



Brian Schweitzer, Governor

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July 23, 2012

Patrick Montalban
Mountain View Gathering, Inc
P.O. Box 200
Cut Bank, Montana 59427

Dear Mr. Montalban:

Montana Air Quality Permit #3877-01 is deemed final as of July 21, 2012, by the Department of Environmental Quality (Department). This permit is for a natural gas compressor station and associated equipment. All conditions of the Department's Decision remain the same. Enclosed is a copy of your permit with the final date indicated.

For the Department,

Charles Homer
Manager, Air Permitting, Compliance and Registration
Air Resources Management Bureau
(406) 444-5279

Doug Kuenzli
Environmental Science Specialist
Air Resources Management Bureau
(406) 444-4267

CH:DCK
Enclosure

Montana Department of Environmental Quality
Permitting and Compliance Division

Montana Air Quality Permit #3877-01

Mountain View Gathering, Inc
P.O. Box 200
Cut Bank, Montana 59427

July 21, 2012



MONTANA AIR QUALITY PERMIT

Issued To: Mountain View Gathering, Inc
P.O. Box 200
Cut Bank, Montana 59427

MAQP #3877-01
Administrative Amendment (AA) Request
Received: 06/07/2012
Department's Decision on AA: 07/05/2012
Permit Final: 07/21/2012
AFS: #073-0005

A Montana Air Quality Permit (MAQP), with conditions, is hereby granted to Mountain View Gathering, Inc. (MVGI), pursuant to Sections 75-2-204 and 211 of the Montana Code annotated (MCA), as amended, and Administrative Rules of Montana (ARM) 17.8.740, *et seq.*, as amended, for the following:

SECTION I: Permitted Facilities

A. Plant Location

MVGI owns and operates the Lake Frances natural gas compressor station located in the Southeast ¼ of the Northwest ¼ of Section 36, Township 29 North, Range 5 West in Pondera County, Montana. The facility consists of a single natural gas fired, 4-cycle, rich-burn compressor engine of up to 204 brake-horsepower (bhp) with an air-fuel ratio (AFR) controller and a non-selective catalytic reduction (NSCR) unit. A further description of the permitted equipment is contained in Section I.A of the Permit Analysis.

B. Current Permit Action

The Department of Environmental Quality (Department) received notification on June 7, 2012, from Genesis Energy, Inc., indicating a transfer of assets and assignment of ownership of the facility to MVGI. The current permit action reflects the transfer ownership of the facility and updates the permit language and rule references used by the Department.

SECTION II: Conditions and Limitations

A. Emission Limitations

1. The Lake Frances compressor engine shall be a 4-cycle, rich-burn engine. The maximum rated design capacity of the engine shall not exceed 204 bhp (ARM 17.8.749).
2. The compressor engine shall be controlled with a NSCR unit and an AFR controller. The pound per hour (lb/hr) emission limits for the engine shall be determined using the following equation and pollutant specific grams per bhp per hour (g/bhp-hr) emission factors (ARM 17.8.752):

Equation

Emission Limit (lb/hr) = Emission Factor (g/bhp-hr) * maximum rated design capacity of engine (bhp) * 0.002205 lb/g

Emission Factors

Nitrogen Oxides (NO _x)	2.0 g/bhp-hr
Carbon Monoxide (CO)	2.0 g/bhp-hr
Volatile Organic Compounds (VOC)	1.0 g/bhp-hr

3. MVGI shall not cause or authorize emissions to be discharged into the outdoor atmosphere from any sources installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes (ARM 17.8.304).
4. MVGI shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne PM (ARM 17.8.308).
5. MVGI shall treat all unpaved portions of the haul roads, access roads, parking lots, or general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the reasonable precautions limitation in Section II.A.3 (ARM 17.8.749).
6. MVGI shall comply with all applicable standards, limitations, reporting, recordkeeping, and notification requirements contained in Title 40 Code of Federal Regulations (40 CFR) 63, Subpart ZZZZ, *National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines* (ARM 17.8.340 and 40 CFR 63, Subpart ZZZZ).

B. Testing Requirements

1. The compressor engine shall be initially tested for NO_x and CO, concurrently, to demonstrate compliance with the emission limits contained in Section II.A.2. The initial source testing shall be conducted within 180 days of the initial start-up date of the compressor engine. After the initial source test, additional testing shall continue on an every four-year basis or according to another testing/monitoring schedule as may be approved by the Department (ARM 17.8.105 and ARM 17.8.749).
2. All compliance source tests shall conform to the requirements of the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).
3. The Department may require further testing (ARM 17.8.105).

