AIR QUALITY PERMIT

Issued To:	Eighty-Eight Oil, LLC Highway 201 Station P.O. Drawer 2360 895 West River Cross Road Casper, WY 82602	Permit: #3421-01 Administrative Amendment (AA) Request Received: 10/23/06 Department Decision on AA: 05/30/07 Permit Final: 06/15/07 AFS: #083-0062

An air quality permit, with conditions, is hereby granted to Eighty-Eight Oil, LLC (EEO), pursuant to Sections 75-2-204 and 211 of the Montana Code Annotated (MCA), as amended, and the Administrative Rules of Montana (ARM) 17.8.740, *et seq*., as amended, for the following:

SECTION I: Permitted Facilities

A. Plant Location

EEO operates a crude oil transportation facility known as the Highway 201 Station. The facility is located in the SW¼ of the NW¼ of Section 3, Township 24 North, Range 54 East, in Richland County, Montana. The facility's office is located in Casper, Wyoming. A complete list of the permitted equipment is contained in Section I.A of the Permit Analysis.

B. Current Permit Action

On October 23, 2006, the Montana Department of Environmental Quality (Department) received notification from EEO that the temporary Waukesha genset and pump engines were removed, and that the four 400-barrel (bbl) fixed roof tanks were being replaced by two 1,000-bbl internal floating roof (IFR) tanks. On January 22, 2007, the Department received a letter from EEO that the tank replacement was complete.

Since the 1,000-bbl tanks are regulated by 40 CFR 60, Subpart Kb (Standards of Performance for Volatile Organic Liquid Storage Vessels), use of IFR or comparable control is federally-enforceable; therefore, the IFR can be considered in establishing the tank's potential emissions. Considering the IFR, the Potential to Emit (PTE) for the two 1,000-bbl tanks are below de minimis permitting thresholds contained in ARM 17.8.745. Therefore, removal of the temporary genset and pump engines and revision of the permit to reflect the change in tanks can be accomplished through an administrative action. Permit #3421-01 replaces Permit #3421-00.

SECTION II: Conditions and Limitations

A. Emission Control Requirements

1. EEO shall operate no more than two 1,000- bbl crude oil storage tanks. EEO shall control volatile organic compound (VOC) emissions from the tanks through use of IFRs (ARM 17.8.752).

2. EEO shall limit crude oil throughput to no more than 1,825,000 barrels during any rolling 12-month time period (ARM 17.8.749).

3. EEO shall operate no more than one propane-fired generator (Genset) with a maximum rated design capacity of 208-horsepower (hp) (ARM 17.8.749).

4. The 208-hp Genset shall be a 4-cycle turbocharged spark-ignited rich-burn reciprocating internal combustion engine (RICE). Emissions from the RICE shall not exceed the following limits, on a pounds per hour (lb/hr) basis (ARM 17.8.752):

Oxides of Nitrogen (NO_x):	8.48 lb/hr
Carbon Monoxide (CO):	0.75 lb/hr
VOC:	0.90 lb/hr

5. EEO shall operate all equipment to provide the maximum air pollution control for which it was designed (ARM 17.8.752).

6. EEO 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).

7. EEO 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 (ARM 17.8.308).

8. EEO 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 precaution limitation in Section II.A.7 (ARM 17.8.749).

9. EEO shall comply with all applicable standards and limitations, and the reporting, record keeping, and notification requirements contained in 40 CFR Part 60, Subpart Kb, *Standards of Performance for Volatile Organic Liquid Storage Vessels* (ARM 17.8.340 and 40 CFR 60, Subpart Kb).

B. Inspection and Repair Requirements

1. Each calendar month, EEO shall inspect all fugitive piping components (valves, flanges, pump seals, open-ended lines) for leaks. For purposes of this requirement, detection methods incorporating sight, sound, or smell are acceptable (ARM 17.8.105 and ARM 17.8.749).

2. EEO shall (ARM 17.8.105 and ARM 17.8.749):

   a. Make a first attempt at repair for any leak not later than 5 calendar days after the leak is detected; and

   b. Repair any leak as soon as practicable, but no later than 15 calendar days after it is detected, except as provided in Section II.B.3.

3. Delay of repair of equipment, for which a leak has been detected, will be allowed if the repair is technically infeasible without a source shutdown. Such equipment shall be repaired before the end of the first source shutdown after detection of the leak (ARM 17.8.749).

