

file

August 7, 2007

Steven Liddell Arkansas Western Gas Company - Drake Compressor Station PO Box 13288 Fayetteville, AR 72703-1002

Dear Mr. Liddell:

The enclosed Permit No. 1185-AOP-R4 is issued pursuant to the Arkansas Operating Permit Program, Regulation # 26.

After considering the facts and requirements of A.C.A. §8-4-101 et seq., and implementing regulations, I have determined that Permit No. 1185-AOP-R4 for the construction, operation and maintenance of an air pollution control system for Arkansas Western Gas Company - Drake Compressor Station to be issued and effective on the date specified in the permit, unless a Commission review has been properly requested under §2.1.14 of Regulation No. 8, Arkansas Department of Pollution Control & Ecology Commission's Administrative Procedures, within thirty (30) days after service of this decision.

All persons submitting written comments during this thirty (30) day period, and all other persons entitled to do so, may request an adjudicatory hearing and Commission review on whether the decision of the Director should be reversed or modified. Such a request shall be in the form and manner required by §2.1.14 of Regulation No. 8.

Sincerely,

Mike Bates

Chief, Air Division

RESPONSE TO COMMENTS

Arkansas Western Gas Company (Drake Compressor Station) DRAFT PERMIT #1185-AOP-R4 AFIN: 24-00071

On June 12, 2007, the Director of the Arkansas Department of Environmental Quality gave notice of a draft permitting decision for the above referenced facility. During the comment period Steven Liddell of Arkansas Western Gas Company, submitted comments, data, views or arguments on the draft permitting decision. The Department's response to these issues follows.

Issue #1:

On June 15th an e-mail from Mr. Liddell was sent to the Department requesting that the source descriptions for Specific Condition 4 on page 13 be updated to Rock Creek VRG 330 for SN-90 and Waukesha Model L5108 GL for SN-89. Additionally, Mr. Liddell requested that Specific Condition 10 on page 16, the emission rates for CO should be 29.1 lb/hr not 29.4 and 5.82 tpy not 2.9.

Response #1:

The comments submitted were all typographical errors and the permit has been updated to reflect the changes requested by the facility.

ADEQ OPERATING AIR PERMIT

Pursuant to the Regulations of the Arkansas Operating Air Permit Program, Regulation 26:

Permit No.: 1185-AOP-R4

Renewal #1 IS ISSUED TO:

Arkansas Western Gas Company

Drake Compressor Station

2204 Westview Road

Ozark, AR 72949 Franklin County

AFIN: 24-00071

THIS PERMIT AUTHORIZES THE ABOVE REFERENCED PERMITTEE TO INSTALL, OPERATE, AND MAINTAIN THE EQUIPMENT AND EMISSION UNITS DESCRIBED IN THE PERMIT APPLICATION AND ON THE FOLLOWING PAGES. THIS PERMIT IS VALID BETWEEN:

October 31, 2003

AND

October 30, 2008

THE PERMITTEE IS SUBJECT TO ALL LIMITS AND CONDITIONS CONTAINED HEREIN.

Signed:

Mike Bates

Chief, Air Division

August 7, 2007

Date Modified

Permit #: 1185-AOP-R4

AFIN: 24-00071

Table of Contents

SECTION I: FACILITY INFORMATION	4
CE CIDYON II INTERODUCEION	.
SECTION II: INTRODUCTION	
Summary of Permit Activity	
Process Description	
Regulations	6
Emission Summary	6
SECTION III: PERMIT HISTORY	9
SECTION IV: SPECIFIC CONDITIONS	11
SN-09 thru SN-14	11
SN-15, SN-19, SN-87, SN-88, SN-89, and SN-90	13
SN-18	16
SECTION V: COMPLIANCE PLAN AND SCHEDULE	18
SECTION VI: PLANTWIDE CONDITIONS	19
SECTION VII: INSIGNIFICANT ACTIVITIES	23
SECTION VIII: GENERAL PROVISIONS	24

Permit #: 1185-AOP-R4

AFIN: 24-00071

List of Acronyms and Abbreviations

A.C.A. Arkansas Code Annotated

AFIN ADEQ Facility Identification Number

CFR Code of Federal Regulations

CO Carbon Monoxide

HAP Hazardous Air Pollutant

lb/hr Pound Per Hour

MVAC Motor Vehicle Air Conditioner

No. Number

NO_x Nitrogen Oxide

PM Particulate Matter

PM₁₀ Particulate Matter Smaller Than Ten Microns

SNAP Significant New Alternatives Program (SNAP)

SO₂ Sulfur Dioxide

SSM Startup, Shutdown, and Malfunction Plan

Tpy Tons Per Year

UTM Universal Transverse Mercator

VOC Volatile Organic Compound

Permit #: 1185-AOP-R4

AFIN: 24-00071

SECTION I: FACILITY INFORMATION

PERMITTEE:

Arkansas Western Gas Company - Drake Compressor Station

AFIN:

24-00071

PERMIT NUMBER:

1185-AOP-R4

FACILITY ADDRESS:

2204 Westview Road

Ozark, AR 72949

MAILING ADDRESS:

P.O. Box 13288

Fayetteville, AR 72703-1002

COUNTY:

Franklin

CONTACT POSITION:

Steven Liddell, Environmental Engineer

TELEPHONE NUMBER:

(479) 582-8635

REVIEWING ENGINEER:

Joseph Hurt

UTM North - South (Y):

Zone 15: 3939.46 km N

UTM East - West (X):

