

ADEQ OPERATING AIR PERMIT

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

Permit #: 1244-AOP-R1

[Renewal #1]

IS ISSUED TO:

CenterPoint Energy - Mississippi River Transmission Corporation
Carlisle Compressor Station
Hillman Road, Route 1
Carlisle, AR 72024
Lonoke County
AFIN:43-00093

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:

and

AND IS SUBJECT TO ALL LIMITS AND CONDITIONS CONTAINED HEREIN.

Signed:

Michael Bonds
Chief, Air Division

Date

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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 |
| PM ₁₀ | Particulate Matter Smaller Than Ten Microns |
| SNAP | Significant New Alternatives Program (SNAP) |
| SO ₂ | Sulfur Dioxide |
| SSM | Startup, Shutdown, and Malfunction Plan |
| Tpy | Tons Per Year |
| UTM | Universal Transverse Mercator |
| VOC | Volatile Organic Compound |

CenterPoint Energy - Mississippi River Transmission Corporation, Carlisle Compressor Station
AFIN: 43-00093
Permit #:1244-AOP-R1

SECTION I: FACILITY INFORMATION

| | |
|----------------------|--|
| PERMITTEE: | CenterPoint Energy - Mississippi River Transmission Corporation, Carlisle Compressor Station |
| AFIN: | 43-00093 |
| PERMIT NUMBER: | 1244-AOP-R1 |
| FACILITY ADDRESS: | Hillman Road, Route 1, Carlisle, Arkansas 72024 |
| COUNTY: | Lonoke |
| MAILING ADDRESS: | P.O. Box 21734 Shreveport, LA 71151 |
| CONTACT NAME: | Laura Guthrie |
| TELEPHONE NUMBER: | (318) 429-3706 |
| REVIEWING ENGINEER: | Siew C. Low |
| UTM North-South (X): | 3837.1 km [Zone 15] |
| UTM East-West (Y): | 610.2 km [Zone 15] |

SECTION II: INTRODUCTION

Summary of Permit Activity

CenterPoint Energy - Mississippi River Transmission Corporation, Carlisle Compressor Station operates a natural gas compressor station. The compressor station is located about 10 miles south of Carlisle on Hillman Road, Route 1, in Lonoke County, Arkansas. In this Title V permit renewal, PM/PM₁₀, SO₂, and VOC emission limits of the eight compressor engines and PM/PM₁₀, SO₂, CO, and VOC emission limits of a generator engine are updated by using the most-up-to-date USEPA AP-42 emission factors. The 275 hp Ingersoll Rand PVC auxiliary generator (SN-09) is disconnected from service.

Process Description

Low pressure pipeline gas is pulled off line into the compressor station, and is then repressurized with reciprocating engine powered compressors and placed back into the transmission system.

The Carlisle Compressor Station currently consists of eight (8) Ingersoll Rand KVG compressor engines (SN-01 through SN-08), and one (1) Caterpillar G-379 standby generator engine (SN-10). Additional support equipment includes a used oil tank, two (2) entrained liquid tanks, a lube oil tank, two (2) antifreeze tanks, waste water tank, two (2) kerosene tanks, and a diesel tank. All tanks are included in insignificant activities emission sources list. Natural gas is the only fuel used in any of the combustion sources.

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 February 15, 1999 |
| Regulations of the Arkansas Operating Air Permit Program, Regulation 26, effective September 26, 2002 |

