

October 31, 2001

(AR-18J)

Janet McCabe, Assistance Commissioner
Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue
P.O. Box 6015
Indianapolis, Indiana 46206-6015

Dear Ms. McCabe:

This letter is to inform you of the action required by the Indiana Department of Environmental Management (IDEM) to avoid a December 1, 2001, United States Environmental Protection Agency (USEPA) publication of a notice of program deficiency for the Indiana Title V operating permit program. As you know, the USEPA published a Notice of Comment Period on operating permit program deficiencies in the Federal Register on December 11, 2000. Pursuant to the settlement agreement discussed in that notice, USEPA will publish notices of program deficiencies for individual operating permit programs, based on the issues raised that USEPA agrees are deficiencies. In that notice, USEPA committed to publishing these notice of program deficiencies by December 1, 2001.

USEPA received comments concerning the Indiana Title V program on March 12, 2001. We have reviewed these comments and have identified the comments which Indiana must be address to avoid a Title V notice of program deficiencies. A list of these identified comments is enclosed with this letter. We have been working closely with your staff concerning these comments and we are pleased with IDEM's efforts to correct the potential deficiencies. We know that IDEM is taking action necessary to correct these issues as quickly as possible. We understand, however, that the required regulatory action cannot be completed until after December 1, 2001.

Since corrections to the identified deficiencies are underway, USEPA is requesting a letter from IDEM, to be signed by November 15, 2001, verifying your office's efforts to correct these deficiencies as expeditiously as possible. Receipt of such letter will serve as a demonstration to USEPA that the identified issues need not be published in a notice of program deficiency by December 1, 2001. USEPA does reserve the right to publish a notice of program deficiency at a later date if these deficiencies are not resolved in an expeditious manner. USEPA also reserves the right to publish subsequent notice of program deficiencies concerning other deficiencies to the Indiana

Title V program that were not identified during the comment period ending March 12, 2001.

We look forward to continued cooperation between our offices on Title V program issues. If you have any questions, please contact Sam Portanova, of my staff, at (312) 886-3189.

Sincerely yours,

/s/

Bharat Mathur, Director
Air and Radiation Division

Enclosure

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Public Comments Concerning Regulatory Deficiencies in the Indiana Title V Operating Permits Program

1. Minor permit modifications, which are not subject to public review, qualify for a Title V permit shield under the Indiana Title V regulations.
2. The Indiana Title V regulations allows sources to certify compliance with alternative or streamlined limits instead of original Clean Air Act limit.
3. The Indiana regulations allows construction permits to automatically be superceded into state operating permits, implying that the construction permits expire.
4. 326 IAC 2-7-5(1)(E) of the Indiana Title V regulations considers exceedance of a permit limit and the corresponding operating parameter to count as only one potential violation.
5. 326 IAC 2-7-5(1)(F) of the Indiana Title V regulations allows emission limit exceedances for startups, shutdowns, and malfunctions to be addressed on a case-by-case basis in Title V permits.
6. 326 IAC 2-1.1-3 of the Indiana regulations establishes unacceptably high emission levels which qualify for an exemption from Title V permit requirements.

Public Comments Concerning Non-Regulatory Deficiencies in the Indiana Title V Operating Permits Program

7. Indiana's Title V model permit language says sources are not required to report as a deviation the failure to perform monitoring unless such failures exceed five percent of recorded data.
8. Indiana's Title V model permit language excuses monitoring failures if the failures are less than five percent of the recorded data and there was a temporary unavailability of qualified staff to perform the monitoring.
9. Indiana's Title V model permit language does not require sources to begin monitoring immediately after permit issuance.
10. Indiana's model permit language for "Actions Related to Noncompliance Demonstrated by a Stack Test" and "General Reporting Requirements" state that documents submitted pursuant to these conditions do not require the certification by the responsible official as defined in 326 IAC 2-7-1(34).

