this rule unless expressly stated otherwise or unless the context clearly implies otherwise:

(1) "Acid rain program" means the national sulfur dioxide and nitrogen oxides air pollution control and emissions reduction program established in accordance with Title IV of the CAA, 40 CFR 72*, and 40 CFR 75* through 40 CFR 78*, 58 FR 3590*, and regulations implementing Sections 407 and 410 of the CAA.

(2) "Actual emissions" means the actual rate of emissions in tons per year of any regulated pollutant emitted from a Part 70 source over the preceding calendar year or any other period determined by the commissioner to be representative of normal source operation.

(3) "Affected source" shall have the meaning given to it in the regulations promulgated under Title IV of the CAA.

(4) "Affected states" means all states:
(A) whose air quality may be affected and are contiguous to the state of Indiana; or
(B) that are within fifty (50) miles of the permitted source.

(5) "Affected unit" shall have the meaning given to it in the regulations promulgated under Title IV of the CAA.

(6) "Applicable requirement" means all of the following as they apply to emissions units in a Part 70 source (including requirements that have been promulgated or approved by the U.S. EPA through rulemaking at the time of permit issuance but have future effective compliance dates):
(A) Any standard or other requirement provided for in the applicable implementation plan approved or promulgated by the U.S. EPA through rulemaking under Title I of the CAA that implements the relevant requirements of the CAA, including any revisions to that plan promulgated in 40 CFR 52*.
(B) Any term or condition of any preconstruction permits issued under regulations approved or promulgated through rulemaking under Title I, including Part C or D of the CAA.

(C) Any standard or other requirement under Section 111 of the CAA, including Section 111(d) of the CAA.
(D) Any standard or other requirement under Section 112 of the CAA, including any requirement concerning accident prevention under Section 112(r)(7) of the CAA.
(E) Any standard or other requirement of the acid rain program under Title IV of the CAA or the regulations promulgated thereunder.
(F) Any requirements established under Section 504(b) or 114(a)(3) of the CAA.
(G) Any standard or other requirement under Section 126(a)(1) and 126(c) of the CAA.
(H) Any standard or other requirement governing solid waste incineration under Section 129 of the CAA.
(I) Any standard or other requirement for consumer and commercial products under Section 183(e) of the CAA.
(J) Any standard or other requirement for tank vessels under Section 183(f) of the CAA.
(K) Any standard or other requirement of the Code of Federal Regulations promulgated to protect stratospheric ozone under Title VI of the CAA, unless the U.S. EPA has determined that the requirements need not be contained in a Part 70 permit.
(L) Any national ambient air quality standard or increment or visibility requirement under Part C of Title I of the CAA, but only as it would apply to temporary sources permitted under Section 504(e) of the CAA.

(7) "Area source" means any stationary source of HAPs that is not a major source. The term does not include motor vehicles or nonroad vehicles subject to regulation under Title II of the CAA.
(8) "Clean Air Act" or "CAA" means the Clean Air Act, as amended (including the Clean Air Act Amendments of 1990 (P.L.101-549)), 42 U.S.C. 7401, et seq.
(9) "Code of Federal Regulations" or "CFR", unless otherwise provided, has the same meaning as set forth in 326 IAC 1-1-3.
(10) "Designated representative" shall have the meaning given to it in Section 402(26) of the CAA and the regulations promulgated thereunder.
(11) "Draft Part 70 permit" means the version of a Part 70 permit for which the commissioner offers public participation and notice to affected states under section 17 of this rule.
(12) "Emergency" means any situation, including acts of God, arising from sudden and reasonably unforeseeable events beyond the reasonable control of the source that:
(A) requires immediate corrective action to restore normal operation; and
(B) causes the source to exceed an emission limit under a Part 70 permit due to unavoidable increases in emissions attributable to the emergency.

The term shall not include noncompliance to the extent caused by improperly designed equipment, failure to implement an adequate preventive maintenance plan, careless or improper operation, or operator error.
(13) "Emission limitation or standard" means any of the following as defined under the CAA:
(A) A federally enforceable emission limitation or standard.
(B) A standard of performance.
(C) A means of emission limitation.

An emission limitation or standard may be expressed in terms of the pollutant, expressed either as a specific quantity, rate, or concentration of emissions (for example, pounds of sulfur dioxide (SO_2) per hour, pounds of sulfur dioxide (SO_2) per mmBtu, or kilograms of VOC per liter of applied coating solids) or as the relationship of uncontrolled to controlled emissions (for example, percent capture and destruction efficiency of VOC or percent reduction of SO_2). An emission limitation or standard may also be expressed either as a work practice process or other form of design, equipment operation, or operation and maintenance requirement.
(14) "Emissions allowable under the Part 70 permit" means a federally enforceable Part 70 permit term or condition determined at issuance to be required by an applicable requirement that establishes an emissions limit (including a work practice standard) or a federally enforceable emissions cap that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject.
(15) "Emissions unit" means any part or activity of a stationary source that emits or has the potential to emit any regulated air pollutant or any pollutant listed under Section 112(b) of the CAA. The term is not meant to alter or affect the definition of unit for purposes of Title IV of the CAA.
(16) "Federally enforceable state operating permit" or "FESOP" means a permit issued under 326 IAC 2-8.
(17) "Final Part 70 permit" means the version of a Part 70 permit issued by the commissioner that has completed all review procedures required by sections 17 and 18 of this rule.
(18) "Fugitive emissions" means emissions that could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening.
(19) "General Part 70 permit" means a Part 70 permit that is applicable to a class or category of sources or modifications thereto, whether or not under common ownership or control, that are subject to similar applicable requirements.
(20) "Health-based emission limit" means any enforceable condition the sole purpose of which is to protect public health or welfare without regard to technical achievability, including, but not limited to, any requirement in a permit based on:

(A) an emission standard for HAPs promulgated under 40 CFR 61*, including 326 IAC 14;
(B) conditions to prevent significant deterioration of air quality established under 40 CFR 52.21*, including 326 IAC 2-2-5 and 326 IAC 2-2-6 but excluding conditions based on BACT;
(C) limits relied upon in a formal attainment demonstration supporting a SIP approved by the U.S. EPA under Section 110(a)(2)(K) of the CAA, with the exception of limits based on RACT for sources of VOCs in areas designated attainment for ozone in accordance with the CAA; or
(D) conditions established as residual risk standards under 42 U.S.C. 7412(f).