C. Operational Reporting Requirements

1. MVGI shall supply the Department with annual production information for all emission points, as required by the Department in the annual emission inventory request. The request will include, but is not limited to, all sources of emissions identified in the emission inventory contained in the permit analysis.

Production information shall be gathered on a calendar-year basis and submitted to the Department by the date required in the emission inventory request. Information shall be in the units required by the Department. This information may be used to calculate operating fees, based on actual emissions from the facility, and/or to verify compliance with permit limitations (ARM 17.8.505).

2. MVGI shall notify the Department of any construction or improvement project conducted pursuant to ARM 17.8.745, that would include ***the addition of a new emissions unit***, change in control equipment, stack height, stack diameter, stack flow, stack gas temperature, source location or fuel specifications, or would result in an increase in source capacity above its permitted operation or the addition of a new emission unit. The notice must be submitted to the Department, in writing, 10 days prior to start up or use of the proposed de minimis change, or as soon as reasonably practicable in the event of an unanticipated circumstance causing the de minimis change, and must include the information requested in ARM 17.8.745(1)(d) (ARM 17.8.745).

3. All records compiled in accordance with this permit must be maintained by MVGI as a permanent business record for at least 5 years following the date of the measurement, must be available at the plant site for inspection by the Department, and must be submitted to the Department upon request (ARM 17.8.749).

SECTION III: General Conditions

- A. Inspection – MVGI shall allow the Department’s representatives access to the source at all reasonable times for the purpose of making inspections or surveys, collecting samples, obtaining data, auditing any monitoring equipment (Continuous Emissions Monitoring System (CEMS), Continuous Emission Rate Monitoring System (CERMS) or observing any monitoring or testing, and otherwise conducting all necessary functions related to this permit.
- B. Waiver – The permit and the terms, conditions, and matters stated herein shall be deemed accepted if MVGI fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations – Nothing in this permit shall be construed as relieving MVGI of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq.* (ARM 17.8.756).
- D. Enforcement – Violations of limitations, conditions and requirements contained herein may constitute grounds for permit revocation, penalties or other enforcement action as specified in Section 75-2-401, *et seq.*, MCA.

Appeals – Any person or persons jointly or severally adversely affected by the Department’s decision may request, within 15 days after the Department renders its decision, upon affidavit setting forth the grounds therefore, a hearing before the Board of Environmental Review (Board). A hearing shall be held under the provisions of the Montana Administrative Procedures Act. The filing of a request for a hearing does not stay the Department’s decision, unless the Board issues a stay upon receipt of a petition and a finding that a stay is appropriate under Section 75-2-211(11)(b), MCA. The issuance of a stay on a permit by the Board postpones the effective date of the Department’s decision until conclusion of the hearing and issuance of a final decision by the Board. If a stay is not issued by the Board, the Department’s decision on the application is final 16 days after the Department’s decision is made.

- E. Permit Inspection – As required by ARM 17.8.755, Inspection of Permit, a copy the air quality permit shall be made available for inspection by the Department at the location of the source.
- F. Permit Fee – Pursuant to Section 75-2-220, MCA, as amended by the 1991 Legislature, failure to pay the annual operation fee by WBI may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.
- G. Duration of Permit – Construction or installation must begin or contractual obligations entered into that would constitute substantial loss within 3 years of permit issuance and proceed with due diligence until the project is complete or the permit shall expire (ARM 17.8.762).

Montana Air Quality Permit (MAQP) Analysis
Mountain View Gathering, Inc.
MAQP #3877-01

I. Introduction/Process Description

Mountain View Gathering, Inc. (MVGI) owns and operations the Lake Frances Compressor Station located in the Southeast ¼ of the Northwest ¼ of Section 36, Township 29 North, Range 5 West, in Pondera County, Montana.

A. Permitted Equipment

The facility consists of a single natural gas fired, 4-cycle, rich-burn compressor engine of up to 204 brake-horsepower (bhp) with an air-fuel ratio (AFR) controller and a non-selective catalytic reduction (NSCR).

B. Source Description

The purpose of adding the compressor engine is to increase the pressure of the gas entering the facility. In late 2005, MVGI began construction of a 3.5 mile gas gathering line to allow the new Lake Frances Gas production field to be gathered separately from the Williams Gas Field. In 2006, MVGI proposed to add a smaller booster compressor to accommodate the expanded gathering system.