C. Testing Requirements

1. EEO shall test the Genset unit for NO_x and CO concurrently to demonstrate compliance with the NO_x and CO emission limits in Section II.A.4 according to a testing/monitoring schedule as required by the Department (ARM 17.8.105 and 17.8.749).

2. The Department may require further testing (ARM 17.8.105).

3. All compliance source tests shall conform to the requirements of the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).

D. Operational Reporting Requirements

1. EEO 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 and sources identified in Section I.A of 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). EEO shall submit the annual crude oil throughput, by month, to the Department annually by March 1 of each year; the information may be submitted along with the annual emission inventory (ARM 17.8.505).

2. EEO shall notify the Department of any construction or improvement project conducted pursuant to ARM 17.8.745, that would include a 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 EEO 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).

4. EEO shall document, by month, the crude oil throughput for the facility. By the 25th day of each month, EEO shall total the crude oil throughput for the facility for the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.A.2. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).

E. Recordkeeping Requirements

A record of each monthly leak inspection required by Section II.B.1 of this permit shall be kept on file with EEO. Inspection records shall include, at a minimum, the following information (ARM 17.8.749):

1. Date of inspection;

2. Findings (may indicate no leaks discovered or location, nature, and severity of each leak);

3. Leak determination method;

4. Corrective action (date each leak repaired and reasons for any repair interval in excess of 15 calendar days); and

5. Inspector's name and signature.

SECTION III: General Conditions

A. Inspection – EEO 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 or observing any monitoring or testing (i.e. CEMS, CERMS), 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 EEO fails to appeal as indicated below.

C. Compliance with Statutes and Regulations – Nothing in this permit shall be construed as relieving EEO 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.

E. 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.

F. Permit Inspection – As required by ARM 17.8.755, Inspection of Permit, a copy of the air quality permit shall be made available for inspection by the Department at the location of the source.

G. Permit Fee – Pursuant to Section 75-2-220, MCA, as amended by the 1991 Legislature, failure to pay the annual operation fee by EEO may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.

H. Construction Commencement – Construction must begin within 3 years of permit issuance and proceed with due diligence until the project is complete or the permit shall be revoked (ARM 17.8.762).

Permit Analysis
Eighty-Eight Oil LLC
Highway 201 Station
Permit #3421-01

I. Introduction/Process Description

Eighty-Eight Oil LLC (EEO) operates a crude oil transportation facility known as the Highway 201 Station, located in the SW¼ of the NW¼ of Section 3, Township 24 North, Range 54 East, in Richland County, Montana.

A. Permitted Equipment

The facility consists of the following equipment:

- 208-horsepower (hp) Cummins GTA8.3 propane-fired Genset;
- Two 1,000-barrel (bbl) internal floating roof (IFR) crude oil storage tanks; and
- Three truck unloading stations.

B. Source Description

The Highway 201 Station receives crude oil that is trucked into the facility and offloaded at one of three truck unloading stations into one of two 1,000-bbl IFR tanks. Emissions from the tanks are controlled by IFRs. Since the site is remote, there is no electric power or natural gas supply. Therefore, the propane-fired 208-hp Genset supplies both electricity for the site and power to pump the crude oil. The crude oil is shipped offsite from the storage tanks via an underground pipeline.

C. Permit History

On April 13, 2006, the Department of Environmental Quality (Department) issued permit #3421-00 to EEO, for the construction and operation of a crude oil unloading facility. The equipment contained in this permit included: 208-hp Cummins GTA8.3 propane-fired Genset; 82-hp Waukesha F817G propane-fired Genset (temporary); 82-hp Waukesha F817G propane-fired pump engine (temporary); four 400-barrel crude oil storage tanks with emission control; and three truck unloading stations

D. Current Permit Action

On October 23, 2006, the Department received notification from EEO that the temporary Waukesha genset and pump engines were removed, and that the four 400-bbl fixed roof tanks were being replaced by two 1,000-bbl IFR tanks. On January 22, 2007, the Department received a letter from EEO that the tank replacement was complete.

Since the 1,000-bbl tanks are regulated by 40 CFR 60, Subpart Kb (Standards of Performance for Volatile Organic Liquid Storage Vessels), use of IFR or comparable control is federally-enforceable; therefore, the IFR can be considered in establishing the tank's potential emissions. Considering the IFR, the potential to emit (PTE) for the two 1,000-bbl tanks are below de minimis permitting thresholds contained in the Administrative Rules of Montana (ARM) 17.8.745. Therefore, removal of the temporary genset and pump engines and revision of the permit to reflect the change in tanks can be accomplished through an administrative action. Permit #3421-01 replaces Permit #3421-00.