Zone 15: 4251.33 km E

Permit #: 1185-AOP-R4

AFIN: 24-00071

SECTION II: INTRODUCTION

Summary of Permit Activity

Arkansas Western Gas Company (AWG) owns and operates a natural gas compressor station located near Ozark, Arkansas. With this modification, the facility is requesting permission to install a new 1112 horsepower (hp) four cycle clean burn Waukesha 5108 GL engine (SN-89) and replace an existing Waukesha 817 (SN-16) with a new Waukesha VRG330 natural gas reciprocating engine (SN-90). Additionally, the facility requested permission to increase the hours of operation for the emergency generator (SN-18) from 218 hours per year to 400 hour per year. AWG also has requested a limitation of hours of operation at SN-15 and SN-87 to 15,000 combined hours annually. The facility is retiring SN-01, SN-02, SN-03, and SN-04 from service and requested that these engines be removed from the permit. This facility is not subject to the Reciprocating Combustion Engine (RICE) MACT (40 CFR 63, Subpart ZZZZ) because it is not a major source of HAPs. All engines at the facility are natural gas fueled spark ignition engines; therefore the facility is not subject to 40 CFR 60, Subpart IIII – Standard of Performance for Stationary Compression Ignition Internal Combustion Engines. The total potential emissions from the two (2) new engines include 23.3 tpy of NO_x, 57.1 tpy of CO, and 12.5 tpy of VOC, which are all below the significance levels for a PSD review. The overall permitted emission changes include decreases of 16.4 tpy of VOC, 340.5 tpy of CO, and 83.1 tpy of NO_x.

Process Description

The function of the Compressor Station (Drake) is to compress sweet dry natural gas from a gas gathering system into a gas transmission system for delivery to customers in Northwest Arkansas. The Rock Creek compressor and dehydrator are also located at the Drake station site. Gas from the Rock Creek field passes through the dehydrator absorber which, utilizing glycol as a desiccant, removes water vapor from the gas. A natural gas-fired reboiler is used to reconcentrate the glycol. After dehydration, the gas is compressed and sent into the main Drake station suction lines.

Permit #: 1185-AOP-R4

AFIN: 24-00071

Regulations

The following table contains the regulations applicable to this permit.

Regulations	
Arkansas Air Pollution Control Code, Regulation 18, effective February 15, 1999	
Regulations of the Arkansas Plan of Implementation for Air Pollution Control,	
Regulation 19, effective May 28, 2006	
Regulations of the Arkansas Operating Air Permit Program, Regulation 26, effective	
September 26, 2002	

^{*} The Solar Model Saturn natural gas fired turbine engines units SN-09 to SN-14 are not subject to NSPS 40 CFR 60, Subpart GG - Standards of Performance for Stationary Gas Turbine, because they were constructed prior to October 3, 1977.

The following table is a summary of emissions from the facility. This table, in itself, is not an enforceable condition of the permit.

Emission Summary

EMISSION SUMMARY				
Source		D 11	Emission Rates	
Number	Description	Pollutant .	lb/hr	tpy
		VOC	33.7	138.7
Tota	l Allowable Emissions	CO	111.9	355.3
		NO _X	52.6	215.9
	HAPs	Formaldehyde* 2.29 9.33		
SN	Description	Pollutant	lb/hr	tpy
01 - 04	Waukesha Model LRZB engines (330 HP) 4 cycle rich burn Sources removed from service 2007			e 2007
05, 06, & 07		Sources removed 199	8	
	Calan Madal Catana	VOC	3.0	12.8
09	Solar Model Saturn	CO	6.0	25.9
	Engine (1200 HP) turbine	NO_x	4.0	17.3
	Solar Model Saturn	VOC	3.0	12.8
10		CO	6.0	25.9
	Engine (1200 HP) turbine	NO_x	4.0	17.3

^{**} All engines at the facility are natural gas fueled spark ignition engines; therefore the facility is not subject to 40 CFR 60, Subpart IIII – Standard of Performance for Stationary Compression Ignition Internal Combustion Engines.

^{*** 40} CFR 63, Subpart ZZZZ not applicable at this time because the facility is not a major source of HAPs

Arkansas Western Gas Company - Drake Compressor Station Permit #: 1185-AOP-R4 AFIN: 24-00071

	EMISSION SUMMARY				
Source	Description	Pollutant	Emission Rates		
Number		Tonaunt	lb/hr	tpy	
	Solar Model Saturn	VOC	3.0	12.8	
11	Engine (1200 HP) turbine	CO	6.0	25.9	
	3	NO _x	4.0	17.3	
10	Solar Model Saturn	VOC	3.0	12.8	
12	Engine (1200 HP) turbine	CO	6.0	25.9	
		NO _x	4.0	17.3	
12	Solar Model Saturn	VOC	3.0	12.8	
13	Engine (1200 HP) turbine	CO	6.0	25.9	
		NO _x	4.0	17.3	
14	Solar Model Saturn	VOC	3.0	12.8	
14	Engine (1200 HP) turbine	CO	6.0	25.9	
		NO _x	4.0	17.3	
	Waukesha Model L7042	VOC	3.3	12.3	
15	GL engine (1478 HP)4	CO	8.2	30.6	
	cycle clean burn	NO _x	6.6	24.5	
		Formaldehyde	0.57	2.13	
16	Waukesha Model F817G engine (125 HP) 4 cycle rich burn	Source remo	ved from service	2007	
17		tor Reboiler - Insignific	cant Activity		
	General Motors 305 in ³	VOC	0.4	0.1	
18	engine (92 HP) 4 cycle	CO	29.1	5.9	
	rich burn	NO_x	0.8	0.2	
		VOC	3.3	14.1	
10	Waukesha Model L5108	. CO	8.7	38.0	
19	GL engine (1122 HP) 4	NO_x	4.9	21.2	
	cycle clean burn	Formaldehyde	0.43	1.89	
	Permit # 1185-AOP-R0 li		<u> </u>		
20 01	have very small tpy emissi				
20 – 81	coal seam gas there are ne				
		ts) All are Insignifica			
82		Emissions - Insignific			
83		Safety Kleen Parts Washer - Insignificant Activity			
84		Lube Oil Storage Tank - Insignificant Activity			
85		Blowdown - Insignificar			
86		llection Tank - Insignif			
	Waukesha Model L7042	VOC	3.3	12.3	
87	GL engine (1478 HP) 4	СО	8.2	30.6	
	cycle clean burn	NO_x	6.6	24.5	