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 | | | | | |
|------------------|---|----------------------|----------------|--------|----------------------|
| Source No. | Description | Pollutant | Emission Rates | | Cross Reference Page |
| | | | lb/hr | tpy | |
| | Total Allowable Emission | PM/PM ₁₀ | 1.7 | 5.0 | |
| | | SO ₂ | 0.9 | 0.9 | |
| | | VOC | 4.1 | 15.6 | |
| | | CO | 435.5 | 1908.0 | |
| | | NO _x | 344.1 | 1507.8 | |
| | | <i>Acetaldehyde*</i> | 0.17 | 0.81 | |
| | | <i>Formaldehyde*</i> | 1.32 | 5.96 | |
| | | <i>Acrolein*</i> | 0.17 | 0.73 | |
| | | <i>Methanol*</i> | 0.17 | 0.91 | |
| | | <i>Benzene*</i> | 0.09 | 0.50 | |
| | | <i>Toluene*</i> | 0.09 | 0.17 | |
| 01 | 1,100 hp Ingersoll Rand KVG Compressor Engine | PM/PM ₁₀ | 0.2 | 0.6 | 10 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.5 | 1.9 | |
| | | CO | 53.2 | 233.1 | |
| | | NO _x | 40.6 | 177.9 | |
| | | <i>Acetaldehyde*</i> | 0.02 | 0.10 | |
| | | <i>Formaldehyde*</i> | 0.16 | 0.72 | |
| | | <i>Acrolein*</i> | 0.02 | 0.09 | |
| | | <i>Methanol*</i> | 0.02 | 0.11 | |
| | | <i>Benzene*</i> | 0.01 | 0.06 | |
| | | <i>Toluene*</i> | 0.01 | 0.02 | |
| 02 | 1,100 hp Ingersoll Rand KVG Compressor Engine | PM/PM ₁₀ | 0.2 | 0.6 | 10 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.5 | 1.9 | |
| | | CO | 53.2 | 233.1 | |
| | | NO _x | 40.6 | 177.9 | |
| | | <i>Acetaldehyde*</i> | 0.02 | 0.10 | |
| | | <i>Formaldehyde*</i> | 0.16 | 0.72 | |
| | | <i>Acrolein*</i> | 0.02 | 0.09 | |
| | | <i>Methanol*</i> | 0.02 | 0.11 | |
| | | <i>Benzene*</i> | 0.01 | 0.06 | |
| | | <i>Toluene*</i> | 0.01 | 0.02 | |
| 03 | 1,100 hp Ingersoll Rand KVG Compressor Engine | PM/PM ₁₀ | 0.2 | 0.6 | 10 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.5 | 1.9 | |
| | | CO | 53.2 | 233.1 | |

| EMISSION SUMMARY | | | | | |
|------------------|---|----------------------|----------------|-------|----------------------|
| Source No. | Description | Pollutant | Emission Rates | | Cross Reference Page |
| | | | lb/hr | tpy | |
| | | NO _x | 40.6 | 177.9 | |
| | | <i>Acetaldehyde*</i> | 0.02 | 0.10 | |
| | | <i>Formaldehyde*</i> | 0.16 | 0.72 | |
| | | <i>Acrolein*</i> | 0.02 | 0.09 | |
| | | <i>Methanol*</i> | 0.02 | 0.11 | |
| | | <i>Benzene*</i> | 0.01 | 0.06 | |
| | | <i>Toluene*</i> | 0.01 | 0.02 | |
| 04 | 1,100 hp Ingersoll Rand KVG Compressor Engine | PM/PM ₁₀ | 0.2 | 0.6 | 10 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.5 | 1.9 | |
| | | CO | 53.2 | 233.1 | |
| | | NO _x | 40.6 | 177.9 | |
| | | <i>Acetaldehyde*</i> | 0.02 | 0.10 | |
| | | <i>Formaldehyde*</i> | 0.16 | 0.72 | |
| | | <i>Acrolein*</i> | 0.02 | 0.09 | |
| | | <i>Methanol*</i> | 0.02 | 0.11 | |
| | | <i>Benzene*</i> | 0.01 | 0.06 | |
| | | <i>Toluene*</i> | 0.01 | 0.02 | |
| 05 | 1,000 hp Ingersoll Rand KVG Compressor Engine | PM/PM ₁₀ | 0.2 | 0.6 | 10 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.5 | 1.9 | |
| | | CO | 53.2 | 233.1 | |
| | | NO _x | 40.6 | 177.9 | |
| | | <i>Acetaldehyde*</i> | 0.02 | 0.10 | |
| | | <i>Formaldehyde*</i> | 0.16 | 0.72 | |
| | | <i>Acrolein*</i> | 0.02 | 0.09 | |
| | | <i>Methanol*</i> | 0.02 | 0.11 | |
| | | <i>Benzene*</i> | 0.01 | 0.06 | |
| | | <i>Toluene*</i> | 0.01 | 0.02 | |
| 06 | 1,000 hp Ingersoll Rand KVG Compressor Engine | PM/PM ₁₀ | 0.2 | 0.6 | 10 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.5 | 1.9 | |
| | | CO | 53.2 | 233.1 | |
| | | NO _x | 40.6 | 177.9 | |
| | | <i>Acetaldehyde*</i> | 0.02 | 0.10 | |
| | | <i>Formaldehyde*</i> | 0.16 | 0.72 | |
| | | <i>Acrolein*</i> | 0.02 | 0.09 | |
| | | <i>Methanol*</i> | 0.02 | 0.11 | |
| | | <i>Benzene*</i> | 0.01 | 0.06 | |
| | | <i>Toluene*</i> | 0.01 | 0.02 | |

