

217/782-2113

CONSTRUCTION PERMIT - NSPS SOURCE - REVISED

PERMITTEE

Corn Products Argo Plant  
Attn: Mark Bosse  
6400 South Archer Avenue  
Bedford Park, Illinois 60501

Application No.: 02020023

I.D. No.: 031012ABI

Applicants Designation:

Date Received: June 4, 2003

Subject: Boiler 7

Date Issued: September 4, 2003

Location: 6400 South Archer Avenue, Bedford Park

Permit is hereby granted to the above-designated Permittee to CONSTRUCT emission unit(s) and/or air pollution control equipment consisting of one natural gas fired package boiler (Boiler 7) and ancillary equipment and modify two existing natural gas fired boilers (Boilers 4 and 5) as described in the above referenced application and summarized in Attachment A. This Permit is granted based upon and subject to the findings and special conditions that follow:

- 1a. Boiler 7 is subject to the New Source Performance Standard (NSPS) for Industrial-Commercial-Institutional Steam Generating Units, 40 CFR 60, Subpart A and Db. The Illinois EPA is administrating NSPS in Illinois on behalf of the United States EPA under a delegation agreement.

The emission of NO<sub>x</sub> into the atmosphere from the Boiler 7 shall not exceed 0.1 lb/mmBtu as applicable for low heat release boiler. [40 CFR 60.44b(a) (1) (i)]

- b. At all times, the Permittee shall maintain and operate the Boiler 7 in a manner consistent with good air pollution control practice for minimizing emissions, pursuant to the NSPS, 40 CFR 60.11(d).
- 2a. The emission of smoke or other particulate matter from Boiler 7 shall not have an opacity greater than 20 percent, pursuant to 35 IAC 212.122(a), except as allowed by 35 IAC 212.122(b) and (c).
- b. The emission of carbon monoxide (CO) into the atmosphere from Boiler 7 shall not exceed 200 ppm, corrected to 50 percent excess air. [35 IAC 216.121]
3. The Permittee is authorized to operate the Boiler 7 in excess of the applicable limit of 35 IAC 216.121 during startup pursuant to 35 IAC 201.262 as the Permittee has affirmatively demonstrated that all reasonable efforts have been made to minimize startup emissions, duration of individual starts, and frequency of startups. This authorization is subject to the following. These requirements may be reviewed and revised by the Illinois EPA during processing of future permits for the Boiler 7.

- a. The Permittee shall minimize startup emissions, the duration of startups and minimize the frequency of startups, by implementing any established startup procedures, which may include insuring a proper air-fuel ratio during startup and proper maintenance of Boiler 7.
- b. Boiler 7 shall be operated in a manner consistent with good air pollution control practice to minimize emissions of CO during startup. Permittee may incorporate the manufacturer's written instructions for operation and maintenance of the Boiler 7. The Permittee shall review these procedures at least annually and shall enhance them as necessary to be consistent with good air pollution control practice based on actual operating experience and performance of Boiler 7.
- 4a. i. Natural gas shall be the only commercial fuel fired in Boiler 7.
- ii. The Permittee shall obtain approval from the Illinois EPA prior to firing any fuel other than natural gas in the Boiler 7.
- b. i. Boiler 7 shall be equipped, operated, and maintained with low NO<sub>x</sub> combustors for natural gas firing and flue gas recirculation or other combustion modification technique to control NO<sub>x</sub> emissions.
- ii. Boiler 7 shall be designed to accommodate an oxidation catalyst system and such a system shall be constructed unless the Permittee obtains a performance guarantee from the boiler suppliers that their VOM emission will not exceed 2.2 lbs/hour and CO emissions will not exceed 14.6 lbs/hour. In such case, the Permittee shall provide a copy of such guarantee to the Illinois EPA prior to starting construction of the boiler. If this guarantee reflects construction of smaller boiler than described in the application, the rated heat input capacity of the boilers shall not exceed that in the performance guarantee.
- c. Natural gas usage in Boiler 7 shall not exceed 354 million scf/month and 3,695 million scf/year.
- d. At all times the Permittee shall, to the extent practicable, maintain and operate Boiler 7 in a manner consistent with good air pollution control practice for minimizing emissions.
- 5. Emissions from Boiler 7 shall not exceed the following limits; the hourly limits do not apply during the startup and shutdown.

	<u>(Lbs/Hour)</u>	<u>Total (Tons/Year)</u>
NO <sub>x</sub>	24.00	93.3
CO	12.96	50.4
SO <sub>2</sub>	1.46	5.9
VOM	1.34	5.2
PM	3.84	14.9

These limits are based on data in the application, including the maximum firing rate of Boiler 7 (480 mmBtu/hr), and design emission data, e.g., a NO<sub>x</sub> emission rate of 0.05 lb NO<sub>x</sub> /mmBtu. Annual limits reflect continuous operation (8760 hr/yr).

