Appendix E

Section 110(a)(1) and (2) Infrastructure SIP

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INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We Protect Hoosiers and Our Environment.

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December 12, 2011

Susan Hedman
Regional Administrator
U.S. EPA, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

Re: Indiana Infrastructure (Sections 110 (a)(1) and (a)(2)) State Implementation Plan Submittal

Dear Ms. Hedman:

I am writing to confirm that the State of Indiana continues to retain the resources necessary to evaluate ambient air quality, develop plans to attain new and existing ambient air quality standards, run a complete new source review program, and effectively enforce all applicable requirements of Section 110 of the Clean Air Act (CAA). Specifically, the Indiana Department of Environmental Management (IDEM) can implement and satisfactorily complete the Section 110 requirements listed in the attached document. IDEM satisfies these requirements for the current and any future air quality standards, including the 2008 Lead National Ambient Air Quality Standard (NAAQS) and the 2008 Ozone NAAQS.

I believe that IDEM meets or exceeds all of the necessary infrastructure needs, enabling us to continue to satisfy these requirements of the Clean Air Act. If you have any questions feel free to contact Mr. Scott Deloney, Chief, Air Programs Branch at (317) 233-5694.

Sincerely,

Keith Baugues

Keith Baugues
Assistant Commissioner
Office of Air Quality

KB/rk

cc: Steve Rosenthal
Scott Deloney
Christine Pedersen
SIP file

Attachments: Indiana Infrastructure SIP Submittal; Section 110(a)(1) and (a)(2) Elements

Indiana Infrastructure (Sections 110(a)(1) and (a)(2)) State Implementation Plan Submittal; 2008 Lead NAAQS and 2008 Ozone NAAQS

December 2011

Indiana's Infrastructure State Implementation Plan (SIP) submittal was developed in consultation with U.S. EPA Region 5, and in accordance with 40 CFR 51, Appendix V, "Criteria for Determining the Completeness of Plan Submissions." The SIP elements listed below are required under Section 110(a)(2). Section 110(a)(1) provides the procedural and timing requirements for SIPs. Section 110(a)(2) lists the basic or "infrastructure" elements that all SIPs must contain. Following each Section 110(a)(2) element is IDEM's discussion of the department's ability to fulfill the requirement.

Indiana Infrastructure SIP Submittal: Section 110(a)(2) Elements

Section 110(a)(2)(A)-Emission Limits and Other Control Measures: Section 110(a)(2)(A) requires SIPs to include enforceable emission limits and other control measures, means or techniques, as well as schedules and timetables for compliance.

IDEM continues to update and implement needed revisions to Indiana's SIP, as necessary to meet the NAAQS. The authority to adopt emission standards and compliance schedules is found at Indiana Code (IC) 13-14-8, IC 13-17-3-4, IC 13-17-3-11, and IC 13-17-3-14.

In order to ensure the attainment and maintenance of the 2008 Lead NAAQS, IDEM establishes limitations on lead emissions from specific stationary sources in Indiana in accordance with the rules at 326 IAC 15 and 326 IAC 20-13.

U.S. EPA has designated a small portion of Delaware County in east central Indiana as nonattainment for the 2008 Lead NAAQS (75 FR 71033). Lead emissions in this area are generated primarily from a single source. As of October 20, 2009, this source had entered into an agreed order with IDEM to implement more stringent control measures for fugitive lead emissions. This source also agreed to upgrade other prevention and control measures.

IDEM sets standards for the owners or operators of permitted facilities during startup, shutdown, and malfunction events in accordance with the rules at 326 IAC 1-6, 326 IAC 2-5.1, and 326 IAC 2-6.1.

Section 110(a)(2)(B)-Ambient Air Quality Monitoring/Data System: Section 110(a)(2)(B) requires SIPs to include provisions to provide for the establishment and operation of appropriate devices, methods, systems, and procedures necessary to monitor, compile, and analyze data on ambient air quality, and upon request, make such data available to U.S. EPA.

In October 2006, U.S. EPA issued final regulations concerning state and local agency ambient air monitoring networks. These regulations require states to submit an annual monitoring network review to U.S. EPA. This network plan is required to provide the framework for establishment and maintenance of an air quality surveillance system and to list any changes that are proposed to take place to the current network during the 2011 season.

In accordance with its SIP, IDEM operates an ambient air monitoring network. The data is used to determine compliance with U.S. EPA's NAAQS. Indiana's 2011 Ambient Air Monitoring Annual Network Plan documents the framework for establishment and maintenance of Indiana's air quality surveillance system and lists any changes that are proposed to take place to the current network during 2011. U.S. EPA approved Indiana's 2011 Ambient Air Monitoring Annual Network Plan on October 29, 2010.

Section 110(a)(2)(C)-Programs for Enforcement, Prevention of Significant Deterioration (PSD), and New Source Review (NSR): Section 110(a)(2)(C) requires SIPs to include a program to provide for the enforcement of emission limits and other control measures, and regulation of the modification and construction of any stationary source within the areas covered by the plan as necessary to assure that the NAAQS are achieved, including a permit program.

