



## INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

*We Protect Hoosiers and Our Environment.*

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Michael R. Pence  
Governor

Carol S. Comer  
Commissioner

October 2, 2015

Ms. Susan Hedman  
Regional Administrator  
U.S. Environmental Protection Agency  
Region 5  
77 West Jackson Boulevard  
Chicago, IL 60604-3950

Re: Revisions to the Indiana State  
Implementation Plan for Sulfur Dioxide  
and the Final 1-Hour Sulfur Dioxide  
Attainment Demonstration and  
Technical Support Document for  
Central, West Central, and Southwest  
Indiana Nonattainment Areas

Dear Ms. Hedman:

Pursuant to Section 110 of the Clean Air Act and Title 13 of the Indiana Code, the Indiana Department of Environmental Management (IDEM) submits an amendment to the Indiana state implementation plan (SIP). This submittal consists of revisions to Indiana's sulfur dioxide rules at 326 IAC 7. IDEM requests that the United States Environmental Protection Agency (U.S. EPA) approve 326 IAC 7-1.1-3, 326 IAC 7-2-1, 326 IAC 7-4-2, 326 IAC 7-4-2.1, 326 IAC 7-4-3, 326 IAC 7-4-3.1, 326 IAC 7-4-11, 326 IAC 7-4-11.1, and 326 IAC 7-4-15, including the subsequent repeal of 326 IAC 7-4-2, 326 IAC 7-4-3, and 326 IAC 7-4-11 on January 1, 2017.

As a point of clarification, the original provisions at 326 IAC 7-1-9 (Marion County), 326 IAC 7-1-10.1 (Vigo County), and 326 IAC 7-1-18 (Morgan County), were never officially removed from the SIP (2/8/1994, 59 FR 5732). If necessary, U.S. EPA should clarify in this SIP approval that 326 IAC 7-1 no longer exists in the Indiana SIP.

IDEM is pleased to also submit the final *1-Hour Sulfur Dioxide Attainment Demonstration and Technical Support Document for Central, West Central, and Southwest Indiana Nonattainment Areas* for approval as an amendment to Indiana's State Implementation Plan. This attainment demonstration is supported by dispersion modeling, as well as the permanent and enforceable requirements necessary to provide for attainment of the standard once approved into Indiana's State Implementation Plan for sulfur dioxide.



A State that Works

IDEM provided an opportunity for a public hearing concerning the final *1-Hour Sulfur Dioxide Attainment Demonstration and Technical Support Document for Central, West Central, and Southwest Indiana Nonattainment Areas* if a request for a public hearing was received by August 21, 2015. A hearing was tentatively scheduled for September 8, 2015. No request for a public hearing was received and the hearing was cancelled. IDEM received written comments from the Indianapolis Power and Light Company (IPL) during the public comment period, which concluded on September 21, 2015. IPL's comments consisted of minor clarifying revisions that were incorporated into the document as requested.

Attached hereto is the final *1-Hour Sulfur Dioxide Attainment Demonstration and Technical Support Document for Central, West Central, and Southwest Indiana Nonattainment Areas*. This final version documents the public participation process and consists of the following technical elements:

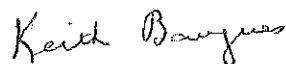
- A demonstration that the area will attain the standard by the attainment date;
- An analysis of air quality trends, a comprehensive emissions inventory of sulfur dioxide emissions from area and stationary point sources for Daviess, Pike, Marion, Morgan, and Vigo Counties, a description of the effect of clean air measures in place, and predictions about future reductions in emissions resulting from additional control measures to be phased-in or implemented at affected sources by January 1, 2017;
- A summary of the permanent and enforceable control measures that are anticipated to reduce sulfur dioxide emissions;
- Documentation of the public participation process; and,
- A copy of Indiana's final promulgated sulfur dioxide rule, which incorporates the requirements necessary to ensure attainment of the 2010 1-hour sulfur dioxide standard.

Throughout the development of these amendments to the existing rules and the attainment demonstration, IDEM staff worked with U.S. EPA Region 5, to ensure that any potential concerns regarding the submission were addressed. We would appreciate U.S. EPA's continued efforts to communicate regularly with us as it reviews this submittal, which consists of one (1) hard copy of the required documentation. An electronic version of the submittal in PDF format that is identical to the hard copy has been sent to Doug Aburano, Chief of U.S. EPA Region 5's Attainment Planning and Maintenance Section.

S. Hedman  
Page 3.

If you have any questions or need additional information concerning this matter, please contact Scott Deloney, Chief, Air Programs Branch, at (317) 233-5694.

Sincerely,



Keith Baugues  
Assistant Commissioner  
Office of Air Quality

KB/sad/jcb

Attachments:

Supporting Documents

cc: John Mooney, U.S. EPA Region 5 (no enclosure)  
Doug Aburano, U.S. EPA Region 5 (no enclosure)  
Keith Baugues, IDEM (no enclosure)  
Scott Deloney, IDEM (no enclosure)  
Jean Boling, IDEM (w/ enclosure)  
File Copy

## Supporting Documents

Attachment A: Administrative Checklist (40 CFR 51, Appendix V)

Attachment B: Final Rule. LSA Document #11-356(F) as published in the *Indiana Register* on September 30, 2015 (DIN: [20150930-IR-326110356FRA](#))

Attachment C: Signature Page

Attachment D: Second Notice of Comment Period, including the Notice of Public Hearing, as published in the *Indiana Register* on September 10, 2014 (DIN: [20140910-IR-326110356SNA](#))

Attachment E: Certificates of Web Publication

Attachment F: Transcript of First Public Hearing held on March 11, 2015

Attachment G: Proposed Rule, including the Notice of Public Hearing, as published in the *Indiana Register* on April 22, 2015 (DIN: [20150422-IR-326110356PRA](#))

Attachment H: Response to Comments from the Third Comment Period

Attachment I: Transcript of Second Public Hearing held on July 8, 2015

Attachment J: Technical Support Documentation (Deleted units/sources from 326 IAC 7-4-2 and 326 IAC 7-4-3)

Attachment K: Final *1-Hour Sulfur Dioxide Attainment Demonstration and Technical Support Document for Central, West Central, and Southwest Indiana Nonattainment Areas*

Attachment L: 1-Hour Sulfur Dioxide Attainment Demonstration Modeling Files (enclosed on external drive)

# **ATTACHMENT A**

## **ADMINISTRATIVE CHECKLIST (40 CFR 51, APPENDIX V)**

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## ADMINISTRATIVE CHECKLIST (40 CFR 51, Appendix V)

- |   |                               |
|---|-------------------------------|
| 1. The submittal is accompanied by a formal letter of submittal from the governor or his designee.  | Enclosed                      |
| 2. Evidence that the State has adopted the plan in the State code or body of regulations; or issued the permit, order, consent agreement ("document"); in final form.   | Attachment C                  |
| a. Date of adoption or final issuance:  | September 30, 2015            |
| b. The effective date of the plan, if different from the adoption/issuance date.  | October 30, 2015              |
| 3. Evidence that the State has the necessary legal authority under state law to adopt and implement the plan.   | IC 13-14-8                    |
| 4. A copy of the actual regulation or document submitted for approval and incorporation by reference into the plan, including the following:  | Attachment B                  |
| a. Indication of the changes made to the existing approved plan, where applicable.  |                               |
| b. The submittal shall be a copy of the official State regulation or document signed, stamped, dated by the appropriate state official indicating that it is fully enforceable by the State. Effective date shall be stated in the document itself. |                               |
| 5. Evidence that the State followed all of the procedural requirements of the State's laws and constitution in conducting and completing the adoption/issuance of the plan.   | Attachment C                  |
| 6. Evidence that public notice was given, including date of proof of publication.   | Attachments D, E, and G       |
| <input checked="" type="checkbox"/> Notice of First Public Hearing and Certificates of Web Publication  |                               |
| <input checked="" type="checkbox"/> Notice of Second Public Hearing and Certificates of Web Publication   |                               |
| 7. Certification that public hearings were held in accordance with information provided in public hearing notice.   | Attachments F and I           |
| <input checked="" type="checkbox"/> Transcript from First Public Hearing  |                               |
| <input checked="" type="checkbox"/> Transcript from Second Public Hearing   |                               |
| 8. Compilation of public comments and State's response.   | Attachments D, F, G, H, and I |
| <input checked="" type="checkbox"/> Second Notice   |                               |
| <input checked="" type="checkbox"/> Proposed Rule   |                               |
| <input checked="" type="checkbox"/> Third Comment Period  |                               |
| 9. Technical Support Document (if source specific change).  |                               |

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# **ATTACHMENT B**

**FINAL RULE**

**LSA DOCUMENT #11-356(F)**

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TITLE 326 AIR POLLUTION CONTROL DIVISION

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## Final Rule

LSA Document #11-356(F)

## DIGEST

Amends [326 IAC 7-2-1](#), [326 IAC 7-4-2](#), [326 IAC 7-4-3](#), and [326 IAC 7-4-11](#) concerning sulfur dioxide (SO<sub>2</sub>) emission limitations. Adds [326 IAC 7-1.1-3](#), [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) concerning the new 1-hour SO<sub>2</sub> National Ambient Air Quality Standard (NAAQS). Repeals [326 IAC 7-4-2](#), [326 IAC 7-4-3](#), and [326 IAC 7-4-11](#). Partially effective 30 days after filing with the Publisher and partially effective January 1, 2017.

## HISTORY

First Notice of Comment Period: June 29, 2011, Indiana Register (DIN: [20110629-IR-326110356FNA](#)).

Continuation of First Notice of Comment Period: September 25, 2013, Indiana Register (DIN: [20130925-IR-326110356FCA](#)).

Second Notice of Comment Period: September 10, 2014, Indiana Register (DIN: [20140910-IR-326110356SNA](#)).

Notice of First Hearing: September 10, 2014, Indiana Register (DIN: [20140910-IR-326110356PHA](#)).

Change in Notice of Public Hearing: December 24, 2014, Indiana Register (DIN: [20141224-IR-326110356CHA](#)).

Date of First Hearing: March 11, 2015.

Proposed Rule: April 22, 2015, Indiana Register (DIN: [20150422-IR-326110356PRA](#)).

Notice of Second Hearing: April 22, 2015, Indiana Register (DIN: [20150422-IR-326110356PHA](#)).

Date of Second Hearing: July 8, 2015.

[326 IAC 7-1.1-3](#); [326 IAC 7-2-1](#); [326 IAC 7-4-2](#); [326 IAC 7-4-2.1](#); [326 IAC 7-4-3](#); [326 IAC 7-4-3.1](#); [326 IAC 7-4-11](#); [326 IAC 7-4-11.1](#); [326 IAC 7-4-15](#)

SECTION 1. [326 IAC 7-1.1-3](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-1.1-3](#) Compliance date**

Authority: [IC 13-14-8](#); [IC 13-17](#)

Affected: [IC 13-15](#); [IC 13-17](#)

**Sec. 3. The emission limitations in [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) are effective January 1, 2017.**

(Air Pollution Control Division; [326 IAC 7-1.1-3](#); filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))

SECTION 2. [326 IAC 7-2-1](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-2-1](#) Reporting requirements; methods to determine compliance**

Authority: [IC 13-14-8](#); [IC 13-17-3-4](#); [IC 13-17-3-11](#)

Affected: [IC 13-14-8](#); [IC 13-15](#); [IC 13-17](#)

Sec. 1. (a) As used in this article, "weighting factor" means the daily quantity of coal bunkered or megawatt generation or other appropriate measure of the output of a combustion source.

(b) As used in this article, "rolling weighted average sulfur dioxide emission rate" means the summation of the average sulfur dioxide emission rate times the daily weighting factor divided by the summation of the weighting factors.

(c) Owners or operators of sources or emissions units subject to [326 IAC 7-1.1](#), [326 IAC 7-4](#), or [326 IAC 7-4.1](#) shall submit to the commissioner the following reports based on fuel sampling and analysis data obtained in accordance with procedures specified under [326 IAC 3-7](#):

(1) Fuel combustion sources with total coal-fired heat input capacity greater than or equal to one thousand five

hundred (1,500) million British thermal units (MMBtu) per hour shall submit quarterly reports of the thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per MMBtu. Records of the daily average coal sulfur content, coal heat content, weighting factor, and daily average sulfur dioxide emission rate in pounds per MMBtu shall be submitted to the department in the quarterly report and maintained by the source owner or operator for a period of at least two (2) years.

(2) Fuel combustion sources with total coal-fired heat input capacity greater than one hundred (100) and less than one thousand five hundred (1,500) MMBtu per hour shall submit quarterly reports of the calendar month average coal sulfur content, coal heat content, and sulfur dioxide emission rate in pounds per MMBtu and the total monthly coal consumption.

(3) All other fuel combustion sources shall submit reports of calendar month average sulfur content, heat content, fuel consumption, and sulfur dioxide emission rate in pounds per MMBtu upon request.

(d) Fuel sampling and analysis data shall be collected pursuant to the procedures specified in [326 IAC 3-7-2](#) or [326 IAC 3-7-3](#) for coal combustion or [326 IAC 3-7-4](#) for oil combustion. Computation of calculated sulfur dioxide emission rates from fuel sampling and analysis data shall be based on the emission factors contained in U.S. EPA publication AP-42\* unless other emission factors based on site-specific sulfur dioxide measurements are approved by the commissioner and U.S. EPA. Fuel sampling and analysis data shall be collected as follows:

(1) For coal-fired fuel combustion sources with heat input capacity greater than or equal to one thousand five hundred (1,500) MMBtu per hour, compliance shall be determined using a thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per MMBtu unless a shorter averaging time or alternate averaging methodology is specified for a source under this article.

(2) For all other combustion sources, compliance shall be determined using a calendar month average sulfur dioxide emission rate in pounds per MMBtu unless a shorter averaging time or alternate averaging methodology is specified for a source under this article.

(e) Subsection (c) does not apply when continuous emission monitoring data collected and reported under [326 IAC 3-5](#) is used as the means for determining compliance with the emission limitations in this article.

**(f) Owners or operators of sources or emission units subject to a restriction on the number of operating hours in [326 IAC 7-4](#) shall maintain, and make available to the department upon request, a log of operating hours for each emission unit.**

**(g) When determining compliance using continuous emission monitoring data, the diluent cap methodology under 40 CFR 75 may be used to calculate emissions in lbs/MMBtu.**

**(h)** Compliance or noncompliance with the emission limitations contained in [326 IAC 7-1.1](#) or [326 IAC 7-4](#) may be determined by an appropriate method as follows:

(1) A stack test conducted in accordance with [326 IAC 3-6](#) using procedures in 40 CFR 60, Appendix A, Method 6\*, 6A\*, 6C\*, or 8\*.

(2) A continuous emission monitoring system in accordance with [326 IAC 3-5](#).

(3) Source sampling in accordance with [326 IAC 3-6](#).

(4) Fuel sampling and analysis data collected in accordance with subsection (d) or [326 IAC 3-7](#).

(5) Other methods approved by the commissioner and U.S. EPA.

\*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, **Legal Counsel**, Indiana Government Center North, ~~Tenth Floor~~, **Thirteenth Floor**, 100 North Senate Avenue, Indianapolis, Indiana 46204.

*(Air Pollution Control Division; [326 IAC 7-2-1](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 52; filed Jan 30, 1998, 4:00 p.m.: 21 IR 2078; errata filed Feb 9, 1999, 4:06 p.m.: 22 IR 2006; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; errata filed Nov 7, 2001, 3:00 p.m.: 25 IR 813; errata filed Dec 12, 2002, 3:30 p.m.: 26 IR 1565; filed Aug 26, 2004, 11:30 a.m.: 28 IR 42; filed May 25, 2005, 10:50 a.m.: 28 IR 2953; filed Aug 11, 2011, 1:54 p.m.: [20110907-IR-326050330FRA](#); filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))*

SECTION 3. [326 IAC 7-4-2](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-4-2](#) Marion County sulfur dioxide emission limitations before January 1, 2017**

Authority: [IC 13-14-8](#); [IC 13-17-3-4](#)Affected: [IC 13-12](#); [IC 13-14-4-3](#); [IC 13-16-1](#)

Sec. 2. The following **Before January 1, 2017**, sources and facilities **emission units** located in Marion County shall comply with the sulfur dioxide emission limitations in pounds per million Btu (lbs/MMBtu) and pounds per hour (lbs/hr), unless otherwise specified, and other requirements, **as follows**:

Source	Facility Emission Unit Description	Emission Limitations lbs/MMBtu	Emission Limitations lbs/hr
(1) Acustar	Boiler 1	2.82	109.98
	Boiler 2	2.82	109.98
	Boiler 3	2.82	109.98
(2) Allison Gas Turbine-Plant 5	Boiler 1	3.99	299.4
	Boiler 2	3.99	299.4
	Boiler 3	3.99	299.4
	Boiler 4	3.99	299.4
(3) Amtrak	Boilers 61 and 62	3.30	208.15
(4) Bridgeport Brass	Boiler 1	3.55	135.8
	Boiler 2	3.55	135.8
	Boiler 3	3.55	135.8
(5) Central Soya	Boiler	4.32	272.0
(6) Central State	Boiler 3	3.39	111.8
	Boiler 7	3.39	169.5
	Boiler 8	3.39	169.5
(7) Detroit Diesel Allison-Plant 3	Boiler 1	1.88	67.6
	Boiler 2	1.88	67.6
	Boiler 3	1.88	90.2
	Boiler 4	1.88	135.2
	Boiler 5	1.88	180.3
(8) Diamond-Bathurst	#2 Furnace	1.40 pounds per ton	20.22
(9) Ford	Boiler 1	2.43	177.38
	Boiler 2	2.43	354.77
	Boiler 3	2.43	354.77
(10) Fort Harrison	Boiler 1	2.92	151.84
	Boiler 2	2.92	151.84
	Boiler 3	2.92	151.84
	Boiler 4	2.92	151.84
(11) G.M. Truck & Bus Group	Boiler 1	2.31	187.1
	Boiler 2	2.31	187.1
	Boiler 3	2.31	106.3
(12) Indiana Girls School	Boiler	6.00	46.9
(13) IPL-Perry W	Boiler 17	6.0	1,320.0
	Boiler 18	6.0	1,320.0
(14) Indianapolis Sludge Incinerator (1) Belmont Advanced Wastewater Treatment Plant Source ID No. 00032	(A) Incinerator 1	2.0 pounds per ton	14.19
	(B) Incinerator 2	2.0 pounds per ton	14.19
	(C) Incinerator 3	2.0 pounds per ton	14.19
	(D) Incinerator 4	2.0 pounds per ton	14.19
	Incinerator 5	2.0 pounds per ton	14.19
	Incinerator 6	2.0 pounds per ton	14.19
	Incinerator 7	2.0 pounds per ton	14.19
	Incinerator 8	2.0 pounds per ton	14.19
(15) Marathon Petroleum-Indiana Refining Division	H-H1	1.92	36.46
	H-H2	1.92	36.46
	H-H3	1.92	38.38
	P-H1	1.92	89.03

	P-H2	1.92	82.12
	P-H3	1.92	30.32
	P-H4	1.92	33.19
	P-H5	1.92	9.98
	Alky-Reboiler	1.92	53.15
	Crude Heater	1.92	268.05
	Vacuum Heater	1.92	99.20
	Sulfur Recovery	189.0 pounds per ton sulfur	88.17
	FGC (Proc)	3.92 pounds per ton	506.37
	GO-Boiler	1.92	228.72
	FGC Chg. Htr.	1.92	88.26
	GH-1	1.92	81.36
(16) Navistar	Boiler-1	2.98	193.72
	Boiler-2	2.98	193.72
	Boiler-3	2.98	193.72
(17) Quaker Oats	Boiler-1	2.79	195.3
	Boiler-2	2.79	195.3
	Murray Boiler	0.50	50.1
(18) (2) Quemetco Source ID No. 00079	Reverberatory Furnace	24.6 pounds per ton	617.0
(19) Refined Metals	Blast Furnace	10.8 pounds per ton	64.8
(20) Reilly Industries (3) Vertellus Agriculture and Nutrition Specialties Source ID No. 00315	(A) 2722 W	1.25	114.75
	(B) 2726 S	1.25	49.1
	(C) 186 N	1.25	46.0
	(D) 2707 V	1.25	20.0
	(E) 112 E	0.0**	0.0**
	2710-P	0.0**	0.0**
	Riley	1.25	64.75
	B & W	1.25	49.1
	(F) 2724 W	1.25	26.3
	(G) 2714 V	1.25	18.8
	(H) 2729 Q	1.25	3.8
	(I) 2740 Q	1.25	7.5
	(J) 732714	1.25	45.0
	(K) 2728 S	1.25	7.5
	(L) Still	0.0** less than 0.05	0.0**
	(M) Kettle	0.0** less than 0.05	0.0**
	(N) 2607 T	0.0** less than 0.05	0.0**
	702614	0.0**	0.0**
	(O) 722804	0.0** less than 0.05	0.0**
	(P) 2706 Q	0.0** less than 0.05	0.0**
	2713-W	0.0**	0.0**
	2714-W	0.0**	0.0**
	2720-W	0.0**	0.0**
(21) Rexnord-Link Belt Bearing	Boiler-A	3.28	101.7
	Boiler-B	3.28	101.7
	Boiler-C	0.0*	0.0*
(22) Rexnord-Link Belt Chain	Boiler-1	3.68	117.8
	Boiler-2	3.68	117.8
	Boiler-3	3.68	117.8

(23) Thomson Consumer Electronics	Boiler 1	1.95	39.0
	Boiler 2	1.95	39.0
	Boiler 3	1.95	146.3
	Boiler 4	1.95	146.3
(24) Union Carbide	Boiler 1	3.85	92.4
	Boiler 2	3.85	106.6
	Boiler 3	3.85	148.2
(25) Western Select Properties	Boiler 2	2.52	189.06
	Boiler 3	2.52	189.06
	Boiler 4	2.52	189.06
	Boiler 5	2.52	252.07
(26) Wishard	Boiler 1	4.04	105.0
	Boiler 2	4.04	105.0
	Boiler 3	4.04	105.0

\*\*Less than 0.05

(27) Allison Gas Turbine Operations **(4) Rolls-Royce Corporation** Plant 8, **Source ID No. 00311**, shall comply with the sulfur dioxide emission limitations provided in clause (A) or (B) and other requirements as follows:

(A) **Babcock and Wilcox Boilers 2 through 11 3 (0070-58), 4 (0070-59), and Combustion Engineering Boilers 7 through 10 (0070-62 through 0070-65)** may burn either:

(i) natural gas at any time; or

~~(B) Babcock and Wilcox Boilers 2 through 6 and Combustion Engineering Boilers 7 through 11 may burn~~

(ii) fuel oil with a sulfur dioxide emission limitation of two and one-tenth (2.1) lbs/MMBtu each during periods when one (1) of the following conditions is met either

(i) Fuel oil is burned in no more than three (3) Babcock and Wilcox boilers, and fuel oil is not burned in any combustion engineering boiler.

(ii) fuel oil is burned in no more than:

**(AA)** two (2) Babcock and Wilcox boilers and no more than two (2) combustion engineering boilers; or

~~(iii) Fuel oil is burned in no more than~~ **(BB)** one (1) Babcock and Wilcox boiler and no more than three (3) combustion engineering boilers.

~~(C)~~ **(B)** A log of hourly operational status and fuel type for each boiler shall be maintained at the plant and made available to the department upon request.

**(C)** A daily summary of operating status and fuel type for each boiler for each day of a calendar quarter shall be submitted to the department on a quarterly basis.

(D) Allison Gas Turbine Operations **Rolls-Royce Corporation** Plant 8 shall ~~erect~~ **maintain** a twenty (20) foot stack extension with a diameter at the extension outlet of four (4) feet for each stack serving Boilers 2 through 6 in accordance with the following schedule:

~~(i) Complete design, specifications, and construction drawings and award contracts by August 2, 1988.~~

~~(ii) Complete installation of stack extensions by December 2, 1988. 3 (0070-58) and 4 (0070-59).~~

(28) Indianapolis Power and Light **(5) Citizens Thermal, C.C. Perry K Steam Plant, Source ID No. 00034**, shall comply with the sulfur dioxide emission limitations in lbs/MMBtu and other requirements as follows:

Boiler Number	Emission Limitations
<del>(A) 17 and 18</del>	0.3
<del>(B) 11, 12, 13, 14, 15, and 16</del>	2.1

**(A) Boiler numbers 17 and 18 shall not exceed three-tenths (0.3) lbs/MMBtu.**

**(B) Boiler numbers 11, 12, 13, 14, 15, and 16 shall not exceed two and one-tenth (2.1) lbs/MMBtu.**

(C) As an alternative to the emission limitations in clause (B), sulfur dioxide emissions from Boilers 11, 12, 13, 14, 15, and 16 may comply with any one (1) of the sets of emission limitations in lbs/MMBtu as follows:

Boiler Number	Emission Limitations
(i) 13, 14, 15, and 16	0.0
11 and 12	4.4
(ii) 11, 12, 15, and 16	0.0
13 and 14	4.4
(iii) 11, 12, 13, and 14	0.0
15 and 16	4.4
(iv) 11, 12, 15, and 16	3.0
13 and 14	0.3

(v)	11 and 12	0.3
	13, 14, 15, and 16	3.0

(D) ~~Citizens Thermal shall notify the department or the Indianapolis Air Pollution Control Division shall be notified prior to the reliance use by Indianapolis Power and Light on Citizens Thermal of any one (1) of the sets of alternative emission limitations specified in clause (C).~~

(E) A log of hourly operating status for each boiler shall be maintained and made available to the department upon request.

(F) A daily summary indicating which boilers were in service during the day shall be submitted to the department quarterly. In addition, records of the daily average sulfur content, heat content, and sulfur dioxide emission rate for each day in which an alternative set of emission limitations specified in clause (C) is used shall be submitted to the department quarterly.

~~(F) (G) For the purposes of 326 IAC 7-2-1(e)(1), 326 IAC 7-2-1(d)(1), during thirty (30) day periods in which Indianapolis Power and Light Citizens Thermal relies on more than one (1) set of emission limitations specified in clauses (B) through and (C), a separate thirty (30) day rolling weighted average for each set of limitations shall be determined. Each thirty (30) day rolling weighted average shall be based on data from the previous thirty (30) operational days within the last ninety (90) days for that set of limitations. If Indianapolis Power and Light Citizens Thermal does not operate thirty (30) days under any one (1) set of limitations within the last ninety (90) days, the rolling weighted average shall be based on all operational days within the last ninety (90) days for that set of limitations.~~

~~(G) Boilers 11 through 16 shall be limited to six and zero tenths (6.0) lbs/MMBtu each until Boilers 11 through 16 achieve compliance with the sulfur dioxide emission limitations specified in clauses (B) through (C). Compliance with the emission limitations specified in clauses (B) through (C) shall be achieved according to the following schedule:~~

~~(i) Complete engineering analysis of modifications by April 2, 1988.~~

~~(ii) Complete testing and design of modifications and place orders for necessary equipment by May 2, 1989.~~

~~(iii) Complete installation of necessary equipment and achieve compliance with emission limitations specified in clauses (B) through (C) by June 2, 1990.~~

~~(29) (6) Indianapolis Power and & Light Stout Company Harding Street Generating Station, Source ID No. 00033, shall comply with the sulfur dioxide emission limitations in lbs/MMBtu and other requirements as follows:~~

Boiler/Turbine Number	Emission Limitations
(A) Boiler 70	5.3
(B) Boilers 50 and 60	4.7
Boilers 1 through 8	0.0
Boilers 9 and 10 and Gas Turbines 1, 2, and 3	0.35

~~(C) As an alternative to the emission limitations in clause (B), sulfur dioxide emissions from Boilers 50, 60, and 1 through 10 and Gas Turbines 1, 2, and 3 may comply with any one (1) of the sets of emission limitations in lbs/MMBtu as follows:~~

Boiler/Turbine Number	Emission Limitations
(i) Boilers 50 and 60	5.2
Boilers 1 through 10 and Gas Turbines 1, 2, and 3	0.0
(ii) Boilers 50 and 60	5.0
Boilers 1 through 10	0.0
Gas Turbines 1, 2, and 3	0.4
(iii) Boilers 50 and 60	4.1
Boilers 1 through 8	0.26
Boilers 9 and 10	0.35
Gas Turbines 1, 2, and 3	0.3
(iv) Boilers 50 and 60	3.9
Boilers 1 through 8	0.34
Boilers 9 and 10 and Gas Turbines 1, 2, and 3	0.35

~~(D) Indianapolis Power & Light Company shall notify the department or the Indianapolis Air Pollution Control Division shall be notified prior to the reliance use by Indianapolis Power and & Light on Company of any one (1) of the sets of alternative emission limitations specified in clause (C).~~

~~(E) A log of hourly operating status for each boiler shall be maintained and made available to the department upon request.~~

~~(F) A daily summary indicating which boilers were in service during the day shall be submitted to the~~



department quarterly. In addition, records of the daily average sulfur content, heat content, and sulfur dioxide emission rate for each day in which an alternative set of emission limitations specified in clause (C) is used shall be submitted to the department quarterly.

(F) (G) For the purposes of [326 IAC 7-2-1\(e\)\(1\)](#), [326 IAC 7-2-1\(d\)\(1\)](#), during thirty (30) day periods in which Indianapolis Power and Light Company relies on more than one (1) set of emission limitations specified in clauses (B) through and (C), a separate thirty (30) day rolling weighted average for each set of limitations shall be determined. Each thirty (30) day rolling weighted average shall be based on data from the previous thirty (30) operational days within the last ninety (90) days for that set of limitations. If Indianapolis Power and Light Company does not operate thirty (30) days under any one (1) set of limitations within the last ninety (90) days, the rolling weighted average shall be based on all operational days within the last ninety (90) days for that set of limitations.

(G) (H) Indianapolis Power and Light Company shall install and maintain a stack diameter restriction for the stack serving Boilers 50 and 60. The stack diameter restriction shall reduce the diameter to six and one-half (6 1/2) feet at the tip of the stack. The installation of the stack diameter restriction shall be in accordance with the following schedule:

(i) Complete preliminary design of modifications by December 2, 1988.

(ii) Place orders for necessary modification by July 2, 1989.

(iii) Complete installation by February 2, 1990.

(30) Citizens Gas & Coke Utility shall comply with the sulfur dioxide emission limitations, depending on which battery or combination of batteries are in operation, as follows:

Description	Emission Limitations (lbs/ton of coal)	Emission Limitations (lbs/hour)
(A) Batteries 1, E, & H	0.67	78.02
(B) Battery 1	0.23	15.70
(C) Batteries 1 & E	0.49	46.86
(D) Batteries 1 & H	0.50	46.86
(E) Batteries E & H	0.79	62.32
(F) Battery E	0.79	31.16
(G) Battery H	0.79	31.16

(H) The department and the Indianapolis office of environmental services shall be notified in writing prior to the reliance by Citizens Gas & Coke Utility on an emission limitation other than clause (A).

(I) Gas used for underfiring Battery 1 shall not exceed twenty (20) grains of H<sub>2</sub>S per one hundred (100) standard cubic feet.

(J) Citizens Gas & Coke Utility shall desulfurize the coke oven gas produced by Batteries 1, E, and H.

(K) Citizens Gas & Coke Utility shall monitor the hydrogen sulfide (H<sub>2</sub>S) content of the coke oven gas used for underfiring each battery by sampling and analyzing the coke oven gas for H<sub>2</sub>S content at least once per day. The H<sub>2</sub>S content of the gas shall be sampled using Determination of Hydrogen Sulphide Content, Cadmium Acetate Method, Method Number DIN 51855 Part 4 (January 1979)\*.

(L) Sulfur dioxide emissions in pounds per tons of coal (lbs/ton of coal) and pounds per hour (lbs/hr) shall be calculated using the data on H<sub>2</sub>S content and organic sulfur content in the coke oven gas. The total sulfur dioxide emissions shall include all sulfur compounds. Citizens Gas & Coke Utility shall submit to the department and the Indianapolis office of environmental services within thirty (30) days of the end of each calendar quarter the calculated sulfur dioxide emission rate in pounds per tons of coal (lbs/ton of coal) and pounds per hour (lbs/hr) for each day during the calendar quarter.

(M) All monitoring and testing data and results shall be recorded, and all records shall be kept for a period of three (3) years. Citizens Gas & Coke Utility shall submit the monitoring and testing records to the department upon request.

\*These documents are incorporated by reference. Copies 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 Division; [326 IAC 7-4-2](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 65; filed Feb 9, 1999, 4:22 p.m.: 22 IR 1959; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Feb 20, 2007, 3:15 p.m.: [20070321-IR-326050118FRA](#); filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))

SECTION 4. [326 IAC 7-4-2.1](#) IS ADDED TO READ AS FOLLOWS:

#### [326 IAC 7-4-2.1](#) Marion County sulfur dioxide emission limitations

Sec. 2.1. (a) On and after January 1, 2017, sources and emission units located in Marion County shall comply with the sulfur dioxide emission limit and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour) or Other Requirements	Emission Limit (lbs/MMBtu)
(1) Citizens Thermal - Perry K Source ID No. 00034	(A) Boiler 11	73.6	0.2
	(B) Boiler 13	80.6	0.2
	(C) Boiler 14	80.6	0.2
	(D) Boilers 12, 15, and 16	Burn natural gas	
	(E) Boiler 17	72.6	0.3
	(F) Boiler 18	72.6	0.3
(2) Belmont Advanced Wastewater Treatment Plant Source ID No. 00032	Incinerator 1, Incinerator 2, Incinerator 3, and Incinerator 4	Comply with SO <sub>2</sub> limit in 40 CFR 60, Subpart MMMM* or 40 CFR 60, Subpart LLLL*	
(3) Rolls-Royce Source ID No. 00311	(A) Boiler 0070-58	0.07	0.0015
	(B) Boiler 0070-59	0.07	0.0015
	(C) Boiler 0070-62	0.37	0.0015
	(D) Boiler 0070-63	0.37	0.0015
	(E) Boilers 0070-64	Burn natural gas or landfill gas	0.01
	(F) Boiler 0070-65	Burn natural gas or landfill gas	0.01
	(G) Generating Turbine 0070-80	Burn natural gas or landfill gas	0.01
	(H) 2 Gas Turbine Engines 0070-66		0.1
	(I) 12 Gas Turbine Engines 0070-67		0.05
	(J) 3 Gas Turbine Engines 0070-68c, 0070-68d, and 0070-68e		0.05
	(K) 2 Gas Turbine Engines 0070-68a and 0070-68b	Burn natural gas	
	(L) 3 Gas Turbine Engines 0070-69		0.05
	(M) Three Shack Heaters 0070-70	Burn natural gas	
	(N) Rental Generators		0.0015
	(O) Engine Test Cells Plant 5		0.05
	(P) Engine Test Cell Plant 8		0.1
(4) Vertellus Agriculture and Nutrition Specialties Source ID No. 00315	(Q) Engine Test Cell N20	18 foot vertical stack, if operating	
	(R) Engine Test Cell N21	20 foot vertical stack, if operating	
	(S) Engine Test Cell N23	30 foot vertical stack, if operating	
	(T) Engine Test Cell N24	20 foot vertical stack, if operating	
	(A) 70K Boiler 70-2722W	18.4	0.20
	(B) 30K Boiler 30-2726S	9.8	0.25
	(C) 28K Boiler 28-186N	9.9	0.27
	(D) Boiler CB-70K	Burn natural gas	
	(E) BM Furnace BM2724W	1.1	0.05
	(F) Box Furnace BX2707V	0.8	0.05
	(G) DAB Furnace 732714	2.8	0.05

	(H) Born Heater 722804	0.34	0.05
	(I) Born Heater Furnace BXS2706Q	0.3	0.05
	(J) EP Furnace EP2729Q	0.15	0.05
	(K) CB20 CB600-300 Boiler	2.3	0.09
	(L) 50K CN5-400 Boiler	5.5	0.09
	(M) BD Furnace BD2714V	0.75	0.05
	(N) Heater BS2740Q	0.3	0.05
	(O) Heater BT2728S	0.3	0.05
	(P) Furnace HW-925.001	12.25	1.25
	(Q) CS Kettle Born Heater	Burn natural gas	
	(R) CS Still Born Heater	Burn natural gas	
	(S) Born Hot Oil Furnace (Process Heater) Unit 2607T	Burn natural gas	
(5) Quemetco Source ID No. 00079	WESP Stack	52.0	
(6) Indianapolis Power & Light Co. - Harding Street Generating Station Source ID No. 00033	(A) Boiler 9 (B) Boiler 10 (C) Boiler 50 (D) Boiler 60 (E) Boiler 70 (F) Gas Turbine 1 (G) Gas Turbine 2 (H) Gas Turbine 4 (I) Gas Turbine 5 (J) Gas Turbine 6 (K) Emergency Generator	Do not operate Do not operate Burn natural gas Burn natural gas Burn natural gas 29.9 29.9 87.5 86.7 Burn natural gas 500 hour calendar year operating limit	     0.1 0.1 0.1 0.1

(b) Compliance with the emission limit in subsection (a)(5) shall be determined by using quality assured hourly average continuous emission monitoring system data.

\*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 Legal Counsel, Indiana Government Center North, Thirteenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

(Air Pollution Control Division; [326 IAC 7-4-2.1](#); filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))

SECTION 5. [326 IAC 7-4-3](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-4-3](#) Vigo County sulfur dioxide emission limitations before January 1, 2017**

Authority: [IC 13-14-8](#); [IC 13-17-3-4](#)

Affected: [IC 13-12](#); [IC 13-14-4-3](#); [IC 13-16-1](#)

Sec. 3. The following **Before January 1, 2017**, sources and facilities **emission units** located in Vigo County shall comply with the sulfur dioxide emission limitations in pounds per million Btu, unless otherwise specified, and other requirements, **as follows**:

Source	Facility Emission Unit Description	Emission Limitations
(1) Alcan Rolled Products Co.	Sol Oil Boiler	0.54
	Foil Mill Boiler	0.54
	Oil Farm Boiler	0.54
	#2 Melter	1.60
	#3 Melter	1.60
	#4 Melter	1.60
	#5 Melter	1.60
	#5 Melter	1.60

	#6 Melter	1.60
	#7 Melter	1.60
	#53 Annealing Furnaces	1.60
(2) Bemis	Boiler	0.51
(3) CBS	#1 WH CB200-200	0.51
	#2 WH CB200-200	0.51
	#1 HC CB293-100	0.51
	#2 HC CB M & W 4000	0.51
	#3 HC CB M & W 4000	0.51
	#1 BP Springfield	0.51
(4) CF Industries	Process Murray Boiler 1	0.52
	Process Murray Boilers 2 and 3	0.52
(5) (1) SONY Digital Audio Disc	(A) #1 Kewanee Boiler	0.36
Source ID No. 00032	(B) #2 Kewanee Boiler	0.36
(6) Drexel Foods Corp.	Boiler	2.62
(7) General Housewares	Boiler 1A Ladd	6.00
	Boiler 2A Combustion Eng.	6.00
	#5 Enamel Furnace Radiant Tube	0.51
	#6 Enamel Furnace Muffle	0.51
(8) Hercules, Inc. (2) Taghleef	(A) Murray Iron Works Boiler A	0.51
Industries Source ID No. 00045	(B) Murray Iron Works Boiler B	0.51
	(C) Clayton Boiler (Standby)	0.51
	(D) Nebraska Boiler	0.51
(9) Indiana State University	#2 Voight Boiler	5.64
	#3 Voight Boiler	5.64
	#5 B & W Boiler	5.64
	#4 Murray Boiler	0.37
(10) J.I. Case	No. 1 Riley Boiler	4.74
	No. 2 Riley Boiler	4.74
(11) Pfizer	Boiler 8	3.01
(12) Pillsbury (Terre Haute)	Boiler B	0.36
	Boiler C	2.62
	Boiler D	0.36
(13) Pitman Moore	#9, #10, and #15 Boilers	4.58
	#16 Boiler	0.36
	East Plant Boiler	0.36
(14) Public Service Indiana (3) Duke	Boilers 1, 2, 3, 4, 5, and 6	4.04
Energy Wabash River Source ID No. 00021		
(15) Rose-Hulman	#1 Voight Boiler	2.26
	#2 Cleaver Brooks Boiler	0.51
	#4 Cleaver Brooks Boiler	0.51
(16) St. Mary's Sisters of Providence	#2 Voight Boiler	3.84
	#3 B & N Boiler	3.84
	#5 B & N Boiler	3.84
	#7 Voight Boiler	3.84
	#8 Voight Boiler	3.84
(17) Snacktime Company	#1 Boiler	0.52
	#12 Boiler	0.52
	#2, #3, #4, and #6	0.52
	Fryer Oil Heaters	
(18) Terre Haute Coke and Carbon	2 CB Boilers	1.79
	2 Standby Boilers	4.55
	No. 1 CB Underfire Stack	0.63
	No. 2 CB Underfire Stack	0.63
(19) (4) Terre Haute Regional Hospital	(A) #1 Boiler	0.45
Source ID No. 00046	(B) (New) #2 Boiler	0.45

(20) (5) Union Hospital Energy Co.	2 Keeler Boilers	0.36
Source ID No. 00047	3 Cleaver Brooks Boilers	0.36
(21) U.S. Penitentiary	#1, #2, and #3 Boilers	0.54
	2 Honor Farm Boilers	0.54
(22) Wabash Fibre Box	Cleaver Brooks Boiler	2.36
(23) Wabash Products Co.	Boiler	natural gas only
(24) Western Tar	Tar Division, Boiler A	0.36
	Tar Division, Boiler B	0.36
	Wood Division, Boiler A	0.36
	Wood Division, Boiler B	0.36
	Tar Division, Process Still	0.36
(25) Weston Paper	B-1 and B-4 Boilers	4.09
	B-5 Warehouse Boiler	2.62

(Air Pollution Control Division; [326 IAC 7-4-3](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 70; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Aug 31, 2004, 2:30 p.m.: 28 IR 117; filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))

SECTION 6. [326 IAC 7-4-3.1](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-4-3.1](#) Vigo County sulfur dioxide emission limitations**

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 3.1. (a) On and after January 1, 2017, sources and emission units located in Vigo County shall comply with the sulfur dioxide emission limits and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour) or Other Requirements	Emission Limit (lbs/MMBtu)
(1) Wabash River Combined Cycle Source ID No. 00147	Combustion Turbine Unit 1A	333.76	0.195
(2) sgSolutions Source ID No. 00091	(A) Tail Gas Incinerator Stack EP1 (B) Process Flare Unit 2	230.6 500 hour calendar year operating limit on coal/syngas	
(3) SONY Digital Audio Disc Source ID No. 00032	(A) #1 Kewanee Boiler (B) #2 Kewanee Boiler (C) Unit 3 Burnham Boiler (D) Unit 4 Burnham Boiler (E) Unit 5 Superior Boiler (F) Unit 6 Superior Boiler (G) Unit 18 Boiler		0.05 0.05 0.05 0.05 0.05 0.05 0.05
(4) Taghleef Industries Source ID No. 00045	(A) Clayton Boiler (Standby) (B) Nebraska Boiler (C) Nebraska-D Boiler	0.03 0.05 Burn natural gas	0.0015 0.0015
(5) Terre Haute Regional Hospital Source ID No. 00046	(A) #1 Boiler (B) New #2 Boiler		0.45 0.45
(6) Union Hospital Source ID No. 00047	2 Keeler Boilers		0.36
(7) Duke Energy - Wabash River Generating Station Source ID No. 00021	(A) Boiler 6 (B) Diesel Generators 7A, 7B, and 7C	1,499.5 500 hour calendar year operating limit (each)	0.5 0.05

(b) Compliance with the emission limit in subsection (a)(1) shall be determined by using quality

assured hourly average continuous emission monitoring system data.

(c) Compliance with the emission limit in subsection (a)(2)(A) shall be determined by calculating the thirty (30) unit operating day rolling arithmetic average emission rate at the end of each unit operating day using all of the quality assured hourly average continuous emission monitoring system data for the previous thirty (30) unit operating days. Unit operating day means a twenty-four (24) hour period that begins at midnight and ends the following midnight during which the unit is operated. It is not necessary for the unit to be operating the entire twenty-four (24) hour period.

(Air Pollution Control Division; [326 IAC 7-4-3.1](#); filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))

SECTION 7. [326 IAC 7-4-11](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-4-11](#) Morgan County sulfur dioxide emission limitations before January 1, 2017**

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 11. **Before January 1, 2017**, Indianapolis Power and & Light Company (IPL) Pritchard Eagle Valley Generating Station, **Source ID No. 00004**, shall comply with the sulfur dioxide emission limitations in pounds per million Btu and other requirements as follows:

Facility Emission Unit Description	Emission Limitations
(1) Units 1 and 2	0.37 each
(2) Units 3, 4, 5, and 6 on and before September 30, 1990	6.0 each
Unit 3 after September 30, 1990	0.37
(3) Units 4, 5, and 6 after September 30, 1990	3.04 each
<del>(3) (4)</del> As an exception to the emission limitations specified in subdivision <del>subdivisions</del> (2) and (3), after September 30, 1990, at any time in which IPL burns coal on Unit 3, sulfur dioxide emissions from Units 3, 4, 5, and 6 shall be limited to two and fifty-seven hundredths (2.57) pounds per million Btu each.	
<del>(4)</del> Prior to October 31, 1989, IPL shall modify <del>(5)</del> The two (2) stacks serving Units 3, 4, 5, and 6 to increase the height of each stack to <b>shall be</b> at least two hundred and eighty-one (281) feet above grade.	
<del>(5)</del> Prior to February 28, 1989, IPL shall submit completed engineering plans and drawings of flue gas conditioning systems for Units 4 and 5 to the department. Prior to May 31, 1990, IPL shall complete installation of flue gas conditioning systems for Units 4 and 5.	
(6) After September 30, 1990, on a day for which Unit 3 does not burn any coal, the limitations in subdivision <del>subdivisions</del> (2) and (3) are in effect, and compliance shall be determined as specified in <a href="#">326 IAC 7-2-1(e)</a> . <b><a href="#">326 IAC 7-2-1(d)</a>.</b>	
(7) After September 30, 1990, on a day for which Unit 3 burns any coal, the limitations in subdivision <del>(3)</del> <b>(4)</b> are in effect. As an exception to the requirements of <del><a href="#">326 IAC 7-2-1(e)(1)</a></del> <b><a href="#">326 IAC 7-2-1(d)(1)</a></b> on a day for which Unit 3 burns any coal, if the thirty (30) day rolling weighted average for any unit is above two and fifty-seven hundredths (2.57) pounds per million Btu, then <del><a href="#">326 IAC 7-2-1(e)(1)</a></del> <b><a href="#">326 IAC 7-2-1(d)(1)</a></b> does not apply, and the daily average emission rate for that unit for that day shall not exceed two and fifty-seven hundredths (2.57) pounds per million Btu.	
(8) After September 30, 1990, for the purposes of determining compliance under <del><a href="#">326 IAC 7-2-1(b)</a></del> , <b><a href="#">326 IAC 7-2-1(h)(1)</a></b> , stack tests performed on Units 3, 4, 5, and 6 shall demonstrate compliance with the most stringent set of limits in effect at any time during the day prior to or during the test based on the Unit 3 operating status and fuel type as indicated by the log maintained pursuant to subdivision (9).	
(9) After September 30, 1990, IPL shall maintain and make available to the department upon request a log of the operating status and fuel type used for Unit 3. In addition, in the quarterly report required by <del><a href="#">326 IAC 7-2-1(a)</a></del> , <b><a href="#">326 IAC 7-2-1(c)</a></b> , IPL shall submit to the department a daily summary indicating fuel type for Unit 3, and, for days on which Unit 3 burned any coal and any thirty (30) day rolling weighted average was greater than two and fifty-seven hundredths (2.57) pounds per million Btu, IPL shall submit to the department the daily average sulfur content, heat content, and sulfur dioxide emission rate for Units 3, 4, 5, and 6.	

(Air Pollution Control Division; [326 IAC 7-4-11](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 76; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))

SECTION 8. [326 IAC 7-4-11.1](#) IS ADDED TO READ AS FOLLOWS:



**326 IAC 7-4-11.1** Morgan County sulfur dioxide emission limitationsAuthority: [IC 13-14-8](#); [IC 13-17-3](#)Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 11.1. (a) On and after January 1, 2017, sources and emission units located in Morgan County shall comply with the sulfur dioxide emission limits and other requirements, as follows:

Source	Emission Unit Description	Emission Limit or Other Requirements	Emission Limit (lbs/MMBtu)
(1) Indianapolis Power & Light Company (IPL) - Eagle Valley Generating Station Source ID No. 00004	(A) Combined Cycle Combustion Turbine 1 including duct burners	Burn natural gas	
	(B) Combined Cycle Combustion Turbine 2 including duct burners	Burn natural gas	
	(C) Auxiliary Boiler	Burn natural gas	
	(D) Dew Point Heater	Burn natural gas	
(2) Hydraulic Press Brick Company (HPB) Source ID No. 00007	(A) Kiln 3	Do not operate	
	(B) Kiln 4	Minimum control efficiency of 50% or 2.5 lbs/MMBtu, whichever is less stringent	6.0
	(C) Kiln 5	Minimum control efficiency of 50% or 2.5 lbs/MMBtu, whichever is less stringent	6.0

(b) HPB shall comply with the sulfur dioxide emission limits in subsection (a)(2) as follows:

(1) The emission limit applies to sulfur dioxide emissions from both the combustion of coal and the processing of shale.

(2) Monthly fuel sampling and analysis data shall be collected according to [326 IAC 7-2-1](#) for both coal and shale.

(3) HPB shall install and operate a limestone injection system to control sulfur dioxide emissions from Kiln 4 and Kiln 5.

(4) Compliance with the control efficiency limit in subsection (a)(2) shall be based on measured sulfur content in the shale and fuel compared to the outlet SO<sub>2</sub> concentration determined by a stack test pursuant to [326 IAC 3-6](#). The shale and fuel sulfur content measurements for this purpose shall reflect a representative sample of the material fed into the kiln during each run of the stack test.

(Air Pollution Control Division; [326 IAC 7-4-11.1](#); filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))

SECTION 9. [326 IAC 7-4-15](#) IS ADDED TO READ AS FOLLOWS:

**326 IAC 7-4-15** Pike County sulfur dioxide emission limitationsAuthority: [IC 13-14-8](#); [IC 13-17-3](#)Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 15. (a) On and after January 1, 2017, sources and emission units located in Pike County shall comply with the sulfur dioxide emission limits and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour) or Other Requirements	Emission Limit (lbs/MMBtu)
(1) Indianapolis Power & Light - Petersburg Generating Station Source ID No. 00002	(A) Unit 1	330.0	0.15
	(B) Unit 2	621.6	0.15
	(C) Unit 3	2,049.8	0.37
	(D) Unit 4	1,942.5	0.35
	(E) Diesel Generators PB-2, PB-3, and PB-4	500 hour calendar year operating limit (each)	

(2) Hoosier Energy - Ratts Source ID No. 00001	(A) Boiler 1	58	0.05
	(B) Boiler 2	58	0.05
	(C) No. 2 Auxiliary Boiler	1	0.05

(b) Compliance with the emission limits in subsection (a) shall be determined by using quality assured hourly average continuous emission monitoring system data, except as allowed under subsection (c).

(c) As an alternative to the emission limits in subsection (a)(1)(A) through (a)(1)(D), Indianapolis Power & Light - Petersburg Generating Station may comply with the following:

Emission Unit Description	Emission Limit (lbs/hour - 30 day rolling average)	Emission Limit (lbs/MMBtu - 30 day rolling average)
(1) Unit 1	263.0	0.12
(2) Unit 2	495.4	0.12
(3) Unit 3	1,633.7	0.29
(4) Unit 4	1,548.2	0.28

(d) Compliance with the emission limits in subsection (c) shall be determined by calculating the thirty (30) boiler operating day rolling arithmetic average emission rate at the end of each boiler operating day using all of the quality assured hourly average continuous emission monitoring system data for the previous thirty (30) boiler operating days. Boiler operating day means a twenty-four (24) hour period that begins at midnight and ends the following midnight during which any fuel is combusted at any time in the boiler. It is not necessary for the fuel to be combusted the entire twenty-four (24) hour period.

(e) Indianapolis Power & Light shall notify the department prior to the compliance date to indicate if compliance for Units 1 through 4 will be determined using the emission limits in subsection (a) or subsection (c) and prior to switching from compliance with the set of emission limits in subsection (a) to subsection (c) or from subsection (c) to subsection (a). Indianapolis Power & Light may not switch between complying with the one (1) hour average limits in subsection (a) and the thirty (30) day rolling average limits in subsection (c) unless Indianapolis Power & Light continues to show compliance with the one (1) hour average limit for each boiler until the first thirty (30) boiler operating day rolling arithmetic average emission rate is calculated.

(Air Pollution Control Division; [326 IAC 7-4-15](#); filed Sep 2, 2015, 1:50 p.m.: [20150930-IR-326110356FRA](#))

SECTION 10. THE FOLLOWING ARE REPEALED: [326 IAC 7-4-2](#); [326 IAC 7-4-3](#); [326 IAC 7-4-11](#).

