



## APPROVAL OF REQUEST FOR EXTENSION

On September 29, 2015 the Indiana Department of Environmental Management, Office of Air Quality (IDEM, OAQ) received from Logansport Municipal Utilities (source ID 017-00006) a request for a one-year extension of the January 31, 2016 compliance date for the standards set forth in 40 CFR Part 63, Subpart DDDDD. The one year extension is requested for Logansport Municipal Utilities Boiler Units 5 and 6, and is attached and labeled as Attachment A.

IDEM, OAQ has made the following determination pursuant to 40 CFR Part 63.6(i)(9): Logansport Municipal Utilities has made a demonstration sufficient to show that the coal-fired boilers, identified as Boiler Unit 5 (constructed 1955) and Boiler Unit 6 (constructed 1962), shall have a one-year extension of the January 31, 2016 compliance date to and including January 30, 2017 for the standards set forth in 40 CFR Part 63, Subpart DDDDD subject to the following ORDER of the Commissioner of the Indiana Department of Environmental Management.

### ORDER

Pursuant to Indiana Code § 13-14-2-6 and in order to secure compliance with 40 CFR Part 63, Subpart DDDDD, Logansport Municipal Utilities is subject to the following ORDER:

1. Logansport Municipal Utilities shall submit a status report within fifteen (15) days of completion of the following milestones indicating the actual dates of completion:
  - a. The date on-site construction for the installation of the emission control equipment identified in Attachment A for Boiler Units 5 and 6 is initiated, and
  - b. The date on-site construction for the installation of the emission control equipment identified in Attachment A for Boiler Units 5 and 6 is completed.
  - c. The date by which final compliance with 40 CFR Part 63, Subpart DDDDD for Boiler Units 5 and 6 is achieved.
2. Logansport Municipal Utilities, Boiler Units 5 and 6 shall comply with the standards set forth in 40 CFR Part 63, Subpart DDDDD no later than January 31, 2017.
3. Logansport Municipal Utilities shall request a significant permit modification of its Part 70 permit pursuant to 326 IAC 2-7-12 within six (6) months of the date of this order to add the compliance schedule requirements contained in Order Paragraphs 1 and 2.

Pursuant to IC 4-21.5-3-5 this Agency Determination and Order is effective eighteen (18) days after service of this notice pursuant to IC 4-21.5-3-2, unless a petition for stay is filed with a petition for administrative review that meet the requirements of IC 4-21.5-3-7. Please refer to the enclosed Notice of Decision for your rights regarding appeal.

Dated at Indianapolis, Indiana this 27<sup>th</sup> day of October, 2015



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Carol S. Comer  
Commissioner

cc: Alexis Cain, EPA

Attachment A

September 24, 2015 Logansport Municipal Utilities request for Boiler MACT compliance extension

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State of Indiana

SEP 29 2015

Dept of Environmental Management  
State of Indiana

**LOGANSFORT MUNICIPAL UTILITIES**

*Paul A. Hartman, Superintendent*

*601 E. Broadway, Room 101*

*Logansport, IN 46947*

*Telephone: 574.753.6231*

*Fax: 574.753.9828*

September 24, 2015

Mr. Keith Baugues  
Assistant Commission, Office of Air Quality  
**Indiana Department of Environmental Management**  
100 North Senate Avenue  
Indianapolis, IN 46204

RECEIVED  
State of Indiana

SEP 29 2015

Dept of Environmental Management  
State of Indiana

**RE: LOGANSFORT MUNICIPAL UTILITIES, REQUEST FOR BOILER MACT COMPLIANCE EXTENSION**

Dear Mr. Baugues:

Logansport Municipal Utilities (LMU) operates two coal-fired boilers located at the LMU Generating Plant in Logansport. These boilers are subject to the "major source" provisions of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Industrial, Commercial, and Institutional Boilers and Process Heaters under 40 CFR Part 63, Subpart DDDDD, otherwise known as Boiler MACT. The applicable Boiler MACT compliance date for LMU's two boilers is January 31, 2016, but LMU hereby requests a one-year extension for the compliance date, i.e., until January 31, 2017. As discussed with members of your staff, the basis for this requested extension is provided below.

LMU's original compliance plan for Boiler MACT was to shut down the coal-fired boilers and to have a third party developer construct a waste-to-energy facility that would provide the citizens of Logansport with low-cost electricity. Those plans have failed to materialize, and LMU has now shifted its focus to converting the existing boilers from burning 100% coal to burning engineered fuel pellets or a blend of engineered fuel pellets and coal. The fuel pellets are produced by Greenwood Fuels (GWF) of Green Bay, Wisconsin, and are classified by USEPA as a non-hazardous secondary material (NHSM) and a non-waste fuel under 40 CFR Part 241. USEPA issued a November 14, 2011 letter explaining and summarizing these conclusions.<sup>1</sup>

Successful utilization of the GWF fuel pellets will require LMU and GWF to first conduct testing to confirm and optimize the boilers' ability to burn the pellets as well as determine the proper design requirements for the emission control system upgrades needed to comply with Boiler MACT. For example, modifications to the boilers and/or raw material delivery systems

<sup>1</sup> November 14, 2011 letter from Margaret Guerriero, Director, USEPA Region V Land and Chemicals Division to James Rickun, <http://www.epa.gov/osw/nonhaz/define/pdfs/fiber-polymer-nhsm.pdf>, URL last visited August 19, 2015.

may be needed to efficiently burn the fuel pellets. LMU anticipates Dry Sorbent Injection (DSI) will be required to reduce HCl emissions for compliance with Boiler MACT, but DSI confirmation and design criteria are needed. It remains possible, however, that other emission control system modifications may be needed.