IDEM maintains an enforcement program to ensure compliance with SIP requirements. IC 13-14-1-12 provides the Commissioner with the authority to enforce rules "consistent with the purposes of the air pollution control laws." The Commissioner also has the authority, under IC 13-14-2-7 and IC 13-17-3-3, to assess civil penalties and obtain compliance with any applicable rule a board has adopted in order to enforce air pollution control laws. Additionally, IC 13-14-10-2 allows for an emergency restraining order that will prevent "any person causing or contributing to the alleged pollution to stop the. . . introduction of contaminants causing or contributing to the pollution."

IDEM implements its PSD permit program and ensures that the construction and modification of major stationary sources do not cause or contribute to a violation of the lead NAAQS in accordance with the rules found at 326 IAC 2-2.

IDEM intends to codify NO_X as a precursor for ozone in accordance with U.S. EPA's Phase 2 Implementation Rule (73 FR 71612), found at LSA Document #11-251.

IDEM ensures that new or modified sources will apply the Best Available Control Technology (BACT) to reduce lead emissions in accordance with the rules found at 326 IAC 2-2-3.

IDEM has adopted U.S. EPA's Greenhouse Gas (GHG) Tailoring Rule at 326 IAC 2-2. U.S. EPA approved Indiana's GHG PSD rules in the Indiana SIP on September 28, 2011 (76 FR 59899).

Section 110(a)(2)(D)-Interstate Transport Provisions: Section 110(a)(2)(D) requires SIPs to include provisions prohibiting any source or other type of emissions activity within the state from emitting any air pollutant in amounts which will contribute significantly to nonattainment in, or interfere with maintenance by, any other state with

respect to any national primary or secondary ambient air quality standard, or interfere with measures required to be included in the applicable implementation plan for any other state to prevent significant deterioration of air quality or to protect visibility.

To satisfy the requirements of Section 110(a)(2)(D)(i)(1), IDEM is in the process of promulgating rules that implement the Cross-State Air Pollution Rule. As of July 2011, U.S. EPA has promulgated Federal Implementation Plans (FIPs) for the state of Indiana that address the requirements of Section 110(a)(2)(D) with respect to the 1997 Ozone NAAQS, 1997 $PM_{2.5}$ NAAQS, and 2006 $PM_{2.5}$ NAAQS.

U.S. EPA has designated a small portion of Delaware County in east central Indiana as nonattainment for the 2008 Lead NAAQS (75 FR 71033). This area is approximately 30 miles from the Indiana-Ohio state line. Due to its distance from the Indiana-Ohio state line and the physical characteristics of lead emissions, it is not anticipated that lead emissions from this area will contribute significantly to nonattainment or interfere with maintenance in Ohio. No other lead emission source in Indiana exceeds the emission threshold set in U.S. EPA's guidance for this submittal, and these sources are not anticipated to contribute to nonattainment or interfere with maintenance in the bordering states.

In order to ensure the attainment and maintenance of the 2008 Lead NAAQS, IDEM has limitations on lead emissions from specific stationary sources in Indiana in its rules at 326 IAC 15 and 326 IAC 20-13.

Indiana's SIP-approved PSD rules are found at 326 IAC 2-2, and it is IDEM's intention that these rules satisfy the requirements of Section 110(a)(2)(C), as well as the applicable requirements of Section 110(a)(2)(D)(i)(2).

Indiana is subject to the regional haze program which addresses visibility-impairing pollutants.

Section 110(a)(2)(E)-Adequate Resources: Section 110(a)(2)(E) requires SIPs to provide necessary assurances that the state will have adequate personnel, funding, and legal authority under state law to carry out each implementation plan, and to provide necessary assurances that the state retains responsibility for ensuring adequate implementation of the SIP where the state relies on a local or regional government for implementation of any SIP provision.

IDEM continues to update and implement needed revisions to Indiana's SIP, as necessary to meet the NAAQS. The authority to adopt emission standards and compliance schedules is found at IC 13-14-8, IC 13-17-3-4, IC 13-17-3-11, and IC 13-17-3-14.

In order to ensure the attainment and maintenance of the 2008 Lead NAAQS, IDEM has limitations on lead emissions from specific stationary sources in Indiana in its rules at 326 IAC 15 and 326 IAC 20-13.

IDEM's biennial budget and the Performance Partnership Grant (PPG) agreement document funding and personnel plans for IDEM. As of 2009, IDEM no longer relies on local or regional governments for implementation of SIP provisions.

IC 13-17-2-4 and IC 13-17-2-5 contain language similar to the requirements of Section 128(a)(1) and (2). Members of Indiana's Air Pollution Control Board represent varying public interests. These members do not derive a significant portion of their respective incomes from persons subject to permits or enforcement orders under the CAA. Lastly, members of Indiana's Air Pollution Control Board are required to fully disclose any potential conflicts of interest relating to permits or enforcement orders under the CAA.

Section 110(a)(2)(F)-Stationary Source Monitoring System: Section 110(a)(2)(F) provides that SIPs are to require the installation, maintenance, and replacement of equipment, and the implementation of other necessary steps by owners or operators of stationary sources to monitor emissions from stationary sources. Section 110(a)(2)(F) also provides that SIPs are to require periodic reports on the nature and amounts of emissions and emissions-related data from the stationary source, and correlation of the reports by the state agency with any emission limitations or standards established; the reports shall be available at reasonable times for public inspection.