C. Permit History

On November 21, 2006, the Department of Environmental Quality (Department) issued **MAQP #3877-00** to Genesis Energy, Inc. (Genesis) for the construction and operation of the Lake Frances natural gas compressor engine. The facility was to consist of a single natural gas fired, 4-cycle, rich-burn compressor engine of up to 204 brake-horsepower (bhp) with an air-fuel ratio (AFR) controller and a non-selective catalytic reduction (NSCR) unit.

D. Current Permit Action

The Department received notification on June 7, 2012, from Genesis, indicating a transfer of assets and assignment of ownership of the facility to MVGI. The current permit action reflects this ownership transfer and updates the permit language and rule references used by the Department. **MAQP# 3877-01** will replace MAQP #3877-00

E. Additional Information

Additional information, such as applicable rules and regulations, Best Available Control Technology (BACT)/Reasonably Available Control Technology (RACT) Determinations, air quality impacts, and environmental assessments, is included in the analysis associated with each change to the permit.

II. Applicable Rules and Regulations

The following are partial explanations of some applicable rules and regulations that apply to the facility. The complete rules are stated in the Administrative Rules of Montana (ARM) and are available, upon request, from the Department. Upon request, the Department will provide references for location of complete copies of all applicable rules and regulations or copies where appropriate.

A. ARM 17.8, Subchapter 1 – General Provisions, including but not limited to:

1. ARM 17.8.101 Definitions. This rule includes a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.
2. ARM 17.8.105 Testing Requirements. Any person or persons responsible for the emission of any air contaminant into the outdoor atmosphere shall, upon written request of the Department, provide the facilities and necessary equipment (including instruments and sensing devices) and shall conduct tests, emission or ambient, for such periods of time as may be necessary using methods approved by the Department.
3. ARM 17.8.106 Source Testing Protocol. The requirements of this rule apply to any emission source testing conducted by the Department, any source or other entity as required by any rule in this chapter, or any permit or order issued pursuant to this chapter, or the provisions of the Clean Air Act of Montana, 75-2-101, *et seq.*, Montana Code Annotated (MCA).

MVGI shall comply with the requirements contained in the Montana Source Test Protocol and Procedures Manual, including, but not limited to, using the proper test methods and supplying the required reports. A copy of the Montana Source Test Protocol and Procedures Manual is available from the Department upon request.

4. ARM 17.8.110 Malfunctions. (2) The Department must be notified promptly, by telephone, whenever a malfunction occurs that can be expected to create emissions in excess of any applicable emission limitation or to continue for a period greater than 4 hours.
5. ARM 17.8.111 Circumvention. (1) No person shall cause or permit the installation or use of any device or any means that, without resulting in reduction of the total amount of air contaminant emitted, conceals or dilutes an emission of air contaminant that would otherwise violate an air pollution control regulation. (2) No equipment that may produce emissions shall be operated or maintained in such a manner as to create a public nuisance.

B. ARM 17.8, Subchapter 2 – Ambient Air Quality, including, but not limited to the following:

1. ARM 17.8.204 Ambient Air Monitoring
2. ARM 17.8.210 Ambient Air Quality Standards for Sulfur Dioxide (SO₂)
3. ARM 17.8.211 Ambient Air Quality Standards for Nitrogen Dioxide (NO₂)
4. ARM 17.8.212 Ambient Air Quality Standards for Carbon Monoxide (CO)
5. ARM 17.8.213 Ambient Air Quality Standard for Ozone (O₃)
6. ARM 17.8.214 Ambient Air Quality Standard for Hydrogen Sulfide (H₂S)
7. ARM 17.8.220 Ambient Air Quality Standard for Settled Particulate Matter (PM)
8. ARM 17.8.221 Ambient Air Quality Standard for Visibility
9. ARM 17.8.222 Ambient Air Quality Standard for Lead (Pb)
10. ARM 17.8.223 Ambient Air Quality Standard for Particulate Matter with an Aerodynamic Diameter of Ten Microns or Less (PM₁₀)

MVGI must maintain compliance with the applicable ambient air quality standards.