6. The emissions of hazardous air pollutants (HAP) as listed in Section 112(b) of the Clean Air Act shall be less than 10 tons/year of any single HAP and 25 tons/year of any combined of such HAPs. As a result of this condition, this permit is issued based on the emissions of HAPs from Boiler 7 not triggering requirements under Section 112(g) of the Clean Air Act.
7. Compliance with annual limits set by this permit shall be determined from a running total of 12 months of data.
- 8a. This permit is issued based on Boiler 7 being a budget unit that is subject to the NO<sub>x</sub> Trading Program (NO<sub>x</sub> Control and Trading Program for Specified NO<sub>x</sub> Generating Units, 35 IAC Part 217, Subpart U).
  - b.
    - i. The Permittee shall comply with the applicable requirements of the NO<sub>x</sub> Trading Program, as specified in Attachment B, which is the Budget Permit required by the NO<sub>x</sub> Trading Program and is intended to contain federally enforceable conditions addressing all applicable NO<sub>x</sub> Trading Program requirements. In addition to Boiler 7, this Budget Permit also addresses the Permittee's existing boilers.
    - ii. This Budget Permit shall not be effective and shall not be considered to be issued until the Illinois EPA and USEPA have received a complete account certificate of representation under 40 CFR 96, Subpart B, for an account representative of the source and each of these boilers.
    - iii. This Budget Permit shall be treated as a complete and segregable portion of this permit, as provided by 35 IAC 217.458(b)(3) and is subject to revision and renewal as part of the processing of the Clean Air Act Permit Program (CAAPP) permit for the source.
- 9a.
  - i. This permit is issued based on the construction and operation of the Boiler 7 not constituting a major modification subject to the federal rules for Prevention of Significant Deterioration of Air Quality, (PSD) 40 CFR 52.21. For emissions of NO<sub>x</sub>, this determination relies upon contemporaneous decreases in emissions from existing boilers (Boilers 4 and 5) such that the net changes in emissions from this project is not significant as shown in Attachment A.
  - ii. This permit is issued based on the construction and operation of Boiler 7 not constituting a major modification subject to the State rules for Major Stationary Source Construction and Modification (MSSCAM), 35 IAC Part 203. This is because the permitted emissions of VOM from Boiler 7 are only 5.2 tons/year. For this purpose, the Illinois EPA has not relied upon the reduction in VOM emission accompanying the reduced usage of

Boilers 4 and 5. This decrease may be relied upon in future permitting, at which time, a lower limit on the VOM emissions of Boiler 7, based on the results of testing, may also be established if requested by the Permittee.

- b. i. Natural gas shall be the only fuel fired in existing Boilers 4 and 5.
- ii. Natural gas usage in the existing Boilers 4 and 5 combined shall not exceed 464 mmscf/month and 686 mmscf/year.
- iii. Emissions of existing Boilers 4 and 5 combined shall not exceed the following limits:

	<u>(Tons/Month)</u>	<u>(Tons/Year)</u>
NO <sub>x</sub>	65.0	96.0
CO	19.5	28.8
SO <sub>2</sub>	0.2	0.2
VOM	1.3	1.9
PM	1.8	2.6

These limits are based on the information included in the application and are established as limits by this permit including the maximum fuel usage and the applicable emission factors from AP-42 for utility boilers.

- iv. These limits and requirements and associated recordkeeping and reporting requirements become effective upon initial startup of the Boiler 7.
- c. For the purpose of avoiding interruption of steam supply during scheduled or unplanned boiler outages and associated repairs, portable natural gas fired boilers are allowed to operate temporarily at this source, subject to the following provisions:
  - i. Except as reasonably needed for transfer of steam load, either Boiler 4 or 5 (one or more of the primary boilers) must be out of service,
  - ii. No more than three portable boilers shall be present at any time,
  - iii. Each portable boiler shall be nominally rated for no more than 70,000 lbs. of steam per hour and a rated maximum heat input no more than 90 mmBtu/hour each,
  - iv. Amount of fuel consumed by each boiler shall not exceed 63 mmscf/month.
  - v. The Permittee shall notify the Illinois EPA prior to proposed installation of temporary boiler(s) along with construction application for this project. Such application shall reflect the

limitations established in conditions listed above and demonstration of compliance with 40 CFR 52.21 and 40 CFR 60, Subpart Dc.

