STATEMENT OF BASIS

For the issuance of Draft Air Permit # 1244-AOP-R2 AFIN: 43-00093

1. **PERMITTING AUTHORITY**:

Arkansas Department of Environmental Quality 5301 Northshore Drive North Little Rock, Arkansas 72118-5317

2. APPLICANT:

CenterPoint Energy - Mississippi River Transmission Corp. Carlisle Compressor Station Hillman Road, Route 1 Carlisle, Arkansas 72024

3. PERMIT WRITER:

Ambrosia Brown

4. PROCESS DESCRIPTION AND NAICS CODE:

NAICS Description:Pipeline Transportation of Natural GasNAICS Code:48621

5. SUBMITTALS:

11/18/2009, 01/07/2010, 03/17/2010, 04/08/2010, 05/06/2010

6. **REVIEWER'S NOTES**:

CenterPoint Energy - Mississippi River Transmission Corporation, Carlisle Compressor Station operates a natural gas compressor station. This permit is being issued for a Title V renewal and includes the addition of emission control equipment. A catalytic converter shall be installed to control emissions from each Ingersoll-Rand Natural Gas Compressor Engine. The resulting permitted emissions are decreased by 1677.6 tpy CO and 1280.9 tpy NO_X.

7. COMPLIANCE STATUS:

The following summarizes the current compliance of the facility including active/pending enforcement actions and recent compliance activities and issues. This facility has no known pending CAO's or other enforcement issues.

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- 8. **PSD APPLICABILITY**:
 - a. Did the facility undergo PSD review in this permit (i.e., BACT, Modeling, etc.)? N
 - b. Is the facility categorized as a major source for PSD? N Single pollutant ≥ 100 tpy and on the list of 28 or single pollutant ≥ 250 tpy and not on list?

If yes, explain why this permit modification not PSD?

9. SOURCE AND POLLUTANT SPECIFIC REGULATORY APPLICABILITY:

Source	Pollutant	Regulation (NSPS, NESHAP or PSD)					
No Source/Pollutant Specific Regulations							

10. EMISSION CHANGES AND FEE CALCULATION:

See emission change and fee calculation spreadsheet in Appendix A.

11. MODELING:

Criteria Pollutants

The screening models by ADEQ used 5 yrs of MET data from Little Rock, AR (2003 to 2007). The background pollutant levels were added for determining the PM concentrations.

Pollutant	Emission Rate (lb/hr)	NAAQS Standard (µg/m ³)	Averaging Time	Highest Concentration (µg/m ³)	% of NAAQS
DM	1.7	50	Annual	23.31*	47%
PM ₁₀	1./	150	24-Hour	45.62*	31%
	52 1	10,000	8-Hour	521.99	6%
CO	53.1	40,000	1-Hour	758.89	2%
NO _x	52.1	100	Annual	11.48	12%

* PM₁₀ highest concentrations include background of 23 µg/m³ (annual) and 43 µg/m³ (24-hour)

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Non-Criteria Pollutants:

1st Tier Screening (PAER)

Estimated hourly emissions from the following sources were compared to the Presumptively Acceptable Emission Rate (PAER) for each compound. The Department has deemed the PAER to be the product, in lb/hr, of 0.11 and the Threshold Limit Value (mg/m^3) , as listed by the American Conference of Governmental Industrial Hygienists (ACGIH).

Pollutant	TLV (mg/m ³)	$PAER (lb/hr) = 0.11 \times TLV$	Proposed lb/hr	Pass?
Formaldehyde	1.5	0.165	1.365	No
Methanol	262.09	28.8299	0.247	Yes
Acetaldehyde	45.04	4.9544	0.247	Yes
Benzene	1.6	0.176	0.164	Yes
Toluene	75.36	8.2896	0.082	Yes
Acrolein	0.23	0.0253	0.226	No

2nd Tier Screening (PAIL)

AERMOD air dispersion modeling was performed on the estimated hourly emissions from the following sources, in order to predict ambient concentrations beyond the property boundary. The Presumptively Acceptable Impact Level (PAIL) for each compound has been deemed by the Department to be one one-hundredth of the Threshold Limit Value as listed by the ACGIH.

