INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We Protect Hoosiers and Our Environment.
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Michael R. Pence, *Governor*
Carol S. Comer, *Commissioner*

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA DEPARTMENT
OF ENVIRONMENTAL MANAGEMENT

IN THE MATTER OF:)
ORDER OF THE COMMISSIONER)
PURSUANT TO IC 13-14-2-1)
FOR A.B. BROWN GENERATING STATION)
OF INDIANA)
)

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

This Notice and Order of the Commissioner of the Department of Environmental Management ("Order") is issued pursuant to Indiana Code ("IC") 13-14-1-9, IC 13-14-2-1, and IC 13-14-2-7. During the Commissioner's review, it was determined that the Petition should be granted according to the terms specified below:

PETITION

Petitioner is Southern Indiana Gas and Electric Company (SIGECO) A.B. Brown Generating Station ("Petitioner"), a stationary electric power plant with Source I.D. Number 129-00010, located at 8511 Welborn Road in Mount Vernon, Posey County, Indiana, and permitted under the Part 70 air operating permit program.

On March 2, 2015, the U.S. District Court for the Northern District of California accepted a Consent Decree between the U.S. Environmental Protection Agency ("U.S. EPA"), the Sierra Club, and the Natural Resources Defense Council to resolve litigation concerning deadlines for completing 1-hour sulfur dioxide ("SO_2") National Ambient Air Quality Standard ("NAAQS") designations. Under the Consent Decree, U.S. EPA must designate certain areas as nonattainment, attainment, or unclassifiable in three phases.

The first Consent Decree phase requires U.S. EPA to designate areas that contain stationary sources that had not been announced for retirement as of March 2, 2015 and either emitted more than 16,000 tons of SO_2 in 2012 or emitted more than 2,600 tons of SO_2 and had an annual average emission rate of more than 0.45 pounds of SO_2 per one million British thermal units ("lb/MMBtu") in 2012, according to U.S. EPA's Air Quality Markets Database.

On March 20, 2015, U.S. EPA identified five (5) sources in Indiana that met the criteria for the first phase of Consent Decree designations. U.S. EPA's list included the Petitioner, A.B. Brown Generating Station.

On September 16, 2015, the Indiana Department of Environmental Management ("IDEM") recommended designation of the area surrounding A.B. Brown Generating Station as attainment. The recommendation was based on modeling that included a permanent and enforceable SO_2 emission limitations and emission rates at A.B. Brown Generating Station.

On December 21, 2015, the Petitioner submitted a request to the Commissioner to impose permanent and enforceable SO_2 emission limitations and emission rates on the Petitioner in order to ensure continued attainment of the SO_2 NAAQS in the area surrounding A.B. Brown Generating Station.

The Petitioner proposed SO_2 emission limitations, expressed in SO_2 lb/MMBtu, and emission rates, expressed in SO_2 pounds per hour ("lb/hr"), applicable to both Unit No. 1 and Unit No. 2, as follows:

a. 0. 363 lb/MMBtu, twenty-four (24) hour rolling average;

b. 1831.6 lb/hr, twenty-four (24) hour rolling average; and

c. 2152.2 lb/hr, one (1) hour average.

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 SO_2 at 326 Indiana Administrative Code ("IAC") 1-3-4(b)(1)(A).

Based on the foregoing information, IDEM finds the following:

1. Permanent and enforceable SO_2 emission limitations and emission rates for A.B. Brown Generating Station are required in order to model continued attainment of the 1-hour SO_2 NAAQS in the area surrounding the Petitioner.

2. Adding SO_2 emission limitations and emission rates to the Petitioner's Part 70 Operating Permit is not adequately permanent to assure continued attainment of the SO_2 NAAQS. Instead, a Commissioner's Order is required to ensure SO_2 emission limitations and emission rates remain permanent and enforceable, as required by 42 U.S.C. § 7407(d)(3)(E)(iii).

3. Approval by U.S. EPA of the Commissioner's Order into the Indiana State Implementation Plan ("SIP") is required to make Order requirements federally enforceable. Upon approval into the Indiana SIP, the Order requirements become applicable requirements as defined in 326 IAC 2-7-1(6).

4. Based on modeling conducted by IDEM, the SO_2 emission limitations and emission rates proposed by the Petitioner must be clarified and adjusted in order to assure continued attainment of the SO_2 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 SO_2 emission limitations and emission rates described below.

2. When Unit No. 1 is operating alone, the unit shall not exceed SO_2 emission limitations and emission rates as follows:

   a. 2152.2 lb/hr, one (1) hour average or emission rate of 0.855 lb/MMBtu, one (1) hour average; and

   b. 1831.6 lb/hr, twenty-four (24) hour rolling average or emission rate of 0.727 lb/MMBtu, twenty-four (24) hour rolling average.

3. When both Unit No. 1 and Unit No. 2* are in operation, both units shall not exceed combined SO_2 emission limitations and emission rates as follows:

   a. 2152.2 lb/hr, one (1) hour average or emission rate of 0.426 lb/MMBtu, one (1) hour average; and

   b. 1831.6 lb/hr, twenty-four (24) hour rolling average or emission rate of 0.363 lb/MMBtu, twenty-four (24) hour rolling average.

4. When Unit No. 2* is operating alone, the unit shall not exceed SO_2 emission limitations and emission rates as follows:

   a. 1745.7 lb/hr, one (1) hour average or emission rate of 0.690 lb/MMBtu, one (1) hour average; and

   b. 1485.59 lb/hr, twenty-four (24) hour rolling average or emission rate of 0.588 lb/MMBtu, twenty-four (24) hour rolling average.

*Pursuant to PSD (65) 1355 issued on February 22, 1979, Unit No. 2 shall not exceed an SO_2 emission limitation of 0.69 lb/MMBtu, thirty (30) day rolling average. The SO_2 emission limitation applies to Unit No. 2 whenever Unit No. 2 is operating; this includes when Unit No. 2 is operating alone and when both Unit No. 1 and Unit No. 2 are in operation.

5. The Petitioner shall comply with the SO_2 emission limitations and emission rates beginning April 19, 2016.

6. As required by 326 IAC 2-7-2(d)(1) and 326 IAC 2-7-5, the Petitioner shall apply to incorporate 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 approval of the Commissioner's Order into the Indiana SIP.

7. From April 19, 2016 until IDEM issues a Permit incorporating Order requirements, the Petitioner shall comply with the reporting and recordkeeping requirements and methods to determine compliance specified in this paragraph.

a. Reporting: The Petitioner shall submit to IDEM, on a quarterly basis, a report of the daily maximum twenty-four (24) hour SO_2 rolling average for Unit No. 1, for Unit No. 2, and for Unit No. 1 and Unit No. 2 combined.

b. Recordkeeping: The Petitioner shall maintain records adequate to document compliance with the SO_2 emission limitations and emission rates.

c. Method to determine compliance: Compliance shall be determined by a continuous emission monitoring system in accordance with 326 IAC 3-5.

8. 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.

9. The requirements of this Order supersede any less stringent requirements applicable to the Petitioner.

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 Code of Federal Regulations ("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(f) 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 (18^{th}) day. However, the compliance date for the emission limitations in this Order is April 19, 2016.

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

Dated at Indianapolis, Indiana this 11th day of January, 2016.

Carol S. Comer
Commissioner
Indiana Department of Environmental Management