

Southern Ute Indian Tribe
Environmental Programs Division
Air Quality Program
71 Mike Frost Way
Ignacio, Colorado 81137



AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE

In accordance with the provisions of Title V of the Clean Air Act (42 U.S.C. 7661-7661f) and Part 1, Article II of the Southern Ute Indian Tribe/State of Colorado Environmental Commission's Reservation Air Code (RAC) and applicable rules and regulations,

BP America Production Company
Treating Site #7

is authorized to operate air emission units and to conduct other air pollutant emitting activities in accordance with the conditions listed in this permit.

This source is authorized to operate at the following location:

Southern Ute Indian Reservation
SW¼, NE¼ Section 10, T32N, R10W
La Plata County, Colorado

Terms not otherwise defined in this permit have the meaning assigned to them in the referenced regulations. All terms and conditions of the permit are enforceable by the Tribe and citizens under the Clean Air Act.

A handwritten signature in black ink, appearing to read "Mark Hutson", is written over a horizontal line.

Mark Hutson, Acting Air Quality Program Manager
Environmental Programs Division
Southern Ute Indian Tribe

**AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE
BP America Production Company
Treating Site #7**

Permit Number: V-SUIT-0006-2014.00
[Replaces Permit No.: V-SU-0006-05.01]

Issue Date: August 14, 2014
Effective Date: September 23, 2014
Expiration Date: September 23, 2019

The permit number cited above should be referenced in future correspondence regarding this facility.

Permit Issuance History

DATE	TYPE OF ACTION	SECTION NUMBER AND TITLE	DESCRIPTION OF ACTION
March 2000	Initial Part 71 Permit Issued		# V-SU-0006-00.00
November 2007	1 st Renewal Part 71 Permit Issued		#V-SU-0006-05.00
January 2008	Administrative Amendment		# V-SU-0006-05.01
August 2014	Initial Part 70 Permit Issued		# V-SUIT-0006-2014.00 Replaces EPA-issued permit #V-SU-0006-05.01

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Abbreviations and Acronyms

4SLB	Four-Stroke Lean-Burn
4SRB	Four-Stroke Rich-Burn
AQP	Southern Ute Indian Tribe's Air Quality Program
bbf	Barrels
BACT	Best Available Control Technology
CAA	Clean Air Act [42 U.S.C. Section 7401 et seq.]
CAM	Compliance Assurance Monitoring
CEMS	Continuous Emission Monitoring System
CFR	Code of Federal Regulations
CMS	Continuous Monitoring System (includes COMS, CEMS and diluent monitoring)
COMS	Continuous Opacity Monitoring System
CO	Carbon monoxide
CO ₂	Carbon dioxide
dscf	Dry standard cubic foot
dscm	Dry standard cubic meter
EPA	United States Environmental Protection Agency
FGD	Flue gas desulfurization
gal	Gallon
GPM	Gallons per minute
H ₂ S	Hydrogen sulfide
HAP	Hazardous Air Pollutant
hr	Hour
ID	Identification Number
kg	Kilogram
lbs	Pounds
MACT	Maximum Achievable Control Technology
Mg	Megagram
MMBtu	Million British Thermal Units
mo	Month
NESHAP	National Emission Standards for Hazardous Air Pollutants
NMHC	Non-methane hydrocarbons
NO _x	Nitrogen Oxides
NSPS	New Source Performance Standard
NSR	New Source Review
pH	Negative logarithm of effective hydrogen ion concentration (acidity)
PM	Particulate Matter
PM ₁₀	Particulate matter less than 10 microns in diameter
ppbv	Parts per billion by volume, dry
ppm	Parts per million
ppmv	Parts per million by volume, dry
PSD	Prevention of Significant Deterioration
PTE	Potential to Emit
psi	Pounds per square inch
psia	Pounds per square inch absolute
RAC	Southern Ute Indian Tribe/State of Colorado Environmental Commission's Reservation Air Code
RICE	Reciprocating Internal Combustion Engine
RMP	Risk Management Plan
scfm	Standard cubic feet per minute
SO ₂	Sulfur Dioxide
SUIT	Southern Ute Indian Tribe
tpy	Ton(s) Per Year
Tribe	Southern Ute Indian Tribe
US EPA	United States Environmental Protection Agency
VOC	Volatile Organic Compounds

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I. Source Information and Emission Unit Identification

I.A. Source Information

Parent Company Name: BP America Production Company

Plant Name: Treating Site #7

Plant Location: SW¼, NE¼ Section 10, T32N, R10W
Latitude: 37.03201
Longitude: -107.917757

Reservation: Southern Ute Indian Reservation

State: Colorado

County: La Plata County

Responsible Official: Deputy Operations Site Manager

SIC Code: 1311

AFS Plant Identification Number: 08-067-U0035

Other Clean Air Act Permits: EPA issued PSD Permit # PSD-SU-0011-95.00 on July 31, 1997 which was later amended on June 9, 1999. There are no other CAA permits issued to this facility.