SECTION 11. SECTION 10 of this document takes effect January 1, 2017.

LSA Document #11-356(F)

Proposed Rule: [20150422-IR-326110356PRA](#)

Hearing Held: July 8, 2015

Approved by Attorney General: August 18, 2015

Approved by Governor: September 2, 2015

Filed with Publisher: September 2, 2015, 1:50 p.m.

Documents Incorporated by Reference: None Received by Publisher

Small Business Regulatory Coordinator: Jessica Faust-Hamblin, IDEM Small Business Regulatory Coordinator, Indiana Government Center North 1225, 100 North Senate Avenue, Indianapolis, IN 46204-2251, (317) 232-8172 or (800) 988-7901, [ctap@idem.in.gov](mailto:ctap@idem.in.gov)

Small Business Assistance Program Ombudsman: Steven N. Howell, IDEM Small Business Assistance Program Ombudsman, Indiana Government Center North 1301, 100 North Senate Avenue, Indianapolis, IN 46204-2251, (317) 232-8587 or (800) 451-6027, [snhowell@idem.in.gov](mailto:snhowell@idem.in.gov)

Posted: 09/30/2015 by Legislative Services Agency

An [html](#) version of this document.



# **ATTACHMENT C**

**FINAL RULE SIGNATURE PAGE**

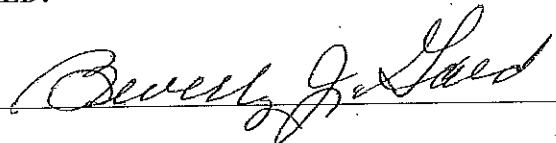
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## Rule Signature Page

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Rule #: LSA Document #11-356(F)  
Agency: Environmental Rules Board  
Subject: Sulfur Dioxide Emission Limits

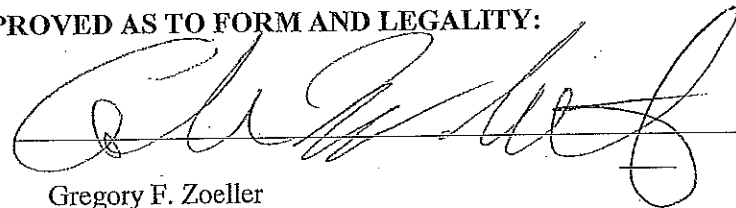
### ADOPTED:

By: 

Date: 7-8-2015

Beverly J. Gard  
Chairperson, Environmental Rules Board


### APPROVED AS TO FORM AND LEGALITY:

By: 

Date: 8/18/15

Gregory F. Zoeller  
Attorney General, State of Indiana

### APPROVED:

By: 

Date: 9/2/15

Michael R. Pence  
Governor, State of Indiana

### ACCEPTED FOR FILING:

TITLE 326 AIR POLLUTION CONTROL DIVISION

By: \_\_\_\_\_ LSA Document #11-356(FR)

Indiana Register  
Legislative Services Agenc

Filed with Publisher: September 2, 2015, 1:50 p.m.  
By: Rlw

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# **ATTACHMENT D**

**SECOND NOTICE OF COMMENT PERIOD  
AND  
NOTICE OF PUBLIC HEARING**

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TITLE 326 AIR POLLUTION CONTROL DIVISION

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## SECOND NOTICE OF COMMENT PERIOD

LSA Document #11-356

## SULFUR DIOXIDE EMISSION LIMITATIONS

## PURPOSE OF NOTICE

The Indiana Department of Environmental Management (IDEM) has developed draft rule language for amendments to [326 IAC 7](#) concerning sulfur dioxide (SO<sub>2</sub>) emission limitations to implement the new 1-hour SO<sub>2</sub> National Ambient Air Quality Standard (NAAQS). IDEM is proposing to amend [326 IAC 7-4-2](#), [326 IAC 7-4-3](#), and [326 IAC 7-4-11](#) to update current limits until the proposed new limits take effect. New rules will be added at [326 IAC 7-1.1-3](#) (compliance date) and [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) to add emission limits for the 1-hour SO<sub>2</sub> NAAQS. Rules at [326 IAC 7-4-2](#), [326 IAC 7-4-3](#), and [326 IAC 7-4-11](#) will be repealed as of January 1, 2017. By this notice, IDEM is soliciting public comment on the draft rule language. IDEM seeks comment on the affected citations listed and any other provisions of Title 326 that may be affected by this rulemaking.

## HISTORY

First Notice of Comment Period: June 29, 2011, Indiana Register (DIN: [20110629-IR-326110356FNA](#)).

Continuation of First Notice of Comment Period: September 25, 2013, Indiana Register (DIN: [20130925-IR-326110356FCA](#)).

CITATIONS AFFECTED: [326 IAC 7-1.1](#); [326 IAC 7-4](#).

AUTHORITY: [IC 13-14-18](#); [IC 13-17-3-4](#); [IC 13-17-3-11](#).

## SUBJECT MATTER AND BASIC PURPOSE OF RULEMAKING

## Basic Purpose and Background

The United States Environmental Protection Agency (U.S. EPA) issued a revised primary NAAQS for SO<sub>2</sub> on June 22, 2010, in the Federal Register (FR) (75 FR 35520). The largest sources of SO<sub>2</sub> emissions are from fossil fuel combustion at power plants and other industrial facilities. U.S. EPA first established standards for SO<sub>2</sub> in 1971. U.S. EPA also set a 3-hour average secondary standard at 500 ppb to protect public welfare. Based on new studies, U.S. EPA determined that the 1971 standards are not sufficient to protect public health with an adequate margin of safety. Therefore, with the final rule published on June 22, 2010, U.S. EPA strengthened the NAAQS for SO<sub>2</sub> by establishing a new 1-hour standard at a level of 75 ppb to reduce human exposure to high short-term (five minutes to 24 hours) concentrations of SO<sub>2</sub>. U.S. EPA revoked the two existing primary standards (0.14 ppm 24-hour standard and 0.03 ppm annual average standard) and kept the secondary standard of 0.5 ppm 3-hour average. U.S. EPA also set a new form for the standard; a 3-year average of the 99th percentile of the annual distribution of daily maximum 1-hour average concentrations.

Final designations for nonattainment areas based on monitoring data through 2012 were made on August 5, 2013 (78 FR 47191). This rulemaking will revise or add emission limitations in [326 IAC 7](#) to address state implementation plan (SIP) development requirements for counties with townships designated as nonattainment for the 1-hour standard. The SIP for the currently designated nonattainment areas is due to U.S. EPA on April 6, 2015. Federal law does not detail the exact emission controls needed to address nonattainment counties, but emission limitations must demonstrate compliance with the 1-hour SO<sub>2</sub> NAAQS. U.S. EPA will determine designations for additional areas based on additional monitoring and/or modeling at a later date. IDEM will also amend the current emission limitations in [326 IAC 7](#) for Marion County, Morgan County, and Vigo County, to address the numerous sources that are now closed. Townships designated as nonattainment on August 5, 2013, are as follows:

- Marion County (Wayne, Center, Perry)
- Morgan County (Clay, Washington)
- Daviess County (Veale)
- Pike County (Washington)
- Vigo County (Fayette, Harrison)

## Sources included in draft rule language

Emission limits in [326 IAC 7](#) are being revised or added for sources located in counties currently designated as nonattainment: Marion County, Morgan County, Pike County, and Vigo County. There are no SO<sub>2</sub> sources in Daviess County. Sources are being included in the draft rule language in the proposed new rules at [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) based on guidance published by U.S. EPA on April 23, 2014 ("Guidance for 1-Hour SO<sub>2</sub> Nonattainment Area SIP Submissions"). Sources already included in the

current SIP and located in 1-hour nonattainment areas are included in the new rule. Sources may be removed or added to this rule based on additional information. Sources that model attainment based on allowable emissions are not required to be included in the rule if the current limits are permanent and enforceable. IDEM is not proposing to include diesel emergency generators in the source specific listing as these units are intermittent and are not required to be included. For some sources additional discussion with U.S. EPA will be needed to determine what emission units are included in the rule. Additional analysis may show that a source is or is not contributing to an attainment violation and the proposed rule will be revised accordingly during the rulemaking. The proposed emission limits and modeling protocol will be provided to U.S. EPA for review during the rulemaking process.

**Compliance date**

The current limits in [326 IAC 7-4-2](#) (Marion County), [326 IAC 7-4-3](#) (Vigo County), and [326 IAC 7-4-11](#) (Morgan County) will remain effective through December 31, 2016. The new limits to implement the 1-hour NAAQS in [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) will take effect on January 1, 2017.

**General limits for oil-fired boilers**

If sources are permitted to use No. 2 distillate fuel oil or No. 6 residual fuel oil as a back-up or alternative fuel source for a primarily natural gas-fueled boiler, the current general limits at [326 IAC 7-1.1-2](#) are used in the modeling, unless a lower source specific limit is listed in the rule. Lower source specific limits are listed in [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) when needed for a particular source to show attainment with the new standard. The use of the general limits in [326 IAC 7-1.1-2](#) could over predict the health impact of the emissions from these boilers since most sources now use low sulfur fuel and actual emissions from the source are much lower. Low sulfur (0.05% sulfur or 500 ppm) fuel has been required for on-highway use for some time and ultra-low sulfur diesel (0.0015% or 15 ppm) fuel is now required for on-highway use. Many sources are burning fuel oil with much lower sulfur content because that is, in most instances, the only fuel available.

**Compliance demonstrations and averaging time**

The draft rule language does not change the current compliance demonstration and reporting requirements for fossil fuel combustion sources contained in [326 IAC 3-7-2](#), [326 IAC 3-7-4](#), and [326 IAC 7-2-1](#). Currently, larger coal combustion sources demonstrate compliance with the current limits on a 30-day rolling average and smaller coal combustion sources demonstrate compliance using a calendar month average unless a shorter averaging time is specified for a source. For all other combustion sources, including units firing fuel oil, compliance is determined using a calendar month average. For many sources, compliance with sulfur content in fuel oil is based on vendor certification of sulfur content. The sulfur content of the fuel oil does not vary from hour to hour. Procedures for coal sulfur content with coal sampling and analysis are contained in [326 IAC 3-7-2](#), and procedures for determining sulfur content by fuel oil sampling are contained in [326 IAC 3-7-4](#) with analysis by the source or vendor certification. Sources can also demonstrate compliance using SO<sub>2</sub> continuous emission monitoring systems (CEMS) or stack testing.

IDEM is obligated to develop 1-hour averaging periods for limits on emission units that have continuous emissions monitoring systems (CEMS). U.S. EPA issued a memorandum, "Guidance for 1-Hour SO<sub>2</sub> Nonattainment Area SIP Submissions", on April 23, 2014. This guidance gives example determinations of longer term averaging for emission limits. The proposed emission limits in this Second Notice of Public Comment Period are based on a 1-hour averaging time frame. If sources are interested in longer term averaging, additional information to support a longer term average can be submitted to the department for consideration at preliminary adoption. IDEM has received a request from Indianapolis Power and Light (IPL) to allow for a 30-day rolling average limit as an alternative to the 1-hour limit for IPL Petersburg Generating Station. Their request, which is based on a data analysis as outlined in the U.S. EPA 1-hour SO<sub>2</sub> nonattainment area guidance, provides for an adjustment to 79.7% of the 1-hour limit. The proposed alternative 30-day rolling average limits are included in the draft rule language for public comment. Many non-combustion related sources have 3-hour or 24-hour averaging times already established in current permit based limits, or are currently required to demonstrate compliance based on a stack test and not CEMS. Unless specifically noted in the proposed rule language, CEMS are not required to demonstrate compliance with the new 1-hour SO<sub>2</sub> nonattainment area emission limits. CEMS are required to be operated in accordance with the procedures in [326 IAC 3-5](#) that are based on performance specifications under 40 CFR 60. Many sources are also subject to CEMS requirements under 40 CFR 75. IDEM is requesting comment on any data analysis issues (such as data substitution) that need to be made consistent in order to show compliance with the proposed SO<sub>2</sub> limits in [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#). All sources required to have CEMS are also Title V operating permit sources subject to extensive record keeping and reporting under the Title V operating permit rules at [326 IAC 2-7](#). IDEM is still discussing compliance demonstration requirements with affected sources and U.S. EPA; requirements are subject to change by final adoption.

For most units included in the rule there are two limits. The pound per hour (lb/hr) form of the limit provides a cap on emissions independent of the size of the unit and a pound per million British thermal units (lb/mmBtu) limit restricts the sulfur content of the fuel independent of load capacity. In accordance with U.S. EPA guidance,



emission units were modeled at design capacity (100 percent load). If a unit were to operate at reduced load to meet the lb/hr limit without a corresponding lb/mmbtu limit there could be an impact on NAAQS that was not addressed in the SIP modeling. IDEM is not proposing a lb/hr limit on small boilers that are being carried over from the current SIP to the new 1-hour SIP, for example, both of the hospitals in Vigo County. These limits are being retained in the SIP because they are already there, not because they are needed to show attainment with the new 1-hour NAAQS. Compliance for smaller oil-fired boilers in the source specific listing is similar to the general limits provided under [326 IAC 7-1.1-2](#).

#### **Update to current rule**

Since the current SIP rule limits will continue to be in place until December 31, 2016, IDEM is proposing to update the current limits, if needed, as many of the sources listed in the rule have since closed or the emission unit listed in the rule is no longer operating. In Marion County and Vigo County there are numerous sources that will no longer be listed in the source specific emission limitations portion of the rule at [326 IAC 7-4](#). IDEM is also adding the source identification number (source ID No.) to aid in future identification of sources included in the rule.

IDEM seeks comments from interested parties on this rulemaking. IDEM will continue to work with sources to refine the emission limits, modeling, and compliance provisions for each source as part of the SIP development process so that emission limits will be based on what is necessary for each area to attain the standard.

#### **[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.

#### **Potential Fiscal Impact**

This rulemaking is imposed by federal law and will not have a fiscal impact beyond what is required by federal law. At this time, IDEM cannot accurately ascertain the fiscal impact of the federal requirements this rulemaking is addressing. The fiscal impact for each affected source will vary depending on the final emission limitations and monitoring requirements for that source.

#### **Public Participation and Work Group Information**

At this time, no work group is planned for the rulemaking. IDEM will meet with affected sources on an as needed basis. If you feel that a workgroup or other informal discussion on the rule is appropriate, please contact Susan Bem, Rules Development Branch, Office of Legal Counsel at (317) 233-5697 or (800) 451-6027 (in Indiana).

### **SUMMARY/RESPONSE TO COMMENTS FROM THE FIRST COMMENT PERIOD**

IDEM requested public comment from June 29, 2011, through July 29, 2011, on alternative ways to achieve the purpose of the rule and suggestions for the development of draft rule language. IDEM received comments from the following parties by the comment period deadline:

- Save the Dunes (SD)
- Purdue University (PU)
- Citizen's Thermal (CT)
- Indiana Energy Association (IEA)
- B Paul Consulting (BPC)

Following is a summary of the comments received and IDEM's responses thereto:

*Comment:* How is IDEM proposing to adjust the monitoring network in northwest Indiana as a result of the new standard? (SD)

*Response:* The federal rules at 40 CFR Part 58, Appendix D, 4.4, detail the requirements for SO<sub>2</sub> monitoring. The monitoring requirements for the new SO<sub>2</sub> standard are met by the current monitoring network for the entire state, including northwest Indiana. A detailed evaluation, area by area, is included in the Indiana 2015 Ambient Air Monitoring Network Plan. IDEM proposes discontinuing the Indianapolis – E. 16<sup>th</sup> St. monitor as the design values for the previous five years have been less than 80% (60 ppb) of the NAAQS. This document is available at: <http://www.in.gov/idem/airquality/2389.htm>.

*Comment:* In the First Notice of Public Comment Period, it states that based on preliminary analysis, nine counties are preliminarily identified as being in noncompliance. Which are these? Which one county is contributing to a monitored violation in an adjacent county? (SD)

*Response:* The First Notice of Public Comment Period identified nine counties that currently have monitors measuring ambient concentrations above the standard: Daviess, Floyd, Fountain, Gibson, Marion, Morgan, Pike, Vigo, and Wayne. On May 11, 2011, Indiana recommended these counties be classified as nonattainment. Indiana also recommended Vermillion County be classified as nonattainment based upon the contribution of a source in that county to the monitor in Fountain County. Based on additional analysis in early 2012, Indiana recommended townships within five of the nine counties, rather than the entire county, to be classified as nonattainment based on the monitored violations and location of sources contributing to the monitored violations. Final designations for nonattainment based on monitoring data through 2012 were made on August 5, 2013 (78 FR 47191). Townships designated as nonattainment in Indiana are:

Marion County (Wayne, Center, Perry)  
Morgan County (Clay, Washington)  
Daviess County (Veale)  
Pike County (Washington)  
Vigo County (Fayette, Harrison).

*Comment:* What is the modeling process being used by IDEM to evaluate how counties are designated? (SD)

*Response:* Modeling was not used to determine the designation status of the counties in Indiana.

Designations were based upon monitored values and locations of major sources.

*Comment:* IDEM should revise the SO<sub>2</sub> monitoring requirements in [326 IAC 7](#) to address monitoring requirements for the new standard. (SD)

*Comment:* The existing SO<sub>2</sub> ambient monitoring requirements in [326 IAC 7-3](#) are sufficient for the purposes of the proposed rule. (IEA)

*Response:* IDEM is not proposing to make amendments to the ambient monitoring requirements at [326 IAC 7-3-1](#). Federal rules do not require states to amend the ambient monitoring requirements for large SO<sub>2</sub> emitting sources. Federal rules at 40 CFR 58 for monitoring networks apply to state agencies not individual sources.

*Comment:* The commenter supports Alternative #2 in the First Notice of Public Comment Period and suggests that IDEM explore ways to accommodate the new standard by using the existing Title V permitting program instead of [326 IAC 7](#). Allowing facility level changes to be made through Title V would expedite the process significantly and ease the burden on sources for emission limit adjustments. (PU) (CT)

*Response:* The emission limits used to demonstrate compliance with the new standard must be permanent and enforceable to meet SIP requirements. Title V permits are not permanent because they expire and cannot be used as an alternative to rulemaking.

*Comment:* A workgroup should be established to better facilitate communication among stakeholders. (PU)(CT)

*Response:* At this time, IDEM is proposing to work with affected sources on an individual basis to discuss attainment strategies for each source. If necessary, IDEM will hold meetings with all sources or groups of sources and interested parties as the rulemaking progresses.

*Comment:* There are numerous new regulations that will require very stringent SO<sub>2</sub> emission limitations and will result in reduction of levels of SO<sub>2</sub> in the air. IDEM and the regulated community should not expend considerable and limited resources to develop complex attainment plans for units that are near retirement. Also, actual electric generating unit (EGU) SO<sub>2</sub> emissions are now substantially less than permitted allowable emissions and even more reductions are required in the near future. IDEM should acknowledge all Clean Air Act obligations before evaluating EGU sector compliance with the 2017 deadline. IDEM should work directly with each EGU to evaluate future SO<sub>2</sub> emission reduction requirements before imposing additional regulations. IDEM should also establish practical modeling protocols and local technical analyses when developing the attainment plan. (IEA)

*Response:* IDEM understands the concerns of the sources and will work directly with each affected source to develop an attainment plan. IDEM has brought up many concerns and issues with implementing this new standard to U.S. EPA and will continue to work with U.S. EPA and sources to develop a workable approach. Modeling conducted to support the proposed emission limits considers future compliance strategies for each affected source.

*Comment:* The proposed rule will establish new or revised SO<sub>2</sub> limits for numerous sources and will establish new or revised compliance monitoring requirements to ensure that sources can demonstrate compliance with the new or revised emission limits. This could require sources to invest in expensive emission control systems, retire existing operations, switch fuels, reconfigure stacks, or accept operational limits that restrict the source's growth and flexibility. Compliance monitoring can also be expensive. A shorter averaging period (one hour) may also be required. IDEM should carefully craft SO<sub>2</sub> emission limits of appropriate periods. There is precedent in previous attainment plans where IDEM has established, and U.S. EPA has approved, emission limits where compliance is determined using longer compliance determination period (for example, monthly) when the air quality standard is of a shorter duration. Existing SO<sub>2</sub> SIP requirements in place in Indiana were driven primarily by the need to comply with a 24-hour air quality standard, and the approved SIPs allow compliance determinations based on monthly fuel analysis. Likewise, VOC RACT rules, which were originally aimed at achieving a 1-hour ozone air quality standard, include monthly compliance determinations instead of shorter time periods. SO<sub>2</sub> CEMS should not be required. (BPC)

*Response:* IDEM understands the concerns with the averaging time and is closely following development of U.S. EPA guidance on this issue. U.S. EPA issued a memorandum, "Guidance for 1-Hour SO<sub>2</sub> Nonattainment Area SIP Submissions" on April 23, 2014. This guidance gives example determinations of longer term averaging for emission limits. The proposed emission limits in this Second Notice of Public Comment Period are based on a 1-hour averaging timeframe. If sources are interested in longer term averaging, additional information to support a longer term average can be submitted to the department for consideration during preliminary adoption.

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## SUMMARY/RESPONSE TO COMMENTS FROM THE CONTINUATION OF FIRST COMMENT PERIOD

IDEM requested public comment from September 25, 2013, through October 25, 2013, on alternative ways to achieve the purpose of the rule and suggestions for the development of draft rule language. IDEM received comments from the following party by the comment period deadline:

B Paul Consulting (BPC)

Following is a summary of the comments received and IDEM's responses thereto:

*Comment:* Generally, the SO<sub>2</sub> Project (a coalition of companies and organizations in Indiana) supports IDEM's approach in developing SO<sub>2</sub> regulations for inclusion in Indiana's SO<sub>2</sub> SIP. At the current time, IDEM is obligated to develop SIPs only for those facilities located in the SO<sub>2</sub> nonattainment areas, and the strategy IDEM announced in the September 25, 2013, Indiana Register notices falls within that general obligation. The SO<sub>2</sub> Project agrees with IDEM that it is premature to begin developing SO<sub>2</sub> SIP requirements for sources in areas that have not been designated nonattainment. The process for sources in the undesignated areas should not begin until U.S. EPA has published rules to establish implementation requirements for SO<sub>2</sub> SIPs in these areas. (BPC)

*Response:* IDEM agrees and has only included emission limits for areas currently designated nonattainment. A separate rulemaking will be started if additional areas are designated nonattainment based on modeling or new monitoring data.

*Comment:* The commenter urges IDEM to consider the unique and complex technical issues that a NAAQS with a 1-hour averaging period presents. The accuracy of computer modeling for a 1-hour air quality standard has been shown to be questionable. It appears the conservative assumptions used in the AERMOD model are exacerbated when applied to short term modeling results. IDEM should move carefully in establishing emission limits derived from computer models. Furthermore, IDEM must take into consideration the statistical form of the 1-hour SO<sub>2</sub> NAAQS when establishing emission limits for sources. IDEM should avoid establishing limits with 1-hour averaging periods because such emission limits greatly reduce a source's flexibility and ignore the natural variability that can occur with sulfur containing fuels. (BPC)

*Response:* IDEM is obligated to develop 1-hour averaging periods for limits on emission units that have continuous emissions monitoring systems (CEMS). U.S. EPA issued a memorandum, "Guidance for 1-Hour SO<sub>2</sub> Nonattainment Area SIP Submissions" on April 23, 2014. This guidance gives example determinations of longer term averaging for emission limits. The proposed emission limits in this Second Notice of Public Comment Period are based on a 1-hour averaging timeframe. If sources are interested in longer term averaging, additional information to support a longer term average can be submitted to the department for consideration during preliminary adoption.

## 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 draft rule. Comments may be submitted in one of the following ways:

(1) By mail or common carrier to the following address:

LSA Document #11-356 1-Hour SO<sub>2</sub> Rule  
Susan Bem  
Rules Development Branch  
Office of Legal Counsel  
Indiana Department of Environmental Management  
100 North Senate Avenue  
Indianapolis, IN 46204-2251

(2) By facsimile to (317) 233-5970. Please confirm the timely receipt of faxed comments by calling the Rules Development Branch at (317) 232-8922.

(3) By electronic mail to sbem@idem.in.gov. To confirm timely delivery of submitted comments, please request a document receipt when sending the electronic mail. **PLEASE NOTE: Electronic mail comments will NOT be considered part of the official written comment period unless they are sent to the email address indicated in this notice.**

(4) Hand delivered to the receptionist on duty at the thirteenth floor reception desk, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis, Indiana.

Regardless of the delivery method used, in order to properly identify each comment with the rulemaking action it is intended to address, each comment document must clearly specify the LSA document number of the rulemaking.

## COMMENT PERIOD DEADLINE

All comments must be postmarked, faxed, or time stamped not later than October 10, 2014. Hand-delivered comments must be delivered to the appropriate office by 4:45 p.m. on the above-listed deadline date.

Additional information regarding this action may be obtained from Susan Bem, Rules Development Branch, Office of Legal Counsel, (317) 233-5697 or (800) 451-6027 (in Indiana).

**DRAFT RULE**

SECTION 1. [326 IAC 7-1.1-3](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-1.1-3](#) Compliance date**

Authority: [IC 13-14-8](#); [IC 13-17](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 3. The emission limitations in [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) are effective January 1, 2017.

(Air Pollution Control Division; [326 IAC 7-1.1-3](#))

SECTION 2. [326 IAC 7-4-2](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-4-2](#) Marion County sulfur dioxide emission limitations**

Authority: [IC 13-14-8](#); [IC 13-17-3-4](#)

Affected: [IC 13-12](#); [IC 13-14-4-3](#); [IC 13-16-1](#)

Sec. 2. The following sources and facilities **emission units** located in Marion County shall comply with the sulfur dioxide emission limitations in pounds per million Btu (lbs/MMBtu) and pounds per hour (lbs/hr), unless otherwise specified, and other requirements:

Source	Facility Emission Unit Description	Emission Limitations	
		lbs./MMBtu	lbs./hr.
(1) Acustar	Boiler 1	2.82	109.98
	Boiler 2	2.82	109.98
	Boiler 3	2.82	109.98
(2) Allison Gas Turbine Plant 5	Boiler 1	3.99	299.4
	Boiler 2	3.99	299.4
	Boiler 3	3.99	299.4
	Boiler 4	3.99	299.4
(3) Amtrak	Boilers 61 and 62	3.30	208.15
(4) Bridgeport Brass	Boiler 1	3.55	135.8
	Boiler 2	3.55	135.8
	Boiler 3	3.55	135.8
(5) Central Soya	Boiler	4.32	272.0
(6) Central State	Boiler 3	3.39	111.8
	Boiler 7	3.39	169.5
	Boiler 8	3.39	169.5
	Boiler 1	1.88	67.6
(7) Detroit Diesel Allison Plant 3	Boiler 2	1.88	67.6
	Boiler 3	1.88	90.2
	Boiler 4	1.88	135.2
	Boiler 5	1.88	180.3
	#2 Furnace	1.40 pounds per ton	20.22
(8) Diamond Bathurst	Boiler 1	2.43	177.38
(9) Ford	Boiler 2	2.43	354.77
	Boiler 3	2.43	354.77
	Boiler 1	2.92	151.84
(10) Fort Harrison	Boiler 2	2.92	151.84
	Boiler 3	2.92	151.84
	Boiler 4	2.92	151.84
	Boiler 1	2.31	187.1
(11) G.M. Truck & Bus Group	Boiler 2	2.31	187.1

	Boiler 3	2.31	106.3
<del>(12) Indiana Girls School</del>	Boiler	6.00	46.9
<del>(13) IPL Perry W</del>	Boiler 17	6.0	1,320.0
	Boiler 18	6.0	1,320.0
(14) (1) Indianapolis Belmont	Incinerator 1	2.0 pounds per ton	14.19
Sludge Incinerator	Incinerator 2	2.0 pounds per ton	14.19
Source ID No. 00032	Incinerator 3	2.0 pounds per ton	14.19
	Incinerator 4	2.0 pounds per ton	14.19
	Incinerator 5	2.0 pounds per ton	14.19
	Incinerator 6	2.0 pounds per ton	14.19
	Incinerator 7	2.0 pounds per ton	14.19
	Incinerator 8	2.0 pounds per ton	14.19
<del>(15) Marathon Petroleum—</del>	H-H1	1.92	36.46
<del>Indiana Refining Division</del>	H-H2	1.92	36.46
	H-H3	1.92	38.38
	P-H1	1.92	89.03
	P-H2	1.92	82.12
	P-H3	1.92	30.32
	P-H4	1.92	33.19
	P-H5	1.92	9.98
	Alky Reboiler	1.92	53.15
	Crude Heater	1.92	268.05
	Vacuum Heater	1.92	99.20
	Sulfur Recovery	189.0 pounds per ton sulfur	88.17
	FCC (Proc)	3.92 pounds per ton	506.37
	CO-Boiler	1.92	228.72
	FCC Chg. Htr.	1.92	88.26
	GH-1	1.92	81.36
(16) Navistar	Boiler 1	2.98	193.72
	Boiler 2	2.98	193.72
	Boiler 3	2.98	193.72
(17) Quaker Oats	Boiler 1	2.79	195.3
	Boiler 2	2.79	195.3
	Murray Boiler	0.50	50.1
(18) (2) Quemetco Source ID No. 00079	Reverberatory Furnace	24.6 pounds per ton	617.0
(19) Refined Metals	Blast Furnace	10.8 pounds per ton	64.8
(20) Reilly Industries (3) Vertellus	2722 W	1.25	114.75
Agriculture and Nutrition	2726 S	1.25	49.1
Specialties	186 N	1.25	46.0
Source ID No. 00315	2707 V	1.25	20.0
	112 E	0.0**	0.0**
	2710 P	0.0**	0.0**
	Riley	1.25	64.75
	B & W	1.25	49.1
	2724 W	1.25	26.3
	2714 V	1.25	18.8
	2729 Q	1.25	3.8
	2740 Q	1.25	7.5
	732714	1.25	45.0
	2728 S	1.25	7.5
	Still	0.0**	0.0**
	Kettle	0.0**	0.0**
	2607 T	0.0**	0.0**
	702611	0.0**	0.0**
	722804	0.0**	0.0**

	2706 Q	0.0**	0.0**
	2713 W	0.0**	0.0**
	2714 W	0.0**	0.0**
	2720 W	0.0**	0.0**
(21) Rexnord-Link Belt	Boiler A	3.28	101.7
Bearing	Boiler B	3.28	101.7
	Boiler C	0.0*	0.0*
(22) Rexnord-Link Belt	Boiler 1	3.68	117.8
Chain	Boiler 2	3.68	117.8
	Boiler 3	3.68	117.8
(23) Thomson Consumer	Boiler 1	1.95	39.0
Electronics	Boiler 2	1.95	39.0
	Boiler 3	1.95	146.3
	Boiler 4	1.95	146.3
(24) Union Carbide	Boiler 1	3.85	92.4
	Boiler 2	3.85	106.6
	Boiler 3	3.85	148.2
(25) Western Select	Boiler 2	2.52	189.06
Properties	Boiler 3	2.52	189.06
	Boiler 4	2.52	189.06
	Boiler 5	2.52	252.07
(26) Wishard	Boiler 1	4.04	105.0
	Boiler 2	4.04	105.0
	Boiler 3	4.04	105.0

\*\*Less than 0.05

(27) Allison Gas Turbine Operations **(4) Rolls-Royce Corporation** Plant 8, **Source ID No. 00311**, shall comply with the sulfur dioxide emission limitations provided in clause (A) or (B) and other requirements as follows:

(A) Boilers 2 through 14 **3, 4, and 7-10 (0070-58, 0070-59, and 0070-62 through 0070-65)** may burn natural gas at any time.

(B) Babcock and Wilcox Boilers 2 through 6 **3 and 4 (0070-58 and 0070-59)** and Combustion Engineering Boilers 7 through 14 **10 (0070-62 through 0070-65)** may burn fuel oil with a sulfur dioxide emission limitation of two and one-tenth (2.1) lbs/MMBtu each during periods when one (1) of the following conditions is met:

(i) ~~Fuel oil is burned in no more than three (3) Babcock and Wilcox boilers, and fuel oil is not burned in any combustion engineering boiler.~~

(ii) **(i)** Fuel oil is burned in no more than two (2) Babcock and Wilcox boilers and no more than two (2) combustion engineering boilers.

(iii) **(ii)** Fuel oil is burned in no more than one (1) Babcock and Wilcox boiler and no more than three (3) combustion engineering boilers.

(C) A log of hourly operational status and fuel type for each boiler shall be maintained at the plant and made available to the department upon request. A daily summary of operating status and fuel type for each boiler for each day of a calendar quarter shall be submitted to the department on a quarterly basis.

(D) ~~Allison Gas Turbine Operations~~ **Rolls-Royce Corporation** Plant 8 shall ~~erect~~ **maintain** a twenty (20) foot stack extension with a diameter at the extension outlet of four (4) feet for each stack serving Boilers 2 through 6 in accordance with the following schedule:

(i) ~~Complete design, specifications, and construction drawings and award contracts by August 2, 1988.~~

(ii) ~~Complete installation of stack extensions~~ **0070-58 and 0070-59 completed** by December 2, 1988.

(28) Indianapolis Power and Light **(5) Citizens Thermal, C.C. Perry K Steam Plant, Source ID No. 00034**, shall comply with the sulfur dioxide emission limitations in lbs/MMBtu and other requirements as follows:

Boiler Number	Emission Limitations
(A) 17 and 18	0.3
(B) 11, 12, 13, 14, 15, and 16	2.1
(C) As an alternative to the emission limitations in clause (B), sulfur dioxide emissions from Boilers 11, 12, 13, 14, 15, and 16 may comply with any one (1) of the sets of emission limitations in lbs/MMBtu as follows:	
Boiler Number	Emission Limitations
(i) 13, 14, 15, and 16	0.0

11 and 12	4.4
(ii) 11, 12, 15, and 16	0.0
13 and 14	4.4
(iii) 11, 12, 13, and 14	0.0
15 and 16	4.4
(iv) 11, 12, 15, and 16	3.0
13 and 14	0.3
(v) 11 and 12	0.3
13, 14, 15, and 16	3.0

(D) **Citizens Thermal shall notify** the department or the Indianapolis Air Pollution Control Division shall be notified prior to the reliance by Indianapolis Power and Light **Citizens Thermal** on any one (1) of the sets of alternative emission limitations specified in clause (C).

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

(F) For the purposes of ~~326 IAC 7-2-1(e)(1)~~, **326 IAC 7-2-1(d)(1)**, during thirty (30) day periods in which Indianapolis Power and Light **Citizens Thermal** relies on more than one (1) set of emission limitations specified in clauses (B) through and (C), a separate thirty (30) day rolling weighted average for each set of limitations shall be determined. Each thirty (30) day rolling weighted average shall be based on data from the previous thirty (30) operational days within the last ninety (90) days for that set of limitations. If Indianapolis Power and Light **Citizens Thermal** does not operate thirty (30) days under any one (1) set of limitations within the last ninety (90) days, the rolling weighted average shall be based on all operational days within the last ninety (90) days for that set of limitations.

~~(G) Boilers 11 through 16 shall be limited to six and zero tenths (6.0) lbs/MMBtu each until Boilers 11 through 16 achieve compliance with the sulfur dioxide emission limitations specified in clauses (B) through (C). Compliance with the emission limitations specified in clauses (B) through (C) shall be achieved according to the following schedule:~~

~~(i) Complete engineering analysis of modifications by April 2, 1988.~~

~~(ii) Complete testing and design of modifications and place orders for necessary equipment by May 2, 1989.~~

~~(iii) Complete installation of necessary equipment and achieve compliance with emission limitations specified in clauses (B) through (C) by June 2, 1990.~~

(29) **(6) Indianapolis Power and Light Stout Harding Street Station, Source ID No. 00033**, shall comply with the sulfur dioxide emission limitations in lbs/MMBtu and other requirements as follows:

Boiler/Turbine Number	Emission Limitations
(A) Boiler 70	5.3
(B) Boilers 50 and 60	4.7
Boilers 1 through 8	0.0
Boilers 9 and 10 and Gas Turbines 1, 2, and 3	0.35

(C) As an alternative to the emission limitations in clause (B), sulfur dioxide emissions from Boilers 50, 60, and 1 through 10 and Gas Turbines 1, 2, and 3 may comply with any one (1) of the sets of emission limitations in lbs/MMBtu as follows:

Boiler/Turbine Number	Emission Limitations
(i) Boilers 50 and 60	5.2
Boilers 1 through 10 and Gas Turbines 1, 2, and 3	0.0
(ii) Boilers 50 and 60	5.0
Boilers 1 through 10	0.0
Gas Turbines 1, 2, and 3	0.4
(iii) Boilers 50 and 60	4.1
Boilers 1 through 8	0.26
Boilers 9 and 10	0.35
Gas Turbines 1, 2, and 3	0.3
(iv) Boilers 50 and 60	3.9
Boilers 1 through 8	0.34
Boilers 9 and 10 and Gas Turbines 1, 2, and 3	0.35



(D) **Indianapolis Power and Light shall notify** the department ~~or the Indianapolis Air Pollution Control Division shall be notified~~ prior to the reliance by Indianapolis Power and Light on any one (1) of the sets of alternative emission limitations specified in clause (C).

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

(F) For the purposes of ~~326 IAC 7-2-1(e)(1)~~, **326 IAC 7-2-1(d)(1)**, during thirty (30) day periods in which Indianapolis Power and Light relies on more than one (1) set of emission limitations specified in clauses (B) ~~through~~ **and** (C), a separate thirty (30) day rolling weighted average for each set of limitations shall be determined. Each thirty (30) day rolling weighted average shall be based on data from the previous thirty (30) operational days within the last ninety (90) days for that set of limitations. If Indianapolis Power and Light does not operate thirty (30) days under any one (1) set of limitations within the last ninety (90) days, the rolling weighted average shall be based on all operational days within the last ninety (90) days for that set of limitations.

(G) Indianapolis Power and Light shall install **and maintain** a stack diameter restriction for the stack serving Boilers 50 and 60. The stack diameter restriction shall reduce the diameter to six and one-half (6 1/2) feet at the tip of the stack. The installation of the stack diameter restriction shall be ~~in accordance with the following schedule:~~

(i) ~~Complete preliminary design of modifications by December 2, 1988.~~

(ii) ~~Place orders for necessary modification by July 2, 1989.~~

(iii) ~~Complete installation~~ **completed** by February 2, 1990.

~~(30) Citizens Gas & Coke Utility shall comply with the sulfur dioxide emission limitations, depending on which battery or combination of batteries are in operation, as follows:~~

Description	Emission Limitations (lbs/ton of coal)	Emission Limitations (lbs/hour)
(A) Batteries 1, E, & H	0.67	78.02
(B) Battery 1	0.23	15.70
(C) Batteries 1 & E	0.49	46.86
(D) Batteries 1 & H	0.50	46.86
(E) Batteries E & H	0.79	62.32
(F) Battery E	0.79	31.16
(G) Battery H	0.79	31.16

~~(H) The department and the Indianapolis office of environmental services shall be notified in writing prior to the reliance by Citizens Gas & Coke Utility on an emission limitation other than clause (A).~~

~~(I) Gas used for underfiring Battery 1 shall not exceed twenty (20) grains of H<sub>2</sub>S per one hundred (100) standard cubic feet.~~

~~(J) Citizens Gas & Coke Utility shall desulfurize the coke oven gas produced by Batteries 1, E, and H.~~

~~(K) Citizens Gas & Coke Utility shall monitor the hydrogen sulfide (H<sub>2</sub>S) content of the coke oven gas used for underfiring each battery by sampling and analyzing the coke oven gas for H<sub>2</sub>S content at least once per day. The H<sub>2</sub>S content of the gas shall be sampled using Determination of Hydrogen Sulphide Content, Cadmium Acetate Method, Method Number DIN 51855 Part 4 (January 1979)\*.~~

~~(L) Sulfur dioxide emissions in pounds per tons of coal (lbs/ton of coal) and pounds per hour (lbs/hr) shall be calculated using the data on H<sub>2</sub>S content and organic sulfur content in the coke oven gas. The total sulfur dioxide emissions shall include all sulfur compounds. Citizens Gas & Coke Utility shall submit to the department and the Indianapolis office of environmental services within thirty (30) days of the end of each calendar quarter the calculated sulfur dioxide emission rate in pounds per tons of coal (lbs/ton of coal) and pounds per hour (lbs/hr) for each day during the calendar quarter.~~

~~(M) All monitoring and testing data and results shall be recorded, and all records shall be kept for a period of three (3) years. Citizens Gas & Coke Utility shall submit the monitoring and testing records to the department upon request.~~

\*These documents are incorporated by reference. Copies 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 Division; [326 IAC 7-4-2](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 65; filed Feb 9, 1999, 4:22 p.m.: 22 IR 1959; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Feb 20, 2007, 3:15 p.m.: [20070321-IR-326050118FRA](#))



SECTION 3. [326 IAC 7-4-2.1](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-4-2.1](#) Marion County sulfur dioxide emission limitations**

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 2.1. The following sources and emission units located in Marion County shall comply with the sulfur dioxide emission limit and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour)	Emission Limit (lbs/MMBtu)
(1) Citizens Thermal - Perry K Source ID No. 00034	(A) Boiler 17	72.6	0.3
	(B) Boiler 18	72.6	0.3
	(C) Boilers 11, 12, 13, 14, 15, and 16	Burn natural gas	
(2) Belmont Wastewater Treatment Plant Source ID No. 00032	(A) Main Stack I1-I4	Comply with SO <sub>2</sub> limit in 40 CFR 60, Subpart MMMM* or 40 CFR 60, Subpart LLLL*	
	(B) Incinerator I5	Not operating	
	(C) Incinerator I6	Not operating	
	(D) Incinerator I7	Not operating	
	(E) Incinerator I8	Not operating	
(3) Rolls Royce Source ID No. 00311	(A) Boiler 0070-58	Burn natural gas	
	(B) Boiler 0070-59	Burn natural gas	
	(C) Boiler 0070-62	Burn natural gas	
	(D) Boiler 0070-63	Burn natural gas	
	(E) Boilers 0070-64	Burn landfill gas	
	(F) Boiler 0070-65	Burn natural gas	
	(G) Generating Turbine 0070-80	Burn natural gas or landfill gas	
	(H) 501k Turbine Generator	Burn landfill gas	
	(I) 2 Gas Turbine Engines 0070-66		0.1
	(J) 12 Gas Turbine Engines 0070-67	1,000 hour calendar year operating limit	0.1
	(K) 3 Gas Turbine Engines 0070-68c, 0070-68d, and 0070-68e		0.1
	(L) 2 Gas Turbine Engines 0070-68a and 0070-68b	Burn natural gas	
	(M) 3 Gas Turbine Engines 0070-69		0.1
	(N) Three Shack Heaters 0070-70	Burn natural gas	
	(O) Rental Generator	500 hour calendar year operating limit	
(4) Vertellus Agriculture and Nutrition Specialties Source ID No. 00315	(P) Engine Test Cells (Plant 5 and 8)		0.1
	(Q) Engine Test Cell Plant 5 0070-N6	1,000 hour calendar year operating limit	
	(A) 70K Boiler 70-2722W	18.4	0.20
	(B) 30K Boiler 30-2726S	9.8	0.25
	(C) 28K Boiler 28-186N	9.9	0.27
	(D) Boiler CB-70K	Burn natural gas	
	(E) BM Furnace BM2724W	1.1	0.05
	(F) Box Furnace BX2707V	Burn natural gas	
	(G) DAB Furnace 732714	Burn natural gas	
	(H) Born Heater 722804	Burn natural gas	

	(I) Born Heater Furnace BXS2706Q	Burn natural gas	
	(J) EP Furnace EP2729Q	Burn natural gas	
	(K) CB20 CB600-300 Boiler	Burn landfill gas	
	(L) 50K CN5-400 Boiler	Burn landfill gas	
	(M) BD Furnace BD2714V	0.75	0.05
	(N) Heater BS2740Q	0.3	0.05
	(O) Heater BT2728S	0.3	0.05
	(P) Furnace HW-925-001	12.25	1.25
	(Q) CS Kettle Born Heater	Burn natural gas	
	(R) CS Still Born Heater	Burn natural gas	
	(S) Born Hot Oil Furnace (Process Heater) Unit 2607T	Burn natural gas	
(5) Quemetco	(A) Main Stack S-100	73.2	
Source ID No. 00079	(B) WESP Stack	51.4	
(6) Indianapolis	(A) Boiler 9	Not operating	
Power & Light –	(B) Boiler 10	Not operating	
Harding St.	(C) Boiler 50	Burn natural gas	
Source ID No.	(D) Boiler 60	Burn natural gas	
00033	(E) Boiler 70	655.56	0.159
	(F) Gas Turbine 1	14.95	0.05
	(G) Gas Turbine 2	14.95	0.05
	(H) Gas Turbine 3	Not operating	
	(I) Gas Turbine 4	43.75	0.05
	(J) Gas Turbine 5	43.35	0.05
	(K) Gas Turbine 6	Burn natural gas	
	(L) Emergency Generator	500 hour calendar year operating limit	
	(M) The following applies to the emission limits in clause (E):		
	(i) The emission limit is an arithmetic average of all the valid data for emission rates recorded from a continuous emission monitoring system on a one (1) hour basis.		
	(ii) Compliance shall be demonstrated with a continuous emission monitoring system that is installed, operated, and certified in accordance with <a href="#">326 IAC 3-5</a> .		

\*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 Legal Counsel, Indiana Government Center North, Thirteenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

(Air Pollution Control Division; [326 IAC 7-4-2.1](#))

SECTION 4. [326 IAC 7-4-3](#) IS AMENDED TO READ AS FOLLOWS:

#### [326 IAC 7-4-3](#) Vigo County sulfur dioxide emission limitations

Authority: [IC 13-14-8](#); [IC 13-17-3-4](#)

Affected: [IC 13-12](#); [IC 13-14-4-3](#); [IC 13-16-1](#)

Sec. 3. The following sources and facilities **emission units** located in Vigo County shall comply with the sulfur dioxide emission limitations in pounds per million Btu, unless otherwise specified, and other requirements:

Source	Facility	Emission Unit Description	Emission Limitations
(1) <del>Alcan Rolled Products Co.</del>	<del>Sol-Oil Boiler</del>		<del>0.51</del>

	Foil Mill Boiler	0.51
	Oil Farm Boiler	0.51
	#2 Melter	1.60
	#3 Melter	1.60
	#4 Melter	1.60
	#5 Melter	1.60
	#6 Melter	1.60
	#7 Melter	1.60
	#53 Annealing Furnaces	1.60
(2) Bemis	Boiler	0.51
(3) CBS	#1 WH CB200-200	0.51
	#2 WH CB200-200	0.51
	#1 HC CB293-100	0.51
	#2 HC CB M & W 4000	0.51
	#3 HC CB M & W 4000	0.51
	#1 BP Springfield	0.51
(4) CF Industries	Process Murray Boiler 1	0.52
	Process Murray Boilers 2 and 3	0.52
(5) (1) SONY Digital Audio Disc	#1 Kewanee Boiler	0.36
Source ID No. 00032	#2 Kewanee Boiler	0.36
(6) Dexsee Foods Corp.	Boiler	2.62
(7) General Housewares	Boiler 1A Ladd	6.00
	Boiler 2A Combustion Eng.	6.00
	#5 Enamel Furnace Radiant Tube	0.51
	#6 Enamel Furnace Muffle	0.51
(8) Hercules, Inc. (2) Taghleef	Murray Iron Works Boiler A	0.51
Industries Source ID No. 00045	Murray Iron Works Boiler B	0.51
	Clayton Boiler (Standby)	0.51
	Nebraska Boiler	0.51
(9) Indiana State University	#2 Voight Boiler	5.64
	#3 Voight Boiler	5.64
	#5 B & W Boiler	5.64
	#4 Murray Boiler	0.37
(10) J.I. Case	No. 1 Riley Boiler	4.74
	No. 2 Riley Boiler	4.74
(11) Pfizer	Boiler 8	3.01
(12) Pillsbury (Terre Haute)	Boiler B	0.36
	Boiler C	2.62
	Boiler D	0.36
(13) Pitman-Moore	#9, #10, and #15 Boilers	4.58
	#16 Boiler	0.36
	East Plant Boiler	0.36
(14) Public Service (3) Duke Indiana	Boilers 1, 2, 3, 4, 5, and 6	4.04
Wabash River Source ID No. 00021		
(15) Rose-Hulman	#1 Voight Boiler	2.26
	#2 Cleaver-Brooks Boiler	0.51
	#4 Cleaver-Brooks Boiler	0.51
(16) St. Mary's Sisters of Providence	#2 Voight Boiler	3.84
	#3 B & N Boiler	3.84
	#5 B & N Boiler	3.84
	#7 Voight Boiler	3.84
	#8 Voight Boiler	3.84
(17) Snacktime Company	#1 Boiler	0.52
	#12 Boiler	0.52
	#2, #3, #4, and #6	0.52
	Fryer Oil Heaters	

(18) Terre Haute Coke and Carbon	2 CB Boilers	1.79
	2 Standby Boilers	4.55
	No. 1 CB Underfire Stack	0.63
	No. 2 CB Underfire Stack	0.63
(19) (4) Terre Haute Regional Hospital	#1 Boiler	0.45
Source ID No. 00046	(New) #2 Boiler	0.45
(20) (5) Union Hospital Energy Co.	2 Keeler Boilers	0.36
Source ID No. 00047	3 Cleaver Brooks Boilers	0.36
(21) U.S. Penitentiary	#1, #2, and #3 Boilers	0.51
	2 Honor Farm Boilers	0.51
(22) Wabash Fibre Box	Cleaver Brooks Boiler	2.36
(23) Wabash Products Co.	Boiler	natural gas only
(24) Western Tar	Tar Division, Boiler A	0.36
	Tar Division, Boiler B	0.36
	Wood Division, Boiler A	0.36
	Wood Division, Boiler B	0.36
	Tar Division, Process Still	0.36
(25) Weston Paper	B-1 and B-4 Boilers	4.09
	B-5 Warehouse Boiler	2.62

(Air Pollution Control Division; [326 IAC 7-4-3](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 70; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Aug 31, 2004, 2:30 p.m.: 28 IR 117)

SECTION 5. [326 IAC 7-4-3.1](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-4-3.1](#) Vigo County sulfur dioxide emission limitations**

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 3.1. The following sources and emission units located in Vigo County shall comply with the sulfur dioxide emission limits and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour)	Emission Limit (lbs/MMBtu)
(1) Wabash River Combined Cycle Source ID No. 00147	Combustion Turbine Unit 1A	333.76	0.195
(2) SG Solutions Source ID No. 00091	(A) Tail Gas Incinerator Stack EP1	527.0	
	(B) Process Flare Unit 2	77.0	
(3) SONY Digital Audio Disc Source ID No. 00032	(A) #1 Kewanee Boiler		0.05
	(B) #2 Kewanee Boiler		0.05
	(C) Unit 3 Burnham Boiler		0.05
	(D) Unit 4 Burnham Boiler		0.05
	(E) Unit 5 Superior Boiler		0.05
	(F) Unit 6 Superior Boiler		0.05
	(G) Unit 18 Boiler		0.05
(4) Taghleef Industries Source ID No. 00045	(A) Murray Iron Works Boiler A		0.05
	(B) Murray Iron Works Boiler B		0.05
	(C) Clayton Boiler (Standby)	Burn natural gas	
	(D) Nebraska Boiler		0.51
(5) Terre Haute Regional Hospital Source ID No. 00046	(A) #1 Boiler		0.45
	(B) (New) #2 Boiler		0.45
(6) Union Hospital Source ID No. 00047	(A) 2 Keeler Boilers		0.36

(7) Duke Energy - Wabash Source ID No. 00021	(A) Boiler 6 (B) Diesel Generators 7A, 7B, and 7C	1,499.5 500 hour calendar year operating limit (each)	0.5 0.05
--	--	---	-------------

(C) The following applies to clause (A):

(i) The emission limit is an arithmetic average of all the valid data for emission rates recorded from a continuous emission monitoring system on a one (1) hour basis.

(ii) Compliance shall be demonstrated with a continuous emission monitoring system that is installed, operated, and certified in accordance with [326 IAC 3-5](#).