| EMISSION SUMMARY | | | | | |
|------------------|---|----------------------|----------------|-------|----------------------|
| Source No. | Description | Pollutant | Emission Rates | | Cross Reference Page |
| | | | lb/hr | tpy | |
| 07 | 1,100 hp Ingersoll Rand KVG Compressor Engine | PM/PM ₁₀ | 0.2 | 0.6 | 10 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.5 | 1.9 | |
| | | CO | 53.2 | 233.1 | |
| | | NO _x | 40.6 | 177.9 | |
| | | <i>Acetaldehyde*</i> | 0.02 | 0.10 | |
| | | <i>Formaldehyde*</i> | 0.16 | 0.72 | |
| | | <i>Acrolein*</i> | 0.02 | 0.09 | |
| | | <i>Methanol*</i> | 0.02 | 0.11 | |
| | | <i>Benzene*</i> | 0.01 | 0.06 | |
| | | <i>Toluene*</i> | 0.01 | 0.02 | |
| 08 | 1,100 hp Ingersoll Rand KVG Compressor Engine | PM/PM ₁₀ | 0.2 | 0.6 | 8 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.5 | 1.9 | |
| | | CO | 53.2 | 233.1 | |
| | | NO _x | 40.6 | 177.9 | |
| | | <i>Acetaldehyde*</i> | 0.02 | 0.10 | |
| | | <i>Formaldehyde*</i> | 0.16 | 0.72 | |
| | | <i>Acrolein*</i> | 0.02 | 0.09 | |
| | | <i>Methanol*</i> | 0.02 | 0.11 | |
| | | <i>Benzene*</i> | 0.01 | 0.06 | |
| | | <i>Toluene*</i> | 0.01 | 0.02 | |
| 10 | 300 hp Caterpillar G379 Standby Generator | PM/PM ₁₀ | 0.1 | 0.2 | 14 |
| | | SO ₂ | 0.1 | 0.1 | |
| | | VOC | 0.1 | 0.4 | |
| | | CO | 9.9 | 43.2 | |
| | | NO _x | 19.3 | 84.6 | |
| | | <i>Acetaldehyde*</i> | 0.01 | 0.01 | |
| | | <i>Formaldehyde*</i> | 0.04 | 0.20 | |
| | | <i>Acrolein*</i> | 0.01 | 0.01 | |
| | | <i>Methanol*</i> | 0.01 | 0.03 | |
| | | <i>Benzene*</i> | 0.01 | 0.02 | |
| | | <i>Toluene*</i> | 0.01 | 0.01 | |

Italic indicates HAPs.

*HAPs are included in the VOC totals.

SECTION III: PERMIT HISTORY

The facility has been in existence since 1950.

The first air permit #1244-A for Carlisle was issued in 1992.

In 1995, the permit #1244-AR-1 was issued in order to include the following changes:

1. revised emission limits based on emission test results;
2. incorporated the existing tanks,
3. higher fuel usage based on actual operating experience.

Air Permit 1244-AOP-R0 was issued on August 30, 1999. This was the first Title V Operating Permit for the facility. The facility was subject to Title V because CO and NO_x emissions were greater than 100 tons per year.

