

Document: Proposed Rule

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TITLE 326 AIR POLLUTION CONTROL BOARD

Proposed Rule

LSA Document #99-265

DIGEST

Amends 326 IAC 6-3 concerning process weight rates. Effective 30 days after filing with the secretary of state.

HISTORY

First Notice of Comment Period: January 1, 2000, Indiana Register (23 IR 926).

Second Notice of Comment Period: February 1, 2001, Indiana Register (24 IR 1472).

Date of First Hearing: April 12, 2001.

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 twenty-one (21) days long.

REQUEST FOR PUBLIC COMMENTS

Portions of this proposed rule are substantively different from the draft rule published on February 1, 2001, at 24 IR 1475. The Indiana Department of Environmental Management (IDEM) is requesting comment on the following portions of the preliminarily adopted rule that are substantively different from the language contained in the draft rule.

326 IAC 6-3-1(b)

326 IAC 6-3-2(d)

The following provisions were added to the draft presented to the board for preliminary adoption and address comments received in response to the second notice of comment period:

(1) Added to the list of processes and their attendant emissions that are exempt from 326 IAC 6-3-1(b) in the draft rule.

(2) Specified that at any time that the coating rate increases to greater than ten (10) gallons per day, particulate matter control devices must be in place and that once an operation becomes subject to this requirement it remains subject to it even if there is a subsequent decrease in gallons of coating used in 326 IAC 6-3-2(d) of the draft rule.

This notice requests the submission of comments on the sections of the rule listed above, including suggestions for specific amendments to those sections. 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 on additional sections of the proposed rule that the commentor believes are substantively different from the draft rule may also be submitted for the consideration of the department. Mailed comments should be addressed to:

#99-265 Process weight rates

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Hand delivered comments will be accepted by the receptionist on duty at the tenth floor reception desk, Office of Air Quality, 100 North Senate Avenue, Indianapolis, Indiana, Monday through Friday, between 8:15 a.m. and 4:45 p.m.

Comments may be submitted by facsimile at the IDEM fax number: (317) 233-2342, Monday through Friday, between 8:15 a.m. and 4:45 p.m. Please confirm the timely receipt of faxed comments by calling the Rules Development Section at (317) 233-0426.

COMMENT PERIOD DEADLINE

Comments in any form must be postmarked, hand delivered, or faxed by June 21, 2001.

SUMMARY/RESPONSE TO COMMENTS FROM THE SECOND COMMENT PERIOD

The Indiana Department of Environmental Management (IDEM) requested public comment from February 1, 2001, through March 5, 2001, on IDEM's draft rule language. IDEM received comments from the following parties by the comment period deadline:

American Electric Power, (AEP)
Bethlehem Steel Corporation, (BSC)
Charleston Corporation, (Charleston)
City of Indianapolis, Environmental Resources Management Division, (City/ERMD)
Countrymark Cooperative, Inc., (CCI)
Eli Lilly and Company, (ELC)
Essroc Cement Corporation, (ECC)
GE Plastics Mt Vernon, Inc., (GE)
General Cable Corporation, (GCC)
Glaval Corporation, (Glaval)
Hoosier Energy Rural Electric Cooperative, Inc.(HEREC)
Indiana Cast Metals Association, (INCMA)
Indiana Manufacturers Association, (IMA)
Indianapolis Power & Light Company, (IPL)
K-T Corporation, (K-T)
Knauf Fiber Glass GMBH, (Knauf)
Monaco Coach Corporation, (MCC)
NiSource, Northern Indiana Public Service Company, (NIPSCO)
Purdue University, (PU)
Quemetco, Inc., (Quemetco)
Richmond Power & Light Company, (RPL)

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

Historical interpretation of 326 IAC 6-3

Comment: If IDEM believes the rule should be amended to apply the requirements to processes with process weight rates less than 100 lbs/hr, then the agency is proposing a significant shift in policy that needs greater analysis and justification. (ELC)

Comment: IDEM believes (despite past permitting actions to the contrary) that 326 IAC 6-3 applies universally to all sources, including those with process weight rates less than one-hundred pounds per hour (100 lbs/hr). This is a major change in IDEM's interpretation of this rule. IDEM's historic interpretation has left small sources that cannot easily be controlled or monitored out of the program when those sources have negligible impact on the environment. This has helped make the implementation of the existing rule cost effective both in its impact on the regulated community and on agency resources. Recognizing the historical interpretation of this rule, IDEM should formally add the historical application of the rule to the rule language in any future revision. (HEREC)

Comment: IDEM is attempting to change years of policy to conform to a new regulatory profile that will not provide any environmental benefit while significantly increasing the regulatory burden on the regulated community and the administrative burden on IDEM. IDEM should codify its historical interpretation of this rule that exempts sources of less than 100-lb/hr throughput from the rule. (AEP)

Comment: The proposed revisions to expand the applicability of the rule to include sources with process weight rates less than 100 lbs/hr will significantly impact manufacturing, research and development, and administrative operations. We strongly disagree with IDEM's view that the process weight rate rule applies to sources with process weight rates less than 100 lbs/hr. 326 IAC 6-3-2(c) clearly excludes processes with process weight rates less than 100 lbs/hr. (ELC)

Response: The purpose of this rulemaking is to clarify IDEM's position that processes emitting below 100 lbs/hr can have significant emissions and that there are public health and quality of life reasons for controlling particulate emissions from such processes. The applicability language of the current rule does not explicitly exclude processes with process weight rates less than one hundred pounds per hour. The language in the current rule states, "This rule establishes emission limitations for particulate emissions from process operations located anywhere in the state" [326 IAC 6-3-1(a)] and "Process Operations: No person shall operate **any** process so as to produce, cause, suffer or allow particulate matter to be emitted in excess of the amount shown in the following table" [326 IAC 6-3-2(c), emphasis added]. IDEM believes based on this language that the rule is applicable to any processes which emit particulate matter, other than those specifically exempted in the rule. IDEM does not believe that there is a specific exemption in the rule for processes with process weight rates less than one hundred pounds per hour; this rulemaking will make that absolutely clear. However, in this rulemaking IDEM also intends to exempt some processes with extremely low particulate emissions from 326 IAC 6-3.