- 10a. The Permittee shall fulfill applicable notification and recordkeeping requirements of the NSPS, 40 CFR 60.7 for the construction and operation of Boiler 7. Notification shall be made in writing to the Illinois EPA and shall include the Written notification of the actual date of initial startup, within 15 days after such date (40 CFR 60.7(a)(3)).
- b. The notification of start up of Boiler 7 shall include the following information, pursuant to 40 CFR 60.49b(a), if different from that contained in the construction permit application.
  - i. The design heat input capacity and identification of fuels to be combusted, pursuant to 40 CFR 60.49b(a)(1); and
  - ii. The annual capacity factor at which the Permittee anticipates operating the affected facility based on the fuel fired, pursuant to 40 CFR 60.49b(a)(3).
- 11a. Under this permit, Boiler 7 may be operated for a period of up to 180 days from initial startup to allow for equipment shakedown and emissions testing as required.
- b. Upon successful completion of the emission testing required by Condition 12 demonstrating compliance with applicable short-term limitations, the Permittee may continue to operate the Boiler 7 covered under this permit until the Illinois EPA takes Final Action on the Permittees request to modify the existing CAAPP Permit to include the Boiler 7 covered under this permit. The Permittee shall seek such modification in a timely fashion.
- c. This condition supersedes Standard Condition 6.
- 12a. Within 60 days after achieving the maximum production rate at which Boiler 7 will be operated but not later than 180 days after initial startup, the Permittee shall have emissions testing performance for Boiler 7 for NO<sub>x</sub>, CO, VOM, PM, and opacity at its expense by a testing service approved by the Illinois EPA.
- b.
  - i. Measurements for NO<sub>x</sub> from Boiler 7 shall be conducted in accordance with the test methods and procedures specified in 40 CFR 60.46b(c), unless alternative test procedures are approved by USEPA in which case such alternative procedures shall be applicable.
  - ii. The following USEPA methods and procedures shall be used for testing of emissions:

Location of Sample Points	USEPA Method 1
Gas Flow and Velocity	USEPA Method 2
Flue Gas Weight	USEPA Method 3 or 3A

Moisture	USEPA Method 4
Particulate Matter	USEPA Method 5
Opacity	USEPA Method 9
Carbon Monoxide	USEPA Method 10
Volatile Organic Material	USEPA Method 18 or 25A
PM <sub>10</sub>	USEPA Method 201 or 201A (40 CFR 51, Appendix M)

The Permittee may report all PM emissions measured by USEPA Method 5 as PM<sub>10</sub>, including back half condensable particulate. If the Permittee reports USEPA Method 5 PM emissions as PM<sub>10</sub>, testing using USEPA method 201 or 201A need not be performed.

- c. At least 60 days prior to the actual date of testing, a written test plan shall be submitted to the Illinois EPA for review. This plan shall describe the specific procedures for testing and shall include as a minimum:
  - i. The person(s) who will be performing sampling and analysis and their experience with similar tests.
  - ii. The specific conditions under which testing shall be performed including a discussion of why these conditions will be representative of maximum emissions and the means by which the operating parameters for the source will be tracked and recorded.
  - iii. The test method(s) which will be used, with the specific analysis method, if the method can be used with different analysis methods.
  - iv. The specific determinations of emissions and operation which are intended to be made, including sampling and monitoring locations. The Permittee may also propose for approval by the Illinois EPA a plan for testing of selected boiler for emissions of PM and VOM.
- d. The Illinois EPA shall be notified prior to these tests to enable the Illinois EPA to observe these tests. Notification for the expected date of testing shall be submitted a minimum of thirty (30) days prior to the expected date. Notification of the actual date and expected time of testing shall be submitted a minimum of five (5) working days prior to the actual date of the test. The Illinois EPA may at its discretion accept notifications with shorter advance notice provided that the Illinois EPA will not accept such notifications if it interferes with the Illinois EPA's ability to observe testing.
- e. Three copies of the Final Reports for these tests shall be forwarded to the Illinois EPA within 30 days after the test results are compiled and finalized. The Final Report from testing shall contain a minimum:
  - i. A summary of results;
  - ii. General information;