Pollutant	PAIL (μ g/m ³) = 1/100 of Threshold Limit Value	Modeled Concentration $(\mu g/m^3)$	Pass?
Formaldehyde	15	3.57	Yes
Acrolein	2.3	0.905	Yes

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12. CALCULATIONS:

SN	Emission Factor Source (AP-42, testing, etc.)	Emission Factor (lb/ton, lb/hr, etc.)	Control Equipment	Control Equipment Efficiency	Comments
01 to 08	CO and NO _x : Stack Testing VOC, PM, PM ₁₀ , SO ₂ : AP-42 Table 3.2-3 HAPs: GRI-HAPCalc	CO: 3.8205 lb/MMbtu NO _x : 2.9158 lb/MMbtu VOC: 0.0296 lb/MMbtu PM ₁₀ : 0.0095 lb/MMbtu SO ₂ : 0.000588 lb/MMbtu PM: 0.00991 lb/MMbtu Formaldehyde: 0.0677 gm/hp- hr Methanol: 0.0101 gm/hp-hr Acetaldehyde: 0.0092 gm/hp-hr Benzene: 0.0052 gm/hp-hr Toluene: 0.0018 gm/hp-hr Acrolein: 0.0087 gm/hp-hr	Catalytic Converter	CO: 90% NO _x : 90%	SN01-SN06: 1000 hp SN07-SN08: 1100 hp 13.93 MMBtu/hr 20% safety factor
10	NO _x : AGA Emission Factors CO, VOC, PM, PM ₁₀ SO ₂ : AP-42 Table 3.2- 3 HAPs: GRI-HAPCalc	NO _x : 7.2715 lb/MMbtu CO: 3.72 lb/MMbtu VOC: 0.0296 lb/MMbtu PM ₁₀ : 0.0095 lb/MMbtu PM: 0.00991 lb/MMbtu SO ₂ : 0.000588 lb/MMbtu AP-42 Table 3.2-3 HAPs: GRI-HAPCalc	none	N/A	2.65 MMBtu/hr 300 hp

13. TESTING REQUIREMENTS:

The permit requires testing of the following sources.

SN	Pollutants	Test Method	Test Interval	Justification
SN01-SN08 Stack Testing	CO NO _X	Method 10 and 7E	Initial test for all engines and then compressor engines every 5 years	See Plantwide Condition # 10 in permit.

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14. MONITORING OR CEMS

The permittee must monitor the following parameters with CEMS or other monitoring equipment (temperature, pressure differential, etc.)

SN	Parameter or Pollutant to be Monitored	Method (CEM, Pressure Gauge, etc.)	Frequency	Report (Y/N)
SN01- SN08	temperature of the exhaust gas into the catalyst	inline thermocouple	Continuous monitoring (4 hour average)	Yes, only when outside of range
SN01- SN08	pressure drop across the catalyst	Pressure Gauge	Monthly	Yes
SN01- SN08	O2 in exhaust gas	O ₂ sensor for air/fuel ratio controller (AFRC)	Continuous	Yes, only when alarm sounds for more than 30 minutes in any 4 hour period

15. RECORDKEEPING REQUIREMENTS:

The following are items (such as throughput, fuel usage, VOC content, etc.) that must be tracked and recorded.

SN	Recorded Item	Permit Limit	Frequency	Report (Y/N)
SN01-SN08 SNCR	Logging and corrective actions when SNCR not operating	SNCR must always operate except during start-up	Any Occurrence	Yes
SN01-SN08 SNCR	Temperature of the exhaust gas into the catalyst When outside limit: corrective action, and logging	750 F <1250 F	Continuous monitoring (4 hour average) and additional info when outside limit	Yes, only when outside Permit Limits
SN01-SN08 SNCR	thermocouple and indicator visual check and test data	N/A	Visual:Quarterly Test: Annual (See CAM Plan)	No
SN01-SN08 SNCR	pressure drop across the catalyst When outside limit: corrective action,	Less than 2 inches H ₂ O from benchmark	Monthly and additional info when outside limit	Yes

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SN	Recorded Item	Permit Limit	Frequency	Report (Y/N)
	logging			
SN01-SN08 SNCR	pressure gauge calibration data	N/A	Calibrated: Quarterly (See CAM Plan)	No
SN01-SN08 SNCR	over-temperature system testing data	N/A	Annual (See CAM Plan)	No
SN01-SN08 SNCR	Air/fuel ratio controller O ₂ sensor Alarm Events and any corrective actions	Alarm sounding 30 minutes in any 4 hour period	Continuous and additional info when outside limit	Yes, only when outside Permit Limits

