



Kathleen Sebelius, Governor
Roderick L. Bremby, Secretary

DEPARTMENT OF HEALTH
AND ENVIRONMENT

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Division of Environment

AIR CONSTRUCTION REVISED PERMIT

Source ID No.: 1190025

Effective Date: DRAFT

Source Name: Panhandle Eastern Pipeline Company (PEPL)

SIC Code: 4922, Natural Gas Transmission

NAICS Code: 48621, Pipeline Transportation of Natural Gas

Source Location: 1701 S. Road
Meade, Kansas 67864

Mailing Address: 5444 Westheimer
Houston, Texas 77056-5306

Contact Person: Marc Phillips, Principal Engineer
Telephone No. (713) 989-7464

This permit is issued pursuant to K.S.A. 65-3008 as amended; and consists of the conditions contained herein, the revised permit application dated January 15, 2008, the original Prevention of Significant Deterioration (PSD) permit issued December 11, 1980 by the U. S. Environmental Protection Agency (EPA) and all revisions. In the event that any conditions, requirements, or limitations contained herein is not in exact agreement with the permit application, or any of its revisions, the conditions, requirements, and/or limitation contained herein shall control.

DIVISION OF ENVIRONMENT
Bureau of Air & Radiation
Air Construction/Operating Permits & Compliance Section
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Description of Activity Subject to Air Pollution Control Regulations

On December 11, 1980 EPA issued PEPL a PSD permit for the installation of five 3200 horsepower natural gas fired internal combustion reciprocating engines as part of their Borchers Storage Facility located at 1701 S. Road, south of Meade, Kansas. The PSD permit included emission limits and monitoring requirements on the five internal combustion engines. Monitoring requirements were based on a proposed New Source Performance Standard (NSPS) that was never finalized after the initial 1979 proposal. On January 18, 2008 EPA finalized NSPS for new engines. This permit is being issued to establish new monitoring requirements that will replace those established in the original PSD permit. No modifications are being made to the engines' emissions or rated capacity. This is considered to be an administrative change to the original PSD permit and does not trigger any additional Best Available Control Technology (BACT) or ambient impacts review. The new monitoring and testing requirements for the existing engines are based on requirements for new engines finalized by EPA on January 18, 2008.

The initial installation of the five compressor engines constituted a major modification under Prevention of Significant Deterioration (PSD) [40 CFR 52.21, incorporated at K.A.R. 28-19-350]. This administrative revision to the original PSD permit is intended to restate the original BACT requirements and define the monitoring and testing requirements in terms similar to those currently required on new engines in this source category.

Significant Applicable Air Regulations

The project, as proposed, is subject to Kansas Administrative Regulations (K.A. R.) relating to air pollution control. The following air quality regulations were determined to be applicable to this source:

1. K.A.R. 28-19-350 Prevention of Significant Deterioration of Air Quality.
2. K.A.R. 28-19-650(a)(3) Emissions Opacity Limits.

Air Emission Unit Technical Specifications

The following equipment was installed after the December 11, 1980 permit was issued:

1. Five (5) Clark Model TLAD-8 3,000 horsepower 2-cycle lean burn engines. The engines are natural gas fueled.

Air Emissions Estimates from the Proposed Activity

No changes in emissions are expected to occur as a result of the permit revisions, the changes are considered administrative.

Air Emission Limitations

1. The nitrogen oxides (NO_x) emissions from the five Clark Model TLAD-8 engines are not to exceed the BACT limit of 850 part per million (ppm) corrected to 15% oxygen (O₂) on a dry basis.

Permit Conditions

BACT for the five Clark Model TLAD-8 engines

The owner or operator shall comply with the following requirements on and after the date on which the initial performance test is completed, but not later than 180 days after the date this revised permit is issued.

1. Conduct an initial performance test and demonstrate compliance with the NO_x BACT limit for the five Clark Model TLAD-8 engines within 180 days from the date this permit revision is issued.
2. Keep a maintenance plan and records of conducted maintenance on the engines.
3. Conduct subsequent performance testing to demonstrate compliance with the NO_x BACT limit for the five Clark Model TLAD-8 engines every 8,760 hours of operation or 3 years, whichever comes first.

General Provisions

1. This document shall become void if the construction or modification has not commenced within 18 months of the effective date, or if the construction or modification is interrupted for a period of 18 months or longer.
2. A construction permit or approval must be issued by KDHE prior to commencing any construction or modification of equipment or processes which results in a potential-to-emit increase equal to or greater than the thresholds specified at K.A.R. 28-19-300.

3. Upon presentation of credentials and other documents as may be required by law, representatives of the KDHE (including authorized contractors of the KDHE) shall be allowed by the permittee to:
 - (a) enter upon the premises where a regulated facility or activity is located or conducted or where records must be kept under conditions of this document;
 - (b) have access to and copies of, at reasonable times, any records that must be kept under conditions this document;
 - (c) inspect, at reasonable times, any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this document; and
 - (d) sample or monitor, at reasonable times, for the purposes of assuring compliance with this document or as otherwise authorized by the Secretary of the KDHE, any substances or parameters at any location.
4. The emission unit or stationary source that is the subject of this document shall be operated in compliance with all applicable requirements of the Kansas Air Quality Act and the federal Clean Air Act.
5. This document is subject to periodic review and amending as deemed necessary to fulfill the intent and purpose of the Kansas Air Quality Statutes and Regulations.
6. This document does not relieve the permittee of the obligation to obtain other approvals, permits, licenses, or documents of sanction which may be required by other federal, state, or local agencies.
7. Issuance of this document does not relieve the owner or operator of any requirement to obtain an air quality operating permit under any applicable provision of K.A.R. 28-19-500.

Approval Engineer

Dana S. Morris, P.E.
Environmental Engineer
Air Permitting Section

Date Signed

DSM:saw

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