Description of Process:

Treating Site #7 was formerly a central facility used to separate and dry the gas and water recovered from the coal matrix reservoirs of the San Juan Basin of the Ignacio Blanco Fruitland field. However, the compressor packages were removed before 2010, and the generator engine, water injection package, and dehydrator skid package were removed on April 22, 2010 as part of a decommissioning project. Currently, oily water is trucked to the tanks at the site, and the water and oil are heated for separation. The separated water is transferred offsite for disposal, and the oil is transferred offsite to a third party facility for disposal and/or recycling.

I.B. Source Emission Points

**Table 1 – Emission Units
BP America Production Company, Treating Site #7**

Emission Unit ID	Description	Control Equipment
*TS7-2	1 – Waukesha F11-GSI Natural Gas-Fired Pump Engine, 225 hp	
*TS7-3	1 – Waukesha F817-G Natural Gas-Fired Generator Engine, 108 hp	
*TS7-4 *TS7-5	2 – Waukesha F2895-G Natural Gas-Fired Compressor Engine, 421 hp	
*TS7-6	1 – Waukesha L5790-GSI Natural Gas-Fired Compressor Engine, 1,215 hp	

*According to BP, these units have been permanently removed from the facility. However, these units remain listed in the Part 70 permit as they are still listed in the PSD permit for this facility.

**Table 2 – Insignificant Emission Units
BP America Production Company, Treating Site #7**

Emission Unit ID	Description	Size/Rating
TS7-7, TS7-14, TS7-15, TS7-16	4 - Tank heaters	500 Mbtu/hr
TS7-12	N/A - Fugitive Emissions	N/A
N/A	1 - Catalytic Space Heater	12 Mbtu/hr
N/A	1 - Produced Water Tank	400 bbl
N/A	1 - Gunbarrel (Oily Water Mix)	500 bbl
N/A	1 - Sump Tank	95 bbl
N/A	2 - Lube Oil Tanks	400 bbl
*TS7-11	1 - Reboiler #2	600 Mbtu/hr
*TS7-8, TS7-9, TS7-10, TS7-13	4 - Tank Heaters	500 Mbtu/hr

*According to BP, these units have been permanently removed from the facility. However, these units remain listed in the Part 70 permit as they are still listed in the PSD permit for this facility.

II. Site Specific Requirements

Prevention of Significant Deterioration (PSD) Requirements

II.A. 40 CFR Part 52.21 PSD Requirements [PSD permit # PSD-SU-0011-95.01 and RAC 2-110(6)(b) and 2-110(7)]

PSD permit # PSD-SU-0011-95.01 applies to the following units:

Unit TS7-2 – 225 bhp, Waukesha F11-GSI natural gas-fired non-emergency engine,

Unit TS7-3 – 108 bhp, Waukesha F817-G natural gas-fired non-emergency engine,

Unit TS7-4 – 421 bhp, Waukesha F2895-G natural gas-fired non-emergency engine,

Unit TS7-5 – 421 bhp, Waukesha F2895-G natural gas-fired non-emergency engine,

Unit TS7-6 – 1,215 bhp, Waukesha L5790-GSI natural gas-fired non-emergency engine,;

