



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

1595 Wynkoop Street
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<http://www2.epa.gov/aboutepa/epa-region-8-mountains-and-plains>

Ref: 8P-AR

Mr. Dan Jefferson
EHS Manager
Red Cedar Gathering Company
125 Mercado Street, Suite 201
Durango, Colorado 81301

JUN - 5 2014

Re: Red Cedar Gathering Company, Sambrito Compressor Station
Permit # SMNSR-SU-000049-2011.001, Synthetic Minor New Source Review Permit

Dear Mr. Jefferson:

The Environmental Protection Agency, Region 8 (EPA) has completed its review of Red Cedar Gathering Company's (Red Cedar's) request to obtain a synthetic minor permit to construct pursuant to the Tribal Minor New Source Review Permit Program at 40 CFR Part 49 (MNSR) for the Sambrito Compressor Station. Based on the information submitted in Red Cedar's application the EPA hereby issues the enclosed final MNSR permit to construct for the Sambrito Compressor Station. Please review each condition carefully and note any restrictions placed on this source.

A 30-day public comment period was held from November 21, 2013 to December 23, 2013. The EPA received comments from Red Cedar on December 17, 2013. No other comments were received during the public comment period. The EPA's response to the public comments is also enclosed. The EPA made several revisions to the permit based on Red Cedar's comments, as well as EPA-identified changes necessary for clarification and consistency with other EPA-issued permits. The final permit will be effective on July 5, 2014.

Pursuant to 40 CFR 49.159, within 30 days after the final permit decision has been issued, any person who commented on the specific terms and conditions of the draft permit, may petition the Environmental Appeals Board to review any term or condition of the permit. Any person who failed to comment on the specific terms and conditions of this permit may petition for administrative review only to the extent that the changes from the draft to the final permit or other new grounds were not reasonably ascertainable during the public comment period. The 30-day period within which a person may request review begins with this notice of the final permit decision. If an administrative review of the final permit is requested, the specific terms and conditions of the permit that are the subject of the request for review must be stayed.

If you have any questions concerning the enclosed final permit please contact Claudia Smith of my staff at (303) 312-6520.

Sincerely,



Debra H. Thomas
Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

Enclosures

cc: Brenda Jarrell, Air Quality Program Director, Southern Ute Indian Tribe Environmental Program

Enclosure -Response to Comments and Changes to Proposed MNSR Permit to Construct

Comments from Red Cedar Gathering Company (Red Cedar) on Proposed Permit to Construct for the Sambrito Compressor Station pursuant to the Tribal Minor New Source Review Permit Program at 40 CFR Part 49 (MNSR)

1. “Comment #1 – Generator engine load requirements

Pg. 5, condition I.G.2 and Pg. 6, condition I.H.4.(c) – The reference in these permit conditions to 90.0% to 100.0% of engine capacity at site location should be removed for the 959 hp 4SLB natural gas-fired electric generator RICE. This unit is not capable of achieving a load of 90.0% to 100.0% of the engine capacity at the site location due to the electrical load of the facility being far below the capacity of the generator engine. Red Cedar recommends using ‘maximum achievable operating rate’ for both locations in reference to this unit. In June 2011 Red Cedar requested, and received approval for an alternative test method to test this unit at less than 90% load.”

We agree that the requested change is warranted. Given the EPA’s June 2011 approval to alternatively test the engine at less than 90% load, we are making the requested change. The condition at I.E.2. of the final permit has been changed to read, “The 959 hp 4SLB engine shall be equipped with a catalytic control system capable of reducing uncontrolled CO emissions to meet the emission limits specified in this permit.” The condition at I.F.4.(c) of the final permit, has been changed to read, “All tests shall be performed at a maximum operating rate (90% to 110% of the maximum achievable load available at the time of the test). The Permittee may submit to the EPA a written request for approval of testing at an alternate load level, but shall only test at that level after obtaining approval from the EPA.”

2. “Comment #2 – NO_x emission limits

There appears to be multiple locations where references to NO_x emission limits for engines at the Sambrito Compressor Station were included in error. There are not any emission limits or synthetic minor requirements for NO_x at this facility. The following are the locations where ‘NO_x’ should be removed from the emission references: I.H.1., 1.(a), (b), (c), 4., 4.(b), 4.(d), 4.(f), I.6., 6.(a)-(c), 8., 9., 10., 12., K.1., and M.1.(b).”