Comment: IDEM has failed to adequately address the fact that sources with process throughput of less than 100 lbs/hr do not contribute to any exceedence of an applicable NAAQS, nor do they threaten to deteriorate air quality in areas in which the air is

cleaner than the NAAQS. The comment that small sources may collectively have significant emissions is an assertion unsupported by any evidence in the record. (MCC, Glaval, Charleston)

Response: IDEM cannot state as definitively as the commenter that sources with low process weight rate do not contribute to any exceedance of a NAAQS. Whether or not they rise to the level of exceeding a NAAQS, processes with emission rates below 100 lbs/hr can have significant particulate emissions. The purpose of this rulemaking is to clarify that processes with throughput of less than 100 lbs/hr are subject to 326 IAC 6-3. There are valid public policy reasons for controlling these levels of emissions that include quality of life reasons as well as the ability to regulate nuisances to neighbors from small particulate matter emitting operations. Also, because 326 IAC 6-3 has been approved as part of the state implementation plan (SIP), U.S. EPA may view an exemption for processes less than 100 lb/hr to be a relaxation of the SIP.

Comment: Rule 6-3 incorporates emission limitations based upon control technology which existed over fifty (50) years ago. It also addresses particulate matter, and not PM-10 or PM 2.5. When more stringent control was needed for particulate nonattainment areas, separate (Rule 6-1) was adopted. Thus, the Agency's comment that the SIP for PM-10 "relies" on Rule 6-3 is not true. Rule 6-3 is superseded by Rule 6-1 in all former TSP nonattainment areas and in all current PM-10 nonattainment areas. (MCC, Glaval, Charleston)

Response: Although particulate matter emissions are currently regulated by U.S. EPA as PM-10, in the past they were regulated as total suspended particulates (TSP). Early rules promulgated to address particulate matter emissions including the process weight rate rule (and the fugitive dust rule) were approved as part of the TSP state implementation plan (SIP) as early as 1982. Periodically, U.S. EPA is required to reexamine existing standards to assure that they remain protective of public health. If the existing standard is deemed insufficient to protect public then U.S. EPA is required to promulgate a standard that will protect public health. Such was the case with the particulate matter standard. Since 1993 particulate matter emissions have been regulated as PM-10 in counties where it was determined that particulate emissions exceeded the U.S. EPA revised particulate matter standard (PM-10). Those areas, sources and processes that did not exceed the revised PM-10 standard are not addressed in the revised PM-10 rules but continue to be regulated under the existing particulate (TSP) rules. Because the SIP does not allow a relaxation of its requirements, the particulate matter SIP as well as Article 6 include both PM-10 rules and TSP rules. When the revised PM-2.5 is implemented, the particulate matter SIP will also include PM-2.5 rules for those areas of the state that do not meet the new revised federal standard.

Comment: Commenters request that IDEM reconsider commenters' January 31, 2000, comments. (MCC, Glaval, Charleston)

Response: In this second response to comments IDEM is again responding on the merits to comments addressing smaller sources/insignificant activities/de minimis levels, exemption of specific operations, and consideration of the economic reasonableness of regulating sources subject to this rule, that were submitted by the commenter in response to the request for comments from the first comment period.

Requisite factors that must be taken into account by a board adopting rules

Comment: IDEM has failed to address the requirements of IC 13-14-8-4 that proposed rules must address existing air quality and the economic reasonableness of reducing a particular type of pollutant. The record is devoid of any analysis of what air quality improvement will be realized by making Rule 6-3 applicable to sources with process weight rates below 100 lbs/hr or of the economic impact on those sources. (MCC, Glaval, Charleston)

Response: IC 13-14-8-4 lists a number of factors that a board adopting and establishing environmental regulations must take into account including IC 13-14-8-4(4) ("the nature of the existing air quality or existing water quality, as appropriate") and IC 13-14-8-4(6) ("economic reasonableness of measuring or reducing any particular type of pollution"). The purpose of this rulemaking is to clarify an ambiguity concerning the applicability of the existing rule. IDEM recognizes that processes that emit less than 100 lbs/hr may have significant but local air quality impacts. Because of past inconsistent application of this rule and continuing questions regarding the applicability of the process weight rate rule to processes that emit less than 100 lbs/hr, this rulemaking clarifies that processes that emit less than 100 lbs/hr have been and continue to be subject to the process weight rule. Because processes that emit less than 100 lbs/hr have been subject to this rule, the clarification of the applicability of the rule should not result in additional costs associated with adding controls or certifying compliance. If a source that is subject to the process weight rate rule is not currently in compliance with the rule, there could be costs associated with coming into compliance.

Definition of terms

Comment: IDEM should include a section in the proposed rule containing definitions of terms referred to within the proposed rule. IDEM should include the definition of "process" in a definition section of the proposed rule along with all other applicable terms referred to in the context of the proposed rule. (IPL)

Response: Many of the terms referred to in the proposed rule are defined in 326 IAC 1-2, the definition section of the general provisions. These definitions are applicable throughout Title 326, unless a term is defined differently in a particular rule for the purposes of that rule. Because the terms used in 326 IAC 6-3 are consistent with the way they are defined in 326 IAC 1-2, it is appropriate to rely on definitions of general applicability (i.e., 326 IAC 1-2).

