



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

*We make Indiana a cleaner, healthier place to live.*

Mitchell E. Daniels, Jr.  
Governor

Thomas W. Easterly  
Commissioner

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August 11, 2006

Mr. Blake Jeffrey, Executive Director  
Indiana Cast Metals Association  
P.O. Box 441743  
Indianapolis, Indiana 46244

*RE: Notice of Limited Self-Disclosure Opportunity for CO  
Emissions from PCS Operations within the Foundry Sector*

Dear Mr. Jeffrey:

The Indiana Department of Environmental Management ("IDEM") and representatives of the foundry sector within Indiana have each been recently made aware of certain previously unknown or unidentified carbon monoxide ("CO") emissions generated by the pouring, cooling, and shakeout ("PCS") operations common to the foundry sector. This letter serves as notice that, consistent with IDEM's *Self-Disclosure & Environmental Audit Policy*, IDEM is offering a limited opportunity for facilities within the foundry sector to identify and disclose potential violations related to CO emissions from PCS operations. This limited opportunity is framed by the attached *CO Emissions Guidelines*.

For those sources within the foundry sector that choose to take advantage of this opportunity by **December 31, 2007** (and consistent with the *CO Emissions Guidelines*), IDEM shall not seek either gravity-based or economic benefit of non-compliance-based civil penalties against such sources. After December 31, 2007, IDEM shall resume its normal compliance and enforcement activities related to the foundry sector. It should be understood that the U.S. Environmental Protection Agency—independent of this IDEM initiative—may elect to perform its own foundry sector compliance and enforcement activities within Indiana.

If you have any permit-related questions, please contact Ms. Nisha Sizemore at (317) 232-8356.

Sincerely,

Matthew T. Klein, Assistant Commissioner  
of Compliance & Enforcement

Enclosure

## **CO Emissions Guidelines**

### **1.0 Overview**

Each foundry must evaluate its Potential to Emit for CO and assess whether the Potential to Emit for CO is consistent with its current level of operating permit and whether the requirements of the Prevention of Significant Deterioration (PSD) rules may apply as a result of the CO Potential to Emit. This evaluation may use the default emission factor of 6.0 lbs/ton of metal poured for the combined pouring, cooling and shakeout processes, or the results of facility specific CO test data. Facilities may use data from other similar facilities, if IDEM agrees that testing at the source is impractical or infeasible and the other facility data is reasonably representative of the same foundry processes. Approval for the use of other facility data will be on a case-by-case basis with prior approval from IDEM.

### **2.0 Schedule**

If it is determined from the evaluation of the source's Potential to Emit for CO that the current level of permit is appropriate for the facility and further limitations are not required to ensure the facility is not a major source, no further action to amend the permit is required.

If it is determined that: the facility is required to change from a Minor Source Operating Permit to a FESOP or Title V permit; amend its current FESOP permit to include limitations for CO emissions; or amend its Title V permit to include limitations to restrict emissions below PSD major source or Major modification thresholds, the source shall submit a complete application to IDEM by August 1, 2007.

If it is determined that a PSD permit is required for past modifications for the facility, the source shall submit a complete PSD application for the modification(s) by December 31, 2007.

### **3.0 PSD Permits**

Historical CO emissions above the PSD threshold will not require a PSD permit if the foundry agrees to accept limits to keep CO emissions below the PSD applicability level.

### **4.0 Fees**

IDEM agrees not to seek payment of past due Title V fees that were the result of CO emissions from the pouring cooling and shakeout processes.

## **Guidelines for Determining the Type of Operating Permit Change Required**

1. For a foundry that has applied for or already received an MSOP:

If the foundry's plant-wide potential CO emissions, based on unlimited potential emissions (using maximum design capacity and 8760 hours per year) are:

- less than 100 tons per year, the foundry does not need to apply for a revision to its permit or update its application.
- Greater than 100 tons per year and the source would like to limit its CO emissions to less than 100 tons per year (with throughput limits or add-on controls) the source should apply for a FESOP.
- Greater than 100 tons per year and the source does not believe it can comply with limits to keep CO emission below 100 tons per year, the source should apply for a Title V permit.

2. For a foundry that has applied for or already received a FESOP:

If the foundry's plant-wide potential CO emissions, based on unlimited potential emissions (using maximum design capacity and 8760 hours per year) are:

- less than 100 tons per year, the foundry does not need to apply for a revision to its permit or update its application.
- Greater than 100 tons per year and the source would like to limit its CO emissions to less than 100 tons per year (with throughput limits or add-on controls) the source should apply for a FESOP revision, or update its application, to add the appropriate CO limits to the permit.
- Greater than 100 tons per year and the source does not believe it can comply with limits to keep CO emission below 100 tons per year, the source should apply for a Title V permit.

If production limits already written in the FESOP cause maximum CO emissions to be less than 100 tons per year, the foundry does not need to apply for a revision to its permit. The permit will be updated to include CO emissions during the permit's renewal.

3. For a foundry that has applied for or already received a Title V permit:

- The source should apply for a modification, or update its application, to add any necessary emission limits or production limits to the permit to make PSD or Emission Offset not applicable.
- A PSD or Emission Offset permit may be necessary if the source cannot comply with limits to keep all pollutants below the significant levels.