State of Illinois

STATEMENT OF BASIS
FOR DRAFT CAAPP PERMIT

Source Name:	Hoffman Estates (CHI05, CHI06, CHI07) Data Center
Source I.D. Number:	031449ADS
Permit Number:	23100001
Date Prepared:	October 26, 2026

Permitting Authority:
Illinois Environmental Protection Agency
Bureau of Air, Permit Section
217-785-1705

Table of Contents

1 – Legal Overview of the Permit and Permit Conditions 3
1.1 Legal Framework of the CAAPP 3
1.2 Legal Framework of This Document 3
1.3 Standards for Issuance of the CAAPP Permit 3
1.4 Legal Framework for Conditions in the CAAPP Permit 3

2 – Factual Overview for the Permit and Permit Conditions 4
2.1 Source Description 4
2.2 Single Source Status 4
2.3 Ambient Air Quality Status for Surrounding Area 4
2.4 Reason(s) Why a CAAPP Source 5
2.5 Applicable Federal and State Regulations 5
2.6 Permitting History 6
2.7 Testing 6
2.8 Field Inspections 6
2.9 Annual Emissions 7

3 – Changes from the Previously Issued CAAPP Permit 8
3.1 Permit Condition Changes 8

4 – Monitoring 9
4.1 Periodic Monitoring for Source-Wide Requirements 9
4.2 Periodic Monitoring for Significant Emission Units 9
4.3 Compliance Assurance Monitoring (CAM) 9

5 – Other Discussions 10
5.1 Reporting 10

1 – Legal Overview of the Permit and Permit Conditions

1.1 Legal Framework of the CAAPP

The Illinois EPA's state operating permit program for major sources established to meet the requirements of 40 CFR Part 70 is found at Section 39.5 of the Illinois Environmental Protection Act (Act) [415 ILCS 5/39.5]. The program is called the Clean Air Act Permitting Program (CAAPP). The CAAPP was given final full approval by USEPA on December 4, 2001 (see 66 FR 62946).

1.2 Legal Framework of This Document

This document is a requirement of Section 39.5(8)(b) of the Act, which states:

> "The Agency shall prepare a ..... statement that sets forth the legal and factual basis for the Draft CAAPP permit conditions, including references to the applicable statutory or regulatory provisions."

This Statement of Basis is not enforceable and only sets forth the legal and factual basis for the Draft CAAPP Permit Conditions. The Statement of Basis does not shield the source from enforcement actions or its responsibility to comply with existing or future applicable regulations. Nor does the Statement of Basis constitute a defense to a violation of the federal Clean Air Act (CAA) nor the Act, including implementing regulations.

1.3 Standards for Issuance of the CAAPP Permit

The Illinois EPA shall issue a CAAPP Permit if the following standards for issuance have been met, pursuant to Section 39.5(10)(a)(i) through (iv) of the Act:

- The applicant has submitted a complete and certified application for a permit consistent with Section 39.5(5) of the Act and applicable regulations.
- The applicant has submitted with its complete application an approvable compliance plan ... consistent with Section 39.5(5) of the Act and applicable regulations.
- The applicant has timely paid the fees required pursuant to Section 39.5(18) of the Act and applicable regulations.
- The applicant has provided any additional information as requested by the Illinois EPA.

It is the Illinois EPA's preliminary determination that the standards for issuance above have been met. Therefore, the Illinois EPA has initiated the necessary procedural requirements to issue a Final CAAPP Permit. The Illinois EPA has posted the Draft CAAPP Permit and this Statement of Basis on the Illinois EPA's website:

https://epa.illinois.gov/public-notices/boa-notices.html

1.4 Legal Framework for Conditions in the CAAPP Permit

Most of the conditions contained within the Draft CAAPP Permit are derived from environmental requirements found in state and/or federal regulations. In some instances, the CAAPP provides the legal basis for the inclusion of requirements in a CAAPP permit, such as periodic monitoring, reporting, recordkeeping, and the carry-over of construction permits. In other instances, the legal basis for inclusion of requirements in a CAAPP permit may not be the CAAPP, but rather other things, such as state or federal consent orders.