Unit TS7-7 – 500 MBtu/hr, Tank Heater #1,

Unit TS7-8 – 500 MBtu/hr, Tank Heater #2,

Unit TS7-9 – 500 MBtu/hr, Tank Heater #3,

Unit TS7-10 – 500 MBtu/hr, Tank Heater #4,

Unit TS7-11 – 600 MBtu/hr, Reboiler #2,

Unit TS7-12 – Fugitives

1. PSD Emission Limitations

**Table 3 - Emission Limits
BP America Production Company, Treating Site #7**

Unit ID	NO _x			CO			VOC		
	Emission Factor	(lbs/hr)	(tpy)	Emission Factor	(lbs/hr)	(tpy)	Emission Factor	(lbs/hr)	(tpy)
*TS7-2	24.0 g/hp-hr	11.9	52.1	30.5 g/hp-hr	15.1	66.3	0.004 g/hp-hr	<0.01	0.01
*TS7-3	16.0	3.8	16.7	34.0	8.1	35.4	0.005	<0.01	0.01

	g/hp-hr			g/hp-hr			g/hp-hr		
*TS7-4	18.0 g/hp-hr	16.7	73.2	28.0 g/hp-hr	26	113.8	0.005 g/hp-hr	<0.01	0.02
*TS7-5	1.0 g/hp- hr	0.9	4.1	2.0 g/hp- hr	1.9	8.1	0.003 g/hp-hr	<0.01	0.01
*TS7-6	1.0 g/hp- hr	2.7	11.7	2.0 g/hp- hr	5.4	23.5	0.003 g/hp-hr	0.01	0.04
TS7-7	95.0 lb/MMsc f	0.05	0.22	19.95 lb/MMscf	0.01	0.05	0.02 lb/MMscf	<0.01	<0.01
*TS7-8	95.0 lb/MMsc f	0.05	0.22	19.95 lb/MMscf	0.01	0.05	0.02 lb/MMscf	<0.01	<0.01
*TS7-9	95.0 lb/MMsc f	0.05	0.22	19.95 lb/MMscf	0.01	0.05	0.02 lb/MMscf	<0.01	<0.01
*TS7-10	95.0 lb/MMsc f	0.05	0.22	19.95 lb/MMscf	0.01	0.05	0.02 lb/MMscf	<0.01	<0.01
*TS7-11	95.0 lb/MMsc f	0.06	0.26	19.95 lb/MMscf	0.01	0.06	0.02 lb/MMscf	<0.01	<0.01
TS7-12								0.01	0.04
Totals		36.26	158.94		56.55	247.36		0.02	0.13

*According to BP, these units have been permanently removed from the facility. However, these units remain listed in the Part 70 permit as they are still listed in the PSD permit for this facility.

Table 3 (continued)

Unit ID	SO ₂			PM ₁₀		
	Emission Factor	(lbs/hr)	(tpy)	Emission Factor	(lbs/hr)	(tpy)
*TS7-2	0.002 g/hp-hr	<0.01	<0.01	0.01 g/hp-hr	<0.01	0.02
*TS7-3	0.002 g/hp-hr	<0.01	<0.01	0.01 g/hp-hr	<0.01	0.01
*TS7-4	0.002 g/hp-hr	<0.01	0.01	0.01 g/hp-hr	0.01	0.04
*TS7-5	0.002 g/hp-hr	<0.01	0.01	0.01 g/hp-hr	0.01	0.04
*TS7-6	0.002 g/hp-hr	<0.01	0.02	0.01 g/hp-hr	0.03	0.12
TS7-7	0.57 lb/MMscf	<0.01	<0.01	11.4 lb/MMscf	0.01	0.03
*TS7-8	0.57 lb/MMscf	<0.01	<0.01	11.4 lb/MMscf	0.01	0.03
*TS7-9	0.57 lb/MMscf	<0.01	<0.01	11.4 lb/MMscf	0.01	0.03

*TS7-10	0.57 lb/MMscf	<0.01	<0.01	11.4 lb/MMscf	0.01	0.03
*TS7-11	0.57 lb/MMscf	<0.01	<0.01	11.4 lb/MMscf	0.01	0.03
TS7-12						
Totals		<0.01	0.04		0.1	0.42

*According to BP, these units have been permanently removed from the facility. However, these units remain listed in the Part 70 permit as they are still listed in the PSD permit for this facility.

2. PSD Operating Requirements

- a. The Permittee shall limit emissions from the source to those shown in Table 3.
- b. At all times, including periods of startup (except for replacement/overhauled engines), shut-down, and equipment malfunction, the Source, to the extent practical, shall be maintained and operated in a manner consistent with good air pollution control practices for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Administrator, which may include, but not be limited to monitoring results, review of operating and maintenance procedures, manufacture's specifications, industry practices, or inspection of the Source.