- C. ARM 17.8, Subchapter 3 – Emission Standards, including, but not limited to:
1. ARM 17.8.304 Visible Air Contaminants. This rule requires that no person may cause or authorize emissions to be discharged into the outdoor atmosphere from any source installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes.
 2. ARM 17.8.308 Particulate Matter, Airborne. (1) This rule requires an opacity limitation of 20% for all fugitive emission sources and that reasonable precautions are taken to control emissions of airborne particulate matter. (2) Under this rule, MVGI shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne particulate matter.
 3. ARM 17.8.309 Particulate Matter, Fuel Burning Equipment. This rule requires that no person shall cause or authorize to be discharged into the atmosphere particulate matter caused by the combustion of fuel in excess of the amount determined by this rule.
 4. ARM 17.8.310 Particulate Matter, Industrial Process. This rule requires that no person shall cause, allow, or permit to be discharged into the atmosphere particulate matter in excess of the amount set forth in this rule.
 5. ARM 17.8.322 Sulfur Oxide Emissions--Sulfur in Fuel. (4) Commencing July 1, 1972, no person shall burn liquid or solid fuels containing sulfur in excess of 1 pound of sulfur per million Btu fired. (5) Commencing July 1, 1971, no person shall burn any gaseous fuel containing sulfur compounds in excess of 50 grains per 100 cubic feet of gaseous fuel, calculated as hydrogen sulfide at standard conditions. MVGI will burn pipeline quality natural gas in its compressor engine, which will meet this limitation.
 6. ARM 17.8.324 Hydrocarbon Emissions--Petroleum Products. (3) No person shall load or permit the loading of gasoline into any stationary tank with a capacity of 250 gallons or more from any tank truck or trailer, except through a permanent submerged fill pipe, unless such tank is equipped with a vapor loss control device as described in (1) of this rule.
 7. ARM 17.8.340 Standard of Performance for New Stationary Sources and Emission Guidelines for Existing Sources. This rule incorporates, by reference, 40 Code of Federal Regulation (CFR) Part 60, Standards of Performance for New Stationary Sources (NSPS). This facility is subject to the provisions of 40 CFR Part 60, as follows;
 - a. 40 CFR 60, Subpart A – General Provisions apply to all equipment or facilities subject to an NSPS Subpart as listed below:
 - b. 40 CFR 60, Subpart JJJJ - Standards of Performance for Stationary Spark Ignition Internal Combustion Engines. The provisions of this subpart are applicable to owners and operators of stationary spark ignition internal combustion engines (SI ICE) that commence construction after June 12, 2006. At this time, MVGI is not subject to this subpart because the engine was constructed prior to June 12, 2006.
 - c. 40 CFR 60, Subpart KKK – Standards of Performance for Equipment leaks of VOC from Onshore Natural Gas Processing Plants. The provisions of this subpart apply to affected facilities in onshore natural gas processing plants.

Natural gas processing plant (gas plant) is defined in this subpart as any processing site engaged in the extraction of natural gas liquids from field gas, fractionation of mixed natural gas liquids to natural gas products, or both. MVGI is not located at a processing plant site and therefore not subject to this subpart.

- d. 40 CFR 60, Subpart LLL – Standards of Performance for Onshore Natural Gas Processing: SO₂ Emissions. MVGI is not an NSPS affected source under this subpart, because it does not meet the definition of a natural gas processing plant as defined in 40 CFR 60, Subpart KKK; furthermore this facility does not process sour gas as regulated by Subpart LLL.
8. ARM 17.8.342 Emission Standards for Hazardous Air Pollutants for Source Categories. A major or area source of Hazardous Air Pollutant (HAP), as defined and applied in 40 CFR 63, shall comply with the requirements of 40 CFR 63. This facility is subject to the provisions of 40 CFR Part 63, as follows;
- a. 40 CFR 63, Subpart A – General Provisions apply to all equipment or facilities subject to an New Emissions Standard for Hazardous Air Pollutants (NESHAP) Subpart as listed below:
 - b. 40 CFR 63, Subpart HH - National Emission Standards for Hazardous Air Pollutants from Oil and Natural Gas Production Facilities. This subpart applies to the owners and operators of the emission points, specified in paragraph (b) of this section that are located at oil and natural gas production facilities that meet the specified criteria in paragraphs (a)(1) and either (a)(2) or (a)(3) of this section. For area sources, the affected source includes each triethylene glycol (TEG) dehydration unit located at the facility. No TEG units are present at the MVGI site, therefore does not operate any affected sources under this subpart.
 - c. 40 CFR 63, Subpart HHH - National Emission Standards for Hazardous Air Pollutants From Natural Gas Transmission and Storage Facilities. This subpart applies to owners and operators of natural gas transmission and storage facilities that transport or store natural gas prior to entering the pipeline to a local distribution company or to a final end user (if there is no local distribution company), and that are major sources of hazardous air pollutant (HAP) emissions as defined in 40 CFR Part 63.1271. MVGI is not a major source of HAP emissions; therefore, this subpart does not apply.
 - d. 40 CFR 63, Subpart ZZZZ – National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE). An owner or operator of a stationary RICE at a major or area source of HAP emissions is subject to this subpart, except if the stationary RICE is being tested at a stationary RICE test cell/stand. Therefore, MVGI is subject to this subpart.
- D. ARM 17.8, Subchapter 4 – Stack Height and Dispersion Techniques, including, but not limited to:
1. ARM 17.8.401 Definitions. This rule includes a list of definitions used in this chapter, unless indicated otherwise in a specific subchapter.
 2. ARM 17.8.402 Requirements. MVGI must demonstrate compliance with the ambient air quality standards with a stack height that does not exceed Good Engineering Practices (GEP). The proposed height of the new or altered stack for MVGI is below the allowable 65-meter GEP stack height.