(21) "Insignificant activity" has any of the meanings, subject to clauses (A) through (D), specified in clauses (E) through (K) as follows:

(A) Detailed information concerning emissions from activities or equipment listed in clauses (E) through (K) is not required in a permit application submitted under this rule or 326 IAC 2-8; however, additional emissions information must be provided upon request by the department.
(B) Notwithstanding any other requirements in this rule, the applicant shall include all emissions sources and quantify emissions if needed to determine:
(i) major source status;
(ii) compliance with any applicable requirement; or
(iii) the applicability of any applicable requirement.
Identification of an activity or equipment as insignificant under this section does not preclude the inclusion of the activity or equipment in a compliance plan or protocol as appropriate.
(C) Notwithstanding any other provision of this rule or 326 IAC 2-6, emissions from activities defined as insignificant in this subdivision or trivial in subdivision (41) need not be included in a source's annual emission statement required by 326 IAC 2-6.
(D) A change in a source's insignificant or trivial activities or the addition of an insignificant activity or trivial activity shall not constitute a modification for purposes of sections 10.5 and 12 of this rule, if the new activity or modified activity:
(i) meets the definition of insignificant activity of this subdivision or trivial activity of subdivision (41);
(ii) has all applicable requirements and associated monitoring in the current permit; and
(iii) is not a modification under any provision of Title I of the CAA.
The department may request that the source update its list of insignificant activities as part of its annual compliance certification.
(E) An emission unit or activity whose potential uncontrolled emissions meet the exemption levels specified in 326 IAC 2-1.1-3(e)(1) or the exemption levels specified in the following, whichever is lower:
(i) For lead or lead compounds measured as elemental lead, the exemption level is six-tenths (0.6) ton per year or three and twenty-nine hundredths (3.29) pounds per day.
(ii) For carbon monoxide (CO), the exemption limit is twenty-five (25) pounds per day.
(iii) For sulfur dioxide, the exemption level is five (5) pounds per hour or twenty-five (25) pounds per day.
(iv) For VOC, the exemption limit is three (3) pounds per hour or fifteen (15) pounds per day.
(v) For nitrogen oxides (NO_x), the exemption limit is five (5) pounds per hour or twenty-five (25) pounds per day.
(F) For an emission unit or activity with potential uncontrolled emissions of particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM_{10}), the exemption level is either five (5) pounds per hour or twenty-five (25) pounds per day.
(G) For units with potential uncontrolled emissions of HAPs, that are not listed as insignificant in clauses (H) through (L) or defined as trivial in subdivision (41), an insignificant activity is any of the following:
(i) Any unit, not regulated by a NESHAP, emitting greater than one (1) pound per day but less than five (5) pounds per day or one (1) ton per year of a single HAP.
(ii) Any unit, not regulated by a NESHAP, emitting greater than one (1) pound per day but less than twelve and five-tenths (12.5) pounds per day or two and five-tenths (2.5) tons per year of any combination of HAPs.
The source shall provide a description of the insignificant activity, including identification of the HAPs emitted and any applicable requirements. A source may rely on MSDS sheets, product labels, other manufacturer's information, or other technical and scientific judgement for identification of HAPs. Insignificant activities that are part of a multistep process line shall be reported as such on the operating permit application, and the source shall include a description of the function and components of the process line on the operating permit application. Insignificant activities that perform equivalent functions shall be grouped, and the function and number of those units shall be included on the operating permit application.
(H) Emissions from a laboratory as defined in this clause. As used in this clause, "laboratory" means a place or activity devoted to experimental study or teaching, or to the testing and analysis of drugs, chemicals, chemical compounds or other substances, or similar activities, provided that the activities described in this clause are conducted on a laboratory scale. Activities are conducted on a laboratory scale if the containers used for reactions, transfers, and other handling of substances are designed to be easily and safely

manipulated by one (1) person. If a facility manufactures or produces products for profit in any quantity, it shall not be considered to be a laboratory under this clause. Support activities necessary to the operation of the laboratory are considered to be part of the laboratory. Support activities do not include the provision of power to the laboratory from sources that provide power to multiple projects or from sources that would otherwise require permitting, such as boilers that provide power to an entire facility.

(I) Emissions from research and development activities as defined in this clause. As used in this clause, "research and development activities" means activities conducted under close supervision of technically trained personnel that are not engaged in the manufacture of products for sale, exchange for commercial profit, or distribution, except in a de minimis manner and the primary purpose of which is to:

(i) test more efficient production processes;

(ii) test methods for preventing or reducing adverse environmental impacts; or

(iii) conduct research and development into new processes and products.

Support activities necessary to the research and development activities are considered to be part of the research and development activities. Support activities do not include the provision of power to the research and development activities from sources that provide power to multiple projects or from sources that would otherwise require permitting, such as boilers that provide power to a source or solid waste disposal units, such as incinerators.

(J) Emissions from educational and teaching activities as defined in this clause. As used in this clause, "educational and teaching activities" means activities conducted at public and nonpublic schools and postsecondary educational institutions for educational, vocational, agricultural, occupational, employment, or technical training purposes provided the activities do not include the production of an intermediate or final product for sale or exchange for commercial profit or distribution. Support activities necessary to the educational and teaching activities are considered to be part of the educational and teaching activities. Support activities do not include the provision of power to the educational and teaching activities from sources that provide power to multiple projects or from sources that would otherwise require permitting, such as boilers that provide power to a source or solid waste disposal units, such as incinerators.

(K) Any of the following listed activities:

(i) Combustion related activities, as follows:

(AA) Space heaters, process heaters, heat treat furnaces, or boilers using the following fuels:

(aa) Natural gas-fired combustion sources with heat input equal to or less than ten million (10,000,000) British thermal units per hour.

(bb) Propane or liquified petroleum gas or butane-fired combustion sources with heat input equal to or less than six million (6,000,000) British thermal units per hour.