The references to NO_x emissions were not included in error and have not been deleted from the final permit. The original conditions in the Title V permit were established in 2011. Since that time, the EPA’s experience with implementation of the requirements has necessitated that we enhance the monitoring of emission limits and operational requirements to provide stronger enforceability and assurance of compliance with the limits. We proposed this additional NO_x testing and monitoring that was not previously established in the Part 71 permit using our authority at 40 CFR 49.155(a)(3) (note that there were no NO_x emission limits proposed as Red Cedar stated in its comments, only NO_x testing and monitoring requirements). Further, the

MNSR regulations at §§49.158(c)(2)(ii) and (iii) provide the EPA with the discretion to establish any additional requirements, including control technology requirements, based on the specific circumstances of the source.

As explained starting on page 7 of the technical support document for the proposed permit, in general, there is a fundamental relationship between engine operating parameters and exhaust emissions. We proposed a requirement to test both CO and NO_x emissions simultaneously and requirements to restrict the adjustment of engines prior to and during emission testing, to ensure that the CO emission limits for the five (5) 4,735 hp 4SLB engines and one (1) 959 hp 4SLB engine in the MNSR permit are being met under normal operating conditions. We also proposed additional NO_x monitoring and testing requirements for the five (5) engines. We proposed that Red Cedar monitor NO_x emissions from all five (5) engines quarterly with a portable analyzer at the same time as measuring CO emissions and that Red Cedar conduct testing for measuring NO_x emissions concurrently with each performance test for measuring CO emissions.

According to standard stoichiometry principles, emission levels of NO_x and CO from natural gas combustion are only independent to a point; thereafter, they are inversely proportional. Lean burn engines emit lower levels of NO_x, but higher levels of CO than rich burn engines. This is because a reduction of NO_x requires the addition of O₂ to the combustion process, which after a point can lead to combustion instability and result in higher CO and unburned hydrocarbon levels due to incomplete combustion. However, the reduction of CO using oxidation catalysts requires high temperatures, which can lead to increased NO_x formation, because NO_x produced by natural gas-fired spark ignition RICE is primarily thermal NO_x. Therefore, as CO emissions are reduced through emission controls, NO_x emissions will increase after a certain point. It is feasible for owners and operators of RICE to adjust or tune certain engine operating parameters prior to testing for particular pollutant emissions to assure compliance with an emission limit. Requiring NO_x monitoring and a NO_x train on each performance test for CO emissions encourages an operator to test engines at as close to normal operating conditions as possible and ensure that operating settings are not adjusted prior to a test for CO emissions such that the NO_x emission rates increase to a level that may lead to exceedances of major source emission thresholds if the engine were operated at those settings for an entire year. The data collected from the NO_x testing and monitoring will ensure the EPA that the engines are tested for CO at operating conditions that are close to normal and are not being tuned prior to testing just to meet the emission limits. Therefore, the references to NO_x emissions have not been removed from the final permit. However, upon further research, the EPA determined that in lieu of a NO_x performance test simultaneous with a CO performance test, data obtained through NO_x emissions testing using a portable analyzer would be representative and credible evidence to indicate potential engine tuning, provided the analyzer(s) meet the pre and post test calibration error of the applicable test method. The performance testing requirements have been revised in the final permit to reflect this change.

3. **“Comment #3 – Typographical errors**

Pg. 14, II.A.10. – There is an ‘i.’ placed in the middle of the paragraph;
Pg. 15, II.A.16 and 18 – there are skipped lines in the middle of the paragraphs.”

We agree that the requested changes are warranted. The extraneous outline number and line spaces have been corrected in the final permit.

**United States Environmental Protection Agency
Region 8, Air Program
1595 Wynkoop Street
Denver, CO 80202**



**Air Pollution Control
Synthetic Minor Source Permit to Construct**

40 CFR 49.151

SMNSR-SU-000049-2011.001

*Permit to Construct to establish legally and practically enforceable
limitations and requirements on sources at an existing facility.*

Permittee:

Red Cedar Gathering Company

Permitted Facility:

Sambrito Compressor Station
Southern Ute Indian Reservation
La Plata County, Colorado

Summary

On November 18, 2011, the EPA received an application from Red Cedar Gathering Company (Red Cedar) requesting a synthetic minor permit for the Sambrito Compressor Station in accordance the requirements of the Tribal Minor New Source Review Permit Program at 40 CFR Part 49 (MNSR).

The Sambrito Compressor Station is located within the exterior boundaries of the Southern Ute Indian reservation in Colorado. The facility provides natural gas field compression and dehydration to remove entrained water vapor from the gas stream. The natural gas comes from upstream coal-bed methane production wells and compressor stations connected to a gathering pipeline system to the inlet of the facility.

This permit does not authorize the construction of any new emission sources, nor does it otherwise authorize any other physical modifications to the facility or its operations. This permit is intended only to incorporate required and requested emission limits and provisions from the following documents:

- A. An operating permit the EPA issued to Red Cedar for the Sambrito Compressor Station in accordance with the Title V Operating Permit Program at 40 CFR Part 71 (Part 71), effective February 9, 2011.
- B. A November 18, 2011, application from Red Cedar requesting a synthetic minor permit for the Sambrito Compressor Station.