SECTION IV: SPECIFIC CONDITIONS

SN-01 through SN-08

Six 1,100 hp Ingersoll Rand KVG Compressor Engines and Two
 1,000 hp Ingersoll Rand KVG Compressor Engines

Source Description

There are six (6) 1,100 hp Ingersoll Rand KVG compressor engines used to pressurize natural gas (SN-01, 02, 03, 04, 07, and 08). There are two (2) 1,000 hp Ingersoll Rand KVG compressor engines also used to pressurize natural gas (SN-05 and SN-06). All compressors have 4-stroke rich-burn engines. Compressors may run at 120% of rated capacity. All engines are powered by natural gas.

Specific Conditions

- The permittee shall not exceed the emission rates set forth in the following table. The pound per hour and ton per year rates emission rates are based on using natural gas and maximum operating capacity of the equipment. [Regulation No. 19 §19.501 et seq. effective February 15, 1999, and 40 CFR Part 52, Subpart E]

| SN | Pollutant | lb/hr | tpy |
|----|------------------|-------|-------|
| 01 | PM ₁₀ | 0.2 | 0.6 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.5 | 1.9 |
| | CO | 53.2 | 233.1 |
| | NO _x | 40.6 | 177.9 |
| 02 | PM ₁₀ | 0.2 | 0.6 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.5 | 1.9 |
| | CO | 53.2 | 233.1 |
| | NO _x | 40.6 | 177.9 |
| 03 | PM ₁₀ | 0.2 | 0.6 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.5 | 1.9 |
| | CO | 53.2 | 233.1 |
| | NO _x | 40.6 | 177.9 |
| 04 | PM ₁₀ | 0.2 | 0.6 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.5 | 1.9 |
| | CO | 53.2 | 233.1 |
| | NO _x | 40.6 | 177.9 |
| 05 | PM ₁₀ | 0.2 | 0.6 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.5 | 1.9 |

| SN | Pollutant | lb/hr | tpy |
|----|------------------|-------|-------|
| 06 | CO | 53.2 | 233.1 |
| | NO _x | 40.6 | 177.9 |
| | PM ₁₀ | 0.2 | 0.6 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.5 | 1.9 |
| | CO | 53.2 | 233.1 |
| 07 | NO _x | 40.6 | 177.9 |
| | PM ₁₀ | 0.2 | 0.6 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.5 | 1.9 |
| | CO | 53.2 | 233.1 |
| | NO _x | 40.6 | 177.9 |
| 08 | PM ₁₀ | 0.2 | 0.6 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.5 | 1.9 |
| | CO | 53.2 | 233.1 |
| | NO _x | 40.6 | 177.9 |

2. The permittee shall not exceed the HAP emission rates set forth in the following table at SN-01 through SN-08. Compliance with HAPs emission will be assured through the use of natural gas and operating at or below maximum capacity of the equipment. The HAP emissions listed for this source were based upon published emission factors at the time of permit issuance. Any change in these emission factors will not constitute a violation of the HAP emission rates listed below. [Regulation 18, §18.801, and A.C.A. §8-4-203 as referenced by A.C. A. §8-4-304 and §8-4-311]

| SN | Pollutant | lb/hr | tpy |
|----|---------------------|-------|------|
| 01 | PM | 0.2 | 0.6 |
| | <i>Acetaldehyde</i> | 0.02 | 0.10 |
| | <i>Formaldehyde</i> | 0.16 | 0.72 |
| | <i>Acrolein</i> | 0.02 | 0.09 |
| | <i>Methanol</i> | 0.02 | 0.11 |
| | <i>Benzene</i> | 0.01 | 0.06 |
| | <i>Toluene</i> | 0.01 | 0.02 |
| 02 | PM | 0.2 | 0.6 |
| | <i>Acetaldehyde</i> | 0.02 | 0.10 |
| | <i>Formaldehyde</i> | 0.16 | 0.72 |
| | <i>Acrolein</i> | 0.02 | 0.09 |
| | <i>Methanol</i> | 0.02 | 0.11 |
| | <i>Benzene</i> | 0.01 | 0.06 |
| | <i>Toluene</i> | 0.01 | 0.02 |
| 03 | PM | 0.2 | 0.6 |
| | <i>Acetaldehyde</i> | 0.02 | 0.10 |