(cc) Fuel oil-fired combustion sources with heat input equal to or less than two million (2,000,000) British thermal units per hour and firing fuel containing equal to or less than five-tenths percent (0.5%) sulfur by weight.

(dd) Wood-fired combustion sources with heat input equal to or less than one million (1,000,000) British thermal units per hour and not burning treated wood or chemically contaminated wood.

(BB) Equipment powered by diesel fuel fired or natural gas fired internal combustion engines of capacity equal to or less than five hundred thousand (500,000) British thermal units per hour except where total capacity of equipment operated by one (1) stationary source as defined by subdivision (38) exceeds two million (2,000,000) British thermal units per hour.

(CC) Combustion source flame safety purging on start-up.

(ii) Fuel dispensing activities, as follows:

(AA) A gasoline fuel transfer dispensing operation handling less than or equal to one thousand three hundred (1,300) gallons per day and filling storage tanks having a capacity equal to or less than ten thousand five hundred (10,500) gallons. Such storage tanks may be in a fixed location or on mobile equipment.

(BB) A petroleum fuel other than gasoline dispensing facility, having a storage tank capacity less than or equal to ten thousand five hundred (10,500) gallons, and dispensing three thousand five hundred (3,500) gallons per day or less.

(iii) The following VOC and HAP storage containers:

(AA) Storage tanks with capacity less than or equal to one thousand (1,000) gallons and annual throughputs equal to or less than twelve thousand (12,000) gallons.

(BB) Vessels storing the following:

(aa) Lubricating oils.

(bb) Hydraulic oils.

(cc) Machining oils.

(dd) Machining fluids.

(iv) Refractory storage not requiring air pollution control equipment.

(v) Equipment used exclusively for the following:

(AA) Packaging the following:
(aa) Lubricants.
(bb) Greases.
(BB) Filling drums, pails, or other packaging containers with the following:
(aa) Lubricating oils.
(bb) Waxes.
(cc) Greases.
(vi) Production related activities, including the following:
(AA) Application of:
(aa) oils;
(bb) greases;
(cc) lubricants; and
(dd) nonvolatile material;
as temporary protective coatings.
(BB) Machining where an aqueous cutting coolant continuously floods the machining interface.
(CC) Degreasing operations that do not exceed one hundred forty-five (145) gallons per twelve (12) months, except if subject to 326 IAC 20-6.
(DD) Cleaners and solvents characterized as having a vapor pressure equal to or less than:
(aa) two (2.0) kilo Pascals (fifteen (15) millimeters of mercury or three-tenths (0.3) pound per square inch) measured at thirty-eight (38) degrees Centigrade (one hundred (100) degrees Fahrenheit); or
(bb) seven-tenths (0.7) kilo Pascal (five (5) millimeters of mercury or one-tenth (0.1) pound per square inch) measured at twenty (20) degrees Centigrade (sixty-eight (68) degrees Fahrenheit);
the use of which, for all cleaners and solvents combined, does not exceed one hundred forty-five (145) gallons per twelve (12) months.
(EE) The following equipment related to manufacturing activities not resulting in the emission of HAPs:
(aa) Brazing.
(bb) Cutting torches.
(cc) Soldering.
(dd) Welding.
(FF) Closed loop heating and cooling systems.
(GG) Infrared cure equipment.
(HH) Exposure chambers (towers or columns), for curing of ultraviolet inks and ultraviolet coatings where heat is the intended discharge.
(II) Any of the following structural steel and bridge fabrication activities:
(aa) Cutting two hundred thousand (200,000) linear feet or less of one (1) inch plate or equivalent per year.
(bb) Using eighty (80) tons or less of welding consumables per year.
(vii) Activities associated with the following recovery systems:
(AA) Rolling oil recovery systems.
(BB) Ground water oil recovery wells.
(viii) Solvent recycling systems with batch capacity less than or equal to one hundred (100) gallons.
(ix) Water based activities, including the following:
(AA) Activities associated with the treatment of wastewater streams with an oil and grease content less than or equal to one percent (1%) by volume.
(BB) Water run-off ponds for petroleum coke-cutting and coke storage piles.
(CC) Activities associated with the transportation and treatment of sanitary sewage, provided discharge to the treatment plant is under the control of the owner or operator, that is, an on-site sewage treatment facility. This does not include sanitary sludge incineration.
(DD) Any operation using aqueous solutions containing less than or equal to one percent (1%) by weight of VOCs excluding HAPs.
(EE) Water based adhesives that are less than or equal to five percent (5%) by volume of VOCs excluding HAPs.
(FF) Noncontact cooling tower systems with either of the following:
(aa) Natural draft cooling towers not regulated under a NESHAP.
(bb) Forced and induced draft cooling tower systems not regulated under a NESHAP.
(GG) Quenching operations used with heat treating processes.
Oil, grease, or VOC content shall be determined by a test method acceptable to the department and the U.S. EPA.
(x) Repair activities, including the following:
(AA) Replacement or repair of electrostatic precipitators, bags in baghouses, and filters in other air filtration equipment.