Comment: 326 IAC 6-3 should be clarified to resolve all long standing issues with the definition of "Process weight; weight rate" in 326 IAC 1-2-59. As an example, if a source paints steel beams, under 326 IAC 1-2-59, the process weight is the total weight of

all materials introduced in any source operation. However, particulate matter emissions are likely to occur from over-spray and would not be affected by the weight of the beams being painted. The same may be true for welding, shot blasting, etc. The last statement of 326 IAC 1-2-59 seems to imply that if there is more than one interpretation, then the interpretation that results in the minimum value for allowable emissions shall apply. The statement may be what IDEM uses to resolve discrepancies in determining what introduced materials constitute the total weight entered into a process. (City/ERMD)

Response: IDEM agrees that 326 IAC 1-2-59 states that if there is more than one interpretation of what is to be included in the determination of process weight rate, the most conservation interpretation applies. For instance if the nature of a process could be interpreted as either batch or long run steady state, then the proper interpretation is the one that results in the lowest allowable emission rate.

Rule applicability

Comment: IDEM continues to believe that fugitive dust should be dealt with in the process weight rates rule. The proposed fugitive dust rule as currently drafted includes emissions from process operations and much more. Besides the fact that multiple definitions of fugitive dust seem to be counterproductive, multiple regulations dealing with management of fugitive dust seem to be even more counterproductive. IDEM should review its multiple approaches to fugitive dust and streamline the regulation into a single rule. (INCMA)

Comment: The rule language should be modified to clarify that the rule only applies to process or stack sources, not fugitive sources of emissions, especially roadways [and] other open areas that are not typically processes. (NIPSCO)

Comment: IDEM should clarify that the rule applies to stack sources and not fugitive sources. This rule was designed for stack sources, not fugitive emissions, as those emissions are regulated under the fugitive dust rule. IDEM should clarify that this rule does not cover fugitive emissions. (BSC, CCI, ECC, GCC, K-T, Knauf, Quemetco, RPL)

Response: In responding to these comments it is important to distinguish between “fugitive dust” and “process fugitives” or “fugitive emissions”. The fugitive dust rule, 326 IAC 6-4, only applies to emissions that actually cross sources’ property lines. The process weight rate rule, 326 IAC 6-3, applies to emissions, including fugitive emissions, from process operations, whether or not they cross a property line. Thus, the process weight rate rule regulates the emissions rate from the process, while the fugitive dust rule regulates such emissions if they cross the property line. Both rules could apply to emissions from a particular process.

Comment: Does IDEM consider particulate matter emissions generated by coal conveyor systems, conveyor transfer points, and aggregate (coal) storage pile operations to be included in the definition of “process?” (IPL)

Comment: Do processes such as coal handling and conveying fall within the scope of 326 IAC 6-3? (HEREC)

Response: Loading or unloading of coal and conveying and handling coal meet the definition of “process” in 326 IAC 1-2-58; therefore 326 IAC 6-3 is applicable. In most circumstances, roadways and storage piles do not meet the definition of “process”.

Comment: If the process weight rate rule applies to coal conveyor systems, coal conveyor transfer points, and aggregate storage pile operations, it is unreasonable for IDEM to regulate such sources that may otherwise be covered under other particulate matter emission control regulations. (IPL)

Response: A source is subject to all applicable requirements. Because a source is subject to a given particulate matter emission control rule does not preclude the source from being subject to additional particulate matter control rules.

Insignificant/trivial/exempt activities

Comment: IDEM should exempt insignificant activities from this rule. The sources and thresholds defined as insignificant activities under 326 IAC 2-7-1(21) should be exempt from application of this rules. IDEM should modify the draft language at 326 IAC 6-3-1 as follows:

(a) This rule establishes emission limitations for particulate emissions from process operations located anywhere in the state, except for those activities that satisfy the definition of insignificant activities under 326 IAC 2-7-1(21), and except for fugitive emission sources that are regulated under 326 IAC 6-4 and 6-6-5. (BSC, CCI, ECC, GCC, K-T, Knauf, Quemetco, RPL)

Comment: IDEM’s suggestion to use the insignificant and trivial source lists in 326 IAC 2-7-1 as a starting point for a blanket exemption is a step in the proper direction. While these lists would serve as a practical basis for an exemption, there are undoubtedly additional small sources that merit inclusion in the exemption list. IDEM should explicitly list in this rule the sources exempt from its scope as part of 326 IAC 6-3-1(b). (AEP, GE, IPL, NIPSCO)

Comment: Subsection 326 IAC 6-3-2(e)(2) should be deleted and replaced with a *de minimis* emission provision that effectively exempts all trivial or insignificant sources from regulation under this rule. (IPL)

Comment: The following specific processes listed in the definition of “insignificant activity” should be exempted from the process weight rate rule:

- Research and development activities defined in 326 IAC 2-7-1(21)(E)
- Fuel dispensing activities described in 326 IAC 2-7-1(21)(G)(ii)
- VOC and HAP storage as described in 326 IAC 2-7-1(21)(G)(iii)
- Packaging and filling activities as described in 326 IAC 2-7-1(21)(G)(v)
- Production-related activities described in 326 IAC 2-7-1(21)(G)(vi)

- Solvent recycling systems as described in 326 IAC 2-7-1(21)(G)(viii)
- Water-based activities described in 326 IAC 2-7-1(21)(G)(ix)
- Trimmers as described in 326 IAC 2-7-1(21)(G)(xi)
- Conveyors as described in 326 IAC 2-7-1(21)(G)(xiv)
- Coal bunker and coal scale exhausts and associated dust collector vents as described in 326 IAC 2-7-1(21)(G)(xv)
- Grinding and machining operations as described in 326 IAC 2-7-1(21)(G)(xxiii)

(GE)

Comment: We support IDEM's proposal to add dip coating to the list of processes that are exempt from the process weight rate rule and suggest that a similar process be added - roll coating. (GE)

Comment: 326 IAC 3-1-(b) [*sic.*] should include the following:

6. Processes listed in 326 IAC 2-1.1-3(d)(4).
7. Processes with a maximum process weight rates less than one hundred (100) pounds per hour.
8. Processes with the potential to emit less than five (5) tons per year of particulate matter.