Indiana's rules for monitoring requirements contained in 326 IAC 3 include rules that specify the continuous monitoring of emissions, minimum performance and operating specifications, quality assurance requirements, record keeping requirements, source sampling procedures, and fuel sampling and analysis procedures. Additional emission reporting requirements are found in 326 IAC 2-6. Emission reports are available upon request by U.S. EPA or other interested parties.

Section 110(a)(2)(G)-Emergency Episodes: Section 110(a)(2)(G) requires SIPs to provide authority to address activities causing imminent and substantial endangerment to public health, welfare, or the environment, and to provide for adequate contingency plans to implement the emergency episode provisions.

Indiana's rule at 326 IAC 1-5 establishes air pollution episode levels based on concentrations of criteria pollutants. The rule requires that emergency reduction plans (ERPs) be submitted to the Commissioner by major air pollution sources. The ERPs shall state those actions that will be taken when each episode level is declared, to reduce or eliminate emissions of the appropriate air pollutants.

Under IC 13-17-4, Indiana also has the ability to declare an air pollution emergency and order all persons causing or contributing to the conditions warranting the air pollution emergency to immediately reduce or discontinue the emission of air contaminants.

Section 110(a)(2)(H)-Future SIP Revisions: Section 110(a)(2)(H) requires SIPs to provide for the revision of the plan from time to time as may be necessary to take account of revisions of a national primary or secondary ambient air quality standard or the availability of improved or more expeditious methods of attaining the standard, and whenever U.S. EPA finds on the basis of information that the plan is substantially inadequate to attain the NAAQS which it implements.

IDEM continues to update and implement needed revisions to Indiana's SIP as necessary to meet the NAAQS. Authority to adopt emissions standards and compliance schedules is found at IC 13-14-8, IC 13-17-3-4, IC 13-17-3-11, and IC 13-17-3-14.

Section 110(a)(2)(J)-Consultation with Government Officials, Public Notification, PSD, and Visibility Protection: Section 110(a)(2)(J) requires SIPs to provide a process for consultation with local governments and Federal Land Managers carrying out NAAQS implementation requirements, States to notify the public if NAAQS are exceeded in an area and to enhance public awareness of measures that can be taken to prevent exceedances, and SIPs to meet applicable requirements of Part C of the CAA related to PSD and visibility protection.

IDEM actively participates in the regional planning efforts that include state rule developers, representatives from the Federal Land Managers and other affected stakeholders. IDEM monitors air quality daily and, when necessary, reports the daily air quality index to the interested public and media. IDEM participates and submits information to U.S. EPA's AIRNOW program. Additionally, IDEM maintains SmogWatch which is an informational tool created by IDEM to share air quality forecasts each day. SmogWatch provides daily information about ground-level ozone, particulate matter concentration levels, health information, and monitoring data for seven regions in Indiana. Indiana's SIP-approved regional haze/Best Available Retrofit Technology (BART) rules are found in 326 IAC 26. Lastly, Indiana's SIP-approved PSD rules are found in 326 IAC 2-2.

Section 110(a)(2)(K)-Air Quality Modeling/Data: Section 110(a)(2)(K) requires SIPs to provide for the performance of air quality modeling that U.S. EPA may prescribe for the purpose of predicting the effect on ambient air quality of any emissions of any air pollutant for which U.S. EPA has established a NAAQS, and, upon request, the submission of data related to the air quality modeling to U.S. EPA.

IDEM reviews the potential impact of major and some minor new sources. Indiana's rules regarding air quality monitoring modeling are contained in 326

IAC 2-2-4, 326 IAC 2-2-5, 326 IAC 2-2-6, and 326 IAC 2-2-7. Modeling data are available upon request by U.S. EPA or other interested parties.

Section 110(a)(2)(L)-Permitting Fees: Sections 110(a)(2)(L) requires SIPs to require the owner or operator of each major stationary source to pay to the permitting authority a fee sufficient to cover the reasonable costs of reviewing and acting upon any application for a permit, and if the owner or operator received a permit for a source, the reasonable costs of implementing and enforcing the terms and conditions of any permit, until the fee requirement is superseded with respect to the sources by U.S. EPA's approval of a fee program under Title V of the Clean Air Act.

IDEM continues to implement the approved Title V program, including requiring major sources to pay permit fees. The authority to establish Title V permit fees are found at IC 13-17-8. The fees for Title V are at 326 IAC 2-7-19. All fees that may apply to Title V sources are found at 326 IAC 2-1.1-7, which was amended in LSA #07-286, adopted on August 3, 2011 and effective December 2011.

Section 110(a)(2)(M)-Consultation/Participation by Affected Local Entities: Section 110(a)(2)(M) requires SIPs to provide for consultation and participation by local political subdivisions affected by the SIP.

IDEM rulemaking procedures at IC 13-14-9 allow for public participation in the SIP development process. IDEM also ensures that the requirements of 40 CFR 51.102 are satisfied during the SIP development process.