(BB) Heat exchanger cleaning and repair.
(CC) Process vessel degassing and cleaning to prepare for internal repairs.
(xi) Trimmers that:
(AA) do not produce fugitive emissions; and
(BB) are equipped with a dust collection or trim material recovery device, such as a bag filter or cyclone.
(xii) Stockpiled soils from soil remediation activities that are covered and waiting transport for disposal.
(xiii) Paved and unpaved roads and parking lots with public access.
(xiv) Conveyors as follows:
(AA) Covered conveyors for solid raw material, including the following:
(aa) Coal or coke conveying of less than or equal to three hundred sixty (360) tons per day.
(bb) Limestone conveying of less than or equal to seven thousand two hundred (7,200) tons per day for sources other than mineral processing plants constructed after August 31, 1983.
(BB) Uncovered coal or coke conveying of less than or equal to one hundred twenty (120) tons per day.
(CC) Underground conveyors.
(DD) Enclosed systems for conveying plastic raw material and plastic finished goods.
(xv) Coal bunker and coal scale exhausts and associated dust collector vents.
(xvi) Asbestos abatement projects regulated by 326 IAC 14-10.
(xvii) 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, including the following:
(AA) Purging of gas lines.
(BB) Purging of vessels.
(xviii) Flue gas conditioning systems and associated chemicals, such as the following:
(AA) Sodium sulfate.
(BB) Ammonia.
(CC) Sulfur trioxide.
(xix) Equipment used to collect any material that might be released during a malfunction, process upset, or spill cleanup, including the following:
(AA) Catch tanks.
(BB) Temporary liquid separators.
(CC) Tanks.
(DD) Fluid handling equipment.
(xx) Blowdown for the following:
(AA) Sight glass.
(BB) Boiler.
(CC) Cooling tower.
(DD) Compressors.
(EE) Pumps.
(xxi) Furnaces used for melting metals other than beryllium with a brim full capacity equal to or less than four hundred fifty (450) cubic inches by volume.
(xxii) Activities associated with emergencies, including the following:
(AA) On-site fire training approved by the department.
(BB) Emergency generators as follows:
(aa) Gasoline generators not exceeding one hundred ten (110) horsepower.
(bb) Diesel generators not exceeding one thousand six hundred (1,600) horsepower.
(cc) Natural gas turbines or reciprocating engines not exceeding sixteen thousand (16,000) horsepower.
(CC) Stationary fire pump engines.
(xxiii) Grinding and machining operations controlled with fabric filters, scrubbers, mist collectors, wet collectors, and electrostatic precipitators with a design grain loading of less than or equal to three one-hundredths (0.03) grains per actual cubic foot and a gas flow rate less than or equal to four thousand (4,000) actual cubic feet per minute, including the following:
(AA) Deburring.
(BB) Buffing.
(CC) Polishing.
(DD) Abrasive blasting.
(EE) Pneumatic conveying.
(FF) Woodworking operations.
(xxiv) Purge double block and bleed valves.
(xxv) Filter or coalescer media changeout.
(xxvi) Vents from ash transport systems not operated at positive pressure.
(xxvii) Mold release agents using low volatile products (vapor pressure less than or equal to two (2) kilo

Pascals measured at thirty-eight (38) degrees Centigrade).
(xxviii) Farm operations, except concentrated animal feeding operations as defined in 40 CFR 122.23.
(xxix) Woodworking equipment controlled by a baghouse provided that the following criteria are met:
(AA) The baghouse does not exhaust to the atmosphere greater than one hundred twenty-five thousand (125,000) cubic feet per minute.
(BB) The baghouse does not emit particulate matter with a diameter less than ten (10) microns in excess of three-thousandths (0.003) grain per dry standard cubic feet of outlet air.
(CC) Opacity from the baghouse does not exceed ten percent (10%).
(DD) The baghouse is in operation at all times that the woodworking equipment is in use.
(EE) Visible emissions from the baghouse are observed daily using procedures in accordance with 40 CFR 60, Appendix A, Method 22* and normal or abnormal emissions are recorded. In the event abnormal emissions are observed for greater than six (6) minutes in duration, the following shall occur:
(aa) The baghouse shall be inspected.
(bb) Corrective actions, such as replacing or reseating bags, are initiated, when necessary.
(FF) The baghouse is inspected quarterly when vented to the atmosphere.
(GG) The owner or operator keeps the following records:
(aa) Records documenting the date when the baghouse redirected indoors or to the atmosphere.
(bb) Quarterly inspection reports, when vented to the atmosphere.
(cc) Visible observation reports.
(dd) Records of corrective actions.
(xxx) Woodworking equipment controlled by a baghouse provided that the following criteria are met:
(AA) The baghouse does not exhaust to the atmosphere greater than forty thousand (40,000) cubic feet per minute.
(BB) The baghouse does not emit particulate matter with a diameter less than ten (10) microns in excess of one-hundredth (0.01) grain per dry standard cubic feet of outlet air.
(CC) Opacity from the baghouse does not exceed ten percent (10%).
(DD) The baghouse is in operation at all times that the woodworking equipment is in use.
(EE) Visible emissions from the baghouse are observed daily using procedures in accordance with 40 CFR 60, Appendix A, Method 22* and normal or abnormal emissions are recorded. In the event abnormal emissions are observed for greater than six (6) minutes in duration, the following shall occur:
(aa) The baghouse shall be inspected.
(bb) Corrective actions, such as replacing or reseating bags, are initiated, when necessary.
(FF) The baghouse is inspected quarterly when vented to the atmosphere.
(GG) The owner or operator keeps the following records:
(aa) Records documenting the date when the baghouse redirected indoors or to the atmosphere.
(bb) Quarterly inspection reports, when vented to the atmosphere.
(cc) Visible observation reports.
(dd) Records of corrective actions.

(22) "Major source" means any stationary source or any group of stationary sources as described in this subdivision. For purposes of clauses (B) and (C), the term shall include any group of stationary sources that are located on one (1) or more contiguous or adjacent properties and are under common control of the same person (or persons under common control) belonging to a single major industrial grouping. In addition, for the purposes of defining major source in clause (B) or (C), a stationary source or group of stationary sources shall be considered part of a single industrial grouping if all of the pollutant emitting activities at the source or group of stationary sources on contiguous or adjacent properties belong to the same major group (that is, all have the same two (2) digit code) as described in the Standard Industrial Classification Manual, 1987*. For purposes of clauses (B) and (C), any stationary source (or group of stationary sources) that supports another source, where both are under common control of the same person (or persons under common control) and are located on contiguous or adjacent properties, shall be considered a support facility and part of the same source regardless of the two (2) digit SIC code for that support facility. A stationary source (or group of stationary sources) is considered a support facility to a source if at least fifty percent (50%) of the output of the support facility is dedicated to the source. The term includes the following:
(A) A major source under Section 112 of the CAA, which is defined as follows:
(i) For pollutants other than radionuclides, any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit, in the aggregate:
(AA) ten (10) tons per year (tpy) or more of any HAP that has been listed in Section 112(b) of the CAA;
(BB) twenty-five (25) tpy or more of any combination of such HAPs; or
(CC) such lesser quantity as the U.S. EPA may establish by rule.
(ii) Notwithstanding item (i):
(AA) emissions from any oil or gas exploration or production well (with its associated equipment) and

emissions from any pipeline compressor or pump station shall not be aggregated with emissions from other similar units, whether or not the units are in a contiguous area or under common control, to determine whether the units or stations are major sources; and

(BB) research and development activities may be considered separately for purposes of determining whether a major source is present and need not be aggregated with collocated stationary sources unless the research and development activities contribute to the product produced or service rendered by the collocated sources in a more than de minimis manner.