(Air Pollution Control Division; [326 IAC 7-4-3.1](#))

SECTION 6. [326 IAC 7-4-11](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-4-11](#) Morgan County sulfur dioxide emission limitations**

Authority: [IC 13-1-1-4](#); [IC 13-7-7](#)

Affected: [IC 13-1-1](#); [IC 13-7](#)

Sec. 11. Indianapolis Power and Light (IPL) ~~Pritchard-Generating~~ **Eagle Valley Station, Source ID No. 00004**, shall comply with the sulfur dioxide emission limitations in pounds per million Btu and other requirements as follows:

Facility Emission Unit Description	Emission Limitations
(1) Units 1 and 2	0.37 each
(2) Units 3, 4, 5, and 6 on and before September 30, 1990	6.0 each
Unit 3 after September 30, 1990	0.37
Units 4, 5, and 6 after September 30, 1990	3.04 each
(3) As an exception to the emission limitations specified in subdivision (2), after September 30, 1990, at any time in which IPL burns coal on Unit 3, sulfur dioxide emissions from Units 3, 4, 5, and 6 shall be limited to two and fifty-seven hundredths (2.57) pounds per million Btu each.	
(4) <del>Prior to October 31, 1989, IPL shall modify The two (2) stacks serving Units 3, 4, 5, and 6 to increase the height of each stack to</del> <b>shall be</b> at least two hundred and eighty-one (281) feet above grade.	
(5) <del>Prior to February 28, 1989, IPL shall submit completed engineering plans and drawings of flue gas conditioning systems for Units 4 and 5 to the department. Prior to May 31, 1990, IPL shall complete installation of flue gas conditioning systems for Units 4 and 5.</del>	
(6) <b>(5)</b> After September 30, 1990, on a day for which Unit 3 does not burn any coal, the limitations in subdivision (2) are in effect, and compliance shall be determined as specified in <a href="#">326 IAC 7-2-1(e)</a> : <a href="#">326 IAC 7-2-1(d)</a> .	
(7) <b>(6)</b> After September 30, 1990, on a day for which Unit 3 burns any coal, the limitations in subdivision (3) are in effect. As an exception to the requirements of <a href="#">326 IAC 7-2-1(e)(1)</a> <a href="#">326 IAC 7-2-1(d)(1)</a> on a day for which Unit 3 burns any coal, if the thirty (30) day rolling weighted average for any unit is above two and fifty-seven hundredths (2.57) pounds per million Btu, then <a href="#">326 IAC 7-2-1(e)(1)</a> <a href="#">326 IAC 7-2-1(d)(1)</a> does not apply, and the daily average emission rate for that unit for that day shall not exceed two and fifty-seven hundredths (2.57) pounds per million Btu.	
(8) <b>(7)</b> After September 30, 1990, for the purposes of determining compliance under <a href="#">326 IAC 7-2-1(b)</a> , <a href="#">326 IAC 7-2-1(f)(1)</a> , stack tests performed on Units 3, 4, 5, and 6 shall demonstrate compliance with the most stringent set of limits in effect at any time during the day prior to or during the test based on the Unit 3 operating status and fuel type as indicated by the log maintained pursuant to subdivision (9).	
(9) <b>(8)</b> After September 30, 1990, IPL shall maintain and make available to the department upon request a log of the operating status and fuel type used for Unit 3. In addition, in the quarterly report required by <a href="#">326 IAC 7-2-1(a)</a> , <a href="#">326 IAC 7-2-1(c)</a> , IPL shall submit to the department a daily summary indicating fuel type for Unit 3, and, for days on which Unit 3 burned any coal and any thirty (30) day rolling weighted average was greater than two and fifty-seven hundredths (2.57) pounds per million Btu, IPL shall submit to the department the daily average sulfur content, heat content, and sulfur dioxide emission rate for Units 3, 4, 5, and 6.	

(Air Pollution Control Division; [326 IAC 7-4-11](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 76; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477)

SECTION 7. [326 IAC 7-4-11.1](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-4-11.1](#) Morgan County sulfur dioxide emission limitations**

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

**Sec. 11.1. Indianapolis Power and Light (IPL) – Eagle Valley, Source ID No. 00004, located in Morgan County, shall burn natural gas in the following units:**

- (1) Combustion Turbine 1.
- (2) Combustion Turbine 2.
- (3) Auxiliary Boiler.
- (4) Dew Point Heater.

(Air Pollution Control Division; [326 IAC 7-4-11.1](#))

SECTION 8. [326 IAC 7-4-15](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-4-15](#) Pike County sulfur dioxide emission limitations**

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

**Sec. 15. (a) The following sources and emission units located in Pike County shall comply with the sulfur dioxide emission limits and other requirements, as follows:**

Source	Emission Unit Description	Emission Limit (lbs/hour)	Emission Limit (lbs/MMBtu)
(1) IPL Petersburg Source ID No. 00002	(A) Unit 1	330.0	0.15
	(B) Unit 2	621.6	0.15
	(C) Unit 3	2,049.8	0.37
	(D) Unit 4	1,942.5	0.35
	(E) Diesel Generators PB-2, PB-3, and PB-4	500 hour calendar year operating limit (each)	
(2) Hoosier Energy - Ratts Source ID No. 00001	(A) Boiler 1	58	0.05
	(B) Boiler 2	58	0.05
	(C) No. 2 Auxiliary Boiler	1	0.05

(b) The emission limits in subsection (a) are an arithmetic average of all the valid data for emission rates recorded from a continuous monitoring system on a one (1) hour basis, except as allowed under subsection (d).

(c) Compliance shall be demonstrated with a continuous emission monitoring system that is installed, operated, and certified in accordance with [326 IAC 3-5](#).

(d) As an alternative to the emission limits in subsection (a)(1)(A) though (a)(1)(D), IPL Petersburg may comply with the following:

Emission Unit Description	Emission Limit (lbs/hour – 30 day rolling average)	Emission Limit (lbs/MMBtu – 30 day rolling average)
(1) Unit 1	263.0	0.12
(2) Unit 2	495.4	0.12
(3) Unit 3	1,633.7	0.29
(4) Unit 4	1,548.2	0.28

(Air Pollution Control Division; [326 IAC 7-4-15](#))

SECTION 9. THE FOLLOWING ARE REPEALED: [326 IAC 7-4-2](#); [326 IAC 7-4-3](#); [326 IAC 7-4-11](#).

SECTION 10. SECTION 9 of this document takes effect January 1, 2017.

[Notice of Public Hearing](#)

*Posted: 09/10/2014 by Legislative Services Agency*  
An [html](#) version of this document.

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**Notice of Public Hearing**

LSA Document #11-356

**Notice of Public Hearing**

Under [IC 4-22-2-24](#), [IC 13-14-8-6](#), and [IC 13-14-9](#), notice is hereby given that on January 14, 2015, at 1:30 p.m., at the Indiana Government Center South, 302 West Washington Street, Conference Center Room A, Indianapolis, Indiana, the Environmental Rules Board will hold a public hearing on amendments to [326 IAC 7](#) concerning the new 1-hour sulfur dioxide (SO<sub>2</sub>) National Ambient Air Quality Standard (NAAQS).

The purpose of this hearing is to receive comments from the public prior to preliminary adoption of these rules by the board. All interested persons are invited and will be given reasonable opportunity to express their views concerning the proposed amendments. Oral statements will be heard, but, for the accuracy of the record, all comments should be submitted in writing.

Additional information regarding this action may be obtained from Susan Bem, Rules Development Branch, Office of Legal Counsel, (317) 233-5697 or (800) 451-6027 (in Indiana).

Individuals requiring reasonable accommodations for participation in this event should contact the Indiana Department of Environmental Management, Americans with Disabilities Act coordinator at:

Attn: ADA Coordinator

Indiana Department of Environmental Management

Indiana Government Center North

100 North Senate Avenue

Indianapolis, IN 46204-2251

or call (317) 233-1785 (V). Speech and hearing impaired callers may contact IDEM via the Indiana Relay Service (711) or (800) 743-3333. Please provide a minimum of 72 hours notification.

Copies of these rules are now on file at the Rules Development Branch, Office of Legal Counsel, Indiana Department of Environmental Management, Indiana Government Center North, 100 North Senate Avenue, Thirteenth Floor and Legislative Services Agency, Indiana Government Center North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana and are open for public inspection.

Nancy King, Chief  
Rules Development Branch  
Office of Legal Counsel

Posted: 09/10/2014 by Legislative Services Agency

An [html](#) version of this document.

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# **ATTACHMENT E**

## **CERTIFICATES OF WEB PUBLICATION**

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# INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

*We Protect Hoosiers and Our Environment.*

100 N. Senate Avenue • Indianapolis, IN 46204

(800) 451-6027 • (317) 232-8603 • [www.idem.IN.gov](http://www.idem.IN.gov)

Michael R. Pence  
Governor

Thomas W. Easterly  
Commissioner

February 3, 2015

## CERTIFICATE OF PUBLICATION

This is to certify that the Indiana Department of Environmental Management (IDEM) Notice of Public Hearings for the Environmental Rules Board Meeting, 03/11/2015, regarding the following rulemaking actions:

- Final Adoption, Walsh & Kelly SO<sub>2</sub> Limits, LSA #14-256
- Final Adoption, Shipbuilding & Ship Repair, LSA #14-441
- Final Adoption, Particulate Matter Emission Limits, LSA #12-520
- Preliminary Adoption, SO<sub>2</sub> Emission Limits, LSA #11-356

was published on IDEM's web site on or before February 6, 2015. It will remain posted on the site until at least March 11, 2015.

The notice in full may be found at the following web address, under the "Statewide" category.

<http://www.in.gov/idem/6777.htm>

Web publication of the notice was at the request of Christine Pedersen, Section Chief, Rule Development Section, Office of Legal Counsel, IDEM.

By:

Mike Finkelstein  
IDEM Webmaster

Attachments:

Copy of web page as published.





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Wetlands, Lakes and Streams

## Public Notices: Statewide

This is the IDEM Public Notice Site for notices covering the entire State of Indiana. This page is designed to provide public access to all agency state-wide public notices as required by statute or rule including: permitting, rulemaking, meeting and hearing notices. Click highlighted links to view additional information related to the notice. For public meetings not requiring notices, please check the [IDEM Calendar](#).

**Subscriptions:** Want to know about new notices as soon as they're posted? You can now subscribe to this regional public notice page. By subscribing to a region, you will be sent an e-mail or text message to your phone every time IDEM adds information to this regional page. This allows you to stay current on all posting and never miss a new posting. To subscribe, click on the subscription link in the left hand column.

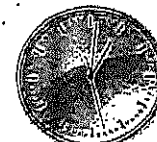
### Statewide

Name of Facility	Type of Notice/Event	Publication Dates	Public Comment?	Comments Accepted	Additional Information
Environmental Rules Board (08/11/2015)	Legal Notice of Public Hearing (DOC)	02/06/2015 - 03/11/2015	Yes	In Accordance with Notice	
Groundwater Petroleum Remediation NPDES General Permit	NPDES Draft New General Permit (PDF)	12/15/2014 - 02/06/2015	Yes	Project Manager: C. Anne Burget Address on Notice	Additional Public Notice information available on the <a href="#">IDEM Office of Water Quality: Permits on Notice page</a> .
Hydrostatic Testing of Commercial Pipelines NPDES General Permit	NPDES Draft New General Permit (PDF)	12/16/2014 - 02/06/2015	Yes	Project Manager: Sheri L. Jordan Address on Notice	Additional Public Notice information available on the <a href="#">IDEM Office of Water Quality: Permits on Notice page</a> .
Once Through Noncompact Cooling Water NPDES	NPDES Draft New General Permit	12/15/2014 - 02/06/2015	Yes	Project Manager	Additional Public Notice information available on the <a href="#">IDEM</a>

Tuesday, February 03, 2015

February, 2015

Sa	Mo	Tu	We	Th	Fr	Sa
25	26	27	28	29	30	31
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### **Legal Notice of Public Hearing**

Under 40 CFR 51.102, notice is hereby given that the Environmental Rules Board (board) will hold a public hearing at its regularly scheduled meeting on Wednesday, March 11, 2015, for the air program rules listed in this notice. The meeting will convene at 1:30 p.m. at the Indiana Government Center-South, Conference Room A, 302 West Washington Street, Indianapolis, Indiana. The purpose of the hearings is to receive public comments prior to board actions. All interested persons are invited and will be given a reasonable opportunity to express their views concerning the proposed actions.

Board documents may be viewed and downloaded from the Indiana Department of Environmental Management's Web site as early as one week prior to the meeting at <http://www.in.gov/idem/4696.htm>.

Copies of the proposed air program rules are also available to any person upon request, may be viewed online via the Internet from local libraries, and are available for public inspection at the following locations:

Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center-North, 100 North Senate Avenue, 13th Floor, Indianapolis, Indiana 46204.

Indiana Department of Environmental Management, Northwest Office, 330 West US Highway 30, Suites E and F, Valparaiso, IN 46385.

Indiana Department of Environmental Management, Northern Office, Suite 450, 300 N. Michigan Street, South Bend, Indiana 46601.

Indiana Department of Environmental Management, Southwest Office, 1120 North Vincennes Avenue, P.O. Box 128, Petersburg, Indiana 47567-0128.

Indiana Department of Environmental Management, Southeast Office, 820 West Sweet Street, Brownstown, Indiana 47220-9557.

Legislative Services Agency, Indiana Government Center-North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana 46204.

The following air program rules are noticed for hearing and action:

#### **Walsh and Kelly SO<sub>2</sub> Limits. LSA #14-256.**

The purpose of this hearing is to receive public comment prior to final adoption of amendments to 326 IAC 7-4.1-21 concerning sulfur dioxide emission limits to add a new aggregate dryer/burner at Walsh and Kelly in Griffith, Indiana. This rule will be submitted to the United States Environmental Protection Agency as a revision to the State Implementation Plan required by the Clean Air Act. A copy of the most recently published version of this rule is available at: <http://www.in.gov/idem/5679.htm>.

For additional information concerning this rule contact Susan Bem at the Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis at (317) 233-5697 or (800) 451-6027 (ext. 3-5697) (in Indiana), or [sbem@idem.in.gov](mailto:sbem@idem.in.gov).

#### **Shipbuilding and Ship Repair. LSA #14-441.**

The purpose of this hearing is to receive public comment prior to final adoption of amendments to 326 IAC 8-12-4 concerning the revision of a volatile organic compound content limit for antifoulant coatings to be consistent with the federal National Emission Standard for Hazardous Air Pollutants for Shipbuilding and Ship Repair. This rule will be submitted to the United States Environmental Protection Agency as a revision to the State Implementation Plan required by the Clean Air Act. A copy of the most recently published version of this rule is available at: <http://www.in.gov/idem/5679.htm>.

For additional information concerning this rule contact Susan Bem at the Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis at (317) 233-5697 or (800) 451-6027 (ext. 3-5697) (in Indiana), or [sbem@idem.in.gov](mailto:sbem@idem.in.gov).

**Particulate Matter Emission Limits.** LSA #12-520.

The purpose of this hearing is to receive public comment prior to final adoption of amendments to 326 IAC 6.5 and 326 IAC 6.8 concerning particulate matter emission limits. This rulemaking proposes to update information, make corrections, and address changes requested by sources, including modifications to Jupiter Aluminum and Huhtamaki Foodservice. This rule will be submitted to the United States Environmental Protection Agency as a revision to the State Implementation Plan required by the Clean Air Act. A copy of the most recently published version of this rule is available at: <http://www.in.gov/idem/5679.htm>.

For additional information concerning this rule contact Susan Bem at the Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis at (317) 233-5697 or (800) 451-6027 (ext. 3-5697) (in Indiana), or [sbem@idem.in.gov](mailto:sbem@idem.in.gov).

**SO<sub>2</sub> Emission Limits.** LSA #11-356.

The purpose of this hearing is to receive public comment prior to preliminary adoption of amendments to 326 IAC 7 concerning the addition of sulfur dioxide emission limits, effective January 1, 2017, to address State Implementation Plan requirements for Marion, Morgan, Pike, and Vigo counties that have townships designated as nonattainment for the 1-hour standard. This rulemaking also proposes updating and correcting information, and removing units or sources that are no longer operating. This rule will be submitted to the United States Environmental Protection Agency as a revision to the State Implementation Plan required by the Clean Air Act. A copy of the most recently published version of this rule is available at: <http://www.in.gov/idem/5679.htm>.

For additional information concerning this rule contact Susan Bem at the Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis at (317) 233-5697 or (800) 451-6027 (ext. 3-5697) (in Indiana), or [sbem@idem.in.gov](mailto:sbem@idem.in.gov).

For these hearings, oral statements will be heard, but for the accuracy of the record, please submit statements in writing to the attendant designated to receive written comments at the public hearing.

A transcript of the hearings and all written submissions to the board at the public hearing shall be open to public inspection at the Indiana Department of Environmental Management;



copies may be made available to any person upon payment of reproduction costs. Any person heard or represented at the hearings or requesting notice shall be given written notice of the actions of the board.

Christine Pedersen, Chief  
Rules Development Section  
Office of Legal Counsel

\*\*\*\*\*

Individuals requiring reasonable accommodations for participation in this event should contact the Indiana Department of Environmental Management, Americans with Disabilities Act coordinator at:

Attn: ADA Coordinator  
Indiana Department of Environmental Management  
100 N. Senate Avenue  
Indianapolis, IN 46204

or call (317) 233-1785. Speech and hearing impaired callers may contact the agency via the Indiana Relay Service at 1-800-743-3333. Please provide a minimum of 72 hours' notification.



# INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

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Michael R. Pence  
Governor

Thomas W. Easterly  
Commissioner

June 2, 2015

## CERTIFICATE OF PUBLICATION

This is to certify that the Indiana Department of Environmental Management (IDEM) Notice of Public Hearings for the Environmental Rules Board Meeting, 07/08/2015, regarding the following rulemaking actions:

- Final Adoption, SO<sub>2</sub> Emission Limits, LSA #11-356

was published on IDEM's web site on or before June 4, 2015. It will remain posted on the site until at least July 8, 2015.

The notice in full may be found at the following web address, under the "Statewide" category.

<http://www.in.gov/idem/6777.htm>

Web publication of the notice was at the request of Christine Pedersen, Section Chief, Rule Development Section, Office of Legal Counsel, IDEM.

By:

Mike Finkelstein  
IDEM Webmaster

Attachments:

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## Public Notices: Statewide

This is the IDEM Public Notice Site for notices covering the entire State of Indiana. This page is designed to provide public access to all agency state-wide public notices as required by statute or rule including: permitting, rulemaking, meeting and hearing notices. Click highlighted links to view additional information related to the notice. Unless otherwise noted, contact information is included on the notices.

The [IN.gov News and Events Calendar](#) provides information on public meetings that do not require public notice.

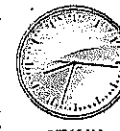
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### Statewide

Public Notices: Statewide				
Name or Facility	Type of Notice/Event	Publication Dates	Public Comment?	Additional Information
Environmental Rules Board	<a href="#">Legal Notice of Public Hearing</a>	06/04/2015 - 07/08/2015	Yes	
07/08/2015	<a href="#">PDF</a>			

Tuesday, June 02, 2015

June, 2015						
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Change date and time settings...

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## Legal Notice of Public Hearing

Under 40 CFR 51.102, notice is hereby given that the Environmental Rules Board (board) will hold a public hearing at its regularly scheduled meeting on Wednesday, July 8, 2015, for the air program rules listed in this notice. The meeting will convene at 1:30 p.m. at the Indiana Government Center-South, Conference Room A, 302 West Washington Street, Indianapolis, Indiana. The purpose of the hearings is to receive public comments prior to board actions. All interested persons are invited and will be given a reasonable opportunity to express their views concerning the proposed actions.

Board documents may be viewed and downloaded from the Indiana Department of Environmental Management's Web site as early as one week prior to the meeting at <http://www.in.gov/idem/4696.htm>.

Copies of the proposed air program rules are also available to any person upon request, may be viewed online via the Internet from local libraries, and are available for public inspection at the following locations:

Indiana Department of Environmental Management, Office of Legal Counsel, Indiana Government Center-North, 100 North Senate Avenue, 13th Floor, Indianapolis, Indiana 46204.

Indiana Department of Environmental Management, Northwest Office, 330 West US Highway 30, Suites E and F, Valparaiso, IN 46385.

Indiana Department of Environmental Management, Northern Office, Suite 450, 300 N. Michigan Street, South Bend, Indiana 46601.

Indiana Department of Environmental Management, Southwest Office, 1120 North Vincennes Avenue, P.O. Box 128, Petersburg, Indiana 47567-0128.

Indiana Department of Environmental Management, Southeast Office, 820 West Sweet Street, Brownstown, Indiana 47220-9557.

Legislative Services Agency, Indiana Government Center-North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana 46204.

The following air program rules are noticed for hearing and action:

### **SO<sub>2</sub> Emission Limits.** LSA #11-356.

The purpose of this hearing is to receive public comment prior to final adoption of amendments to 326 IAC 7 concerning the addition of sulfur dioxide emission limits to address State Implementation Plan requirements for Marion, Morgan, Pike, and Vigo counties that have townships designated as nonattainment for the 1-hour standard. This rulemaking also proposes updating and correcting information, and removing units or sources that are no longer operating. This rule will be submitted to the United States Environmental Protection Agency as a revision to the State Implementation Plan required by the Clean Air Act. A copy of the most recently published version of this rule is available at: <http://www.in.gov/idem/5679.htm>.

For additional information concerning this rule contact Susan Bem at the Indiana Department of Environmental Management, Office of Air Quality, Indiana Government Center North, 100 North Senate Avenue, Indianapolis at (317) 233-5697 or (800) 451-6027 (ext. 3-5697) (in Indiana), or [sbem@idem.in.gov](mailto:sbem@idem.in.gov).

For these hearings, oral statements will be heard, but for the accuracy of the record, please submit statements in writing to the attendant designated to receive written comments at the public hearing.

A transcript of the hearings and all written submissions to the board at the public hearing shall be open to public inspection at the Indiana Department of Environmental Management; copies may be made available to any person upon payment of reproduction costs. Any person heard or represented at the hearings or requesting notice shall be given written notice of the actions of the board.

Christine Pedersen, Chief  
Rules Development Section  
Office of Legal Counsel

\*\*\*\*\*

Individuals requiring reasonable accommodations for participation in this event should contact the Indiana Department of Environmental Management, Americans with Disabilities Act coordinator at:

Attn: ADA Coordinator  
Indiana Department of Environmental Management  
100 N. Senate Avenue  
Indianapolis, IN 46204

or call (317) 233-1785. Speech and hearing impaired callers may contact the agency via the Indiana Relay Service at 1-800-743-3333. Please provide a minimum of 72 hours' notification.

# **ATTACHMENT F**

**TRANSCRIPT OF FIRST PUBLIC HEARING**

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INDIANA ENVIRONMENTAL RULES BOARD  
INDIANA GOVERNMENT CENTER SOUTH  
302 WEST WASHINGTON STREET  
INDIANAPOLIS, INDIANA  
MARCH 11, 2015 - 1:30 P.M.

ORIGINAL

MEMBERS PRESENT:

Chair Beverly Gard-General Public  
Vice Chair William Etzler-Small Business  
Ken Rulon-Agriculture  
Gail Boydston-Manufacturing  
Tom R. Anderson-Environmental Interests  
Chris Horn-Labor  
Gary Powdrill-General Public  
Dr. Ted Niemiec-Medical  
Kelly Carmichael-Public Utilities  
Dr. Joanne Alexandrovich-Local Government  
Calvin Davidson-Proxy ISDH  
David Bausman, Proxy Lt. Governor for ISDA  
Cameron Clark-Director of IDNR  
Pam Fisher-Proxy IEDC  
Carol Comer (nonvoting member)-IDEM

The meeting was held on the 11th day of  
MARCH, 2015, at 1:30 p.m., at the Indiana Government  
Center South, Conference Room A, Indianapolis,  
Indiana, and reported by me, Marjorie A. Addington,  
Notary Public in and for the County of Hamilton,  
State of Indiana, CM, CSR: KS.

ACCURATE REPORTING OF INDIANA  
William F. Daniels Prop. RPR/CP CM  
12922 Brighton Avenue  
Carmel, Indiana 46032  
(317) 848-0088

1 MADAM CHAIR GARD: It's 1:30, so I think  
2 we'll go ahead and call the Environmental Rules Board  
3 to order, it's March the 11th, 2015. It looks like  
4 we have a quorum present. I'm going to go around, as  
5 usual, and ask the Board members to give their name  
6 and who they represent.

7 MS. COMER: Start with me?

8 MADAM CHAIR GARD: Yes.

9 MS. COMER: My name's Carol Comer, I'm Chief  
10 of Staff and I'm here representing IDEM on behalf of  
11 our Commissioner, Tom Easterly.

12 MADAM CHAIR GARD: And Carol has just  
13 recently been named Chief of Staff. She was head of  
14 the legal department before that, so welcome.

15 MS. COMER: Thank you.

16 DR. NIEMIEC: Ted Niemiec representing health  
17 care providers.

18 MR. BAUSMAN: David Bausman, serve as proxy  
19 for Lieutenant Governor.

20 MR. CLARK: Cam Clark here as the Director  
21 for the Department of Natural Resources.

22 MR. CARMICHAEL: Kelly Carmichael  
23 representing public utilities.

24 MS. FISHER: Pam Fisher, proxy for Secretary,  
25 of Commerce, Victor Smith.

1 MS. BOYDSTON: Gail Boydston representing  
2 industry.

3 MADAM CHAIR GARD: Beverly Gard, general  
4 public.

5 MR. ETZLER: Bill Etzler, small business.

6 MR. ANDERSON: Tom Anderson, environmental.

7 MR. POWDRILL: Gary Powdrill, general public.

8 MR. RULON: Ken Rulon, agriculture.

9 DR. ALEXANDROVICH: Joanne Alexandrovich,  
10 local government.

11 MR. DAVIDSON: Calvin Davidson, solid waste.

12 MR. HORN: Chris Horn, labor.

13 MADAM CHAIR GARD: Thank you all very much.

14 First order of business today is the approval of the  
15 summary of the January 14th, 2015 Board meeting. Are  
16 there any additions or corrections to the summary as  
17 it was presented to you?

18 (No response.)

19 MADAM CHAIR GARD: If not, is there a motion  
20 to approve the minutes as distributed?

21 MR. RULON: So moved.

22 MADAM CHAIR GARD: Is there a second?

23 MR. ANDERSON: Second.

24 MADAM CHAIR GARD: All in favor say "aye."

25 (All respond "aye".)

1 MADAM CHAIR GARD: Opposed "nay".

2 (No response.)

3 MADAM CHAIR GARD: The minutes are approved.  
4 IDEM reports. First order of business, Carol, you're  
5 up.

6 MS. COMER: Thank you. I just wanted to  
7 update the Board on some of the legislation that is  
8 occurring at the present. Senate Bill 312 is now, of  
9 course, in the House and it's the aboveground storage  
10 tank bill. As you're probably aware, it's no longer  
11 our bill, but what's happening now is it exempts  
12 tanks that are already reported to another agency.  
13 IDEM is tasked with compiling information from other  
14 entities and streamlining that information, and also  
15 it defines a critical zone of concern for water  
16 planning purposes.

17 For the Board's perspective, under the bill  
18 as it currently stands, the Board will have to expand  
19 on what tanks should be included in the bill, what  
20 areas should be included in the critical zone, and  
21 also create categories of hazards related to those  
22 tanks.

23 So 311 is our oversight cost bill and that's  
24 moving forward, and also 350 is the omnibus bill and  
25 there are several things related to IDEM in that

1 rule is finally adopted 14 to zero.

2 This is a public hearing before the  
3 Environmental Rules Board of the State of Indiana  
4 concerning the preliminary adoption of amendments to  
5 rules at 326 IAC 7, sulfur dioxide emission limits.  
6 I will now introduce Exhibit D, the draft rules, into  
7 the record of the hearing. Susan.

8 MS. BEM: Okay, this rulemaking adds new  
9 requirements for sources located in affected counties  
10 to address the new one-hour sulfur dioxide standard.  
11 US EPA issued a revised primary National Ambient Air  
12 Quality Standard for sulphur dioxide on June 22nd,  
13 2010. The sulphur dioxide standard had not been  
14 revised since the first standard set in 1971.

15 US EPA strengthened the standard for sulphur  
16 dioxide by establishing a new one-hour standard at  
17 the level of 75 parts per billion to reduce human  
18 exposure to high, short-term concentrations of  
19 sulphur dioxide. The form of the standard is a  
20 three-year average of the 99th percentile of the  
21 annual distribution of daily maximum one-hour average  
22 concentrations. Final designations for the  
23 nonattainment areas based on monitoring data through  
24 2012 were published in the Federal Register on August  
25 5th, 2013. The current ambient air quality

1 monitoring network addresses a limited portion of the  
2 state. US EPA will determine designations for  
3 additional areas of the state based on additional  
4 monitoring and/or modeling in a separate action at a  
5 later date this year.

6 The State Implementation Plan for areas  
7 designated nonattainment in 2013 is due to US EPA on  
8 April 6, 2015, next month. So once this rule is  
9 final and effective IDEM will submit this rule and  
10 the attainment planning documents to US EPA for SIP  
11 approval later this summer.

12 The townships that were designated as  
13 nonattainment are Wayne, Center and Perry in Marion(  
14 County, Clay and Washington in Morgan County, Veale  
15 in Daviess County, Washington in Pike County and  
16 Fayette and Harrison Townships in Vigo County.

17 This rulemaking is a key portion of the SIP  
18 submittal because it puts in place permanent and  
19 enforceable emissions reductions demonstrating how  
20 each area will come into attainment with the  
21 standard.

22 Federal law does not detail the exact  
23 emission controls needed to address nonattainment  
24 areas. Air quality modeling is used to determine  
25 what emission limits are needed for an area to

1 demonstrate compliance with the new one-hour sulphur  
2 dioxide standard. Modeling was done for individual  
3 sources in the nonattainment area and for the area as  
4 a whole. IDEM used AERMOD, the US EPA accepted model  
5 for attainment planning.

6           Vigo, Marion and Morgan County already have  
7 SIP based emission limits in the state rules at  
8 Article 7 to address the old standard. These limits  
9 will remain in place until the compliance date for  
10 the new limits. The compliance date for the new  
11 one-hour standard is January 1st, 2017. Under the  
12 Clean Air Act areas are required to attain the  
13 standard within five years of the effective date,  
14 which would be October 2018. At a minimum, one  
15 calendar year of monitoring data with values under  
16 the standard is needed to show attainment, therefore  
17 January 1st, 2017 is the compliance date.

18           IDEM has been working closely with the  
19 sources affected by this rulemaking to develop  
20 emission limits that model attainment and reflect the  
21 compliance strategy that the sources will be using to  
22 comply. Some of the larger sources, like the power  
23 plants, are affected by other regulations that are  
24 driving their control strategy, and in Marion and  
25 Vigo Counties many of the small sources are able to

1 model attainment using low sulfur diesel fuel that  
2 they are already using or will soon be using. For a  
3 few sources that are operating CEMS an important  
4 issue is calculating compliance using a 30-day  
5 rolling average. Indianapolis Power & Light  
6 requested a 30-day rolling average period for the  
7 limits at the Petersburg plant in Pike County. All  
8 four units could either comply with the limits on a  
9 one-hour average basis or can comply with a lower  
10 30-day rolling average limit.

11 sg Solutions in Vigo County also requested a  
12 30-day rolling average limit for one of the units  
13 located at the coal gasification combined cycle  
14 plant. The 30-day rolling average limits were  
15 developed using current CEMS operating data.

16 For demonstrated compliance with the new  
17 one-hour limits for these sources that are using the  
18 30-day rolling average limits only quality assured  
19 CEMS data will be used to calculate compliance. IDEM  
20 is not proposing to calculate compliance using Part  
21 75 data substitution procedures that are more  
22 important in trading program based rules.

23 There are a few issues that IDEM is still  
24 working on and will be addressing between now and  
25 final adoption, one of which I would like to mention



1 is Rolls-Royce located in Marion County. IDEM has  
2 been working closely with Rolls-Royce to develop a  
3 compliance strategy that models attainment with the  
4 standard. The engine test cells and gas turbine  
5 engines were first modeled using jet fuel with a  
6 sulphur content of .1 pounds per million BTU, and for  
7 one of the bigger test cells near the property line  
8 this resulted in modeling with an air quality value  
9 above the standard. Very recently Rolls-Royce has  
10 proposed lowering the jet fuel sulphur limit for the  
11 test cells at Plant 5 and the gas turbine engines  
12 identified as D3, which is Clause J of the rule, and  
13 D4, Clause L.

14 The gas turbine engines identified as D2 we  
15 already have those at a lower .05 pounds per million  
16 BTU limit in the rule and then only very recently  
17 have we looked at lowering that limit for the gas  
18 turbine engines and the other test cells and that's  
19 something that we will be looking at changing between  
20 prelim and final adoption. With this change the  
21 source can operate the test cells without any  
22 restriction in operating hours and still model  
23 attainment. The sulfur content that is being  
24 considered, as I think I've already mentioned, for  
25 these test cells at Plant 5 and the other gas turbine

1 engines is .05 pounds per million BTU, and as all  
2 Plant 5 test cells will be restricted to .05, the  
3 rule language will change slightly between prelim and  
4 final adoption because in the current rule for  
5 preliminary adoption we have it as .1 for all the  
6 test cells except for an N6 test cell at Plant 5 and  
7 at final adoption we're looking at just changing it  
8 for all the test cells to .05, and this would only be  
9 for Plant 5. At Plant 8 we would still be looking at  
10 keeping the jet fuel sulphur content limit at .1  
11 pounds per million BTU, but with all of these changes  
12 IDEM's been working on modeling that will show  
13 attainment of the standard and as we work towards  
14 final adoption that's the modeling we'll be sharing  
15 with EPA to make sure all the changes that we're  
16 looking at are still SIP approvable.

17           The other key issue that we're sort of just  
18 refining some details in the rule language between  
19 now and final adoption are for Hydraulic Press Brick.  
20 Hydraulic Press Brick makes a light-weight aggregate  
21 product using shale mined on site and then is fired  
22 in kilns using coal. There are three kilns on site.  
23 The draft rule proposes that Kiln 3 will not operate  
24 after the compliance date and then puts in place a  
25 new sulphur dioxide limit for the other two kilns.

1 The draft language proposes that there will be a  
2 sulfur content analysis done monthly on both the  
3 shale and the coal to get a better idea of the sulfur  
4 content of the materials going into the process and  
5 then to reduce sulfur levels so that the source can  
6 comply with the emission limits being proposed in the  
7 rule there is going to be an installation and  
8 operation of a limestone injection system.

9 That's all the draft rule before you today  
10 and there are currently some -- there's language in  
11 there about the monthly sulfur testing and keeping  
12 track of how much limestone is being fed into the  
13 process each day, but we're still working on refining  
14 if there's any additional calculations that need to  
15 be clearly specified in the rule so that EPA and the  
16 source and IDEM are all clear on exactly how  
17 compliance is going to be demonstrated.

18 And I think maybe the only other item that I  
19 didn't mention already is, as you see in the rule, we  
20 already have current emission limits in the rule for  
21 Vigo, Marion and Morgan County and many of those rule  
22 sections we've had numerous emission units and  
23 sources close, these rules haven't been open in a  
24 long time, you know, there's been many emission unit  
25 closures over the years and so there's a lot of

1 strike-outs in that existing rule language that we're  
2 proposing to strike and clean up because these rules  
3 will still be in place in the interim until the  
4 compliance date of January 1st, 2017, and then once  
5 January 1st, 2017 comes into play there's that last  
6 section of the rule that proposes to repeal those  
7 sections because we'll no longer need the existing  
8 sections and we'll just have the new one-hour SO2  
9 emission limits in the rule language.

10 We are looking at having a third comment  
11 period for this rulemaking. Third comment periods  
12 are 21 days because there was numerous changes  
13 between what was out on second notice and what we're  
14 presenting for preliminary adoption today. The 21-  
15 day comment period should start approximately the  
16 middle of April. After we get the transcript back  
17 today and we review any comments received at the  
18 hearing today, we'll put this rulemaking out as a  
19 proposed rule and then notice the 21-day public  
20 comment period, so approximately mid April to the  
21 first week in May or so for that comment period, and  
22 then any changes that we need to address before final  
23 adoption we'll look at those and prepare the ruling  
24 for final adoption. I don't know the exact date for  
25 final adoption. As Chris mentioned earlier, we're

1 looking at whenever the next Board meeting is, either  
2 June or July. And I think that's everything I wanted  
3 to cover. And the Department recommends that the  
4 Board adopt the rule, draft rule, as presented. Any  
5 questions?

6 MADAM CHAIR GARD: Are there any questions  
7 for Susan?

8 MS. BOYDSTON: Susan, I had a couple  
9 questions.

10 MS. BEM: Okay.

11 MS. BOYDSTON: In the actual draft rule  
12 language on Page 2 of Section (d) where you talk  
13 about fuel sampling and analysis, could you consider  
14 as you put together the final draft if an  
15 organization follows the boiler GACT and MACT, if  
16 they might be able to follow the coal and oil  
17 sampling methods in those standards also?

18 MS. BEM: Okay, just to clarify, you're  
19 looking at then the reporting requirements and  
20 methods determining compliance in 7-2-1 and then the  
21 fuel sampling analysis part in (d)?

22 MS. BOYDSTON: Yes. And then on the next  
23 page where you talk about Part 75 and you don't  
24 specify which parts, would you specify or consider  
25 specifying which you're intending apply?

1 MS. BEM: Uh-huh, yeah, we could look at that  
2 because I think there's only specific -- or a narrow  
3 portion of Part 75 that deals with --

4 MS. BOYDSTON: I think that's the reason for  
5 the question. And then the January 1st date's  
6 rolling around quickly and so while people have known  
7 this was coming, I imagine they have been hesitant to  
8 spend capital until they know exactly what the final  
9 rule would look like.

10 Have you considered any extension process  
11 for entities that will have to comply possibly if  
12 they have designed and ordered equipment but don't  
13 have the capability to begin compliance on the 1st of  
14 January, that might be a process that you put in  
15 place or consider?

16 MS. BEM: Yeah, and as you see in the draft  
17 rule language we haven't, you know, built anything  
18 into the rule currently.

19 MS. BOYDSTON: Right.

20 MS. BEM: You know, many of the sources are  
21 already -- can already comply with emission limits,  
22 you know, it would only be sort of maybe one or two  
23 sources where that would be a potential problem, the  
24 compliance date, and, you know, we do have our  
25 generic variance procedures that sort of apply to all

1 rules where if there was a situation, you know,  
2 someone could potentially use that route.

3 MS. BOYDSTON: So it sounds like you've  
4 considered that, but I wanted to make sure you  
5 thought about that.

6 MS. BEM: Yeah, I mean we have gotten -- As  
7 you can see the response to comments, we have -- we  
8 did receive some concern, you know, from a limited  
9 number of sources on the compliance date.

10 MS. BOYDSTON: I anticipated that. I think  
11 those are the most significant questions I have.  
12 Thank you.

13 MADAM CHAIR GARD: Any other questions or  
14 comments for Susan?

15 (No response.)

16 MADAM CHAIR GARD: Thank you.

17 MS. BEM: Thank you.

18 MADAM CHAIR GARD: I have a fair number of  
19 people that have signed up to speak on the issue.  
20 Dan Weiss.

21 MR. WEISS: Sorry for the confusion on the  
22 prior rulemaking.

23 MADAM CHAIR GARD: That was my fault.

24 MR. WEISS: Good afternoon, Madam Chair and  
25 fellow Board members. My name is Dan Weiss, I work

1 at Duke Energy Indiana. I'm the Director of State  
2 Environmental and Energy Affairs. Duke Energy  
3 Indiana generates and transmits electricity to over  
4 700,000 customers in 69 counties and has a coal-fired  
5 power plant that is impacted by this rule. My  
6 comments today will be very short and directed at the  
7 January 1st, 2017 compliance date in the rule.

8 Section 192(a) of the Clean Air Act requires  
9 that the State Implementation Plan provide for  
10 attainment as expeditiously as possible but no later  
11 than five years from the effective date of the  
12 nonattainment designation. Since the effective date  
13 of nonattainment is October 4th, 2013, if necessary,  
14 that compliance date could be as late as October 4th,  
15 2018.

16 Duke Energy Indiana understands the need to  
17 bring areas into attainment as expeditiously as  
18 possible. However, in the case of our Wabash River  
19 power plant, the company is actively pursuing various  
20 alternatives to bring the site into SO2 attainment  
21 while also balancing the need for reliable, safe and  
22 low cost energy. However, the company, as it  
23 transitions to compliance, unexpected delays can  
24 occur which could be beyond the control of the  
25 source. Therefore, Duke Energy Indiana urges IDEM



1 and the Board to keep the statutory compliance  
2 deadline of October 4th, 2018 and work with sources  
3 individually to comply as expeditiously as possible  
4 but no later than October 4th, 2018. Thank you for  
5 this opportunity to comment on the rule.

6 MADAM CHAIR GARD: Are there any questions  
7 for Mr. Weiss?

8 (No response.)

9 MADAM CHAIR GARD: Thank you.

10 MR. RULON: You seem to think you won't be  
11 able to be in compliance by 2017, is that why you're  
12 making this comment or --

13 MR. WEISS: There are some potential  
14 scenarios, although they are very remote, yes, that  
15 could create a problem with the 2017 deadline, and as  
16 I said in my comments, we won't have control over  
17 those and they could involve litigation that we're  
18 involved in with the power plant and other things, so  
19 yes, we don't know how those things will play out,  
20 but they are remote possibilities and we will do  
21 everything we can to comply by 2017, but we may be in  
22 a situation where the issue comes up.

23 DR. NIEMIEC: I have one quick minor  
24 question. At the present time what do you anticipate  
25 for that particular plant is the one-hour that you're

1 meeting as far as parts per billion, what is your  
2 attainment at this time in parts per billion with the  
3 new one coming to be 75 for the one-hour standard?

4 MR. WEISS: Our present SO2 limit I believe  
5 it's specified in the Vigo County existing permit at  
6 that facility and I'm sorry, I don't remember the  
7 exact number, but I think it's specified in the rule  
8 right now.

9 DR. NIEMIEC: Okay, thanks. I'll just take a  
10 look at that section.

11 MADAM CHAIR GARD: Any other questions for  
12 Mr. Weiss?

13 (No response.)

14 MADAM CHAIR GARD: Thank you. Justin  
15 Barrett.

16 MR. BARRETT: Hello. May it please the  
17 Board. My name is Justin Barrett and I'm here today  
18 on behalf of Indianapolis Power & Light Company and  
19 I'll refer to it as "IPL" throughout my talk today.

20 IPL appreciates the opportunity to provide  
21 comments today to the Board on issues related to the  
22 preliminary adoption of limits designed to meet the  
23 new one-hour SO2 standard. First let me commend IDEM  
24 staff for hard work and progress they've made in  
25 crafting a very complex rule in an environment of

1 developing and changing guidance from the EPA, as I  
2 brought with me here today is the hundred to 200  
3 pages of guidance for this particular rule. These  
4 proposed SO2 SIP rules impact all three of IPL's  
5 generating stations, including the Harding Street  
6 generating station right here in Indianapolis in  
7 Marion County, the Eagle Valley generating station in  
8 Martinsville, Morgan County, Indiana, as well as the  
9 Petersburg generating station located in Petersburg,  
10 which is Pike County, Indiana.

11 IPL's compliance plan for these facilities  
12 includes the following: Ceasing the use of coal at  
13 the Harding Street plant and converting Units 5, 6  
14 and 7 to natural gas and retiring two of our oil-  
15 fired units. For Eagle Valley our compliance plan  
16 includes retiring all of the oil and coal-fired units  
17 and replacing them with two combined cycle gas  
18 turbines in our new Eagle Valley power plant, and  
19 finally for our Petersburg plant, this rule in order  
20 to comply would include potential improvements to our  
21 FGD, which is flue gas desulfurization units, also  
22 known as scrubbers, at the plant.

23 The comments we wish to offer relate to two  
24 issues where we believe the guidance provided by the  
25 US EPA is either inconsistent with the requirements

1 of the Clean Air Act or appears to be somewhat  
2 arbitrary in interpreting the SO2 implementation  
3 guidance that the EPA published in April of 2014.

4 Our first issue relates to the required  
5 compliance deadline of January 1st, 2017. As Ms.  
6 Susan Bem just stated, the deadline for meeting the  
7 one-hour standard under the Clean Air Act is October  
8 4th, 2018. IDEM has responded to this issue and to  
9 several comments that we have made along with other  
10 companies such as you just heard Dan Weiss at Duke  
11 make and I believe it's part of the packet for today,  
12 but in IDEM's response they indicated that EPA's  
13 April 2014 guidance identified January 1st, 2017 as  
14 the date sources are to begin complying with the  
15 attainment strategy in this SIP and that unless US  
16 EPA indicates otherwise IDEM will continue to follow  
17 this interpretation.

18 IPL does not believe that there is any legal  
19 requirement to the source compliance date in advance  
20 of the statutory attainment date, so we believe  
21 there's no legal requirement that this date be set  
22 for January 1st, 2017 in advance of the October 4th,  
23 2018 date. Specifically taken from the EPA guidance  
24 cover page to their guidance document which IDEM  
25 refers to in their response to comments, I'm quoting

1 directly from the cover page for the guidance  
2 document, "The attached document contains nonbinding  
3 recommendations on a wide range of issues that are  
4 likely to arise at state development of nonattainment  
5 SIPs for the one-hour SO2 NAAQS." So from the actual  
6 SO2 guidance document it states that it's nonbinding  
7 and it's only a recommendation.

8 In fact, requiring sources to comply 21  
9 months in advance of the statutory attainment date is  
10 contrary to the actual plain language of the Clean  
11 Air Act. For example, under the Clean Air Act  
12 specifically it states that although the EPA is  
13 responsible for promulgating air quality standards,  
14 the primary responsibility for meeting these  
15 standards rests with the state, therefore it's up to  
16 the state as to how they comply with these standards,  
17 therefore I'm stating that IDEM does have the power  
18 to interpret this deadline as being the October 4th,  
19 2018 effective date.

20 Given the short timeframe that states have  
21 had to develop SIPs for the one-hour SO2 standard  
22 following the release of this guidance and the need  
23 for regulated utilities such as IPL and many other  
24 utilities, we require a certain amount of time to  
25 perform engineering and cost analyses and obtain

1       approvals through the Indiana Utility Regulatory  
2       Commission, therefore the January 1st, 2017 deadline  
3       may be problematic. We recognize that setting a  
4       final compliance date of October 4th, 2018 could  
5       result in needing data as showing compliance in 2019,  
6       2020, and 2021 for some areas to support an area  
7       being redesignated to attainment; however, the  
8       alternative of requiring a compliance date of January  
9       1st, 2017 may result in the inability to comply  
10      without ceasing operations for facilities that cannot  
11      complete the required modifications to be in  
12      compliance.

13               Therefore, IPL requests that the source  
14      compliance date be specified as October 4th, 2018.  
15      If the Board agrees with this recommendation, it  
16      would require changing the dates specified in the  
17      following: 326 IAC 7-1.1-3, 7-4-2, 7-4-2.1, 7-4-3,  
18      7-4-3.1, I'm almost done, 7-4-11, 7-4-11.1, 7-4-15,  
19      and in Section 11 from January 1st, 2017 to October  
20      4th, 2018.

21               And briefly I'll summarize our second main  
22      issue and that's how startup and shutdown timeframes  
23      are handled in the proposed rule. During startup and  
24      shutdown of the four units at the IPL Petersburg  
25      plant the scrubbers would not achieve full control

1       until the startup of the units and associated  
2       scrubber is complete. This takes some time, upwards  
3       of a few hours. As such, where the scrubber is  
4       relied on for compliance we cannot ensure compliance  
5       during startup or shutdown conditions. We have  
6       requested the rule allow for the exclusion of a small  
7       number of hours per year to accommodate this reality.  
8       Our comments were made that are part of the packet  
9       here today that IDEM has responded to.

10               We believe that excluding this number of  
11       hours is consistent with, again, the April 2014 EPA  
12       guidance which specifically address the exclusion of  
13       startup and shutdown periods since these periods of  
14       time are intermittent and of a limited amount of time  
15       during the year. Emissions during these brief  
16       periods would not contribute significantly to the  
17       annual distribution of emissions. EPA has, however,  
18       now advised IDEM that excluded hours for startup and  
19       shutdown emissions is not acceptable.

20               We propose limiting startup and shutdown and  
21       continuous emission monitoring, otherwise known as  
22       CEM, testing conditions to 500 hours per year.  
23       Specifically, we would request that 326 IAC 7-4-15  
24       include a limit of 500 hours per calendar year due to  
25       startup, shutdown and CEM testing conditions and

1       these should not be included in determining  
2       compliance with the emission limitations in either  
3       7-4-15(a) or (d).

4               In conclusion, if the Board agrees that our  
5       proposed changes are warranted, we would encourage  
6       you to make these changes now. We believe that the  
7       positions taken by EPA Region 5 staff in its advice  
8       to IDEM is contrary to the language of the Clean Air  
9       Act and/or inconsistent with its own April 2014  
10      guidance.

11              Our disagreement on these two matters is  
12      with the EPA and this is our opportunity to have the  
13      matters resolved. If the rules are adopted as  
14      written, we do not have any recourse once the rules  
15      are submitted to the EPA. Thus, this is our last  
16      chance to comment. Thank you for your time and  
17      consideration. Any questions?

18              MADAM CHAIR GARD: Are there any questions?

19              MR. CARMICHAEL: Mr. Barrett, thank you for  
20      your testimony. On your first issue in terms of the  
21      timing, the October 4th, 2018 seems to be a hardwired  
22      date, but in IDEM's rule information sheet they state  
23      that one full calendar year of clean monitoring data  
24      is needed to show attainment, that's how they arrived  
25      at the January 1st date. Is your reading of the



1 Clean Air Act that, in fact, one full calendar year  
2 of clean monitoring data is needed?

3 MR. BARRETT: That's only recommended  
4 guidance.

5 MR. CARMICHAEL: But it's not actually  
6 contained in the Clean Air Act statute?

7 MR. BARRETT: Correct, correct. And, in  
8 fact, as you pointed out, 12 months before the  
9 October 4th, 2018 would actually be October 4th,  
10 2017.

11 MR. CARMICHAEL: Right, and that would be on  
12 a 12-month period versus a calendar year period.

13 MR. BARRETT: Correct.

14 MR. CARMICHAEL: Okay.

15 MR. BARRETT: And that goes kind of in line  
16 with when I was saying this 21-month period seemed  
17 arbitrary, I mean why not 22 months, why not 23  
18 months, you know, that's kind of our issue is reading  
19 the letter of the actual rule, the compliance date is  
20 October 4th, 2018.

21 MR. CARMICHAEL: Right. I would like to hear  
22 IDEM's response as well because I know they've had  
23 some interaction on this with EPA.

24 MADAM CHAIR GARD: Who from IDEM would like  
25 to address this issue?

1 MS. BEM: I'm sorry, I was talking to Chris  
2 at the moment. I just want to make sure, you were  
3 talking about just the compliance date issue?

4 MR. CARMICHAEL: Right, in the information  
5 sheet it said one calendar year of clean data.

6 MS. BEM: All right. Yeah. Well, you know,  
7 as Justin said, we're sort of already clear on, you  
8 know, the Clean Air Act gives five years for those  
9 nonattainment counties to show attainment and that  
10 date is the October 4th, 2018 date, and then as sort  
11 of the guidance alluded to, you know, you show  
12 attainment by having three years of clean monitoring  
13 data or data that is used to show that there's a --  
14 you know, the design value for the area is below the  
15 standard.

16 Well, having three years of clean data  
17 there's just no time to do that, that's impossible,  
18 but as the guidance talks about, at a minimum EPA  
19 expected one year of clean data and then that's where  
20 the one year -- one cal -- calendar year in advance  
21 of the date to show attainment comes into play, you  
22 have one year, January 1st through the end of the  
23 year of 2017, and then when you're looking at showing  
24 attainment by October 4th, 2018, you're looking at  
25 dates from a calendar year basis and so that's where

1 that date comes from.

2 MR. CARMICHAEL: Yeah, which leads to two  
3 questions, has EPA said in fact it's a calendar year  
4 versus a 12-month period?

5 MS. BEM: I mean, well, the guidance and the  
6 guidance that they refer back to when we asked these  
7 questions refers to it as a calendar year, not just a  
8 year, you know, you just can't backtrack to October  
9 of 2017, it does specify a calendar year.

10 MR. CARMICHAEL: My second I guess is a  
11 comment and that is the guidance is not statute, it's  
12 simply guidance, and I would encourage IDEM to go  
13 back to the statute and have further discussions with  
14 EPA on this, especially since we've got some very  
15 serious expressed concerns about being able to comply  
16 by the State.

17 I think what we heard is that the sources  
18 are committed to bringing the areas into attainment  
19 but it could create real issues due to the short  
20 timeframe and I think that warrants further  
21 discussion with EPA including on what the statute in  
22 fact says.

23 MS. BEM: Uh-huh, yes, and I think the  
24 Department understands that and between preliminary  
25 and final adoption, you know, we can have additional

1 discussions with EPA again on the compliance date and  
2 then I think, you know, the more information we know  
3 on specific situations where there is a problem, you  
4 know, it sort of helps foster that discussion with  
5 EPA to, you know, have them do a further look at is  
6 there an alternative that still complies with the  
7 Clean Air Act.

8 MR. CARMICHAEL: Do you think preliminarily  
9 adopting according to the commenters would give more  
10 force of that discussion with EPA?

11 MS. BEM: I think, you know, they're going to  
12 be concerned about what they feel, you know, they're  
13 allowed to, you know, recommend to us on what they  
14 can SIP approve. Maybe Nancy has something to add to  
15 that, but I think whether or not it gets preliminary  
16 adopted, the date in there would in effect (audience  
17 cough) response to what they would SIP approve.