- ii. Description of test method(s), including a description of sampling points, sampling train, analysis equipment, and test schedule;
  - iv. Detailed description of test conditions, including:
    - A. Fuel consumption;
    - B. Boiler firing rate;
  - v. Data and calculations, including copies of all raw data sheets and records of laboratory analysis, sample calculations, and data on equipment calibration.
- 13a. Pursuant to 40 CFR 60.48b(b) (1), The Permittee shall install, calibrate, maintain, and operate a continuous monitoring system, and record the output of the system, for measuring NO<sub>x</sub> emissions discharged to the atmosphere from Boiler 7. These systems shall be operated to comply with applicable requirements of the NSPS, 40 CFR 60.48b, and the NO<sub>x</sub> Trading Program, 40 CFR 96, Subpart H, whichever is more stringent.
- b. The Permittee shall install monitors on Boiler 7 and Boilers 4 and 5 to measure and record fuel consumption (scf).
- 14a. The Permittee shall maintain a file of the following items for Boiler 7:
- i. The written instructions being followed by the Permittee as good combustion practices and good air pollution control practice to minimize emission in accordance with Condition 3(a) and 4(d);
  - ii. A copy of the Final Report(s) for emission testing conducted pursuant to Condition 12.
- b. The Permittee shall maintain the following daily and monthly operating records:
    - i. The quantity of fuel consumed by Boiler 7 and Boilers 4 and 5 (standard cubic feet), as monitored in accordance with Condition 13.
  - c. The Permittee shall maintain the following records related to startup of Boiler 7:
    - i. Date, time and duration of each startup;
    - ii. Description of the startup, if written operating procedures are not followed during the startup or significant problem occurs during the startup including detailed explanation.
  - d. The Permittee shall keep inspection, maintenance and repair logs with dates and the nature of such activities for the Boiler 7.

- e. The Permittee shall maintain the following records related to emissions from Boiler 7 and Boilers 4 and 5:
    - i. Other data, not addressed above, used or relied upon by the Permittee to determine emissions;
    - ii. Monthly emissions of NO<sub>x</sub>, CO, SO<sub>2</sub>, VOM, and PM from Boiler 7 and Boilers 4 and 5. Emissions shall be calculated based on emission monitoring data (NO<sub>x</sub>), fuel consumption and operating data and site-specific emission factors developed from emission test data or by other procedures approved by the Illinois EPA in the source's CAAPP permit (NO<sub>x</sub> PM, VOM, SO<sub>2</sub>, and CO);
    - iii. The annual emissions of NO<sub>x</sub>, SO<sub>2</sub>, PM, VOM and CO for each month using current months data and previous 11 months data with supporting calculations.
  - f. The Permittee shall maintain records that identify any day in which emissions or operation of a boiler exceed an applicable standard or limitation.
15. All records and logs required by this permit shall be retained at a readily accessible location at the source for at least three years from the date of entry and shall be made available for inspection and copying by the Illinois EPA upon request. Any records retained in an electronic format (e.g., computer) shall be capable of being retrieved and printed on paper during normal source office hours so as to be able to respond to an Illinois EPA request for records during the course of a source inspection.
16. If there is an exceedance of the requirements of this permit as determined by the records required by this permit, the Permittee shall submit a written report to the Illinois EPA within 30 days after the exceedance. This report shall include the type and quantity of emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedance or violation and efforts to reduce emissions and future occurrences.
17. Two copies of required reports and notifications concerning equipment operation or repairs, performance testing or a continuous monitoring system shall be sent to:

Illinois Environmental Protection Agency  
Division of Air Pollution Control  
Compliance Section (#40)  
P.O. Box 19276  
Springfield, Illinois 62794-9276

and one copy shall be sent to the Illinois EPA's regional office at the following address unless otherwise indicated:

Illinois Environmental Protection Agency  
Division of Air Pollution Control  
9511 West Harrison  
Des Plaines, Illinois 60016

- 18a. Compliance with the emission limits for PM, VOM, and CO in this permit shall be demonstrated by proper operation of Boiler 7 in a manner that is consistent with that during emission testing in accordance by Condition 12 that shows compliance with applicable short-term limits, based on the records required by Condition 14 and other relevant data.
- b. Compliance with the HAP emission limits in Condition 6 shall be demonstrated by good operating practices as required by Condition 4(d), and emissions calculated using Standard emission factors such as USEPA's Compilation of Air Pollutant Emission Factors, AP-42, or site specific emission factors developed from testing the Boiler 7.
19. This permit is issued based on this source, as described in the application, not being subject to the requirements of the federal Acid Rain Program in accordance with 40 CFR Part 72.6(b)(4)(i), because the facility will not be selling one-third or more of its potential electrical output generated at the plant, pursuant to 40 CFR 72.6(b)(4)(i).
20. This approval to construct does not relieve the Permittee of the responsibility to comply with all local, state, and federal regulations which are part of the applicable Illinois State Implementation Plan, as well as all other applicable federal, state, and local requirements.

It should be noted that this permit has been revised to show that only one new boiler will be constructed, reduced operation of existing boilers (Boilers 4 and 5), and to allow existing coal fired boilers to operate as previously permitted.