Permit #: 1185-AOP-R4

AFIN: 24-00071

	EMISSION SUMMARY				
Source		D 11	Emission Rates		
Number	Description	Pollutant	lb/hr	tpy	
		Formaldehyde	0.57	2.13	
	Waukesha 3521 GL Clean	VOC	1.7	7.2	
00	burn compressor engine	CO	5.9	25.7	
88	(738 HP) 4 stroke lean burn	NO_{x}	3.0	12.9	
		Formaldehyde	0.28	1.24	
	Wyll Model I 5100	VOC	3.3	14.1	
00	Waukesha Model L5108	CO	8.7	38.0	
89	GL engine (1122 HP) 4	NO_x	4.9	21.2	
	cycle clean burn	Formaldehyde	0.43	1.89	
	D - 1 C - 1 W - 1 - 1	VOC	0.4	1.8	
00	Rock Creek Waukesha	CO	7.1	31.1	
90	VRG330 Natural Gas	NO_{x}	1.8	7.6	
	Reciprocating Engine	Formaldehyde	0.01	0.05	

^{* -} HAPs included in the VOC totals. Other HAPs are not included in any other totals unless specifically stated.

Permit #: 1185-AOP-R4

AFIN: 24-00071

SECTION III: PERMIT HISTORY

Air Permit No. 1185-A was issued to Arkansas Western Gas Company - Drake Compressor Station on August 26, 1991. Arkansas Western Gas Company requested that all existing sources at the facility be permitted. These sources included nine natural gas-fired reciprocating engines, six gas turbines, and a dehydrator reboiler burner. These sources were purchased between 1958 and 1974. Air Permit No. 1185-A also allowed the installation and operation of a new 1478 horsepower natural gas-fired reciprocating engine (SN-15). The emission limits for the new engine were below the significant emission rate representing a major modification under PSD. The permit outlined natural gas usage limits and required performance testing for each engine.

Air Permit No. 1185-AR-1 was issued to Arkansas Western Gas Company - Drake Compressor Station on October 4, 1993. The modification allowed the installation of a natural gas-fired emergency electric generator. Operation of the generator occurred only when public electric power failed and during one 30 minute test each week.

Air Permit No. 1185-AR-2 was issued to Arkansas Western Gas Company - Drake Compressor Station on March 26, 1996. The modification involved the addition of a natural gas reciprocating engine (SN-19) and the removal of one 330 HP engine (SN-07). The emission limits for the new engine were below the significant emission rate representing a major modification under PSD. The emissions from existing sources which were not addressed in the previous permit were also quantified, specifically, SN-20 thru SN-81. The sources are associated with start-up, shut-down, safety, and auxiliary systems.

Permit No. 1185-AOP-R0 was issued to Arkansas Western Gas Company - Drake Compressor Station on November 13, 1998. This was the first permit issued to the facility under Regulation 26. The removal of two sources (SN-05 and SN-06) was authorized along with the addition of a new 1478 HP compressor unit (SN-87). The emission limits for the new engine were below the significant emission rate representing a major modification under PSD. Criteria pollutant emission limits listed in the permit were: VOC - 156.0 tpy, CO - 774.8 tpy, and NOx - 309.1 tpy.

Permit No. 1185-AOP-R1 modification was issued to AWGC –Drake Compressor Station on May 14, 2001. This modification was issued to allow the Permittee to replace a Waukesha L-1905G 4-cycle rich burn engine (also known as Model NKR) which powers the gas compressor designated as SN-16 with a Waukesha F817G 4-cycle rich burn engine. Emission limits for the replacement engine are: oxides of nitrogen - 14.6 tons per year, carbon monoxide - 45.2 tons per year, and volatile organic compounds - 2.7 tons per year. The emission limits for the replacement engine are below the significant emission rate representing a major modification under PSD. The emission limits for HAPs for all sources have been recalculated based on AP-42 Sections 3.1 and 3.2.

Permit No. 1185-AOP-R2 was issued on October 31, 2003. There were no physical changes in this Title renewal. There were some small changes in the emission rates, which are result of calculation accuracy. The VOC, CO, and NO_X emission rates for SN-08 were revised to reflect the true horsepower.

Permit #: 1185-AOP-R4

AFIN: 24-00071

Permit No. 1185-AOP-R3 was issued on July 26, 2005. The modification authorized the facility to replace the existing LRZB Waukesha Rich Burn compressor engine (SN-08) with a new 738 horsepower (HP), Waukesha 3521 GL Clean Burn compressor engine (SN-88). Emission changes due to the modification included an increase of 0.4 tpy of VOC and 1.01 tpy of Formaldehyde, and a decrease of 69.2 tpy of CO and 10.9 tpy of NO_x.

Permit #: 1185-AOP-R4

AFIN: 24-00071

SECTION IV: SPECIFIC CONDITIONS

SN-09 thru SN-14

Solar Saturn Turbine Engines

Source Description

The purpose of the compressor station is to compress and dehydrate sweet natural gas. The dehydrated gas is sent to the compressors (SN-09 thru SN-14) to be compressed, cooled, and delivered to the discharge piping system. The compressors are driven by Solar turbine engines, which run on natural gas as a fuel and produce exhaust gases. These engines were installed between 1964 and 1974. These units are not subject to 40 CFR 60, Subpart GG - Standards of Performance for Stationary Gas Turbines because they were constructed prior to October 3, 1977. Negligible amounts of particulate matter, sulfur dioxide and fugitives may be emitted by these sources. Due to the extremely low potential emission of these pollutants, numerical limits have not been included in these sources, but such emissions are not prohibited.