(ELC)

Comment: The intent of 326 IAC 6-3 is to establish particulate matter emission limitations for processes not otherwise limited by 326 IAC 6, 326 IAC 2, or 326 IAC 2-7. 326 IAC 2-7-1(21)(D) through (G) and 326 IAC 2-7-1(40) is a listing of what activities are likely, in and of themselves, to not exceed minimum permitting threshold. It must be understood that sources can have applicable requirements but not necessarily require a permit. An amended 326 IAC 6-3 should not specifically address that particulate matter limits would only apply to emission units above insignificant activity thresholds. The original intent of 326 IAC 6-3 included the concept of regulating nuisances to neighbors from small particulate matter emitting operations and regulating fugitive sources not otherwise regulated by 326 IAC 6-4 or 6-5. If IDEM does not want to exempt categories of activities from quantifying their particulate matter emission rate, the trivial activity list under 326 IAC 2-7-1(40) more than likely contains activities that have negligible regulated pollutant emission rates. (City/ERMD)

Comment: As currently proposed, the rule would specify that any process with a process weight rate of less than 100 pounds per hour would be required to meet an emission limit of 0.551 pounds of particulate matter per hour. Any process operation, regardless of size is required to comply with particulate matter under the draft rule. Because the West Lafayette campus will ultimately be part of a Title V permit, we will be required to provide a certification annually in regards to its compliance status will all applicable requirements. "Process" is defined under 326 IAC 1-2-58 as:

"Any action, operation, or treatment and the equipment used in connection therewith, and all methods or forms of manufacturing or processing that may emit air contaminants."

Given the broad definition of "process," there may be many activities that occur on campus on a very small scale, particularly in teaching laboratories and research and development facilities, that could be affected by this rule. It would be virtually impossible to identify all activities (particularly those of an intermittent nature) which "process" less than 100 pounds per hour. Rule 6-3 should be revised to indicate that the rule does not apply to insignificant activities or trivial activities (as defined under 326 IAC 2-7) that have a process weight rate below 100 pounds per hour. (PU)

Response: IDEM agrees that trivial activities as defined at 326 IAC 2-7-1(40) should be exempt from 326 IAC 6-3 and has added trivial activities to the list of processes that are exempt from the rule. IDEM has also proposed to exempt many, but not all, activities defined as insignificant at 326 IAC 2-7-1(21). Those activities in 326 IAC 2-7-1(21) that will continue to be subject to 326 IAC 6-3 are activities that can have a significant impact on air quality even though they are not considered "significant" for Title V permitting purposes. Additionally, dip coating, dip galvanizing, and roll coating have been exempted from the rule.

de minimis exemption threshold

Comment: It is critical for the process weight rate rule to have a *de minimis* threshold for identifying the processes that are not subject to the rule. Otherwise, the rule will apply to numerous activities with minimal air quality impact. The definition of process ("any action, operation, or treatment and the equipment used in connection therewith") includes virtually all activities capable of emitting any quantity of air contaminants. Under IDEM's proposal, not only will the rule apply to small manufacturing or research and development equipment, but also to equipment as mundane as office pencil sharpeners and paper shredders. (ELC)

Comment: 326 IAC 6-3-2(e) does not provide for an exemption for processes that are below 100 lbs/Hr. IDEM currently applies the process weight rule to processes with process weight rates that are blow the 100 lbs/hr threshold. This results in the application of the rule to emission units with very low emission rates - emission units that are small enough they would not require permit review by IDEM.

IDEM is establishing compliance monitoring requirements for these low-emitting units in new source permits and operating permits. IDEM should declare that any process with a process weight rate less than 100 lb/hr is exempt from 326 IAC 6-3. (AEP, IMA, MCC/BT, Glaval, Charleston)

Comment: While IDEM stated it did not request numerical thresholds for any exemptions, we suggest it would be logical and appropriate to include a numerical threshold. The threshold would be based on the lowest allowable emission rate in the rule - 0.551

lbs/hr. Any process whose potential emissions do not exceed 0.551 would be exempt from the process weight rate rule. Since 0.551 lbs/hr is the lowest allowable emission rate that IDEM is proposing, it is logical to exempt any process whose potential emissions are no more than 0.551 lbs/hr. Including this numerical threshold would [not] disfavor the environment in any way, emissions from such activities are already exempt. It would, however, simplify compliance with the rule, thereby reducing the regulatory burden on the affected sources. (GE)

Comment: It may be best to resolve the issue by the proposed language of 326 IAC 6-3-2(e)(2), “When the process rate is less than one hundred (100) lbs/hr, the maximum allowable rate of emission shall not exceed 0.551 lb/hr.” (City/ERMD)

Comment: As a backstop to the list of exempted items in the rule, we suggest that IDEM retain the current exemption of processes with process weight rates less than 100 lb/hr. In addition, the rule should exempt processes with low levels of particulate matter emissions. The rule should exempt processes with potential to emit particulate matter less than 5 tons per year. This is the same exemption threshold in the permit rules (326 IAC 2-1.103(d)(1)(A)). Both of these thresholds ensure that small operations and processes with low emissions are not subject to the rule if they do not appear on the list of exempted items. (ELC)

Response: The department agrees that a *de minimis* threshold in the process weight rule is an appropriate mechanism to eliminate those emitting activities for which this rule was never intended (e.g. pencil sharpeners and office paper shredders). The department agrees with the comment that “processes” with potential emissions less than 0.551 lb/hr should be exempt from the rule. This would not rule out processes with a process weight rate less than 100 lb/hr, but would exclude processes that inherently comply with the limit and do not require controls.