16. OPACITY:

SN	Opacity	Justification for limit	Compliance Mechanism
01, 02, 03, 04, 05, 06, 07, 08 and 09	5%	§18.501	Plantwide Condition #6 (Natural Gas Fuel)

17. DELETED CONDITIONS: None

18. GROUP A INSIGNIFICANT ACTIVITIES

	Group A	Emissions (tpy)							
Source Name	Category	PM/PM ₁₀	SO ₂	VOC	СО	NOx	HA	HAPs	
			502	100			Single	Total	
2,500 gallons used oil storage tank	A-3	0	0	0.00146	0	0	0.00146	0.00146	
Two (2) 4,200 gallons entrained liquid storage tanks	A-3	0	0	0.054	0	0	0.054	0.054	
5,000 gallons lube oil storage tank	A-3	0	0	0.0028	0	0	0.0028	0.0028	
8,820 gallons antifreeze storage tank	A-3	0	0	0.0001	0	0	0.0001	0.0001	
4,200 gallons antifreeze storage tank	A-3	0	0	0.0001	0	0	0.0001	0.0001	
1,500 gallons waste water storage tank	A-3	0	0	0.0010	0	0	0.0010	0.0010	
Two (2) 100 gallons kerosene storage tanks	A-2	0	0	0.0001	0	0	0.0001	0.0001	
100 gallons diesel storage tank	A-2	0	0	0.0002	0	0	0.0002	0.0002	

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_	Group A	Emissions (tpy)						
Source Name	Category		50	VOC	CO		HAPs	
		PM/PM ₁₀	PM/PM_{10} SO ₂		CO	NO _x	Single	Total
Compressors blowdowns	A-13	0	0	0.10	0	0	0.10	0.10
Fugitive emissions	A-13	0	0	0.016	0	0	0	0

19. VOIDED, SUPERSEDED, OR SUBSUMED PERMITS:

List all active permits voided/superseded/subsumed by the issuance of this permit.

Permit #	
1244-AOP-R1	

20. CONCURRENCE BY:

The following supervisor concurs with the permitting decision.

Paula Parker, P.E.

APPENDIX A – EMISSION CHANGES AND FEE CALCULATION

Fee Calculation for Major Source

Facility Name: CenterPoint Energy - Mississippi River Transmission Corp. Carlisle Compressor Station Permit Number: 1244-AOP-R2 AFIN: 43-000093

\$/ton factor	22.07	Annual Chargeable Emissions (tpy)	<u>248.4</u>
Permit Type	Modification	Permit Fee \$	1000
Minor Modification Fee \$ Minimum Modification Fee \$ Renewal with Minor Modification \$ Check if Facility Holds an Active Minor Source or Minor Source General Permit If Hold Active Permit, Amt of Last Annual Air Permit Invoice \$ Total Permit Fee Chargeable Emissions (tpy) Initial Title V Permit Fee Chargeable Emissions (tpy)	500 1000 500		

HAPs not included in VOC or PM:

Chlorine, Hydrazine, HCl, HF, Methyl Chloroform, Methylene Chloride, Phosphine, Tetrachloroethylene, Titanium Tetrachloride

Revised 03-01-10

Air Contaminants:

All air contaminants are chargeable unless they are included in other totals (e.g., H2SO4 in condensible PM, H2S in TRS, etc.)

Pollutant (tpy)	Check if Chargeable Emission	Old Permit	New Permit	Change in Emissions	Permit Fee Chargeable Emissions	Annual Chargeable Emissions
РМ		5	5	0	0	5
PM ₁₀	Г	5	5	0		
SO ₂	ম	0.9	0.9	0	0	0.9
VOC		15.6	15.6	0	0	15.6
со	5 m	1908	230.4	-1677.6		
NO _X	N	1507.8	226.9	-1280.9	-1280.9	226.9
Acetaldehyde		0.81	0.83	0.02		
Formaldehyde		5.96	5.84	-0.12		
Acrolein	F	0.73	0.81	0.08		
Methanol	Г	0.91	0.89	-0.02		
Benzene	Γ	0.5	0.5	0		
Toluene	Γ.	0.17	0.17	0		