In light of this strategy, LMU anticipates it will be unable to complete the conversion to engineered fuel pellets and upgrade the emission control system by January 31, 2016. Consequently, LMU requests that IDEM grant LMU a compliance date extension pursuant to 40 CFR 63.6(i)(4)(i)(A). After some discussions with your staff about the particulars for obtaining this extension, LMU and GWF developed the following plan to conduct equipment evaluation, fuel test burns, and emission control system testing in the 4<sup>th</sup> quarter of 2015. Once testing is complete, the boiler and emission control system upgrades can be designed, procured, and installed prior to the requested deadline of January 31, 2017.

40 CFR 63.6(i)(4)(i) requires the following information in a request for a MACT compliance extension:

- A description of the pollution control equipment that will be installed
- A compliance schedule with the following dates:
  - The date when on-site construction will begin;
  - The date when construction will be complete; and
  - The date when final compliance will be achieved.

The remainder of this letter provides the information required by 40 CFR 63.6(i)(4)(i).

#### **Description of the pollution controls to be installed**

In addition to burning cleaner fuel (with the GWF engineered fuel pellets), LMU expects to install a dry sorbent injection system to reduce acid gas emissions, in particular, HCl, HF, and SO<sub>2</sub>. The DSI system is anticipated to reduce HCl emissions to below Boiler MACT standards. In addition, modifications to or replacement of the existing Electrostatic Precipitators (ESPs) may be needed to ensure sufficient reduction of PM. The anticipated combination of DSI and ESP technology is expected to reduce the regulated emissions in compliance with the Boiler MACT requirement.

#### **Compliance schedule**

As described earlier, LMU and GWF must conduct testing of the boilers to determine the suitability of the boilers to burn the GWF pellets, and then conduct further testing to determine the DSI design criteria and other emission control system needs. This testing can take place no sooner than the 4<sup>th</sup> quarter of 2015 after acquiring the necessary local government approvals. Once the testing is complete, then the facility can begin designing and procuring the necessary equipment for the boiler and emission control systems.

Mr. Keith Baugues  
September 24, 2015  
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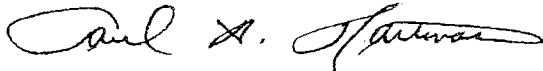
LMU projects the following schedule, subject to change upon completion of testing in the 4<sup>th</sup> quarter of 2015:

- On site construction begins: May 1, 2016
- On site construction complete: December 1, 2016
- Final compliance achieved: January 31, 2017

If you or your staff have any questions or need further information, please contact Bernie Paul of B Paul Consulting, LLC at 317-344-9730 or [bernie@bpaulconsulting.com](mailto:bernie@bpaulconsulting.com).

Sincerely,

LOGANSPORT MUNICIPAL UTILITIES



Paul A. Hartman, Superintendent

Cc: Bernie Paul, B Paul Consulting, LLC  
Randy LeTang, SG Preston



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
*We Protect Hoosiers and Our Environment.*

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Michael R. Pence  
Governor

Carol S. Comer  
Commissioner

MEMORANDUM

TO: Permittee / Interested Parties

FROM: Phil Perry <sup>PRP</sup>  
Air Compliance & Enforcement Branch  
Office of Air Quality

SUBJECT: Notice of Decision

Please be advised that the Commissioner of the Department of Environmental Management has issued a decision regarding the enclosed matter. Pursuant to IC 4-21.5-3-5, this decision is effective eighteen (18) days after service of this notice pursuant to IC 4-21.5-3-2, unless a petition for stay is filed with a petition for administrative review that meet the requirements of IC 4-21.5-3-7.

If you wish to challenge this decision, IC 4-21.5-3-5 requires that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, Indiana Government Center North, Room N-501E, 100 N. Senate Ave, Indianapolis, IN, 46204, within fifteen (15) days from the date of receipt of this notice. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing: (1) The date the document is delivered to the Office of Environmental Adjudication (OEA). (2) The date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail. (3) The date, on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the person to whom the order is specifically directed, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the order, decision, or other for which you seek review by permit number, name of the applicant, location, date of this notice and the following: (1) the name and address of the person making the request; (2) the interest of the person making the request; (3) identification of any persons represented by the person making the request; (4) the reason, with particularity, for the request; (5) the issues, with particularity, proposed for consideration at any hearing; (6) the identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

Pursuant to IC 4-21.5-3-5(d), the Office of Environmental Adjudication will provide you with notice of any prehearing conferences, preliminary hearings, hearings, stays, or orders disposing of the review of this decision if a written request is submitted to the Office of Environmental Adjudication at the above address. If you have procedural or rescheduling questions regarding your petition, you may contact the Office of Environmental Adjudication at 317-233-0850. If you have any other questions regarding the enclosed document, please contact the Office of Air quality, (OAQ) at 317-232-8457.