Specific operations

Comment: IDEM should define the term “surface coating”, as used under draft 326 IAC 6-3-2(d). (BSC, CCI, ECC, GCC, K-T, Knauf, MCC)

Response: IDEM agrees that the rule should further clarify the term “surface coating.” IDEM requests suggestions for defining “surface coating” for the specific purposes of this rule.

Comment: IDEM should confirm that the term “surface coating”, as used under draft 326 IAC 6-3-2(d), does not apply to galvanizing at an integrated steel mill. (BSC)

Response: Galvanizing is the coating of iron or steel with rust resistant zinc through a hot dipping process. Dip galvanizing has been added to the list of exemptions in 326 IAC 6-3-1(6).

Comment: 326 IAC 6-3-2(d)(2) should be modified to remove any reference to accumulation on the ground and be left as a visible emission requirement only. (MCC)

Response: The department disagrees that the reference to “accumulate on the ground” should be removed from the rule. When control equipment is not operating properly, one obvious indication of improper operation is an accumulation of particulate matter on the ground or on a roof.

Comment: #26 IAC 6-3-2(d) needs to be clarified. It is not clear what graphic arts operations IDEM intends a dry particulate filter or equivalent control device to be used in. (City/ERMD)

Response: For the most part, graphic arts operations (e.g. printing presses) do not emit particulate matter. However, graphics arts operations that use a spray technique could emit particulate matter that would be subject to the process weight rule. Dip coating and roll coating have been added to the exemption list at 326 IAC 6-3-1(b).

Determining/certifying compliance with applicable requirements

Comment: If IDEM proceeds with the proposed amendment, the process weight rate rule will needlessly subject far too many processes to its requirements. This policy shift will result in sources expending a significant amount of administrative resources in their attempts to determine compliance with the rule, but it will result in little or no reduction in particulate matter emissions.

Expanding the applicability of this rule imposes substantial administrative burdens for sources operating those processes. If the regulated process is operating at a Title V or FESOP source, the application of the process weight rate rule must be identified as an applicable requirement in the permit. The permit may even require compliance monitoring for these processes.

Furthermore, sources will have a significantly increased burden for certifying compliance with the process weight rate limits in the annual compliance certification. Sources will be forced to expend significant resources towards determining the compliance status of these low-emitting processes. Many of these sources may not have emission factors established or allow the possibility of stack testing. Therefore, a scientific basis for the determination of compliance status may not exist.

The air quality value of subjecting the small processes and low-emitting operations needs to be evaluated closely. The process weight rate rule does not establish rigorous particulate matter emission limits. Many processes are able to meet the limits without using any emission control equipment. Most of the processes with process weight rates less than 100 lb/hr most likely will not have to employ new controls or upgrade existing controls to meet the emission limit imposed by the rule. Consequently, applying the rule to these small processes will not yield any air quality improvement; it will only increase the administrative burdens on the sources who must certify compliance with the requirement. In addition, IDEM has not [*sic.*] that any adverse air quality impacts will occur if the rule continues to apply as we believe that it has applied in the past. (ELC)

Comment: Should IDEM choose to deviate from its historic interpretation, then IDEM should make special provisions for units

that have not traditionally been regulated by this rule. Specifically:

-The Agency should not require burdensome compliance monitoring for units with process weight rates less than 100 lbs/hr, nor should the agency re-open past permit decisions as a result of this change.

-This rule change should not impact the status of processes or operations that are identified as “Insignificant Activities” under the Title V permit rules.

-For processes or operations located at sources operating under a Title V Operating Permit, the agency should clearly identify as part of this rulemaking what types of data and information that must be provided as part of an annual compliance certification.

-If a source owner or operator did not identify a process or operation with a process weight rate less than 100 lbs/hr in a permit application based on previous agency guidance which may have led the applicant to believe that such processes were not affected by the rule, the agency must provide the opportunity to revise the affected permit applications with no enforcement repercussions. (HEREC)

Response: As previously stated, in situations where a source owner or operator did not previously identify a process with a process weight rate less than one hundred (100) lbs/hr, IDEM will use enforcement discretion in allowing a source the opportunity to revise permit applications where previous agency guidance was not clear.

The applicability of compliance monitoring is not affected by the applicability of 326 IAC 6-3 to facilities with a process weight rate less than 100 lbs/hr nor will the applicability of 326 IAC 6-3 change any insignificant activity classification. However, an insignificant activity to which a limit under the rule applies is considered a specifically regulated insignificant activity (which requires that appropriate operating conditions addressing the rule applicability be included in a Part 70 permit).

Comment: Consolidating the exemptions from 326 IAC 6-3-1 and 326 IAC 11-1-1 would simplify the rule language and allow a reader to more easily determine applicability and compliance responsibilities. (INCMA)

Response: 326 IAC 6-3-1 establishes emission limitations for particulate emissions from process operations located anywhere in the state. 326 IAC 11-1-1 establishes emission limitations for particulate matter from foundries in operation on or before December 6, 1968, and those in operation after December 6, 1968. Consolidating the exemptions from 326 IAC 11-1-1 into 326 IAC 6-3-1 would require a reduction in allowable emissions from foundry cupolas in existence prior to December 6, 1968. It is not the intent of IDEM to require new or additional controls to insure compliance with applicable requirements for sources that currently in compliance with applicable requirements.

Control methods and work practices

Comment: In 326 IAC 6-3-2(d), the work practices seem to be less related to environmental protection and more oriented toward worker safety issues—clearly an OSHA responsibility. (INCMA)

Response: 326 IAC 6-3-2(d) requires operation of particulate matter controls and that overspray not be detectable. These requirements and work practices are directly related to reducing emissions to the environment.