(iii) For radionuclides, major source shall have the meaning specified by the U.S. EPA by rule.

(B) A major stationary source of air pollutants, as defined in Section 302 of the CAA, that directly emits or has the potential to emit, one hundred (100) tpy or more of any air pollutant subject to regulation (including any major source of fugitive emissions of any such pollutant, as determined by the U.S. EPA by rule). The fugitive emissions of a stationary source shall not be considered in determining whether it is a major stationary source for the purposes of Section 302(j) of the CAA unless the source belongs to one (1) of the following categories of stationary sources:

(i) Coal cleaning plants (with thermal dryers).
(ii) Kraft pulp mills.
(iii) Portland cement plants.
(iv) Primary zinc smelters.
(v) Iron and steel mills.
(vi) Primary aluminum ore reduction plants.
(vii) Primary copper smelters.
(viii) Municipal incinerators, or combinations of municipal incinerators, capable of charging more than fifty (50) tons of refuse per day.
(ix) Hydrofluoric, sulfuric, or nitric acid plants.
(x) Petroleum refineries.
(xi) Lime plants.
(xii) Phosphate rock processing plants.
(xiii) Coke oven batteries.
(xiv) Sulfur recovery plants.
(xv) Carbon black plants (furnace process).
(xvi) Primary lead smelters.
(xvii) Fuel conversion plants.
(xviii) Sintering plants.
(xix) Secondary metal production plants.
(xx) Chemical process plants, **excluding ethanol production facilities that produce ethanol by natural fermentation included in North American Industry Classification System (NAICS) codes 325193 for Ethyl Alcohol Manufacturing or 312140 for Distilleries, as revised in 2007.****
(xxi) Fossil fuel boilers (or combination thereof) totaling more than two hundred fifty million (250,000,000) British thermal units per hour heat input.
(xxii) Petroleum storage and transfer units with a total storage capacity exceeding three hundred thousand (300,000) barrels.
(xxiii) Taconite ore processing plants.
(xxiv) Glass fiber processing plants.
(xxv) Charcoal production plants.
(xxvi) Fossil fuel fired steam electric plants of more than two hundred fifty million (250,000,000) British thermal units per hour heat input.
(xxvii) Any other stationary source category regulated under Section 111 or 112 of the CAA and for which the U.S. EPA has made an affirmative determination under Section 302(j) of the CAA.

(C) A major stationary source as defined in Part D of Title I of the CAA, including the following:

(i) For ozone nonattainment areas, sources with the potential to emit:

(AA) one hundred (100) tpy or more of VOC or oxides of nitrogen in areas classified as marginal or moderate;
(BB) fifty (50) tpy or more of VOC or oxides of nitrogen in areas classified as serious;
(CC) twenty-five (25) tpy or more of VOC or oxides of nitrogen in areas classified as severe; or
(DD) ten (10) tpy or more of VOC or oxides of nitrogen in areas classified as extreme;

except that the references in this item to one hundred (100), fifty (50), twenty-five (25), and ten (10) tpy of nitrogen oxides shall not apply with respect to any source for which the U.S. EPA has made a finding, under Section 182(f)(1) or 182(f)(2) of the CAA, that requirements under Section 182(f) of the CAA do not apply.

(ii) For ozone transport regions established under Section 184 of the CAA, sources with the potential to emit fifty (50) or more tpy of VOC.

(iii) For carbon monoxide nonattainment areas:
(AA) that are classified as serious; and
(BB) in which stationary sources contribute significantly to carbon monoxide levels as determined under rules issued by the U.S. EPA;
sources with the potential to emit fifty (50) tpy or more of carbon monoxide.
(iv) For particulate matter PM_{10} nonattainment areas classified as serious, sources with the potential to emit seventy (70) tpy or more of PM_{10}.

(23) "Part 70 permit" or "permit" means any Part 70 permit or group of Part 70 permits authorizing the operation of a Part 70 source that is issued, renewed, amended, or revised under this rule.
(24) "Part 70 permit modification" means a revision to a Part 70 permit that meets the requirements of section 12 of this rule.
(25) "Part 70 permit program costs" means all reasonable (direct and indirect) costs required to develop and administer a Part 70 permit program, as set forth in section 19 of this rule (whether the costs are incurred by the commissioner or other state or local agencies that do not issue Part 70 permits directly, but that support Part 70 permit issuance or administration).
(26) "Part 70 permit revision" means any Part 70 permit modification or administrative Part 70 permit amendment.
(27) "Part 70 program" means the operating permit program established by this rule and approved by the U.S. EPA under 40 CFR 70*.
(28) "Part 70 source" means any source subject to the permitting requirements as provided in section 2 of this rule.
(29) "Potential to emit" means 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 term does not alter or affect the use of this term for any other purpose under the CAA, (or the term "capacity factor" as used in Title IV of the CAA) (or the regulations promulgated thereunder).
(30) "Proposed Part 70 permit" means the version of a Part 70 permit that the commissioner proposes to issue and forwards to the U.S. EPA for review in compliance with section 18 of this rule.
(31) "Regulated air pollutant" means any of the following:
(A) Nitrogen oxides or any VOC.
(B) Any pollutant for which a national ambient air quality standard has been promulgated.
(C) Any pollutant that is subject to any standard promulgated under Section 111 of the CAA.
(D) Any Class I or Class II substance subject to a standard promulgated under or established by Title VI of the CAA.
(E) Any pollutant subject to a standard promulgated under Section 112 of the CAA or other requirements established under Section 112 of the CAA, including Section 112(g), 112(j), and 112(r) of the CAA, including the following:
(i) Any pollutant subject to requirements under Section 112(j) of the CAA. If the U.S. EPA fails to promulgate a standard by the date established under Section 112(e) of the CAA, any pollutant for which a subject source would be major shall be considered to be regulated on the date eighteen (18) months after the applicable date established under Section 112(e) of the CAA.
(ii) Any pollutant for which the requirements of Section 112(g)(2) of the CAA have been met, but only with respect to the individual source subject to Section 112(g)(2) of the CAA.
(32) "Regulated pollutant that is used only for purposes of section 19 of this rule" means any regulated air pollutant, except the following:
(A) Carbon monoxide.
(B) Any pollutant that is a regulated air pollutant solely because it is a Class I or Class II substance subject to a standard promulgated under or established by Title VI of the CAA.
(C) Any pollutant that is a regulated air pollutant solely because it is subject to a standard or regulation under Section 112(r) of the CAA.
(D) Any pollutant emitted by an insignificant or trivial activity as defined in this rule.
(33) "Renewal" means the process by which a Part 70 permit is reissued at the end of its term.
(34) "Responsible official" means the following:
(A) For a corporation:
(i) a president;
(ii) a secretary;
(iii) a treasurer;
(iv) a vice president of the corporation in charge of a principal business function;
(v) any other person who performs similar policy or decision making functions for the corporation; or
(vi) a duly authorized representative of any person listed in this clause if the representative is responsible