Specific Conditions

1. The permittee shall not exceed the emission rates set forth in the following table. Compliance with this Specific Condition shall be demonstrated by using natural gas fuel and by operating at or below the maximum operating capacity. [Regulation 19, §19.501 et seq., effective May 28, 2006 and 40 CFR Part 52, Subpart E]

Source No.	Description	Pollutant	lb/hr	tpy
		VOC	3.0	12.8
09	Solar Saturn Turbine	CO	6.0	25.9
		NO _x	4.0	17.3
		VOC	3.0	12.8
10	Solar Saturn Turbine	CO	6.0	25.9
		NO_x	4.0	17.3
		VOC	3.0	12.8
11	Solar Saturn Turbine	CO	6.0	25.9
-		NO_x	4.0	17.3
		VOC	3.0	12.8
12	Solar Saturn Turbine	CO	6.0	25.9
		NO_x	4.0	17.3
		VOC	3.0	12.8
13	Solar Saturn Turbine	CO	6.0	25.9
		NO_x	4.0	17.3
	Solar Saturn Turbine	VOC	3.0	12.8
14		CO	6.0	25.9
		NO_x	4.0	17.3

Permit #: 1185-AOP-R4

AFIN: 24-00071

2. The permittee shall not exceed 5% opacity from SN-09 thru SN-14 as measure by EPA Reference Method 9. Compliance with this Specific Condition shall be demonstrated by compliance with Specific Condition # 3. [Regulation 18, §18.501, effective February 15, 1999, and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311, Subpart E]

Pipeline quality natural gas shall be the only fuel used to fire these compressor engines. Pipeline quality natural gas is defined as gas which contains less than 0.3 grains/100 scf of H₂S and that H₂S constitutes greater than 50% by weight of the sulfur by weight in the natural gas. [Regulation 19, §19.705, A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311 and 40 CFR 70.6]

Permit #: 1185-AOP-R4

AFIN: 24-00071

SN-15, SN-19, SN-87, SN-88, SN-89, and SN-90

Waukesha Reciprocating Engines

Source Description

SN-15, SN-19, SN-87, SN-88, SN-89, and SN-90 are natural gas-fired reciprocating engines. These engines are used to compress sweet, dry natural gas from a gas gathering system into a gas transmission system for delivery to customers in Northwest Arkansas. Negligible amounts of particulate matter, sulfur dioxide and fugitives may be emitted by these sources. Due to the extremely low potential emission of these pollutants, numerical limits have not been included in these sources, but such emissions are not prohibited.

Specific Conditions

4. The permittee shall not exceed the emission rates set forth in the following table. Compliance with this Specific Condition shall be demonstrated by using natural gas fuel and by operating at or below the maximum operating capacity. [Regulation 19, §19.501 et seq., effective May 28, 2006 and 40 CFR Part 52, Subpart E]

Source No.	Description	Pollutant	lb/hr	tpy
	Waukesha Model L7042 GL	VOC	3.3	12.3
15	engine (1478 HP)4 cycle	СО	8.2	30.6
	clean burn	NO _x	6.6	24.5
	Waukesha Model F817G	Source re	marrad :	from
16	engine (125 HP) 4 cycle rich	· ·		
	burn	servi	ice 2007	
	Waukesha Model L5108 GL	VOC	3.3	14.1
19	engine (1122 HP) 4 cycle	CO	8.7	38.0
	clean burn	NO _x	4.9	21.2
	Waukesha Model L7042 GL	VOC	3.3	12.3
87	engine (1478 HP) 4 cycle	CO	8.2	30.6
	clean burn	NO _x	6.6	24.5
	Waukesha 3521 GL Clean	VOC	1.7	7.2
88	burn compressor engine	CO	5.9	25.7
	(738 HP) 4 stroke lean burn	NO_x	3.0	12.9
	Waukesha Model L5108 GL	VOC	3.3	14.1
89	engine (1122 HP) 4 cycle	CO	8.7	38.0
	clean burn	NO _x	4.9	21.2
	Rock Creek Waukesha	VOC	0.4	1.8
90	VRG330 Natural Gas	CO	7.1	31.1
	Reciprocating Engine	NO_x	1.8	7.6

Permit #: 1185-AOP-R4

AFIN: 24-00071

5. The permittee shall not exceed the emission rates set forth in the following table. Compliance with this Specific Condition shall be demonstrated by using natural gas fuel and operating at or less than the maximum operating capacity. The HAPS emissions listed for this source were based upon published emission factors at the time of permit issuance. Any changes in these emission factors will not constitute a violation of the HAP emission rates listed below. [Regulation 18, §18.801, effective February 15, 1999, and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]

Source No.	Description	Pollutant	lb/hr	tpy
15	Waukesha Model L7042 GL engine (1478 HP)4 cycle clean burn	Formaldehyde	0.57	2.13
16	Waukesha Model F817G engine (125 HP) 4 cycle rich burn	Source remove 20		ervice
19	Waukesha Model L5108 GL engine (1122 HP) 4 cycle clean burn	Formaldehyde	0.43	1.89
87	Waukesha Model L7042 GL engine (1478 HP) 4 cycle clean burn	Formaldehyde	0.57	2.13
88	Waukesha 3521 GL Clean burn compressor engine (738 HP) 4 stroke lean burn	Formaldehyde	0.28	1.24
89	Waukesha Model L5108 GL engine (1122 HP) 4 cycle clean burn	Formaldehyde	0.43	1.89
90	Rock Creek Waukesha VRG330 Natural Gas Reciprocating Engine	Formaldehyde	0.01	0.05