3. PSD Testing Requirements

- a. Compliance with emissions limits in Condition II.A.2. above for any engine type may be determined by emission tests, when required by EPA. The engine Testing Protocol approved by EPA and used for the initial compliance tests shall be used by the permittee during any emission tests, unless the permittee chooses to use a different engine Testing Protocol. Any other engine Testing Protocols, not approved by EPA, must be submitted to EPA for approval prior to performing emissions tests.
- b. These emissions tests shall be performed in accordance with the test methods specified in 40 CFR Part 60, Appendix A. EPA Reference Method 7 shall be used to measure NOx emissions and EPA Reference Method 10 shall be used to measure CO emissions, unless alternative methods are approved by the Administrator.
- c. The permittee shall provide EPA with at least 30 (thirty) calendar days prior notice (in writing) of any emissions test required by this permit, in order to give EPA the opportunity to observe the test; unless a shorter timeframe is agreed upon by the permittee and EPA.

4. PSD Monitoring Requirements

- a. The permittee shall measure NOx and CO emissions from the controlled (Units TS7-5 and TS7-6) compressor engines at least once every calendar quarter beginning the first calendar quarter after

the permittee's submittal of initial compliance test results to EPA. Upon demonstration of compliance with the permit limits set forth in Table 3 for six (6) consecutive calendar quarters, the permittee may conduct the NOx and CO monitoring for these engines on a semi-annual basis.

- b. The permittee shall measure NOx and CO emissions from the uncontrolled, (Units TS7-2, TS7-3 and TS7-4) compressor engines at least once every semi-annual period (January 1 – June 30 and July 1 – December 31) beginning the first semi-annual period after the permittee's submittal of initial compliance test results to EPA.
- c. To meet the monitoring requirements above, the permittee shall measure the NOx and CO emissions from each engine using a portable analyzer and the monitoring protocol approved by EPA.
- d. The permittee shall not conduct NOx and CO emissions monitoring on the engines identified in this permit that have not been operated during the specified monitoring period. The permittee must certify that the engine(s) did not operate during the specified monitoring period and maintain this certification in accordance with the recordkeeping requirements listed in this permit.

5. PSD Recordkeeping Requirements

- a. The permittee shall keep a record of all emissions monitoring and compliance tests required by this permit. The record shall include:
 - i. The date, place, and time of sampling or monitoring;
 - ii. The date(s) the analyses were performed;
 - iii. The company or entity that performed the analyses;
 - iv. The analytical techniques or methods used;
 - v. The results of such analyses; and
 - vi. The operating conditions that existed at the time of sampling or monitoring.
- b. The permittee shall retain records of all maintenance activities performed at the Source and make them available for review. Such records should be sufficient to establish the level of maintenance performed and may be maintained at either the field location or at the permittee's nearest regularly manned facility.

6. PSD Reporting Requirements

- a. The permittee shall submit a written report of any initial compliance test results for replacement/overhauled engines installed at the Source and for any engine compliance tests required by EPA. This emissions test report shall be submitted to EPA along with the next semi-annual monitoring results report due to be submitted and referenced in Condition II.A.6.b of this section below.
- b. The permittee shall submit a written report containing all required emissions monitoring results for Units TS7-2, TS7-3, TS7-4, TS7-5, and TS7-6. This report shall be submitted semi-annually to EPA by January 31 and July 31 of each year.
- c. Except for replacement/overhauled engines which are addressed under Condition II.A.8., the permittee shall keep a record of any excess emissions that occur during periods of startup, shut-down, equipment malfunction, or upset conditions, for any reason. Malfunction is defined as any sudden, infrequent, and not reasonably preventable failure of air pollution control equipment, process equipment, or a process to operate in a normal or usual manner. Failures that are caused in part by poor maintenance or careless operation are not malfunctions. For each occurrence of excess emissions, all of the following shall be provided to EPA in writing and submitted with the semi-annual reports:
 - i. The identity of the stack or emission point where excess emissions occurred;
 - ii. The magnitude of excess emissions expressed in terms of permit conditions;
 - iii. The time and duration of excess emissions;
 - iv. The reason(s) for the excess emissions;
 - v. Steps and procedures taken to minimize excess emissions
 - vi. Steps and procedures taken or anticipated to be taken to prevent reoccurrence of the excess emission.

Even if the reporting and other requirements of this section are satisfied, the Source will be considered to be in violation of the permit if EPA determines that the information submitted does not evidence a malfunction, upset condition, startup, or shut-down and the Source exceeded the emission limits shown in in Table 3.