E. ARM 17.8, Subchapter 5 – Air Quality Permit Application, Operation and Open Burning Fees, including, but not limited to:

1. ARM 17.8.504 Air Quality Permit Application Fees. This rule requires that an applicant submit an air quality permit application fee concurrent with the submittal of an air quality permit application. A permit application is incomplete until the proper application fee is paid to the Department. A permit fee is not required for the current action because the action is considered an administrative amendment.
2. ARM 17.8.505 Air Quality Operation Fees. An annual air quality operation fee must, as a condition of continued operation, be submitted to the Department by each source of air contaminants holding an air quality permit (excluding an open burning permit) issued by the Department. The air quality operation fee is based on the actual or estimated actual amount of air pollutants emitted during the previous calendar year.

An air quality operation fee is separate and distinct from an air quality permit application fee. The annual assessment and collection of the air quality operation fee, described above, shall take place on a calendar-year basis. The Department may insert into any final permit issued after the effective date of these rules, such conditions as may be necessary to require the payment of an air quality operation fee on a calendar-year basis, including provisions that prorate the required fee amount.

F. ARM 17.8, Subchapter 7 – Permit, Construction and Operation of Air Contaminant Sources, including, but not limited to:

1. ARM 17.8.740 Definitions. This rule is a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.
2. ARM 17.8.743 Montana Air Quality Permits--When Required. This rule requires a facility to obtain an air quality permit or permit modification if they construct, modify or use any air contaminant sources that have the Potential to Emit (PTE) greater than 25 tons per year (tpy) of any pollutant. MVGI has the PTE of more than 25 tpy of Oxides of Nitrogen (NO_x) and CO; therefore, an air quality permit is required.
3. ARM 17.8.744 Montana Air Quality Permits--General Exclusions. This rule identifies the activities that are not subject to the MAQP program.
4. ARM 17.8.745 Montana Air Quality Permits--Exclusion for De Minimis Changes. This rule identifies the de minimis changes at permitted facilities that are not subject to the MAQP program.
5. ARM 17.8.748 New or Modified Emitting Units--Permit Application Requirements. (1) This rule requires that a permit application be submitted prior to installation, alteration or use of a source. A permit application was not required for the current action because the change is considered an administrative amendment. (7) This rule requires that the applicant notify the public by means of legal publication in a newspaper of general circulation in the area affected by the application for a permit. An affidavit of publication of public notice was not required for the current action because the permit change is considered an administrative action.
6. ARM 17.8.749 Conditions for Issuance or Denial of Permit. This rule requires that the permits issued by the Department must authorize the construction and operation of the facility or emitting unit subject to the conditions in the permit and the requirements of this subchapter. This rule also requires that the permit must contain any conditions necessary to assure compliance with the Federal Clean Air Act (FCAA), the Clean Air Act of Montana, and rules adopted under those acts.