for the overall operation of one (1) or more manufacturing, production, or operating facilities applying for or subject to a Part 70 permit and either the:

(AA) facilities employ more than two hundred fifty (250) persons or have gross annual sales or expenditures exceeding twenty-five million dollars ($25,000,000) (in second quarter 1980 dollars); or

(BB) delegation of authority to the representative is approved in advance by the commissioner.

(B) For a partnership or sole proprietorship, a general partner or the proprietor, respectively.

(C) For a municipality, state, federal, or other public agency, either a principal executive officer or ranking elected official. As used in this clause, "principal executive officer of a federal agency" includes the chief executive officer having responsibility for the overall operations of a principal geographic unit of the agency, for example, a regional administrator of the U.S. EPA.

(D) For affected sources:

(i) the designated representative for actions, standards, requirements, or prohibitions under Title IV of the CAA or the regulations promulgated thereunder; and

(ii) the designated representative for any other purposes under a Part 70 permit.

(35) "Risk management plan" means a plan specified by Section 112(r) of the CAA.

(36) "Section 502(b)(10) changes" means changes that contravene an express Part 70 permit term. Such changes do not include changes that would violate applicable requirements or contravene federally enforceable Part 70 permit terms and conditions that are monitoring (including test methods), record keeping, reporting, or compliance certification requirements.

(37) "State" means any nonfederal permitting authority, including any local agency, interstate association, or statewide program. The term shall have its conventional meaning where the meaning is clear from the context. For purposes of the acid rain program, the term shall be limited to authorities within the forty-eight (48) contiguous states and the District of Columbia as provided in Section 402(14) of the CAA.

(38) "Stationary source" means any building, structure, facility, or installation that emits or may emit any regulated air pollutant or any pollutant listed under Section 112(b) of the CAA.

(39) "Subject to regulation" means, for any air pollutant, that the pollutant is subject to either a provision in the CAA, or a nationally applicable regulation codified by the U.S. EPA in 40 CFR, Chapter I, Subchapter C, that requires actual control of the quantity of emissions of that pollutant, and that the control requirement has taken effect and is operative to control, limit, or restrict the quantity of emissions of that pollutant released from that regulated activity, except as follows:

(A) Greenhouse gases (GHGs), the air pollutant defined in 40 CFR 86.1818-12(a)*, as added by 75 FR 25686 (May 7, 2010), as the aggregate group of six (6) greenhouse gases shall not be subject to regulation unless, as of July 1, 2011, the GHG emissions are at a stationary source emitting or having the potential to emit one hundred thousand (100,000) tpy CO_2 equivalent emissions (CO_2e) or more. Pollutant GHGs includes the following:

(i) Carbon dioxide.

(ii) Nitrous oxide.

(iii) Methane.

(iv) Hydrofluorocarbons.

(v) Perfluorocarbons.

(vi) Sulfur hexafluoride.

(B) "Tons per year (tpy) CO_2 equivalent emissions (CO_2e)" shall represent an amount of GHGs emitted and shall be calculated as follows:

(i) Multiply the mass amount of emissions in tpy for each of the six (6) greenhouse gases in the pollutant GHGs by the gas's associated global warming potential published in 40 CFR 98, Subpart A, Table A-1 (Global Warming Potentials)*, as added by 74 FR 56395 (October 30, 2009).

(ii) Sum the resultant value from item (i) for each gas to compute a tpy CO_2e.

(40) "Technology-based emission limit" means any enforceable condition that is derived solely or in part from the capabilities of man-made equipment or processes, including, but not limited to, any requirement in a permit based on:

(A) RACT;

(B) BACT;

(C) maximum achievable control technology (MACT);

(D) lowest achievable emissions reduction (LAER);

(E) generally available control technology (GACT);

(F) best available retrofit technology (BART);

(G) any manufacturers' specifications; or

(H) the sources' physical potential to emit;

unless the applicable requirement was relied upon in a formal attainment demonstration supporting a SIP approved by the U.S. EPA under Section 110(a)(2)(K) of the CAA.

(41) "Trivial activity" has any of the following meanings, subject to clauses (A) and (B), specified in clauses (C)

through (S), as follows:

(A) A change in a source's trivial activities or the addition of a trivial activity shall not constitute a modification for purposes of section 12 of this rule, if the new activity or modified activity:

(i) meets the definition of trivial activity of this subdivision;

(ii) has all applicable requirements and associated monitoring in the current permit; and

(iii) is not a modification under any provision of Title I of the CAA.

(B) Trivial activities do not need to be included in a permit application required under this rule or 326 IAC 2-8, provided that the applicant documents applicable requirements and compliance status as required by section 4 of this rule. Upon request, the applicant shall submit any information necessary to fulfill the requirements of this rule or 326 IAC 2-8.