7. PSD Emissions Inventory

- a. The permittee shall submit an annual emission inventory for the Source to EPA by April 1 of each year for all point source air emissions released during the period January 1 to December 31 of the previous year.

- b. The emissions inventory shall contain the information listed in Table II of the PSD permit.
- c. All records, reports, notifications, and support information (i.e. testing, monitoring, measurements, observations, maintenance activities, etc.) compiled in accordance with this permit must be maintained by the permittee as a permanent business record for at least five (5) years following the date of the record/report, must be available at the permittee's nearest regularly manned facility for inspection by EPA, and must be submitted to EPA upon request.

8. PSD Compressor Engine Replacement/Overhaul

- a. The permittee may replace an existing permitted engine requiring a complete overhaul with a new or overhauled engine of the same make, model, horsepower rating, and configuration. Such a like-kind replacement engine will be configured for operation in the same manner as the engine being replaced. Each like-kind replacement engine shall have equivalent types of emission control devices installed as the engine being replaced including, but not limited to, non-selective catalytic reduction (NSCR) devices and air-to-fuel ratio controllers.
- b. The permittee shall be allowed to operate the replacement/overhauled engine without the use of the catalytic converter assembly for a period not to exceed 200 hours from engine startup, unless a longer time period has been approved by EPA, in writing. The permittee must keep a record of the number of hours of operation of the uncontrolled replacement/overhauled engine and submit this information to EPA with the initial compliance demonstration test report per condition II.A.6.
- c. The permittee shall conduct a compliance demonstration test on the replacement/overhauled engine. The compliance demonstration shall measure NOx and CO emissions from the replaced/overhauled engine using a portable analyzer and monitoring protocol approved by EPA. This demonstration shall be conducted within 60 (sixty) calendar days of engine start-up.
- d. The permittee shall provide notice to EPA of such compliance demonstration testing in accordance with the provisions of Condition II.A.3.c. The permittee shall adhere to the recordkeeping and reporting requirements of Conditions II.A.5. and II.A.6. respectively, for the compliance demonstration of the replacement/overhauled engine.

III. Facility-Wide Requirements

Conditions in this section of the permit apply to all emissions units located at the facility, including any units not specifically listed in Table 1 or Table 2 of the Source Emission Points section of this permit.

[RAC 2-110(1)(d)]

III.A. General Recordkeeping Requirements [RAC 2-110(6) and RAC 4-103]

The permittee shall comply with the following generally applicable recordkeeping requirements:

1. If the permittee determines that his or her stationary source that emits (or has the potential to emit, without federally recognized controls) one or more hazardous air pollutants is not subject to a relevant standard or other requirement established under 40 CFR Part 63, the permittee shall keep a record of the applicability determination at BP's Durango Operations Center for a period of five years after the determination, or until the source changes its operations to become an affected source, whichever comes first. The record of the applicability determination shall include an analysis (or other information) that demonstrates why the permittee believes the source is unaffected (e.g., because the source is an area source).

[40 CFR 63.10(b)(3)]

2. Records shall be kept of off permit changes made, as required by the Off Permit Changes section of this permit.

III.B. General Reporting Requirements

1. The permittee shall submit to the Tribe all reports of any required monitoring under this permit semiannually, by April 1 and October 1 of each year. The report due on April 1 shall cover the July 1 - December 31 reporting period of the previous calendar year. The report due on October 1 shall cover the January 1 - June 30 reporting period of the current calendar year. The initial report shall cover the period from the issuance date of this permit through the end of the relevant semi-annual reporting period. All instances of deviations from permit requirements shall be clearly identified in such reports. All required reports shall be certified by a responsible official consistent with the **Submissions** section of this permit.

[RAC 2-110(7)(a)]

2. "Deviation" means any situation in which an emissions unit fails to meet a permit term or condition. A deviation is not always a violation. A deviation can be determined by observation or through review of data obtained from any testing, monitoring, or recordkeeping established in accordance with RAC 2-110(5) and (6). For a situation lasting more than 24 hours which constitutes a deviation, each 24 hour period is considered a separate deviation. Included in the meaning of deviation are any of the following:

- a. A situation where emissions exceed an emission limitation or standard;
- b. A situation where process or emissions control device parameter values indicate that an emission limitation or standard has not been met; or
- c. A situation in which observations or data collected demonstrate noncompliance with an emission limitation or standard or any work practice or operating condition required by the permit.

d. A situation in which an exceedance or an excursion, as defined in 40 CFR Part 64 occurs.