The transfer of the requirements from the Part 71 permit, in addition to the incorporation of limits requested by Red Cedar in the application into a single permit, consolidates the requirements originating from these documents into one permit.

The EPA determined that this approval will not contribute to NAAQS violations, or have potentially adverse effects on ambient air.

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I. Conditional Permit to Construct

A. General Information

Facility: Sambrito Compressor Station
Permit number: SMNSR-SU-000049-2011.001
SIC Code and Description: 1311 – Crude Petroleum and Natural Gas

Site Location: Sambrito Compressor Station
SW ¼ Sec 3 T32N R6W
Southern Ute Indian Reservation
La Plata County, Colorado

Corporate Office Location:
Red Cedar Gathering Company
125 Mercado Street, Suite 201
Durango, CO 81301

The equipment listed in this permit may only be operated by Red Cedar Gathering Company (Red Cedar) at the following location:

Latitude 37.043769N, Longitude -107.493169W

B. Applicability

1. This permit is being issued under authority of the Tribal Minor New Source Review Program at 40 CFR Part 49 (MNSR).
2. The requirements in this permit have been created, at the Permittee's request, to avoid the requirements of the Prevention of Significant Deterioration Permit Program at 40 CFR Part 52 (PSD) for a modification at the Sambrito Compressor Station (otherwise a PSD significant modification to the facility).
3. Any conditions established for this facility or any specific units at this facility pursuant to any permit issued under the PSD or the MNSR permit program continue to apply.
4. By issuing this permit, the EPA does not assume any risk of loss which may occur as a result of the operation of the permitted facility by the Permittee, Owner, and/or Operator, if the conditions of this permit are not met by the Permittee, Owner, and/or Operator.

C. Construction Requirements

1. The Permittee shall install and operate emission controls as specified in this permit on five (5) reciprocating internal combustion engines, each meeting the following specifications:
 - (a) Operated as a 4-stroke lean-burn (4SLB) engine;
 - (b) Fired with natural gas; and
 - (c) Limited to a maximum site rating of 4,735 horsepower (hp).
2. The Permittee may install and operate emission controls as specified in this permit on one (1) reciprocating internal combustion engine used for electric generation, meeting the following specifications:

- (a) Operated as a 4SLB engine;
 - (b) Fired with natural gas; and
 - (c) Limited to a maximum site rating of 959 hp.
3. Only the natural gas-fired engines that are operated and controlled as specified in this permit are approved for installation under this permit.

D. Emission Limits

- 1. Facility-wide carbon monoxide (CO) emissions shall not exceed 230 tons during any consecutive 12 months.
- 2. CO emissions from each of the five (5) 4,735 hp 4SLB engines shall not exceed:
 - (a) 0.8 grams per horsepower hour (g/hp-hr); and
 - (b) 8.35 pounds per hour (lb/hr).
- 3. CO emissions from the 959 hp 4SLB engine, equipped with an oxidation catalyst, shall not exceed:
 - (a) 1.1 grams g/hp-hr; and
 - (b) 2.4 lb/hr.
- 4. Emission limits shall apply at all times, unless otherwise specified in this permit.

E. Control and Operational Requirements

- 1. Each engine shall be equipped with a catalytic control system capable of reducing the uncontrolled CO emissions to meet the emission limits specified in this permit.
- 2. The Permittee shall install, operate, and maintain temperature-sensing devices (i.e. thermocouple or resistance temperature detectors) before the catalytic control system on each engine to continuously monitor the exhaust temperature at the inlet of the catalyst bed. Each temperature-sensing device shall be calibrated and operated according to manufacturer specifications.
- 3. Except during startups, which shall not exceed 30 minutes, the engine exhaust temperature at the inlet to each catalyst bed shall be maintained at all times the engine operates at no less than 550 °F and no more than 1,350 °F.
- 4. During operation the pressure drop across the catalyst bed on each engine shall be maintained to within ± 2 inches of water from the baseline pressure drop reading taken during the initial performance test. The baseline pressure drop across the catalyst bed shall be determined at 100% $\pm 10\%$ of the engine load measured during the most recent performance test or portable analyzer monitoring, as specified in this permit.