Process weight rate table

Comment: The table set out in 326 IAC 6-3-2(e) should be deleted. IDEM and the regulated community should merely rely on the formulas set out therein. (BSC, ECC, GCC, K-T)

Comment: We support IDEM’s four corrections in the table of allowable rates of emissions in draft 326 IAC 6-3-2(e).

In addition, every allowable rate of emission in the table contains 3 significant units, with the exception of the allowable rates for the process weight rates of 8,000 lbs/hr, 9,000 lbs/hr, 10,000 lbs/hr, and 12,000 lbs/hr. We see no reason why the allowable rates for these process weight rates should contain 4 significant figures instead of 3, as the other do. We request that the allowable rates (in lbs/hr) for the above referenced process weight rates be changed from 10.40 to 10.4; 11.20 to 11.2, 12.00 to 12.0, and 13.60 to 13.6, respectively. This would simply involve dropping the trailing zero from the allowable rate. (GE)

Response: The allowable rates in the table were based on the equations presented in the footnotes and is included for the convenience of sources and the public. IDEM agrees that statistically the limits for process weight rates eight thousand (8,000), nine thousand (9,000), ten thousand (10,000), and twelve thousand (12,000) lb/hr all have one too many significant figures with respect to the other table entries and will amend these entries. However, it should be noted that if a compliance determination is made and an emission rate exceeds the absolute value of the listed limit, the exceedance indicates that control devices are not operating correctly. In making a compliance determination if the test protocols and methodology use constants that have more significant figures than the table, then the test protocols and methodology results will be used to determine compliance with this rule.

Compliance requirements/options

Comment: If IDEM insists on including 326 IAC 6-3-2(d), then a source involved with surface coating should be allowed the choice of complying with 326 IAC 6-3-2(d) surface coating requirements or 326 IAC 6-3-2(e) process operations allowable emissions. Moving surface coating from its previous control technology in the rule is unnecessary and without a reasonable basis. (INCMA)

Comment: 326 IAC 6-3-2(d).

(1) This subsection must be removed. Manufacturer’s specifications are not necessarily applicable to site specific application, but rather are a general guide in operation/installation of the equipment.

(ELC)

Response: 326 IAC 6-3-2(d) is intended to replace the applicability of the allowable emissions in 326 IAC 6-3-2(e) because it is not practical to calculate an allowable limit for surface coating operations and, therefore, impractical to determine compliance. If a process is controlled using an appropriate control device and acceptable work practice standards including operating the process and control equipment as specified by the manufacturer, for purposes of the process weight rate rule, the operation is in compliance with the rule.

Comment: 326 IAC 6-3-2(d) should be amended to read as follows:

(3) "A particulate matter control device is not required for operations that use less than ten (10) gallons of coating per day. An operation that is subject to this section shall remain subject to this section until such time that 365 continuous days of usage data is available to confirm the future intended use of the operation. At any time the coating application rate increases to greater than 10 gallons per day particulate matter control devices must be in place".

(ELC)

Response: The department agrees that the addition of "particulate matter" is a good suggestion as the current language literally says that no control device [of any kind] would be needed for a less than 10 gal/day operation. The department agrees that any time the coating application rate increases to ten (10) gallons per day particulate control devices must be in place.

It is not the intent of the department to allow for annual averaging for any process weight operation that is required to use control technologies and meet work practice standards.

Calculation of allowable emissions

Comment: 326 IAC 6-3-2(e) should be amended to read as follows:

(1) "The ~~maximum~~ allowable rate of emission shall be based on the maximum process weight rate for an operation."

This interpretation has been agreed upon by its use in existing permit documents. Individual allowable limits have been established in Section D of permits based on the maximum process weight rate. Therefore, compliance would be based on the documented limit for the operation as stated in the permit. It is necessary to plainly clarify this position to give sources the opportunity to know which "bar" they are using for compliance certifications.

(2) This subsection must be removed. The rule should be clarified that it does not apply to operations with process weight rates less than 100 lb/hr.

(ELC)

Response: IDEM does not agree that "maximum" should be deleted from this sentence. Clarification of what is the maximum applicable limit is currently provided for by establishing the limit in a permit. The maximum allowable rate does not apply at process weight rates below the maximum process weight rate. When determining hourly compliance, the actual process weight rate at which the process is operating shall be used to establish the allowable rate of emissions during that hour of operation. To do so otherwise would not ensure that a process is being properly maintained and controlled and the environment protected.

SUMMARY/RESPONSE TO COMMENTS RECEIVED AT THE FIRST PUBLIC HEARING

On April 12, 2001, the air pollution control board (board) conducted the first public hearing/board meeting concerning the development of amendments to 326 IAC 6-3. Comments were made by the following parties:

Barnes and Thornburg (Jim Hauck), (BT)

General Electric Company, (GE)

Indiana Chamber of Commerce, (ICoC)

Monaco Coach Corporation, (MCC)

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

Comment: While the rule isn't perfect and there are still issues to be resolved, we do not object to preliminary adoption of the rule. (GE, ICoC)

Response: The department appreciates the support for preliminary adoption of this rule. The department is willing to work with any interested party to develop draft rule language with work practice and control technology standards for additional categories of process operations and solicits draft rule language to accomplish these goals.

Comment: The *de minimis* that is being established in the rule is too low. (MCC)

Response: The department believes that the *de minimis* thresholds established in the rule are at an appropriate level to eliminate those activities that do not have a significant environmental impact.