(C) Any activity or emission unit:

(i) not regulated by a NESHAP, with potential uncontrolled emissions that are equal to or less than one (1) pound per day on an emission unit basis for any single HAP or combination of HAPs; and

(ii) for which the potential uncontrolled emissions meet the exemption levels specified in the following:

(AA) For lead or lead compounds measured as elemental lead, potential uncontrolled emissions that are equal to or less than one (1) pound per day.

(BB) For carbon monoxide (CO), potential uncontrolled emissions that are equal to or less than one (1) pound per day.

(CC) For sulfur dioxide, potential uncontrolled emissions that are equal to or less than one (1) pound per day.

(DD) For VOC, potential uncontrolled emissions that are equal to or less than one (1) pound per day.

(EE) For nitrogen oxides (NO_x), potential uncontrolled emissions that are equal to or less than one (1) pound per day.

(FF) For particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM_{10}), potential uncontrolled emissions that are equal to or less than one (1) pound per day.

(D) Water related activities, including the following:

(i) Production of hot water for on-site personal use not related to any industrial or production process.

(ii) Water treatment activities used to provide potable and process water for the plant, excluding any activities associated with wastewater treatment.

(iii) Steam traps, vents, leaks, and safety relief valves.

(iv) Cooling ponds.

(v) Laundry operations using only water solutions of bleach or detergents.

(vi) Demineralized water tanks and demineralizer vents.

(vii) Boiler water treatment operations, not including cooling towers.

(viii) Oxygen scavenging (deaeration) of water.

(ix) Steam cleaning operations and steam sterilizers.

(x) Pressure washing of equipment.

(xi) Water jet cutting operations.

(E) Combustion activities, including the following:

(i) Portable electrical generators that can be moved by hand from one (1) location to another. As used in this item, "moved by hand" means that it can be moved without the assistance of any motorized or nonmotorized vehicle, conveyance, or device.

(ii) Combustion emissions from propulsion of mobile sources.

(iii) Fuel use related to food preparation for on-site consumption.

(iv) Tobacco smoking rooms and areas.

(v) Blacksmith forges.

(vi) Indoor and outdoor kerosene heaters.

(F) Activities related to ventilation, venting equipment, and refrigeration, including the following:

(i) Ventilation exhaust, central chiller water systems, refrigeration, and air conditioning equipment, not related to any industrial or production process, including natural draft hoods or ventilating systems that do not remove air pollutants.

(ii) Stack and vents from plumbing traps used to prevent the discharge of sewer gases, handling domestic sewage only, excluding those at wastewater treatment plants or those handling any industrial waste.

(iii) Vents from continuous emissions monitors and other analyzers.

(iv) Natural gas pressure regulator vents, excluding venting at oil and gas production facilities.

(v) Air vents from air compressors.

(vi) Vents for air cooling of electric motors provided the air does not commingle with regulated air pollutants.

(vii) Vents from equipment used to air blow water from cooled plastics strands or sheets.

(G) Activities related to routine fabrication, maintenance, and repair of buildings, structures, equipment, or vehicles at the source where air emissions from those activities would not be associated with any

commercial production process, including the following:
(i) Activities associated with the repair and maintenance of paved and unpaved roads, including paving or sealing, or both, of parking lots and roadways.
(ii) Painting, including interior and exterior painting of buildings, and solvent use excluding degreasing operations utilizing halogenated organic solvents.
(iii) Brazing, soldering, or welding operations and associated equipment.
(iv) Portable blast-cleaning equipment with enclosures.
(v) Blast-cleaning equipment using water as the suspension agent and associated equipment.
(vi) Batteries and battery charging stations except at battery manufacturing plants.
(vii) Lubrication, including the following:
(AA) Hand-held spray can lubrication.
(BB) Dipping metal parts into lubricating oil.
(CC) Manual or automated addition of cutting oil in machining operations.
(viii) Nonasbestos insulation installation or removal.
(ix) Tarring, retarring, and repair of building roofs.
(x) Bead blasting of heater tubes.
(xi) Instrument air dryer and filter maintenance.
(xii) Manual tank gauging.
(xiii) Open tumblers associated with deburring operations in maintenance shops.
(H) Activities performed using hand-held equipment, including the following:
(i) Application of hot melt adhesives with no VOC in the adhesive formulation.
(ii) Buffing.
(iii) Carving.
(iv) Cutting, excluding cutting torches.
(v) Drilling.
(vi) Grinding.
(vii) Machining wood, metal, or plastic.
(viii) Polishing.
(ix) Routing.
(x) Sanding.
(xi) Sawing.
(xii) Surface grinding.
(xiii) Turning wood, metal, or plastic.
(I) Housekeeping and janitorial activities and supplies, including the following:
(i) Vacuum cleaning systems used exclusively for housekeeping or custodial activities, or both.
(ii) Steam cleaning activities.
(iii) Restrooms and associated cleanup operations and supplies.
(iv) Alkaline or phosphate cleaners and associated equipment.
(v) Mobile floor sweepers and floor scrubbers.
(vi) Pest control fumigation.
(J) Office related activities, including the following:
(i) Office supplies and equipment.
(ii) Photocopying equipment and associated supplies.
(iii) Paper shredding.
(iv) Blueprint machines, photographic equipment, and associated supplies.
(K) Lawn care and landscape maintenance activities and equipment, including the storage, spraying, or application of insecticides, pesticides, and herbicides.
(L) Storage equipment and activities, including the following:
(i) Pressurized storage tanks and associated piping for the following:
(AA) Acetylene.
(BB) Anhydrous ammonia.
(CC) Carbon monoxide.
(DD) Chlorine.
(EE) Inorganic compounds.
(FF) Liquid petroleum gas (LPG).
(GG) Liquid natural gas (LNG).
(HH) Natural gas.
(II) Nitrogen dioxide.
(JJ) Sulfur dioxide.
(ii) Storage tanks, vessels, and containers holding or storing liquid substances that do not contain any VOC or HAP.