- 6. The permittee shall not exceed 5% opacity from SN-15, 19, 87, 88, 89, and 90 as measured by EPA Reference Method 9. Compliance with this Specific Condition shall be demonstrated by compliance with Specific Condition # 7. [Regulation 18, §18.501 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311, Subpart E]
- 7. Pipeline quality natural gas shall be the only fuel used to fire these compressor engines. Pipeline quality natural gas is defined as gas which contains less than 0.3 grains/100 scf of H₂S, and that H₂S constitutes greater than 50% by weight of the sulfur by weight in the natural gas. [Regulation 19, §19.705, A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311 and 40 CFR 70.6]
- 8. The permittee shall not operate the Waukesha Model L7042 GL engines (1478 HP) 4 cycle clean burn (SN-15 & SN-87) in excess of 15,000 hours combined per consecutive twelve month period. [Regulation 19, §19.705, A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311 and 40 CFR 70.6]
- 9. The permittee shall maintain records which demonstrate compliance with the limit set in Specific Condition # 8. These records may be used by the Department for enforcement purposes. The records shall be updated on a monthly basis, shall be kept at the nearest

Permit #: 1185-AOP-R4

AFIN: 24-00071

manned location, and shall be provided to Department personnel upon request. A twelve month rolling total and each individual month's data shall be submitted in accordance with General Provision # 7. [Regulation 19. §19.705 and 40 CFR Part 52, Subpart E]

Permit #: 1185-AOP-R4

AFIN: 24-00071

SN-18

Emergency Electrical Generator

Source Description

An emergency electric generator (SN-18) is also at this facility. This generator only operates during periods of power failure and for weekly testing for 30 minutes. Negligible amounts of particulate matter, sulfur dioxide and fugitives may be emitted by this source. Due to the extremely low potential emission of these pollutants, numerical limits have not been included in this source, but such emissions are not prohibited.

Specific Conditions

10. The permittee shall not exceed the emission rates set forth in the following table. Compliance with the lb/hr limits is based on maximum unit loading and natural gas fuel. Compliance with the ton per year limit is based on maintaining the operational limits set forth in Specific Condition #13. [Regulation 19, §19.501 et seq. and 40 CFR Part 52, Subpart E]

Source No.	Description	Pollutant	lb/hr	tpy
18	General Motors 305 in ³ engine (92 HP) 4 cycle rich	VOC CO	0.4 29.1	0.1 5.9
10	burn	NO _x	0.8	0.1

- 11. The permittee shall not exceed 5% opacity from SN-18 as measured by EPA Reference Method 9. Compliance with this Specific Condition shall be demonstrated by compliance with Specific Condition # 12. [Regulation 18, §18.501 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311, Subpart E]
- 12. Pipeline quality natural gas shall be the only fuel used to fire these compressor engines. Pipeline quality natural gas is defined as gas which contains less than 0.3 grains/100 scf of H₂S and that H₂S constitutes greater than 50% by weight of the sulfur by weight in the natural gas. [Regulation 19, §19.705, A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311 and 40 CFR 70.6]
- 13. The permittee shall not operate the emergency generator (SN-18) in excess of 400 hours per consecutive twelve month period. [Regulation 19, §19.705, A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311 and 40 CFR 70.6]
- 14. The permittee shall maintain records which demonstrate compliance with the limit set in Specific Condition # 13. These records may be used by the Department for enforcement purposes. The records shall be updated on a monthly basis, shall be kept at the nearest manned location, and shall be provided to Department personnel upon request. A twelve

Permit #: 1185-AOP-R4

AFIN: 24-00071

month rolling total and each individual month's data shall be submitted in accordance with General Provision # 7. [Regulation 19. §19.705 and 40 CFR Part 52, Subpart E]

Permit #: 1185-AOP-R4

AFIN: 24-00071

SECTION V: COMPLIANCE PLAN AND SCHEDULE

Arkansas Western Gas Company - Drake Compressor Station will continue to operate in compliance with those identified regulatory provisions. The facility will examine and analyze future regulations that may apply and determine their applicability with any necessary action taken on a timely basis.

Permit #: 1185-AOP-R4

AFIN: 24-00071

SECTION VI: PLANTWIDE CONDITIONS

- 1. The permittee shall notify the Director in writing within thirty (30) days after commencing construction, completing construction, first placing the equipment and/or facility in operation, and reaching the equipment and/or facility target production rate. [Regulation 19, §19.704, 40 CFR Part 52, Subpart E, and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 2. If the permittee fails to start construction within eighteen months or suspends construction for eighteen months or more, the Director may cancel all or part of this permit. [Regulation 19, §19.410(B) and 40 CFR Part 52, Subpart E]
- 3. The permittee must test any equipment scheduled for testing, unless stated in the Specific Conditions of this permit or by any federally regulated requirements, within the following time frames: (1) new equipment or newly modified equipment within sixty (60) days of achieving the maximum production rate, but no later than 180 days after initial start up of the permitted source or (2) operating equipment according to the time frames set forth by the Department or within 180 days of permit issuance if no date is specified. The permittee must notify the Department of the scheduled date of compliance testing at least fifteen (15) days in advance of such test. The permittee shall submit the compliance test results to the Department within thirty (30) days after completing the testing. [Regulation 19, §19.702 and/or Regulation 18 §18.1002 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 4. The permittee must provide: [Regulation 19, §19.702 and/or Regulation 18, §18.1002 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
 - a. Sampling ports adequate for applicable test methods;
 - b. Safe sampling platforms;
 - c. Safe access to sampling platforms; and
 - d. Utilities for sampling and testing equipment.
- 5. The permittee must operate the equipment, control apparatus and emission monitoring equipment within the design limitations. The permittee shall maintain the equipment in good condition at all times. [Regulation 19, §19.303 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 6. This permit subsumes and incorporates all previously issued air permits for this facility. [Regulation 26 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 7. The permittee shall simultaneously conduct tests for CO and NO_x on one of each of the model engines operating in the station in accordance with Plantwide Condition # 3, and every five years thereafter. The initial test on the new engines (SN-89 and 90) shall take place within 180 days of startup and in accordance with Plantwide Condition # 3. EPA Reference Method 7E shall be used to determine NO_x and EPA Reference Method 10