5. The Permittee shall only fire each engine with natural gas. The natural gas shall be pipeline-quality in all respects except that the CO₂ concentration in the gas is not required to be within pipeline-quality.
6. The Permittee shall follow, for each engine and its respective catalytic control system, the manufacturer recommended maintenance schedule and procedures, or equivalent procedures developed by the Permittee or vendor, to ensure optimum performance of each engine and its respective catalytic control system.
7. The Permittee may rebuild an existing permitted engine or replace an existing permitted engine with an engine of the same hp rating, and configured to operate in the same manner as the engine being rebuilt or replaced. Any emission limits, requirements, control technologies, testing or other provisions that apply to the engines that are rebuilt or replaced shall also apply to the replaced engines.
8. The Permittee may resume operation without the catalytic control system during an engine break-in period, not to exceed 200 operating hours, for rebuilt and replaced engines.

F. Performance Testing Requirements

1. Performance tests shall be conducted on each engine for measuring CO emissions to demonstrate compliance with the emission limits in this permit. The performance tests shall be conducted in accordance with appropriate reference methods specified in 40 CFR Part 60, Appendix A and 40 CFR Part 63, Appendix A, or EPA-approved American Society for Testing and Materials (ASTM) methods. The Permittee may submit to the EPA a written request for approval of an alternate test method, but may only use that alternate test method after obtaining written approval from the EPA.
 - (a) The initial performance test shall be conducted for each engine within 90 calendar days of startup of a new engine.
 - (b) Performance tests shall be conducted within 90 calendar days of replacement of the catalyst on each engine.
 - (c) Performance tests shall be conducted within 90 calendar days of startup of all rebuilt engines and replaced engines.
2. The Permittee shall not perform engine tuning or make any adjustments to engine settings, catalytic control system settings, or process or operational parameters the day of or during the engine testing. Any such tuning or adjustments may result in a determination by the EPA that the test is invalid. Artificially increasing an engine load to meet testing requirements is not considered engine tuning or adjustments.
3. The Permittee shall not abort any engine tests that demonstrate non-compliance with the CO emission limits.
4. All performance testing conducted on each engine shall meet the following requirements:
 - (a) The pressure drop across each catalyst bed and the inlet temperature to the catalyst bed shall both be measured and recorded at least once during each performance test.

- (b) The Permittee shall measure NO_x emissions from each engine simultaneously with all performance tests for CO emissions. NO_x emissions shall be measured using a portable analyzer and protocol approved by the EPA. [*Note to Permittee: Although the permit does not contain NO_x emission limits for this engine, NO_x measurement requirements have been included as an indicator to ensure compliance with Condition F.2. above.*]
- (c) All tests shall be performed at a maximum operating rate (90% to 110% of the maximum achievable engine load available at the time of the test). The Permittee may submit to the EPA a written request for approval of testing at an alternate load level, but may only test at that level after obtaining written approval from the EPA.
- (d) During each test run, data shall be collected on all parameters necessary to document how CO emissions were measured and calculated (such as test run length, minimum sample volume, volumetric flow rate, moisture and oxygen corrections, etc.).
- (e) Each test shall consist of at least three 1-hour or longer valid test runs. Emission results shall be reported as the arithmetic average of all valid test runs and shall be in terms of the emission limits (lbs/hr and g/hp-hr) in this permit.
- (f) Performance test plans for shall be submitted to the EPA for approval 60 calendar days prior to the date the test is planned.
- (g) Performance test plans that have already been approved by the EPA for the emission units approved in this permit may be used in lieu of new test plans unless the EPA requires the submittal and approval of new test plans. The Permittee may submit new plans for EPA approval at any time.
- (h) The test plans shall include and address the following elements:
 - (i) Purpose of the test;
 - (ii) Engines and oxidation catalysts to be tested;
 - (iii) Expected engine operating rate(s) during test;
 - (iv) Sampling and analysis procedures (sampling locations, test methods, laboratory identification);
 - (v) Quality assurance plan (calibration procedures and frequency, sample recovery and field documentation, chain of custody procedures); and
 - (vi) Data processing and reporting (description of data handling and quality control procedures, report content).
- (i) The Permittee shall notify the EPA at least 30 calendar days prior to scheduled performance testing. The Permittee shall notify the EPA at least one (1) week prior to scheduled performance testing if the testing cannot be performed.
- (j) If a permitted engine is not operating, the Permittee does not need to start up the engine solely to conduct the performance test. The Permittee may conduct the performance test when the engine is started up again.

