



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

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Eric J. Holcomb
Governor

Bruno L. Pigott
Commissioner

STATE OF INDIANA)
COUNTY OF MARION) SS: BEFORE THE INDIANA DEPARTMENT
) OF ENVIRONMENTAL MANAGEMENT

ORDER OF THE COMMISSIONER)
FOR INDIANAPOLIS POWER & LIGHT) No. 2019-02
COMPANY, PETERSBURG GENERATING)
STATION)

**NOTICE AND ORDER OF THE COMMISSIONER OF
THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**

This Notice and Order of the Commissioner of the Indiana Department of Environmental Management (“IDEM”) is issued pursuant to Indiana Code (“IC”) 13-14-1-9, IC 13-14-2-1, and IC 13-14-2-7 in order to secure compliance with 326 Indiana Administrative Code (“IAC”) 7-3. During the Commissioner’s review, it was determine that the Petition should be granted according to the terms specified below:

PETITION

Petitioner is the Indianapolis Power and Light, Petersburg Generating Station (“IPL-Petersburg”), a stationary electric power generating plant with Source I.D. Number 125-00002, located at 6925 North State Road 57 in Petersburg, Pike County, Indiana, and permitted under Indiana’s Part 70 air operating permit program.

On July 25, 2013, United States Environmental Protection Agency (U.S. EPA) completed an initial round (i.e. Round 1) of nonattainment designations in areas where existing ambient air quality monitors showed violations of the standard. U.S. EPA’s list included the area surrounding the Petersburg Generating Station.

On September 30, 2015 the Indiana Department of Environmental Management (“IDEM”) published revisions to 326 Indiana Administrative Code (IAC) to address the 2010 primary 1-hour Sulfur Dioxide National Ambient Air Quality Standard (NAAQS). Specific to IPL-Petersburg, 326 IAC 7-4-15 established new and more stringent emission limits for IPL-Petersburg’s coal-fired power generating units (Nos. 1-4). On August 15, 2018, U.S. EPA proposed to approve Indiana’s State Implementation Plan (“SIP”), including 326 IAC 7-4-15, addressing attainment of the SO₂ NAAQS for certain locations, including Pike County (Washington Township) and Daviess County (Veale Township).

On May 21, 2019, as the result of an updated evaluation, the Petitioner submitted a request to the Commissioner to implement revised permanent and enforceable SO₂

emissions limitations and emission rates on the Petitioner in order to ensure continued attainment of the SO₂ NAAQS in the area surrounding the Petersburg Generating Station.

The Petitioner proposed SO₂ emission limitations, expressed in SO₂ lb/MMBtu, as a 30-day rolling average, applicable to Unit Nos. 1 through 4, as follows:

- a. Unit 1, 0.10 lb/MMBtu
- b. Unit 2, 0.10 lb/MMBtu
- c. Unit 3, 0.25 lb/MMBtu
- d. Unit 4, 0.24 lb/MMBtu

FINDINGS

Pursuant to IC 13-14-2-1(b) and IC 13-14-2-7(1), the Commissioner may issue Orders to secure compliance with Indiana's environmental statutes and rules, including the ambient air quality standard for Sulfur Dioxide (SO₂) at 326 IAC 1-3-4(b)(1)(A).

Based on the foregoing information, IDEM finds the following:

- 1. Permanent and enforceable 30-day rolling average emission limits in lb/MMBtu for the Petersburg Generating Station is required in order to model continued attainment of the one (1) hour SO₂ NAAQS in the area surrounding the Petitioner.
- 2. Issuance of a Commissioner's Order will ensure the 30-day SO₂ rolling average emission limits remain permanent and enforceable, as required by 42 U.S.C. § 7407(d)(3)(E)(iii). Whereas revising a Part 70 Operating Permit would not create an adequately "permanent" requirement.
- 3. Approval by U.S. EPA of the Commissioner's Order as part of the Indiana SIP will make the Order requirements federally enforceable. Upon approval as part of the Indiana SIP, the Order requirements become applicable requirements as defined in 326 IAC 2-7-1.
- 4. Based on modeling conducted by IDEM, the 30-day SO₂ rolling average emission limits proposed by the Petitioner are adequate to assure continued attainment of the 2010 1-hour primary SO₂ NAAQS.