2 – Factual Overview for the Permit and Permit Conditions

2.1 Source Description

Source	Hoffman Estates (CHI05, CHI06, CHI07) Data Center
Source ID	031449ADS
Address	2045 Lakewood Boulevard Hoffman Estates, IL 60192
Township	Hoffman Estates
County	Cook
SIC Code	7374 Computer Processing and Data Preparation and Processing Services

The source operates three electronic data centers containing computer equipment that consumes electrical power, which is normally purchased from the utility grid. The emission units associated with the three data centers include a total of fifty-five (55) emergency generators used to supply power to the source when electrical power from the utility grid is unavailable due to outages. In addition, the emergency generators will be fired periodically for short periods of time as part of a maintenance testing program.

The source is not located in a potential area of Environmental Justice concern.

Emission Unit(s)	Description
Emergency Generators	Source operates three data centers with a total of fifty-five (55) emergency generators. Of these, 52 units are rated at 4,376 HP each, while the remaining 3 units are rated at 762 HP each and are considered insignificant activities. All emergency generators are powered by compression ignition internal combustion engines that fire ultra-low sulfur diesel (ULSD) and/or renewable diesel fuel.

2.2 Single Source Status

Hoffman Estates (CHI05, CHI06, CHI07) Data Center does not have any associated stationary sources that would be considered a single stationary source based on information contained within the certified application.

Under Section 39.5 of the Act, separate stationary sources can be considered a single stationary source for purposes of Title V of the CAA if they:

- belong to the same industrial grouping or operate as a support facility,
- are located on contiguous or adjacent properties, and
- are under common control.

2.3 Ambient Air Quality Status for Surrounding Area

The source is located in an area with the following classifications regarding the National Ambient Air Quality Standards (NAAQS).

Criteria Pollutant	Attainment Status
Carbon Monoxide (CO)	Unclassifiable/Attainment

Criteria Pollutant	Attainment Status
Lead (Pb)	Unclassifiable/Attainment
Nitrogen Dioxide (NO_2)	Unclassifiable/Attainment
Ozone (O_3)	Nonattainment - Serious
Particulate Matter with Mass Median Diameter at or below 2.5 microns ($PM_{2.5}$)	Not Yet Designated
Particulate Matter with Mass Median Diameter at or below 10 microns (PM_{10})	Unclassifiable/Attainment
Sulfur Dioxide (SO_2)	Unclassifiable/Attainment

2.4 Reason(s) Why a CAAPP Source

The source requires a CAAPP permit for the following reason(s), per Section 39.5(2) of the Act:

Reason	Determination
PTE Exceeds 100 tpy of PM	No - Natural Minor
PTE Exceeds 100 tpy of SO_2	No - Natural Minor
PTE Exceeds 50 tpy of VOM	No - Natural Minor
PTE Exceeds 100 tpy of CO	No – Synthetic Minor
PTE Exceeds 50 tpy of NO_X	Yes
PTE Exceeds 10 tpy of Individual HAP	No - Natural Minor
PTE Exceeds 25 tpy of Total HAPs	No - Natural Minor
Required in NSPS/NESHAP	No
Section 129 of the Clean Air Act Source	No
Treated as a "Major Source" under the New Source Review Program	No
Subject to Acid Deposition Control, Title IV of the Clean Air Act	No

2.5 Applicable Federal and State Regulations

Federal Regulations

Part	Subpart	Title
40 CFR Part 60	Subpart A	General Provisions
40 CFR Part 60	Subpart IIII	Standards of Performance for Stationary Compression Ignition Internal Combustion Engines
40 CFR Part 61	Subpart M	Standard of Asbestos
40 CFR Part 82	Subpart F	Ozone Depleting Substances

State Regulations

Part	Title
35 IAC Part 201	Permits and General Provisions
35 IAC Part 212	Visible And Particulate Matter Emissions
35 IAC Part 214	Sulfur Limitations
35 IAC Part 244	Episodes
35 IAC Part 254	Annual Emissions Report

2.6 Permitting History

List of CAAPP Permit Actions

The source has not been issued a CAAPP permit.