G. Monitoring Requirements

1. The Permittee shall continuously monitor the engine exhaust temperature at the inlet of the catalyst bed on each engine.
2. Except during startups, which shall not exceed 30 minutes, if the engine exhaust temperature at the inlet to the catalyst bed on any engine deviates from the acceptable ranges specified in this permit, then the following actions shall be taken. The Permittee's completion of any or all of these actions shall not constitute, nor qualify as, an exemption from any other emission limits in this permit.
 - (a) Within 24 hours of determining a deviation of the engine exhaust temperature at the inlet to the catalyst bed, the Permittee shall investigate. The investigation shall include testing the temperature sensing device, inspecting the engine for performance problems and assessing the catalytic control system for possible damage that could affect catalytic system effectiveness (including, but not limited to, catalyst housing damage, and fouled, destroyed or poisoned catalyst).
 - (b) If the engine exhaust temperature at the inlet to the catalyst bed can be corrected by following the engine manufacturer recommended procedures or equivalent procedures developed by the Permittee or vendor, and the catalytic control system has not been damaged, then the Permittee shall correct the engine exhaust temperature at the inlet to the catalyst bed within 24 hours of inspecting the engine and catalytic control system.
 - (c) If the engine exhaust temperature at the inlet to the catalyst bed cannot be corrected using the engine manufacturer recommended procedures or equivalent procedures developed by the Permittee or vendor, or the catalytic control system has been damaged, then the affected engine shall cease operating immediately and shall not be returned to routine service until the following has been met:
 - (i) The engine exhaust temperature at the inlet to the catalyst bed is measured and found to be within the acceptable range for that engine; and
 - (ii) The catalytic control system has been repaired or replaced, if necessary.
3. The Permittee shall monitor the pressure drop across the catalyst bed on each engine every 30 days, using pressure sensing devices before and after the catalyst bed to obtain a direct reading of the differential pressure. *[Note to Permittee: Differential pressure measurements, in general, are used to show the pressure across the filter elements. This information will determine when the elements of the catalyst bed are fouling, blocked or blown out and thus require cleaning or replacement.]*
4. The Permittee shall perform the first measurement of the pressure drop across the catalyst bed no more than 30 days from the date of the initial performance test. Thereafter, the Permittee shall measure the pressure drop across the catalyst bed, at a minimum, every 30 days. Subsequent performance tests, as required in this permit, can be used to meet the periodic pressure drop monitoring requirements provided it occurs within the 30-day window. The pressure drop reading can be a one-time measurement on that day, the average of performance test runs performed on that day, or an average of all the measurements on that day if continuous readings are taken.

5. If the pressure drop exceeds \pm two (2) inches of water from the baseline pressure drop reading taken during the most recent performance test, then the following actions shall be taken. The Permittee's completion of any or all of these actions shall not constitute, nor qualify as, an exemption from any other emission limits in this permit.
 - (a) Within 24 hours of determining a deviation of the pressure drop across the catalyst bed, the Permittee shall investigate. The investigation shall include testing the pressure transducers and assessing the catalytic control system for possible damage that could affect catalytic system effectiveness (including, but not limited to, catalyst housing damage, and plugged, fouled, destroyed or poisoned catalyst).
 - (b) If the pressure drop across the catalyst bed can be corrected by following the catalytic control system manufacturer recommended procedures or equivalent procedures developed by the Permittee or vendor, and the catalytic control system has not been damaged, then the Permittee shall correct the problem within 24 hours of inspecting the catalytic control system.
 - (c) If the pressure drop across the catalyst bed cannot be corrected using the catalytic control system manufacturer recommended procedures or equivalent procedures developed by the Permittee or vendor or the catalytic control system is damaged, then the Permittee shall do one of the following:
 - (i) Conduct a performance test within 90 calendar days, as specified in this permit, to ensure that the emission limits are being met and to re-establish the pressure drop across the catalyst bed. The Permittee shall perform a portable analyzer test to establish a new temporary pressure drop baseline until a performance test can be scheduled and completed; or
 - (ii) Cease operating the affected engine immediately. The engine shall not be returned to routine service until the pressure drop is measured and found to be within the acceptable pressure range for that engine as determined from the most recent performance test. Corrective action may include removal and cleaning of the catalyst or replacement of the catalyst.
6. The Permittee shall monitor CO and NO_x emissions from the exhaust of the catalytic control system of each engine at least quarterly, to demonstrate compliance with the CO emission limits in this permit. To meet this requirement, the Permittee shall:
 - (a) Measure CO and NO_x emissions at the normal operating load using a portable analyzer and a monitoring protocol approved by the EPA, or conduct a performance test as specified in this permit;
 - (b) Measure the CO and NO_x emissions simultaneously; and
 - (c) Commence monitoring for CO and NO_x emissions within 90 days of the Permittee's submittal of initial performance test results for CO emissions to the EPA.
7. The Permittee shall not perform engine tuning or make any adjustments to engine settings, catalytic control system settings, or process or operational parameters immediately prior to the measurements or during the measurements. Any such tuning or adjustments may result in a

determination by the EPA that the result is invalid. Artificially increasing an engine load to meet testing requirements is not considered engine tuning or adjustments.