18 MR. CARMICHAEL: Right, and we're all working  
19 towards --

20 MS. BEM: Yeah.

21 MR. CARMICHAEL: -- approvability, I mean we  
22 have to get there, but it being put in front of EPA  
23 as a preliminary adoption seems to give more  
24 opportunity for comment on that SIP approvability by  
25 the sources for that process versus us preliminarily

1 adopting what we have in front of us, then final  
2 adoption, and then really the commenters don't have a  
3 lot of recourse to come back and challenge the EPA,  
4 if you will, on the approvability because there's a  
5 final rule in front of EPA, if that makes sense.

6 MS. BEM: Yeah, I mean, because we could  
7 still have those discussions with EPA, you know,  
8 between now and final adoption, and, you know, the  
9 third comment period, you know, is another  
10 opportunity for sources to go out on the record,  
11 which EPA's going to see the issues brought up at  
12 this hearing and any additional issues or the same  
13 issues that are brought up during the third comment  
14 period, you know, we can have those discussions in  
15 the interim.

16 MR. CARMICHAEL: Okay. If you can bring Mr.  
17 Barrett back up, if that's okay.

18 MADAM CHAIR GARD: Thank you, Susan.

19 MR. CARMICHAEL: Thank you, Susan.

20 MS. BEM: Thank you.

21 MR. CARMICHAEL: Another question on your  
22 view of both the guidance and the Clean Air Act, you  
23 had mentioned for startup and shutdown 500 hours for  
24 both startup, shutdown and CEM maintenance, right?

25 MR. BARRETT: Yes.

1           MR. CARMICHAEL: In your view in reading of  
2 the Clean Air Act and/or guidance is the 500 hours  
3 SIP approvable?

4           MR. BARRETT: Yes, I believe so. I can't  
5 remember exactly where this guidance comes from from  
6 the EPA, but 500 hours is determined to be a small  
7 amount of time.

8           MR. CARMICHAEL: Okay. I would like to see  
9 some further information on that because, again, we  
10 have to get to approvability on this rule, but some  
11 further justification that, in fact, the startup,  
12 shutdown, the 500 hours would be approvable would be  
13 helpful. Thank you.

14          MR. BARRETT: No problem.

15          MADAM CHAIR GARD: Any other questions before  
16 we move to the next presenter? Yes.

17          MR. DAVIDSON: Just had a question for Susan,  
18 sorry to make you run around the room. You mentioned  
19 that the three-year is simply not reasonable. How  
20 did we determine that the one-year is, and is that  
21 something that the guidance has indicated must be  
22 done within that five-year period or can part of that  
23 be done outside the five-year period?

24          MS. BEM: Yeah, well, in the first part of  
25 your comment with how did -- how did -- you know,

1       since we don't have time for three years, why one  
2       year, and that's just from the -- you know, it's from  
3       the guidance, but EPA's -- the guidance they talk  
4       about at a minimum one year would be expected because  
5       if you didn't have one year you wouldn't have any  
6       data to start showing that you have attainment of the  
7       standard, and so, you know, that's why they say at a  
8       minimum one year because then you at least have one  
9       dataset to show that the county is in attainment by  
10      the deadline, which is October 4th, 2018, because  
11      that part, I think we're probably all clear on the  
12      October 4th, 2018 because that's five years after the  
13      effective date for when these counties were -- their  
14      nonattainment status was effective October of 2013  
15      and then in the Clean Air Act part, you know, five  
16      years we don't -- you know, that part we know and  
17      then it's sort of this discussion about, well, you  
18      know, what do you -- what do you need to show that  
19      there's attainment by that deadline and then that's  
20      where at a minimum the one year comes into play.

21               MR. DAVIDSON: I understand how it can be  
22      interpreted that way. I guess what -- you know, it  
23      couldn't have been January of '18 and you'd have 10  
24      months, and I'm not saying that that's -- I  
25      understand that's not a full year, I'm not that

1 naive, but as to fuel the discussion back with EPA  
2 what is reasonable. I understand they would like to  
3 see a minimum of one year but that may be a question  
4 or clarification if the deadline had not been October  
5 there might be a different discussion.

6 MS. BEM: Uh-huh, yeah. You know, in terms  
7 of, you know, I was just going to say, you know,  
8 there's other states that are going through this same  
9 process at the same time. You know, it's a long  
10 rulemaking process for every state and there's not a  
11 lot of official documents out there in many of the  
12 states on what they are doing, but there are -- there  
13 are a few states and those states are using the sam(  
14 date of January 1st, 2017 as their compliance date.  
15 They do not have the same issues as Indiana as, you  
16 know, showing -- you know, getting scrubbers up or,  
17 you know, redone and working in time, but that date  
18 is a date that other states are using also, we're not  
19 the only state.

20 MR. DAVIDSON: Thanks.

21 MADAM CHAIR GARD: Susan, do you know if  
22 there's discussion in other states about that January  
23 date?

24 MS. BEM: No. We've had discussions with  
25 Region 5 EPA because they're aware of the comments



1       that we've received already that it's been an issue  
2       here, but I'm not aware of any other discussions  
3       where it's been a problem or a discrepancy or, you  
4       know, point of discussion in other states.

5               MADAM CHAIR GARD: Any other questions for  
6       Susan?

7               MS. BEM: And I guess, you know, since I'm up  
8       here I just want -- I thought maybe I'd take the  
9       opportunity on the other issue, the startup and  
10      shutdown, since there will be a lot of discussions  
11      that take place in the next few months, just one of  
12      the other points about the 500 hours that EPA talks  
13      about is that that comes from their intermittent use  
14      policy. These are emissions that they consider that  
15      are random and cannot be planned throughout the year,  
16      and so if a source was going to be looking at  
17      considering something intermittent, that's where that  
18      500 hours comes from.

19              You know, any type of, you know, startup or  
20      shutdown that's on a regular frequency EPA's not  
21      going to consider that as intermittent in allowing an  
22      exemption, so that that 500 hours is used in very  
23      limited circumstances, but, you know, it's something  
24      we can, you know, can discuss before final adoption  
25      with EPA and the affected sources.

1 MR. CARMICHAEL: Yeah, and one comment on  
2 that, I mean this is a one-hour standard, correct?

3 MS. BEM: Correct.

4 MR. CARMICHAEL: So in a one-hour period  
5 what's the difference between intermittent and  
6 nonintermittent?

7 MS. BEM: Well, yeah, and, you know, with the  
8 intermittent, you know, they're looking at very  
9 infrequent and, you know, for a limited amount of  
10 time throughout the year, and then in the -- in the  
11 other -- you know, we also have the 30-day rolling  
12 average that instead of -- you know, since for some  
13 of these sources where this is an issue, even though  
14 it's a one-hour standard, you know, you could have,  
15 you know, trouble complying on a one-hour basis, the  
16 30-day rolling average helps compensate or, you know,  
17 provides a little bit more flexibility in having a  
18 few one-hour readings on the CEMS that you can't --  
19 that are, you know, over the limit but then on a  
20 30-day rolling average basis you can comply and  
21 that's sort of what's part of EPA's response to, you  
22 know, how to deal with startup/shutdown.

23 MR. CARMICHAEL: All right. One request I'd  
24 have is that if the Board does preliminarily adopt  
25 that these issues get fully resolved with EPA before

1 IDEM brings this back to us for final adoption, I  
2 want to make sure that the sources have the  
3 opportunity to state their case, along with IDEM or  
4 not, but have the opportunity to make their case in  
5 front of EPA.

6 MS. BEM: Okay.

7 MADAM CHAIR GARD: Thank you. Vicki Wright.

8 MS. WRIGHT: Good afternoon, Board, thank you  
9 for letting me speak. I'm Vicki Wright, I'm counsel  
10 for Hydraulic Press Brick, one of the sources that  
11 Susan pointed out earlier. I first want to thank  
12 IDEM. This has been a very difficult process to get  
13 to even this point for this particular source, it's  
14 got some unique issues, it's a smaller business in  
15 Morgan County, and so I appreciate what IDEM has done  
16 to date as well as the interfacing with EPA.

17 As Susan mentioned, Hydraulic Press Brick is  
18 still trying to work out the recordkeeping, testing  
19 information requirements for it as a source. EPA I  
20 do not believe has approved that and it's imperative  
21 for this particular source to have EPA's buy-in in  
22 terms of what that looks like.

23 Other than that particular point, however,  
24 unlike the other speakers, who I appreciate their  
25 position on timing, this particular source is anxious

1 to get this resolved and otherwise supports the  
2 proposed rule as it only applies to it and so I  
3 wanted to make sure that that was clear to everyone  
4 here. Those are my comments.

5 MADAM CHAIR GARD: Any questions for Ms.  
6 Wright?

7 (No response.)

8 MADAM CHAIR GARD: Thank you. Jodi Perras.

9 MS. PERRAS: Thank you, members of the Board.  
10 I'm Jodi Perras representing the Sierra Club, state  
11 and national environmental advocacy organization with  
12 7500 members in Indiana.

13 Before I get into my prepared remarks I  
14 wanted to raise a couple of issues that I don't think  
15 Mr. Weiss and Mr. Barrett shared with you. One is  
16 that Duke Energy signed a settlement agreement with  
17 Sierra Club and other parties in 2013 that requires  
18 them to retire Units 2 through 5 at their Wabash  
19 River plant by the deadline for the mercury rule  
20 which would be, as I understand it, April 2016 and at  
21 Unit 6 to stop burning coal there by June of 2018.

22 They are also selling Unit 1 there to Wabash  
23 Valley Power, so I'm not sure -- They certainly would  
24 have enough time I would think to address that  
25 remaining unit that's burning coal there if they

1       decide to -- or actually the unit that might burn  
2       coal into 2018, I think they would have time to do  
3       something with that unit to convert to a natural gas  
4       or decide what they're going to do there.

5               And in terms of IPL's quandary, I would just  
6       point out that it's highly likely that the three  
7       counties that are in nonattainment that are affected  
8       by IPL facilities would not be in that state had IPL  
9       run their facilities, their scrubbers, efficiently  
10      and as they were designed to do. The big reason why  
11      Marion County, Morgan County, and Pike County are in  
12      nonattainment is because those plants have not  
13      effectively controlled SO2 with the facilities that  
14      they have.

15             Sierra Club definitely appreciates the hard  
16      work that IDEM has put into this proposed rule and in  
17      particular I'd like to thank Susan Bem for her hard  
18      work. Indiana appears to be on track to propose this  
19      rule by the April deadline that EPA has proposed and  
20      that's definitely a good thing, but we would suggest  
21      that the rule in some places isn't strong enough and  
22      there's some work that yet needs to be done.

23             There's no doubt that this proposed rule  
24      when fully implemented by 2017 will improve air  
25      quality in some parts of Indiana, it will improve the

1 health of people and I think we shouldn't lose track  
2 of the fact of the health impacts of SO2, especially  
3 on children and the elderly who live near the sources  
4 that IDEM is requiring these SO2 emission reductions.

5 The proposed rule, though, unless it's  
6 revised, is missing a big opportunity, in particular  
7 we believe that IDEM should mandate emission  
8 reductions in Gibson County for Duke's Gibson  
9 generating facility which is a huge source of SO2 and  
10 other harmful air pollutants.

11 IDEM's own modeling shows that this plant  
12 impacts the 2010 SO2 NAAQS standards in Gibson  
13 County. Our modeling confirms that fact and further  
14 shows that the plant on its own violates the SO2  
15 standard over a broad swath of southwest Indiana.

16 I'm going to pass around a diagram from  
17 modeling that we did, that Sierra Club hired an  
18 engineer to do, and I'll talk about this a little bit  
19 more in a minute. Let's not forget that people right  
20 now living near the Gibson County plant are exposed  
21 to SO2 levels that EPA has determined are dangerous.  
22 Exposure to SO2 causes serious health problems and  
23 exposure in even very short time limits, as short as  
24 five minutes, can have significant impacts, cause  
25 impacts to lung function, aggravation of asthma,

1 respiratory and cardiovascular morbidity. In terms  
2 of the Duke Gibson plant and the diagram that I just  
3 sent around, there are two fundamental problems with  
4 IDEM's approach to the facility. First, the Gibson  
5 Coal Road monitor that's shown there as a red square  
6 in the middle of kind of a donut hole, that is placed  
7 in an inappropriate place to measure the SO2 levels  
8 coming out of the Gibson facility which you see there  
9 in another kind of hole down below.

10 Initially IDEM designated Gibson County as  
11 unclassifiable and then correctly designated part of  
12 the county as nonattainment, so initially IDEM  
13 classified part of the county as nonattainment but  
14 later changed it to unclassifiable based on this  
15 monitor.

16 The monitor does not appear to be source  
17 oriented to best capture SO2 impacts, which is  
18 required. The modeling of actual hourly emissions  
19 shows the Gibson Coal Road monitor is not located  
20 where Duke Gibson has its highest impacts, and you  
21 see the colors in red and orange. Anywhere that  
22 there's that orange or red color on this model output  
23 indicates levels of SO2 that exceed the standard. So  
24 what we have, what we would posit is that this  
25 monitor is placed in a location where you wouldn't

1 find, a model wouldn't find, our model wouldn't find  
2 that there are exceedances and had it been placed  
3 elsewhere it might have clearly showed exceedances.  
4 Our modeling shows serious violations of the National  
5 Ambient Air Quality Standards over a broad area in  
6 Gibson County when you use either allowable or actual  
7 emissions in the model.

8 Because the monitor does not appear to  
9 properly capture the emissions, then we think that  
10 IDEM should reconsider its decision to rely on this  
11 monitor to classify the entire county and that's  
12 particularly important because here the monitor  
13 itself shows that air quality is on the cusp of  
14 nonattainment, so the numbers that IDEM shows is that  
15 the data for the last three months of 2014 that the  
16 Gibson Coal Road monitor may actually show a  
17 violation of the standard for the most recent design  
18 value. So there's really no safety margin in Gibson  
19 County and I suspect that you're going to have to  
20 come back and revisit this later. It would be better  
21 to include some controls on the Gibson County plant  
22 in this rule.

23 Second, if you put aside the Gibson County  
24 issue and whether that should be attainment or  
25 nonattainment, we believe that this Gibson County



1 plant affects the downwind Pike and Daviess County  
2 nonattainment. Our modeling shows emissions from the  
3 Gibson plant itself would significantly contribute to  
4 the NAAQS nonattainment in Daviess and Pike  
5 Counties.

6 In response to comments that IDEM gave to  
7 our comments they say that the Gibson County SO2  
8 emissions and monitored SO2 levels have trended  
9 downward over the last 10 years, but there's no doubt  
10 that there has been no downward trend over the last  
11 five years and, in fact, since 2009 the SO2 design  
12 value and monitored value levels have actually  
13 trended upward in Gibson County and we believe that  
14 the refusal to regulate Gibson is, therefore,  
15 premised on a downward trend in SO2 emissions that  
16 halted approximately five years ago and since then  
17 there is no downward trend at all.

18 Absent regulation SO2 levels should be  
19 expected to remain where they have been at levels  
20 that violate the National Ambient Air Quality  
21 Standards in Gibson County and that also  
22 significantly contribute downwind to Pike and Daviess  
23 Counties. With regard to Petersburg and the IPL  
24 plant, we support IDEM's decision to require IPL to  
25 give notice regarding whether it will comply with the

1 hourly or 30-day limits in the SO2 rule. Rules that  
2 allow a source to switch between compliance  
3 alternatives without notice to IDEM or the public  
4 make it difficult for the regulators and the public  
5 to track that compliance, so we're glad that that is  
6 in there and it is important for enforceability  
7 purposes to ensure that it's always clear which  
8 limits apply to a plant at any one time.

9 We believe that IDEM should revise downward  
10 its emission limits for Petersburg. Sierra Club's  
11 modeling shows that IDEM's proposed emission limits  
12 for the Petersburg facility are not adequate to  
13 assure compliance with the NAAQS throughout southwest  
14 Indiana. We modeled the proposed Petersburg emission  
15 limits with the lowest measured background  
16 concentration anywhere in the state and our analysis  
17 showed total maximum impact based on the proposed  
18 one-hour limitations that exceed the standard.

19 IDEM's proposed one-hour limitation for the  
20 Petersburg facility should be made more stringent  
21 with a 30-day limitation tightened as well. So we  
22 would oppose any effort to extend the deadline for  
23 these facilities because we think that they can  
24 comply with the rule as written.

25 MADAM CHAIR GARD: Are there any questions

1 for Jodi?

2 (No response.)

3 MADAM CHAIR GARD: Thank you. That is all of  
4 the people that signed up to speak, I think. Is  
5 there anyone in the audience that didn't sign up that  
6 wants to speak?

7 (No response.)

8 MADAM CHAIR GARD: Okay, thank you very much.  
9 Seeing no one else, this hearing is concluded. The  
10 Board will now consider preliminary adoption to  
11 amendments to sulfur dioxide rules at 326 IAC 7 to  
12 address the federal one-hour SO2 standards. Board  
13 discussion.

14 DR. ALEXANDROVICH: I've got some issues.  
15 Let me start with the compliance date. I might  
16 recommend this board recommend that we change it to  
17 December 4th, 2017. That will give us time for a  
18 full year of clean data. The clean data policy that  
19 EPA has as I understand it is not in any rule, it's  
20 not in any law, it's policy, it's precedented, and as  
21 far as I know it hasn't been contested, so, you know,  
22 you won't have a full year January through December,  
23 instead you could have October to October. So I  
24 would recommend that we change that. And I guess my  
25 other question is to IDEM, how far away are the

1 monitors from design value?

2 MADAM CHAIR GARD: Anybody know? Can you all  
3 find out --

4 MS. BEM: Yes.

5 MADAM CHAIR GARD: -- and let Dr.  
6 Alexandrovich know?

7 MS. BEM: Yeah, we'll find out and get back.

8 MADAM CHAIR GARD: Okay.

9 DR. ALEXANDROVICH: And then I guess one  
10 other thing would just be a comment is that, yeah,  
11 everybody has been working on this for many, many,  
12 many years and lots of hard work on behalf of IDEM  
13 and the sources and Sierra Club and so that should be  
14 recognized that this is not a trivial issue.

15 MADAM CHAIR GARD: No, it certainly is not.  
16 Any other questions or Board discussion?

17 MR. POWDRILL: Madam Chair, I'd like to  
18 follow-up on Kelly's discussion. What is the most  
19 beneficial route for the Board to take? If we  
20 preliminarily adopt, does that give the commenters  
21 more or less chance of getting their voice heard and,  
22 you know, it seems like that -- or that seems kind of  
23 crucial to me.

24 MR. CARMICHAEL: My sense is that if the  
25 Board preliminarily adopted it sends a signal to EPA

1       that the Board accepts the rule as preliminarily  
2       adopted. If we delay, and this is my sense, adopting  
3       it now, that it sends a signal to EPA that the Board  
4       is not necessarily comfortable with the guidance and  
5       that a closer look at the statute needs to be made.

6               If we did the October to October, that sends  
7       a signal to EPA that it's not a calendar year, that  
8       it's a 12- month period. If we adopted a date in  
9       December, the actual -- I forget the actual --  
10       December 2018, that sends a signal to the EPA that  
11       the Board's view is that the statute does require one  
12       year of clean data, if that makes sense.

13              MR. POWDRILL: I think you gave me two  
14       "yes's" and a "no."

15              MR. CARMICHAEL: I think that's where we're  
16       at, what signal do we want to send to EPA. At this  
17       point, personally, I'm uncomfortable sending them a  
18       signal that we're comfortable with the guidance  
19       document because it potentially conflicts with the  
20       actual statute itself.

21              MR. POWDRILL: Which preliminary adoption  
22       would do, it would send them that positive signal.

23              MR. CARMICHAEL: Send them the signal that  
24       that's the direction that the Board is headed.

25              MR. POWDRILL: That's the sense I got from

1 your comments.

2 MR. CARMICHAEL: Right.

3 MR. POWDRILL: Thank you.

4 MADAM CHAIR GARD: Nancy, let me ask you a  
5 question now. Are we able to amend the submitted  
6 preliminary rules today?

7 MS. KING: Yes, this board can change the  
8 language that it wants to preliminarily adopt. You  
9 need to specifically read that into the record at the  
10 hearing so that we get it correct and so that when we  
11 publish it people know what they're commenting on.

12 The Board also has the ability, as has been  
13 suggested, to not preliminarily adopt today. I  
14 believe that would require us to then re-notice  
15 another public hearing and hold that as just another  
16 preliminary adoption hearing and Board action in the  
17 future as well.

18 MR. CARMICHAEL: Would that in any way  
19 jeopardize the approvability schedule?

20 MS. KING: I have no idea about that. The  
21 Air Program has worked with EPA in terms of the  
22 timing on that, so, you know, I don't know if putting  
23 it off is problematic or not. That might be  
24 something the program could address, I don't know.

25 MADAM CHAIR GARD: Susan looks like she wants

1 to comment on this.

2 DR. ALEXANDROVICH: Can you talk about the  
3 schedule?

4 MS. BEM: Yeah, the schedule is important,  
5 April 6th is the deadline for getting our SIP to the  
6 EPA. You know, given the extensive amount of time we  
7 needed to work with sources to come up with control  
8 strategies for each of the sources, we're already in  
9 March for preliminary adoption and then, you know,  
10 early summer for final adoption.

11 If we delay preliminary adoption, you know,  
12 we're, you know, pushing things off another three  
13 months and then we're even further behind schedule  
14 and then, you know, we're closer to the timeframe  
15 where EPA would say "Hey, State," you know, to us  
16 that we failed to meet our SIP deadline and then  
17 they're going to start the process for a failure to  
18 submit and start putting emission limits in place,  
19 you know, to get these areas into attainment, so, you  
20 know, preliminary adoption, you know, the sooner we  
21 can do that the better.

22 MADAM CHAIR GARD: So it sounds like the best  
23 way to send a signal to EPA that we do have concerns  
24 but to not affect the schedule significantly would be  
25 to make some changes today.

1 MR. CARMICHAEL: And I would recommend the  
2 October 4th, 2018 date, and again I'm open, I mean I  
3 think this deserves more discussion, but it clearly  
4 puts the signal to EPA that we're still looking at  
5 it, that we're getting back to the statute, and that  
6 there's some questions on the guidance that need to  
7 be resolved.

8 DR. ALEXANDROVICH: The schedule of EPA, can  
9 we get a copy of the schedule so we know kind of what  
10 you guys are looking at, and is that established by  
11 an implementation rule or by the promulgation of the  
12 designations?

13 MS. BEM: Yeah, I mean there is a -- the key  
14 date is April 6th of this year --

15 DR. ALEXANDROVICH: And that was --

16 MS. BEM: -- and that's -- and that's  
17 established because it's 18 months after attainment  
18 designations are made, the SIPs are due, and that's a  
19 standard, you know, clear deadline.

20 DR. NIEMIEC: It sounds like the main issue  
21 is the date. Would some of the other Board members  
22 that haven't commented want to talk about maybe the  
23 two dates that have been suggested the most, which  
24 are either October of 2017 or October of 2018?  
25 Anybody have any comments about those dates? And



1       then following that discussion maybe then someone  
2       will make a motion to propose a change to either of  
3       those dates, for example.

4               MS. FISHER: Before we talk about the date, I  
5       have a question for you, Susan. Can you maybe talk  
6       to us about what will be the impact to the State if  
7       we're unable to achieve attainment in SO2 in these  
8       areas? So I understand that it will be an impact to  
9       the sources that would exceed the SO2 limits that  
10      puts them in as a major source, but can we expect  
11      other industries other than primarily our utility  
12      industries to be negatively impacted if we're unable  
13      to meet the attainment standard by that 2018 date?

14             MS. BEM: I can only comment on that in a  
15      limited way. If we do not show attainment by the  
16      October 4th, 2018 date, then there's Clean Air Act  
17      provisions that -- well, for one, as already stated,  
18      those counties would stay in nonattainment status  
19      longer.

20             You know, at some point in time, once these  
21      emission limits in the rule are in effect and  
22      emissions go down and we have monitoring data that  
23      show attainment, we can ask the EPA for  
24      redesignation -- or submit a redesignation petition  
25      to EPA and have those counties' status changed to

1 attainment and, you know, that's the ultimate goal is  
2 to get those counties into attainment and then the  
3 air quality is shown that it's good and then sources  
4 that come in for new source review are no longer  
5 following the nonattainment area rules, so, you know,  
6 that's the ultimate goal, so the long -- you know,  
7 the longer that timeframe is, you know, the longer  
8 that process is going to take.

9 I don't know what changes in the timeframe  
10 if we do not meet the October 4th, 2018 date, if  
11 there's any other additional provisions that kick in  
12 underneath the Clean Air Act. You know, the main  
13 concern is that there would be a longer timeframe  
14 before we have data to show -- you know, to have  
15 clean data to show the EPA and to petition them for a  
16 better status.

17 MS. FISHER: I'm just curious if we're not  
18 able to show attainment by the deadline, with the  
19 exception of our utility industries, would there be  
20 other industries that are significant emitters of SO2  
21 that would be negatively impacted if they attempted  
22 to get a permit in a nonattainment area? I guess  
23 that my question is that can we maybe think about  
24 what other industries are significant SO2 emitters  
25 that would be in an opportunity to apply for a

1 brand-new permit that would be negatively impacted if  
2 they're trying to get a permit in a nonattainment  
3 county?

4 MS. BEM: Yeah, and, you know, a couple of  
5 these counties are key counties. You know, I don't  
6 know the details of all the different industries and  
7 stuff, but, you know, this is Marion County, Vigo  
8 County, and they are locations where it's heavy  
9 industry where there's the potential for new large  
10 sources coming in.

11 You know, as there's better controls and  
12 there's not as many power plants out there, you know,  
13 using coal, there might not be as many sources that  
14 are over the threshold for, you know, PSD or, you  
15 know, major new source review, but they are heavy  
16 industrial areas and so, you know, there could be  
17 industry types that do exceed those thresholds.

18 MS. FISHER: I'm always concerned about any  
19 time that we have a county that is in nonattainment,  
20 and only thinking out loud as we're talking about  
21 this schedule issue, it's always a concern for us if  
22 we have a business that wants to go someplace and  
23 they are forced to choose between a nonattainment  
24 county or an attainment county, obviously that is a  
25 consideration for them on their model on where

1 they're going to locate, so if they're considering a  
2 county in Indiana that's nonattainment versus a  
3 county in Illinois that's in attainment, obviously  
4 that puts Indiana at a disadvantage for competitive  
5 opportunities if this would be specific to a major  
6 source for SO2 emissions and that's just a comment.

7 MS. BEM: Yeah, and it's true, you know, the  
8 sooner those counties reduce their emissions, the  
9 sooner they have clean data to show attainment, the  
10 sooner the state can get those counties redesignated,  
11 you know, as either unclassifiable or attainment  
12 status.

13 MR. CARMICHAEL: And just to be clear, the  
14 counties wouldn't be designated attainment October  
15 2018, is that correct, you need three years of clean  
16 data, is that right?

17 MS. BEM: Yeah, and I guess I'm not clear  
18 enough on everything that's needed for a  
19 redesignation petition, but since the guidance does  
20 talk about at a minimum one year of clean data I  
21 don't know if we're able to -- how soon we'd be able  
22 to submit one.

23 MS. FISHER: I think I saw Scott Deloney here  
24 in the audience, I know that he was, I don't know if  
25 he still is, but if Scott is here, do you think that

1 Scott could maybe comment on this?

2 MR. DELONEY: Thanks for recognizing me.

3 Scott Deloney, I'm with the Air Programs Branch  
4 within IDEM's Office of Air Quality. I think that to  
5 get at answering your question, there's really two  
6 components of it. One is the approvability of the  
7 initial SIP. If we develop a SIP that doesn't comply  
8 with both the timeline and limits necessary to  
9 support attainment, then that SIP doesn't get  
10 approved and then we risk the federal government  
11 coming in and implementing a federal implementation  
12 plan.

13 The second aspect is that if the limits  
14 aren't successful in achieving attainment, then we  
15 wouldn't be eligible for a one-year extension to that  
16 attainment deadline and the issue with that is that  
17 without an extension you also run the risk, again, of  
18 the federal government coming in and bumping the area  
19 up for its failure to attain the standard, so either  
20 way there are repercussions, and not having an  
21 approvable SIP puts every source that's within those  
22 nonattainment areas at risk, so it's not just, you  
23 know, the sources that contribute to our failure to  
24 attain by those deadlines. And one thing I would  
25 point to as far as the issue on timing is there was a

1 critical decision on December 23rd, I believe it was  
2 the Washington, DC Circuit Court pertaining to how  
3 EPA proceeded to implement the 2008 ozone standard.  
4 Implementation rule same issues with regard to your  
5 attainment date lands in the middle of the year. The  
6 form of the standard is based on three complete years  
7 of data. You know, can you attain at the close of  
8 the year that that attainment deadline ends in or do  
9 you have to have one year of clean data for the year  
10 prior?

11 The court's ruling on that issue, this was  
12 just in December of 2014, was that with the ozone  
13 standard designations occurred in 2012. The  
14 effective date of those designations was July 20th of  
15 2012. Areas that had three years to attain or five  
16 years to attain, that applied to July 20th, 2015 or  
17 2017.

18 The court's ruling was that if your deadline  
19 to attain for the ozone standard was July 20th of  
20 2015, you would have to attain by the close of  
21 calendar year 2014, that's because the form of the  
22 standard is based on three-year average of the fourth  
23 high. The SO2 standard is the same way, you're  
24 looking at a three-year period that's based on a  
25 calendar year. EPA's interpretation and where they

1 came up with that January 1, 2017 deadline was  
2 looking at having one year of clean data prior to the  
3 date that the area would be required to attain. So  
4 that's one of those issues that if we don't have  
5 limits that would support at least having one year of  
6 clean data by the effective date that EPA is looking  
7 at, we would risk having the SIP that would be  
8 considered unapprovable and that puts all of the  
9 sources that are affected by this rule in the same  
10 boat.

11 MR. CARMICHAEL: So, Scott, if I could  
12 summarize, the court decision said it's a calendar  
13 year, it's not a 12-month period?

14 MR. DELONEY: That is correct, that's  
15 correct, they look at the form of the standard, which  
16 is based on calendar years, and then they look at if  
17 you don't attain by that year you either get bumped  
18 up and additional Clean Air Act requirements affect  
19 that entire area. In this case it's not just the  
20 area since it's the state that's responsible. Those  
21 implications can apply to the entire state, not just  
22 those areas designated nonattainment, so it gets even  
23 broader at that point in time.

24 MR. CARMICHAEL: And I wouldn't recommend to  
25 the Board that we not say in June or July or when it

1 comes up for final adoption that we don't adopt a  
2 rule that we don't feel is approvable. The question  
3 becomes is with serious concerns about actually  
4 meeting that January 1st, 2017 deadline how do we  
5 best position IDEM and the sources themselves to  
6 state their case to EPA.

7 MR. DELONEY: Right.

8 MR. CARMICHAEL: Ultimately as we come into  
9 final adoption, at least from my perspective, it  
10 needs to be an approvable rule.

11 MR. DELONEY: Right, yeah. Well, you know,  
12 the first thing for us is that we strongly desire  
13 having an approvable SIP, that prevents the federal  
14 government taking over our responsibility and  
15 authority here in Indiana.

16 The second thing is we want to continue  
17 working with the sources to make sure that we have as  
18 flexible of a plan as possible. As Susan indicated,  
19 if we have one source for one nonattainment area that  
20 we need to work with that isn't going to be in a  
21 position to comply by that date, then we're limiting  
22 it in terms of scope and we could continue working  
23 with them on looking at things like, you know, a  
24 variance or otherwise if we need to go that route.  
25 But the first step for us is having an approvable SIP



1 so that we maintain control of this process, then the  
2 second step is working with each area to make sure  
3 that they comply, we achieve redesignation as soon as  
4 possible. If we run into a situation where a source  
5 is unable to comply by the assigned deadline, we  
6 would work with them on a case-by-case basis.

7 MADAM CHAIR GARD: And I totally agree with  
8 you about the potential implications of nonattainment  
9 designations to the state, but I also have a concern  
10 that if we just continue when EPA, you know, gets on  
11 the bully pulpit and threatens this that we just roll  
12 over and never challenge them on these things that  
13 obviously have no basis in law.

14 MR. DELONEY: Right. This isn't the first  
15 time we've run into --

16 MADAM CHAIR GARD: I know, Scott.

17 MR. DELONEY: Every time there's an air  
18 quality standard you would expect there to be an  
19 implementation rule to support it, not implementation  
20 guidance. This standard was issued in 2010 and areas  
21 were designated with an effective date of designation  
22 before we even got anything from EPA in the form of  
23 guidance, not implementation rule, but guidance in  
24 terms of how we can move forward. Without that we  
25 didn't want to initiate a rule because we knew that

1 it would be subject to challenges and it would be a  
2 moving target, but this is happening with every time  
3 that the NAAQS are revised and since EPA got on this  
4 five-year schedule for revising the NAAQS, these air  
5 quality standards were being revised before the  
6 implementation rules were even being initiated. And  
7 I brought notice to the 2008 ozone standard. The  
8 guidance for that standard which was issued in 2008,  
9 designations were issued and effective in 2012, that  
10 guidance just published in the Federal Register last  
11 week.

12 MR. CARMICHAEL: So they put us in this spot.

13 MR. DELONEY: Right. And we do have one  
14 area, Lake and Porter Counties, that are affected by  
15 this very scenario, they were designated with an  
16 effective date being part of the Chicago  
17 nonattainment area July 20th of 2012, we're required  
18 to attain by July 20th of this year, monitoring data  
19 elsewhere within that nonattainment area did not  
20 support attainment at the close of 2014, EPA is on a  
21 clock where they're required to act on bump-up by  
22 January 20th of 2015. If that happens, additional  
23 Clean Air Act requirements kick in, even though there  
24 isn't anything that we can do to actually solve the  
25 problem, and if we fail to comply with those

1 requirements, the sanctions would apply to the entire  
2 state, not just Lake and Porter Counties, so that's  
3 why we've been taking the dates and the guidance very  
4 serious.

5 MADAM CHAIR GARD: Dr. Alexandrovich.

6 DR. ALEXANDROVICH: Yeah. So the SIP  
7 approval that we're talking about is the rule. Is  
8 that going in with your attainment demonstration?

9 MR. DELONEY: That is correct. The rule is  
10 providing the permanent and enforceable emission  
11 limits. Those emission limits then are the heart and  
12 soul to the modeling which provides the technical  
13 demonstration that we would attain the standard by  
14 the assigned deadline.

15 DR. ALEXANDROVICH: Okay, that gets me to my  
16 next question, the modeling, because at this point  
17 we're talking about a modeled future, not a measured  
18 future, so they have to approve a modeled future.  
19 Can your modelers -- and I see Mark sitting out  
20 there.

21 MR. DELONEY: Two "Marks."

22 DR. ALEXANDROVICH: -- change the start date  
23 of the run time or the end time of the model to  
24 compare what you get with a compliance date of 1-1-17  
25 to a compliance date of 10-4-17?

1 MR. DELONEY: Well, yes. If you're modeling  
2 the same limits and you're using the same  
3 meteorological data, you know, the only thing that  
4 may change is your background value, but Mark, Keith,  
5 Mark Neyman, would you expect to see anything  
6 different if you were to change the future year back  
7 one?

8 IDEM STAFF NOT IDENTIFIED: No, we wouldn't  
9 expect it.

10 DR. ALEXANDROVICH: So in my mind that says  
11 that we can demonstrate attainment by January 1st --  
12 no, October 4th, 2018 based on modeling and at that  
13 time we would be expected to measure, but that, you  
14 know, with a full year I guess then again ending in  
15 December of '17, so --

16 MR. DELONEY: The monitoring --

17 DR. ALEXANDROVICH: I'm getting a little bit  
18 confused.

19 MR. DELONEY: But the monitors located within  
20 the nonattainment area are what EPA's going to rely  
21 on to determine whether we met the standard or not,  
22 and without additional sanctions kicking in at that  
23 point in time you'd have to have a minimum of one  
24 year, complete calendar year, data to demonstrate  
25 that you are on target to meet the standard, then a

1 separate federal action has to be requested by the  
2 State, we would have to certify that monitoring data  
3 and request for a one-year extension for all of those  
4 areas each of the next two years in order to protect  
5 the State from potential federal action for those  
6 areas not coming into compliance with the standard  
7 which is based on three years of clean data.

8 MR. CARMICHAEL: But based on the model, on  
9 October 4th, 2018, with the limits that we may adopt,  
10 on that date the air quality would be attained, the  
11 air quality standard would be attained?

12 MR. DELONEY: Based on what the model's  
13 telling us?

14 MR. CARMICHAEL: Yeah, and --

15 MR. DELONEY: Right.

16 MR. CARMICHAEL: Yeah.

17 MR. DELONEY: Yeah.

18 MR. CARMICHAEL: Right.

19 MR. DELONEY: But the modeling's, it seems  
20 crazy, the modeling is exactly what we're relying on  
21 to seek federal approval of our SIP. You know, the  
22 monitors are already saying we're not meeting the  
23 standard, that's how the designations occur. What  
24 we're seeking federal approval on our state  
25 implementation plan for is solely based on the

1 modeling, but then come October of 2018 the monitors  
2 are what take over with regard to compliance with  
3 that SIP.

4 MR. CARMICHAEL: And if the modeling's  
5 perfect, it should show clean --

6 MR. DELONEY: No model's perfect, nor is the  
7 inventory that the model relies on for being perfect,  
8 but, yeah, there are a lot of assumptions.

9 DR. ALEXANDROVICH: I have one last question.  
10 What is the overall emissions reductions expected by  
11 the proposed rule?

12 MR. DELONEY: Well, in terms of tons of SO2  
13 emissions?

14 DR. ALEXANDROVICH: Yeah, yeah, yeah.

15 MR. DELONEY: We can quantify that, we can  
16 quantify that. Each area is different because we  
17 look at the, you know, micrograms per cubic meter and  
18 then convert to parts per million and billion in  
19 order to determine what level of reduction is  
20 necessary, but it's very source specific based on  
21 who's contributing, but we can quantify the  
22 difference between the existing limits and the  
23 revised limits in terms of a tons per year, we'd be  
24 happy to do that.

25 MADAM CHAIR GARD: Okay, any other questions?

1       What's your name again?

2               MR. DELONEY:   Scott Deloney, D-E-L-O-N-E-Y.

3               MADAM CHAIR GARD:   Okay, thank you.

4               MR. DELONEY:   Okay.

5               MADAM CHAIR GARD:   Any other questions for  
6       Scott?

7               (No response.)

8               MADAM CHAIR GARD:   Further Board discussion?  
9       Decision time.   Yes.

10              MR. DAVIDSON:   Kelly, I think it was in  
11       response to Ms. Boydston's question earlier about  
12       variances, but variances, that kind of went away  
13       quietly.  Variances are out there; certain companies  
14       could seek a variance.  Is that even an option?  I  
15       didn't really hear a response on that question.

16              MR. CARMICHAEL:  Yeah, I think that needed to  
17       be researched exactly how much protection that  
18       variance provides, and to be honest, I know there's  
19       some variance language in the Legislature right now  
20       and I don't know if that impacts us or not.  That  
21       should not.  I don't know the answer to that.  I  
22       don't know if it provides full protection.  I don't  
23       know if IDEM has a view of that.

24              MR. DAVIDSON:   Well, and I was reminded of  
25       that when he said, well, the State would have to go

1 to the EPA and ask for an extension or ask  
2 essentially for a variance, seemed very quick to hand  
3 it back to industry, but it seems like it would be a  
4 big headache maybe for the State to ask for that. At  
5 the same time it needs to be approvable I think it  
6 needs to be attainable. We can just as easily say  
7 "October of this year, there they had three years to  
8 get there, sorry about your luck, but it needs to be  
9 attainable."

10 MADAM CHAIR GARD: Okay, Board decision.

11 MR. RULON: Just one quick point I'd like to  
12 make, though, that this whole SO2 standard is just  
13 pretty much just heavy-handed bureaucracy down from  
14 the top in the first place. Most of Indiana's soils  
15 are becoming deficient in sulphur. We're going to  
16 have to start importing sulphur. From our  
17 perspective it's kind of ironic we're having this  
18 discussion.

19 And the Sierra Club modeling, everyone has a  
20 model and it's just amazing that they have an open  
21 spot where the monitor has to be placed and I looked  
22 up on Google Maps, there's no ridge there, there's no  
23 reason why that pocket should be like it is. I guess  
24 I would just like to, if possible, make a motion that  
25 we at least in the preliminary adoption change the



1 effective date to October 1st, 2017.

2 MADAM CHAIR GARD: You said "2017" or "2018"?

3 MR. CARMICHAEL: Is it October 4th, 2018?

4 MR. RULON: I thought that the monitoring  
5 would have to go into place October 4th, 2017 so that  
6 we have 12 months of data, so instead of using  
7 January 1st, 2017, do October 4th of 2017. We can  
8 always change that back with the final adoption if it  
9 won't be approved by EPA. That's my motion.

10 MR. CARMICHAEL: Yeah, and so there's  
11 potentially two signals to the EPA, the one you've  
12 proposed would mean that the Board tends to read the  
13 guidance that it's not a calendar year, that it's a  
14 12-month period, which I think from what we've heard  
15 from Scott would be contrary to the lower court  
16 decision in the DC courts.

17 The other signal is the October 4th, 2018,  
18 which means that with limits in place and with all  
19 the available information we have that we believe  
20 that the actual air quality would meet the standard  
21 on the compliance date that EPA has specified.

22 It doesn't give that either 12-month or  
23 calendar year advance, which feels a little arbitrary  
24 to me but I want to hear more, why is it one year,  
25 not three year, you know, why. But the signal is

1     that on that date, given the best available  
2     information, we believe that the air quality will  
3     meet the standard.

4             MR. RULON: Well, it seems like as many coal  
5     plants as we're closing most of these areas will be  
6     in attainment.

7             MR. CARMICHAEL: Yeah, and that's what is  
8     occurring in some of these areas, these closure of  
9     coal plants, and what I've heard from the commenters  
10    is that that needs to be done in conjunction with  
11    another state regulatory agency, the Indiana Utility  
12    Regulatory Commission, in conjunction with some  
13    previous consent decrees or discussions that occurred  
14    with the EPA and I'm guessing it's to assure that  
15    reliability of the electric system is maintained.

16            MADAM CHAIR GARD: So did you make a motion  
17    or are you just talking about making a motion?

18            MR. RULON: No, I move that we select the  
19    October 4th, 2017 date.

20            MR. CARMICHAEL: '17 or '18?

21            DR. ALEXANDROVICH: Is it the one in between  
22    the one that IDEM has and --

23            MR. RULON: IDEM is saying January 1st, 2017,  
24    I'm suggesting October 4th, 2017 as the date that we  
25    start the 12-month calendar, so we're not doing a

1 calendar year, we're doing 12 months in succession,  
2 which puts us in attainment on October 4th, 2018,  
3 which is what the law requires.

4 DR. NIEMIEC: So it's a compromised kind of  
5 date.

6 MADAM CHAIR GARD: So that is a motion?

7 MR. RULON: Yes, it is, ma'am, or Madam  
8 Chair.

9 MADAM CHAIR GARD: Is there a second?

10 DR. ALEXANDROVICH: I'll second it.

11 MADAM CHAIR GARD: Board discussion?

12 MR. ANDERSON: I guess I'm having a hard time  
13 figuring out that there'd be one calendar year before  
14 the standard would have to be attained and based on  
15 monitoring data that would have to simultaneously be  
16 certified, so that's not really realistic, in my  
17 opinion it wouldn't be realistic.

18 DR. ALEXANDROVICH: But it's the modeling  
19 data that has to --

20 MR. ANDERSON: No, what would be --

21 DR. ALEXANDROVICH: Well, that's what's  
22 threatened, though, is our attainment demonstration  
23 as a SIP, so all the monitoring data comes  
24 afterwards. The models could be wrong and, you know,  
25 either our air will still be dirty or it'll be clean.

1 MR. ANDERSON: But it would be the monitoring  
2 data for the one year, calendar year, not a -- I mean  
3 a running year.

4 DR. NIEMIEC: It sounds like it would give a  
5 running year by that time and then a few months later  
6 we'd have a full calendar year of attainment  
7 demonstrated by monitoring if we chose that date.

8 MR. CARMICHAEL: My preference is in the  
9 preliminary adoption set it at the October 4th, 2018  
10 date to send a signal that we as a board are not  
11 necessarily buying into the EPA guidance of one  
12 calendar year, understanding, though, that when we  
13 come back for final adoption I believe it's in all of  
14 our best interests that it is EPA approvable, but it  
15 sends a strong message that the guidance is just  
16 that, it's guidance, it's not the statutory language  
17 itself, it's that the compliance date is October 4th,  
18 2018 and our air quality will meet that given the  
19 best available information we have.

20 MADAM CHAIR GARD: Well, we have a motion on  
21 the floor that's been moved and seconded, so we're  
22 going to need to deal with that unless the author  
23 withdraws its motion.

24 MS. FISHER: I just have a comment on this.  
25 As we're thinking about this I'm definitely

1 supportive of providing our permitted sources with  
2 the flexibility that they need and want to move  
3 forward with this, but again I just want to reiterate  
4 that if we're not in attainment by that 2018 deadline  
5 it has significant impact on other industries that  
6 are looking to locate in Indiana and I know that this  
7 modeling question that permitted sources are required  
8 to go through as part of applying for the permit,  
9 this one-hour SO2 issue has been a very difficult  
10 issue for new sources in Indiana to deal with and,  
11 again, I just want to make sure that we understand  
12 the impact to businesses overall if we are not in  
13 attainment by that deadline required in the SIP.

14 MADAM CHAIR GARD: And I think it's  
15 everyone's intent that we will be in attainment by  
16 then, I think that we just have a question about the  
17 legal validity of their guidance --

18 MS. FISHER: Right.

19 MADAM CHAIR GARD: -- with these dates.

20 MR. CLARK: Maybe I'm confused, but I'm  
21 supportive of the October 2018 attainment date, but  
22 we still have to provide data over a period of time  
23 that seems to be the other part of our debate and if  
24 we are going to consider something less than 12  
25 months, are we jeopardizing approvability and are we

1       jeopardizing approvability if we don't use a calendar  
2       year based upon a recent court ruling on the ozone  
3       standards. Thus, my concern is if we put 2018 as our  
4       attainment date, that's great, but we still have to  
5       provide data that's acceptable to achieve attainment,  
6       and I'm all for sending the EPA messages but are we  
7       cutting our nose off to spite our face by doing so?

8               MR. RULON: Well, I was trying to make a  
9       motion that would send a message but we still have  
10      the 12 months of data. Yes, it would be a real time,  
11      that last month, but by the time they could get  
12      around to measuring it anyway or suing us, because it  
13      took three years for that case to get to court, we'd  
14      have three years of data, so it seems to me like it's  
15      just a nice way to not cut off our nose and keep us  
16      on a compliance deadline.

17             MR. CARMICHAEL: Well, we are monitoring, so  
18      we're getting data every day, so the actual air  
19      quality is being monitored --

20             MR. RULON: No, I understand that, but in  
21      terms of this discussion we have to have 12 months of  
22      data.

23             MR. CARMICHAEL: We have to have a calendar  
24      year per EPA, and so if you want to send a signal  
25      that it's not a calendar year, it's 12 months --

1 MR. RULON: And that was the intent of the  
2 motion was to split that middle, still keep us on the  
3 schedule and not have to change it again, and if  
4 that's not possible, then we should --

5 DR. NIEMIEC: Right, that was the date that  
6 you proposed that people would begin to meet what the  
7 criteria are measurably --

8 MR. RULON: Yes.

9 DR. NIEMIEC: -- at that moment, not having  
10 back data for it, but as of that date, October of  
11 2017.

12 MR. RULON: Yeah, and so I'm not giving Duke  
13 and IPL the extra 12 months that your 12-20-18 date  
14 would suggest, I'm not giving them that 12 months,  
15 I'm giving them nine.

16 DR. NIEMIEC: Compromise, and then in the  
17 meantime perhaps before we look to final adopt and  
18 have further hearings IDEM perhaps could talk with  
19 EPA about our basically preliminarily adopted  
20 amendments and see what their feedback is,  
21 potentially.

22 MADAM CHAIR GARD: Nancy, do we have to have  
23 a roll call on amendments?

24 MS. KING: Madam Chair, if I may ask, if you  
25 are going to vote on this specific amendment, it

1 would be very beneficial for us to know exactly what  
2 the wording of the amendment is and exactly where in  
3 this rule you want that to be. There is one section  
4 called "Compliance Dates," however there are dates  
5 throughout this rule.

6 MADAM CHAIR GARD: Well, there were nine  
7 dates that were listed.

8 MS. KING: Correct. So if that's what you  
9 want, it needs to be clear in the motion so we know  
10 what the Board has preliminarily adopted.

11 MADAM CHAIR GARD: Well, someone had the list  
12 of those nine dates.

13 MR. BARRETT: Do you want me to read them  
14 again?

15 MADAM CHAIR GARD: I think you need to give  
16 them to Mr. Rulon.

17 MS. KING: I would also suggest that a roll  
18 call vote might be beneficial.

19 MADAM CHAIR GARD: Yeah, we do need those  
20 dates for the motion.

21 MS. KING: And the exact language that you  
22 want the rule to be.

23 MADAM CHAIR GARD: Exactly.

24 MS. KING: I'm a little confused between '17  
25 and '18 myself right now.



1 MR. BARRETT: I'm going to jot them down for  
2 you. Do you want me to just read them?

3 MADAM CHAIR GARD: It's his motion, so he  
4 will need those.

5 MR. RULON: I wrote all of them down except  
6 for one, so I'd better read the official list so I  
7 get it correct. Yes, so, Madam Chairwoman, the  
8 motion would read that the dates as mentioned in 326  
9 IAC 7-1.1-3, 326 IAC 7-4-2, 7-4-2.1, 7-4-3, 7-4-3.1,  
10 7-4-11, 7-4-11.1, and 7-4-15 would be changed from  
11 January 1st, 2017 to October 4th, 2017.

12 DR. ALEXANDROVICH: Are all those the ones  
13 that apply for all of the sources or just --

14 MR. RULON: Yeah.

15 DR. ALEXANDROVICH: -- IPL's sources? So it  
16 should be all sources, not --

17 MS. BEM: I didn't hear Section 11, the date  
18 changed for that one, there was one more.

19 MADAM CHAIR GARD: Okay.

20 MR. RULON: Add Section 11 at Susan's  
21 request.

22 MADAM CHAIR GARD: Okay. The motion is that  
23 with all of those citations that were given the date  
24 be changed from January the 1st, 2017 to October the  
25 4th, 2017 and the motion was seconded. I would call

1       the roll. Mr. Horn.  
2           MR. HORN: Aye.  
3           MADAM CHAIR GARD: Mr. Davidson.  
4           MR. DAVIDSON: Yes.  
5           MADAM CHAIR GARD: Dr. Alexandrovich.  
6           DR. ALEXANDROVICH: Yes.  
7           MADAM CHAIR GARD: Mr. Rulon.  
8           MR. RULON: Yes.  
9           MADAM CHAIR GARD: Mr. Powdrill.  
10          MR. POWDRILL: Yes.  
11          MADAM CHAIR GARD: Mr. Anderson.  
12          MR. ANDERSON: No.  
13          MADAM CHAIR GARD: Mr. Etzler.  
14          MR. ETZLER: Yes.  
15          MADAM CHAIR GARD: Ms. Boydston.  
16          MS. BOYDSTON: Yes.  
17          MADAM CHAIR GARD: Ms. Fisher.  
18          MS. FISHER: Yes.  
19          MADAM CHAIR GARD: Mr. Carmichael.  
20          MR. CARMICHAEL: Yes.  
21          MADAM CHAIR GARD: Mr. Clark.  
22          MR. CLARK: Yes.  
23          MADAM CHAIR GARD: Mr. Bausman.  
24          MR. BAUSMAN: Yes.  
25          MADAM CHAIR GARD: Dr. Niemiec.

1 DR. NIEMIEC: Yes.

2 MADAM CHAIR GARD: And the Chair votes aye,  
3 so the preliminary rule is amended 13 to 1. Now, is  
4 there a motion to preliminarily adopt the amended  
5 rule?

6 MR. POWDRILL: So moved.

7 MR. HORN: I'll second.

8 MADAM CHAIR GARD: Any further discussion?

9 (No response.)

10 MADAM CHAIR GARD: This is a voice vote. All  
11 in favor say "aye".

12 (All respond "aye".)

13 MADAM CHAIR GARD: Opposed "nay".

14 (No response.)

15 MADAM CHAIR GARD: The rules are  
16 preliminarily adopted with an amendment.

17 Okay, nonrule policy document presentation.  
18 Now, we have two nonrule policy documents presented  
19 by the Office of Land Quality.

20 MR. KIZER: Good afternoon, Madam Chair and  
21 members of the Board. I'm Bruce Kizer, the Branch  
22 Chief of the Compliance and Response Branch of the  
23 Office of Land Quality. I'll be presenting two  
24 nonrule policy documents. Both NPDs were posted on  
25 the IDEM web page for the required 45-day comment.



