STATEMENT OF BASIS

for the issuance of Draft Air Permit # 1450-AOP-R1

1. **PERMITTING AUTHORITY:**

Arkansas Department of Environmental Quality 8001 National Drive Post Office Box 8913 Little Rock, Arkansas 72219-8913

2. APPLICANT:

Arkansas Western Gas Company – Lone Elm Compressor Station County Road 302 Ozark, Arkansas 72949

3. PERMIT WRITER:

James G. Siganos, P. E.

4. PROCESS DESCRIPTION AND NAICS CODE:

NAICS Description: Pipeline Transportation of Natural Gas-Compressor Station NAICS Code: 486210

5. **SUBMITTALS**: April 29, 2003

6. **REVIEWER'S NOTES:**

Permit No. 1450-AOP-R1 is being issued to Arkansas Western Gas Company (AWG) Lone Elm compressor station as a renewal. The reciprocating Combustion Engine (RICE) MACT (40CFR §63, Subpart ZZZZ) will probably become effective during the permit term. The final decision is scheduled to be promulgated on February 28, 2004.

7. **COMPLIANCE STATUS**: The following summarizes the current compliance status of the facility including active/pending enforcement actions and recent compliance activities and issues.

There are no known active/pending enforcement activities regarding this facility. AWG plans to meet all future regulatory requirements on a timely basis.

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8. **APPLICABLE REGULATIONS**:

A. Applicability

Did the facility undergo PSD review in this permit (i.e., BACT, Modeling, et cetera) (Y/N) Has this facility underwent PSD review in the past (Y/N) N Permit #	<u>N</u>
Is this facility categorized as a major source for PSD? (Y/N) Y \$ 100 tpy and on the list of 28 (100 tpy)? (Y/N) (Y/N) Y \$ 250 tpy all other (Y/N) Y	
B. PSD Netting	
Was netting performed to avoid PSD review in this permit? (Y/N) N	

C. Source and Pollutant Specific Regulatory Applicability N/A

Source	Pollutant	Regulation [NSPS, NESHAP (Part 61 & Part 63), or PSD <u>only</u>]
None		

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9. EMISSION CHANGES:

The following table summarizes plantwide emission changes associated with this permitting action.

Plantwide Permitted Emissions (ton/yr)						
Pollutant	Air Permit 1450-AOP-R0	Air Permit 1185-AOP-R2	Change			
PM/PM10	0.2	0	-0.2			
VOC	19.4	19.4	+0.3			
СО	193.7	193.2	-0.5			
NO_X	173.9	173.9	0.0			
formaldehyde	2.2	0.66	-1.34			
Acrolein	0.22	0	-0.22			

10. MODELING:

A. Criteria Pollutants

Pollutant	Emission Rate (lb/hr)	NAAQS Standard (µg/m³)	Averaging Time	Highest Concentration (µg/m³)	% of NAAQS
NO_X	41.1	100	Annual	41.99	42
		10,000	8-hour	316.3	3.2%
СО	44.3	40,000	1-hour	452.6	1.1%

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11. 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 PAER was deemed by the Department to be the product, in lb/hr, of 0.11 and the Threshold Limit Value (mg/m³), as listed by the American Conference of Governmental Industrial Hygienists (ACGIH).

Pollutant	$ \begin{array}{c c} TLV & PAER (lb/hr) \\ Pollutant & (mg/m^3) & = 0.11*TLV \end{array} $		2		Proposed lb/hr	Pass?
Formaldehyde	1.5	0.165	0.15	Y		

12. CALCULATIONS:

SN	Emission Factor Source (AP-42, Testing, etc)	Emission Factor and units (lbs/ton, lbs/hr, etc)	Control Equipment Type (if any)	Control Equipment Efficiency	Comments (Emission factor controlled/uncontrolled, etc)
01,	Equipment Manufactur er + stack testing for NO _x and CO	g/bhp-hr	None	NA	emission factors are uncontrolled
01,	Formaldehyde calculations were derived using GRI factors converted from AP-42 factor units.	g/bhp-hr	None	NA	emission factors are uncontrolled

13. TESTING REQUIREMENTS:

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This permit requires stack testing of the following sources.

SN(s)	Pollutant	Test Method	Test Interval	Justification For Test Requirement
SN-01	NO _x CO	7E 10	Upon Title V renewal	Compressor engine will be tested every 5 years as confirmation of the permit limits

14. MONITORING OR CEMS

The following are parameters that must be monitored with CEMs or other monitoring equipment (temperature, pressure differential, etc), frequency of recording and whether records are needed to be included in any annual, semiannual or other reports.

SN	Parameter or Pollutant to be Monitored	Method of Monitoring (CEM, Pressure Gauge, etc)	Frequency*	Report (Y/N)**
No mo	nitoring or CEMS			

^{*} Indicate frequency of recording required for the parameter (Continuously, hourly, daily, etc.)

15. RECORD KEEPING REQUIREMENTS

The following are items (such as throughput, fuel usage, VOC content of coating, etc) that must be tracked and recorded, frequency of recording and whether records are needed to be included in any annual, semiannual or other reports.

^{**} Indicates whether the parameter needs to be included in reports.

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16. **OPACITY**

SN	Opacity %	Justification (NSPS limit, Dept. Guidance, etc)	Compliance Mechanism (daily observation, weekly, control equipment operation, etc)
01,	5%	Department Guidance	Natural Gas Fuel Only

17. **DELETED CONDITIONS:**

The following Specific Conditions were included in the previous permit, but deleted for the current permitting action.

Former SC	Justification for removal
	No deleted conditions

18. VOIDED, SUPERSEDED OR SUBSUMED PERMITS

List all active permits for this facility which are voided/superseded/subsumed by issuance of this permit.

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19. CONCURRENCE BY:

The fol	lowing	supervisor	concurs	with	the	permitting	decision:
		F				P	

Thomas Rheaume, P.E.