Permit #: 1185-AOP-R4

AFIN: 24-00071

shall be used to determine CO. The permittee shall test the engines within 90% of their rated capacity. If the tests are not performed within this range, the permittee shall be limited to operating within 10% above the tested rate. The Department reserves the right to select the engine to be tested. The engines tested shall be rotated so that no engine is tested twice before an engine of equal HP is tested once. If the tested emission rate for any pollutant is in excess of the permitted emission rate, all engines shall be tested for that pollutant. [Regulation 19, §19.702 and 40 CFR Part 52, Subpart E]

8. The permittee shall only use pipeline quality natural gas to fire the compressor engines located at this facility. [A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311 and 40 CFR 70.6].

Title VI Provisions

- 9. The permittee must comply with the standards for labeling of products using ozone-depleting substances. [40 CFR Part 82, Subpart E]
 - a. All containers containing a class I or class II substance stored or transported, all products containing a class I substance, and all products directly manufactured with a class I substance must bear the required warning statement if it is being introduced to interstate commerce pursuant to §82.106.
 - b. The placement of the required warning statement must comply with the requirements pursuant to §82.108.
 - c. The form of the label bearing the required warning must comply with the requirements pursuant to §82.110.
 - d. No person may modify, remove, or interfere with the required warning statement except as described in §82.112.
- 10. The permittee must comply with the standards for recycling and emissions reduction, except as provided for MVACs in Subpart B. [40 CFR Part 82, Subpart F]
 - a. Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to §82.156.
 - b. Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to §82.158.
 - c. Persons performing maintenance, service repair, or disposal of appliances must be certified by an approved technician certification program pursuant to §82.161.

Permit #: 1185-AOP-R4

AFIN: 24-00071

d. Persons disposing of small appliances, MVACs, and MVAC-like appliances must comply with record keeping requirements pursuant to §82.166. ("MVAC-like appliance" as defined at §82.152.)

- e. Persons owning commercial or industrial process refrigeration equipment must comply with leak repair requirements pursuant to §82.156.
- f. Owners/operators of appliances normally containing 50 or more pounds of refrigerant must keep records of refrigerant purchased and added to such appliances pursuant to §82.166.
- 11. If the permittee manufactures, transforms, destroys, imports, or exports a class I or class II substance, the permittee is subject to all requirements as specified in 40 CFR Part 82, Subpart A, Production and Consumption Controls.
- 12. If the permittee performs a service on motor (fleet) vehicles when this service involves ozone-depleting substance refrigerant (or regulated substitute substance) in the motor vehicle air conditioner (MVAC), the permittee is subject to all the applicable requirements as specified in 40 CFR part 82, Subpart B, Servicing of Motor Vehicle Air Conditioners.

The term "motor vehicle" as used in Subpart B does not include a vehicle in which final assembly of the vehicle has not been completed. The term "MVAC" as used in Subpart B does not include the air-tight sealed refrigeration system used as refrigerated cargo, or the system used on passenger buses using HCFC-22 refrigerant.

13. The permittee can switch from any ozone-depleting substance to any alternative listed in the Significant New Alternatives Program (SNAP) promulgated pursuant to 40 CFR Part 82, Subpart G, "Significant New Alternatives Policy Program".

Permit Shield

- 14. Compliance with the conditions of this permit shall be deemed compliance with all applicable requirements, as of the date of permit issuance, included in and specifically identified in item A of this condition:
 - a. The following have been specifically identified as applicable requirements based upon information submitted by the permittee in an application dated March 19, 2007.

Source No.	Regulation	Description
Facility	19	Compilaton of Regulations of the Arkansas State Implementation Plan for Air Pollution Control
Facility	26	Regulations of the Arkansas Operating Air Permit Program

Permit #: 1185-AOP-R4

AFIN: 24-00071

b. The following requirements have been specifically identified as not applicable, based upon information submitted by the permittee in an application dated March 19, 2007.

Source No.	Regulation	Description	Basis for Determination
Facility	Regulation 19.801	111(d) Designated facilities	The facility is not identified in the list of regulated sources.
Facility	Regulation 26.401(g)	Applications for initial Phase II acid rain permits.	The facility is not an acid rain category source.
Facility	Regulation 26.501(a)-(d), (f)	Action on applications	These rules apply only to state and federal agencies.
Facility	Regulation 26.601(a), (d)-(g)	Permit review	These rules apply only to state and federal agencies.
Facility	Regulation 26.1201	Acid rain sources provisions	The facility is not an acid rain source.
Facility	40 CFR 60	New source performance standards	Source categories do not apply to any units at the facility as of the effective date of the permit.
Facility	40 CFR 62	State plans for designated facilities	This rule is administrative and jurisdictional.
Facility	40 CFR 63	National emission standards for hazardous air pollutants	The facility is not subject to RICE MACT because the facility is not a major source of HAPs.
Facility	40 CFR 79	Registration of fuels and fuel additives.	The facility is not in this source category.
Facility	40 CFR 80	Registration of fuels and fuel additives.	The facility is not in this source category.
Facility	40 CFR 81.304	Non-attainment	The facility is not located in a non-attainment area as of the effective date of the permit.