List of Construction Permits

Construction permits derive from the New Source Review (NSR) permit programs required by Title I of the CAA. The Draft CAAPP Permit identifies Title I conditions with a [T1] "tag" following the condition. Title I Conditions that are revised as part of their incorporation into a CAAPP Permit are identified as "T1R."

The source has been issued the following construction permits:

Permit Number	Date Issued	Status	Description
21120011	03/09/2022 Revised 03/22/2024	Incorporated into the Draft CAAPP Permit	Hoffman Estates (CHI05) Data Center
23110003	12/19/2024	Incorporated into the Draft CAAPP Permit	Hoffman Estates (CHI06 and CHI07) Data Center

List of Obsolete or Extraneous Title I Conditions

The following conditions from construction permits have been designated obsolete and/or extraneous:

Permit Number	Condition	Description
21120011	14(a)(i)(A)	T1R superseded condition
21120011	14(a)(ii)(A)	T1R superseded condition
23110003	12(a)(i)(A)	T1R superseded condition
23110003	12(a)(ii)(A)	T1R superseded condition
21120011	14(a)(i)	Obsolete - Not practical to limit the runtime of emergency engines. Moreover, the draft CAAPP permit includes combined fuel usage limitation for all big engines at the source.
23110003	12(a)(i)	Obsolete - Not practical to limit the runtime of emergency engines. Moreover, the draft CAAPP permit includes combined fuel usage limitation for all big engines at the source.
23110003	12(a)(ii)	Obsolete - Not practical to limit the runtime of emergency engines. Moreover, the draft CAAPP permit includes combined fuel usage limitation for all small engines at the source.

2.7 Testing

The source was not required to perform testing.

2.8 Field Inspections

The source was most recently inspected on July 28, 2023.

2.9 Annual Emissions

The following table lists annual emissions (in tons) of regulated air pollutants for the source, as reported in the Annual Emission Reports (AER) submitted to the Illinois EPA:

Pollutant	2025	2024	2023	2022	2021
CO	0.600	0.102	0.287	0.252	-
NO_X	3.505	0.520	1.465	1.284	-
PM	0.053	0.009	0.026	0.022	-
SO_2	0.004	0.001	0.002	0.002	-
VOM	0.136	0.023	0.065	0.056	-
Benzene (HAP)	0.002	0.000	0.001	0.001	-
Total HAP	0.003	0.000	0.001	0.001	-

3 – Changes from the Previously Issued CAAPP Permit

3.1 Permit Condition Changes

There are no previously issued CAAPP permits for the source. So, there are no comparisons to be made.

4 – Monitoring

CAAPP permits must contain applicable monitoring and related testing, reporting, and recordkeeping requirements. Broadly speaking, these types of conditions are meant to ensure that sources are able to demonstrate compliance with the applicable requirements. Two areas related to monitoring that are narrower in application include periodic monitoring and compliance assurance monitoring (CAM).

As addressed in 40 CFR 70.6(a)(3)(i)(B) and Section 39.5(7)(d)(ii) of the Act, periodic monitoring is a monitoring requirement(s) (which may include just recordkeeping) sufficient to yield reliable data for the relevant time period added when an applicable requirement does not require periodic testing or monitoring.