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 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).

   EEO 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
3. ARM 17.8.211 Ambient Air Quality Standards for Nitrogen Dioxide
4. ARM 17.8.212 Ambient Air Quality Standards for Carbon Monoxide
5. ARM 17.8.213 Ambient Air Quality Standard for Ozone
6. ARM 17.8.214 Ambient Air Quality Standard for Hydrogen Sulfide

7. ARM 17.8.220 Ambient Air Quality Standard for Settled Particulate Matter
8. ARM 17.8.221 Ambient Air Quality Standard for Visibility
9. ARM 17.8.222 Ambient Air Quality Standard for Lead
10. ARM 17.8.223 Ambient Air Quality Standard for PM_{10}

EEO 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 less than 20% for all fugitive emission sources and that reasonable precautions be taken to control emissions of airborne particulate matter (PM). (2) Under this rule, EEO 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, allow, or permit 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. This rule requires that no person shall burn liquid, solid, or gaseous fuel in excess of the amount set forth in this rule.

6. ARM 17.8.324 Hydrocarbon Emissions--Petroleum Products. (1) No person shall place, store or hold in any stationary tank, reservoir or other container of more than 65,000 gallons capacity any crude oil, gasoline or petroleum distillate having a vapor pressure of 2.5 pounds per square inch absolute or greater under actual storage conditions, unless such tank, reservoir or other container …is designed and equipped with one of the specified vapor loss control devices, properly installed, in working order and in operation … (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 Regulations (CFR) 60, Standards of Performance for New Stationary Sources (NSPS). The Highway 201 Station is not subject to any NSPS, including the following:

   - 40 CFR 60, Subpart K – Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction, or Modification Commenced After June 11, 1973, and Prior to May 19, 1978, does not apply because the facility was modified after May 19, 1978.

- 40 CFR 60 Subpart Ka – Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced after May 18, 1978, and prior to July 23, 1984, does not apply because the tanks were modified after July 23, 1984.

- 40 CFR 60, Subpart Kb – Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984, is applicable to the facility because EEO operates affected storage vessels. Since each of the petroleum liquid storage vessels at the facility has a maximum capacity of 160 m^3, and do not meet the exemption criteria, the facility is subject to this NSPS standard.

8. ARM 17.8.342 Emission Standards for Hazardous Air Pollutants for Source Categories. A major Hazardous Air Pollutant (HAP) source, as defined and applied in 40 CFR 63, shall comply with the requirements of 40 CFR 63, as applicable, including the following subparts:

   - Subpart HH - National Emission Standards for Hazardous Air Pollutants from Oil and Natural Gas Production Facilities.

   Based on the information submitted by EEO, the Highway 201 Station is not subject to the provisions of 40 CFR Part 63, because the facility is not a major source of HAPs.

D. 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. The current permit action is an administrative amendment and does not require an application fee.

2. ARM 17.8.505 Air Quality Permit 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.

E. 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 person to obtain an air quality permit or permit alteration to construct, alter or use any air contaminant sources that have the PTE greater than 25 tons per year of any pollutant. The Highway 201 Station has an uncontrolled PTE greater than 25 tons per year of oxides of nitrogen (NO_x); 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 Montana Air Quality Permit 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 do not require a permit under the Montana Air Quality Permit 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 permit action because the permit change is considered an administrative permit change. (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 permit action because the permit change is considered an administrative permit change.

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 BACT shall be used. The BACT analysis is discussed 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 EEO 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 altered 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 do 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.

F. 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 tons per year of any pollutant (excluding fugitive emissions).

G. 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 tons per year of any pollutant;

b. PTE > 10 tons per year of any one HAP, PTE > 25 tons per year of a combination of all HAPs, or lesser quantity as the Department may establish by rule; or

c. PTE > 70 tons per year of particulate matter with an aerodynamic diameter of 10 microns or less (PM_{10}) in a serious PM_{10} 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 Air Quality Permit #3421-00 for EEO, the following conclusions were made:

a. The facility's PTE is less than 100 tons per year for any pollutant.

b. The facility's PTE is less than 10 tons per year for any one HAP and less than 25 tons per year for all HAPs.

c. This source is not located in a serious PM_{10} nonattainment area.

d. This facility is subject to a current NSPS (40 CFR 60, Subpart Kb).

e. This facility is not subject to any current NESHAP standards.

f. This source is not a Title IV affected source, nor a solid waste combustion unit.

g. This source is not an EPA designated Title V source.