8. For any one (1) engine: If the results of 2 consecutive quarterly portable analyzer measurements demonstrate compliance with the CO emission limit, the required monitoring frequency for CO and NO_x may change from quarterly to semi-annually.
9. For any one (1) engine: If the results of any subsequent annual portable analyzer measurements demonstrate non-compliance with the CO emission limit, the required monitoring frequency for CO and NO_x shall change from semi-annually to quarterly.
10. The Permittee shall submit portable analyzer specifications and monitoring protocols to the EPA at the following address for approval at least 45 calendar days prior to the date of initial portable analyzer monitoring:

U.S. U.S. Environmental Protection Agency, Region 8
Office of Enforcement, Compliance & Environmental Justice
Air Toxics and Technical Enforcement Program, 8ENF-AT
1595 Wynkoop Street
Denver, Colorado 80202
11. Portable analyzer protocols that have already been approved by the EPA for the emission units approved in this permit may be used in lieu of new protocols unless the EPA requires the submittal and approval of a new protocol. The Permittee may submit a new protocol for EPA approval at any time.
12. The Permittee is not required to conduct emissions monitoring and parametric monitoring of exhaust temperature and catalyst differential pressure on engines that have not operated during the monitoring period. The Permittee shall certify that the engine(s) did not operate during the monitoring period in the annual report specified in this permit.

H. Emissions Calculations

1. Actual CO emissions for the Sambrito Compressor Station shall be calculated, in tons, and recorded at the end of each month, beginning with the first full calendar month after operation commences. The monthly emissions shall be based on the actual average daily emissions for each month.
2. Emissions from all controlled and uncontrolled emission sources for this facility shall be included in the calculations, including, but not limited to: compressor engines, electric generator engines, heaters, TEG dehydrators and reboilers, and liquid storage tanks.
3. At the end of the first full calendar month following the initial CO performance tests for each engine, the Permittee shall calculate the emissions of total CO from each engine for that month using the results of the initial performance tests required in this permit. The Permittee shall also calculate the total CO emissions for that month from all other emission units at the Sambrito Compressor Station specified in this permit. The Permittee shall add those calculated CO emissions to the CO emissions from the engines.
4. The emissions of CO for the Sambrito Compressor Station shall be calculated as follows:

- (a) For each engine equipped with oxidation catalysts, emissions for the month shall be calculated by multiplying the most recent CO test result for that engine (may be the initial test), in lbs/hr, by the number of operating hours for that engine for that month. If data on operating hours are not available for that unit for the month, full-time operation of that unit for that month shall be assumed.
- (b) Monthly emissions calculations shall account for any engine break-in period where the engine was operated without the catalytic control system installed. Emissions for during break-in periods shall be calculated by multiplying the manufacturer-specified CO emission factor for an uncontrolled engine by the hours the engine operated without the catalytic control system installed for that month.
- (c) For remaining emission units at the facility, except IEUs, emissions for the month for each unit shall be calculated by multiplying the CO emission factor for that unit, as shown in the synthetic minor NSR permit application submitted to the EPA, in lbs/hr, by the number of operating hours for that unit for that month. If data on operating hours are not available for that unit for that month, full-time operation of that unit shall be assumed.
- (d) Emissions for IEUs for each month shall be recorded as one-twelfth of the annual emission amount listed for IEUs in the synthetic minor NSR application submitted to the EPA, unless the IEUs have changed, in which case the Permittee shall provide the basis for the new IEU emission calculations with the next required report.
- (e) Subsequent to the initial calculation, CO emissions for the Sambrito Compressor Station shall be calculated each month, as specified above, except that for calculating CO emissions from each engine, results from the most recent CO performance tests shall be used in the calculation, if more current than the initial performance test.

I. Recordkeeping Requirements

The Permittee shall keep the following records:

1. The total CO emissions for the Sambrito Compressor Station. The emissions of CO for the Sambrito Compressor Station shall be recorded at the end of each month, beginning with the first calendar month that operation commences. Prior to 12 full months of operation under, the Permittee shall, at the end of each month, add the emissions for that month to the calculated emissions for all previous months since permit issuance and record the total. Thereafter, the Permittee shall, at the end of each month, add the emissions for that month to the calculated emissions for the preceding 11 months and record a new 12-month total. CO and NO_x emissions from all controlled, uncontrolled, and IEUs specified in this permit shall be included in the calculation;
2. Manufacturer and/or equivalent Permittee or vendor specifications and maintenance requirements for each engine, catalytic control system, temperature-sensing device, and pressure-measuring device;
3. All calibration and maintenance conducted for each engine, catalytic control system, temperature-sensing device, and pressure-measuring device;