If you have any questions concerning this permit, please call Minesh Patel at 217/782-2113.

Donald E. Sutton, P.E.  
Manager, Permit Section  
Division of Air Pollution Control

DES:MVP:jar

cc: Region 1

Source: Corn Products Argo Plant  
 I.D.: 031012ABI  
 Permit: 02020023

Attachment A - Change in NO<sub>x</sub> Emissions (Tons/Year)

TABLE I

Contemporaneous Decreases in Actual Emissions Associated with Existing Boilers 4 and 5

<u>Historical</u>	<u>New Limit</u>	<u>Decrease</u>
150.3	96.0	- 54.3

Note: These creditable decreases in emissions are based on averaged data from the years 1999 and 2000 and are most representative of typical actual operation of existing Boilers 4 and 5 as stated in the permit application.

TABLE II

Contemporaneous Changes in Emissions from Other Projects

<u>Project</u>	<u>Permitted Emissions</u>
Starch Dryer Modification Permit No.: 97070073	0.7

Note: This table accounts for increases and decreases in emissions of NO<sub>x</sub> from other project that occurred at the above referenced source during the applicable five-year contemporaneous period (April 1997 through April 2002).

TABLE III

Net Change in Emissions

<u>Project Emissions</u>	<u>Contemporaneous Decreases</u>	<u>Other Past Contemporaneous Changes</u>	<u>Net Change</u>
93.3	- 54.3	0.70	39.7

Note: This table represents the net change in NO<sub>x</sub> emissions associated with Boiler 7.

## Attachment B - Requirements of the NO<sub>x</sub> Trading Program

### 1. Description of NO<sub>x</sub> Trading Program

The NO<sub>x</sub> Trading Program is a regional "cap and trade" market system for large sources of NO<sub>x</sub> emissions in the eastern United States, including Illinois. It is designed to reduce and maintain NO<sub>x</sub> emissions from the emission units covered by the program within a budget to help contribute to attainment and maintenance of the ozone ambient air quality standard in the multi-state region covered by the program, as required by Section 126 of the Clean Air Act (CAA). The NO<sub>x</sub> Trading Program applies in addition to other applicable requirements for NO<sub>x</sub> emissions and in no way relaxes these existing requirements.

Emission units that are subject to the NO<sub>x</sub> Trading Program are referred to as "budget units." Sources that have one or more budget unit subject to the NO<sub>x</sub> Trading Program are referred to as budget sources.

The NO<sub>x</sub> Trading Program controls NO<sub>x</sub> emissions from budget units during a seasonal control period from May 1 through September 30 of each year, when weather conditions are conducive to formation of ozone in the ambient air. (In 2004, the first year that the NO<sub>x</sub> Trading Program is in effect, the control period will be May 31 through September 30.) By November 30 of each year, the allowance transfer deadline, each budget source must hold "NO<sub>x</sub> allowances" for the actual NO<sub>x</sub> emissions of its budget units during the preceding control period. The USEPA will then retire NO<sub>x</sub> allowances in the source's accounts in amounts equivalent to its seasonal emissions. If a source does not have sufficient allowances in its accounts, USEPA would subtract allowances from the source's future allocation for the next control period and impose other penalties as appropriate. Stringent monitoring procedures developed by USEPA apply to budget units to assure that actual emissions of NO<sub>x</sub> emissions are accurately determined.

The number of NO<sub>x</sub> allowances available for budget sources is set by the overall budget for NO<sub>x</sub> emissions established by USEPA. This budget requires a substantial reduction in NO<sub>x</sub> emissions from historical levels as necessary to meet air quality goals. In Illinois, separate rules have been established for the budget units that are electrical generating units (EGU) and for large units at manufacturing plants and institutions (non EGU), like the boilers at this source. Under these rules, the allocation or share of the NO<sub>x</sub> allowances for existing non-EGU is set in an amount established by rule [35 IAC Part 217, Appendix E]. New budget unit may obtain NO<sub>x</sub> allowances from the "new source set-aside," a portion of the overall budget reserved for new budget units for the first three control periods in which a new budget operates EGU under the NO<sub>x</sub> Trading Program.

In addition to directly receiving or purchasing NO<sub>x</sub> allowances as described above, budget sources may transfer NO<sub>x</sub> allowances from one of their units to another. They may also purchase allowances in the marketplace from other sources that are willing to sell some of the allowances that they have received. Each budget source must designate an account representative to handle all its allowance transactions. The USEPA, in a central national system, will maintain allowance accounts and record transfer of allowances among accounts.