[RAC 1-103(21)]

3. The permittee shall promptly report to the Tribe deviations from permit requirements, (including emergencies), including the date, time, duration, and the probable cause of such deviations, the quantity and pollutant type of excess emissions resulting from the deviation, and any preventative, mitigation, or corrective actions or measures taken. “Prompt” is defined as follows:

a. Where the underlying applicable requirement contains a definition of “prompt” or otherwise specifies a time frame for reporting deviations, that definition or time frame shall govern.

b. Where the underlying applicable requirement fails to address the time frame for reporting deviations, reports of deviations will be submitted based on the following schedule:

i. For emissions of a hazardous air pollutant or a toxic air pollutant (as identified in the applicable regulation) that continue for more than an hour in excess of permit requirements, the report must be made by email, telephone, verbal, or facsimile communication by the close of business the next working day, upon discovery of the occurrence, and in writing within 10 working days from the occurrence;

ii. For emissions of any regulated air pollutant, excluding those listed in RAC § 2-110(7)(b)(i), that continue for more than 2 hours in excess of permit requirements, the report must be made by email, telephone, verbal, or facsimile communication by the close of business the next working day, upon discovery of the occurrence, and in writing within 10 working days from the occurrence;

iii. For all other deviations from permit requirements, the report shall be contained in the report submitted with the semi-annual monitoring report.

[RAC 2-110(7)(b)]

III.C. Permit Shield [RAC 2-110(10)(c)]

Nothing in this permit shall alter or affect the following:

1. The provisions of Section 303 of the Clean Air Act, 42 U.S.C. § 7603 concerning emergency powers, including the respective authorities of the Administrator under those sections.
2. The liability of a permittee for any violation of applicable requirements prior to or at the time of permit issuance;

3. The ability of the Administrator respectively to obtain information from a source pursuant to Section 114 of the Clean Air Act, 42 U.S.C. § 7414.

[RAC 2-110(10)(c)]

III.D. Prevention of Significant Deterioration [40 CFR 52.21]

This facility is subject to PSD permit # PSD-SU-0011-95.01, therefore, future modifications to this facility may require a major NSR applicability determination.

IV. Part 70 Administrative Requirements

IV.A. Annual Fee Payment [RAC 2-110(1)(h) and RAC 2-118]

1. An annual operating permit emission fee shall be paid to the Tribe by the permittee.

[RAC 2-118(2)]

2. The permittee shall pay the annual permit fee each year no later than April 1st for the preceding calendar year, except that the first annual permit fee will cover the period from the issuance date of this permit through December 31 of the same year.

[RAC 2-118(2)]

3. Fee payments shall be remitted in the form of a money order, bank draft, certified check, corporate check, or electronic funds transfer payable to the Southern Ute Indian Tribe and sent or delivered to the Tribe, c/o Air Quality Program, P.O. Box 737 MS #84, Ignacio, Colorado 81137; or by common carrier (such as UPS or FedEx) c/o Environmental Programs Division Part 70 Program, 398 Ouray Drive, Ignacio, Colorado 81137.

[RAC 2-118(4)(a)]

4. The permittee shall send an updated fee calculation worksheet submitted annually by the same deadline as required for fee payment to the address listed in the **Submissions** section of this permit.

[RAC 2-118]

5. Basis for calculating annual fee:

- a. Subtotal annual fees shall be calculated by multiplying the applicable emission fee set pursuant to RAC § 2-119(1) times the total tons of actual emissions, as defined at RAC 1-103(2), for each fee pollutant. The permittee may, in absence of actual emissions data, calculate the annual fee based on the potential to emit, as defined at RAC 1-103(51), for each pollutant. Emissions of any regulated air pollutant that already are included in the fee calculation under a

category of regulated pollutant, such as a federally listed hazardous air pollutant that is already accounted for as a VOC or as PM10, shall be counted only once in determining the source's actual emissions.

[RAC 2-119(2)(a)]

- i. "Actual emissions" means the actual rate of emissions in tpy of any fee pollutant (for fee calculation) emitted from a Title V source over the preceding calendar year or any other period determined by the Tribe to be more representative of normal operation and consistent with the fee schedule adopted by the Tribe and approved by the Administrator. Actual emissions shall be calculated using each emissions units actual operating hours, production rates, in-place control equipment, and types of materials processed, stored, or combusted during the preceding calendar year or other period used for this calculation.