7. ARM 17.8.752 Emission Control Requirements. This rule requires a source to install the maximum air pollution control capability that is technically practicable and economically feasible, except that Best Available Control Technology (BACT) shall be utilized. The required BACT analysis is included in Section III of this permit analysis.
 8. ARM 17.8.755 Inspection of Permit. This rule requires that air quality permits shall be made available for inspection by the Department at the location of the source.
 9. ARM 17.8.756 Compliance with Other Requirements. This rule states that nothing in the permit shall be construed as relieving MVGI of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq.*
 10. ARM 17.8.759 Review of Permit Applications. This rule describes the Department's responsibilities for processing permit applications and making permit decisions on those permit applications that do not require the preparation of an environmental impact statement.
 11. ARM 17.8.762 Duration of Permit. An air quality permit shall be valid until revoked or modified, as provided in this subchapter, except that a permit issued prior to construction of a new or modified source may contain a condition providing that the permit will expire unless construction is commenced within the time specified in the permit, which in no event may be less than 1 year after the permit is issued.
 12. ARM 17.8.763 Revocation of Permit. An air quality permit may be revoked upon written request of the permittee, or for violations of any requirement of the Clean Air Act of Montana, rules adopted under the Clean Air Act of Montana, the FCAA, rules adopted under the FCAA, or any applicable requirement contained in the Montana State Implementation Plan (SIP).
 13. ARM 17.8.764 Administrative Amendment to Permit. An air quality permit may be amended for changes in any applicable rules and standards adopted by the Board of Environmental Review (Board) or changed conditions of operation at a source or stack that does not result in an increase of emissions as a result of those changed conditions. The owner or operator of a facility may not increase the facility's emissions beyond permit limits unless the increase meets the criteria in ARM 17.8.745 for a de minimis change not requiring a permit, or unless the owner or operator applies for and receives another permit in accordance with ARM 17.8.748, ARM 17.8.749, ARM 17.8.752, ARM 17.8.755, and ARM 17.8.756, and with all applicable requirements in ARM Title 17, Chapter 8, Subchapters 8, 9, and 10.
 14. ARM 17.8.765 Transfer of Permit. This rule states that an air quality permit may be transferred from one person to another if written notice of Intent to Transfer, including the names of the transferor and the transferee, is sent to the Department.
- G. ARM 17.8, Subchapter 8 – Prevention of Significant Deterioration of Air Quality, including, but not limited to:
1. ARM 17.8.801 Definitions. This rule is a list of applicable definitions used in this subchapter.

2. ARM 17.8.818 Review of Major Stationary Sources and Major Modifications--Source Applicability and Exemptions. The requirements contained in ARM 17.8.819 through ARM 17.8.827 shall apply to any major stationary source and any major modification, with respect to each pollutant subject to regulation under the FCAA that it would emit, except as this subchapter would otherwise allow.

This facility is not a major stationary source since this facility is not a listed source and the facility's PTE is below 250 tpy of any pollutant (excluding fugitive emissions).

H. ARM 17.8, Subchapter 12 – Operating Permit Program Applicability, including, but not limited to:

1. ARM 17.8.1201 Definitions. (23) Major Source under Section 7412 of the FCAA is defined as any source having:
 - a. PTE > 100 tpy of any pollutant;
 - b. PTE > 10 tpy of any single HAP, PTE > 25 tpy of combined HAPs, or lesser quantity as the Department may establish by rule; or
 - c. PTE > 70 tpy of PM₁₀ in a serious PM₁₀ nonattainment area.
2. ARM 17.8.1204 Air Quality Operating Permit Program. (1) Title V of the FCAA amendments of 1990 requires that all sources, as defined in ARM 17.8.1204(1), obtain a Title V Operating Permit. In reviewing and issuing Permit #3877-01 for MVGI, the following conclusions were made:
 - a. The facility's PTE is less than 100 tpy for any pollutant.
 - b. The facility's PTE is less than 10 tpy of any single HAP, and less than 25 tpy of combined HAPs.
 - c. This source is not located in a serious PM₁₀ nonattainment area.
 - d. This facility is not subject to any current NSPS.
 - e. This facility is subject to the NESHAP (40 CFR 63, Subparts ZZZZ).
 - f. This source is not a Title IV affected source, nor a solid waste combustion unit.
 - g. This source is not an Environmental Protection Agency (EPA) designated Title V source.

Based on these facts, the Department determined that the MVGI facility will be a minor source of emissions as defined under Title V.

III. BACT Determination

A BACT determination is required for each new or altered source. MVGI shall install on the new or altered source the maximum air pollution control capability, which is technically and economically feasible, except that BACT shall be utilized.