Permit #: 1185-AOP-R4

AFIN: 24-00071

SECTION VII: INSIGNIFICANT ACTIVITIES

The following sources are insignificant activities. Any activity that has a state or federal applicable requirement shall be considered a significant activity even if this activity meets the criteria of §26.304 of Regulation 26 or listed in the table below. Insignificant activity determinations rely upon the information submitted by the permittee in an application dated March 19, 2007.

Description	Category
Sivals 750,000 Btu/hr Dehydrator (Lone Elm @ Drake)	Group A1
Sivals 500,000 Btu/hr Dehydrator (Batson @Drake) Miscellaneous Small Emissions of Natural Gas with negligible	Group A13
VOC fractions	Group 1113
Fugitive Emissions	Group A13
Safety Kleen parts washer	Group A13
Two 500 gallon Lube Oil Satorage Tank	Group A3
ESD Blowdowns	Group A13
1000 gallon Fluids Collection Tank	Group A3

Permit #: 1185-AOP-R4

AFIN: 24-00071

SECTION VIII: GENERAL PROVISIONS

- 1. Any terms or conditions included in this permit which specify and reference Arkansas Pollution Control & Ecology Commission Regulation 18 or the Arkansas Water and Air Pollution Control Act (A.C.A. §8-4-101 et seq.) as the sole origin of and authority for the terms or conditions are not required under the Clean Air Act or any of its applicable requirements, and are not federally enforceable under the Clean Air Act. Arkansas Pollution Control & Ecology Commission Regulation 18 was adopted pursuant to the Arkansas Water and Air Pollution Control Act (A.C.A. §8-4-101 et seq.). Any terms or conditions included in this permit which specify and reference Arkansas Pollution Control & Ecology Commission Regulation 18 or the Arkansas Water and Air Pollution Control Act (A.C.A. §8-4-101 et seq.) as the origin of and authority for the terms or conditions are enforceable under this Arkansas statute. [40 CFR 70.6(b)(2)]
- 2. This permit shall be valid for a period of five (5) years beginning on the date this permit becomes effective and ending five (5) years later. [40 CFR 70.6(a)(2) and §26.701(B) of the Regulations of the Arkansas Operating Air Permit Program (Regulation 26), effective September 26, 2002]
- 3. The permittee must submit a complete application for permit renewal at least six (6) months before permit expiration. Permit expiration terminates the permittee's right to operate unless the permittee submitted a complete renewal application at least six (6) months before permit expiration. If the permittee submits a complete application, the existing permit will remain in effect until the Department takes final action on the renewal application. The Department will not necessarily notify the permittee when the permit renewal application is due. [Regulation 26, §26.406]
- 4. Where an applicable requirement of the Clean Air Act, as amended, 42 U.S.C. 7401, et seq. (Act) is more stringent than an applicable requirement of regulations promulgated under Title IV of the Act, the permit incorporates both provisions into the permit, and the Director or the Administrator can enforce both provisions. [40 CFR 70.6(a)(1)(ii) and Regulation 26, §26.701(A)(2)]
- 5. The permittee must maintain the following records of monitoring information as required by this permit. [40 CFR 70.6(a)(3)(ii)(A) and Regulation 26, §26.701(C)(2)]
 - a. The date, place as defined in this permit, and time of sampling or measurements;
 - b. The date(s) analyses performed;
 - c. The company or entity performing the analyses;
 - d. The analytical techniques or methods used;
 - e. The results of such analyses; and
 - f. The operating conditions existing at the time of sampling or measurement.
- 6. The permittee must retain the records of all required monitoring data and support information for at least five (5) years from the date of the monitoring sample,

Permit #: 1185-AOP-R4

AFIN: 24-00071

measurement, report, or application. Support information includes all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit. [40 CFR 70.6(a)(3)(ii)(B) and Regulation 26, §26.701(C)(2)(b)]

7. The permittee must submit reports of all required monitoring every six (6) months. If permit establishes no other reporting period, the reporting period shall end on the last day of the anniversary month of the initial Title V permit. The report is due within thirty (30) days of the end of the reporting period. Although the reports are due every six months, each report shall contain a full year of data. The report must clearly identify all instances of deviations from permit requirements. A responsible official as defined in Regulation No. 26, §26.2 must certify all required reports. The permittee will send the reports to the address below: [40 C.F.R. 70.6(a)(3)(iii)(A) and Regulation 26, §26.701(C)(3)(a)]

Arkansas Department of Environmental Quality Air Division ATTN: Compliance Inspector Supervisor Post Office Box 8913 Little Rock, AR 72219

- 8. The permittee shall report to the Department all deviations from permit requirements, including those attributable to upset conditions as defined in the permit.
 - a. For all upset conditions (as defined in Regulation 19, § 19.601), the permittee will make an initial report to the Department by the next business day after the discovery of the occurrence. The initial report may be made by telephone and shall include:
 - i. The facility name and location
 - ii. The process unit or emission source deviating from the permit limit,
 - iii. The permit limit, including the identification of pollutants, from which deviation occurs,
 - iv. The date and time the deviation started,
 - v. The duration of the deviation,
 - vi. The average emissions during the deviation,
 - vii. The probable cause of such deviations,
 - viii. Any corrective actions or preventive measures taken or being taken to prevent such deviations in the future, and
 - ix. The name of the person submitting the report.