## 1 CERTIFICATE

2  
3 STATE OF INDIANA

ss:

4 COUNTY OF HAMILTON  
56 I, Marjorie A. Addington, the undersigned Court  
7 Reporter and Notary Public residing and maintaining  
8 offices in the City of Carmel, Hamilton County,  
9 Indiana, do hereby certify:10 That I reported to the best of my ability in machine  
11 shorthand all of the words spoken by all parties in  
12 attendance during the course of the hearing;13  
14 That I later reduced my shorthand notes into the  
15 foregoing typewritten transcript form, which  
16 typewritten transcript is a true record to the best  
17 of my ability of the hearing;18 That I am not a relative or employee or attorney or  
19 counsel of any of the parties, nor am I a relative or  
20 an employee of such attorney or counsel, and that I  
21 am not financially interested in this action.22 IN WITNESS HERETO, I have affixed my  
23 Notarial Seal and subscribed my  
24 signature below this 21st day of  
25 MARCH, 2015.

Notary Public

County of Residence: Hamilton

My Commission Expires on: August 22, 2015

(Seal)

*Marjorie Addington*

1 (No response.)

2 MADAM CHAIR GARD: The motion passes and I  
3 will get to work on that and you all will be advised  
4 as to the makeup.

5 Did anybody order supper? Open forum. Is  
6 there anybody that wishes to address the Board, at  
7 your own risk?

8 (No response.)

9 MADAM CHAIR GARD: Well, the next meeting of  
10 the Environmental Rules Board has not been scheduled,  
11 but I believe it will be Wednesday, June the 10th or  
12 Wednesday, July the 8th, at 1:30 in this conference  
13 room, and you will be notified as soon as that date  
14 is determined. Is there a motion to adjourn?

15 DR. NIEMIEC: So moved.

16 MR. RULON: Second.

17 MADAM CHAIR GARD: All in favor say "aye".

18 (All respond "aye".)

19 MADAM CHAIR GARD: "Nay."

20 (No response.)

21 MADAM CHAIR GARD: The meeting is adjourned.

22 (WHEREUPON, at 5:30 p.m., March 11, 2015,  
23 this hearing concluded for the day.)  
24  
25

# **ATTACHMENT G**

**PROPOSED RULE  
AND  
NOTICE OF PUBLIC HEARING**

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**TITLE 326 AIR POLLUTION CONTROL DIVISION**

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**Proposed Rule**  
LSA Document #11-356**DIGEST**

Amends [326 IAC 7-2-1](#), [326 IAC 7-4-2](#), [326 IAC 7-4-3](#), and [326 IAC 7-4-11](#) concerning sulfur dioxide (SO<sub>2</sub>) emission limitations. Adds [326 IAC 7-1.1-3](#), [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) concerning the new 1-hour SO<sub>2</sub> National Ambient Air Quality Standard (NAAQS). Repeals [326 IAC 7-4-2](#), [326 IAC 7-4-3](#), and [326 IAC 7-4-11](#). Partially effective 30 days after filing with the Publisher and partially effective October 4, 2017.

**HISTORY**

First Notice of Comment Period: June 29, 2011, Indiana Register (DIN: [20110629-IR-326110356FNA](#)).

Continuation of First Notice of Comment Period: September 25, 2013, Indiana Register (DIN: [20130925-IR-326110356FCA](#)).

Second Notice of Comment Period: September 10, 2014, Indiana Register (DIN: [20140910-IR-326110356SNA](#)).

Notice of First Hearing: September 10, 2014, Indiana Register (DIN: [20140910-IR-326110356PHA](#)).

Change in Notice of Public Hearing: December 24, 2014, Indiana Register (DIN: [20141224-IR-326110356CHA](#)).

Date of First Hearing: March 11, 2015.

**PUBLIC COMMENTS UNDER [IC 13-14-9-4.5](#)**

[IC 13-14-9-4.5](#) states that a board may not adopt a rule under [IC 13-14-9](#) that is substantively different from the draft rule published under [IC 13-14-9-4](#), until the board has conducted a third comment period that is at least 21 days long.

**REQUEST FOR PUBLIC COMMENTS**

This proposed (preliminarily adopted) rule is substantively different from the draft rule published on September 10, 2014, at DIN: [20140910-IR-326110356SNA](#). The Indiana Department of Environmental Management (IDEM) is requesting comment on the entire proposed (preliminarily adopted) rule.

The proposed rule contains numerous changes from the draft rule that make the proposed rule so substantively different from the draft rule that public comment on the entire proposed rule is advisable. This notice requests the submission of comments on the entire proposed rule, including suggestions for specific amendments. These comments and the department's responses thereto will be presented to the board for its consideration at final adoption under [IC 13-14-9-6](#). Comments may be submitted in one of the following ways:

- (1) By mail or common carrier to the following address:

LSA Document #11-356 1-Hour SO<sub>2</sub>  
Susan Bem  
Rules Development Branch  
Office of Legal Counsel  
Indiana Department of Environmental Management  
Indiana Government Center North  
100 North Senate Avenue  
Indianapolis, IN 46204-2251

- (2) By facsimile to (317) 233-5970. Please confirm the timely receipt of your faxed comments by calling the Rules Development Branch at (317) 233-8903.

- (3) By electronic mail to [sbem@idem.in.gov](mailto:sbem@idem.in.gov). To confirm timely delivery of submitted comments, please request a document receipt when sending the electronic mail. **PLEASE NOTE: Electronic mail comments will NOT be considered part of the official written comment period unless they are sent to the address indicated in this notice.**

- (4) Hand delivered to the receptionist on duty at the thirteenth floor reception desk, Office of Legal Counsel, Indiana Government Center North, 100 North Senate Avenue, Indianapolis, Indiana.

Regardless of the delivery method used, to properly identify each comment with the rulemaking action it is intended to address, each comment document must clearly specify the LSA document number of the rulemaking.

**COMMENT PERIOD DEADLINE**

All comments must be postmarked, faxed, or time stamped not later than May 13, 2015. Hand-delivered comments must be delivered to the appropriate office by 4:45 p.m. on the above-listed deadline date.

Additional information regarding this action may be obtained from Susan Bem, Rules Development Branch, Office of Legal Counsel, (317) 233-5697 or (800) 451-6027 (in Indiana).

## SUMMARY/RESPONSE TO COMMENTS FROM THE SECOND COMMENT PERIOD

The Indiana Department of Environmental Management (IDEM) requested public comment from September 10, 2014, through October 10, 2014, on IDEM's draft rule language. IDEM received comments from the following parties:

United States Environmental Protection Agency (U.S. EPA)  
Duke Energy Indiana LLC (Duke)  
Rolls Royce (RR)  
Indianapolis Power and Light (IPL)  
Wabash Valley Power Association, Inc. (WVPA)  
Krieg Devault, on behalf of Hydraulic Press Brick (HPB)  
Citizens Energy Group (CEG)  
American Electric Power Service Corporation, on behalf of Indiana Michigan Power Company (I&M)  
Indiana Energy Association (IEA)  
Hoosier Energy Rural Electric Cooperative (HE)  
Jeffrey Sprague (JS)  
Sierra Club (SC)

Following is a summary of the comments received and IDEM's responses thereto:

*Comment:* At [326 IAC 7-4-3.1](#) (Vigo) and [326 IAC 7-4-15](#) (Pike) the draft rule states that "The emission limit is an arithmetic average of all the valid data for emission rates recorded from a continuous emission monitoring system on a one (1) hour basis". As written it makes it sound like the emission limit itself varies. A better statement may be "Compliance with the emission limits shall be determined by an arithmetic average. . .". (U.S. EPA)

*Response:* IDEM agrees and has reworded to make it clear that the averaging time applies to the method for demonstrating compliance using data from a continuous emission monitoring system (CEMS).

*Comment:* Indianapolis Power & Light (IPL)-Petersburg in Pike County is offered the choice of alternative sets of limits. It is important for enforceability purposes to assure that it is always clear which limits apply, by means of explicit requirements for reporting and recordkeeping to which limits apply. The rule does not provide clear provisions on data handling when the source switches from 1-hour limits to 30-day average limits, in particular whether the compliance determinations immediately following that switch are to be based in part on data from the period when the source was subject to the 1-hour limits. Unless Indiana can suitably address these concerns, IPL-Petersburg should only be subject to one set of limits. (U.S. EPA)

*Response:* IDEM has added language at [326 IAC 7-4-15\(e\)](#) requiring the source to notify IDEM when switching from one set of limits to the other. When switching from complying with the 1-hour limit to the 30-day average limit IDEM will require compliance with the 1-hour limit until the first 30-day average emission rate is calculated so that there is no gap in compliance.

*Comment:* If any limits, besides IPL-Petersburg, may be met on a longer term average basis, any modeling impacts of the applicable sources would need to reflect the level of the hypothetical 1-hour limit that would be of comparable stringency to the longer term average limit. (U.S. EPA)

*Response:* As reflected in the draft rule sgSolutions has also requested a longer term average limit and IDEM has shared the data analysis to develop a comparable longer term limit with U.S. EPA.

*Comment:* U.S. EPA's nonattainment area planning guidance recommends that longer term average limits be accompanied by supplemental limits that help serve to minimize the frequency and/or magnitude of occasions with elevated emissions. The draft rule appears to provide no such supplemental limits. Indiana needs to address this part of the guidance. (U.S. EPA).

*Response:* The guidance provides an approach to develop emission limits based on averaging periods longer than 1 hour that are designed to have comparable stringency to a 1-hour average limit at the critical emission value. This is applicable for emission units that are monitored using continuous emissions monitoring data. The approach provided in the guidance was used to develop the alternative limits for IPL-Petersburg and sgSolutions.

*Comment:* It is reasonable for current SO<sub>2</sub> rules to be rescinded once replacement rules become effective. Future review may be warranted as to whether the replacement rules fully replace the current rules, to assure that the replacement does not inadvertently cause a relaxation of applicable rules. In Morgan County, it is not clear that the full set of units of IPL-Eagle Valley regulated under [326 IAC 7-4-11](#) are also regulated under the replacement rule at [326 IAC 7-4-11.1](#). (U.S. EPA)

*Response:* Units 1 through 6 at [326 IAC 7-4-11](#) will no longer be operating once [326 IAC 7-4-11](#) is repealed on January 1, 2017. IPL will be replacing the 6 units with two new combined cycle combustion turbines that are scheduled to come on-line in 2017. IPL plans to shut down the current units by April 1, 2016, the extended Mercury and Air Toxics Standards (MATS) compliance deadline.

*Comment:* Imposing hourly limits on pounds (lbs) of SO<sub>2</sub>/MMBtu is overly conservative and should instead be

based solely on lbs of SO<sub>2</sub>/hour. This approach is more accurate and is consistent with past state implementation plan (SIP) practices and better approximates the relationship between stack emissions and air quality impacts. Duke Energy modeled a typical electric generating unit at three load conditions. Results indicate that emission limits in lbs/MMBtu could increase as the power generated by the unit decreased and would still have the same impact on ambient air. Setting an emission limit in lbs/MMBtu for electric generating units based on high load operating conditions will require sources to comply with unnecessarily restrictive limits at lower loads.

U.S. EPA's April 2014 Guidance for 1-Hour Nonattainment Area SIP Submission does not support the establishment of an hourly lbs/MMBtu emission limit. This guidance document states that where a source operates at substantially less than the maximum design capacity and the changes in the stack parameters associated with the operating conditions could result in higher ground level concentrations, loads such as 50% and 75% of capacity should be modeled. IDEM should evaluate modeled impacts at less than maximum design capacity as needed to develop lbs/hr limits rather than imposing an overly conservative hourly lbs/MMBtu limit. (Duke)

*Comment:* The draft rule includes a dual form of emission limits: lbs/hr and lbs/MMBtu. Having two limits established with the same basis establishes double jeopardy that could result in two exceedances stemming from the same set of factors. (IPL)

*Comment:* Based on past history of the SO<sub>2</sub> NAAQS compliance demonstrations, there are cases where operating at rates less than full load may be the limiting condition for National Ambient Air Quality Standard (NAAQS) compliance and the April 23, 2014 U.S. EPA guidance appears to indicate that this possibility needs to be evaluated using an air quality model at multiple loads. IDEM has not provided any reference to supporting technical data that demonstrates the need for such a structure. The establishment of an alternate limit for a reduced operating rate must be done in an objective manner with technical support. Such a limit may not be a lb/MMBtu limit, but may be some form of a load based equation. (I&M) (IEA)

*Response:* IDEM included both limits (lbs/hr and lbs/MMBtu) based on information from the April 2014 guidance and from consultation with U.S. EPA Region V staff. Without information to show that there is not an increased impact when operating at reduced load, U.S. EPA Region V has advised to keep both limits for a boiler. If an affected source provides IDEM with a modeling analysis at different loads that shows decreased impacts when operating at reduced loads, IDEM may be able to remove the lb/MMBtu limit for that unit subject to U.S. EPA approval.

*Comment:* If IDEM proceeds with a final rule which requires a lbs/MMBtu limit then IDEM should allow the use of diluent capping for compliance with the limit. Diluent capping has already been allowed in 40 CFR Part 75 for calculating emissions of nitrogen oxide (NO<sub>x</sub>) in lbs/MMBtu for compliance with the Acid Rain Program.

Diluent capping is used in Part 75 to allow sources reporting lbs NO<sub>x</sub>/MMBtu to use either a minimum value of 5.0% CO<sub>2</sub> (for boilers), or a maximum value of 14.0% O<sub>2</sub> (for boilers) in the standard lbs NO<sub>x</sub>/MMBtu equation at 40 CFR 75, Appendix F, Equations F-5 and F-6 to avoid extremely large lbs NO<sub>x</sub>/MMBtu values during very low combustion periods, such as startup or shutdown. These diluent cap values can also be used in the standard heat input equation to calculate MMBtu/hr at 40 CFR 75, Appendix F, Equations F-15, F-16, F-17, and F-18. The values for the caps can be substituted in the equations for the actual measured CO<sub>2</sub> or O<sub>2</sub> values.

The use of diluent caps has been used in permits to comply with previous SIP limits (e.g., R. A. Gallaher Generating Station, Clark and Floyd County SIPs). Without the use of diluent cap provisions sources would nearly always exceed lbs/MMBtu limits during startup and shutdown unless the rule contained an exemption from meeting the emission limits during such conditions.

During these conditions, the diluent concentrations monitored in the stack gases are very close to ambient conditions (nearly zero for CO<sub>2</sub> and nearly 20.9% for O<sub>2</sub>). The lbs/MMBtu equations divide by % CO<sub>2</sub> or divide by the value of 20.9% O<sub>2</sub> minus the measured %O<sub>2</sub>, resulting in a lbs/MMBtu value that could easily be 5 to 15 times the hourly emission limit under normal (full) load conditions. Yet the lb/hr value during these startup or shutdown conditions could be significantly less than the allowable hourly emission rate. (Duke) (I&M) (IEA)

*Response:* IDEM is proposing a new subsection at [326 IAC 7-2-1](#) to make it clear that diluent cap methodology under 40 CFR 75 is allowed to determine compliance with SIP limits in Article 7.

*Comment:* Duke Energy is still evaluating the need for a longer averaging period and will work with IDEM if a longer averaging time is needed. Compliance with a one-hour averaging time can be difficult for facilities with widely varying operating conditions. Power plants need to respond to quickly changing conditions on the power grid. Complying with extremely short compliance periods can be problematic. (Duke)

*Response:* IDEM proposed a limit of 0.5 lbs/MMBtu and 1,499.5 lbs/hr for the Duke Energy – Wabash River Generating Station. The lbs/MMBtu limit is based on a control strategy of repowering Unit 6 from coal to natural gas with fuel oil backup. IDEM is not proposing the use of a SO<sub>2</sub> CEMS to demonstrate compliance since a repowered unit would not otherwise be required to monitor with SO<sub>2</sub> CEMS. Without CEMS, the current monitoring provisions at [326 IAC 7-2-1](#) require analysis of the sulfur content of fuel for demonstrating compliance with the lbs/MMBtu limit or stack testing to show compliance with the short term limit lbs/hr limit. These proposed compliance provisions may already address the source's need for a longer averaging period.

*Comment:* Section 192(a) of the Clean Air Act (CAA) requires that the SIP provide for attainment as

expeditiously as possible, but not later than five years from the effective date of the nonattainment designation. Since the effective date of the nonattainment designation is October 4, 2013, if necessary, the compliance date could be as late as October 4, 2018.

The Wabash River power plant is actively pursuing various alternatives to bring the site into SO<sub>2</sub> attainment while balancing the need for reliable, safe, and low cost electricity. As the company transitions to compliance, unexpected delays can occur which are beyond the control of the source. Indiana should keep with the statutory compliance date of October 4, 2018, and work with sources individually to comply as expeditiously as possible, but not later than October 4, 2018. (Duke)

*Comment:* The compliance date in the draft rule is January 1, 2017. IDEM based this date on U.S. EPA policy requiring one full calendar year of data showing compliance, in advance of the statutory compliance attainment date of October 4, 2018. However, there is no legal requirement to set the source compliance date in advance of the statutory attainment date. In fact, requiring sources to comply 21 months in advance of the statutory attainment date is contrary to the plain language of the Clean Air Act. Given the short time frame that states have had to develop SIPs for the 1-hour SO<sub>2</sub> standard following the release of U.S. EPA's guidance and the need for regulated utilities to perform required engineering and cost analyses and obtain approvals through the IURC, this January 1, 2017 deadline could be problematic. The commenter requests that IDEM set the source compliance date to no earlier than October 4, 2018. (IPL) (I&M) (IEA)

*Comment:* Even with an expedited schedule, if the process for designing emission controls would start about July 1, 2015, this would put the startup of a dry sorbent injection system sometime in late 2017 to early 2018 and a FGD system would be available for operation in the 2019 to 2020 time frame. (I&M) (IEA)

*Response:* As some of the commenters indicate IDEM based the January 1, 2017 compliance date on U.S. EPA guidance. The April 2014 guidance identified January 1, 2017, as the date sources are to begin complying with the attainment strategy in the SIP. Unless U.S. EPA indicates otherwise IDEM will continue to follow this expectation. U.S. EPA will be basing attainment determinations on modeling and/or 3 years of clean data. If sources wait until 2018 to install controls then there is less of a chance to have a design value meet the standard (based on years 2015 through 2017). At a minimum, at least one year of clean calendar year monitoring data is needed to demonstrate attainment.

*Comment:* The draft rule proposes to restrict boilers 0070-58, 0070-59, 0070-62, and 0070-63 at [326 IAC 7-4-2.1\(a\)\(3\)](#) to the use of natural gas only. Rolls Royce intends to use ultra-low sulfur diesel fuel oil in these boilers with a sulfur content of 0.0015% equivalent to 0.0015 lbs SO<sub>2</sub>/MMBtu. Rolls Royce requests that this be reflected in the modeling and future rule proposals. (RR)

*Response:* IDEM amended the rule by removing the natural gas restriction and adding a limit of 0.0015 lbs/MMBtu for each of the four boilers listed. This limit will allow the use of either ultra-low sulfur diesel fuel oil or natural gas. The modeling was modified to account for the difference in allowable emissions for each boiler and the ability of the area to attain the standard is not impacted.

*Comment:* The draft rule at [326 IAC 7-4-2.1\(a\)\(3\)](#) proposes to restrict boiler 0070-65 to the use of natural gas only and boiler 0070-64 to the use of landfill gas only. Rolls Royce intends to use landfill gas or natural gas in both of these boilers and requests that the rule and associated modeling be modified accordingly. (RR)

*Response:* IDEM modified the modeling and rule as requested and the ability of the area to attain the standard is not impacted.

*Comment:* The draft rule at [326 IAC 7-4-2.1\(a\)\(3\)](#) proposes to limit the operation of the gas turbines to 1,000 hours per calendar year. This limitation does not allow for sufficient flexibility to accommodate potential testing demands. The commenter requests that the limitation be modified to an annual fuel limit of 2,611,000 gallons for the 12 engines combined (equivalent to 18.3 tons/year SO<sub>2</sub>). This limit is equivalent to the proposed limit of 1,000 hours of operation of 12 engines per calendar year. (RR)

*Response:* U.S. EPA has indicated that a SIP that relies on modeling that limits a unit's operation to more than 500 hours per year would not be appropriate. This is based on the intermittent emissions policy for emergency generators that operate less than 500 hours per year. While the intermittent emissions policy is not the same situation for the gas turbines, it does provide a framework for use in this situation. The policy considers the hours of operation and not the equivalent amount of fuel used, therefore, the rule has not been modified to limit based on fuel use instead of hours of operation. U.S. EPA is concerned that if the emission unit was operated at reduced capacity, then the equivalent amount of fuel usage could allow for more hours of operation than was intended to be accounted for in the model. After further discussion Rolls Royce has indicated that they will operate the turbines with a lower sulfur content jet fuel of 0.05 lb/MMBtu. This lower limit models attainment with turbines operating at full capacity without a need to limit the number of hours of operation.

*Comment:* The draft rule at [326 IAC 7-4-2.1\(a\)\(3\)](#) limits the use of a rental generator to 500 hours per calendar year. Multiple rental generators may be used during the course of a calendar year and 500 hours does not provide needed operational flexibility. The fuel used in the generators is ultra-low sulfur diesel fuel with a 0.0015% sulfur content. The commenter requests that the rule specify the use of ultra-low sulfur diesel fuel and allow for a combined total fuel usage of 120,000 gallons a year (equivalent to 0.014 tons/year SO<sub>2</sub>). (RR)

*Response:* IDEM amended the rule as suggested to remove the restriction on the number of operating hours



and instead limit the sulfur content of the fuel to 0.0015 lbs/MMBtu. This revised limit is lower than what was proposed during the Second Notice of Public Comment Period and models attainment, therefore there is no need to limit the amount of fuel burned.

*Comment:* Test cell 0070-N6 at [326 IAC 7-4-2.1\(a\)\(3\)](#) will be retained for research and development purposes. The commenter proposes that the unit be restricted to a fuel limit of 4,478,000 gallons per year which is equivalent to the 1000 hours of operation restriction in the draft rule language. (RR)

*Response:* U.S. EPA has indicated that a SIP that relies on modeling that limits a unit's operation to more than 500 hours per year would not be appropriate. This is based on the intermittent emissions policy for emergency generators that operate less than 500 hours per year. While the intermittent emissions policy is not the same situation for the test cell, it does provide a framework for use in this situation. The policy considers the hours of operation and not the equivalent amount of fuel used, therefore, the rule has not been modified to limit based on fuel use instead of hours of operation. U.S. EPA is concerned that if the test cell was operated at reduced capacity, then the equivalent amount of fuel usage could allow for more hours of operation than was intended to be accounted for in the model. After further discussion Rolls Royce has indicated that they will operate the test cell with a lower sulfur content jet fuel of 0.05 lb/MMBtu. Currently, the test cells at Rolls Royce are subject to the general fuel oil limit of 0.5 lbs/MMBtu at [326 IAC 7-1.1-2](#). A lower fuel sulfur limit will reduce emissions of SO<sub>2</sub> from the emission unit. IDEM is currently working with Rolls Royce to develop a modeling demonstration that supports attainment of the standard.

*Comment:* The 501k turbine at [326 IAC 7-4-2.1\(a\)\(3\)](#) is no longer at the facility and should be removed from the rule. (RR)

*Response:* IDEM modified the rule as requested.

*Comment:* The following engine test cells at Rolls Royce have been removed from the facility and Rolls Royce has already requested that they be removed from the Title V air operating permit: 0070-N3, 0070-N8, 0070-N9, 0070-N10, 0070-N11, 0070-N15, 0070-N17, 0070-N27, 0070-N32, 0070-N40, and 0070-N48. (RR)

*Response:* IDEM has removed these test cells from the modeling. When Rolls Royce renews their operating permit later this year these changes will be reflected in the permit.

*Comment:* The Second Notice of Public Comment Period references U.S. EPA's April 23, 2014 SO<sub>2</sub> implementation guidance to support the exclusion of emergency generator emissions from the modeling attainment demonstration and emission limitations.

The commenter supports the exclusion of emergency generator emissions but believes the exclusion of startup and shutdown periods is equally valid and consistent with this guidance. During startup and shutdown of the four units at Petersburg the flue gas desulfurization (FGD) units would not achieve full control until the startup of the units and associated FGD is complete. Consistent with the guidance, these periods of time are intermittent and of a limited amount of time during the year and as such would not contribute significantly to the annual distribution of emissions. The commenter requests that [326 IAC 7-4-15](#) include a limit of 500 hours per calendar year for bypass due to startup, shutdown, and CEM testing conditions and these hours should not be included in determining compliance with the emission limitations in [326 IAC 7-4-15\(a\)](#) or [326 IAC 7-4-15\(c\)](#) for the four Petersburg Station coal fired units. (IPL)

*Response:* U.S. EPA requires that the SIP limits apply during startup and shutdown; therefore, the proposed rule has not been revised as requested. The April 2014 guidance refers to another U.S. EPA Memorandum, "Additional Clarification Regarding Application of Appendix W Modeling Guidance for the 1-hour NO<sub>2</sub> National Ambient Air Quality Standard" (Tyler Fox, March 1, 2011), for information on modeling of intermittent emissions (emergency generators, and/or intermittent emission scenarios, such as startup/shutdown operations). As stated in the NO<sub>2</sub> guidance, the treatment of intermittent emissions applies to dispersion modeling and has no effect on existing policies and guidance regarding excess emissions that may occur during startup and shutdown.

The proposed limits at [326 IAC 7-4-15](#) apply to both the main stack and the bypass stack for Unit 1 and Unit 2. U.S. EPA's guidance for emergency generator emissions applies to a very limited situation and not the use of bypass stacks. Monitoring provisions in [326 IAC 3-5-8\(c\)](#) include exemptions for operation of the CEMS during monitoring system malfunctions and monitoring system quality assurance/quality control activities. Also, similar to what is allowed in the MATS rule, IDEM is proposing at [326 IAC 7-2-1](#) to allow the use of diluent cap methodology from 40 CFR 75 to help address some of the issues with including startup and shutdown emissions in determining compliance.

*Comment:* The commenter supports the proposed exclusion of emergency generator emission from the rule, but believes the exclusion of startup and shutdown periods is equally valid and consistent with the April 23, 2014 U.S. EPA guidance and the New Source Performance Standards (NSPS) that apply to some electric generating units, including AEP's Rockport Plant. (I&M) (IEA)

*Response:* While the NSPS and also the MATS rule excludes startup and shutdown emissions from the calculation for determining compliance, U.S. EPA has indicated that these emissions cannot be excluded from the SIP limit. Please see the previous response for additional information on startup and shutdown emissions.

*Comment:* Compliance can be based on using lower sulfur content fuels, source retirement, and in a few cases use of add-on controls. IPL's Petersburg Station is the only facility proposing to use add-on controls in

conjunction with a 30-day rolling average. The 30-day rolling average is an appropriate and necessary compliance option consistent with U.S. EPA guidance. The rule should include more specific details as to how the 30-day rolling average is to be computed especially with respect to non-operational days, startup/shutdown conditions, and CEM testing conditions. Compliance for each day should be calculated based on the SO<sub>2</sub> emissions during the previous 30 operational days (excluding periods of startup, shutdown, and CEM testing); days when the facility is not operating would not be included. (IPL)

*Response:* IDEM is proposing at [326 IAC 7-4-15\(d\)](#) that the 30-day rolling average be calculated using a 30-boiler operating day rolling arithmetic average emission rate at the end of each boiler operating day using all of the quality assured hourly average continuous emission monitoring system data for the previous 30 boiler operating days. This is similar to the compliance provisions in the MATS rule except that MATS excludes startup and shutdown emissions from the determination of compliance. Monitoring provisions in [326 IAC 3-5-8\(c\)](#) include exemptions for operation of the CEMS during monitoring system malfunctions and monitoring system quality assurance/quality control activities.

*Comment:* Data substitution requirements are particularly germane to 30-day average limits that are enforced on the basis of continuous emission monitoring. Michigan has been asking for U.S. EPA recommendations with respect to data substitution, and U.S. EPA will share those recommendations once they are available. (U.S. EPA)

*Response:* Similar to the MATS rule, IDEM is proposing that only quality assured continuous emission monitoring system (CEMS) data be used to calculate emission rates and therefore, is not proposing to allow inclusion of substitute data values derived from the missing data procedures of 40 CFR 75. While U.S. EPA has indicated that they will allow compliance with or without data substitution, since missing data is replaced with more conservative emission rates, it is not necessary for a rule not based on an emissions trading program.

*Comment:* IPL intends to convert Boiler 70 at the Harding Street Generating Station to use only natural gas and discontinue use of coal. Remove the proposed limit at [326 IAC 7-4-2.1\(a\)\(6\)\(E\)](#) and require the use of natural gas. The compliance language for Boiler 70 at [326 IAC 7-4-2.1\(a\)\(6\)\(M\)](#) in the draft rule can be removed. Higher limits for Gas Turbines 1, 2, 4, and 5 can be accommodated and IPL requests limits of 0.1 lbs/MMBtu. Remove Gas Turbine 3 from the list, it has discontinued operation. (IPL)

*Response:* IDEM has amended the rule as requested. IDEM also increased the lbs/hour limits for Gas Turbines 1, 2, 4, and 5 to account for the increased lbs/MMBtu limit. The modeling for Marion County was updated to include the revised limits and the ability of the area to attain the standard is not impacted.

*Comment:* The correct name for the source at [326 IAC 7-4-2\(6\)](#) and [326 IAC 7-4-2.1\(a\)\(6\)](#) in the draft rule is Indianapolis Power & Light Company – Harding Street Generating Station. (IPL)

*Response:* IDEM amended the rule as requested.

*Comment:* The correct name for the source at [326 IAC 7-4-11](#) and [326 IAC 7-4-11.1](#) in the draft rule is Indianapolis Power & Light Company – Eagle Valley Generating Station. (IPL)

*Response:* IDEM amended the rule as requested.

*Comment:* The combined cycle units at [326 IAC 7-4-11.1](#) in the draft rule are combined cycle combustion turbines and include duct burners. (IPL)

*Response:* IDEM amended the rule as requested.

*Comment:* The limit for the tail gas incinerator at [326 IAC 7-4-3.1\(a\)\(2\)](#) in the draft rule for sgSolutions, LLC should allow for a 30-day rolling average. (WVPA)

*Response:* IDEM is proposing a 30-day rolling average emission limit for the tail gas incinerator for sgSolutions based on analysis of past CEMS data for the unit and U.S. EPA guidance. IDEM has slightly modified the emission limit provided by sgSolutions. sgSolutions proposed a 30-day rolling average emission limit of 229.9 lbs/hour. U.S. EPA has requested that this limit be 230.6 lbs/hr based on a re-evaluation of the CEMS data that uses the average emissions rate of hourly emissions rates collected over the past 30 unit operating days. The analysis provided by sgSolutions averaged the daily emissions rates as an intermediate step before calculating the 30 day rolling average. IDEM is proposing in the rule the limit calculated by U.S. EPA, although, they are almost identical. IDEM has clarified in [326 IAC 7-4-3.1\(c\)](#) that compliance will be determined calculating an average using all of the hourly CEMS data for the previous 30 operating days at the end of each operating day for a 30-day rolling average.

*Comment:* The pilot light for the process flare at [326 IAC 7-4-3.1\(a\)\(2\)](#) for sgSolutions is expected to be lit 8,760 hours per year and will otherwise be intermittently used for flaring purposes. The intended need for the flare is to provide relief in the event the combined cycle unit is unable to utilize the syngas and/or the process has an event that prevents delivery of product to the combined cycle unit. The following hour limitations should apply instead of the proposed lb/hr limits: coal/syngas – 500 hours per calendar year (rolled each month) and natural gas – 1,000 hours per calendar year (rolled each month). (WVPA)

*Response:* IDEM agrees with an operating hour restriction instead of a lb/hr limit as suggested. Since U.S. EPA's policy on intermittent emission is limited to 500 hours per year the rule will limit use of the flare with coal/syngas with no restriction on the amount of hours with natural gas. Sulfur dioxide emissions from natural gas are not significant and do not impact the ability of the nonattainment area to attain the standard, therefore, it is not necessary to have an operating hour restriction for natural gas usage.

*Comment:* The State and U.S. EPA have designated Morgan County as nonattainment for SO<sub>2</sub> based on historic data while at the same time not incorporating the fact that the IPL - Eagle Valley Generating Station will convert to natural gas. Hydraulic Press Brick (HPB) understands that IDEM does not believe SO<sub>2</sub> emissions from HPB significantly contributed to elevated SO<sub>2</sub> readings at the monitoring station. This coupled with the installation of a limestone injection system at (HPB) will result in significant reductions in SO<sub>2</sub> for Morgan County. If the nonattainment designation stands without acceptance of measures by HPB to comply with the current limit of 6.0 lbs/MMBtu, then the source will be forced to a more stringent model-based standard that it cannot practically achieve, thus resulting in the business being forced to shut down.

While the SIP is a mandatory requirement under the Clean Air Act (CAA), the CAA also provides that the SIP include measures, as may be necessary, to be obtained through adoption of reasonably available control technology (RACT) or be otherwise appropriate. Once the limestone injection system is installed and IPL converts to natural gas, the appropriate emission limitation will be achieved through these specific and enforceable measures (the limestone injection system).

The Morgan County SO<sub>2</sub> attainment demonstration should be based on the fact that IPL is converting the Eagle Valley Generating Station from coal to natural gas, and that HPB will comply with its current limit by installing a limestone injection system. (HPB)

*Comment:* It is important that the rule impose appropriate limits for Hydraulic Press Brick. When emissions arising from sulfur contained in non-fuel material in the process are included, this source could exceed the emission thresholds proposed in the data requirements rule. Nonattainment guidance calls for assuring attainment throughout the nonattainment area (along with any affected area outside the nonattainment area), and it is the premise that sources that meet the size thresholds of the Data Requirements Rule for 1-Hour Sulfur Dioxide (SO<sub>2</sub>) (DRR), that are within designated nonattainment areas will be addressed during the applicable nonattainment area planning. The plan needs to require reasonable controls at this facility. In general, the limits are expected to govern SO<sub>2</sub> emissions without regard to whether the origins are in fuel or other materials, but it is especially important that limits for this source clearly apply to total SO<sub>2</sub> emissions. (U.S. EPA)

*Response:* As U.S. EPA noted in their comment, HPB needs to be included in the attainment SIP with enforceable limits because it is an SO<sub>2</sub> emitting source in a nonattainment area. IDEM may have been able to exclude this source if the emissions were below the thresholds in the DRR rule proposed on May 13, 2014. There are 3 options in the proposed rule and the highest threshold in a metro area is 3,000 tons of SO<sub>2</sub> per year. The source emits SO<sub>2</sub> above the proposed threshold of 3,000 tons per year. IDEM will use the final DRR rule in the future to designate additional nonattainment areas in locations without an ambient monitor.

Operations at the HPB facility include the operation of two coal-fired rotary drum kilns used to expand shale into lightweight aggregate. Data from stack testing during June 2014 indicate that the emission rate for Kiln #4 is 5.68 lbs/MMBtu and for Kiln #5 is 9.21 lbs/MMBtu. IDEM has requested that the basis for the proposed emission rate for this rule be 50% of the emission rate measured during the June 2014 stack test. This level of control is based on what was determined to be achievable during a limestone injection control system pilot study in August 2014 on Kiln #5. Kiln #4 is controlled by a wet scrubber. HPB has estimated that the wet scrubber reduces SO<sub>2</sub> emissions by approximately 20%, therefore, uncontrolled emission from Kiln #4 are 7.10 lbs/MMBtu. IDEM is proposing limits in the rule at [326 IAC 7-4-11.1](#) of 3.6 lbs/MMBtu for Kiln #4 and 4.6 lbs/MMBtu for Kiln #5. Based on a capacity rating of 45 MMBtu/hr for Kiln #4 and 70 MMBtu/hr for Kiln #5 there are also proposed limits of 160 lbs/hr and 322 lbs/hr, respectively.

During January 2015, HPB conducted testing on the sulfur content of the rock shale at two locations at varying depths. The shale sulfur values were used to calculate the maximum theoretical uncontrolled SO<sub>2</sub> emissions that would occur at varying depths for each of the kilns. These values range from 6.23 lbs/MMBtu to 12.56 lbs/MMBtu. The high end of the range is due to a shale sample at greater depth in the mine in one of the locations. Along with other conservative assumptions HPB assumed a coal sulfur content of 5 lbs/MMBtu based on the current coal contract. Typically the coal sulfur contents are lower than what is allowed by contract with the supplier.

IDEM is proposing that HPB will conduct monthly testing of the shale sulfur content similar to the monthly sampling that is currently required for coal used in the kilns. HPB will be required to inject limestone at a rate sufficient to achieve the sulfur dioxide emission limits. IDEM will continue to work with HPB and U.S. EPA before final adoption to refine the compliance demonstration requirements as needed.

*Comment:* The permitted name for the source at [326 IAC 7-4-2](#) and [326 IAC 7-4-2.1](#) in the draft rule is Belmont Advanced Wastewater Treatment Plant. (CEG)

*Response:* IDEM amended the name as requested.

*Comment:* Incinerator 5, Incinerator 6, Incinerator, 7, and Incinerator 8 at [326 IAC 7-4-2](#) and [326 IAC 7-4-2.1](#) should be removed. These units have been demolished and are no longer at the facility. (CEG)

*Response:* IDEM has removed the demolished units from the rule language.

*Comment:* The "Emission Unit Description" column at [326 IAC 7-4-2.1\(a\)\(2\)](#) in the draft rule should list incinerators 1, 2, 3, and 4 separately. Compliance is determined per incinerator, not at the main stack. The commenter recommends changing the column entry from "(A) Main Stack I1-I4" to one entry for each incinerator,

"(A) Incinerator 1; (B) Incinerator 2; (C) Incinerator 3; (D) Incinerator 4". Each incinerator would have the same emission limit. (CEG)

*Response:* IDEM has amended the rule to remove the reference to the main stack by listing all four incinerators separately in one entry with the same requirement applying to each incinerator.

*Comment:* In order to allow the emission units at 7-4-2.1(a)(1) (Citizens Thermal – Perry K) to combust other gas 1 fuels, as defined in 40 CFR 63, Subpart DDDDD the "emission limit" should be revised to read "burn natural gas or other gas 1 fuel as defined in 40 CFR 63, Subpart DDDD." This would allow the source the flexibility to combust other gaseous fuels of similar quality to natural gas as is allowed under 40 CFR 63, Subpart DDDDD. (CEG)

*Response:* After additional discussion with the source IDEM has amended the rule to allow for natural gas combustion in Units 12, 15, and 16 and a limit of 0.2 lbs/MMBtu for Units 11, 13, and 14. The modeling for Marion County was revised to include the amended limits and the ability of the area to attain the standard is not impacted.

*Comment:* The commenter requested a 60 day extension of the comment period to analyze the sulfur dioxide emission inventories and dispersion modeling used by IDEM to support the SO<sub>2</sub> emission limits in the draft rule. (JS)

*Response:* IDEM was not able to extend the comment period due to the time constraints with submitting the SIP to U.S. EPA.

*Comment:* The Indiana Environmental Rules Board should reject consideration and approval of the proposed sulfur dioxide emission limitations. IDEM has failed to support the emission limits with a technical analysis and reasoned explanation accompanying the proposed rule. IDEM has not provided a timely response to commenter's requests for modeling-related information and emissions inventory data to independently allow citizen review and comment on the technical analysis for the emission limits. IDEM has been disingenuous about seeking public comment by rejecting a reasonable extension of the public comment period in order to receive and review technical information not yet provided by IDEM. (JS)

*Response:* Once air program staff received the request for modeling information from IDEM's file room the request was promptly filled. While this information was not provided in time for submitting comments during the Second Notice of Comment Period there are additional opportunities to provide public comment during the hearings for preliminary and final adoption.

*Comment:* The Second Notice of Public Comment Period does not address the shortcoming of the American Meteorological Society/Environmental Protection Agency Regulatory Model (AERMOD) modeling system. The model for sources with wide low buildings (downwash) has not been corrected by U.S. EPA in any revisions to the AERMOD code. (I&M) (IEA)

*Response:* U.S. EPA has identified AERMOD as the preferred refined dispersion model for SIP revisions, New Source Review, and Prevention of Significant Deterioration. AERMOD model performance has been extensively evaluated and shown to provide generally unbiased estimates of 1-hour SO<sub>2</sub> concentrations across a wide range of scenarios. A presentation from the 10<sup>th</sup> Conference on Air Quality Modeling, held in 2012, evaluated AERMOD under the 1-hour NO<sub>2</sub> and SO<sub>2</sub> NAAQS. U.S. EPA evaluated AERMOD's performance based on 17 field studies, of which 7 modeled building downwash scenarios. Comparisons for downwash were made with the Industrial Source Complex Short Term (ISCST3) model and the downwash module within ISCST3: Plume Rise Model Enhancements (PRIME). The modeled and observed results showed AERMOD performed better than the ISCST3 and ISC-PRIME modeled results. All modeled results showed over-predictions, but the AERMOD results showed a better predicted to observed concentration comparison with other dispersion models. The presentation can be found at [http://www.epa.gov/scram001/10thmodconf/presentations/2-8-Brode\\_10thMC\\_AERMOD\\_Evals\\_1hr-NO2-SO2\\_NAAQS\\_Final\\_3-25.pdf](http://www.epa.gov/scram001/10thmodconf/presentations/2-8-Brode_10thMC_AERMOD_Evals_1hr-NO2-SO2_NAAQS_Final_3-25.pdf).

U.S. EPA has committed to engage in rulemaking to evaluate updates to Appendix W to 40 CFR 51 for individual and cumulative impact analysis, including the new 1-hour SO<sub>2</sub> NAAQS, and incorporate new analytical techniques. U.S. EPA is planning a proposed rulemaking to address revisions to Appendix W during the spring of 2015 with final rulemaking for the "Revisions to the Guideline on Air Quality Models" by the spring of 2016. Opportunity to comment to U.S. EPA on AERMOD can be made through this regulatory process.

*Comment:* IDEM proposed an emission limit for the two coal fired boilers at the Ratts Generating Station (Ratts) of 0.05 lbs/MMBtu each. The commenter refers to a section of the CAA that provides for SIP revisions to implement with RACT and provide for attainment of the NAAQS. The emission limits in the draft rule for Ratts are not consistent with RACT for similar coal-fired units. The SO<sub>2</sub> emission limitations in the draft rule are much more stringent than RACT. The RACT/BACT/LAER Clearinghouse<sup>2</sup> has developed a range of limitations for coal fired boilers. The average in emission limitations for RACT is 0.23 lbs/MMBtu, which is considerably higher than the 0.05 lbs/MMBtu proposed for Ratts. Although, there are two entries in the Clearinghouse at 0.06 lbs/MMBtu, these boilers are unlike Ratts in type of boiler and in type of coal burned, plus when considering cost per ton of SO<sub>2</sub> removed, the cost component of RACT cannot be satisfied. IDEM should propose an emission limitation for Ratts that is consistent with RACT. (HE)

*Comment:* The proposed emissions limits for Ratts are the lowest of any source in the draft rule. There is no



technical or factual basis for this limit. Ratts is not even the highest emitter in the county, thus its impacts are not as great as other utilities with much higher draft SO<sub>2</sub> emission limits. IDEM should revise the draft SO<sub>2</sub> emission limits to be commensurate with the modeling and equitable among the sources in the nonattainment area. Should Hoosier Energy make a voluntary choice to shut down or idle one unit at Ratts, Hoosier Energy should receive the benefit of those emission reductions at the other Ratts unit, rather than IDEM reallocating this benefit to another source. (HE)

*Comment:* The Ratts units are unable to achieve the draft emission limit with the existing control equipment and coal availability to the units. Based on experience at the Merom Station, Ratts would not be able to achieve 0.05 lbs/MMBtu even if it installed a wet scrubber, which is BACT-level pollution control technology. Merom and Ratts combust coal of a similar sulfur content, but Merom is only able to achieve 0.10 lbs/MMBtu of SO<sub>2</sub> with consistency with a wet scrubber. IDEM's draft rule in effect unilaterally redefines Ratts because it cannot achieve the draft emission limit without a complete change in fuel. Hoosier Energy would be forced to convert both units to burn natural gas to achieve such low SO<sub>2</sub> levels. (HE)

*Response:* After further communication with the affected source, the source has indicated that the emission limits for Ratts should remain as proposed in the draft rule during the Second Notice of Comment Period. Additional planning and review of other regulations that affect this source has occurred since the time of the Second Notice. Additional time has allowed the source to evaluate its plans for compliance with the MATS rule.

*Comment:* In its May 2011 preliminary designations for the 2010 SO<sub>2</sub> NAAQS, IDEM included the Gibson generating facility in its list of sources contributing to nonattainment in Southwest Indiana. The Gibson facility was subsequently removed because data from a monitoring station showed compliance at that specific location only. Air dispersion modeling (provided as an exhibit to the comment letter) performed on Sierra Club's behalf shows that based on either currently allowable emissions, or measured actual emissions, the Gibson facility causes SO<sub>2</sub> impacts that exceed the 2010 SO<sub>2</sub> NAAQS. When modeling allowable emissions, the analysis shows that the Gibson facility, on its own, violates the 2010 SO<sub>2</sub> NAAQS in a portion of the designated nonattainment areas in Southwest Indiana. IDEM must ensure that the entire nonattainment area in Daviess and Pike counties achieves compliance with the 2010 SO<sub>2</sub> NAAQS, not just at a specific monitoring location. On the basis of this alone, IDEM must impose SO<sub>2</sub> limits on the Gibson facility in this rulemaking. IDEM's responsibility under the CAA and the Indiana SIP is broader than simply ensuring compliance with the 2010 SO<sub>2</sub> NAAQS within the areas already designated as nonattainment. When modeling with allowable or actual emissions, the Gibson facility violated the 2010 SO<sub>2</sub> NAAQS over a broad swath of Southwest Indiana. IDEM should ensure attainment of the 2010 NAAQS throughout this area. (SC)

*Response:* Gibson County was initially recommended to be designated as nonattainment (based on 2008 through 2010 monitoring data) for the 1-hour SO<sub>2</sub> NAAQS on May 11, 2011. Initial modeling for all SO<sub>2</sub> sources in the proposed nonattainment area designations was conducted by IDEM to determine 1-hour SO<sub>2</sub> modeled impacts. The modeling was based on information provided through surveys that IDEM sent to companies throughout the state to gather emissions, stack parameters and facility information. The intent of this modeling was to identify SO<sub>2</sub> sources that would need to be accounted for once final 1-hour SO<sub>2</sub> nonattainment area designations were made. Preliminary modeling for Duke Energy Indiana – Gibson Generating Station (Duke-Gibson) showed 1-hour SO<sub>2</sub> impacts in the Gibson County nonattainment area; however, U.S. EPA modeling guidance was not available at that time so the modeling was not approved by U.S. EPA.

A technical addendum to Indiana's initial 1-hour SO<sub>2</sub> nonattainment recommendations was submitted on January 6, 2012, in response to the release of the draft SO<sub>2</sub> implementation guidance "Guidance for 1-Hour SO<sub>2</sub> NAAQS State Implementation Plan (SIP) Submissions" published on October 3, 2011. Based on the draft guidance, Indiana requested to update the preliminary 1-hour SO<sub>2</sub> nonattainment area recommendations from county to township boundaries for nonattainment. Montgomery Township was recommended as the 1-hour SO<sub>2</sub> nonattainment area boundary in Gibson County as it contains the SO<sub>2</sub> monitor (based on 2008 through 2010 monitoring data) which registered the 1-hour SO<sub>2</sub> NAAQS violation as well as the Duke – Gibson facility. Duke – Gibson represents the largest upwind SO<sub>2</sub> source in the county.

Indiana submitted a technical addendum on April 26, 2012 which evaluated all monitored SO<sub>2</sub> values throughout the state from 2009 through 2011. This quality-assured data taken from the Gibson Coal Road SO<sub>2</sub> monitor (source-oriented monitor to Duke-Gibson), showed current 1-hour SO<sub>2</sub> design values below the NAAQS of 75 parts per billion (ppb). It should be noted that four of the five nonattainment area SO<sub>2</sub> monitors are source-oriented to best capture SO<sub>2</sub> impacts. As a result, Indiana updated its 1-hour SO<sub>2</sub> designation recommendations to U.S. EPA to classify Montgomery Township, Gibson County from nonattainment to unclassifiable and U.S. EPA accepted this recommendation. The table below shows the area continues to maintain its three-year design value below 75 ppb.

Three-Year Design Values (ppb)						
Monitor	Monitor ID	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014
Gibson Coal Road	180510002	76	69	73	69	73 <sup>a</sup>

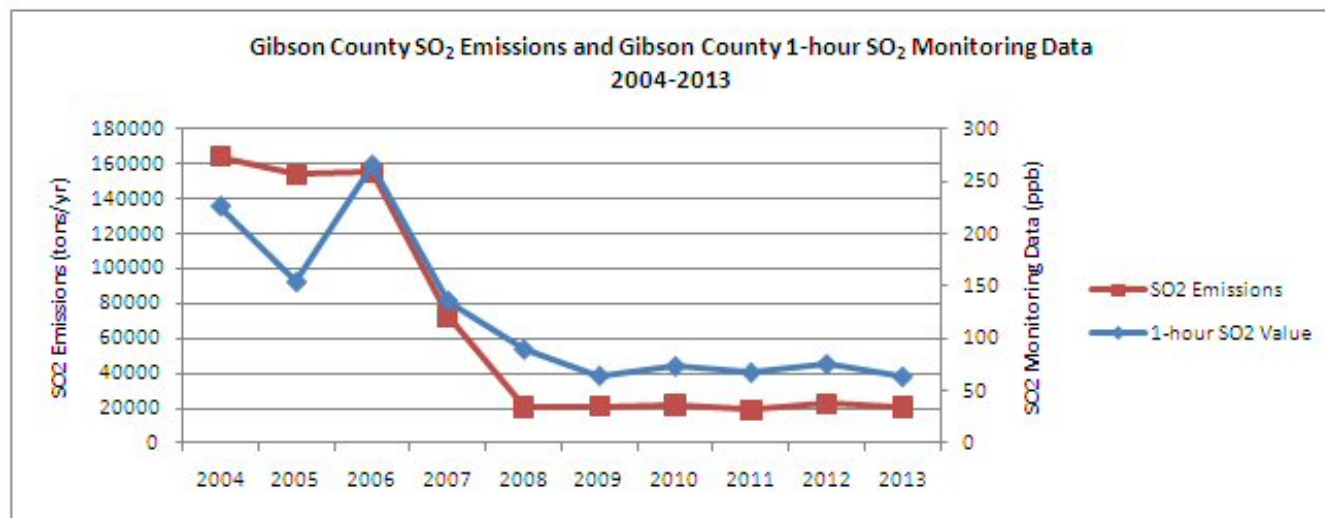
<sup>a</sup> Quality assured data through September 30th, 2014

As shown in the table below, the annual 99<sup>th</sup> percentile 1-hour SO<sub>2</sub> values at the Gibson Coal Road SO<sub>2</sub> monitor has remained low over the past five years.

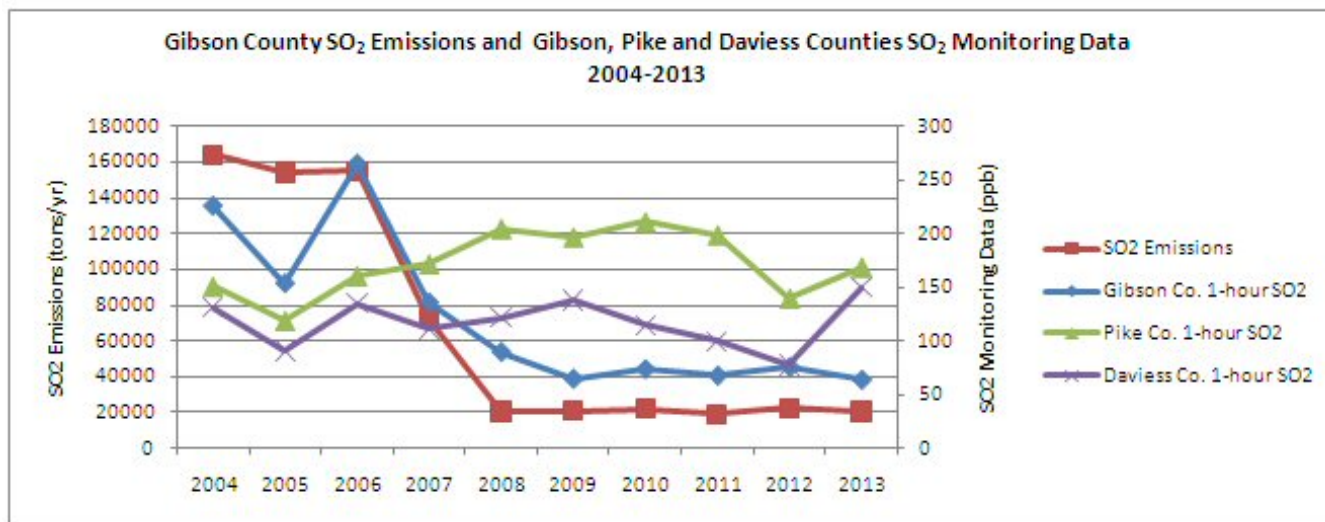
99 <sup>th</sup> Percentile Values from 2008-2014 (ppb)								
Monitor	Monitor ID	2008	2009	2010	2011	2012	2013	2014
Gibson Coal Road	180510002	90	65	74	68	76	64	78 <sup>b</sup>

<sup>b</sup> Quality assured data through September 30th, 2014

The 1-hour SO<sub>2</sub> design values measured at the Gibson Coal Road SO<sub>2</sub> monitor, located downwind of Duke-Gibson, have trended downward over the past several years and when U.S. EPA made its final 1-hour SO<sub>2</sub> nonattainment area designations, the 1-hour SO<sub>2</sub> design value at the Gibson County monitor registered below the 1-hour SO<sub>2</sub> NAAQS of 75 ppb. SO<sub>2</sub> emissions from sources within Gibson County have trended downward over the past 10 years, reflecting emission reductions resulting from state and federal rulemakings. Significant reductions in SO<sub>2</sub> emissions occurred in 2007 and 2008 and have remained at lower levels. The 99<sup>th</sup> percentile of the 1-hour SO<sub>2</sub> monitoring data taken from the Gibson County monitor has drop dramatically over the same time period as well. SO<sub>2</sub> monitoring data and SO<sub>2</sub> emissions for Gibson County correlate very well over the past 10 years, as shown in the chart below.