| SN | Pollutant | lb/hr | tpy |
|----|---------------------|-------|------|
| | <i>Formaldehyde</i> | 0.16 | 0.72 |
| | <i>Acrolein</i> | 0.02 | 0.09 |
| | <i>Methanol</i> | 0.02 | 0.11 |
| | <i>Benzene</i> | 0.01 | 0.06 |
| | <i>Toluene</i> | 0.01 | 0.02 |
| 04 | PM | 0.2 | 0.6 |
| | <i>Acetaldehyde</i> | 0.02 | 0.10 |
| | <i>Formaldehyde</i> | 0.16 | 0.72 |
| | <i>Acrolein</i> | 0.02 | 0.09 |
| | <i>Methanol</i> | 0.02 | 0.11 |
| | <i>Benzene</i> | 0.01 | 0.06 |
| | <i>Toluene</i> | 0.01 | 0.02 |
| 05 | PM | 0.2 | 0.6 |
| | <i>Acetaldehyde</i> | 0.02 | 0.10 |
| | <i>Formaldehyde</i> | 0.16 | 0.72 |
| | <i>Acrolein</i> | 0.02 | 0.09 |
| | <i>Methanol</i> | 0.02 | 0.11 |
| | <i>Benzene</i> | 0.01 | 0.06 |
| | <i>Toluene</i> | 0.01 | 0.02 |
| 06 | PM | 0.2 | 0.6 |
| | <i>Acetaldehyde</i> | 0.02 | 0.10 |
| | <i>Formaldehyde</i> | 0.16 | 0.72 |
| | <i>Acrolein</i> | 0.02 | 0.09 |
| | <i>Methanol</i> | 0.02 | 0.11 |
| | <i>Benzene</i> | 0.01 | 0.06 |
| | <i>Toluene</i> | 0.01 | 0.02 |
| 07 | PM | 0.2 | 0.6 |
| | <i>Acetaldehyde</i> | 0.02 | 0.10 |
| | <i>Formaldehyde</i> | 0.16 | 0.72 |
| | <i>Acrolein</i> | 0.02 | 0.09 |
| | <i>Methanol</i> | 0.02 | 0.11 |
| | <i>Benzene</i> | 0.01 | 0.06 |
| | <i>Toluene</i> | 0.01 | 0.02 |
| 08 | PM | 0.2 | 0.6 |
| | <i>Acetaldehyde</i> | 0.02 | 0.10 |
| | <i>Formaldehyde</i> | 0.16 | 0.72 |
| | <i>Acrolein</i> | 0.02 | 0.09 |
| | <i>Methanol</i> | 0.02 | 0.11 |
| | <i>Benzene</i> | 0.01 | 0.06 |
| | <i>Toluene</i> | 0.01 | 0.02 |

- Visible emissions may not exceed the limits specified in the following table of this permit as measured by EPA Reference Method 9. The permittee will demonstrate compliance with this condition by Plantwide Condition No. 6.

CenterPoint Energy - Mississippi River Transmission Corporation, Carlisle Compressor Station
AFIN: 43-00093
Permit #:1244-AOP-R1

| SN | Limit | Regulatory Citation |
|---------------------------------------|-------|---------------------|
| 01, 02, 03, 04, 05, 06, 07, and 08 | 5% | §18.501 |

SN-10
 300 hp Caterpillar G379 Standby Generator

Source Description

Caterpillar G379 Standby Generator (SN-10) is powered by 300 hp 4-stroke rich burn engine. Natural gas is used as a fuel.