The ability of sources to transfer allowances will serve to minimize the costs of reducing NO<sub>x</sub> emissions from budget units to comply with the overall NO<sub>x</sub> budget. In particular, the NO<sub>x</sub> emissions of budget units that may be most economically controlled will be targeted by sources for further control of emissions. This will result in a surplus of NO<sub>x</sub> allowances from those units that can be transferred to other units at which it is more difficult to control NO<sub>x</sub> emissions. Experience with reduction of sulfur dioxide emissions under the federal Acid Rain program has shown that this type of trading program not only achieves regional emission reductions in a more cost-effective manner but also results in greater overall reductions than application of traditional emission standards to individual emission units.

The USEPA developed the plan for the NO<sub>x</sub> Trading Program with assistance from affected states. Illinois' rules for the NO<sub>x</sub> Trading Program are located at 35 IAC Part 217, Subpart U and W, for non-EGUs and EGUs, respectively, and have been approved by the USEPA. These rules provide for interstate trading, as mandated by Section 9.9 of the Environmental Protection Act (Act). Accordingly, these rules refer to and rely upon federal rules at 40 CFR Part 96, which have been developed by USEPA for certain aspects of the regional program, and which an individual state must follow to allow for interstate trading of NO<sub>x</sub> allowances.

Note: This narrative description of the NO<sub>x</sub> Trading is for informational purposes only and is not enforceable.

## 2. Applicability

- a. The Boiler 7 to be constructed pursuant to this permit would be budget unit for purposes of Illinois' NO<sub>x</sub> Trading Program. In addition, the Permittee's existing boilers are also budget units. Accordingly, this source would be a budget source and the Permittee is the owner or operator of a budget source and budget units. In the remainder of this section, these boilers as listed below, are addressed as budget units.

- Existing Coal-Fired Boiler 1
- Existing Coal-Fired Boiler 2
- Existing Coal-Fired Boiler 3
- Existing Gas-Fired Boiler 4
- Existing Gas-Fired Boiler 5
- Existing Gas-Fired Boiler 6
- New Gas-Fired Boiler 7

- b. This Permit does not provide "low-emitter status" for the any units pursuant to 35 IAC 217.472.

## 3. General Provisions of the NO<sub>x</sub> Trading Program

- a. This source and the budget units at this source shall comply with all applicable requirements of Illinois' NO<sub>x</sub> Trading Program, i.e., 35 IAC Part 217, Subpart U, and 40 CFR Part 96 (excluding 40 CFR 96.4(b) and 96.55(c), and excluding 40 CFR 96, Subparts C, E and I), pursuant to 35 IAC 217.456(a) and 217.456(f) (2).

- b. Any provision of the NO<sub>x</sub> Trading Program that applies to a budget source (including any provision applicable to the account representative of a budget source) shall also apply to the owner or operator of such budget sources and to the owner and operator of each budget unit at the source, pursuant to 35 IAC 217.456(f) (3).
- c. Any provision of the NO<sub>x</sub> Trading Program that applies to a budget EGU (including any provision applicable to the account representative of a budget unit) shall also apply to the owner or operator of such budget unit. Except with regard to requirements applicable to budget units with a common stack under 40 CFR 96, Subpart H, the owner and operator and the account representative of one budget unit shall not be liable for any violation by any other budget unit of which they are not an owner or operator or the account representative, pursuant to 35 IAC 217.456(f) (4).

4. Obligation to Hold NO<sub>x</sub> Allowances

- a. Beginning in 2004, by November 30 of each year, the allowance transfer deadline, the account representative of each budget unit of this source shall hold allowances available for compliance deduction under 40 CFR 96.54 in the budget unit's compliance account or the source's overdraft account in an amount that shall not be less than the budget unit's total NO<sub>x</sub> emissions for the preceding control period, rounded to the nearest whole ton, as determined in accordance with 40 CFR 96, Subpart H, plus any number necessary to account for actual utilization (e.g., for testing, start-up, malfunction, and shutdown) under 40 CFR 96.42(e) for the control period, pursuant to 35 IAC 217.456(d) (1). For purposes of this requirements, an allowance may not be utilized for a control period in a year prior to the year for which the allowance is allocated, pursuant to 35 IAC 217.456(d) (4).
- b. The account representative of a budget unit that has excess emissions in any control period, i.e., NO<sub>x</sub> emissions in excess of the number of NO<sub>x</sub> allowances held as provided above, shall surrender allowances as required for deduction under 40 CFR 96.54(d) (1) and the Act, pursuant to 35 IAC 201.456(f) (5). In addition, the Permittee and the owner or operator of a budget unit shall pay any fine, penalty, or assessment, or comply with any other remedy imposed under 40 CFR 96.54(d) (3) and the Act, pursuant to 35 IAC 217.456(f) (6). Each ton of NO<sub>x</sub> emitted in excess of the number of NO<sub>x</sub> allowances held as provided above for each budget unit for each control period shall constitute a separate violation of 35 IAC Part 217, Subpart W and the Act, pursuant to 35 IAC 217.456(d) (2).
- c. An allowance allocated by the Illinois EPA or USEPA under the NO<sub>x</sub> Trading Program is a limited authorization to emit one ton of NO<sub>x</sub> in accordance with the NO<sub>x</sub> Trading Program. As explained by 35 IAC 217.456(d) (5), no provisions of the NO<sub>x</sub> Trading Program, the

