

President

Andy Miller February 16, 2015

Little Rock

Secretary

Mike Carter Arkansas Department of Environmental Quality (ADEQ)

Fort Smith Air Division

Past President
North Little Rock, AR 72118.

Mark Thomas Magnolia

RE: NAAQS State Implementation Plan & Proposed Changes to Rule 18 (APC&E cutive Commission Docket #14-009-R)

Executive Vice President

J. Kelly Robbins To ADEQ Air Division Personnel:

I am pleased to be contacting you on behalf of the Arkansas Independent Producers and Royalty Owners Association (AIPRO) and our 100-plus members who represent all segments of our state's oil and natural gas production community.

AIPRO supports the adoption of the NAAQS into Arkansas air rules and recognize proposing a common-sense approach to maintaining Arkansas's clean air. AIPRO, as well as many other segments of Arkansas's industrial community, supports ADEQ's proposed changes to current state regulations, which will allow flexibility in the permitting process. The new rules would give business owners the choice to make cost-effective reductions in emissions from current operations in order to more quickly obtain new permit modifications for those changes.

We understand and respect the fact that ADEQ has been tasked with a difficult undertaking to maintain ever more stringent air quality standards imposed by the EPA. This is especially true considering that ADEQ's authority over only stationary sources limits the department's ability to control major contributing sources such as fires and traffic. Despite this limitation, AIPRO believes that ADEQ has created a valuable long-term tool to promote the growth of jobs in Arkansas through its modified permitting process and supports the proposed modifications to the regulations.

AIPRO also recognizes that implementation details, policies, and procedures will be defined in the State Implementation Plans currently under development and AIPRO encourages ADEQ to continue to use a public process in the development of those implementation details.

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Additionally, AIPRO would like to comment on proposed changes to Arkansas Regulation 18. Specifically, Reg. 18.301(B)(3) states that, "Except as provided for by law or regulation, any source subject to the requirements of a rule promulgated under 40 CFR Part 60, Part 61, or Part 63 as of June 27, 2008 is required to obtain a permit under this chapter regardless of emissions except for..." 18.301(B)(3) then proceeds to list several NSPS and NESHAP rules which have broad application at sites with actual emissions less than permitting or registration levels.

Within our industry there are several sites that only operate an affected glycol dehydrator under NESHAP HH (Oil and Natural Gas Production) or NESHAP HHH (Natural Gas Transmission and Storage). These facilities obtain air permits even though the actual emissions are less than those required for a permit or registration. With the addition of these two rules to 18.301(B)(3), facilities would not be required to obtain a permit unless actual emissions rose to the level of a permit or registration. This would minimize the permitting burden at ADEQ and facilities would still be responsible for complying with all applicable underlying federal regulations.

Therefore, AIPRO respectfully requests that the ADEQ add the following two NESHAP rules to 18.301(B)(3):

- --40 CFR Part 63, Subpart HH (Oil and Natural Gas Production)
- --40 CFR Part 63, Subpart HHH (Natural Gas Transmission and Storage)

AIPRO appreciates the opportunity to submit comments on these issues. Please advise as to whether or not our association or industry can provide any additional input or information.

Sincerely,

J. Kelly Robbins Executive Vice President