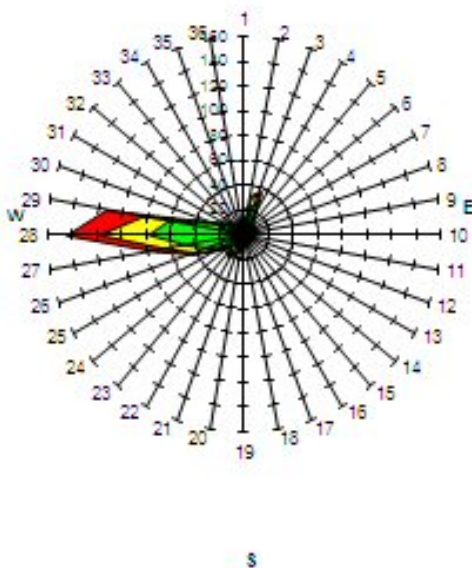
The chart below shows Gibson County SO<sub>2</sub> emissions from 2004 through 2013, showing the downward trend of emissions from sources located in the Gibson County. When the 99<sup>th</sup> percentile of the 1-hour SO<sub>2</sub> monitoring data for Pike and Daviess Counties are added to the chart, it clearly shows 1-hour SO<sub>2</sub> values are independent of Gibson County emissions as the 99<sup>th</sup> percentile 1-hour SO<sub>2</sub> monitoring values at Pike and Daviess County monitors have remained much higher.



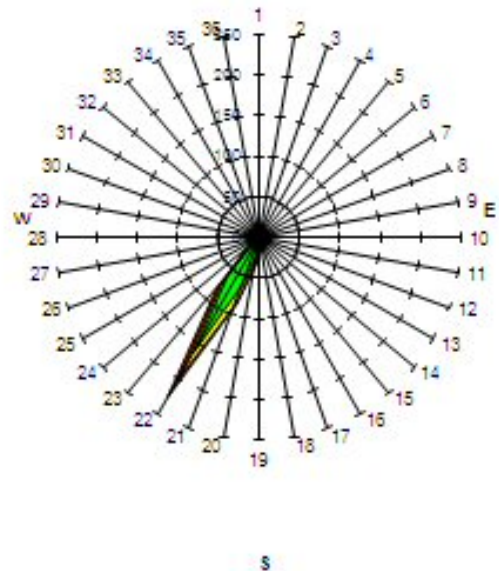
For comparison purposes, the Pike and Daviess Counties' 99<sup>th</sup> percentile 1-hour SO<sub>2</sub> monitoring data has shown steady to increasing values over the same period. This would indicate that the Gibson County emissions do not have an impact on the Pike and Daviess Counties' 1-hour SO<sub>2</sub> nonattainment areas.

Further proof can be found in cumulative pollution roses, created to show the direction from which 1-hour SO<sub>2</sub> monitored values above 20 ppb at the Pike and Daviess County SO<sub>2</sub> monitors were measured. The meteorological data used for this analysis was taken from the Duke - Gibson meteorological station in Gibson County from 2011 through 2013. The frequency of higher 1-hour SO<sub>2</sub> concentrations occurring when winds blew from the west at the Pike County SO<sub>2</sub> monitor and higher 1-hour SO<sub>2</sub> concentrations occurred when winds were blowing from the south-southwest at the Daviess County SO<sub>2</sub> monitor were overwhelming. Prevailing wind directions at both SO<sub>2</sub> monitors point to impacts of the emissions from IPL-Petersburg and Hoosier Energy R.E.C, Inc. – Frank E. Ratts Generating Station.

Arda Lane Pike County - Gibson County Met 2011 - 2013  
Wind Direction vs SO<sub>2</sub> concentrations N  
[green (>=20 ppb and <50 ppb)]  
[yellow (>=50 ppb and <75 ppb)]  
[red (>=75 ppb)]



Daviess County - Gibson County Met 2011 - 2013  
Wind Direction vs SO<sub>2</sub> concentrations N  
[green (>=20 ppb and <50 ppb)]  
[yellow (>=50 ppb and <75 ppb)]  
[red (>=75 ppb)]



The monitoring data from the previous six years shows lower 1-hour SO<sub>2</sub> impacts from Duke-Gibson on the Gibson County SO<sub>2</sub> monitor. Due to the fact that the Gibson County SO<sub>2</sub> monitor has reached attainment of the 1-hour SO<sub>2</sub> NAAQS in 2011 and continues to be in attainment, IDEM is satisfied that SO<sub>2</sub> impacts from the Duke-Gibson facility will not significantly impact surrounding SO<sub>2</sub> monitors or 1-hour SO<sub>2</sub> nonattainment areas. SO<sub>2</sub> sources located within the Pike and Daviess County nonattainment areas are most responsible for the 1-hour SO<sub>2</sub> values at those monitors. SO<sub>2</sub> sources in surrounding counties are accounted for within representative 1-hour SO<sub>2</sub> background concentrations, based on guidance supplied in Appendix A of the "Guidance for 1-Hour SO<sub>2</sub> Nonattainment Area SIP Submissions" dated April, 2014. The proposed Data Requirements Rule will provide a means to characterize air quality in the attainment and unclassifiable areas for future area designations for the 1-hour SO<sub>2</sub> NAAQS. This federal rulemaking is scheduled to be finalized by the summer of 2015 and will encompass all large SO<sub>2</sub> sources throughout the state that reside in areas designated as attainment or unclassifiable, including the Duke-Gibson facility.

*Comment:* Sierra Club's modeling shows that based on either currently allowable or measured actual emissions, the IPL-Petersburg facility creates SO<sub>2</sub> emissions that exceed the 2010 SO<sub>2</sub> NAAQS (modeling report provided with comment letter). This analysis relied on several conservative assumptions and, therefore, the impacts are likely understated. IDEM's decision to require more stringent SO<sub>2</sub> limitations for this facility is, therefore, entirely correct. Sierra Club's modeling shows, however, that IDEM's emission limits in the draft rule are not adequate to assure compliance with the NAAQS throughout Southwest Indiana. The Sierra Club analysis shows total maximum impact based on the proposed 1-hour limit of 203.7 µg/m<sup>3</sup>. This level exceeds the 2010 SO<sub>2</sub> NAAQS. IDEM's proposed 1-hour limitation for the IPL-Petersburg facility should therefore be made more stringent, with the 30-day limitation necessarily tightened as well. If Gibson's emissions are considered, the impact in the nonattainment area is even greater. (SC)

*Response:* The modeling that U.S. EPA reviews as part of the attainment demonstration is the modeling prepared by IDEM. The key difference in results between modeling done by Sierra Club and IDEM is the concentration used for background. The background concentration used by IDEM is 22.5 µg/m<sup>3</sup> and the

commenter's analysis used  $36.6 \mu\text{g}/\text{m}^3$ . The value that the commenter used appears similar to the Vanderburgh County Roth Road monitor with a 3 year design value (2010-2012) of  $37.6 \mu\text{g}/\text{m}^3$ . IDEM's development of a background concentration took into account data from a different monitor located closer to the source. Also, the monitoring data used for background is evaluated to see if it is impacted by the source being modeled to avoid double counting of emissions from the source. IDEM used a background concentration value of  $22.5 \mu\text{g}/\text{m}^3$  in Daviess County and  $25.9 \mu\text{g}/\text{m}^3$  in Pike County. Gibson's emissions are already considered as part of the background concentration for the nonattainment area.

#### SUMMARY/RESPONSE TO COMMENTS RECEIVED AT THE FIRST PUBLIC HEARING

On March 11, 2015, the Environmental Rules Board (board) conducted the first public hearing/board meeting concerning the development of amendments to [326 IAC 7](#). Comments were made by the following parties:

Dan Weiss, Duke Energy Indiana (Duke)

Justin Barrett, Indianapolis Power & Light (IPL)

Vicki Wright, Krieg Devault, on behalf of Hydraulic Press Brick (HPB)

Jodie Perras, Sierra Club (Sierra Club)

Following is a summary of the comments received and IDEM's responses thereto:

*Comment:* The compliance date in the draft rule is January 1, 2017. Section 192(a) of the Clean Air Act (CAA) requires that the state implementation plan (SIP) provide for attainment as expeditiously as possible, but not later than five years from the effective date of the nonattainment designation. Since the effective date of nonattainment is October 4, 2013, if necessary, the compliance date could be as late as October 4, 2018. Duke Energy Indiana understands the need to bring areas into attainment as expeditiously as possible, however, in the case of the Wabash River power plant, the company is actively pursuing various alternatives to bring the site into  $\text{SO}_2$  attainment while also balancing the need for reliable, safe, and low cost energy. As the plant transitions to compliance unexpected delays could occur beyond the control of the source. Duke Energy Indiana urges IDEM and the board to keep the statutory compliance deadlines of October 4, 2018, and work with sources individually to comply as expeditiously as possible, but not later than October 4, 2018. (Duke)

*Comment:* The proposed  $\text{SO}_2$  SIP rules impact all three of IPL's generating stations, including the Harding Street Generating Station in Indianapolis (Marion County), the Eagle Valley Generating Station in Martinsville (Morgan County), and the Petersburg Generating Station in Petersburg (Pike County). IPL's compliance plan for these facilities includes ceasing the use of coal at the Harding Street plant and retiring two of the oil fired units. For Eagle Valley, the compliance plan includes retiring all of the oil and coal fired units and replacing them with two combined cycle gas turbines. For the Petersburg plant, the plan includes potential improvements to the flue gas desulfurization (FGD) system, also known as scrubbers. There are two issues where U.S. EPA guidance is either inconsistent with the requirements of the CAA or appears to be somewhat arbitrary in interpreting the  $\text{SO}_2$  implementation guidance published in April of 2014. The first issue relates to the required compliance deadline of January 1, 2017. The deadline for meeting the 1-hour standard under the CAA is October 4, 2018. IDEM has responded to this issue, but IDEM's response indicated that U.S. EPA's guidance identified January 1, 2017, as the date sources are to begin complying with the attainment strategy and that unless U.S. EPA indicates otherwise, IDEM will continue to follow this interpretation. IPL does not believe that there is any legal requirement to the source compliance date in advance of the statutory attainment date, therefore there is no legal requirement that this date be set for January 1, 2017. U.S. EPA's guidance specifically states that the guidance provides nonbinding recommendations on a wide range of issues that are likely to arise as states develop nonattainment SIPs for the 1-hour  $\text{SO}_2$  NAAQS. Requiring sources to comply 21 months in advance of the statutory attainment date is contrary to the actual plain language of the CAA. The CAA states that although U.S. EPA is responsible for promulgation of air quality standards, the primary responsibility for meeting these standards rests with the State and it is up to the State as to how to comply with the standards. IDEM does have the power to interpret the deadline as October 4, 2018. Given the short time frame that states have had to develop SIPs for the 1-hour  $\text{SO}_2$  standard following the release of the guidance and the need for regulated utilities to plan for compliance, the January 1, 2017, deadline may be problematic. IPL requires a certain amount of time to perform engineering and cost analysis, and obtain approvals through the Indiana Utility Regulatory Commission. Setting a final compliance date of October 4, 2018, could result in needing data as showing compliance in 2019, 2020, and 2021, for some areas to support an area being redesignated to attainment; however, the alternative of requiring a compliance date of January 1, 2017 may result in the inability to comply without ceasing operations. IPL requests October 4, 2018 as the source compliance date throughout the draft rule. (IPL)

*Comment:* Sierra Club would oppose any effort to extend the compliance deadline and believes that the sources can comply with the rule as written. (Sierra Club)

*Response:* The information provided by U.S. EPA in the April 2014 guidance document is based on CAA requirements and the codified  $\text{SO}_2$  national ambient air quality standard (NAAQS). Simply stated, the attainment date for sulfur dioxide nonattainment areas as provided for in Section 192(a) of the CAA is no later than five years from the date of the nonattainment designation. For the currently designated nonattainment areas, this nonattainment date is October 4, 2018. For an area to demonstrate attainment on October 4, 2018, the codified



SO<sub>2</sub> NAAQS requires the monitoring data from the three previous calendar years be used to determine whether the area was at or below the standard for attainment. Section 172(a)(2)(C) allows states to request up to two one-year extensions of the attainment date if it can be shown that the State has complied with the applicable implementation plan and monitoring data shows compliance with the standard. This is why the guidance states that, at a minimum, the compliance date needs to be one calendar year in advance of the attainment date. If the compliance date is extended to a date later than January 1, 2017, the necessary monitoring data would not be available to show attainment in 2018 and Indiana will not be able to avail itself of the extensions. An approvable attainment SIP must demonstrate that the attainment strategy includes enforceable emission limits that provide for attainment by the codified deadline. Based on consultation with U.S. EPA, Indiana's attainment SIP would not provide for attainment by the October 4, 2018 deadline if the emission limits are effective any date later than January 1, 2017, and would therefore not be approvable. Should the state submit a SIP that is not approvable, Indiana would likely be subject to a Federal Implementation Plan and more stringent requirements than those currently in place for SO<sub>2</sub> nonattainment areas. As mentioned by the commenter, the CAA also requires compliance expeditiously as possible. Affected sources should have the necessary plans in place or control equipment already installed to meet the Mercury and Air Toxics Standards (MATS) rule compliance date of March 2016. IDEM notes that the board made a motion and adopted a compliance date of October 4, 2017, in the proposed rule. IDEM will continue to work with affected sources and U.S. EPA to gather additional information concerning this matter before final adoption.

*Comment:* During startup and shutdown of the four units at the IPL Petersburg plant, the scrubbers would not achieve full control until the startup of the units and associated scrubber is complete. This process takes time, upwards of a few hours. As such, where the scrubbers are relied on for compliance, the source cannot ensure compliance during startup or shutdown conditions. An exemption is needed for a small number of hours per year to accommodate this reality. Excluding this number of hours is consistent with U.S. EPA guidance which specifically addresses the exclusion of startup and shutdown periods since these periods of time are intermittent and of a limited amount of time during the year. Emissions during these brief periods would not contribute significantly to the annual distribution of emissions. U.S. EPA has, however, advised IDEM that excluded hours for startup and shutdown emissions is not acceptable. The commenter proposes limiting startup and shutdown, and continuous emission monitoring (CEM) testing conditions to 500 hours per year at [326 IAC 7-4-15](#) and that the emissions during these time frames should not be included in determining compliance with the emission limitations in either [326 IAC 7-4-15\(a\)](#) or (d). The position taken by U.S. EPA Region V staff is contrary to the April 2014 guidance. (IPL)

*Response:* IDEM has discussed the concept of intermittent emissions with U.S. EPA multiple times throughout this rulemaking in regards to this situation and in terms of other emission units that could be regarded as intermittent. U.S. EPA makes a distinction between intermittent emissions that can be scheduled with some degree of flexibility, versus intermittent emissions that cannot be scheduled. As stated in the Summary/Response to Comments from Second Comment Period, the April 2014 guidance refers to guidance issued by U.S. EPA on March 1, 2011, that addresses the modeling of intermittent emissions. The March 2011 guidance clearly states that the treatment of intermittent emissions applies to dispersion modeling and has no effect on existing policies and guidance regarding excess emissions that may occur during startup and shutdown. All emissions are subject to the applicable emission limit and may be subject to enforcement action regarding such excess emissions, regardless of whether a portion of those emissions are not included in the modeling demonstration based on the guidance provided. Compliance during startup and shutdown scenarios has recently received additional attention by U.S. EPA. On February 12, 2013, U.S. EPA proposed a rule to ensure that states have plans in place that require industrial facilities to follow air pollution rules during times when the facility is starting up or shutting down, or when a malfunction occurs ("SSM SIP Call"). IDEM will continue to work with U.S. EPA between now and final adoption to address any remaining issues.

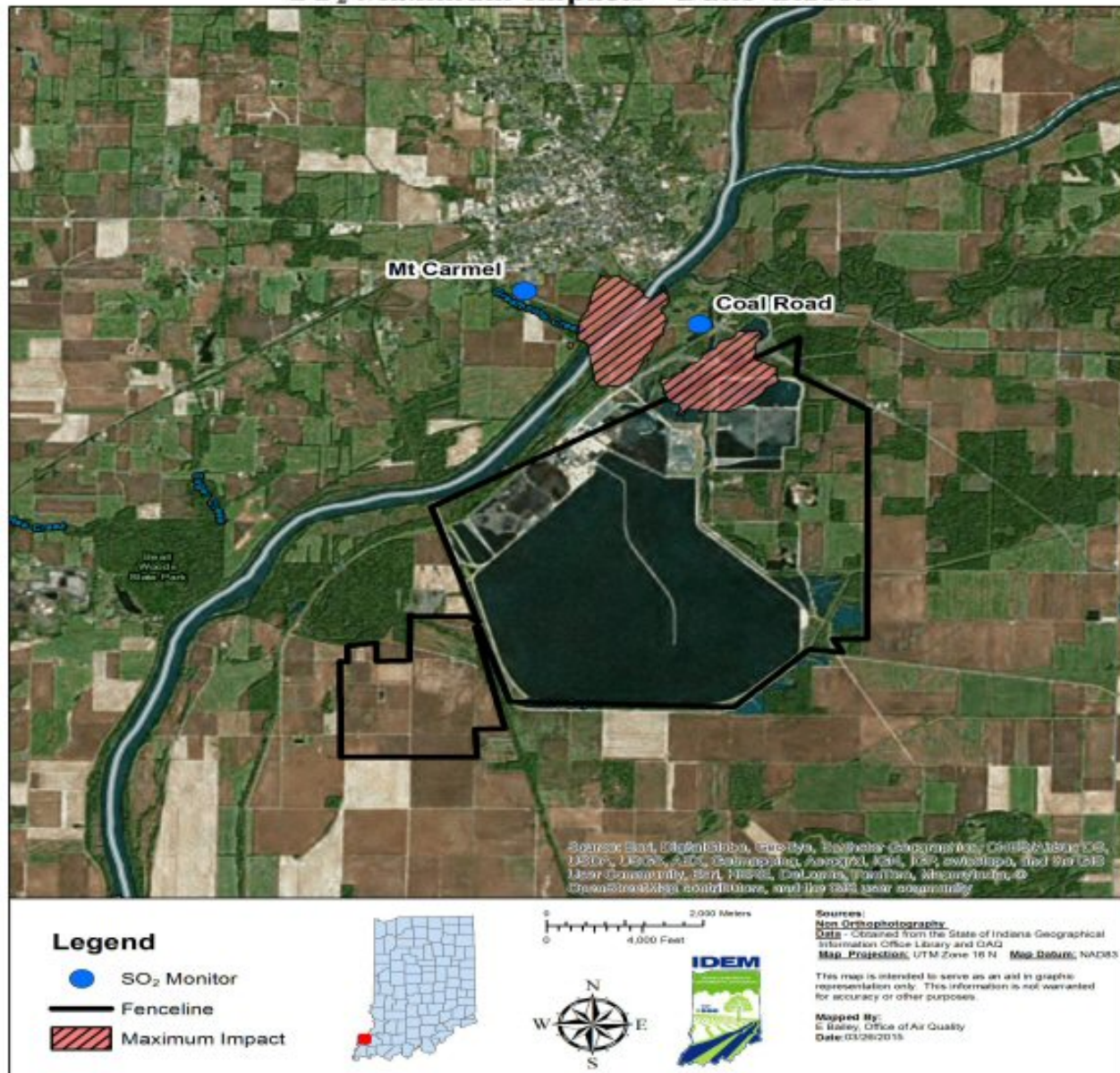
*Comment:* Hydraulic Press Brick is a smaller business with unique issues. The source understands that there still needs to be work done in regards to specifying recordkeeping and testing requirements in the rule. It is important that U.S. EPA agrees with the specific requirements included in the rule. (HPB)

*Response:* IDEM will continue to work with U.S. EPA to refine the rule language before final adoption.

*Comment:* The commenter appreciates that Indiana appears to be on track to propose this rule by the April deadline, but suggests that the rule in some places isn't strong enough. When the rule is fully implemented by 2017 air quality will improve in some parts of Indiana, it will improve the health of people. The proposed rule, though, unless it's revised, is missing a big opportunity, by not mandating emission reductions in Gibson County for Duke's Gibson generating plant which is a huge source of SO<sub>2</sub> and other harmful air pollutants. IDEM's own modeling shows that this plant impacts the 2010 SO<sub>2</sub> NAAQS in Gibson County. Modeling done by the Sierra Club confirms that fact and further shows that the plant on its own violates the SO<sub>2</sub> standard over a broad swath of southwest Indiana. Right now people living near the Gibson County plant are exposed to SO<sub>2</sub> levels that U.S. EPA has determined are dangerous. In terms of the Duke Gibson plant, there are two fundamental problems with IDEM's approach to the plant. First, the Gibson Coal Road monitor is placed in an inappropriate place to measure the SO<sub>2</sub> levels coming out of the Gibson facility. Initially IDEM designated Gibson County as unclassifiable and

then correctly designated part of the county as nonattainment, but later changed it to unclassifiable based on this monitor. This monitor is placed in a location where the model doesn't find exceedances and had it been placed elsewhere it might have clearly showed exceedances. Because the monitor does not appear to properly capture the emissions, IDEM should reconsider its decision to rely on this monitor to classify the entire county and that's particularly important because here the monitor itself shows that air quality is on the cusp of nonattainment. IDEM numbers show that for the last three months of 2014 that the Gibson Coal Road monitor may actually show a violation of the standard. There's really no safety margin in Gibson County and this problem will have to be addressed later, if not now. It would be better to include some controls on the Gibson County plant in this rule. Second, the Duke Gibson plant also affects the downwind Pike and Daviess County nonattainment area. The Sierra Club modeling shows emissions from the Gibson plant itself would significantly contribute to the NAAQS nonattainment in Daviess and Pike Counties. IDEM has commented that the Gibson County SO<sub>2</sub> emissions and monitored SO<sub>2</sub> levels have trended downward over the last 10 years, but there's no doubt that there has been no downward trend over the last five years and, in fact, since 2009 the SO<sub>2</sub> design value and monitored value levels have actually trended upward in Gibson County. The commenter believes that the refusal to regulate Gibson is, therefore, premised on a downward trend in SO<sub>2</sub> emissions that halted approximately five years ago and since then there is no downward trend at all. Absent regulation, SO<sub>2</sub> levels should be expected to remain where they have been at levels that violate the NAAQS in Gibson County and that also significantly contribute downwind to Pike and Daviess Counties. (Sierra Club)

*Response:* The Gibson Coal Road monitor, along with a monitor in Mount Carmel, Illinois, and the Gibson Tower monitor were used to satisfy the monitoring requirements in Southwest Indiana. The Gibson Coal Road monitor was the only violating monitor identified in the original nonattainment area recommendations to U.S. EPA on January 6, 2012, and now shows attainment. This rulemaking only considers nonattainment areas based on monitoring. Monitoring data is evaluated based on comparison to whether it is at or below the standard, not whether the values continue to decline or stay stagnant. The proposed Data Requirements Rule will provide a means to characterize air quality in the unclassifiable areas for future area designations. In addition, a March 2, 2015, Sierra Club federal consent decree puts in place an additional process to characterize areas with SO<sub>2</sub> sources emitting over 16,000 tons per year. Designations for these areas will be made by July 2, 2016. IDEM considers the Gibson Coal Road monitor a source oriented monitor. As can be seen in the following map, maximum concentrations from the Gibson facility are predicted, based on modeling, to be in the location of the monitor using the most recent five years of meteorological data. Exact locations of maximum emissions are going to vary based on the meteorological conditions. Some maximum predicted concentrations are within the fence line for the facility (thick black line on map).

SO<sub>2</sub> Maximum Impacts - Duke Gibson

*Comment:* The commenter supports IDEM's decision to require the IPL Petersburg plant to give notice regarding whether it will comply with the hourly or 30-day limits. Rules that allow a source to switch between compliance alternatives without notice to IDEM or the public make it difficult for the regulators and the public to track compliance, it is important for enforceability purposes to ensure that it's always clear which limits apply to a plant at any one time. (Sierra Club)

*Response:* IDEM appreciates the support.

*Comment:* IDEM should revise downward its emission limits for IPL Petersburg. Sierra Club's modeling shows that IDEM's proposed emission limits for the Petersburg plant are not adequate to assure compliance with the NAAQS throughout southwest Indiana. Sierra Club modeled the proposed Petersburg emission limits with the lowest measured background concentration anywhere in the state and the analysis showed a total maximum impact that exceeds the standard. IDEM's proposed 1-hour limits for the Petersburg plant should be made more stringent with the 30-day limit tightened as well. (Sierra Club)

*Response:* While the commenter may have used the lowest measured background concentration, IDEM develops a background concentration for the nonattainment area by backing out the modeled concentrations from the source to avoid double counting when adding the background concentration to the modeled values for the nonattainment area. As noted in the Summary/Response to Comments from Second Comment Period, this results in a different background concentration in the modeling that will be used as part of the technical support



for the attainment demonstration that will be submitted to U.S. EPA for SIP approval.

[326 IAC 7-1.1-3](#); [326 IAC 7-2-1](#); [326 IAC 7-4-2](#); [326 IAC 7-4-2.1](#); [326 IAC 7-4-3](#); [326 IAC 7-4-3.1](#); [326 IAC 7-4-11](#); [326 IAC 7-4-11.1](#); [326 IAC 7-4-15](#)

SECTION 1. [326 IAC 7-1.1-3](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-1.1-3](#) Compliance date**

**Authority:** [IC 13-14-8](#); [IC 13-17](#)

**Affected:** [IC 13-15](#); [IC 13-17](#)

**Sec. 3. The emission limitations in [326 IAC 7-4-2.1](#), [326 IAC 7-4-3.1](#), [326 IAC 7-4-11.1](#), and [326 IAC 7-4-15](#) are effective October 4, 2017.**

*(Air Pollution Control Division; [326 IAC 7-1.1-3](#))*

SECTION 2. [326 IAC 7-2-1](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-2-1](#) Reporting requirements; methods to determine compliance**

**Authority:** [IC 13-14-8](#); [IC 13-17-3-4](#); [IC 13-17-3-11](#)

**Affected:** [IC 13-14-8](#); [IC 13-15](#); [IC 13-17](#)

Sec. 1. (a) As used in this article, "weighting factor" means the daily quantity of coal bunkered or megawatt generation or other appropriate measure of the output of a combustion source.

(b) As used in this article, "rolling weighted average sulfur dioxide emission rate" means the summation of the average sulfur dioxide emission rate times the daily weighting factor divided by the summation of the weighting factors.

(c) Owners or operators of sources or emissions units subject to [326 IAC 7-1.1](#), [326 IAC 7-4](#), or [326 IAC 7-4.1](#) shall submit to the commissioner the following reports based on fuel sampling and analysis data obtained in accordance with procedures specified under [326 IAC 3-7](#):

(1) Fuel combustion sources with total coal-fired heat input capacity greater than or equal to one thousand five hundred (1,500) million British thermal units (MMBtu) per hour shall submit quarterly reports of the thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per MMBtu. Records of the daily average coal sulfur content, coal heat content, weighting factor, and daily average sulfur dioxide emission rate in pounds per MMBtu shall be submitted to the department in the quarterly report and maintained by the source owner or operator for a period of at least two (2) years.

(2) Fuel combustion sources with total coal-fired heat input capacity greater than one hundred (100) and less than one thousand five hundred (1,500) MMBtu per hour shall submit quarterly reports of the calendar month average coal sulfur content, coal heat content, and sulfur dioxide emission rate in pounds per MMBtu and the total monthly coal consumption.

(3) All other fuel combustion sources shall submit reports of calendar month average sulfur content, heat content, fuel consumption, and sulfur dioxide emission rate in pounds per MMBtu upon request.

(d) Fuel sampling and analysis data shall be collected pursuant to the procedures specified in [326 IAC 3-7-2](#) or [326 IAC 3-7-3](#) for coal combustion or [326 IAC 3-7-4](#) for oil combustion. Computation of calculated sulfur dioxide emission rates from fuel sampling and analysis data shall be based on the emission factors contained in U.S. EPA publication AP-42\* unless other emission factors based on site-specific sulfur dioxide measurements are approved by the commissioner and U.S. EPA. Fuel sampling and analysis data shall be collected as follows:

(1) For coal-fired fuel combustion sources with heat input capacity greater than or equal to one thousand five hundred (1,500) MMBtu per hour, compliance shall be determined using a thirty (30) day rolling weighted average sulfur dioxide emission rate in pounds per MMBtu unless a shorter averaging time or alternate averaging methodology is specified for a source under this article.

(2) For all other combustion sources, compliance shall be determined using a calendar month average sulfur dioxide emission rate in pounds per MMBtu unless a shorter averaging time or alternate averaging methodology is specified for a source under this article.



(e) Subsection (c) does not apply when continuous emission monitoring data collected and reported under [326 IAC 3-5](#) is used as the means for determining compliance with the emission limitations in this article.

(f) Owners or operators of sources or emission units subject to restrictions on the number of operating hours in [326 IAC 7-4](#) shall maintain, and make available to the department upon request, a log of operating hours for each emission unit.

(g) When determining compliance using continuous emission monitoring data, the diluent cap methodology under 40 CFR 75 may be used to calculate emissions in lbs/MMBtu.

(f) (h) Compliance or noncompliance with the emission limitations contained in [326 IAC 7-1.1](#) or [326 IAC 7-4](#) may be determined by an appropriate method as follows:

- (1) A stack test conducted in accordance with [326 IAC 3-6](#) using procedures in 40 CFR 60, Appendix A, Method 6\*, 6A\*, 6C\*, or 8\*.
- (2) A continuous emission monitoring system in accordance with [326 IAC 3-5](#).
- (3) Source sampling in accordance with [326 IAC 3-6](#).
- (4) Fuel sampling and analysis data collected in accordance with subsection (d) or [326 IAC 3-7](#).
- (5) Other methods approved by the commissioner and U.S. EPA.

\*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, Legal Counsel, Indiana Government Center North, Tenth Floor, Thirteenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

(Air Pollution Control Division; [326 IAC 7-2-1](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 52; filed Jan 30, 1998, 4:00 p.m.: 21 IR 2078; errata filed Feb 9, 1999, 4:06 p.m.: 22 IR 2006; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; errata filed Nov 7, 2001, 3:00 p.m.: 25 IR 813; errata filed Dec 12, 2002, 3:30 p.m.: 26 IR 1565; filed Aug 26, 2004, 11:30 a.m.: 28 IR 42; filed May 25, 2005, 10:50 a.m.: 28 IR 2953; filed Aug 11, 2011, 1:54 p.m.: [20110907-IR-326050330FRA](#))

SECTION 3. [326 IAC 7-4-2](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-4-2](#) Marion County sulfur dioxide emission limitations before October 4, 2017**

Authority: [IC 13-14-8](#); [IC 13-17-3-4](#)

Affected: [IC 13-12](#); [IC 13-14-4-3](#); [IC 13-16-1](#)

Sec. 2. **Before October 4, 2017**, the following sources and facilities **emission units** located in Marion County shall comply with the sulfur dioxide emission limitations in pounds per million Btu (lbs/MMBtu) and pounds per hour (lbs/hr), unless otherwise specified, and other requirements:

Source	Facility Emission Unit Description	Emission Limitations lbs/MMBtu	Emission Limitations lbs/hr
(1) Acustar	Boiler 1	2.82	109.98
	Boiler 2	2.82	109.98
	Boiler 3	2.82	109.98
(2) Allison Gas Turbine-Plant 5	Boiler 1	3.99	299.4
	Boiler 2	3.99	299.4
	Boiler 3	3.99	299.4
	Boiler 4	3.99	299.4
(3) Amtrak	Boilers 61 and 62	3.30	208.15
(4) Bridgeport Brass	Boiler 1	3.55	135.8
	Boiler 2	3.55	135.8
	Boiler 3	3.55	135.8
(5) Central Soya	Boiler	4.32	272.0
(6) Central State	Boiler 3	3.39	111.8
	Boiler 7	3.39	169.5

	Boiler-8	3.39	169.5
(7) Detroit Diesel Allison- Plant 3	Boiler-1	1.88	67.6
	Boiler-2	1.88	67.6
	Boiler-3	1.88	90.2
	Boiler-4	1.88	135.2
	Boiler-5	1.88	180.3
(8) Diamond Bathurst	#2 Furnace	1.40 pounds per ton	20.22
(9) Ford	Boiler-1	2.43	177.38
	Boiler-2	2.43	354.77
	Boiler-3	2.43	354.77
(10) Fort Harrison	Boiler-1	2.92	151.84
	Boiler-2	2.92	151.84
	Boiler-3	2.92	151.84
	Boiler-4	2.92	151.84
	Boiler-1	2.31	187.1
(11) G.M. Truck & Bus Group	Boiler-2	2.31	187.1
	Boiler-3	2.31	106.3
(12) Indiana Girls School	Boiler	6.00	46.9
(13) IPL Perry W	Boiler 17	6.0	1,320.0
	Boiler 18	6.0	1,320.0
(14) Indianapolis Sludge Incinerator	(A) Incinerator 1	2.0 pounds per ton	14.19
(1) Belmont Advanced Wastewater Treatment Plant Source ID No. 00032	(B) Incinerator 2	2.0 pounds per ton	14.19
	(C) Incinerator 3	2.0 pounds per ton	14.19
	(D) Incinerator 4	2.0 pounds per ton	14.19
	Incinerator-5	2.0 pounds per ton	14.19
	Incinerator-6	2.0 pounds per ton	14.19
	Incinerator-7	2.0 pounds per ton	14.19
	Incinerator-8	2.0 pounds per ton	14.19
	H-H1	1.92	36.46
	H-H2	1.92	36.46
(15) Marathon Petroleum- Indiana Refining Division	H-H3	1.92	38.38
	P-H1	1.92	89.03
	P-H2	1.92	82.12
	P-H3	1.92	30.32
	P-H4	1.92	33.19
	P-H5	1.92	9.98
	Alky-Reboiler	1.92	53.15
	Crude Heater	1.92	268.05
	Vacuum Heater	1.92	99.20
	Sulfur Recovery	189.0 pounds per ton-sulfur	88.17
	FCC (Proe)	3.92 pounds per ton	506.37
	CO-Boiler	1.92	228.72
	FCC Chg. Htr.	1.92	88.26
	GH-1	1.92	81.36
(16) Navistar	Boiler-1	2.98	193.72
	Boiler-2	2.98	193.72
	Boiler-3	2.98	193.72
(17) Quaker Oats	Boiler-1	2.79	195.3
	Boiler-2	2.79	195.3
	Murray-Boiler	0.50	50.1
(18) (2) Quemetco Source ID No. 00079	Reverberatory Furnace	24.6 pounds per ton	617.0
(19) Refined Metals	Blast Furnace	10.8 pounds per ton	64.8

<del>(20) Reilly Industries</del> <b>(3) Vertellus</b>	<b>(A)</b> 2722 W	1.25	114.75
<b>Agriculture and Nutrition</b>	<b>(B)</b> 2726 S	1.25	49.1
<b>Specialties</b>	<b>(C)</b> 186 N	1.25	46.0
<b>Source ID No. 00315</b>	<b>(D)</b> 2707 V	1.25	20.0
	<b>(E)</b> 112 E	0.0**	0.0**
	2710 P	0.0**	0.0**
	Riley	1.25	64.75
	B & W	1.25	49.1
	<b>(F)</b> 2724 W	1.25	26.3
	<b>(G)</b> 2714 V	1.25	18.8
	<b>(H)</b> 2729 Q	1.25	3.8
	<b>(I)</b> 2740 Q	1.25	7.5
	<b>(J)</b> 732714	1.25	45.0
	<b>(K)</b> 2728 S	1.25	7.5
	<b>(L)</b> Still	0.0** less than 0.05	0.0**
	<b>(M)</b> Kettle	0.0** less than 0.05	0.0**
	<b>(N)</b> 2607 T	0.0** less than 0.05	0.0**
	702614	0.0**	0.0**
	<b>(O)</b> 722804	0.0** less than 0.05	0.0**
	<b>(P)</b> 2706 Q	0.0** less than 0.05	0.0**
	2713 W	0.0**	0.0**
	2714 W	0.0**	0.0**
	2720 W	0.0**	0.0**
<del>(21) Rexnord-Link Belt</del>	Boiler A	3.28	101.7
<del>Bearing</del>	Boiler B	3.28	101.7
	Boiler C	0.0*	0.0*
<del>(22) Rexnord-Link Belt</del>	Boiler 1	3.68	117.8
<del>Chain</del>	Boiler 2	3.68	117.8
	Boiler 3	3.68	117.8
<del>(23) Thomson Consumer</del>	Boiler 1	1.95	39.0
<del>Electronics</del>	Boiler 2	1.95	39.0
	Boiler 3	1.95	146.3
	Boiler 4	1.95	146.3
<del>(24) Union Carbide</del>	Boiler 1	3.85	92.4
	Boiler 2	3.85	106.6
	Boiler 3	3.85	148.2
<del>(25) Western Select</del>	Boiler 2	2.52	189.06
<del>Properties</del>	Boiler 3	2.52	189.06
	Boiler 4	2.52	189.06
	Boiler 5	2.52	252.07
<del>(26) Wishard</del>	Boiler 1	4.04	105.0
	Boiler 2	4.04	105.0
	Boiler 3	4.04	105.0

\*\*Less than 0.05

~~(27) Allison Gas Turbine Operations~~ **(4) Rolls-Royce Corporation** Plant 8, **Source ID No. 00311**, shall comply with the sulfur dioxide emission limitations provided in clause ~~(A)~~ or ~~(B)~~ and other requirements as follows:

~~(A) Babcock and Wilcox Boilers 2 through 11~~ **3 (0070-58), 4 (0070-59), and Combustion Engineering Boilers 7-10 (0070-62 through 0070-65)** may burn **either:**

**(i)** natural gas at any time; **or**

~~(B) Babcock and Wilcox Boilers 2 through 6 and Combustion Engineering Boilers 7 through 11~~ may burn **(ii)** fuel oil with a sulfur dioxide emission limitation of two and one-tenth (2.1) lbs/MMBtu each during periods when ~~one (1) of the following conditions is met~~ **either**

~~(i) Fuel oil is burned in no more than three (3) Babcock and Wilcox boilers, and fuel oil is not burned in any combustion engineering boiler.~~

~~(ii) fuel oil is burned in no more than:~~

~~(AA) two (2) Babcock and Wilcox boilers and no more than two (2) combustion engineering boilers; or~~

~~(iii) Fuel oil is burned in no more than (BB) one (1) Babcock and Wilcox boiler and no more than three (3) combustion engineering boilers.~~

~~(C) (B) A log of hourly operational status and fuel type for each boiler shall be maintained at the plant and made available to the department upon request.~~

~~(C) A daily summary of operating status and fuel type for each boiler for each day of a calendar quarter shall be submitted to the department on a quarterly basis.~~

~~(D) Allison Gas Turbine Operations Rolls-Royce Corporation Plant 8 shall erect maintain a twenty (20) foot stack extension with a diameter at the extension outlet of four (4) feet for each stack serving Boilers 2 through 6 in accordance with the following schedule:~~

~~(i) Complete design, specifications, and construction drawings and award contracts by August 2, 1988.~~

~~(ii) Complete installation of stack extensions by December 2, 1988. 3 (0070-58) and 4 (0070-59).~~

~~(28) Indianapolis Power and Light (5) Citizens Thermal, C.C. Perry K Steam Plant, Source ID No. 00034, shall comply with the sulfur dioxide emission limitations in lbs/MMBtu and other requirements as follows:~~

Boiler Number	Emission Limitations
<del>(A) 17 and 18</del>	<del>0.3</del>
<del>(B) 11, 12, 13, 14, 15, and 16</del>	<del>2.1</del>

~~(A) Boiler numbers 17 and 18 shall not exceed 0.3 lbs/MMBtu.~~

~~(B) Boiler numbers 11, 12, 13, 14, 15, and 16 shall not exceed 2.1 lbs/MMBtu.~~

~~(C) As an alternative to the emission limitations in clause (B), sulfur dioxide emissions from Boilers 11, 12, 13, 14, 15, and 16 may comply with any one (1) of the sets of emission limitations in lbs/MMBtu as follows:~~

Boiler Number	Emission Limitations
<del>(i) 13, 14, 15, and 16</del>	<del>0.0</del>
<del>11 and 12</del>	<del>4.4</del>
<del>(ii) 11, 12, 15, and 16</del>	<del>0.0</del>
<del>13 and 14</del>	<del>4.4</del>
<del>(iii) 11, 12, 13, and 14</del>	<del>0.0</del>
<del>15 and 16</del>	<del>4.4</del>
<del>(iv) 11, 12, 15, and 16</del>	<del>3.0</del>
<del>13 and 14</del>	<del>0.3</del>
<del>(v) 11 and 12</del>	<del>0.3</del>
<del>13, 14, 15, and 16</del>	<del>3.0</del>

~~(D) Citizens Thermal shall notify the department or the Indianapolis Air Pollution Control Division shall be notified prior to the reliance use by Indianapolis Power and Light on Citizens Thermal of any one (1) of the sets of alternative emission limitations specified in clause (C).~~

~~(E) A log of hourly operating status for each boiler shall be maintained and made available to the department upon request.~~

~~(F) A daily summary indicating which boilers were in service during the day shall be submitted to the department quarterly. In addition, records of the daily average sulfur content, heat content, and sulfur dioxide emission rate for each day in which an alternative set of emission limitations specified in clause (C) is used shall be submitted to the department quarterly.~~

~~(F) (G) For the purposes of 326 IAC 7-2-1(c)(1), 326 IAC 7-2-1(d)(1), during thirty (30) day periods in which Indianapolis Power and Light Citizens Thermal relies on more than one (1) set of emission limitations specified in clauses (B) through and (C), a separate thirty (30) day rolling weighted average for each set of limitations shall be determined. Each thirty (30) day rolling weighted average shall be based on data from the previous thirty (30) operational days within the last ninety (90) days for that set of limitations. If Indianapolis Power and Light Citizens Thermal does not operate thirty (30) days under any one (1) set of limitations within the last ninety (90) days, the rolling weighted average shall be based on all operational days within the last ninety (90) days for that set of limitations.~~

~~(G) Boilers 11 through 16 shall be limited to six and zero tenths (6.0) lbs/MMBtu each until Boilers 11 through 16 achieve compliance with the sulfur dioxide emission limitations specified in clauses (B) through (C). Compliance with the emission limitations specified in clauses (B) through (C) shall be achieved according to the following schedule:~~

~~(i) Complete engineering analysis of modifications by April 2, 1988.~~

~~(ii) Complete testing and design of modifications and place orders for necessary equipment by May 2,~~

1989.

(iii) ~~Complete installation of necessary equipment and achieve compliance with emission limitations specified in clauses (B) through (C) by June 2, 1990.~~

(29) **(6) Indianapolis Power and Light ~~Stout~~ Company Harding Street Generating Station, Source ID No. 00033**, shall comply with the sulfur dioxide emission limitations in lbs/MMBtu and other requirements as follows:

Boiler/Turbine Number	Emission Limitations
(A) Boiler 70	5.3
(B) Boilers 50 and 60	4.7
Boilers 1 through 8	0.0
Boilers 9 and 10 and Gas Turbines 1, 2, and 3	0.35
(C) As an alternative to the emission limitations in clause (B), sulfur dioxide emissions from Boilers 50, 60, and 1 through 10 and Gas Turbines 1, 2, and 3 may comply with any one (1) of the sets of emission limitations in lbs/MMBtu as follows:	

Boiler/Turbine Number	Emission Limitations
(i) Boilers 50 and 60	5.2
Boilers 1 through 10 and Gas Turbines 1, 2, and 3	0.0
(ii) Boilers 50 and 60	5.0
Boilers 1 through 10	0.0
Gas Turbines 1, 2, and 3	0.4
(iii) Boilers 50 and 60	4.1
Boilers 1 through 8	0.26
Boilers 9 and 10	0.35
Gas Turbines 1, 2, and 3	0.3
(iv) Boilers 50 and 60	3.9
Boilers 1 through 8	0.34
Boilers 9 and 10 and Gas Turbines 1, 2, and 3	0.35

(D) **Indianapolis Power & Light Company shall notify** the department ~~or the Indianapolis Air Pollution Control Division shall be notified~~ prior to the reliance ~~use~~ by Indianapolis Power and **& Light on Company** of any one (1) of the sets of alternative emission limitations specified in clause (C).

(E) A log of hourly operating status for each boiler shall be maintained and made available to the department upon request.

(F) A daily summary indicating which boilers were in service during the day shall be submitted to the department quarterly. In addition, records of the daily average sulfur content, heat content, and sulfur dioxide emission rate for each day in which an alternative set of emission limitations specified in clause (C) is used shall be submitted to the department quarterly.

~~(F)~~ **(G)** For the purposes of ~~326 IAC 7-2-1(e)(1)~~, **326 IAC 7-2-1(d)(1)**, during thirty (30) day periods in which Indianapolis Power and **& Light Company** relies on more than one (1) set of emission limitations specified in clauses (B) ~~through~~ and (C), a separate thirty (30) day rolling weighted average for each set of limitations shall be determined. Each thirty (30) day rolling weighted average shall be based on data from the previous thirty (30) operational days within the last ninety (90) days for that set of limitations. If Indianapolis Power and **& Light Company** does not operate thirty (30) days under any one (1) set of limitations within the last ninety (90) days, the rolling weighted average shall be based on all operational days within the last ninety (90) days for that set of limitations.

~~(G)~~ **(H)** Indianapolis Power and **& Light Company** shall install and maintain a stack diameter restriction for the stack serving Boilers 50 and 60. The stack diameter restriction shall reduce the diameter to six and one-half (6 1/2) feet at the tip of the stack. ~~The installation of the stack diameter restriction shall be in accordance with the following schedule:~~

~~(i) Complete preliminary design of modifications by December 2, 1988.~~

~~(ii) Place orders for necessary modification by July 2, 1989.~~

~~(iii) Complete installation by February 2, 1990.~~

~~(30) Citizens Gas & Coke Utility shall comply with the sulfur dioxide emission limitations, depending on which battery or combination of batteries are in operation, as follows:~~

Description	Emission Limitations (lbs/ton of coal)	Emission Limitations (lbs/hour)
<del>(A) Batteries 1, E, &amp; H</del>	<del>0.67</del>	<del>78.02</del>
<del>(B) Battery 1</del>	<del>0.23</del>	<del>15.70</del>
<del>(C) Batteries 1 &amp; E</del>	<del>0.49</del>	<del>46.86</del>

(D) Batteries 1 & H	0.50	46.86
(E) Batteries E & H	0.79	62.32
(F) Battery E	0.79	31.16
(G) Battery H	0.79	31.16

(H) The department and the Indianapolis office of environmental services shall be notified in writing prior to the reliance by Citizens Gas & Coke Utility on an emission limitation other than clause (A).

(I) Gas used for underfiring Battery 1 shall not exceed twenty (20) grains of H<sub>2</sub>S per one hundred (100) standard cubic feet.

(J) Citizens Gas & Coke Utility shall desulfurize the coke oven gas produced by Batteries 1, E, and H.

(K) Citizens Gas & Coke Utility shall monitor the hydrogen sulfide (H<sub>2</sub>S) content of the coke oven gas used for underfiring each battery by sampling and analyzing the coke oven gas for H<sub>2</sub>S content at least once per day. The H<sub>2</sub>S content of the gas shall be sampled using Determination of Hydrogen Sulphide Content, Cadmium Acetate Method, Method Number DIN 51855 Part 4 (January 1979)\*.

(L) Sulfur dioxide emissions in pounds per tons of coal (lbs/ton of coal) and pounds per hour (lbs/hr) shall be calculated using the data on H<sub>2</sub>S content and organic sulfur content in the coke oven gas. The total sulfur dioxide emissions shall include all sulfur compounds. Citizens Gas & Coke Utility shall submit to the department and the Indianapolis office of environmental services within thirty (30) days of the end of each calendar quarter the calculated sulfur dioxide emission rate in pounds per tons of coal (lbs/ton of coal) and pounds per hour (lbs/hr) for each day during the calendar quarter.

(M) All monitoring and testing data and results shall be recorded, and all records shall be kept for a period of three (3) years. Citizens Gas & Coke Utility shall submit the monitoring and testing records to the department upon request.

\*These documents are incorporated by reference. Copies 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 Division; [326 IAC 7-4-2](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 65; filed Feb 9, 1999, 4:22 p.m.: 22 IR 1959; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Feb 20, 2007, 3:15 p.m.: [20070321-IR-326050118FRA](#))

SECTION 4. [326 IAC 7-4-2.1](#) IS ADDED TO READ AS FOLLOWS:

#### [326 IAC 7-4-2.1](#) Marion County sulfur dioxide emission limitations

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 2.1. (a) On and after October 4, 2017, the following sources and emission units located in Marion County shall comply with the sulfur dioxide emission limit and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour) or Other Requirements	Emission Limit (lbs/MMBtu)
(1) Citizens Thermal - Perry K Source ID No. 00034	(A) Boiler 11	73.6	0.2
	(B) Boiler 13	80.6	0.2
	(C) Boiler 14	80.6	0.2
	(D) Boilers 12, 15, and 16	Burn natural gas	
	(E) Boiler 17	72.6	0.3
	(F) Boiler 18	72.6	0.3
(2) Belmont Advanced Wastewater Treatment Plant Source ID No. 00032	Incinerator 1, Incinerator 2, Incinerator 3, and Incinerator 4	Comply with SO <sub>2</sub> limit in 40 CFR 60, Subpart MMMM* or 40 CFR 60, Subpart LLLL*	
(3) Rolls-Royce Source ID No. 00311	(A) Boiler 0070-58	0.07	0.0015
	(B) Boiler 0070-59	0.07	0.0015
	(C) Boiler 0070-62	0.37	0.0015
	(D) Boiler 0070-63	0.37	0.0015
	(E) Boilers 0070-64	Burn natural gas or	0.01

		landfill gas	
	(F) Boiler 0070-65	Burn natural gas or landfill gas	0.01
	(G) Generating Turbine 0070-80	Burn natural gas or landfill gas	0.01
	(H) 2 Gas Turbine Engines 0070-66		0.1
	(I) 12 Gas Turbine Engines 0070-67		0.05
	(J) 3 Gas Turbine Engines 0070-68c, 0070-68d, and 0070-68e		0.1
	(K) 2 Gas Turbine Engines 0070-68a and 0070-68b	Burn natural gas	
	(L) 3 Gas Turbine Engines 0070-69		0.1
	(M) Three Shack Heaters 0070-70	Burn natural gas	
	(N) Rental Generators		0.0015
	(O) Engine Test Cells (Plant 5 and 8)		0.1
	(P) Engine Test Cell Plant 5 0070-N6		0.05
	(Q) Engine Test Cell N16	25 foot vertical stack	
	(R) Engine Test Cell N19	20 foot vertical stack	
	(S) Engine Test Cell N20	18 foot vertical stack	
	(T) Engine Test Cell N21	20 foot vertical stack	
	(U) Engine Test Cell N22	20 foot vertical stack	
	(V) Engine Test Cell N23	30 foot vertical stack	
	(W) Engine Test Cell N24	20 foot vertical stack	
(4) Vertellus Agriculture and Nutrition Specialties Source ID No. 00315	(A) 70K Boiler 70-2722W	18.4	0.20
	(B) 30K Boiler 30-2726S	9.8	0.25
	(C) 28K Boiler 28-186N	9.9	0.27
	(D) Boiler CB-70K	Burn natural gas	
	(E) BM Furnace BM2724W	1.1	0.05
	(F) Box Furnace BX2707V	0.8	0.05
	(G) DAB Furnace 732714	2.8	0.05
	(H) Born Heater 722804	0.34	0.05
	(I) Born Heater Furnace BXS2706Q	0.3	0.05
	(J) EP Furnace EP2729Q	0.15	0.05
	(K) CB20 CB600-300 Boiler	2.3	0.09
	(L) 50K CN5-400 Boiler	5.5	0.09
	(M) BD Furnace BD2714V	0.75	0.05
	(N) Heater BS2740Q	0.3	0.05
	(O) Heater BT2728S	0.3	0.05
	(P) Furnace HW-925.001	12.25	1.25
	(Q) CS Kettle Born Heater	Burn natural gas	
	(R) CS Still Born Heater	Burn natural gas	
	(S) Born Hot Oil Furnace (Process Heater) Unit 2607T	Burn natural gas	
(5) Quemetco Source ID No. 00079	WESP Stack	52.0	
(6) Indianapolis Power & Light Co. - Harding Street Generating Station Source ID No. 00033	(A) Boiler 9	Do not operate	
	(B) Boiler 10	Do not operate	
	(C) Boiler 50	Burn natural gas	
	(D) Boiler 60	Burn natural gas	
	(E) Boiler 70	Burn natural gas	
	(F) Gas Turbine 1	29.9	0.1
	(G) Gas Turbine 2	29.9	0.1



(H) Gas Turbine 4	87.5	0.1
(I) Gas Turbine 5	86.7	0.1
(J) Gas Turbine 6	Burn natural gas	
(K) Emergency Generator	500 hour calendar year operating limit	

(b) Compliance with the emission limit in subsection (a)(5) shall be determined by using quality assured hourly average continuous emission monitoring system data.

