



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF

JUL 06 2016

Matt Stuckey
Chief
Permits Branch
Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue
Indianapolis, Indiana 46204

Dear Mr. Stuckey:

The U.S. Environmental Protection Agency has reviewed the draft part 70 renewal permit for Indianapolis Power & Light Company – Harding Street Station, permit number 097-36471-00033. To ensure that the source meets Federal Clean Air Act requirements, that the permit will provide necessary information so that the basis of the permit decision is transparent and readily accessible to the public, and that the permit record provides adequate support for the decision, EPA has the following comments:

- 1.) On page 19 of the technical support document (TSD), the Indiana Department of Environmental Management has determined that the requirements of the Cross State Air Pollution Rule (CSAPR) apply to Boiler 50, Boiler 60, and Boiler 70, and the natural combustion turbines GT4, GT5, and GT6, but the requirements are not included in the permit. Both CSAPR¹ and Federal Implementation Plan (FIP)² requirements are applicable requirements and, as such, must be included in the part 70 operating permit. We request that you add the CSAPR applicable requirements to the permit.
- 2.) Condition D.1.4(a) cites 326 IAC 7-2-1(c)(3) to require the facility to determine the sulfur dioxide (SO₂) emission rate in lbs/MMBTU each calendar month. In addition to the SO₂ emission rate in lbs/MMBTU, 326 IAC 7-2-1(c)(3) requires the facility to report, upon request, the heat content, fuel consumption, and sulfur content of the fuel. Please clarify whether the facility is required to record the heat content, fuel consumption, and sulfur content of fuels combusted in each emissions unit. Please also verify whether this reporting requirement is included in the permit.

¹ 76 FR 48208. EPA promulgated FIPs pursuant to its authority at CAA § 110(c)(1) regulating electric generating units in several states, including Indiana. The CSAPR rulemaking codified the requirements of the FIP at 40 C.F.R. §§ 52.38 and 52.39. Requirements were also codified in 40 C.F.R. Part 52 Subpart P, which identifies the CSAPR requirements in Indiana's implementation plan. Specifically, 40 C.F.R. §§ 52.789 and 52.790 require the facility to comply with the requirements of 40 C.F.R. Part 97, Subpart AAAAA (TR NO_x Trading Program), Subpart BBBB (TR NO_x Ozone Season Trading Program), and Subpart CCCCC (TR SO₂ Group 1 Trading Program).

² 40 C.F.R. § 70.3(c)(1) and 326 IAC 2-7-2(d)(1).

- 3.) Condition D.1.3 requires the source to calculate volatile organic compound (VOC) emissions from Boiler 50, Boiler 60, Boiler 70, and auxiliary boiler Unit AB-1 based on monthly natural gas fuel usage and a VOC emission factor. The permit does not require the facility to maintain records of either the monthly natural gas usage or the results of the VOC emissions calculation for each boiler. We request that you include requirements to maintain records of the natural gas fuel usage and calculated VOC emissions for each boiler.
- 4.) Conditions D.1.4 and D.2.8 both require the facility to maintain records of the fuel supplier certification and also allow the facility to perform sampling and analysis of fuel oil samples in accordance with 326 IAC 3-7-4(a). To document compliance, conditions D.1.5 and D.2.11 require the facility to maintain records of the fuel supplier certification, but do not require the facility to maintain records of fuel sampling and analysis data. We request that you include recordkeeping requirements to maintain fuel sampling and analysis data that would apply when the facility chooses to conduct fuel sampling and analysis.
- 5.) The permit record appears to contain contradictory information about emergency generator engine ST14's site-rated brake horsepower (HP) that may affect the applicable requirements of 40 C.F.R. Part 63, Subpart ZZZZ. For example, condition E.4.2(3), which cites 40 C.F.R. § 63.6590(a)(1)(ii) as an applicable requirement, implies that the site-rated brake HP of ST14 is less than or equal to 500 HP. However, information on page 15 of TSD Appendix A, such as the heat input capacity of ST14 and the use of emission factors applicable to large stationary diesel engines greater than 600 HP, suggests that the site-rated brake HP of ST14 may be greater than 500 HP. If the site-rated brake HP of ST14 is greater than 500 HP, the applicable requirements of 40 C.F.R. Part 63, Subpart ZZZZ would include, among others, the following:

Applicable Requirement	Description
40 C.F.R. § 63.6590(a)(1)(i)	Affected sources include existing stationary reciprocating internal combustion engines (RICE) with a site rating of more than 500 brake HP at a major source of HAP emissions.
40 C.F.R. § 63.6600(c)	If you own or operate an emergency stationary RICE with a site rating of more than 500 brake HP located at a major source of HAP emissions, you do not need to comply with emission limitations in Tables 1a, 2a, 2c and 2d; or operating limitations in Tables 1b and 2b.

We request that you identify ST14's site-rated brake HP and ensure that the appropriate applicable requirements of 40 C.F.R. Part 63, Subpart ZZZZ are included in the permit.

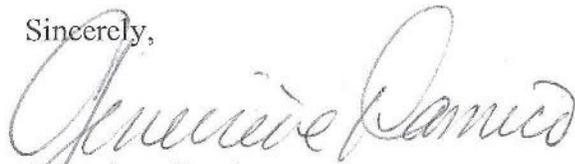
- 6.) Pages 3 and 4 of the TSD indicate that Boilers 50 and 60 formerly included the following voluntarily-installed technologies when they were operated as coal-fired boilers: low NO_x burners, neural net controls, separated over fire air and selective non-catalytic

reduction technology. However, the updated source descriptions for Boilers 50 and 60 (as natural-gas fired units) in conditions A.2(a) and A.2(b); as well as in Sections D, E and G, no longer mention these technologies. We note that the description of Boiler 70, which has also undergone conversion from coal to natural gas, indicates that it is still equipped with several similar voluntarily-installed technologies. We request that you clarify whether the abovementioned technologies are still installed on Boilers 50 and 60.

- 7.) Page 15 of the TSD refers to an emission unit, identified as "Unit #2", which is subject to 40 C.F.R. Part 60, Subpart GG. However, this emission unit is not mentioned elsewhere in the permit or the TSD. We request that you review this reference to Unit #2, and revise the permit accordingly, if necessary.

We appreciate the opportunity to provide comments on this permit. If you have any questions, please feel free to contact Paymon Danesh, of my staff, at (312) 886-6219.

Sincerely,



Genevieve Damico
Chief
Air Permits Section

Standard BCCs: Official file copy with attachments
 Originator's file copy with attachments
 Originating organization's reading file copy with attachments

Other BCCs: Genevieve Damico (via email)

ARD:APB:APS:MLANGMAN 7/6/2016

ARD:APB:APS:PDANESH 7/6/2016