(iii) Storage tanks, reservoirs, and pumping and handling equipment of any size containing:
(AA) soap;
(BB) vegetable oil;
(CC) grease;
(DD) wax;
(EE) animal fat; and
(FF) nonvolatile aqueous salt solutions;
provided appropriate lids and covers are utilized.
(iv) Storage of drums containing maintenance raw materials.
(v) Storage of the following:
(AA) Castings.
(BB) Lance rods.
(CC) Any non-HAP containing material in solid form stored in a sealed or covered container.
(vi) Portable containers used for the collection, storage, or disposal of materials provided the container capacity is equal to or less than forty-six hundredths (0.46) cubic meters and the container is closed, except when the material is added or removed.
(M) Emergency and standby equipment, including the following:
(i) Emergency (backup) electrical generators at residential locations, such as dormitories, prisons, and hospitals.
(ii) Safety and emergency equipment except engine driven fire pumps, including fire suppression systems and emergency road flares.
(iii) Process safety relief devices installed solely for the purpose of minimizing injury to persons or damage to equipment that could result from abnormal process operating conditions, including the following:
(AA) Explosion relief vents, diaphragms, or panels.
(BB) Rupture discs.
(CC) Safety relief valves.
(iv) Activities and equipment associated with on-site medical care not otherwise specifically regulated.
(v) Vacuum-producing devices for the purpose of removing potential accidental releases.
(N) Sampling and testing equipment and activities, including the following:
(i) Equipment used for quality control/assurance or inspection purposes, including sampling equipment used to withdraw materials for analysis.
(ii) Hydraulic and hydrostatic testing equipment.
(iii) Ground water monitoring wells and associated sample collection equipment.
(iv) Environmental chambers not using HAP gases.
(v) Shock chambers.
(vi) Humidity chambers.
(vii) Solar simulators.
(viii) Sampling activities, including the following:
(AA) Sampling of waste.
(BB) Glove box sampling, charging, and packaging.
(ix) Instrument air dryers and distribution.
(O) Use of consumer products and equipment where the product or equipment is:
(i) used at a source in the same manner as normal consumer use; and
(ii) not associated with any production process.
(P) Equipment and activities related to the handling, treating, and processing of animals, including the following:
(i) Equipment used exclusively to slaughter animals, but not including the following:
(AA) Rendering cookers.
(BB) Boilers.
(CC) Heating plants.
(DD) Incinerators.
(EE) Electrical power generating equipment.
(ii) Veterinary operating rooms.
(Q) Activities generating limited amounts of fugitive dust, including the following:
(i) Fugitive emissions related to movement of passenger vehicles, provided the emissions are not counted for applicability purposes under subdivision (22)(B), and any required fugitive dust control plan or its equivalent is submitted.
(ii) Soil boring.
(iii) Road salting and sanding.
(R) Activities associated with production, including the following:
(i) Closed, nonvented tumblers used for cleaning or deburring metal products without abrasive blasting.

(ii) Electrical resistance welding.
(iii) CO_2 lasers, used only on metals and other materials that do not emit HAPs in the process.
(iv) Laser trimmers that:
(AA) do not produce fugitive emissions; and
(BB) are equipped with a dust collection device, such as a bag filter, cyclone, or equivalent device.
(v) Application equipment for hot melt adhesives with no VOC in the adhesive formulation.
(vi) Drop hammers or hydraulic presses for forging or metalworking.
(vii) Air compressors and pneumatically operated equipment, including hand tools.
(viii) Compressor or pump lubrication and seal oil systems.
(ix) Equipment used to mix and package:
(AA) soaps;
(BB) vegetable oil;
(CC) grease;
(DD) animal fat; and
(EE) nonvolatile aqueous salt solutions;
provided appropriate lids and covers are utilized.
(x) Equipment for washing or drying fabricated glass or metal products, if no:
(AA) VOCs or HAPs are used in the process; and
(BB) gas, oil, or solid fuel is burned.
(xi) Handling of solid steel, including coils and slabs, excluding scrap burning, scarfing, and charging into steelmaking furnaces and vessels.
(S) Miscellaneous equipment, but not emissions associated with the process for which the equipment is used, and activities, including the following:
(i) Equipment used for surface coating, painting, dipping, or spraying operation, except those that will emit VOCs or HAPs.
(ii) Condensate drains for natural gas and landfill gas.
(iii) Electric or steam heated drying ovens and autoclaves, including only the heating emissions and not any associated process emissions.
(iv) Salt baths using nonvolatile salts, including caustic solutions that do not result in emissions of any regulated air pollutants.
(v) Ozone generators.
(vi) Portable dust collectors.
(vii) Scrubber systems circulating water based solutions of inorganic salts or bases that are installed to be available for response to emergency situations.
(viii) Soil borrow pits.
(ix) Manual loading and unloading operations.
(x) Purging of refrigeration devices using a combination of nitrogen and CFC-22 (R-22) as pressure test media.
(xi) Construction and demolition operations.
(xii) Mechanical equipment gear boxes and vents that are isolated from process materials.
(xiii) Nonvolatile mold release waxes and agents.
(42) "U.S. EPA" means the administrator of the United States Environmental Protection Agency or the administrator's designee.

*These documents are incorporated by reference. Copies may be obtained from the Government Printing Office, 732 North Capitol Street NW, Washington, D.C. 20401 or are available for review and copying at the Indiana Department of Environmental Management, Office of Air Quality, Indiana Government Center North, Tenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

****These documents are incorporated by reference. Copies may be obtained through the U.S. Census Bureau website at: www.census.gov/eos/www/naics or are available for review and copying at the Indiana Department of Environmental Management, Office of Air Quality, Indiana Government Center North, Tenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.**

(Air Pollution Control Board; 326 IAC 2-7-1; filed May 25, 1994, 11:00 a.m.: 17 IR 2249; filed Dec 19, 1995, 3:05 p.m.: 19 IR 1051; errata filed Apr 9, 1996, 2:30 p.m.: 19 IR 2045; filed May 31, 1996, 4:00 p.m.: 19 IR 2856; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2326; filed Nov 25, 1998, 12:13 p.m.: 22 IR 1020; errata filed May 12, 1999, 11:23 a.m.: 22 IR 3106; filed Dec 20, 2001, 4:30 p.m.: 25 IR 1573; filed Oct 1, 2010, 3:48 p.m.: 20101027-IR-326070372FRA; filed Feb 14, 2011, 11:20 a.m.: 20110316-IR-326100505FRA)

Posted: 03/16/2011 by Legislative Services Agency
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