[RAC 1-103(2)]

- ii. Actual emissions shall be computed using compliance methods required by the permit.

[RAC 2-118(1)(b)]

- iii. If actual emissions cannot be determined using the compliance methods in the permit, the permittee shall use other federally recognized procedures.

[RAC 2-118(1)(b)]

- b. The total annual fee submitted shall be the greater of the applicable minimum fee or the sum of subtotal annual fees for all fee pollutants emitted from the source.

[RAC 2-119(2)(b)]

[Explanatory note: The applicable emission fee amount and applicable minimum fee (if necessary) are revised each calendar year to account for inflation, and they are available from AQP prior to the start of each calendar year.]

- c. The permittee shall exclude the following emissions from the calculation of fees:
 - i. The amount of actual emissions of any one fee pollutant that the source emits in excess of 4,000 tons per year
 - ii. Any emissions that come from insignificant activities not required in a permit application pursuant to RAC § 2-106(4).

[RAC 1-103(2)(c)]

6. Annual fee calculation worksheets shall be certified as to truth, accuracy, and completeness by a responsible official.

[RAC 2-105 and RAC 2-118(2)(c)]
7. Failure of the permittee to pay fees by the due date shall subject the permittee to assessment of penalties and interest in accordance with RAC § 2-118(6).

[RAC 2-118(6)]
8. When notified by the Tribe of underpayment of fees, the permittee shall remit full payment within 30 days of receipt of an invoice from the Tribe.

[RAC 2-119(3)(b)]
9. A permittee who thinks a Tribe assessed fee is in error and who wishes to challenge such fee shall provide a written explanation of the alleged error to the Tribe along with full payment of the assessed fee.

[RAC 2-119(3)(c)]

IV.B. Compliance Requirements

1. Compliance with the Permit
 - a. The permittee must comply with all conditions of this Part 70 permit. Any permit noncompliance with federally enforceable or Commission-only permit conditions constitutes a violation of the RAC and Clean Air Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or revision; or for denial of a permit renewal application.

[RAC 2-110(3)(a)]
 - b. 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 in order to maintain compliance with the conditions of this permit.

[RAC 2-110(3)(b)]
 - c. All terms and conditions of this permit which are required under the Clean Air Act or under any of its applicable requirements, including any provisions designed to limit a source's potential to emit, are enforceable by the Administrator and citizens under the Clean Air Act, except terms and conditions the permit specifically designates as not being federally enforceable under the Clean Air Act that are not required under the Clean Air Act or under any of its applicable requirements. Terms and conditions so designated are not subject to the requirements of RAC §§ 2-108, 2-111, 2-112, other than those contained in this paragraph.

[RAC 2-110(3)(f)]

- d. This permit, or the filing or approval of a compliance plan, does not relieve any person from civil or criminal liability for failure to comply with the provisions of the RAC and the Clean Air Act, applicable regulations thereunder, and any other applicable law or regulation.

[RAC 2-110(3)(g)]

- e. For the purpose of submitting compliance certifications in accordance with the Compliance Certifications condition below of this permit, or establishing whether or not a person has violated or is in violation of any requirement of this permit, nothing shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable requirements if the appropriate performance or compliance test or procedure had been performed.

[Section 113(a) and 113(e)(1) of the Act, 40 CFR §§ 51.212, 52.12, 52.33, 60.11(g), and 61.12]

2. Compliance Certifications

The permittee shall submit to the Tribe and the Administrator an annual certification of compliance which shall certify the source's compliance status with all permit terms and conditions and all applicable requirements relevant to the source, including those related to emission limitations, standards, or work practices. The compliance certification shall be certified as to truth, accuracy, and completeness by a responsible official consistent with RAC § 2-110(9)(a). The certification of compliance shall be submitted annually by April 1st and shall cover the preceding calendar year in which the certification of compliance is due, except that the first annual certification of compliance will cover the period from the issuance date of this permit through December 31st of the same year.

[RAC 2-110(9)(c)]

3. Compliance Schedule

- a. For applicable requirements with which the source is in compliance, the source will continue to comply with such requirements.

[RAC 2-106(4)(1)(ii)]

- b. For applicable requirements that will become effective during the permit term, the source shall meet such requirements on a timely basis.