The permittee shall make a full report in writing to the Department within five (5) business days of discovery of the occurrence. The report must include, in addition to the information required by the initial report, a schedule of actions taken or planned to eliminate future occurrences and/or to minimize the amount the permit's limits were exceeded and to reduce the length of time the limits were exceeded. The

Permit #: 1185-AOP-R4

AFIN: 24-00071

permittee may submit a full report in writing (by facsimile, overnight courier, or other means) by the next business day after discovery of the occurrence, and the report will serve as both the initial report and full report.

b. For all deviations, the permittee shall report such events in semi-annual reporting and annual certifications required in this permit. This includes all upset conditions reported in 8a above. The semi-annual report must include all the information as required by the initial and full reports required in 8a.

[Regulation 19, §19.601 and §19.602, Regulation 26, §26.701(C)(3)(b), and 40 CFR 70.6(a)(3)(iii)(B)]

- 9. If any provision of the permit or the application thereof to any person or circumstance is held invalid, such invalidity will not affect other provisions or applications hereof which can be given effect without the invalid provision or application, and to this end, provisions of this Regulation are declared to be separable and severable. [40 CFR 70.6(a)(5), Regulation 26, §26.701(E), and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 10. The permittee must comply with all conditions of this Part 70 permit. Any permit noncompliance with applicable requirements as defined in Regulation 26 constitutes a violation of the Clean Air Act, as amended, 42 U.S.C. §7401, et seq. and is grounds for enforcement action; for permit termination, revocation and reissuance, for permit modification; or for denial of a permit renewal application. [40 CFR 70.6(a)(6)(i) and Regulation 26, §26.701(F)(1)]
- 11. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity to maintain compliance with the conditions of this permit. [40 CFR 70.6(a)(6)(ii) and Regulation 26, §26.701(F)(2)]
- 12. The Department may modify, revoke, reopen and reissue the permit or terminate the permit for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. [40 CFR 70.6(a)(6)(iii) and Regulation 26, §26.701(F)(3)]
- This permit does not convey any property rights of any sort, or any exclusive privilege. [40 CFR 70.6(a)(6)(iv) and Regulation 26, §26.701(F)(4)]
- 14. The permittee must furnish to the Director, within the time specified by the Director, any information that the Director may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee must also furnish to the Director copies of records required by the permit. For information the permittee claims confidentiality, the Department may require the permittee to furnish such records directly to the Director

Permit #: 1185-AOP-R4

AFIN: 24-00071

along with a claim of confidentiality. [40 CFR 70.6(a)(6)(v) and Regulation 26, $\S26.701(F)(5)$]

- 15. The permittee must pay all permit fees in accordance with the procedures established in Regulation 9. [40 CFR 70.6(a)(7) and Regulation 26, §26.701(G)]
- 16. No permit revision shall be required, under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes provided for elsewhere in this permit. [40 CFR 70.6(a)(8) and Regulation 26, §26.701(H)]
- 17. If the permit allows different operating scenarios, the permittee shall, contemporaneously with making a change from one operating scenario to another, record in a log at the permitted facility a record of the operational scenario. [40 CFR 70.6(a)(9)(i) and Regulation 26, §26.701(I)(1)]
- 18. The Administrator and citizens may enforce under the Act all terms and conditions in this permit, including any provisions designed to limit a source's potential to emit, unless the Department specifically designates terms and conditions of the permit as being federally unenforceable under the Act or under any of its applicable requirements. [40 CFR 70.6(b) and Regulation 26, §26.702(A) and (B)]
- 19. Any document (including reports) required by this permit must contain a certification by a responsible official as defined in Regulation 26, §26.2. [40 CFR 70.6(c)(1) and Regulation 26, §26.703(A)]
- 20. The permittee must allow an authorized representative of the Department, upon presentation of credentials, to perform the following: [40 CFR 70.6(c)(2) and Regulation 26, §26.703(B)]
 - a. Enter upon the permittee's premises where the permitted source is located or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
 - b. Have access to and copy, at reasonable times, any records required under the conditions of this permit;
 - c. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit; and
 - d. As authorized by the Act, sample or monitor at reasonable times substances or parameters for assuring compliance with this permit or applicable requirements.
- 21. The permittee shall submit a compliance certification with the terms and conditions contained in the permit, including emission limitations, standards, or work practices. The permittee must submit the compliance certification annually within 30 days following the last day of the anniversary month of the initial Title V permit. The permittee must also

Permit #: 1185-AOP-R4

AFIN: 24-00071

submit the compliance certification to the Administrator as well as to the Department. All compliance certifications required by this permit must include the following: [40 CFR 70.6(c)(5) and Regulation 26, §26.703(E)(3)]

- a. The identification of each term or condition of the permit that is the basis of the certification;
- b. The compliance status;
- c. Whether compliance was continuous or intermittent;
- d. The method(s) used for determining the compliance status of the source, currently and over the reporting period established by the monitoring requirements of this permit;
- e. and Such other facts as the Department may require elsewhere in this permit or by §114(a)(3) and §504(b) of the Act.
- 22. Nothing in this permit will alter or affect the following: [Regulation 26, §26.704(C)]
 - a. The provisions of Section 303 of the Act (emergency orders), including the authority of the Administrator under that section;
 - b. The liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance;
 - c. The applicable requirements of the acid rain program, consistent with §408(a) of the Act; or
 - d. The ability of EPA to obtain information from a source pursuant to §114 of the
- 23. This permit authorizes only those pollutant emitting activities addressed in this permit. [A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]

CERTIFICATE OF SERVICE

I, Cynthia Hook, hereby certify that a copy of this permit has been mailed by first class mail to
Arkansas Western Gas Company - Drake Compressor Station, PO Box 13288, Fayetteville, AR,
72703-1002, on this the day of duarest, 2007.
CHook
Cynthia Hook, AAII, Air Division