budget permit application, the budget permit, or a retired unit exemption under 40 CFR 96.5 and no provision of law shall be construed to limit the authority of the United States or the State of Illinois to terminate or limit this authorization. As further explained by 35 IAC 217.456(d)(6), an allowance allocated by the Illinois EPA or USEPA under the NO<sub>x</sub> Trading Program does not constitute a property right. As provided by 35 IAC 217.456(d)(2), allowances shall be held in, deducted from, or transferred among allowances accounts in accordance with 35 IAC Part 217, Subpart U, and 40 CFR 96, Subparts F and G.

5. Monitoring Requirements for Budget Units

- a. The Permittee shall comply with the monitoring requirements of 40 CFR Part 96, Subpart H, for each budget unit and the compliance of each budget unit with the emission limitation under Paragraph 4 shall be determined by the emission measurements recorded and reported in accordance with 40 CFR 96, Subpart H, pursuant to 35 IAC 217.456(c)(1), (c)(2) and (d)(3).

Note: Pursuant to 40 CFR 96.70(b), new budget units that commence operation on or before January 1, 2003 are to begin complying with applicable monitoring requirements of 40 CFR Part 96 by the applicable date specified by 40 CFR 96.7(b). While existing budget units are to generally begin complying with applicable monitoring requirements of 40 CFR Part 96 at least one year in advance of the start of the first control period governed by the NO<sub>x</sub> Trading Program, the Permittee shall proceed as instructed by USEPA for existing budget units that it expects to permanently shutdown before May 31, 2004.

- b. The account representative for the source and each budget unit at the source shall comply with those sections of the monitoring requirements of 40 CFR 96, Subpart H, applicable to an account representative, pursuant to 35 IAC 217.456(c)(1) and (d)(3).

6. Recordkeeping Requirements for Budget Units

Unless otherwise provided below, the Permittee shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This 5-year period may be extended for cause at any time prior to the end of the 5 years, in writing by the Illinois EPA or the USEPA.

- a. The account certificate of representation of the account representative for the source and each budget EGU at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 40 CFR 96.13, as provided by 35 IAC 217.756(e)(1)(A). These certificates and documents must be retained on site at the source for at least 5-years after they are superseded because of the submission of a new account certificate of representation changing the account representative.

- b. All emissions monitoring information, in accordance with 40 CFR 96, Subpart H, (provided that to the extent that 40 CFR 96, Subpart H, provides for a 3-year period for retaining records, the 3-year period shall apply) pursuant to 35 IAC 217.456(e) (1) (B).
- c. Copies of all reports, compliance certifications, and other submissions and all records made or required under the NO<sub>x</sub> Trading Program or documents necessary to demonstrate compliance with requirements of the NO<sub>x</sub> Trading Program, pursuant to 35 IAC 217.456(e) (1) (C).
- d. Copies of all documents used to complete a budget permit application and any other submission under the NO<sub>x</sub> Trading Program, pursuant to 35 IAC 217.456(e) (1) (D).

7. Reporting Requirements for Budget Units

- a. The account representative for this source and each budget unit at this source shall submit to the Illinois EPA and USEPA the reports and compliance certifications required under the NO<sub>x</sub> Trading Program, including those under 40 CFR 96, Subparts D and H and 35 IAC 217.474, pursuant to 35 IAC 217.456(e) (2).
- b. Notwithstanding the provisions for CAAPP permits, these submittals need only be signed by the designated representative, who may serve in place of the responsible official for this purpose as provided by the Section 39.5(1) of the Act, and submittals to the Illinois EPA need only be made to the Illinois EPA, Air Compliance Unit.