\*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 Legal Counsel, Indiana Government Center North, Thirteenth Floor, 100 North Senate Avenue, Indianapolis, Indiana 46204.

(Air Pollution Control Division; [326 IAC 7-4-2.1](#))

SECTION 5. [326 IAC 7-4-3](#) IS AMENDED TO READ AS FOLLOWS:

**[326 IAC 7-4-3](#) Vigo County sulfur dioxide emission limitations before October 4, 2017**

Authority: [IC 13-14-8](#); [IC 13-17-3-4](#)

Affected: [IC 13-12](#); [IC 13-14-4-3](#); [IC 13-16-1](#)

Sec. 3. **Before October 4, 2017**, the following sources and facilities **emission units** located in Vigo County shall comply with the sulfur dioxide emission limitations in pounds per million Btu, unless otherwise specified, and other requirements:

Source	Facility Emission Unit Description	Emission Limitations
(1) Alcan Rolled Products Co.	Sol Oil Boiler	0.54
	Foil Mill Boiler	0.54
	Oil Farm Boiler	0.54
	#2 Melter	4.60
	#3 Melter	4.60
	#4 Melter	4.60
	#5 Melter	4.60
	#6 Melter	4.60
	#7 Melter	4.60
	#53 Annealing Furnaces	4.60
(2) Bemis	Boiler	0.54
(3) CBS	#1 WH CB200-200	0.54
	#2 WH CB200-200	0.54
	#1 HC CB293-100	0.54
	#2 HC CB M & W 4000	0.54
	#3 HC CB M & W 4000	0.54
	#1 BP Springfield	0.54
(4) CF Industries	Process Murray Boiler 1	0.52
	Process Murray Boilers 2 and 3	0.52
(5) (1) SONY Digital Audio Disc Source ID No. 00032	(A) #1 Kewanee Boiler	0.36
	(B) #2 Kewanee Boiler	0.36
(6) Dexsee Foods Corp.	Boiler	2.62
(7) General Housewares	Boiler 1A Ladd	6.00
	Boiler 2A Combustion Eng.	6.00
	#5 Enamel Furnace Radiant Tube	0.54
	#6 Enamel Furnace Muffle	0.54
(8) Hercules, Inc. (2) Taghleef Industries Source ID No. 00045	(A) Murray Iron Works Boiler A	0.51
	(B) Murray Iron Works Boiler B	0.51
	(C) Clayton Boiler (Standby)	0.51
	(D) Nebraska Boiler	0.51



(9) Indiana State University	#2 Voight Boiler	5.64
	#3 Voight Boiler	5.64
	#5 B & W Boiler	5.64
	#4 Murray Boiler	0.37
(10) J.I. Case	No. 1 Riley Boiler	4.74
	No. 2 Riley Boiler	4.74
(11) Pfizer	Boiler 8	3.01
(12) Pillsbury (Terre Haute)	Boiler B	0.36
	Boiler C	2.62
	Boiler D	0.36
(13) Pitman Moore	#9, #10, and #15 Boilers	4.58
	#16 Boiler	0.36
	East Plant Boiler	0.36
(14) Public Service Indiana (3) Duke Energy Wabash River Source ID No. 00021	Boilers 1, 2, 3, 4, 5, and 6	4.04
(15) Rose-Hulman	#1 Voight Boiler	2.26
	#2 Cleaver Brooks Boiler	0.51
	#4 Cleaver Brooks Boiler	0.51
(16) St. Mary's Sisters of Providence	#2 Voight Boiler	3.84
	#3 B & N Boiler	3.84
	#5 B & N Boiler	3.84
	#7 Voight Boiler	3.84
	#8 Voight Boiler	3.84
(17) Snacktime Company	#1 Boiler	0.52
	#12 Boiler	0.52
	#2, #3, #4, and #6 Fryer Oil Heaters	0.52
(18) Terre Haute Coke and Carbon	2 CB Boilers	1.79
	2 Standby Boilers	4.55
	No. 1 CB Underfire Stack	0.63
	No. 2 CB Underfire Stack	0.63
(19) (4) Terre Haute Regional Hospital Source ID No. 00046	(A) #1 Boiler	0.45
	(B) (New) #2 Boiler	0.45
(20) (5) Union Hospital Energy Co. Source ID No. 00047	2 Keeler Boilers	0.36
	3 Cleaver Brooks Boilers	0.36
(21) U.S. Penitentiary	#1, #2, and #3 Boilers	0.51
	2 Honor Farm Boilers	0.51
(22) Wabash Fibre Box	Cleaver Brooks Boiler	2.36
(23) Wabash Products Co.	Boiler	natural gas only
(24) Western Tar	Tar Division, Boiler A	0.36
	Tar Division, Boiler B	0.36
	Wood Division, Boiler A	0.36
	Wood Division, Boiler B	0.36
	Tar Division, Process Still	0.36
(25) Weston Paper	B-1 and B-4 Boilers	4.09
	B-5 Warehouse Boiler	2.62

(Air Pollution Control Division; [326 IAC 7-4-3](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 70; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477; filed Aug 31, 2004, 2:30 p.m.: 28 IR 117)

SECTION 6. [326 IAC 7-4-3.1](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-4-3.1](#) Vigo County sulfur dioxide emission limitations**

**Authority:** [IC 13-14-8](#); [IC 13-17-3](#)

**Affected:** [IC 13-15](#); [IC 13-17](#)

Sec. 3.1. (a) On and after October 4, 2017, the following sources and emission units located in Vigo County shall comply with the sulfur dioxide emission limits and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour) or Other Requirements	Emission Limit (lbs/MMBtu)
(1) Wabash River Combined Cycle Source ID No. 00147	Combustion Turbine Unit 1A	333.76	0.195
(2) sgSolutions Source ID No. 00091	(A) Tail Gas Incinerator Stack EP1 (B) Process Flare Unit 2	230.6 500 hour calendar year operating limit on coal/syngas	
(3) SONY Digital Audio Disc Source ID No. 00032	(A) #1 Kewanee Boiler (B) #2 Kewanee Boiler (C) Unit 3 Burnham Boiler (D) Unit 4 Burnham Boiler (E) Unit 5 Superior Boiler (F) Unit 6 Superior Boiler (G) Unit 18 Boiler		0.05 0.05 0.05 0.05 0.05 0.05 0.05
(4) Taghleef Industries Source ID No. 00045	(A) Clayton Boiler (Standby) (B) Nebraska Boiler (C) Nebraska-D Boiler	0.03 0.05 Burn natural gas	0.0015 0.0015
(5) Terre Haute Regional Hospital Source ID No. 00046	(A) #1 Boiler (B) New #2 Boiler		0.45 0.45
(6) Union Hospital Source ID No. 00047	2 Keeler Boilers		0.36
(7) Duke Energy - Wabash River Generating Station Source ID No. 00021	(A) Boiler 6 (B) Diesel Generators 7A, 7B, and 7C	1,499.5 500 hour calendar year operating limit (each)	0.5 0.05

(b) Compliance with the emission limit in subsection (a)(1) shall be determined by using quality assured hourly average continuous emission monitoring system data.

(c) Compliance with the emission limit in subsection (a)(2)(A) shall be determined by calculating the thirty (30) unit operating day rolling arithmetic average emission rate at the end of each unit operating day using all of the quality assured hourly average continuous emission monitoring system data for the previous thirty (30) unit operating days. Unit operating day means a twenty-four (24) hour period that begins at midnight and ends the following midnight during which the unit is operated. It is not necessary for the unit to be operating the entire twenty-four (24) hour period.

(Air Pollution Control Division; [326 IAC 7-4-3.1](#))

SECTION 7. [326 IAC 7-4-11](#) IS AMENDED TO READ AS FOLLOWS:

[326 IAC 7-4-11](#) Morgan County sulfur dioxide emission limitations before October 4, 2017

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 11. **Before October 4, 2017**, Indianapolis Power and & Light Company (IPL) Pritchard Eagle Valley Generating Station, **Source ID No. 00004**, shall comply with the sulfur dioxide emission limitations in pounds per million Btu and other requirements as follows:

Facility Emission Unit Description	Emission Limitations
(1) Units 1 and 2	0.37 each

(2) Units 3, 4, 5, and 6 on and before September 30, 1990

6.0 each

Unit 3 after September 30, 1990

0.37

(3) Units 4, 5, and 6 after September 30, 1990

3.04 each

(3) (4) As an exception to the emission limitations specified in subdivision subdivisions (2) and (3), after September 30, 1990, at any time in which IPL burns coal on Unit 3, sulfur dioxide emissions from Units 3, 4, 5, and 6 shall be limited to two and fifty-seven hundredths (2.57) pounds per million Btu each.

(4) Prior to October 31, 1989, IPL shall modify (5) The two (2) stacks serving Units 3, 4, 5, and 6 to increase the height of each stack to shall be at least two hundred and eighty-one (281) feet above grade.

(5) Prior to February 28, 1989, IPL shall submit completed engineering plans and drawings of flue gas conditioning systems for Units 4 and 5 to the department. Prior to May 31, 1990, IPL shall complete installation of flue gas conditioning systems for Units 4 and 5.

(6) After September 30, 1990, on a day for which Unit 3 does not burn any coal, the limitations in subdivision subdivisions (2) and (3) are in effect, and compliance shall be determined as specified in [326 IAC 7-2-1\(e\)](#)-[326 IAC 7-2-1\(d\)](#).

(7) After September 30, 1990, on a day for which Unit 3 burns any coal, the limitations in subdivision (3) (4) are in effect. As an exception to the requirements of [326 IAC 7-2-1\(e\)\(1\)](#) [326 IAC 7-2-1\(d\)\(1\)](#) on a day for which Unit 3 burns any coal, if the thirty (30) day rolling weighted average for any unit is above two and fifty-seven hundredths (2.57) pounds per million Btu, then [326 IAC 7-2-1\(e\)\(1\)](#) [326 IAC 7-2-1\(d\)\(1\)](#) does not apply, and the daily average emission rate for that unit for that day shall not exceed two and fifty-seven hundredths (2.57) pounds per million Btu.

(8) After September 30, 1990, for the purposes of determining compliance under [326 IAC 7-2-1\(b\)](#), [326 IAC 7-2-1\(h\)\(1\)](#), stack tests performed on Units 3, 4, 5, and 6 shall demonstrate compliance with the most stringent set of limits in effect at any time during the day prior to or during the test based on the Unit 3 operating status and fuel type as indicated by the log maintained pursuant to subdivision (9).

(9) After September 30, 1990, IPL shall maintain and make available to the department upon request a log of the operating status and fuel type used for Unit 3. In addition, in the quarterly report required by [326 IAC 7-2-1\(a\)](#), [326 IAC 7-2-1\(c\)](#), IPL shall submit to the department a daily summary indicating fuel type for Unit 3, and, for days on which Unit 3 burned any coal and any thirty (30) day rolling weighted average was greater than two and fifty-seven hundredths (2.57) pounds per million Btu, IPL shall submit to the department the daily average sulfur content, heat content, and sulfur dioxide emission rate for Units 3, 4, 5, and 6.

(Air Pollution Control Division; [326 IAC 7-4-11](#); filed Aug 28, 1990, 4:50 p.m.: 14 IR 76; readopted filed Jan 10, 2001, 3:20 p.m.: 24 IR 1477)

SECTION 8. [326 IAC 7-4-11.1](#) IS ADDED TO READ AS FOLLOWS:

#### [326 IAC 7-4-11.1](#) Morgan County sulfur dioxide emission limitations

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 11.1. (a) On and after October 4, 2017, the following sources and emission units located in Morgan County shall comply with the sulfur dioxide emission limits and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour) or Other Requirements	Emission Limit (lbs/MMBtu)
(1) Indianapolis Power & Light Company (IPL) - Eagle Valley Generating Station Source ID No. 00147	(A) Combined Cycle Combustion Turbine 1 including duct burners	Burn natural gas	
	(B) Combined Cycle Combustion Turbine 2 including duct burners	Burn natural gas	
	(C) Auxiliary Boiler	Burn natural gas	
	(D) Dew Point Heater	Burn natural gas	
(2) Hydraulic Press Brick Company (HPB) Source ID No. 00007	(A) Kiln 3	Do not operate	
	(B) Kiln 4	159.75	3.55
	(C) Kiln 5	322	4.6

(b) HPB shall comply with the sulfur dioxide emission limits in subsection (a)(2) as follows:

(1) The emission limit applies to sulfur dioxide emissions from both the combustion of coal and the

processing of shale.

(2) HPB shall install and operate a limestone injection system to control sulfur dioxide emissions from Kiln 4 and Kiln 5.

(3) Monthly fuel sampling and analysis data shall be collected according to [326 IAC 7-2-1](#) for both coal and shale.

(4) HPB shall inject limestone at a rate sufficient to achieve compliance with the sulfur dioxide emission limits.

(5) HPB shall record the limestone fed to Kiln 4 and Kiln 5 at least two (2) times per production run or once every eight (8) hours.

(Air Pollution Control Division; [326 IAC 7-4-11.1](#))

SECTION 9. [326 IAC 7-4-15](#) IS ADDED TO READ AS FOLLOWS:

**[326 IAC 7-4-15](#) Pike County sulfur dioxide emission limitations**

Authority: [IC 13-14-8](#); [IC 13-17-3](#)

Affected: [IC 13-15](#); [IC 13-17](#)

Sec. 15. (a) On and after October 4, 2017, the following sources and emission units located in Pike County shall comply with the sulfur dioxide emission limits and other requirements, as follows:

Source	Emission Unit Description	Emission Limit (lbs/hour) or Other Requirements	Emission Limit (lbs/MMBtu)
(1) Indianapolis Power & Light - Petersburg Generating Station Source ID No. 00002	(A) Unit 1	330.0	0.15
	(B) Unit 2	621.6	0.15
	(C) Unit 3	2,049.8	0.37
	(D) Unit 4	1,942.5	0.35
	(E) Diesel Generators PB-2, PB-3, and PB-4	500 hour calendar year operating limit (each)	
(2) Hoosier Energy - Ratts Source ID No. 00001	(A) Boiler 1	58	0.05
	(B) Boiler 2	58	0.05
	(C) No. 2 Auxiliary Boiler	1	0.05

(b) Compliance with the emission limits in subsection (a) shall be determined by using quality assured hourly average continuous emission monitoring system data, except as allowed under subsection (c).

(c) As an alternative to the emission limits in subsection (a)(1)(A) through (a)(1)(D), Indianapolis Power & Light - Petersburg Generating Station may comply with the following:

Emission Unit Description	Emission Limit (lbs/hour - 30 day rolling average)	Emission Limit (lbs/MMBtu - 30 day rolling average)
(1) Unit 1	263.0	0.12
(2) Unit 2	495.4	0.12
(3) Unit 3	1,633.7	0.29
(4) Unit 4	1,548.2	0.28

(d) Compliance with the emission limits in subsection (c) shall be determined by calculating the thirty (30) boiler operating day rolling arithmetic average emission rate at the end of each boiler operating day using all of the quality assured hourly average continuous emission monitoring system data for the previous thirty (30) boiler operating days. Boiler operating day means a twenty-four (24) hour period that begins at midnight and ends the following midnight during which any fuel is combusted at any time in the boiler. It is not necessary for the fuel to be combusted the entire twenty-four (24) hour period.

(e) Indianapolis Power & Light shall notify the department prior to the compliance date to indicate if compliance for Units 1 through 4 will be determined using the emission limits in subsection (a) or (c) and prior to switching from compliance with the set of emission limits in subsections from (a) to (c) or from (c) to (a). Indianapolis Power & Light may not switch between complying with the one (1) hour average

**limits in subsection (a) and the thirty (30) day rolling average limits in subsection (c) unless Indianapolis Power & Light continues to show compliance with the one (1) hour average limit for each boiler until the first thirty (30) boiler operating day rolling arithmetic average emission rate is calculated.**

*(Air Pollution Control Division; [326 IAC 7-4-15](#))*

SECTION 10. THE FOLLOWING ARE REPEALED: [326 IAC 7-4-2](#); [326 IAC 7-4-3](#); [326 IAC 7-4-11](#).

SECTION 11. SECTION 10 of this document takes effect October 4, 2017.

[Notice of Public Hearing](#)

*Posted: 04/22/2015 by Legislative Services Agency*

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**TITLE 326 AIR POLLUTION CONTROL DIVISION**

**Notice of Public Hearing**

LSA Document #11-356

**Notice of Public Hearing**

Under [IC 4-22-2-24](#), [IC 13-14-8-6](#), and [IC 13-14-9](#), notice is hereby given that on July 8, 2015, at 1:30 p.m., at the Indiana Government Center South, 302 West Washington Street, Conference Center Room A, Indianapolis, Indiana, the Environmental Rules Board will hold a public hearing on amendments to [326 IAC 7](#) concerning the new 1-hour sulfur dioxide (SO<sub>2</sub>) National Ambient Air Quality Standard (NAAQS).

The purpose of this hearing is to receive comments from the public prior to final adoption of these rules by the board. All interested persons are invited and will be given reasonable opportunity to express their views concerning the proposed amendments. Oral statements will be heard, but, for the accuracy of the record, all comments should be submitted in writing.

Additional information regarding this action may be obtained from Susan Bem, Office of Air Quality, (317) 233-5697 or (800) 451-6027 (in Indiana).

Individuals requiring reasonable accommodations for participation in this event should contact the Indiana Department of Environmental Management, Americans with Disabilities Act coordinator at:

Attn: ADA Coordinator

Indiana Department of Environmental Management

Indiana Government Center North

100 North Senate Avenue

Indianapolis, IN 46204-2251

or call (317) 233-1785 (V). Speech and hearing impaired callers may contact IDEM via the Indiana Relay Service (711) or (800) 743-3333. Please provide a minimum of 72 hours notification.

Copies of these rules are now on file at the Rules Development Branch, Office of Legal Counsel, Indiana Department of Environmental Management, Indiana Government Center North, 100 North Senate Avenue, Thirteenth Floor and Legislative Services Agency, Indiana Government Center North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana and are open for public inspection.

Nancy King, Chief  
Rules Development Branch  
Office of Legal Counsel

Posted: 04/22/2015 by Legislative Services Agency  
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# **ATTACHMENT H**

**RESPONSE TO COMMENTS  
FROM THE  
THIRD COMMENT PERIOD**

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## TITLE 326 AIR POLLUTION CONTROL DIVISION

### LSA Document #11-356

#### SUMMARY/RESPONSE TO COMMENTS FROM THE THIRD COMMENT PERIOD

The Indiana Department of Environmental Management (IDEM) requested public comment from April 22, 2015, through May 13, 2015, on IDEM's draft rule language. IDEM received comments from the following parties:

Sierra Club (SC)  
Duke Energy Indiana (Duke)  
Krieg Devault, on behalf of Hydraulic Press Brick (HPB)  
United States Environmental Protection Agency, Region 5 (U.S. EPA)

Following is a summary of the comments received and IDEM's responses thereto.

*Comment:* IDEM must include limits for the Duke Gibson facility in this rulemaking. IDEM's use of the Gibson Coal Road sulfur dioxide (SO<sub>2</sub>) monitor to designate Gibson County as "unclassifiable" is unreasonable as the Gibson Coal Road monitor does not reliably capture maximum impacts from the Gibson facility. Also, the current three-year design value for the Gibson Coal Road monitor is close to exceeding the 2010 SO<sub>2</sub> national ambient air quality standard (NAAQS) set at 75 parts per billion (ppb). The 2012-2014 (excluding the last quarter of 2014) design value is reported at 73 ppb. When the full year of data for 2014 becomes verified the 2012-2014 three-year design value may violate the 2010 SO<sub>2</sub> NAAQS. (SC)

*Response:* U.S. EPA makes nonattainment area designations based on recommendations by the state. This rulemaking addresses areas currently designated nonattainment by U.S. EPA as these are the areas that IDEM will need to show attainment with the standard by October 4, 2018. Additional areas will be addressed in separate U.S. EPA and IDEM actions. The areas currently designated as nonattainment are designated based on monitoring data. Certified monitoring data for all of 2014 is now available and the Gibson Coal Road monitor continues to show attainment; the three-year design value (2012-2014) for the Gibson Coal Road monitor is 72 ppb. The Gibson Coal Road monitor was the only violating monitor identified in the original nonattainment area recommendations to U.S. EPA on January 6, 2012. The other currently operating monitor that captures the impact of the Duke Gibson facility is in Mount Carmel, Illinois. The design value for this monitor is 66 ppb.

IDEM uses data from both of these monitors to capture maximum impact from the Gibson facility. The Gibson Coal Road monitor is in the general vicinity of predicted maximum concentrations. Exact locations of maximum concentrations are going to vary based on the meteorological conditions. The location of maximum concentrations that the commenter disputes is less than 2 kilometers from the current monitoring location. The scale for illustrating concentrations on the map is also important. The monitor would not be considered in a "doughnut hole" if the scale included multiple levels of concentrations. For a monitor to be

considered to measure ambient air, U.S. EPA requires that the monitor be outside the fenceline of the facility and in accordance with other siting criteria. The Gibson Coal Road monitor meets U.S. EPA siting criteria.

*Comment:* IDEM must propose more stringent emission limits for IPL Petersburg to assure compliance with the 2010 SO<sub>2</sub> NAAQS. Sierra Club's modeling shows that IDEM's proposed emissions limitations for IPL Petersburg are not adequate to assure compliance with the NAAQS throughout the Pike County nonattainment area. The analysis shows that the maximum impact based on the proposed 1-hour limit for IPL Petersburg is 203.7 ug/m<sup>3</sup>, which exceeds the 2010 SO<sub>2</sub> NAAQS. Sierra Club used the lowest measured concentration in Indiana from a monitor in Vanderburgh County as a background concentration of 36.6 ug/m<sup>3</sup>. Substituting IDEM's background concentration of 25.9 ug/m<sup>3</sup>, the predicted maximum impact is 193 ug/m<sup>3</sup>, which is just under the 2010 SO<sub>2</sub> NAAQS. If actual emissions from the Gibson facility were considered the maximum impact, using Sierra Club's background value is likely more accurate. Sierra Club's modeling of actual emissions from the Gibson facility indicates that the Gibson facility has a significant impact of 65 ug/m<sup>3</sup> in the Pike County nonattainment area. Furthermore, when modeling Petersburg proposed allowable emissions against Gibson current allowable emissions (without background), the highest impact in the Pike County nonattainment area is 211 ug/m<sup>3</sup>. This violates the 2010 SO<sub>2</sub> NAAQS. For these reasons, IDEM's proposed 1-hour limitation for the Petersburg facility should therefore be made more stringent, with the 30-day limitation necessarily tightened as well. (SC)

*Response:* IDEM is satisfied that the SO<sub>2</sub> impacts from the Duke Gibson facility will not significantly impact surrounding 1-hour SO<sub>2</sub> nonattainment areas. SO<sub>2</sub> sources located within the Pike and Daviess County nonattainment area are most responsible for bringing the area into attainment. SO<sub>2</sub> sources in the surrounding counties are accounted for within the representative 1-hour SO<sub>2</sub> background concentration developed based on U.S. EPA guidance. The model used is appropriate for estimating impacts from short-range transport for distances less than 50 kilometers. Given the distance between the Duke Gibson facility and IPL Petersburg, the model would be at its limits in terms of use as a short-range transport model. Also, current allowable emissions for the Duke Gibson facility are in flux. Duke Gibson, like other power plants, is subject to the Mercury and Air Toxics Standard (MATS) rule. While all five units at Duke Gibson are already controlled with flue gas desulfurization, SO<sub>2</sub> emissions will decrease at this facility as the control devices are operated more extensively to comply with the SO<sub>2</sub> or hydrochloric acid (HCl) limit in the MATS rule.

The other facility located in Pike County, Hoosier Energy – Ratts, has idled both of its units to address a federal consent decree that applies to the facility and to address the requirements of the MATS rule. Without this facility operating there are additional reductions that are not fully accounted for in the model.

*Comment:* Emissions from the Gibson facility contribute significantly to nonattainment of the 2010 SO<sub>2</sub> NAAQS in Pike County and without enforceable reductions from the Gibson facility, attainment in Pike County cannot be assured. Much of IDEM's response on this issue in the Summary/Response to Comments from the Second Comment Period focuses on reductions in emissions from Gibson County in recent years. IDEM cannot rely on reductions from the Gibson

facility that are caused by the economics of that plant in recent years because those reductions are not enforceable and could be reversed by changing market conditions. IDEM's other response focuses on the source-oriented monitor in Pike County registering SO<sub>2</sub> impacts most often from sources in Pike County. This is not surprising given that the monitor is so close to the sources. Regardless, IDEM must ensure that the entire nonattainment area in Pike County achieves compliance with the 2010 SO<sub>2</sub> NAAQS. Sierra Club's modeling shows that the Gibson facility has a significant impact in the western part of the Pike County nonattainment area, which is relatively far from the Pike County monitor. IDEM therefore has no basis to assure compliance with this NAAQS in the western part of Pike County based on the record before it. (SC)

*Response:* In addition to revisions to the emission limits for IPL Petersburg not being necessary (see previous response), emission limits for Duke Gibson are not necessary in this rulemaking. IDEM did not rely on Duke Gibson operating at reduced capacity in assessing necessary actions to bring the Pike and Daviess County nonattainment area into attainment. IDEM discussed the downward trend of emissions from sources located in Gibson County to illustrate that monitored 1-hour SO<sub>2</sub> values in Pike and Daviess Counties are independent of Gibson County emission trends. IDEM is not including limits for Duke Gibson in this rulemaking because IDEM considers emissions from SO<sub>2</sub> sources in the surrounding counties to be accounted for within the representative 1-hour SO<sub>2</sub> background concentration.

*Comment:* In extending the compliance date from the date in the draft rule of January 1, 2017 to the proposed rule's date of October 4, 2017, IDEM ignored the plain language of the Clean Air Act which requires that attainment be achieved as "expeditiously as practicable." IDEM granted nine month compliance extension for all emission limitations in the rule as requested by certain sources. IDEM should reverse course and return to the January 1, 2017 compliance date mandated by the Clean Air Act Section 172. IDEM has made no finding that compliance by the original January 1, 2017 deadline is not "practicable" for any unit included in the proposed rule. As IDEM did not attempt an analysis, this provides a strong inference that the decision was not based on statutory requirements but instead on political considerations. (SC)

*Response:* IDEM agrees that the compliance date should be January 1, 2017. IDEM's goal is to adopt a rule that is approvable by U.S. EPA and IDEM is proposing a compliance date of January 1, 2017 in the rule that will be presented to the board for final adoption. The board preliminarily adopted a compliance date of October 4, 2017, which is the compliance date in the proposed rule. The proposed rule that prints in the *Indiana Register* is the rule as adopted by the board at preliminary adoption. IDEM has consulted with U.S. EPA and continues to assert that the Clean Air Act required compliance date is January 1, 2017. The SO<sub>2</sub> NAAQS is based on three calendar years of monitored SO<sub>2</sub> concentrations. This would require three calendar years of monitoring data (2015, 2016, and 2017) to show attainment by the attainment date of October 4, 2018. To meet the attainment deadline, Indiana would have needed to implement emission limitations starting on January 1, 2015. However, the Clean Air Act gives U.S. EPA the authority to grant up to two one-year extensions of the attainment date provided that there are no more than a minimal number of exceedances of the NAAQS in the area in the year preceding the extension year. The format of the SO<sub>2</sub> NAAQS requires one calendar year of monitoring data, not data from a twelve month extension year. By October 4, 2018, Indiana must have one calendar year of monitored SO<sub>2</sub> concentrations showing attainment of the NAAQS.

*Comment:* Duke Energy is actively pursuing various alternatives to bring the Wabash River site into attainment with the rule while also balancing the need for reliable, safe, and low cost energy. Units 2 through 5 and Unit 6 have received from IDEM a one-year extension of the April 16, 2015 Mercury and Air Toxics Standards (MATS) rule compliance deadline to April 16, 2016. The Midcontinent Independent System Operator (MISO) found Unit 6 an essential unit to support the electric transmission grid in the local Terre Haute area. MISO's study of the electric grid found that a new high voltage transmission line could be constructed to resolve the transmission reliability issues and relieve Unit 6 of its essential status. Duke Energy has started the activities and filings necessary for the new transmission line, however, some of the homeowners along the path of the line have expressed concerns about the legality of the easements that Duke Energy asserts that it holds. If construction of the transmission line cannot commence by July 1, 2015, a series of events may occur which may impact the ability to finish the construction project by June 1, 2016. MISO will determine if any grid stability issues might arise in the local area from a potential construction delay. Unit 6 is incapable of complying with the proposed SO<sub>2</sub> limit in the proposed rule and conversion of the unit to natural gas could not be completed by the compliance date. Therefore, setting a January 1, 2017 compliance deadline for this SO<sub>2</sub> rule further limits potential options if MISO requires Duke Energy to continue operating Unit 6 because the transmission line is delayed. (DUKE)

*Response:* After further discussion with Duke Energy, IDEM understands that this essential unit status for Unit 6 is especially important during the period of time when demand is high enough that voltage is needed to be maintained on the grid to prevent an outage. IDEM also understands that if there are delays in the construction of the transmission line and if MISO would continue to require the operation of Unit 6, Duke Energy may be in a position where it would be necessary to request an administrative order from U.S. EPA (a second one-year extension) that would allow Wabash River to operate past April 16, 2016 under the MATS rule. While it is not known if U.S. EPA would grant Duke Energy a second one-year extension at this time, an additional MATS extension would only delay compliance with MATS until April 16, 2017, many months shy of the requested October 4, 2017 compliance date for the SO<sub>2</sub> rule. If the transmission line is delayed and Duke Energy is put in a difficult position where it needs to continue to operate Unit 6 past April 16, 2017, Duke Energy would have trouble complying with both the MATS rule and this rule. Given the consequences of a compliance date later than January 1, 2017 and the ability of IDEM to obtain state implementation plan (SIP) approval of the rule, IDEM views the best course of action would be to not delay compliance for all sources subject to the rule. It is possible that the later compliance date of October 4, 2017 would still not fully address issues with compliance if construction of the transmission line is delayed.

*Comment:* The two kilns at Hydraulic Press Brick have different energy efficiency, Kiln #5 processes more shale per MMBtu than Kiln #4. As a result, Kiln #5 is prone to emit more SO<sub>2</sub> per MMBtu than Kiln #4. The stack tests in June 2014 indicated an emission factor of 9.2 pounds per MMBtu for Kiln #5 and 5.68 pounds per MMBtu for Kiln #4. At average coal and shale sulfur contents for this facility, using a mass balance-based estimate of the expected difference between emission factors at the two kilns, the expected difference between results at the two kilns is about 0.5 pounds per MMBtu. Although Kiln 4 has water spray at the end of the gas exhaust system (for

particulate removal), this water spray is unlikely to have a significant effect on SO<sub>2</sub> emissions. Therefore, the difference between the two test results is likely due to differences in the sulfur content of the coal and the shale being used during the tests. A more appropriate set of limits for these kilns would assume that the same raw materials are used in both kilns. The following proposed limits reflect the view that averaging the test results (after normalization for the differences in energy efficiency), which aims to estimate emissions with the same coal and shale sulfur contents going into both kilns, would provide more comparable limits for the two kilns.

Since the stack tests at Kiln #5 and Kiln #4 appear to reflect the use of raw materials with different sulfur content, the proposed limits aim to reflect the emissions that the stack tests would have shown with an average of the raw material sulfur contents in this pair of stack tests. That is, the presumption is that averaging the results of the two stack tests would yield limits that would reflect the same, average raw material sulfur content, and thus would yield limits that reflect the same degree of stringency for the two kilns. Complicating these calculations is the need to adjust for the difference in energy efficiency of the two kilns. During the stack tests, Kiln #5 required 2.93 MMBtu per ton of shale, while Kiln #4 required 3.67 MMBtu per ton of shale. Inverting these figures, Kiln #5 processed 0.341 tons of shale per MMBtu, and Kiln #4 processed 0.272 tons of shale per MMBtu. That is, Kiln #5 processed approximately 25 percent more shale per MMBtu than Kiln #4. Therefore, hypothetical tests at the two kilns using the same raw materials would be expected to show Kiln #5 having more emissions per MMBtu, with the difference being the amount of sulfur in 25 percent more shale. Thus, the first step of these calculations is to adjust the Kiln #4 test result to estimate what the test would have shown if Kiln #4 had the same energy efficiency as Kiln #5. For this calculation, the coal sulfur content was assumed to be the average coal sulfur content over the 10½ year period (available coal data January 2003 to August 2013), which translates to 2.7 pounds per MMBtu. The shale sulfur content was assumed to account for the remainder of the emissions, i.e., 5.68 – 2.7 or 2.98 pounds per MMBtu. The adjusted Kiln #4 test result was then calculated by increasing the emissions by approximately 25 percent, to reflect the same shale processing rate as Kiln #5. The result of this “normalizing” of the Kiln #4 test result is  $2.7 + (1.25 \times 2.98)$  or 6.4 pounds per MMBtu. The actual Kiln #5 test result and the adjusted Kiln #4 test results reflect the same basis, so that these results may be averaged. The result of this averaging is  $(9.2 + 6.4) / 2$  or 7.8 pounds per MMBtu. This is the uncontrolled emission rate that would be used to calculate the limit for Kiln #5. The proposed limit for Kiln #5 would then reflect 50 percent emission control. Thus, the proposed limit for Kiln #5 would be 3.9 pounds per MMBtu, which with a throughput of 70 MMBtu per hour would be 273 pounds per hour. For Kiln #4, the appropriate limit would reflect removal of the shale throughput adjustment. Again assuming that the coal sulfur content translates to 2.7 pounds per MMBtu, the adjusted shale sulfur content in the averaged test result would translate to 5.1 pounds per MMBtu. Adjusting this to reflect the Kiln #4 shale throughput would yield an SO<sub>2</sub> emission rate of 5.1/1.25 or approximately 4.1 pounds per MMBtu, which in combination with the estimated 2.7 pounds per MMBtu from coal sulfur would yield an uncontrolled Kiln #4 emission rate of 6.8 pounds per MMBtu. With 50 percent emission control, the proposed limit for Kiln #4 would be 3.4 pounds per MMBtu, which at 45 MMBtu per hour would be 153 pounds per hour.

While the available data on shale sulfur content are somewhat limited, the data, along with more than 120 months of data on coal sulfur content (January 2003 to August 2013), are sufficient to judge the degree of stringency of the proposed limits. This analysis used data on the monthly

pounds of sulfur per MMBtu of heat content of the coal. One data point was over twice as high as any other data point; this data point was removed from the analysis as not being reliable or representative of the typical range of coal sulfur content. To reduce the potential for bias, the lowest data point was also removed from the analysis. Among the remaining data points, the average expected emissions were 2.7 pounds per MMBtu, and the standard deviation was 1.0 pounds per MMBtu. The December 2014 analysis of shale samples provided data on shale sulfur content for 24 samples taken at various depths at two locations in the Hydraulic Press Brick quarry. One of these samples was more than twice as high as any other sample; this data point was excluded from the analysis along with the lowest data point. Among the remaining data points, the average weight percent of sulfur in these samples of shale was 0.18 percent, with a standard deviation of 0.11 percent. The corresponding emissions per MMBtu is a function of the quantity of shale that one MMBtu serves to process, a quantity that differs between Kiln #5 and Kiln #4. As noted above, during the June 2014 tests, Kiln #5 used 2.93 MMBtu per ton of shale and Kiln #4 used 3.67 MMBtu per ton of shale. Using these data, at Kiln #5, the average shale content would translate to 2.5 pounds per MMBtu, and the standard deviation would translate to 1.5 pounds per MMBtu. At Kiln #4, the average shale content would translate to 2.0 pounds per MMBtu, and the standard deviation would translate to 1.2 pounds per MMBtu.

The total average SO<sub>2</sub> emissions estimated from these data is simply the sum of the average emissions from coal and the average emissions from shale. Thus, the average uncontrolled emissions from Kiln #5 are estimated to be 2.7 + 2.5 or 5.2 pounds per MMBtu, and the average uncontrolled emissions from Kiln #4 are estimated to be 2.7 + 2.0 or 4.7 pounds per MMBtu. The calculation of the standard deviation of the total emissions is more complicated; the standard deviation of the total emissions is less than the sum of the individual standard deviations and instead is equal to the square root of the sum of the squares of the individual standard deviations. Thus, the standard deviation of estimated emissions at Kiln 5 is 1.8 pounds per MMBtu and the standard deviation of estimated emissions at kiln #4 is 1.6 pounds per MMBtu. These estimates of the variability of emissions at the two kilns can be used to estimate various statistics as to expected emissions from the two kilns. The 90<sup>th</sup> percentile emission level can be estimated to be 1.28 standard deviations above the mean. For Kiln #5, the estimated 90<sup>th</sup> percentile uncontrolled value is 5.2 + 1.28 \* 1.8 or 7.5 pounds per MMBtu. For Kiln #4, the estimated 90<sup>th</sup> percentile uncontrolled value is 4.7 + 1.28 \* 1.6 or 6.7 pounds per MMBtu. With adjustment for emission control, these values are slightly below the proposed emission limits. This statistical analysis suggests that the proposed emission limits reflect a suitable level of stringency. (U.S. EPA)

*Comment:* HPB supports the proposed limits for its Morgan County operation as provided in the proposed rule as preliminary adopted. As HPB has discussed with IDEM staff, the proposed new SO<sub>2</sub> emission limits contained in the proposed rule represent a substantial reduction in SO<sub>2</sub> emissions from current emission levels at the facility. These limits were derived based on the application of a control efficiency of 50% to stack test values recorded during stack testing for Kiln #4 and Kiln #5 performed in June 2014. HPB is committed to installing and operating a limestone injection system in order to ensure that the proposed limits may be met. Based on historic stack sampling performed at the facility and pilot tests performed on the limestone injection system, HPB believes that the proposed emission limitations for Kiln #4 and Kiln #5 represent the lowest emission rates that can be achieved with such a control system for each of the kilns.



HPB understands that U.S. EPA Region 5 supplied IDEM with separate comments on the proposed emission limits. The limits proposed by U.S. EPA are lower than the limits contained in the proposed rule. HPB has reviewed the U.S. EPA statement on the proposed limits and offers the following comments on the methodology utilized by U.S. EPA in deriving and supporting their proposed limits. In its analysis, U.S. EPA provides proposed emission limitations for Kiln #4 and Kiln #5 based on an approach whereby emissions from the two kilns recorded during the June 2014 compliance test are corrected to a consistent basis. U.S. EPA correctly notes that Kiln #5 has a higher thermal efficiency than Kiln #4, leading to the situation where Kiln #5 processes more shale per million British thermal units (MMBtu) heat input, which results in this unit having higher emissions on a pound per MMBtu basis than Kiln #4. A flaw in the U.S. EPA analysis, however, is the fact that U.S. EPA assumes the scrubber for Kiln #4 does not provide any SO<sub>2</sub> removal. During the June 2014 compliance test, inlet sampling was performed on Kiln #4 to get an indication of the concentration of SO<sub>2</sub> entering the wet scrubber. These results indicated an inlet SO<sub>2</sub> concentration of approximately 1,800 ppmv. The average scrubber outlet SO<sub>2</sub> concentration for Kiln #4 was 1,463 ppmv for the three test average. These values indicate that the scrubber was providing approximately 20% removal of SO<sub>2</sub> during the course of the test. HPB reviewed AP-42 Section 11.20, which contains emission factors for lightweight aggregate operations. The fact that AP-42 emission factors are lower for a rotary kiln controlled with a scrubber supports HPB's contention that the scrubber on Kiln #4 does provide some degree of SO<sub>2</sub> control on the exhaust stream from this unit. HPB notes that its assumed SO<sub>2</sub> control efficiency of 20% is considerably lower than would be computed using the AP-42 emission factors of 5.6 pounds per ton of feed for a rotary kiln without a scrubber and 3.4 pounds per ton of feed for a rotary kiln with a scrubber. Based on the presumption that the scrubber for Kiln #4 provides 20% removal of SO<sub>2</sub> emissions from Kiln #5, the uncontrolled emission rate from Kiln #4 becomes 7.10 pounds per million Btu (5.68 divided by 0.8). Using the U.S. EPA methodology, the proposed limit for Kiln #5 would be computed as 4.35 pounds per MMBtu, which is much closer to the limit in the proposed rule of 4.6 pounds per MMBtu and the proposed limit for Kiln #4 would be 3.75 pounds per MMBtu, which is higher than the limit in the proposed rule of 3.55 pounds per MMBtu.

U.S. EPA provided a statistical analysis of available coal and shale data. In December 2014, HPB collected a number of shale samples that were subsequently analyzed for sulfur content. These samples were collected in two separate locations and were taken at various depths representing shale seams that would be encountered during mining operations. In reviewing these data, U.S. EPA noted that one sample was considerably higher than any of the other samples, and excluded this value (in addition to the lowest sample value identified) from its analysis. HPB's concern with this approach is that HPB has every reason to believe that this particular sample is, in fact, valid based on sampling performed at the time of its compliance stack test in June 2014 and based on sampling performed during pilot testing in November 2014. The inclusion of this value in U.S. EPA's statistical analysis changes the results of this analysis considerably. U.S. EPA notes that the average weight percent sulfur in the remaining samples was 0.18 percent with a standard deviation of 0.11. If all data are included, however, these values become 0.22 percent sulfur as the average sulfur content of shale with a standard deviation of 0.20 percent. Using these values, the 90<sup>th</sup> percentile emission level for Kiln #5 becomes 9.4 pounds per MMBtu while the 90<sup>th</sup> percentile emission level for Kiln #4 becomes 8.2 pounds per MMBtu (assuming 2.7 pounds per MMBtu comes from coal). With an adjustment for 50% control, both of these values

are above the IDEM proposed emission limits and well above the U.S. EPA proposed limits. This indicates that the limits in the proposed rule will be a challenge for HPB to meet on a consistent basis, and that HPB would likely not be able to meet U.S. EPA's proposed limits on a consistent basis.

It has been HPB's understanding that the allowable SO<sub>2</sub> emission limits to be incorporated into the Indiana SO<sub>2</sub> SIP would be established based on the application of a 50% control efficiency to the stack test results from its June 2014 stack testing. The values proposed by U.S. EPA in May 2015 are lower than these values and are not consistent with the manner in which HPB understood that these limits would be established. HPB believes that the limits in the proposed rule (LSA Document #11-356, 1-hour Proposed SO<sub>2</sub> Rule, April 22, 2015 *Indiana Register*) are indicative of the level of emissions that would be expected from its operations following the application of control technology designed to achieve a control efficiency of 50%. HPB believes that the limits proposed by U.S. EPA are overly stringent based on the analysis of stack test data and shale analysis. HPB requests that the limits in the proposed rule be retained. (HPB)

*Response:* After further discussion between U.S. EPA, HPB, and IDEM; U.S. EPA has recommended that in order to address concerns with trying to identify a numerical limit that represents a 50% reduction in emissions, the emission limit for each of the kilns for HPB should specify a percent reduction instead of a numerical limit. Based on demonstration testing of a limestone injection system on Kiln #5 it has been determined that a 50% reduction in emissions is a reasonable level of control. Since limestone will be injected along with the shale into the kiln at the front end of the process, there is not a point where there is an uncontrolled air stream that can be sampled to do a direct comparison from inlet to outlet concentrations. All parties are aware of the difficulty with ensuring that the measured sulfur content of the shale represents the sulfur content of the shale being burned during the stack test, therefore, it will be important to take an appropriate number of samples for measurement and from an appropriate location in the shale stream. Compliance with the percent control efficiency will be demonstrated based on a calculation using the measured sulfur content of the fuel (coal) and the shale to determine the uncontrolled emissions and a stack test to measure the outlet concentration. There is also a minimum emission rate that is required for each of the kilns. If uncontrolled emissions are low enough, it may be difficult to achieve the 50% control requirement. If the 50% control cannot be achieved, a minimum emission rate of 2.5 pounds per MMBtu must be achieved.

# **ATTACHMENT I**

## **TRANSCRIPT OF SECOND PUBLIC HEARING**

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BEFORE THE STATE OF INDIANA  
ENVIRONMENTAL RULES BOARD

PUBLIC MEETING OF JULY 8, 2015

ORIGINAL

PROCEEDINGS

before the Indiana Environmental Rules Board,  
Beverly Gard, Chairman, taken before me, Lindy L.  
Meyer, Jr., a Notary Public in and for the State  
of Indiana, County of Shelby, at the Indiana  
Government Center South, Conference Center,  
Room A, 402 West Washington Street, Indianapolis,  
Indiana, on Wednesday, July 8, 2015 at 1:29  
o'clock p.m.

William F. Daniels, RPR/CP CM d/b/a  
ACCURATE REPORTING OF INDIANA  
12922 Brighton Avenue  
Carmel, Indiana 46032  
(317) 848-0088

## 1 APPEARANCES:

## 2 BOARD MEMBERS:

3 Beverly Gard, Chairman  
4 Gary Powdrill  
5 Dr. Ted Niemiec  
6 Joanne Alexandrovich  
7 Kelly Carmichael  
8 Ken Rulon  
9 William Etzler  
10 Chris Horn  
11 Calvin Davidson  
12 Mike Mettler, Proxy, Department of  
Health  
13 Cameron Clark, Proxy, Department of  
Natural Resources  
14 Devin Hillsdon-Smith, Proxy, Indiana Economic  
Development Corporation  
15 David Bausman, Proxy, Lieutenant  
Governor  
16 Thomas W. Easterly (nonvoting)

## 12 IDEM STAFF MEMBERS:

13 Christine Pedersen  
14 Bruno Pigott  
15 Susan Bem  
16 Lauren Aguilar  
17 MaryAnn Stevens  
18 Nancy King  
19 Janet Pittman  
20 Keith Baugues  
21 Scott Deloney

## 18 PUBLIC SPEAKERS:

19 Bill Beranek  
20 Lori Gates  
21 Andrew Berger  
22 Bowden Quinn  
23 Vicki Wright  
Dan Weiss  
David Phippen

1:29 o'clock p.m.  
July 8, 2015

CHAIRMAN GARD: I hope this is the  
only time I have to use this today.

I'm going to call the meeting of the  
Environmental Rules Board to order. You have the  
minutes of the March 11th, 2015 meeting. Are  
there any additions or corrections as  
distributed?

(No response.)

CHAIRMAN GARD: Any discussion?

(No response.)

CHAIRMAN GARD: Do I hear a motion to  
approve the summary of the meeting?

DR. NIEMIEC: So moved.

MR. POWDRILL: Second.

CHAIRMAN GARD: All in favor, say  
aye.

MR. HORN: Aye.

DR. NIEMIEC: Aye.

MR. ETZLER: Aye.

MR. CARMICHAEL: Aye.

MR. RULON: Aye.

1 DR. ALEXANDROVICH: Aye.

2 MR. BAUSMAN: Aye.

3 MR. POWDRILL: Aye.

4 MR. CLARK: Aye.

5 MR. METTLER: Aye.

6 MR. DAVIDSON: Aye.

7 MR. HILLSDON-SMITH: Aye.

8 CHAIRMAN GARD: Aye.

9 Opposed, nay.

10 (No response.)

11 CHAIRMAN GARD: The summary of the  
12 meeting of March 11th, 2015 is approved.

13 IDEM Reports.

14 Commissioner, you're up.

15 COMM. EASTERLY: Okay. I'm going to  
16 tell you about the bills that passed this year,  
17 that -- and some of them result in work for you,  
18 but just to get it off the table, this will  
19 probably be my last meeting. I told the Governor  
20 I'm leaving at the end of August, so I think  
21 everybody in the world knows, even though we  
22 haven't sent out a real announcement yet, but I  
23 just didn't want anybody to be surprised and say,



1 MS. METTLER: Yes.

2 COMM. EASTERLY: Those are  
3 jurisdictional waters. That's what the signs  
4 that I'm used to seeing say. So, they are waters  
5 of the U.S. Any navigable water, any basically  
6 constantly flowing tributary to a navigable  
7 water, there's never been a big debate that those  
8 are waters of the U.S. This rule extends it --  
9 they tried to clarify that some ditches were not  
10 waters of the U.S., but by the time they got done  
11 clarifying it, we're not sure what's not a water  
12 of the U.S. anymore.

13 CHAIRMAN GARD: Well, I skipped over  
14 an agenda item that we need to address. I'm  
15 going to ask everybody to introduce themselves,  
16 and we do have a new member. Mr. Devin  
17 Hillsdon-Smith is the new proxy for the Secretary  
18 of Commerce. He replaces Pam Fisher, who was on  
19 this Board for many, many years, who has moved  
20 over to INDOT now.

21 But we welcome you.

22 MR. HILLSDON-SMITH: Thank you very  
23 much.

1 CHAIRMAN GARD: It's good to have  
2 you.

3 And I'd like everybody to go around and  
4 introduce themselves, Kelly, and who you  
5 represent.

6 COMM. EASTERLY: You can start out.

7 MR. CARMICHAEL: Kelly Carmichael,  
8 utilities.

9 MR. DAVIDSON: Calvin Davidson, solid  
10 waste.

11 DR. ALEXANDROVICH: Joanne  
12 Alexandrovich, local government.

13 MR. RULON: Ken Rulon, agriculture.

14 MR. POWDRILL: Gary Powdrill, the  
15 citizens at large.

16 DR. NIEMIEC: Ted Niemiec, health  
17 care.

18 MR. ETZLER: Bill Etzler, small  
19 business.

20 CHAIRMAN GARD: Beverly Gard, general  
21 public.

22 MR. HORN: Chris Horn, labor.

23 MR. HILLSDON-SMITH: Devin

1 Hillsdon-Smith, economic development.

2 MR. METTLER: Mike Mettler, proxy for  
3 State Health Commissioner, Dr. Adams.

4 MR. CLARK: Cameron Clark, Director  
5 of the Department of Natural Resources.

6 MR. BAUSMAN: David Bausman, proxy  
7 for the Lieutenant Governor.

8 COMM. EASTERLY: I'm Tom Easterly,  
9 the Commissioner of IDEM for 51 more days.

10 (Laughter.)

11 COMM. EASTERLY: I'm a nonvoting  
12 member of the Board.

13 CHAIRMAN GARD: Okay. The Chair does  
14 see a quorum.

15 Chris Pederson is going to give a  
16 rulemaking update.

17 MS. PEDERSEN: Okay. Before I talk  
18 about rules, I just wanted to cover a couple of  
19 other things. The first has to do with mileage  
20 reimbursement. The Indiana state mileage  
21 reimbursement rate has been changed from 44 cents  
22 per mile to 40 cents per mile, and you should see  
23 this reflected on your travel vouchers, and this



1 CHAIRMAN GARD: We were debating  
2 whether to wait for your vote. Since you're  
3 here, we're voting on final adoption of the  
4 general permit rule.

5 DR. NIEMIEC: I just had an emergency  
6 call, but I vote aye.

7 CHAIRMAN GARD: Aye; okay. So, that  
8 is ten ayes and two nays, so the rule is finally  
9 adopted. Thank you all very much.

10 This is a public hearing before the  
11 Environmental Rules Board of the State of Indiana  
12 concerning final adoption of amendments to rules  
13 at 326 IAC 7-1.1 and 7-4, Sulfur Dioxide Emission  
14 Limits.

15 I will now introduce Exhibit E, the  
16 preliminarily adopted rules with IDEM's suggested  
17 changes incorporated, into the record of the  
18 hearing.

19 Susan Bem will present the rule.

20 MS. BEM: My name is Susan Bem, and  
21 I'm going to talk about the Sulfur Dioxide  
22 Emission Limits rulemaking. It's LSA No. 11-356.