4. All temperature measurements required by this permit, as well as a description of any corrective actions taken pursuant to this permit;
5. All pressure drop measurements required by this permit, as well as a description of any corrective actions taken pursuant to this permit;
6. Records sufficient to demonstrate, pursuant to this permit, that the fuel for the engines is pipeline-quality natural gas in all respects, with the exception of the CO₂ concentration in the natural gas;
7. The results of all required testing and monitoring in this permit. The records shall include the following:
 - (a) The date, place, and time of sampling or measurements;
 - (b) The date(s) analyses were performed;
 - (c) The company or entity that performed the analyses;
 - (d) The analytical techniques or methods used;
 - (e) The results of such analyses or measurements; and
 - (f) The operating conditions as existing at the time of sampling or measurement;
8. All catalyst replacements, engine rebuilds, and engine replacements;
9. Each rebuilt or replaced engine break-in period, pursuant to the requirements of this permit, where an existing engine that has been rebuilt or replaced resumes operation without the catalyst control system, for a period not to exceed 200 hours; and
10. Each time any engine is shut down due to a deviation at the inlet temperature to the catalyst bed or pressure drop across the catalyst bed. The Permittee shall include in the record the cause of the problem, the corrective action taken, and the timeframe for bringing the temperature at the inlet to the catalyst bed or the pressure drop across the catalyst bed back into the range of compliance.

J. Records Retention

1. The Permittee shall retain all records required by this permit for a period of at least 5 years from the date the record was created.
2. Records shall be kept in the vicinity of the facility, such as at the facility, the location that has day-to-day operational control over the facility, or the location that has day-to-day responsibility for compliance of the facility.

K. Reporting Requirements

1. Annual Emission Reports

- (a) The Permittee shall submit an annual report of the actual annual emissions of CO from all emission units at the facility, including emissions from IEUs and from startups, shutdowns,

and malfunctions, each year no later than April 1st. The annual report shall cover the period for the previous calendar year. All reports shall be certified to truth and accuracy by the person primarily responsible for Clean Air Act compliance for the Permittee.

(b) The report shall be submitted to:

U.S. Environmental Protection Agency, Region 8
Office of Partnerships and Regulatory Assistance
Tribal Air Permitting Program, 8P-AR
1595 Wynkoop Street
Denver, Colorado 80202

The report may be submitted via electronic mail to r8AirPermitting@epa.gov.

2. Any documents required to be submitted under this permit, with the exception of the Annual Emission Reports, shall be submitted to:

U.S. Environmental Protection Agency, Region 8
Office of Enforcement, Compliance & Environmental Justice
Air Toxics and Technical Enforcement Program, 8ENF-A
1595 Wynkoop Street
Denver, Colorado 80202

Documents may be submitted electronically to r8AirReportEnforcement@epa.gov.

3. The Permittee shall promptly submit to the EPA a written report of any deviations of permit requirements and a description of the probable cause of such deviations and any corrective actions or preventative measures taken. A “prompt” deviation report is one that is post marked or submitted via electronic mail to r8AirReportEnforcement@epa.gov as follows:

- (a) Within 30 days from the discovery of any of the emission limits or operational limits that is left un-corrected for more than five (5) days after discovering the deviation; and
- (b) By April 1st for the discovery of a deviation of recordkeeping or other permit conditions during the preceding calendar year that do not affect the Permittee’s ability to meet the emission limits.

4. The Permittee shall submit a report for any required performance test to the EPA Regional Office within 60 days after completing the tests.

3. The Permittee shall submit any record or report required by this permit upon EPA request.

II. General Provisions

A. Conditional Approval

Pursuant to the authority of 40 CFR 49.151, the EPA hereby conditionally grants this permit to construct. This authorization is expressly conditioned as follows:

1. *Document Retention and Availability:* This permit and any required attachments shall be retained and made available for inspection upon request at the location set forth herein.
2. *Permit Application:* The Permittee shall abide by all representations, statements of intent and agreements contained in the application submitted by the Permittee. The EPA shall be notified 10 days in advance of any significant deviation from this permit application as well as any plans, specifications or supporting data furnished.
3. *Permit Deviations:* The issuance of this permit may be suspended or revoked if the EPA determines that a significant deviation from the permit application, specifications, and supporting data furnished has been or is to be made. If the proposed source is constructed, operated, or modified not in accordance with the terms of this permit, the Permittee will be subject to appropriate enforcement action.
4. *Compliance with Permit:* The Permittee shall comply with all conditions of this permit, including emission limitations that apply to the affected emissions units at the permitted facility/source. Noncompliance with any permit term or condition is a violation of this permit and may constitute a violation of the Clean Air Act and is grounds for enforcement action and for a permit termination or revocation.
5. *Fugitive Emissions:* The Permittee shall take all reasonable precautions to prevent and/or minimize fugitive emissions during the construction period.
6. *National Ambient Air Quality Standard and PSD Increment:* The permitted source shall not cause or contribute to a National Ambient Air Quality Standard violation or a PSD increment violation.
7. *Compliance with Federal and Tribal Rules, Regulations, and Orders:* Issuance of this permit does not relieve the Permittee of the responsibility to comply fully with all other applicable federal and tribal rules, regulations, and orders now or hereafter in effect.
8. *Enforcement:* It is not a defense, for the Permittee, in an enforcement action, to claim that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
9. *Modifications to Existing Permitted Emission Units/Limits:* For proposed modifications, as defined at §49.152(d), that would increase an emissions unit allowable emissions of pollutants above its existing permitted annual allowable emissions limit, the Permittee shall first obtain a permit modification pursuant to the MNSR regulations approving the increase. For a proposed modification that is not otherwise subject to review under the PSD or MNSR regulations, such proposed increase in the annual allowable emissions limit shall be approved through an administrative permit revision as provided at §49.159(f).
10. *Relaxation of Legally and Practically Enforceable Limits:* At such time that a new or modified source within this permitted facility/source or modification of this permitted facility/source becomes a major stationary source or major modification solely by virtue of a relaxation in any legally and practically enforceable limitation which was established after August 7, 1980, on the capacity of the permitted facility/source to otherwise emit a pollutant, such as a restriction on hours of operation, then the requirements of the PSD regulations shall apply to the source or modification as though construction had not yet commenced on the source or modification.

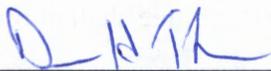
11. *Revise, Reopen, Revoke and Reissue, or Terminate for Cause:* This permit may be revised, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee, for a permit revision, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. The EPA may reopen this permit for a cause on its own initiative, e.g., if this permit contains a material mistake or the Permittee fails to assure compliance with the applicable requirements.
12. *Severability Clause:* The provisions of this permit are severable, and in the event of any challenge to any portion of this permit, or if any portion is held invalid, the remaining permit conditions shall remain valid and in force.
13. *Property Rights:* This permit does not convey any property rights of any sort or any exclusive privilege.
14. *Information Requests:* The Permittee shall furnish to the EPA, within a reasonable time, any information that the EPA may request in writing to determine whether cause exists for revising, revoking and reissuing, or terminating this permit or to determine compliance with this permit. For any such information claimed to be confidential, you shall also submit a claim of confidentiality in accordance with 40 CFR Part 2, Subpart B.
15. *Inspection and Entry:* The EPA or its authorized representatives may inspect this permitted facility/source during normal business hours for the purpose of ascertaining compliance with all conditions of this permit. Upon presentation of proper credentials, the Permittee shall allow the EPA or its authorized representative to:
 - (a) Enter upon the premises where this permitted facility/source is located or emissions-related activity is conducted, or where records are required to be kept under the conditions of this permit;
 - (b) Have access to and copy, at reasonable times, any records that are required to be kept under the conditions of this permit;
 - (c) Inspect, during normal business hours or while this permitted facility/source is in operation, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;
 - (d) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or other applicable requirements; and
 - (e) Record any inspection by use of written, electronic, magnetic and photographic media.
16. *Permit Effective Date:* This permit is effective immediately upon issuance unless comments resulted in a change in the proposed permit, in which case the permit is effective 30 days after issuance. The Permittee may notify the EPA, in writing, that this permit or a term or condition of it is rejected. Such notice should be made within 30 days of receipt of this permit and should include the reason or reasons for rejection.
17. *Permit Transfers:* Permit transfers shall be made in accordance with 40 CFR 49.159(f). The Air Program Director shall be notified in writing at the address shown below if the company is sold or changes its name.

U.S. Environmental Protection Agency, Region 8
Office of Partnerships and Regulatory Assistance
Tribal Air Permitting Program, 8P-AR
1595 Wynkoop Street
Denver, Colorado 80202

18. *Invalidation of Permit:* This permit becomes invalid if construction is not commenced within 18 months after the effective date of this permit, construction is discontinued for 18 months or more, or construction is not completed within a reasonable time. The EPA may extend the 18-month period upon a satisfactory showing that an extension is justified. This provision does not apply to the time period between the construction of the approved phases of a phased construction project. The Permittee shall commence construction of each such phase within 18 months of the projected and approved commencement date.
19. *Notification of Start-Up:* The Permittee shall submit a notification of the anticipated date of initial start-up of this permitted source to the EPA within 60 days of such date, unless this permitted source is an existing source.

B. Authorization:

Authorized by the United States Environmental Protection Agency, Region 8



6/5/14

Debra H. Thomas
Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

Date