Based on these facts, the Department determined that EEO is a minor source of emissions as defined under Title V.

III. BACT Determination

A BACT determination is required for each new or altered source. EEO shall install on the new or altered source the maximum air pollution control capability which is technically practicable and economically feasible, except that BACT shall be utilized. A BACT analysis is not required for the current permit action because it is an administrative amendment.

IV. Emission Inventory

	Pollutants – tons per year				
Source	**NO_x**	**CO**	**VOC**	**SO_2**	**PM_{10}**
208-hp Genset	37.2	3.3	4.0	--	negligible
Two 1,000-bbl IFR tanks	--	--	0.4	--	--
Fugitive	--	--	2.2	--	4.3
TOTAL	**37.2**	**3.3**	**6.6**	**--**	**4.3**

208-hp Propane-Fired Genset

Fuel Heating Value: 208 hp
Fuel Consumption Rate: 2.06 MMBtu/hr (Company Information)
Fuel: Propane

NO_x Emissions:

Emission Factor: 18.5 g/hp-hr (Manufacturers' Information)
Calculations: 18.5 g/hp-hr * 0.002205 lb/g * 208 hp = 8.48 lb/hr
8.48 lb/hr * 8760 hr/yr * 0.0005 ton/lb = 37.2 ton/yr

CO Emissions:

Emission Factor: 1.64 g/hp-hr (Manufacturers' Information)
Calculations: 1.64 g/hp-hr * 0.002205 lb/g * 208 hp = 0.75 lb/hr
0.75 lb/hr * 8760 hr/yr * 0.0005 ton/lb = 3.3 ton/yr

VOC Emissions:

Emission Factor: 1.97 g/hp-hr (Manufacturers' Information)
Calculations: 1.97 g/hp-hr * 0.002205 lb/g * 208 hp = 0.90 lb/hr
0.90 lb/hr * 8760 hr/yr * 0.0005 ton/lb = 4.0 ton/yr

1,000-bbl Crude Oil Tanks

Tanks 4.0d was used to calculate VOC emissions from the 1,000-bbl, internal floating roof tanks
Basis: 912,500 bbl/yr crude oil throughput for each tank
Crude Oil @ RVP 7.0
Result: 368 lb/year VOC (= 0.18 TPY) per tank

VOC Fugitive Leaks

Leak factors from Protocol for Equipment Emission Estimates (EPA-453/R-95-017, 11/95)
Assumes fugitive leaks are 100% VOC

Number of Components	# Gas Components	Gas Emiss (lb/hr)	# Light Oil Components	Oil Emiss (lb/hr)
Valves	2	2.0E-02	20	1.1E-01
Pump Seals	0		5	1.4E-01
Others	0		12	2.0E-01
Connectors	2	8.8E-04	21	9.7E-03
Flanges	0		20	4.9E-03
Open-Ended Lines	2	8.8E-03	2	6.2E-03
TOTAL		**0.03**		**0.473**

Total Emissions = 0.03 lb/hr gas emissions + 0.473 lb/hr oil emissions = 0.503 lb/hr VOC (=2.2 TPY)

PM_{10} Vehicle Traffic Fugitive Emissions

PM_{10} from vehicle traffic on unpaved roads (AP-42, Chapter 13.2.2 (12/03))
Unpaved distance 0.125 miles
Number of vehicles 20
Result: 4.3 TPY PM_{10}

V. Existing Air Quality

The EEO Highway 201 facility is located in eastern Montana in a sparsely populated area with generally very good ventilation throughout the year. The legal description of the facility is the SW¼ of the NW¼ of Section 3, Township 24 North, Range 54 East, in Richland County, Montana. Richland County is unclassifiable/attainment for the National Ambient Air Quality Standards (NAAQS) for all criteria pollutants.

VI. Ambient Air Impact Analysis

The Department determined that the impact from this permitting action will be minor. The Department believes it 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 a private property taking and damaging assessment and determined there are no taking or damaging implications.

VIII. Environmental Assessment

An environmental assessment was not required for the current permit action because it is considered an administrative action.

Analysis prepared by: Christine Weaver
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