4.1 Periodic Monitoring for Source-Wide Requirements

Requirement	Periodic Monitoring Added?	Rationale
35 IAC 212.301	Yes	The source only has paved roads contributing to fugitive PM

4.2 Periodic Monitoring for Significant Emission Units

a. Emergency Generators

Requirement	Periodic Monitoring Added?	Rationale
Emission standards in 40 CFR 60 Subpart IIII	Yes	Engine certification and configuration and installation records are adequate for demonstrating compliance with emission standards.
35 IAC 212.123(a)	Yes	Because the engines are emergency units that only operate during emergencies, emissions are generally minimal.
35 IAC 214.301	Yes	Records of maximum concentration in exhaust are adequate because the maximum is below the limit.
35 IAC 214.305(a)(2)	No	Requirement contains adequate monitoring under 35 IAC 214.305(a)(3).
T1 limits for PM, SO_2, VOM, CO, and NOx	No	The construction permit requirements carried over had adequate monitoring.

4.3 Compliance Assurance Monitoring (CAM)

The source does not operate any emission units subject to CAM requirements.

5 – Other Discussions

5.1 Reporting

Regulatory Reports

Many state and federal environmental regulations establish reporting obligations. The CAAPP at Section 39.5(7)(b) of the Act makes clear that all reports required under applicable regulations shall be carried forward into the CAAPP Permit.

The Draft CAAPP Permit for this source includes all applicable regulatory reporting as promulgated under federal and state regulations under the CAA and the Act. The regulatory reports may also satisfy the prompt reporting obligations discussed below. These reports must be certified by a responsible official.

Deviation Reports (Prompt Reporting)

Section 39.5(7)(f)(ii) of the Act mandates that each CAAPP Permit require prompt reporting of deviations from permit requirements.

Failure to comply with a permit term, or any occurrence that results in an excursion from any emission limitation, operating condition, or work practice standard is a permit deviation subject to prompt reporting.

Neither the CAAPP nor the federal rules upon which the approved CAAPP program in Illinois is based define the term "prompt." The Illinois EPA has the discretion to define "prompt" in relation to the degree and type of deviation likely to occur at a particular source. The Illinois EPA defines prompt reporting on a permit-by-permit basis. In instances where the underlying applicable requirement contains "prompt" reporting, the Illinois EPA typically incorporates the pre-established timeframe into the CAAPP permit (e.g., a NESHAP or NSPS deviation report). Where the underlying applicable requirement does not explicitly set forth the timeframe for reporting deviations, the Illinois EPA generally uses a timeframe of 30 days to define prompt reporting of deviations.

In addition, pursuant to Section 39.5(7)(f)(i) of the Act, the Draft CAAPP Permit would also require the source to provide a summary of all deviations with the Semi-Annual Monitoring Report.

Semi-Annual Monitoring Reports

Section 39.5(7)(f)(i) of the Act mandates that each CAAPP Permit require the submittal of a report relative to monitoring obligations as set forth in the permit. Depending upon the monitoring obligation at issue, the semi-annual monitoring report may also constitute a deviation report as previously discussed. Semi-annual monitoring includes instrumental and non-instrumental emissions monitoring, emissions analyses, and emissions testing established by state or federal laws or regulations or as established in the CAAPP Permit. This monitoring also includes recordkeeping. Each deviation from each monitoring requirement must be identified in the relevant semi-annual report. The semi-annual reports shall be submitted regardless of any deviation events. Reporting periods for semi-annual monitoring reports are January 1 through June 30, and July 1 through December 31 of each calendar year. Such reporting requirement is found in Section 3.5(b) of the Draft CAAPP Permit.

Annual Compliance Certifications

Section 39.5(7)(p)(v) of the Act mandates that each CAAPP Permit require a source to submit a certification of its compliance status with each term and condition of its CAAPP Permit. The CAAPP requires that this report be submitted, regardless of compliance status, on an annual basis. The Draft CAAPP Permit requires this

annual certification be submitted by May 1 and cover the previous calendar year. The report shall be certified by a responsible official. Such reporting requirement is found in Section 2.5(a) of the Draft CAAPP Permit.