Specific Conditions

4. The permittee shall not exceed the emission rates set forth in the following table. The pound per hour and ton per year rates emission rates are based on using natural gas and maximum operating capacity of the equipment. [Regulation No. 19 §19.501 et seq. effective February 15, 1999, and 40 CFR Part 52, Subpart E]

| SN | Pollutant | lb/hr | tpy |
|----|------------------|-------|------|
| 10 | PM ₁₀ | 0.1 | 0.2 |
| | SO ₂ | 0.1 | 0.1 |
| | VOC | 0.1 | 0.4 |
| | CO | 9.9 | 43.2 |
| | NO _x | 19.3 | 84.4 |

5. The permittee shall not exceed the HAP emission rates set forth in the following table at SN-10. Compliance with HAPs emission will be assured through the use of natural gas and operating at or below maximum capacity of the equipment. The HAP emissions listed for this source were based upon published emission factors at the time of permit issuance. Any change in these emission factors will not constitute a violation of the HAP emission rates listed below. [Regulation §18.801, and A.C.A. §8-4-203 as referenced by A.C. A. §8-4-304 and §8-4-311]

| SN | Pollutant | lb/hr | tpy |
|----|---------------------|-------|------|
| 10 | PM | 0.1 | 0.2 |
| | <i>Acetaldehyde</i> | 0.01 | 0.01 |
| | <i>Formaldehyde</i> | 0.04 | 0.20 |
| | <i>Acrolein</i> | 0.01 | 0.01 |
| | <i>Methanol</i> | 0.01 | 0.03 |
| | <i>Benzene</i> | 0.01 | 0.02 |
| | <i>Toluene</i> | 0.01 | 0.01 |

6. The permittee shall not exceed 5% opacity from source SN-10 as measured by EPA Reference Method 9. Compliance with this condition shall be demonstrated by burning natural gas. [Regulation 18, §18.5 01 of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C. A. §8-4-304 and §8-4-311]

CenterPoint Energy - Mississippi River Transmission Corporation, Carlisle Compressor Station
AFIN: 43-00093
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SECTION V: COMPLIANCE PLAN AND SCHEDULE

CenterPoint Energy - Mississippi River Transmission Corporation, Carlisle 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.

SECTION VI: PLANTWIDE CONDITIONS

1. The permittee will 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 No. 19 §19.704, 40 CFR Part 52, Subpart E, and A.C.A. §8-4-203 as referenced by §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 No.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 will submit the compliance test results to the Department within thirty (30) days after completing the testing. [Regulation No.19 §19.702 and/or Regulation No. 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 No.19 §19.702 and/or Regulation No.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
 - 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 will maintain the equipment in good condition at all times. [Regulation No.19 §19.303 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
6. Pipeline quality natural gas shall be the only fuel used to fire the compressor engines at this facility. [Regulation No.19 §19.705 and/or Regulation No. 18 §18.1004, A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311, and 40 CFR 70.6]
7. The permittee shall simultaneously conduct tests for CO and NO_x on the compressor engines every 5 years in accordance with Plantwide Condition 3 and the schedule set forth in the following table. EPA Reference Method 10 and 7E shall be used for CO and NO_x, respectively. The permittee shall test the engine within 90% of its rated capacity. If the engine is not tested 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(s) to be tested. The engine(s) tested shall be rotated so that no such engine(s) is tested twice before another similar (make and model) engine of equal horse power engine is tested once. If the tested emission rate for any pollutant is in excess of the permitted emission rate, all similar (make and model) engines shall be tested for that pollutant. [Regulation No.19 §19.702, and 40 CFR Part 52, Subpart E]

Testing

| SN | Description | Testing Requirement |
|--|---|---|
| 01, 02, 03, 04, 05, 06, 07, and 08 | 1100 HP Ingersoll Rand KVG Compressor Engine | One-half of eight (8) every five years |

8. The permittee may replace any existing engines on a temporary or permanent basis with an engine(s) that has the same or lower emission rates on a pound per hour basis; has the same or lower horsepower; and which replacement does not result in a significant emissions increase as defined and applied pursuant to 40 CFR 52.21, and as set out below:
 - a. The permittee shall notify ADEQ of the replacement within 30 days after the replacement is made, which notification shall identify the previous and replacement engines, and provide the reason why the replacement was necessary. If applicable, the notification shall also provide a permit application and, when required, a CAM plan under 40 CFR Part 64.
 - b. The permittee shall conduct NO_x and CO emission testing within 90 days of the date of replacement to verify the emissions from the newly installed engine(s). The testing shall be conducted in accordance with EPA Reference Method 7E for NO_x and EPA Reference Method 10 for CO.
 - c. Notwithstanding the above, as provided by Regulation 26, in the event an emergency occurs, the permittee shall have an affirmative defense of emergency to an action brought for non-compliance with technology-based limitations if the conditions of Regulation 26, §26.707 are met.