Comment: If there's an insignificant activity rule that sets particulate emissions at five pounds per hour, twenty-five pounds per day, why can't we have one number incorporate the insignificant activity? (MCC)

Comment: All insignificant activities that are listed in the current Title V rule should be incorporated into this rule. (MCC)

Response: The insignificant activities list in 326 IAC 2-7-1(21) is a threshold for activities that do not need to be specifically characterized in a major source's Title V permit application. This list was not established for emission control purposes nor does it create a presumption that emissions from those activities are of no concern. There are, in fact, activities included in the insignificant

activities list that could have emissions that will impact air quality. The department has reviewed the insignificant activities list and has exempted some from 326 IAC 6-3 and included others. While the list of insignificant activities in 326 IAC 2-7-1(21) is a good starting point for establishing a set of exempt activities in 326 IAC 6-3, there are categories of activities in the definition that, while appropriately exempt from inclusion in the Title V application, should not be exempt from the particulate controls established by 326 IAC 6-3. One example is conveyors at 326 IAC 2-7-1(21)(G)(iv). Conveyors may not be “insignificant” for purposes of Title V applications but they can have emissions that affect air quality in the area where they operate. Conveyors are appropriately subject to the emissions limits in 326 IAC 6-3.

Comment: A significant burden will be placed on industries in an effort to comply with this rule, with no commensurate environmental benefits. Reasonable work practices or *de minimis* levels need to be established for minor processes and record keeping is a significant time-consuming and expensive, burdensome task on insignificant sources. (ICoC)

Response: This rule is not intended to place new emission control requirements on any source that did not have them before, but rather to clarify the current rule language. Any substantive changes to the rule, in fact, should simplify compliance by 1) exempting sources that are below the *de minimis* level and 2) providing specific work practice standard requirements for specific industrial categories.

Comment: Exemptions or work practice standards should be written in for certain types of operations: welding, minor welding (that’s less than one ton of rod or wire per day), torch cutting activities, paint prep (that includes the body-work activities), metal grinding, abrasive wheel cutting, fiberglass grinding activities, woodworking activities that are closed booth, dust unloading activities, and plastic grinding activities for recycling. (MCC)

Response: A number of the activities the commentor has listed are now exempt from the proposed rule. The department would welcome suggestions from any interested party on draft rule language for work practice and control technology standards in lieu of emission limits for additional categories of process operations.

Comment: Condition (2) in 326 IAC 6-3-2(d) should be modified to remove any reference to accumulations on the ground and be less strict as a visible emissions requirement. (MCC)

Response: The department disagrees. An accumulation of particulate emissions at the exhaust of an operation with a potential to emit particulate matter that is controlled by a dry particulate filter or an equivalent control device indicates that the control device is not operating properly and is therefore not complying with this rule.

Comment: The term “operation” as used in 326 IAC 6-3-2(d)(3) should be defined. (MCC)

Response: “Operation” as used in 326 IAC 6-3-2(d)(3) refers specifically to surface coating, reinforced plastics composites fabricating, or graphic arts processes. “Process” is defined at 326 IAC 1-2-58.

Comment: We endorse the comments that will be made by IMA and some of the other industrials. (BT)

Response: Although the IMA did not comment on this rule at this hearing, the department acknowledges the commentor’s endorsement of comments made by the other companies.

326 IAC 6-3-1

326 IAC 6-3-2

SECTION 1. 326 IAC 6-3-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 6-3-1 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11; IC 13-17-3-12

Affected: IC 13-15; IC 13-17

Sec. 1. (a) This rule establishes emission limitations for particulate emissions from process operations located anywhere in the state.

(b) The following processes and their attendant emissions are exempt from this rule:

(1) Combustion for indirect heating.

(2) Incinerators.

(3) Open burning.

(4) Existing foundry cupolas **that are subject to the requirements of 326 IAC 11-1.**

(5) Dip coating.

(6) Dip galvanizing.

(7) Roll coating.

(8) Insignificant activities defined at 326 IAC 2-7-1(21), provided the criteria for being an insignificant activity under 326 IAC 2-7-1(21) are met. The following insignificant activities are not exempt from this rule:

(A) 326 IAC 2-7-1(21)(A).

- (B) 326 IAC 2-7-1(21)(B).
- (C) 326 IAC 2-7-1(21)(C).
- (D) 326 IAC 2-7-1(21)(G)(vi)(DD).
- (E) 326 IAC 2-7-1(21)(G)(vi)(EE).
- (F) 326 IAC 2-7-1(21)(G)(vi)(II).
- (G) 326 IAC 2-7-1(21)(G)(ix).
- (H) 326 IAC 2-7-1(21)(G)(xi).
- (I) 326 IAC 2-7-1(21)(G)(xiv).
- (J) 326 IAC 2-7-1(21)(G)(xv).
- (K) 326 IAC 2-7-1(21)(G)(xviii).
- (L) 326 IAC 2-7-1(21)(G)(xxvi).
- (M) 326 IAC 2-7-1(21)(G)(xxviii).

(9) Trivial activities as defined at 326 IAC 2-7-1(40).

(10) Processes with potential emissions less than five hundred fifty-one thousandths (0.551) pound per hour.

~~(b)~~ (c) If any limitation is established:

(1) by this rule **that** is inconsistent with applicable limitations contained in 326 IAC 6-1; **or**

(2) by 326 IAC 12 concerning new source performance standards; **or**

~~(3) in a Part 70 permit in accordance with 326 IAC 2-7-24;~~

then the limitation contained in this rule shall not apply, but the limit in ~~such sections or Part 70 permit~~, 326 IAC 6-1, or 326 IAC 12, **as applicable**, shall apply. (*Air Pollution Control Board; 326 IAC 6-3-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2499; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2367*)

SECTION 2. 326 IAC 6-3-2 IS AMENDED TO READ AS FOLLOWS:

326 IAC 6-3-2 Particulate emission limitations

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11; IC 13-17-3-12

Affected: IC 13-15; IC 13-17

Sec. 2. (a) Any process operation listed in subsections (b) through (d) shall follow the work practices and control technologies contained therein. All other process operations subject to this rule shall calculate emission limitations according to requirements in subsection (e).