A BACT analysis was not required for the current permit action because the permit action is considered an administrative amendment.

IV. Emission Inventory

Emission Scenario	Emissions Tons/Year [PTE]							
	PM	PM ₁₀	PM _{2.5}	PM _{cond}	CO	NO _x	SO ₂	VOC
Uncontrolled Emissions	0.14	0.14	0.14	0.07	66.99	31.52	0.004	0.59
Controlled Emissions	0.14	0.14	0.14	0.07	3.94	3.94	0.004	1.97

BACT, Best Available Control Technology	PM, particulate matter
bhp, brake-horsepower	PM _{COND} , condensable PM
BSFC, Brake-Specific Fuel Consumption	PM ₁₀ , PM with an aerodynamic diameter of 10 microns or less
Btu, British Thermal Units	PM _{2.5} , PM with an aerodynamic diameter of 2.5 microns or less [Sum of condensable and filterable]
CO, carbon monoxide	SCC, Source Classification Code
g, gram	scf, standard cubic feet
lbs, pounds	SO ₂ , sulfur dioxide
MMBtu, million British Thermal Units	TPH, tons per hour
Mscf, thousand standard cubic feet	TPY, tons per year
NO _x , oxides of nitrogen	VOC, volatile organic compounds
PTE, Potential To Emit	

Compressor Engine [SCC 2-02-002-53]

Waukesha F817 G Compressor Engine 204 bhp

Engine Output Capacity: 204 bhp [Design Maximum]

Fuel Input: 1.61 MMBtu/hr [BSFC → 7,900 Btu/bhp-hr]

1.61 Mscf/hr [LHV → 1,000 btu/scf]

Hours of Operation: 8760 hours/year

Emission Data and Engine Specification Basis: Dresser-Waukesha Operating Data Sheet (submitted with AQP application #3377-00)

Emission Scenario: Uncontrolled PTE

Particulate Emissions:

PM Emissions

Emission Factor 0.0095 lb/MMBtu [AP- 42 Table 3.2-3, 7/00]

Calculations (0.0095 lb/MMBtu) * (1.61 MMBtu/hr) = 0.02 lbs/hr

(0.02 lbs/hr) * (8760 hrs/yr) * (0.0005 tons/lb) = 0.07 TPY

PM Emissions (condensable):

Emission Factor 0.00991 lb/MMBtu [AP- 42 Table 3.2-3, 7/00]

Calculations (0.00991 lb/MMBtu) * (1.61 MMBtu/hr) = 0.02 lbs/hr

(0.02 lbs/hr) * (8760 hrs/yr) * (0.0005 tons/lb) = 0.07 TPY

Total PM Emissions (All PM assumed to be < PM₁₀ and PM_{2.5})

Calculations PM (filterable) + PM (condensable) = 0.03 lbs/hr

(0.03 lbs/hr) * (8760 hrs/yr) * (0.0005 tons/lb) = 0.14 TPY

CO Emissions:

Emission Factor 34.00 gram/bhp-hr [Manufacturers Specifications]

Calculations $(34.00 \text{ g/bhp-hr}) * (204 \text{ hp}) * 0.002205 \text{ lb/gram}) = 15.29 \text{ lbs/hr}$
 $(15.29 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 66.99 \text{ TPY}$

NO_x Emissions:

Emission Factor 16.00 gram/bhp-hr [Manufacturers Specifications]
 Calculations $(16.00 \text{ g/bhp-hr}) * (204 \text{ hp}) * 0.002205 \text{ lb/gram}) = 7.20 \text{ lbs/hr}$
 $(7.20 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 31.52 \text{ TPY}$

SO₂ Emissions:

Emission Factor 0.000588 lb/MMBtu [AP- 42 Table 3.2-3, 7/00]
 Calculations $(0.000588 \text{ lb/MMBtu}) * (1.61 \text{ MMBtu/hr}) = 0.001 \text{ lbs/hr}$
 $(0.00 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 0.004 \text{ TPY}$

VOC Emissions:

Emission Factor 0.30 gram/bhp-hr [Manufacturers Specifications]
 Calculations $(0.30 \text{ g/bhp-hr}) * (204 \text{ hp}) * 0.002205 \text{ lb/gram}) = 0.13 \text{ lbs/hr}$
 $(0.13 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 0.59 \text{ TPY}$

Emission Scenario: Controlled PTE

Particulate Emissions (uncontrolled):