23 This rulemaking adds new requirements for

1 sources located in counties designated by  
2 U.S. EPA as nonattainment for the one-hour sulfur  
3 dioxide ambient air quality standard that were  
4 designated in the August 5th, 2013 Federal  
5 Register, based on monitoring data through 2012.  
6 Counties with townships designated as  
7 nonattainment are Marion, Morgan, Daviess, Pike  
8 and Vigo.

9 Federal regulations do not detail the  
10 exact emission controls needed to address  
11 nonattainment areas. Air quality modeling is  
12 used to determine what emission limits are needed  
13 to bring the area into compliance with the  
14 one-hour sulfur dioxide standard. IDEM used  
15 AERMOD, the U.S. EPA accepted model for  
16 attainment planning.

17 Some counties, Vigo, Marion and Morgan  
18 County, already have sources with emission limits  
19 in Article 7 to address the old SO<sub>2</sub> standard.  
20 These limits will remain effective until the  
21 compliance date for the new limits. In the last  
22 section of the rule, there's a -- it repeals the  
23 current limits once the compliance date for the

1 new limits is in place.

2 IDEM has been working with the sources  
3 affected by this rulemaking to develop emission  
4 limits that model attainment and reflect the  
5 compliance strategy that the sources use to  
6 comply. Some of the larger sources, power  
7 plants, are affected by other regulations that  
8 are driving their control strategies. In Marion  
9 and Vigo Counties, many of the sources are able  
10 to model attainment using low-sulfur diesel fuel  
11 that they are already using or will soon be  
12 using.

13 The Mercury and Air Toxics Standards, or  
14 MATS rule, is one of the other regulations that  
15 affect sources subject to this rule. The Supreme  
16 Court issued a decision on the MATS rule last  
17 Monday that sends it back to the lower court  
18 because U.S. EPA did not address costs before it  
19 began crafting regulations when it decided it was  
20 appropriate and necessary to regulate toxic  
21 emissions from power plants.

22 The standards are left in place and the  
23 case was sent back to the D.C. Circuit Court,

1 which will have to decide whether they should  
2 remain on the books while U.S. EPA completes the  
3 additional analysis required by the Court's  
4 decision. They could do this by remanding the  
5 rule, keeping it in place while EPA addresses the  
6 costs, or they can remand it with vacature. But  
7 either way, the limits being proposed today for  
8 the final -- for final adoption are separate and  
9 will be independently effective.

10 At preliminary adoption in March, there  
11 were two sources that IDEM mentioned as needing  
12 additional discussion between preliminary  
13 adoption and final adoption. Those were  
14 Rolls-Royce and Hydraulic Press Brick.

15 IDEM has continued to work with  
16 Rolls-Royce to develop a compliance strategy that  
17 models attainment with the standard. At  
18 preliminary adoption, we identified a compliance  
19 strategy that included lowering the jet fuel  
20 sulfur content to .95 pounds per million BTU for  
21 the test cells at Plant 5 and the gas turbine  
22 engines identified as D3 and D4. With this  
23 change, the source can operate the test cells



1 without any restriction on operating hours and  
2 still model attainment with the standard.

3         So, in the proposed rule for final  
4 adoption, all of the Plant 5 test cells will be  
5 restricted to the .05 limit, but -- and there  
6 will be no need to single out the N6 Plant 5 test  
7 cell, and all of the engine test cells at Plant 5  
8 will have that same limit of .05, but the Plant 8  
9 test cells will remain at the .1 pounds per  
10 million BTU as preliminarily adopted.

11         The other source is Hydraulic Press Brick.  
12 It's a facility that makes light-weight aggregate  
13 products using shale mined on-site and then fired  
14 in kilns with coal. There are three kilns  
15 on-site. The rule requires that Kiln 3 not  
16 operate, and puts in place new sulfur dioxide  
17 limits for the other two kilns.

18         Based on ongoing discussion between EPA,  
19 the source and IDEM since preliminary adoption,  
20 IDEM is now proposing changes to the format of  
21 the limits for final adoption. U.S. EPA agrees  
22 the compliance strategy for this source is 50  
23 percent reduction in emissions, and this is based

1 on what can be achieved using limestone injection  
2 during a demonstration test last year.

3 Given the variability of the sulfur  
4 content of the shale, it was difficult to  
5 determine a numerical limit that represented 50  
6 percent control. Therefore, for final adoption,  
7 IDEM is proposing that the format of the limit be  
8 a percent reduction instead of a numerical pounds  
9 per million BTU limit.

10 The rule will still require that the  
11 source install and operate a limestone injection  
12 system and do sulfur content measurements of both  
13 the shale and the coal with periodic stack tests.

14 During the third comment period, IDEM  
15 received comments in regards to the attainment  
16 strategy within south -- within the southwest  
17 area of Indiana. The first concern raised is  
18 that IDEM was now proposing limits for the Duke  
19 Gibson facility in Gibson County. Based on  
20 monitoring data, U.S. EPA did not designate  
21 Gibson County as nonattainment in this first  
22 round of designations for the one-hour standard,  
23 and reductions from the Duke Gibson facility will

1 not be needed to bring the Pike/Daviess  
2 nonattainment area into attainment. Therefore,  
3 this rulemaking does not include limits for the  
4 Duke Gibson facility.

5 The second concern raised is that IDEM  
6 adopt lower limits for the IPL Petersburg plant  
7 in Pike County to provide an additional cushion  
8 against any impacts that the Gibson power plant  
9 might have on the Pike/Daviess County  
10 nonattainment area. But IDEM addressed these  
11 impacts by adding a background concentration to  
12 the modeling impacts for the Pike/Daviess  
13 nonattainment area.

14 And then there is also another source in  
15 Pike County, Hoosier Energy Ratts, that was  
16 included in the modeling for Pike County, and it  
17 has limits in the proposed rule, but both of  
18 these units have been idled and most likely will  
19 not operate again due to a consent decree and the  
20 MATS rule.

21 Also, at the last Board meeting, there was  
22 extensive discussion on the compliance date for  
23 the new limits. For preliminary adoption, IDEM

1 had proposed a compliance date of January 1st,  
2 2017. Under the Clean Air Act, areas are  
3 required to attain the standard within five years  
4 after the effective date of being designated  
5 nonattainment, which is October 4, 2018. At a  
6 minimum, one calendar year of monitoring data  
7 with values under the standard is needed to show  
8 attainment, and hence, the January 1st, 2017  
9 compliance date.

10 The Board had voted on and adopted a  
11 compliance date of October 4th, 2017. This is  
12 the date that published with the proposed rule in  
13 the Indiana Register. IDEM is again suggesting  
14 that the Board adopt the compliance date of  
15 January 1st, 2017.

16 In the Board packet there is a memo from  
17 IDEM's Office of Legal Counsel detailing the  
18 rationale for this January 1st, 2017 compliance  
19 date. The demonstration of attainment is  
20 required by October 2018, so while IDEM can ask  
21 for two one-year extensions of this deadline,  
22 monitoring data showing attainment is needed for  
23 the previous year.

1           As the courts have recently ruled on the  
2   2008 ozone standard, if the attainment deadline  
3   falls within the calendar year, then the data  
4   from the entire year cannot be used in the  
5   calculation. And all of this is presented in the  
6   Office of Legal Counsel memo in your Board  
7   packet, and U.S. EPA has reviewed the memo and  
8   has concurred with it. U.S. EPA wrote guidance  
9   based on what they would be able to approve in  
10   the attainment SIP's that the states will submit  
11   to EPA for SIP approval.

12           In the -- as soon as this rule publishes  
13   in the Indiana Register as a final effective  
14   rule, about three to three and a half months from  
15   now, IDEM will submit the rule along with the  
16   attainment demonstration to U.S. EPA for SIP  
17   approval. In the interim, IDEM will put the  
18   attainment documents, which include the  
19   attainment strategy for each source, out on  
20   public notice.

21           The Department recommends that the Board  
22   final adopt the proposed rule with IDEM's  
23   suggested changes as presented.

1           Thank you. Any questions?

2           CHAIRMAN GARD: Are there ques --

3           Yes, Dr. Alexandrovich.

4           DR. ALEXANDROVICH: When do you  
5 expect those things to be posted, the attainment  
6 demonstrations for each source?

7           MS. BEM: Well, after the Board  
8 meeting and we know exactly that what we proposed  
9 for emission limits are what -- are the emission  
10 limits we're going to move forward with, along  
11 with all of the modeling that the technical staff  
12 have been working on, we will put them out for a  
13 30-day public comment period and opportunity for  
14 a public hearing. Most likely that will be  
15 posted -- probably not for a month. Maybe  
16 mid-August --.

17          DR. ALEXANDROVICH: Okay.

18          MS. BEM: -- would be a good  
19 estimate.

20          CHAIRMAN GARD: Yes, Gary.

21          MR. POWDRILL: I'm just confused with  
22 these two lists. In Section 3 you have a list  
23 that says the emission units located in Marion

1 County should comply with sulfur dioxide emission  
2 limits as follows, and you list them all, and  
3 then a map is on page 7 -- or I mean page 3  
4 of 20, and then Section 4 basically says the same  
5 thing and starts another list, and the one that  
6 caught my eye basically was Citizens Thermal is  
7 in both lists with different numbers, and didn't  
8 Citizens Thermal go to gas?

9 MS. BEM: Well, Section 3 is -- are  
10 the current limits that are on the books now that  
11 will stay in effect until the new compliance date  
12 of January 1st, 2017, and then when -- Oh, you  
13 know, in terms of the SIP limits, we're not  
14 requiring, as a compliance strategy, those  
15 natural-gas-based limits.

16 MR. POWDRILL: So, Section --  
17 Section 3 is the limits up until --

18 MS. BEM: Yes.

19 MR. POWDRILL: -- January 1st of '17.

20 MS. BEM: And then those will be  
21 repealed at that time.

22 MR. POWDRILL: And Section 4 is the  
23 limits after January 1st?

1 MS. BEM: Correct.

2 MR. POWDRILL: Okay. Okay. Thank  
3 you.

4 CHAIRMAN GARD: Are there other  
5 questions?

6 Yes, Kelly.

7 MR. CARMICHAEL: I appreciate IDEM  
8 taking the Board recommendation to go back to EPA  
9 and discuss this timing issue, in particular with  
10 the reliability concerns. Did EPA opine on  
11 resolution if there is an electrical liability  
12 issue that arises as a result of complying with  
13 the rule?

14 MS. BEM: No. I mean they focused on  
15 what date they would be able to, you know, SIP  
16 approve. If there's issues in the future on  
17 electrical reliability, you know, that didn't  
18 affect their decision on what they felt should be  
19 the required date for compliance.

20 MR. CARMICHAEL: Well, I think it's  
21 important to note to the Board that what's in  
22 front of us here creates an issue where Duke  
23 can't assure reliability, and that's coming from



1 the Midcontinent Independent System Operator, who  
2 says that the Duke plant must be available in the  
3 event that there's reliability issues in the  
4 Terre Haute area.

5 So, it forces Duke into an issue where  
6 they can choose to not comply with the rule in  
7 front of us and keep the lights on, or comply  
8 with the rule in front of us and create a grid  
9 reliability issue. And without resolution -- I  
10 assume perhaps Mr. Weiss is going to speak, so we  
11 can have some more discussion, but I don't know.  
12 What's the answer?

13 COMM. EASTERLY: The answer is if  
14 that becomes an issue, they can come in and get a  
15 variance or another administrative document, and  
16 then the air quality in Terre Haute likely will  
17 not meet the standard, and that part of the state  
18 will still be nonattainment, and it'll trigger --  
19 all that process means is it will remain  
20 nonattainment for probably about five more years  
21 before the best-case process happens. So, there  
22 are ways to deal with people that can't comply  
23 with the SIP. We unfortunately have that issue

1 all of the time.

2 MR. CARMICHAEL: So, reliability,  
3 then, would trump --

4 COMM. EASTERLY: At the end of the  
5 day, yes, but we would expect them to do their  
6 best to try not to have that problem, but if they  
7 have it --

8 MR. CARMICHAEL: You would --

9 COMM. EASTERLY: Yes, reliability --  
10 people need reliable and obviously affordable  
11 electricity. There's no question about that.

12 MR. RULON: Who defines "affordable,"  
13 Tom?

14 COMM. EASTERLY: The IURC.

15 (Laughter.)

16 COMM. EASTERLY: I agree with you.  
17 The EPA and I have had this discussion and have  
18 had it with the FERC, too, but it is what it is.

19 MR. POWDRILL: But that puts the  
20 whole area of Vigo County at risk of economic  
21 development, because Duke has to get that piece  
22 of paper from you to maintain reliability;  
23 correct?

1           COMM. EASTERLY: No, their risk for  
2 economic development will be if we can't  
3 demonstrate a year of good data by the end  
4 of 2017, and that gets back to how far off is  
5 Duke and how much additional emissions do they  
6 need to make that actually show up at the  
7 monitors?

8           DR. ALEXANDROVICH: And is that all  
9 of Vigo County, or just --

10          COMM. EASTERLY: It's a small -- it's  
11 some township.

12          MS. BEM: It's just the township  
13 that's in nonattainment.

14          CHAIRMAN GARD: Other questions?

15                 (No response.)

16          CHAIRMAN GARD: Are you -- are you  
17 through?

18          MS. BEM: Uh-huh, yes.

19          CHAIRMAN GARD: We have some people  
20 that want to speak to this.

21          Bowden Quinn.

22          MR. QUINN: Thank you, Madam Chair,  
23 member of the Board. I'm Bowden Quinn, I'm

1 Chapter Director for the Sierra Club Hoosier  
2 Chapter, and for this rule I'm also speaking on  
3 behalf of the National Sierra Club Local Chapter.  
4 The State Chapter is around 8,000 members, and  
5 nationwide, we have over two million members and  
6 supporters.

7 Sierra Club appreciates the hard work that  
8 IDEM has put into this rule. It's a difficult  
9 rulemaking, and to start off, we do support  
10 IDEM's suggested change to move the compliance  
11 date back to January 1st, 2017. We agree that  
12 EPA would not be able to approve the rule with  
13 the later date.

14 But we think that this is a missed  
15 opportunity; that more could have -- should be  
16 done to protect people from the sulfur dioxide  
17 emissions. And let's keep in mind, this is a  
18 health rule. This is a rule to protect people.  
19 There is no dispute that high sulfur dioxide  
20 levels harm people's health. They cause  
21 respiratory problems. They cause asthma attacks.  
22 There's even links to cardiovascular problems.

23 And studies have shown that these health

1 impacts can happen by brief exposures, even as  
2 short as five minutes, and we know that there  
3 is -- there are high sulfur dioxide levels around  
4 the Duke Gibson generating plant. IDEM's own  
5 data shows that.

6 You can look at the response to comments  
7 that there -- that the issue is this Gibson  
8 Coal -- Coal Road monitor, which, over a  
9 three-year period, has shown the average just,  
10 you know, fairly close to the required 75 parts  
11 per billion, which is the standard. Over a  
12 three-year period, I believe, the average was 72  
13 parts per billion. But IDEM's own documents  
14 shows a map that shows that there are higher  
15 levels around that monitor, and that those levels  
16 can fluctuate depending upon meteorological  
17 conditions.

18 Now, just across the road from that  
19 monitoring station there is a small community  
20 called East Mount Carmel, and these people have  
21 already been put at risk, their health put at  
22 risk, by that generating plant, because their  
23 well water was contaminated by coal ash,

1 migration of coal ash pollutants, until finally  
2 that was found, and now Duke is supplying their  
3 water, but we don't know how long their health  
4 was at risk from these pollutants in the ground  
5 water.

6 And now, we also know that their health is  
7 potentially at risk from high sulfur dioxide, and  
8 this rule would provide the opportunity to have  
9 lower limits for that plant and protect those  
10 people.

11 I will now read from the prepared comments  
12 from National Sierra Club. There are two  
13 fundamental problems with IDEM's approach to the  
14 Gibson generating facility in this rulemaking.  
15 First, use of the Gibson Coal Road monitor to  
16 designate Gibson County as unclassifiable, when  
17 IDEM had originally and correctly designated a  
18 part of the County as nonattainment, is not  
19 appropriate, because that monitor does not appear  
20 to be a source oriented -- to be source oriented  
21 to best capture sulfur dioxide impacts.

22 The modeling of actual hourly emissions  
23 showed the Gibson Coal Road monitor is not

1 located where Duke Gibson has its highest  
2 impacts. In fact, the monitor is located where  
3 no ambient standard exceedences were predicted to  
4 occur. As shown in Sierra Club's written  
5 comments on the proposed rule, Gibson coal road  
6 monitor is located in a doughnut hole, where  
7 Sierra Club's modeling show no violations of the  
8 standards when modeling actual Duke Gibson hourly  
9 emissions.

10 Outside that doughnut hole, as I said; and  
11 as IDEM's map shows, there are higher levels of  
12 sulfur dioxide and our modeling shows these are  
13 serious violations of the standards over a broad  
14 area in Gibson County. Because the monitor does  
15 not appear to properly capture emissions from the  
16 Gibson plant, IDEM should reconsider its decision  
17 to rely on this monitor to classify the entire  
18 county.

19 CHAIRMAN GARD: Bowden, are you -- is  
20 this about it with that statement? Because  
21 you're a little over your five minutes.

22 MR. QUINN: Yeah, if I could just say  
23 that we also believe that the Duke Gibson

1 emissions should be lowered because of its impact  
2 on Pike and Daviess Counties as well and their  
3 known exceedences.

4 CHAIRMAN GARD: Okay.

5 Are there any questions for Bowden?

6 (No response.)

7 CHAIRMAN GARD: Thank you.

8 MR. QUINN: Thank you.

9 CHAIRMAN GARD: Vicki Wright.

10 And I do want to remind presenters we're  
11 trying to keep to -- close to five minutes.

12 MS. WRIGHT: Trust me, I will. Good  
13 afternoon, Madam Chairwoman and members of the  
14 Board. Very briefly, I am Vicki Wright. I  
15 represent Hydraulic Press Brick, one of the  
16 sources that Susan spoke about.

17 We very much support this final amendment  
18 being adopted and would appreciate it happening  
19 hopefully today, because we hope to move forward  
20 in working towards meeting the goals that are set  
21 forth, and I want to especially thank IDEM's  
22 staff for their efforts here. It was a huge  
23 undertaking for this particular source to come up



1 with a solution that works for them to stay as a  
2 viable business in Indiana. I think we've  
3 achieved that, and would appreciate adoption.  
4 Again, thank you to the staff for taking the  
5 little business into consideration.

6 That's all I have.

7 CHAIRMAN GARD: Are there questions  
8 for Ms. Wright?

9 (No response.)

10 CHAIRMAN GARD: Thank you.

11 Dan Weiss.

12 MR. WEISS: Good afternoon, Madam  
13 Chair and fellow Board members. My name is Dan  
14 Weiss. I'm the Director of State Environmental  
15 and Energy Affairs for Duke Energy, Indiana.  
16 Duke Energy, Indiana generates and transmits  
17 electricity to over 800,000 customers in 69  
18 counties, and has a coal-fired electric  
19 generating unit that is impacted by this rule.

20 My comments today will be directed at our  
21 company's ongoing concern with the January 1st,  
22 2017 compliance date proposed in the amendments  
23 to Rules 326 IAC 7 concerning sulfur dioxide

1 emission limitations for our Wabash River  
2 generating station in Vigo County outside of  
3 Terre Haute.

4 First, let me express our thanks to the  
5 Board for its recognition of this important issue  
6 and its past efforts to develop a workable  
7 solution to address our concerns and those raised  
8 by other impacted sources. As we testified in  
9 March at preliminary adoption and in our May  
10 comments, and in subsequent discussions with IDEM  
11 staff, the company is vigorously pursuing a range  
12 of alternatives to bring the Wabash River site  
13 into SO<sub>2</sub> attainment while also balancing the  
14 impact of our customers' rates and the need for  
15 reliable and safe energy.

16 While our issues with this rulemaking have  
17 been summarized in the response to comments  
18 before you, I might just take a minute to review  
19 some of those issues. The Wabash River  
20 generating station received a one-year extension  
21 to the April 16th, 2015 mercury and air toxics  
22 rule compliance deadline so that we could  
23 continue operations until April 16th, 2016.

1           Notwithstanding the one-year extension,  
2   the Midcontinent Independent System Operator,  
3   better known as MISO, the organization that's  
4   responsible for the operation of the grid in the  
5   midwest, found that Unit 6 -- that's what we call  
6   one of the units there -- is an essential unit to  
7   support the electric transmission grid in the  
8   local Terre Haute area.

9           MISO's study of the electric grid found  
10   the a new high-voltage transmission line could be  
11   constructed to resolve the transmission  
12   reliability issues and relieve Unit 6 of its  
13   essential status. However, at this point, the  
14   transmission line project is on hold subject to  
15   various legal challenges before the presiding  
16   judge. It is not known at this time what impact  
17   the court's schedule will have on the ultimate  
18   completion date of the line.

19           Construction of the transmission line did  
20   not start by our deadline of July 1st, so  
21   finishing the construction by June 1st of 2016 is  
22   now in question, as well as us being able to  
23   address MISO's grid reliability issues.

1           Furthermore, Unit 6 is incapable of  
2   complying with this very stringent proposed SO<sub>2</sub>  
3   limit in this rule while burning coal, and  
4   conversion of the unit to natural gas could not  
5   be completed in the time frame allowed.

6           Therefore, with IDEM setting the  
7   January 1st, 2017 date as the compliance deadline  
8   for this rule, it further limits our options at  
9   Duke Energy, as well as MISO, if we are required  
10   to extend operation of Unit 6 to continue to  
11   resolve the transmission line construction  
12   issues.

13           So, just in conclusion, again, we welcome  
14   the opportunity to provide these updated comments  
15   and to continue the discussions of various  
16   options with the state, and to address these  
17   ongoing important issues.

18           Thank you.

19           CHAIRMAN GARD: Dan, let me ask you  
20   this: I mean do you think you're anywhere close  
21   with working out an equitable solution both with  
22   the state and --

23           MR. WEISS: On the --

1           CHAIRMAN GARD: The compliance date.

2           MR. WEISS: -- construction? Oh, the  
3 compliance date? I think IDEM and EPA have  
4 spoken. They are not going to budge on the  
5 January 1st, 2017 date. We still have a  
6 difference of opinion legally, and that applied  
7 to an ozone standard just as an SO<sub>2</sub> standard, so I  
8 think there's some legal merit to a challenge to  
9 that, but I think that time has passed, so I  
10 think we're --- I think we're being forced to look  
11 at the 2017 date at this time.

12           CHAIRMAN GARD: Okay.

13           Yes, Dr. Alexandrovich.

14           DR. ALEXANDROVICH: Do you think you  
15 can comply by October 2017?

16           MR. WEISS: Well, we would certainly  
17 hope so. It's really up to litigation at this  
18 point. The Commissioner identified some options,  
19 and we're pursuing every option that we can  
20 pursue. A lot of these things are outside our  
21 control, though. It's going to be up to the  
22 local judge, and we don't usually discuss ongoing  
23 litigation, but that will be a factor in

1 discussions, as well as working with MISO.

2 Since we missed the construction deadline,  
3 we'll have to go back to MISO now. I'm sure  
4 they'll want to restudy the issue just to verify,  
5 you know, concerns, and then they'll come out  
6 with a new report, which we'll have to wait to  
7 see what the results are.

8 But we may need to go to EPA with MISO and  
9 ask for another one-year extension. One has not  
10 been granted, to our knowledge, so far. There is  
11 one second-year extension that's in the pipeline,  
12 but it has not been acted on, and --

13 COMM. EASTERLY: Let me clarify,  
14 those are mercury extensions --

15 MR. WEISS: Mercury extensions.

16 COMM. EASTERLY: -- they're not SO<sub>2</sub>  
17 extensions.

18 MR. WEISS: No. Yeah. We -- that  
19 would only allow us to get past April of '16, but  
20 we still obviously have to deal with the 2017  
21 date. So, we're pursuing those kinds of options,  
22 and that's where we're at at this point.

23 MR. RULON: Just a little

1 clarification, if I could. So, the -- you  
2 proposed to solve the problem with the  
3 transmission line that's been solved in the  
4 courts, I presume, by similar parties who were  
5 opposing you on the carbon dioxide -- the sulfur  
6 dioxide; right?

7 MR. WEISS: No, it's a local easement  
8 issue, basically.

9 MR. RULON: Okay.

10 MR. WEISS: Yeah, we have a 12-mile  
11 transmission line that we need to build, and six  
12 miles of that are being contested by landowners,  
13 so we're dealing with that situation.

14 MR. RULON: Okay.

15 MR. CARMICHAEL: Would a state-issued  
16 variance protect you, or protect you, from EPA  
17 enforcement?

18 COMM. EASTERLY: We would have to get  
19 it approved as a SIP revision, I believe.

20 MR. CARMICHAEL: How long does that  
21 take?

22 COMM. EASTERLY: What really happens  
23 is if they're not adamantly opposed to it, it

1 just sort of sits there until it -- the time runs  
2 out.

3 MR. CARMICHAEL: If EPA isn't --

4 COMM. EASTERLY: Yes.

5 MR. CARMICHAEL: Okay.

6 COMM. EASTERLY: I mean they could do  
7 it, but they usually don't get them done quickly.

8 MR. CARMICHAEL: And can you talk a  
9 little bit about the state sanctions -- or the  
10 EPA sanctions on the state?

11 COMM. EASTERLY: Yeah. So, once EPA  
12 makes a failure to submit an approvable SIP  
13 finding, that starts a clock, and I think it's 18  
14 months later, one of two things happens: Highway  
15 funding or enhanced new source review offsets.  
16 And then six months later, the other one kicks  
17 in, and then -- this has never gone this far, so  
18 we don't really know.

19 They -- the EPA threatens that while the  
20 issue could be in a small area like Vigo County,  
21 the sanctions could apply statewide, particularly  
22 the highway funding sanction, but it's never  
23 happened, so we really don't know.



1           And also at that time, by law -- but they  
2 haven't succeeded at this anywhere in the country  
3 either -- the EPA FIP would go into effect, and  
4 then they would be in violation of the FIP  
5 instead of the SIP. I mean I'm not sure -- I  
6 can't give you a good answer because it's never  
7 happened, Kelly. I mean, you know, the process  
8 is there, but it hasn't ever gone through.

9           MR. CARMICHAEL: Has it been  
10 challenged. I mean has it gone and EPA didn't  
11 actually implement the sanctions, but it got to  
12 the point where --

13           COMM. EASTERLY: And then --

14           MR. CARMICHAEL: -- the clock had  
15 expired?

16           COMM. EASTERLY: Yes, in California,  
17 and then environmental groups filed suits to  
18 require EPA to take action. They settled those  
19 suits with a date to take action, and then  
20 usually somebody caves during the process. But  
21 that would give more time, I mean as a practical  
22 matter.

23           DR. ALEXANDROVICH: Tom, so, I think

1 you answered one of my questions. Those  
2 two-to-one offsets for -- in NSR, would that just  
3 apply to the nonattainment area of the state, and  
4 then how long would that apply; forever, or until  
5 we were back in attainment?

6 COMM. EASTERLY: Until it's cured,  
7 so, until we had an approved SIP, which would --  
8 in this case, since we blew through the date,  
9 would have to actually get us to attainment, I  
10 believe. We'd probably really have to be in  
11 attainment, we believe, but nobody's tested this  
12 entirely.. It should only apply in the  
13 nonattainment area, so it would be a relatively  
14 small area around that plant..

15 CHAIRMAN GARD: Any other questions  
16 for Mr. Weiss?

17 (No response.)

18 MR. WEISS: Thank you.

19 CHAIRMAN GARD: Thank you.

20 I don't have any other sign-up cards.

21 Does anybody in the audience want to speak?

22 Yes.

23 MR. BAUGUES: I'm Keith Baugues,

1 Assistant Commissioner for the Office of Air  
2 Quality.

3 I'd like to clarify some of the comments  
4 by Bowden Quinn. This rulemaking for SO<sub>2</sub> is  
5 really based on monitored violations of SO<sub>2</sub>.  
6 Modeled violations did not count, so there are  
7 actually four -- there were four SO<sub>2</sub> monitors at  
8 Gibson, so it was not just one Coal Road monitor.  
9 There were four that showed attainment, so that's  
10 why it isn't in this proceedings.

11 However, Sierra Club sued EPA, and we have  
12 been required to look at five coal-fired power  
13 plants by this September and address whether  
14 those are in attainment or not, so Gibson County  
15 is in that proceeding. So, it really does not  
16 need to be part of this rulemaking. It's another  
17 action that we will be taking in a few months, so  
18 it -- in no way does it need to be part of this  
19 action at all. It has its own separate track  
20 that we're addressing.

21 Thank you.

22 CHAIRMAN GARD: Uh-huh.

23 MR. BAUGUES: Any questions?

1 CHAIRMAN GARD: Thank you.

2 Any questions?

3 MR. RULON: Do you believe the  
4 plant's in -- I mean do you believe that it --  
5 what the Sierra Club is saying? Do you believe  
6 that you put the monitors in the wrong place on  
7 purpose?

8 MR. WEISS: We just put out --

9 (Laughter.)

10 MR. RULON: That's what it says.

11 MR. WEISS: EPA approved where the  
12 monitors were. I do not believe they're in the  
13 wrong place. We just put out an 85-page study  
14 that shows the model that's used for these  
15 monitor -- to compare with the monitors  
16 overpredicts by more than a factor of two or  
17 three.

18 So, yeah, I could run a model and I could  
19 show you problems. I do not believe those are  
20 real, and that's based on real data from that  
21 facility, monitoring and modeling, modeling  
22 actual hour-by-hour emissions. So, yeah, we can  
23 run the model, we can make up numbers, but I

1 don't believe there's a real problem there.

2 MR. RULON: Thank you.

3 MR. WEISS: Thanks.

4 CHAIRMAN GARD: Any other questions?

5 (No response.)

6 CHAIRMAN GARD: Thank you.

7 Any other comments from anybody in the  
8 audience?

9 (No response.)

10 CHAIRMAN GARD: If not, this hearing  
11 is concluded. The Board will now consider final  
12 adoption of amendments to the Sulfur Dioxide  
13 Emission Limits Rules in 326 IAC 7-1.1 and 7-4.  
14 Further Board discussion?

15 (No response.)

16 CHAIRMAN GARD: If not --

17 DR. ALEXANDROVICH: I do.

18 CHAIRMAN GARD: Yes.

19 DR. ALEXANDROVICH: I've looked at  
20 this and the memo and the guidance, and I kind of  
21 disagree with the memo from IDEM, because it says  
22 while EPA may exercise judgment concerning the  
23 approval of SIP's with varying compliance dates

1 for source emissions reductions, affected  
2 agencies should be aware that EPA would not be  
3 able to make a determination of attainment.

4 So, that has nothing to do with SIP  
5 approval. On EPA's Web site, Larry Wallace of  
6 EPA says, and I quote, and I can tell you where  
7 it was on there, EPA may be able to approve the  
8 SIP if control measures can be operated by the  
9 attainment date. So, in other words, if there  
10 were attainment dates of October 4th, 2018 --  
11 yeah, I think that's the right one -- they could  
12 approve it.

13 And also, looking at the way the rule is,  
14 there's an attainment compliance date for each  
15 county. Why could we not maybe add some  
16 flexibility there where there are known issues,  
17 while we get the majority of the sources that can  
18 change their fuel mix and get all of the things  
19 done that need to get done by the compliance  
20 date?

21 But maybe we can work in the flexibility  
22 there rather than having to rely on a variance,  
23 because that compliance date is there for each

1 individual county, and then you have the sources  
2 coming to the counties. So, why can't you have a  
3 compliance date for the source?

4 And quite frankly, EPA knows for years  
5 they've had these disaligned date requirements,  
6 you need to get your compliance by this date and  
7 attainment by this date, and they don't match.  
8 And, you know, I think in the case for Duke, at  
9 least, you know, we're talking about EPA and  
10 approvable between reality and achievable.

11 So, I really feel strongly that we should  
12 try to consider some other way to -- to change  
13 the compliance date where the compliance date can  
14 be met with due diligence.

15 CHAIRMAN GARD: Commissioner, do you  
16 know?

17 COMM. EASTERLY: I'm not sure. Well,  
18 do -- can we send in a bifurcated SIP? Because  
19 they aren't going to approve the other part, so  
20 could we really just send in a SIP for the other  
21 counties? Yeah. So, then this county would roll  
22 into the nonattainment. Now, you're saying that  
23 they said they could approve it.

1           Dan's first problem, and which he alluded  
2 to, is: Even if he gets the second MACT  
3 extension for the mercury MACT, which will get  
4 him -- which has never been granted -- that will  
5 get him to April of 2016 -- '16? '17.

6           MR. WEISS: 2017.

7           COMM. EASTERLY: I'm sorry; 2017.  
8 So, there's no legal -- and that actually is a  
9 compliance agreement that says you're in  
10 violation; right?

11          MR. WEISS: Uh-huh.

12          COMM. EASTERLY: So, there's no legal  
13 way for them to be in compliance and get to --  
14 even past that date. They're going to be out of  
15 compliance somewhere, and I think that would all  
16 wrap into a federal consent decree. That's what  
17 usually happens.

18           And at the same time, if they cannot  
19 approve the SIP there, you're subjecting all --  
20 well, there's not that many people in that part  
21 of the county, but you're subjecting those people  
22 to the nonattainment problem for a while.

23          DR. ALEXANDROVICH: But EPA's own



1 guidance says they can approve a SIP even if the  
2 dates are not Octo -- January 1st, 2017. That's  
3 highly recommended, and I get it, and I've looked  
4 at the SO<sub>2</sub> data to see, you know, if that four  
5 months would be a seasonal thing, and it's not,  
6 but there -- I mean read the guidance, listen to  
7 their video on the --

8 MR. BAUGUES: But ask EPA. That is  
9 not what they tell us. I don't care --

10 DR. ALEXANDROVICH: That's --

11 MR. BAUGUES: -- what it says on  
12 theirs --

13 DR. ALEXANDROVICH: -- Region V?

14 MR. BAUGUES: Yes.

15 DR. ALEXANDROVICH: Okay.

16 COMM. EASTERLY: Who will turn down  
17 our SIP.

18 DR. ALEXANDROVICH: They're not --

19 COMM. EASTERLY: If you go to  
20 Washington, they say the SIP decisions are made  
21 in the regions.

22 DR. ALEXANDROVICH: Well --

23 COMM. EASTERLY: And when you push

1 really hard, they say, "Tom, this is a one-voice  
2 EPA answer. The answer's no." And then you  
3 litigate, and then it's ten years later.

4 MR. CARMICHAEL: This is a very bad  
5 position in that it's the heavy hand of EPA, and  
6 they have a lot of power. You know, they can  
7 pull Indiana's hide away from us.

8 CHAIRMAN GARD: So, Kelly, do you  
9 have a suggestion of how we deal with this?  
10 You're the expert on the Board.

11 (Laughter.)

12 MR. CARMICHAEL: You sound like my  
13 boss. Dealing with EPA, you know, it's a  
14 dangerous game of chicken, I mean with EPA. They  
15 haven't done it before, but by not approving the  
16 SIP, we're giving EPA the authority to impose  
17 some very severe sanctions on the State of  
18 Indiana. By approving it, we're hoping that this  
19 can all get worked out, either through vari --  
20 either the reliability concern doesn't arise, or  
21 that a variance for Duke is issued and everybody  
22 comes to the table and understands that we can't  
23 turn the lights out.

1                   CHAIRMAN GARD: Well, which is the  
2 lesser of the two evils?

3                   MR. CARMICHAEL: I don't know. I --  
4 in my opinion, we can't put the state in that  
5 much risk in terms of sanctions.

6                   CHAIRMAN GARD: So, you're saying  
7 just go with the proposed rule?

8                   MR. CARMICHAEL: And hope that the  
9 reliability issues don't arise or they get worked  
10 out in time, with all of the parties.

11                  MR. DAVIDSON: Can the variance be  
12 asked for before a reliability issue presents  
13 itself? Can that be requested, based on certain  
14 conditions?

15                  COMM. EASTERLY: They would have to  
16 make representations that this is what's going to  
17 happen, and yes, then we could attempt to  
18 evaluate that and say, "This makes sense to us,"  
19 and send it in as a SIP revision, which probably  
20 won't be acted on, but at least it's the process,  
21 the legal process.

22                  MR. CARMICHAEL: This issue has  
23 arisen once before. This has happened out on the

1 East Coast, where a utility had -- in their  
2 office in the moment, a very hot day -- had EPA,  
3 and I believe at the time, FERC. And EPA says,  
4 "If you run, you're out of compliance, and we  
5 will enforce," and FERC said, "If you don't run,  
6 we're going to enforce against you." In the  
7 moment.

8 MR. RULON: And just what is FERC?

9 MR. CARMICHAEL: Pardon?

10 MR. RULON: What is --

11 MR. CARMICHAEL: I'm sorry. The  
12 Federal Energy Regulatory Commission. You have  
13 two federal agencies telling the utility the  
14 exact opposite, that "you are -- you will be in  
15 violation if you do," and "you'll be in violation  
16 if you don't."

17 CHAIRMAN GARD: Gary, did you --

18 MR. POWDRILL: Tom, I think -- well,  
19 he asked about the variance, and the variance for  
20 SO<sub>2</sub> is only going to buy them four months, isn't  
21 it, because then the mercury --

22 COMM. EASTERLY: No, well, the  
23 mercury --

1 MR. POWDRILL: The variance --

2 COMM. EASTERLY: Well, okay. You're  
3 right, yes.

4 MR. RULON: It only buys them four  
5 months.

6 COMM. EASTERLY: Yeah. So, they're  
7 already going to be in some kind -- if they have  
8 to operate that long, some kind of consent degree  
9 with EPA that goes beyond the MACT extension and  
10 a second extension. And so, none of us know what  
11 that looks like with EPA, because it's not  
12 happened.

13 DR. ALEXANDROVICH: I have another  
14 question about the sanctions. Are we talking  
15 non-SIP approved sanctions or nonattainment  
16 sanctions? Are they the same? Which is worse?

17 COMM. EASTERLY: No, they're --

18 DR. ALEXANDROVICH: Because first  
19 they don't approve the SIP, and then if we don't  
20 meet the standard --

21 COMM. EASTERLY: Then they'll say the  
22 SIP doesn't meet the requirements, which -- and  
23 the ultimate underlying requirement is you must

1     attain the standard -- well, actually it says as  
2     expeditiously as practicable, but no later than  
3     that date that we wound up at, the 2017 October  
4     date. And expeditiously as practicable,  
5     unfortunately, is one of those nondefined terms.  
6     And clearly for the other areas, nobody's raised  
7     evidence that January of 2017 is not as  
8     expeditiously as practicable.

9                 MR. CARMICHAEL: When do we have to  
10    adopt? Is it -- to stay on schedule.

11                DR. ALEXANDROVICH:.. Pretty fast.

12                COMM. EASTERLY: I don't know. And  
13    I'm really torn, because I won't be here when we  
14    send it in, but --

15                                 (Laughter.)

16                MR. DELONEY: It was the April date.

17                COMM. EASTERLY: Okay. Scott knows.

18                What?

19                MR. DELONEY: This past -- April of  
20    the past year.

21                COMM. EASTERLY: We were supposed to  
22    send it in by?

23                MR. DELONEY: Yes.

1                   COMM. EASTERLY: So, we're already in  
2 the ticking time crunch.

3                   CHAIRMAN GARD: Well; first of all,  
4 do I have a motion to adopt IDEM's suggested  
5 changes?

6                   MR. HORN: So moved.

7                   CHAIRMAN GARD: Is there a second?

8                   MR. POWDRILL: Second.

9                   CHAIRMAN GARD: All in favor, say  
10 aye.

11                   MR. HORN: Aye.

12                   DR. NIEMIEC: Aye.

13                   MR. ETZLER: Aye.

14                   MR. CARMICHAEL: Aye.

15                   DR. ALEXANDROVICH: Aye.

16                   MR. BAUSMAN: Aye.

17                   MR. POWDRILL: Aye.

18                   MR. CLARK: Aye.

19                   MR. METTLER: Aye.

20                   MR. DAVIDSON: Aye.

21                   MR. HILLSDON-SMITH: Aye.

22                   CHAIRMAN GARD: Aye.

23                   Opposed, nay.

1 MR. RULON: Aye -- nay.

2 CHAIRMAN GARD: Okay. Changes are  
3 approved. Now we need to make a motion on  
4 adopting the final -- the rule as amended, and is  
5 there a motion?

6 MR. CARMICHAEL: So moved.

7 CHAIRMAN GARD: Is there a --

8 MR. ETZLER: Second, reluctantly.

9 CHAIRMAN GARD: Is there any further  
10 Board discussion?

11 (No response.)

12 CHAIRMAN GARD: This is really  
13 disturbing to me. It really is.

14 COMM. EASTERLY: Us, too.

15 CHAIRMAN GARD: I wish there was  
16 something we could send EPA, a strong, strong  
17 message, without jeopardizing, you know, the  
18 people of Indiana, and unfortunately I think they  
19 manipulate this thing so that it's not possible.

20 COMM. EASTERLY: The only thing that  
21 will work is an election, and there's not one  
22 between now and then.

23 CHAIRMAN GARD: Yeah, unfortunately.



1     Okay.

2                 MR. DAVIDSON: Well stated, too.  
3     It's the people, not just Duke, that suffer.

4                 CHAIRMAN GARD: Oh, no, I mean it's  
5     everybody, yes.

6                 MR. DAVIDSON: That's right.

7                 MR. CARMICHAEL: Especially if the  
8     lights go out.

9                 CHAIRMAN GARD: Uh-huh.

10                Mr. Rulon?

11                MR. RULON: No. I -- you know, I'm  
12     just a farmer, and this really is a position that  
13     nobody should have to be put in.

14                CHAIRMAN GARD: That's right.

15                MR. RULON: And so, my -- you know, I  
16     was going to ask for Gary and Bill, who have been  
17     on these committees for a long time. I've been  
18     on a state committee for 16 months now, and I'd  
19     like to know what they think before I vote. Can  
20     I ask -- can I poll them for their opinions?

21                CHAIRMAN GARD: If they want to give  
22     an opinion.

23                MR. POWDRILL: I guess I've not been

1 involved in air problems before, because I was on  
2 the Water Board, and so it never came up where we  
3 had a "Do it now or the state is going to get  
4 sanctioned to the extent that it's going to be an  
5 economic hardship on all of the people of the  
6 state," and so I'm really -- I'm in the same --  
7 I'm in new territory as much as you are.

8 MR. ETZLER: And I come at it from a  
9 different perspective, because I'm putting this  
10 box in a different realm. It's -- we need to  
11 protect the health and well being of our  
12 citizens, and we do that at the expense of  
13 running the risk that we're going to create a  
14 hardship for business, but they -- they have to  
15 work through that.

16 The other side of it is that if we don't  
17 approve it, then it's -- it's not just that  
18 segment of our society that's impacted, but we  
19 impact the entire state, because I'm going to  
20 tell you that EPA would probably come after our  
21 entire funding mechanism if we didn't pass this  
22 and at least present it to them.

23 You know, and there's still no guarantee

1 that EPA's going to approve it after it gets  
2 submitted. You know, we're just at the beginning  
3 stages of this process. They could very well  
4 throw it back at us.

5 CHAIRMAN GARD: And let me give you a  
6 little different example, but it still speaks to  
7 the long arm of the EPA. I mean there are any  
8 number of things that, when I was in the General  
9 Assembly, they told us we had to do that we  
10 didn't want to do; we didn't think it was in the  
11 best interest of the people of the state.

12 But then they come back at you and say,  
13 "Well, we're going to remove IDEM's authority  
14 to -- to be the agency that permit -- issues  
15 those permits. They're going to revert back, and  
16 Region V's going to take the authority for that  
17 program."

18 So, I mean in my opinion, this is all --  
19 this is all designed at EPA to put you in this  
20 position that you don't have any choice.

21 MR. RULON: All right. So, are you  
22 calling the question again?

23 CHAIRMAN GARD: Yes. Mr. Rulon?

1           MR. RULON: The one thing about this  
2 rule is no lights. The solar panels that power  
3 our farm date back to four years, so that's  
4 really a nice thing to help us. But a long time  
5 ago, my grandfather said, "If somebody tells you  
6 you have to do something, you don't have to do  
7 it," so I'm going to vote no.

8           CHAIRMAN GARD: Okay.

9           Dr. Alexandrovich?

10           DR. ALEXANDROVICH: Well, yeah, I'm a  
11 little ticked off at the EPA about these  
12 compliance dates and -- and everything, but Bill,  
13 you convinced me that we really need to get it  
14 done. It's been an incredible amount of work,  
15 and I think what IDEM has told us, that they  
16 already shared all of the modeling and everything  
17 and that they should approve it if we don't  
18 change that date. So, I hope I'm voting  
19 correctly, and I'll vote yes.

20           CHAIRMAN GARD: Mr. Carmichael?

21           MR. CARMICHAEL: I vote yes, and  
22 recommend that this get turned over to the  
23 Attorney General.

1 CHAIRMAN GARD: Okay.

2 Mr. Powdrill?

3 MR. POWDRILL: Yes, and I agree with  
4 Kelly.

5 CHAIRMAN GARD: Mr. Etzler?

6 MR. ETZLER: A reluctant yes.

7 CHAIRMAN GARD: Mr. Davidson?

8 MR. DAVIDSON: Yes.

9 CHAIRMAN GARD: Mr. Horn?

10 MR. HORN: Yes.

11 CHAIRMAN GARD: Mr. Hillsdon-Smith?

12 MR. HILLSDON-SMITH: Yes.

13 CHAIRMAN GARD: Mr. Bausman?

14 MR. BAUSMAN: Yes.

15 CHAIRMAN GARD: Mr. Clark?

16 MR. CLARK: Yes.

17 CHAIRMAN GARD: Dr. Niemiec?

18 DR. NIEMIEC: Yes.

19 CHAIRMAN GARD: The Chair votes aye.

20 Eleven yes, one no, so the rule is finally  
21 adopted.

22 Okay. This is a public hearing before the  
23 Environmental Rules Board of the State of Indiana

1 MS. STEVENS: I would doubt it.

2 CHAIRMAN GARD: Okay. So, if it's  
3 October, chances are we may not have to have that  
4 November meeting, so -- and before I call for an  
5 adjournment, again, Commissioner, thank you.

6 COMM. EASTERLY: Oh, thank you.

7 CHAIRMAN GARD: Thank you for 10  
8 years of great service, and we hope you enjoy  
9 being down there close to Walt Disney.

10 (Laughter.)

11 COMM. EASTERLY: Me, too. I was  
12 there this weekend. It's sort of warm down  
13 there, but I got used to it.

14 (Laughter.)

15 CHAIRMAN GARD: It wouldn't be hard  
16 to.

17 So, is there a motion to adjourn?

18 DR. NIEMIEC: So moved.

19 MR. POWDRILL: Second.

20 CHAIRMAN GARD: All in favor, say  
21 aye.

22 MR. HORN: Aye.

23 DR. NIEMIEC: Aye.

1 MR. ETZLER: Aye.

2 MR. CARMICHAEL: Aye.

3 MR. RULON: Aye.

4 DR. ALEXANDROVICH: Aye.

5 MR. BAUSMAN: Aye.

6 MR. POWDRILL: Aye.

7 MR. CLARK: Aye.

8 MR. METTLER: Aye.

9 MR. DAVIDSON: Aye.

10 MR. HILLSDON-SMITH: Aye.

11 CHAIRMAN GARD: Aye.

12 Opposed, nay.

13 (No response.)

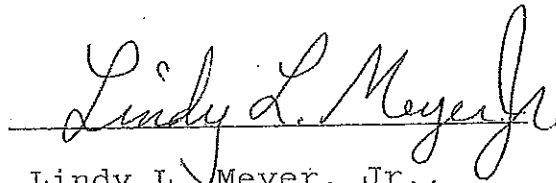
14 CHAIRMAN GARD: We are adjourned.

15 Thank you all.

16 - - -  
17 Thereupon, the proceedings of  
18 July 8, 2015 were concluded  
19 at 4:22 o'clock p.m.  
20 - - -  
21  
22  
23

## 1 CERTIFICATE

2 I, Lindy L. Meyer, Jr., the undersigned  
3 Court Reporter and Notary Public residing in the  
4 City of Shelbyville, Shelby County, Indiana, do  
5 hereby certify that the foregoing is a true and  
6 correct transcript of the proceedings taken by me  
7 on Wednesday, July 8, 2015 in this matter and  
8 transcribed by me.

9  
10 

11 Lindy L. Meyer, Jr.,

12 Notary Public in and

13 for the State of Indiana.

14  
15 My Commission expires October 27, 2016.  
16  
17  
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23



# **ATTACHMENT J**

## **TECHNICAL SUPPORT DOCUMENTATION**

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	Sources with strike-out in LSA #11-356
<b>326 IAC 7-4-2</b>	
Accustar	Closed. No source ID. Acustar was Chrysler - Shadeland Ave.
Allison Gas Turbine - Plant 5	097-00311. Rolls Royce Plant 5. Coal boilers 1-4 removed from source.
Amtrak	097-00014. National Railroad Passenger Corp. Boilers 61 and 62 are no longer permitted.
Bridgeport Brass	097-00005. Closed. Title V revoked in 2004
Central Soya	097-00008. Bunge North America East. 1999 FESOP permit states Vogt coal boiler removed from service.
Central State	097-00009. Closed.
	097-00310. Allison Transmission. Boilers 1, 2, and 3 have been taken out of service. Units 4 and 5 are now NG only. Reference to 326 IAC 7-4-2 removed from permit, below Article 7 thresholds.
Detroit Diesel Allison - Plant 3	
Diamond Bathurst	Closed. Not in permits database and internet search indicates closed.
Ford	097-00021. Closed. Most recent names - Visteon and Automotive Components Holdings. Permit revocation issued 5/17/2012, ceased operation on 4/27/2012.
Fort Harrison	097-00022. Closed.
G.M. Truck & Bus Group	097-00010, 097-00544. Closed. Prior to 1992 was Chevy Indianapolis. GM Stamping Facility. Currently, Indianapolis Metal Center, Permit by rule revoked 8/31/11.
Indiana Girls School	097-00068. Indy Juvenile Facility. Coal boiler removed.
IPL-Perry W	097-00035. Closed.
Marathon Petroleum Refining	Closed.
	097-00039. Temporarily Intl Truck and Engine. Three 1936 era boilers converted from coal to NG with distillate oil backup in 1993. Source located outside of nonattainment area. Remove site-specific limits and general fuel oil limit will apply. December 2014 newspaper article: The casting plant and its 180 workers will be closing next year... will look for buyer.
Navistar	
Quaker Oats	097-00056. Closed.
Refined Metals	097-00036. Closed.
Rexnord-Link Belt Bearing	097-00025. 3 boilers listed in rule are no longer at source.
Rexnord-Link Belt Chain	097-00062. Closed
Thomsom Consumer Elect.	097-000047. Closed. RCA
Union Carbide	Closed. Appears to be a source located at 1500 Polco St, now 097-00189 Praxair There is also a Union Carbide (097-00207) on Main St in Speedway. Neither site operates coal boilers.
Western Selct Properties	Closed. Prior to 1990 this was listed in the state rule/SIP as AT&T
Wishard	097-00041. Boilers 1 and 2 removed. Boiler #3 converted to NG in 1987. Hospital is now located in new building called Eskenazi Health and WDBO-03 is under control of IUPUI. WDBO-03 not currently operating. Removing Boiler #3 from rule will change its limit from 4.04 to 0.5 lbs/mmbtu.
Citizens Gas	097-00061. Closed.
<b>326 IAC 7-4-3</b>	
Alcan Rolled Products	167-00001. Now Novelis. Units removed.
Bemis	167-00033. Boiler removed.
CBS	Closed.
CF Industries	167-00002. Fertilizer storage facility. Boilers removed.
Doxsee Foods Corp.	167-00043. Closed.
General Housewares	167-00003. Now Columbian Home Products. Units removed.
Indiana State University	167-00010. Coal fired boilers removed.
J.I. Case	Closed. Not in permits database.
Pfizer	167-00138. Now Danisco USA. Boiler #8 removed.
Pitman Moore	167-00004. Closed. Was Schering-Plough and Wabash Environmental Technologies.
Rose-Hulman	167-00014. These boilers are removed.
St. Mary's Sisters of Providence	167-00015. Boilers #3, #5, #7, and #8 removed. Boiler #2 natural gas with oil back-up, 0.5 lb/mmbtu general limit in permit.
Snacktime Company	167-00029. Closed.
Terre Haute Coke and Carbon	167-00009. Closed
U.S. Penitentiary	167-00019. These boilers removed.
Wabash Fibre Box	167-00020. Closed. Name change to International Paper, Terre Haute Container.
Wabash Products Co.	167-00041. Source not permitted. Last inspection report in 2006 lists NG boiler. Boiler doesn't meet Article 7 applicability, remove from rule.
Western Tar	167-00036. Closed. Changed name to Tangent Rail Products.
Weston Paper	167-00022. Closed. Changed name to International Paper.

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