[Regulation No.19 §19.705, A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311, §19.304 and 40 CFR Part 64]
9. 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 §8-4-304 and §8-4-311]
10. The permittee shall use good maintenance practices to control emissions from valves, fittings, flanges, seals and other associated equipment. [Regulation 19, §19.303 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

Title VI Provisions

11. 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.
12. 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.
 - 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.
13. 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.
14. 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.

15. 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

16. 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 the following table - Applicable Regulations of this condition. The permit specifically identifies the following as applicable requirements based upon the information submitted by the permittee in an application dated February 20, 2004.

Applicable Regulations

| Source No. | Regulation | Description |
|-------------------|--|--------------------|
| Facility Wide | <i>Arkansas Plan of Implementation for Air Pollution Control</i> (Regulation 19) | SIP |
| Facility Wide | <i>Regulations of the Arkansas Operating Air Permit Program</i> (Regulation 26). | Title V |

SECTION VII: INSIGNIFICANT ACTIVITIES

The following sources are insignificant activities. Any activity that has a state or federal applicable requirement is a significant activity even if this activity meets the criteria of §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 February 13, 2004.

| Description | Category |
|--|----------|
| 2,500 gallons used oil storage tank | A-3 |
| Two (2) 4,200 gallons entrained liquid storage tanks | A-3 |
| 5,000 gallons lube oil storage tank | A-3 |
| 8,820 gallons antifreeze storage tank | A-3 |
| 4,200 gallons antifreeze storage tank | A-3 |
| 1,500 gallons waste water storage tank | A-3 |
| Two (2) 100 gallons kerosene storage tanks | A-2 |
| 100 gallons diesel storage tank | A-2 |
| Compressors blowdowns | A-13 |
| Fugitive emissions | A-13 |

Pursuant to §26.304 of Regulation 26, the Department determined the emission units, operations, or activities contained in Regulation 19, Appendix A, Group B, to be insignificant activities. Activities included in this list are allowable under this permit and need not be specifically identified.

SECTION VIII: GENERAL PROVISIONS

1. Any terms or conditions included in this permit which specify and reference Arkansas Pollution Control & Ecology Commission Regulation No. 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 August 10, 2000]
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 No. 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 No. 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 No. 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 5 years from the date of the monitoring sample, 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 No. 26 §26.701(C)(2)(b)]
7. The permittee must submit reports of all required monitoring every 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 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 §26.701(C)(3)(a) of Regulation #26]

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

8. The permittee will 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 19.601), 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 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 will 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 report required in 8a. [40 CFR 70.6(a)(3)(iii)(B), Regulation No. 26 §26.701(C)(3)(b), Regulation No. 19 §19.601 and §19.602]
- 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), §26.701(E) of Regulation No. 26, and A.C.A. §8-4-203, as referenced by §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 No. 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 No. 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 No. 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 No. 26 §26.701(F)(3)]
- 13. This permit does not convey any property rights of any sort, or any exclusive privilege. [40 CFR 70.6(a)(6)(iv) and Regulation No. 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 along with a claim of confidentiality. [40 CFR 70.6(a)(6)(v) and Regulation No. 26 §26.701(F)(5)]

15. The permittee must pay all permit fees in accordance with the procedures established in Regulation No. 9. [40 CFR 70.6(a)(7) and Regulation No. 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 No. 26 §26.701(H)]
17. If the permit allows different operating scenarios, the permittee will, 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 No. 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 No. 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 No. 26 §26.2. [40 CFR 70.6(c)(1) and Regulation No. 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 No. 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 will 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 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 No. 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; and
- e. 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 No. 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 Act.

23. This permit authorizes only those pollutant-emitting activities addressed in this permit. [A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-31]