8. Allocation of NO<sub>x</sub> Allowances to Budget Units

- a. The budget units that are "new" units, which are not listed in 35 IAC Part 217, Appendix E, are not entitled to NO<sub>x</sub> allowances pursuant to 35 IAC 217.466.
- b. i. The budget units identified in Paragraph 2 that are "existing" units listed in 35 IAC Part 217, Appendix E, are entitled to NO<sub>x</sub> allowances as specified by Appendix E, subject to transfer of allowance from the source made in accordance with 35 IAC 217.462(b). (The portion of Appendix E that applies to the Permittee is provided in Paragraph 12). The number of NO<sub>x</sub> allowances actually allocated for these budget units shall be the number of NO<sub>x</sub> allowances allocated by the Illinois EPA in accordance with 35 IAC 217.466(a) and issued by USEPA, which may reflect adjustments to the overall allocations to budget units as provided for by 35 IAC 217.460 and 217.462(c).

- ii. To the extent that NO<sub>x</sub> allowances remain in the NSSA after any allocation for new budget units, the Permittee is also entitled to a pro-rata share of such remaining allowances as provided by 35 IAC 217.466(d).
  - c. The Permittee, owner or operator of the existing budget units listed in Paragraph 2, may transfer the NO<sub>x</sub> allowances allocated to those units, to other budget units including the Permittee's "new" units, in accordance with the provisions of 35 IAC 217.462(b).
- 9. Eligibility to Obtain NO<sub>x</sub> Allowances from the New Source Set-Aside
  - a. The Permittee is eligible to obtain NO<sub>x</sub> allowances from the new source set-aside, as provided by 35 IAC 217.468 for the budget units that are new units.
  - b. The Permittee is not eligible to obtain NO<sub>x</sub> allowances from the new source set-aside for its existing budget units.
- 10. Eligibility for Early Reduction Credits (ERC)

The Permittee is not eligible to request NO<sub>x</sub> allowances for its budget units for any early reductions in NO<sub>x</sub> emissions, as provided by 35 IAC 217.470, because the units have not been equipped with NO<sub>x</sub> continuous emission monitoring systems or are new units.
- 11. Budget Permit Required by the NO<sub>x</sub> Trading Program
  - a. For the budget units identified in Paragraph 2, this Appendix to this Construction Permit is the Budget Permit required by the NO<sub>x</sub> Trading Program and is intended to contain federally enforceable conditions addressing all applicable NO<sub>x</sub> Trading Program requirements for the these budgets. This Budget Permit shall be treated as a complete and segregable portion of the source's permit, as provided by 35 IAC 217.458(a)(2).
  - b. The Permittee and any other owner or operator of this source and each budget unit at the source shall operate the budget units in compliance with this Budget Permit, pursuant to 35 IAC 217.456(b)(2).
  - c. No provision of this Budget Permit or the associated application shall be construed as exempting or excluding the Permittee, or other owner or operator and, to the extent applicable, the account representative of a budget source or budget unit from compliance with any other regulation or requirement promulgated under the CAA, the Act, the approved State Implementation Plan, or other federally enforceable permit, pursuant to 35 IAC 217.456(g).

- d. Upon recordation by USEPA under 40 CFR 96, Subpart F or G, every allocation, transfer, or deduction of an allowance to or from the budget unit' compliance accounts or to or from the source's general or overdraft account is deemed to amend automatically and become part of this budget permit, pursuant to 35 IAC 217.456(d) (7). This automatic amendment of this budget permit shall be deemed in operation of law and will not require any further review.
- e. No revision of this Budget Permit shall excuse any violation of the requirements of the NO<sub>x</sub> Trading Program that occurs prior to the date that the revisions to this permit takes effect, pursuant to 35 IAC 217.456(f) (1).
- f.
  - i. This budget permit expires on October 1, 2007.
  - ii. The Permittee, or other owner or operator of the source, shall reapply for a Budget Permit for the source as required by 35 IAC Part 217, Subpart U and Section 39.5 of the Act. For purposes of the NO<sub>x</sub> Trading Program, the application shall contain the information specified by 35 IAC 217.458(b) (2). The budget permit then issued by the Illinois EPA will supersede this permit.

12. References

35 IAC Part 217 Appendix E (Provisions Applicable to the Permittee)

Company I.D. No./Name	Unit Designation	Unit Description	Budget Allocation	Budget Allocation Less 3% NSSA
1	2	3	4	5
Corn Products/ 031012ABI	91020069160	Boiler 6 - Gas	55	53
Corn Products/ 031012ABI	73020146041	Boiler 1 - Coal	210	204
Corn Products/ 031012ABI	73020146042	Boiler 2 - Coal	210	203
Corn Products/ 031012ABI	73020146043	Boiler 4 - Gas	81	79
Corn Products/ 031012ABI	73020147045	Boiler 3 - Coal	211	205
Corn Products/ 031012ABI	73020147046	Boiler 5 - Gas	81	79
Company Totals:			848	823