~~(a) Cement Kilns: No owner or operator of a~~ (b) Cement manufacturing operation kilns commencing operation prior to December 6, 1968, equipped with electrostatic precipitators, bag filters or equivalent gas-cleaning devices shall **not** cause, allow, or permit any discharge to the atmosphere any gases containing particulate matter in excess **of the following**:

(1) $E = 8.6 P^{0.67}$, below thirty (30) tons per hour of process weight.

(2) $E = 15.0 P^{0.50}$, over thirty (30) tons per hour of process weight.

Where: E = Emission rate in pounds **per** hour. **and**

P = Process weight in tons **per** hour.

~~(b)~~ (c) Catalytic cracking units ~~The owner or operator of a catalytic cracking unit~~ commencing operation prior to December 6, 1968, and ~~which is~~ equipped with cyclone separators, electrostatic precipitators, or other gas-cleaning systems shall recover **ninety-nine and ninety-seven hundredths percent (99.97%)** or more of the circulating catalyst or total gas-borne particulate.

(d) Surface coating, reinforced plastics composites fabricating operations, or graphic arts operations with a potential to emit particulate matter shall be controlled by a dry particulate filter or an equivalent control device, subject to the following:

(1) The source shall operate the particulate control device in accordance with manufacturer's specifications.

(2) Overspray shall not be visibly detectable at the exhaust or accumulated on the ground.

(3) A particulate matter control device is not required for operations that use less than ten (10) gallons of coating per day. At any time the coating application rate increases to greater than ten (10) gallons per day, particulate matter control devices must be in place. An operation that is subject to this subsection shall remain subject to it notwithstanding any subsequent decrease in gallons of coating used.

~~(e)~~ (e) Process operations to which control methods in subsections (b) through (d) do not apply shall calculate allowable

emissions as follows:

(1) No person shall operate any process so as to produce, cause, suffer, or allow particulate matter to be emitted in excess of the amount shown in the following table in this subsection. The maximum allowable rate of emission shall be based on maximum process weight rate for an operation.

(2) When the process weight rate is less than one hundred (100) pounds per hour, the maximum allowable rate of emission shall not exceed five hundred fifty-one thousandths (0.551) pound per hour.

(3) When the process weight exceeds two hundred (200) tons per hour, the maximum allowable emission may exceed that shown in the following table, provided the concentration of particulate matter in the discharge gases to the atmosphere is less than one-tenth (0.10) pound per one thousand (1,000) pounds of gases:

Allowable Rate of Emission Based on Process Weight Rate¹

Process Weight Rate		Rate of Emission Lbs/Hr	Process Weight Rate		Rate of Emission Lbs/Hr
Lbs/Hr	Tons/Hr		Lbs/Hr	Tons/Hr	
100	0.05	0.551	16,000	8.00	16.5
200	0.10	0.877	18,000	9.00	17.9
		1.40			
400	0.20	1.39	20,000	10.00	19.2
600	0.30	1.83	30,000	15.00	25.2
800	0.40	2.22	40,000	20.00	30.5
1,000	0.50	2.58	50,000	25.00	35.4
1,500	0.75	3.38	60,000	30.00	40.0
2,000	1.00	4.10	70,000	35.00	41.3
2,500	1.25	4.76	80,000	40.00	42.5
3,000	1.50	5.38	90,000	45.00	43.6
		5.96			
3,500	1.75	5.97	100,000	50.00	44.6
4,000	2.00	6.52	120,000	60.00	46.3
5,000	2.50	7.58	140,000	70.00	47.8
					49.0
6,000	3.00	8.56	160,000	80.00	49.1
					51.2
7,000	3.50	9.49	200,000	100.00	51.3
		10.40			
8,000	4.00	10.4	1,000,000	500.00	69.0
		11.20			
9,000	4.50	11.2	2,000,000	1,000.00	77.6
		12.00			
10,000	5.00	12.0	6,000,000	3,000.00	92.7
		13.60			
12,000	6.00	13.6			

When the process weight exceeds two hundred (200) tons/hour, the maximum allowable emission may exceed that shown in the table, provided the concentration of particulate matter in the discharge gases to the atmosphere is less than (0.10) pounds per one thousand (1,000) pounds of gases:

^{*1}Interpolation of the data in this table for process weight rates up to sixty thousand (60,000) lbs/hr pounds per hour shall be accomplished by use of the equation:

$$E = 4.10 P^{0.67}$$

and interpolation and extrapolation of the data for process weight rates in excess of sixty thousand (60,000) lbs/hr pounds per hour shall be accomplished by use of the equation:

$$E = 55.0 P^{0.11} - 40$$

Where: E = Rate of emission in lbs/hr and pounds per hour.

P = **Maximum** process weight in ~~tons/hr.~~ **tons per hour.**

(Air Pollution Control Board; 326 IAC 6-3-2; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2499)

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 August 1, 2001 at 1:00 p.m., at the Indiana Government Center-South, 402 West Washington Street, Conference Center Room C, Indianapolis, Indiana the Air Pollution Control Board will hold a public hearing on proposed amendments to 326 IAC 6-3 concerning process weight rates.

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. Procedures to be followed at this hearing may be found in the April 1, 1996, Indiana Register, page 1710 (19 IR 1710).

Additional information regarding this action may be obtained from Patricia Troth, Rules Development Section, (317) 233-5681 or (800) 451-6027, press 0, and ask for 3-5681 (in Indiana). If the date of this hearing is changed, it will be noticed in the Change of Notice section of the Indiana Register.

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 North Senate Avenue

P.O. Box 6015

Indianapolis, Indiana 46206-6015

or call (317) 233-1785. TDD: (317) 232-6565. Speech and hearing impaired callers may also contact the agency via the Indiana Relay Service at 1-800-743-3333. Please provide a minimum of 72 hours' notification. Copies of these rules are now on file at the Indiana Government Center-North, 100 North Senate Avenue, Tenth Floor and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

Janet G. McCabe
Assistant Commissioner
Office of Air Management