ORDER

- 1. This Order approves the Petition submitted by the Petitioner according to the terms specified below. This Order imposes on the Petitioner the new 30-day SO₂ rolling average emission limits on Unit Nos. 1 through 4 described below, and which limitations will take effect 30 days after the effective date of this Order.

Emission Unit Description	30-day Rolling Average SO ₂ Emission Limit lb/MMBtu
(1) Unit 1	0.10
(2) Unit 2	0.10
(3) Unit 3	0.25
(4) Unit 4	0.24

2. As required by 326 IAC 7-4-15(c)(1-4), when any of Unit No. 1 through Unit No. 4 is operating, the 30-day SO₂ rolling average emission limit shall not exceed the unit specific emission limit listed above and meet associated monitoring methods. Approval by U.S. EPA of the Commissioner's Order as part of the Indiana State Implementation Plan (SIP) will make the Order requirements federally enforceable. Upon approval as part of the Indiana SIP, the Order requirements become applicable requirements as defined in 326 IAC 2-7-1.
3. As required by 326 IAC 2-7-2(d)(I) and 326 IAC 2-7-5, the Petitioner shall apply to incorporate these Order requirements, including reporting and recordkeeping requirements and methods to determine compliance, into its Part 70 Operating Permit within ninety (90) days of U.S. EPA's approval of the Commissioner's Order as part of the Indiana SIP.
4. This Order shall apply to and be binding upon the Petitioner, its successors and assigns. No change in ownership, corporate, or partnership status of the Petitioner shall in any way alter its status or responsibilities under this Order.
5. The requirements of this Order are in addition to any less stringent requirements applicable to the Petitioner pursuant to 326 IAC 7-4-15.

EFFECTIVE DATE OF ORDER

Pursuant to IC 13-14-2-1(d), IC 4-21.5-3-1, IC 4-21.5-3-5(a)(6), and 40 CFR 51.102, IDEM will give notice of this Order to each entity to whom the Order is directed and affected neighbors by mailing and to the general public by web publication.

Pursuant to IC 4-21.5-3-7(a)(3), IC 4-21.5-3-2(e), and IC 4-21.5-3-5, this Order may be appealed by filing a Petition for review within eighteen (18) days after the date affected persons were given notice of the Order by U.S. mail. Information on petitions for review of this Order can be found at IC 4-21.5-3-7.

Pursuant to IC 4-21.5-3-5(1) and IC 4-21.5-3-2(e), the Order is effective eighteen (18) days from mailing of notice unless a Petition for review has been filed before or on the eighteenth (18th) day. However, for purposes of federal enforceability, the compliance date for the 30-day rolling average SO₂ emission limits in this Order is the date of final effectiveness of U.S. EPA's approval of the Commissioner's Order as part of the Indiana SIP.

Pursuant to 40 CFR 51.103, IDEM will submit this Order to U.S. EPA as a revision to the Indiana SIP. Upon approval by the U.S. EPA, this Order will be part of the Indiana SIP.

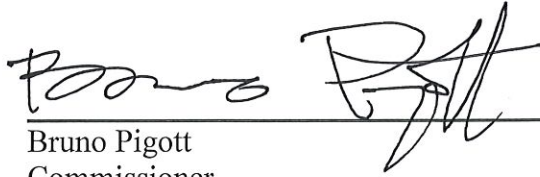
Persons seeking judicial review of this Order may do so in accordance with IC 4-21.5-5.

If you have any procedural or scheduling questions regarding your request for review, you may contact the Office of Environmental Adjudication at (317) 232-8591. If you have any questions regarding this Order, please contact Mark Derf, Chief, Technical Support and Modeling Section, Office of Air Quality, by telephone at (317) 233-5682 or email at mderf@idem.IN.gov.

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Dated at Indianapolis, Indiana this 31st day of July 2019.

A handwritten signature in black ink, appearing to read 'Bruno Pigott', written over a horizontal line.

Bruno Pigott
Commissioner
Indiana Department of Environmental Management