PM Emissions

Emission Factor 0.0095 lb/MMBtu [AP- 42 Table 3.2-3, 7/00]
 Calculations $(0.0095 \text{ lb/MMBtu}) * (1.61 \text{ MMBtu/hr}) = 0.0153 \text{ lbs/hr}$
 $(0.02 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 0.0670 \text{ TPY}$

PM Emissions (condensable):

Emission Factor 0.00991 lb/MMBtu [AP- 42 Table 3.2-3, 7/00]
 Calculations $(0.00991 \text{ lb/MMBtu}) * (1.61 \text{ MMBtu/hr}) = 0.0160 \text{ lbs/hr}$
 $(0.02 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 0.0699 \text{ TPY}$

Total PM Emissions (All PM assumed to be < PM₁₀ and PM_{2.5})

Calculations $\text{PM (filterable)} + \text{PM (condensable)} = 0.0313 \text{ lbs/hr}$
 $(0.03 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 0.1369 \text{ TPY}$

CO Emissions:

Emission Factor 2.00 gram/bhp-hr [BACT Determination]
 Calculations $(2.00 \text{ g/bhp-hr}) * (204 \text{ hp}) * 0.002205 \text{ lb/gram}) = 0.8996 \text{ lbs/hr}$
 $(0.90 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 3.9404 \text{ TPY}$

NO_x Emissions:

Emission Factor 2.00 gram/bhp-hr [BACT Determination]
 Calculations $(2.00 \text{ g/bhp-hr}) * (204 \text{ hp}) * 0.002205 \text{ lb/gram}) = 0.8996 \text{ lbs/hr}$
 $(0.90 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 3.9404 \text{ TPY}$

SO₂ Emissions:

Emission Factor 0.000588 lb/MMBtu [AP- 42 Table 3.2-3, 7/00]
 Calculations $(0.000588 \text{ lb/MMBtu}) * (1.61 \text{ MMBtu/hr}) = 0.0009 \text{ lbs/hr}$
 $(0.00 \text{ lbs/hr}) * (8760 \text{ hrs/yr}) * (0.0005 \text{ tons/lb}) = 0.0041 \text{ TPY}$

VOC Emissions:

Emission Factor	1.00 gram/bhp-hr [BACT Determination]	
Calculations	(1.00 g/bhp-hr) * (204 hp) * 0.002205 lb/gram) =	0.4498 lbs/hr
	(0.45 lbs/hr) * (8760 hrs/yr) * (0.0005 tons/lb) =	1.9702 TPY

V. Existing Air Quality

The Lake Frances Compressor Station is located in the Southeast ¼ of the Northwest ¼ of Section 36, Township 29 North, Range 5 West, in Pondera County, Montana. Pondera County is unclassifiable/attainment for the National Ambient Air Quality Standards (NAAQS) for all criteria pollutants.

VI. Ambient Air Impact Analysis

Because controlled emissions from this permitting action would exhibit good dispersion characteristics, the Department believes that controlled emissions from the source will not cause or contribute to a violation of any ambient air quality standard.

VII. Taking or Damaging Implication Analysis

As required by 2-10-105, MCA, the Department conducted the following private property taking and damaging assessment.

YES	NO	
X		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	X	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	X	3. Does the action deny a fundamental attribute of ownership? (ex.: right to exclude others, disposal of property)
	X	4. Does the action deprive the owner of all economically viable uses of the property?
	X	5. Does the action require a property owner to dedicate a portion of property or to grant an easement? [If no, go to (6)].
		5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests?
		5b. Is the government requirement roughly proportional to the impact of the proposed use of the property?
	X	6. Does the action have a severe impact on the value of the property? (consider economic impact, investment-backed expectations, character of government action)
	X	7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally?
	X	7a. Is the impact of government action direct, peculiar, and significant?
	X	7b. Has government action resulted in the property becoming practically inaccessible, waterlogged or flooded?
	X	7c. Has government action lowered property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question?
	X	Takings or damaging implications? (Taking or damaging implications exist if YES is checked in response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b; the shaded areas)

Based on this analysis, the Department determined there are no taking or damaging implications associated with this permit action.

VIII. Environmental Assessment

This permitting action will not result in an increase of emissions from the facility and is considered an administrative action; therefore, an Environmental Assessment is not required.

Permit Analysis Prepared by: D. Kuenzli

Date: June 26, 2012