[RAC 2-106(4)(1)(iii)]

IV.C. Duty to Provide and Supplement Information [RAC 2-110(7)(e), 2-106(5), and 2-124]

1. The permittee shall furnish to the Tribe, within the period specified by the Tribe, any information that the Tribe request in writing to determine whether cause exists for reopening and revising, revoking and reissuing, or terminating the permit, or to determine compliance with the permit. Upon request, the permittee shall also furnish to the Tribe copies of records that are required to be kept by the permit, including information claimed to be confidential. Information claimed to be confidential must be accompanied by a claim of confidentiality according to the provisions of RAC 2-124.

[RAC 2-110(7)(e) and RAC 2-124]

2. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application or in a supplemental submittal, shall promptly submit such supplementary facts or corrected information. In addition, a permittee shall provide additional information as necessary to address any requirements that become applicable after the date a complete application is filed, but prior to release of a draft permit.

[RAC 2-106(5)]

IV.D. Submissions [RAC 2-105]

1. Any application, form, report, compliance certification, or other document submitted by the permittee under this permit shall contain a certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

[Explanatory note: The Tribe has developed a reporting form “CTAC” for certifying truth, accuracy and completeness of Part 70 submissions. The form may be found on the AQP’s website (<http://www.southernute-nsn.gov/environmental-programs/air-quality>).]

2. Except where otherwise noted, any documents required to be submitted under this permit, including reports, test data, monitoring data, notifications, compliance certifications, fee calculation worksheets, and applications for renewals and permit modifications shall be submitted:

by United States Postal Service:

Part 70 Program
Environmental Programs Division
Air Quality Program
P.O. Box 737 MS #84
Ignacio, Colorado 81137

or by Common Carrier:

Part 70 Program
Environmental Programs Division
Air Quality Program
398 Ouray Drive
Ignacio, CO 81137

IV.E. Severability Clause [RAC 1-106 and RAC 2-110(1)(f)]

The provisions of this permit are severable, and in the event of any challenge to any portion of this permit, or if any provision is held invalid, the remaining permit conditions shall remain valid and in force.

IV.F. Permit Actions [RAC 2-110(3)]

1. This permit may be modified, reopened and revised, revoked and reissued, or terminated for cause.

[RAC 2-110(3)(c)]

2. The filing by the permittee of a request for a permit revision, reissuance, or termination, or of a notification of planned changes or anticipated noncompliance shall not stay any permit condition.

[RAC 2-110(3)(d)]

IV.G. Administrative Permit Revision [RAC 2-111(2)]

1. The permittee may submit an application for an administrative permit revision as defined in RAC § 1-103.

[RAC 2-111(2)(a)]

2. The permittee may implement an administrative permit revision immediately upon submittal of the request for the administrative revision.

[RAC 2-111(2)(c)]

[Note to permittee: If the provisions allowing for an administrative permit revision do not apply, please contact the Air Quality Program for a determination of similarity prior to submitting your request for an administrative permit revision.]

IV.H. Minor Permit Revisions [RAC 2-111(3)]

1. The permittee may submit an application for a minor permit revision as defined in RAC § 1-103.
2. An application requesting the use of minor permit revision procedures shall meet the requirements of RAC § 2-106(4) and shall include the following:
 - a. A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;
 - b. If changes are requested to the permit language, the permittee's suggested draft permit changes;

- c. Certification by a responsible official, consistent with RAC § 2-105, that the proposed revision meets the criteria for use of minor permit revision procedures and a request that such procedures be used; and
- d. Completed forms for the Tribe to use to notify the Administrator and affected programs as required under RAC § 2-108
- e. If the requested permit revision would affect existing compliance plans or schedules, related progress reports, or certification of compliance requirements, and an outline of such effects.

[RAC 2-111(3)(a)]

- 3. The permittee shall not submit multiple minor permit revision applications that may conceal a larger revision that would not constitute a minor permit revision.

[RAC 2-111(3)(b)]

- 4. The permittee may make the change proposed in its minor permit revision application immediately after it files such application, provided, however, for sources that have previously utilized this provision during the term of the permit and, on two or more occasions have failed to file a complete application, may thereafter make the change only after the application is deemed complete. After the permittee makes the change and until the Tribe takes any of the actions specified in the following subsection, the permittee must comply with both the applicable requirements governing the change and the proposed permit terms and conditions. During this period, the permittee need not comply with the existing permit terms and conditions it seeks to modify. If the permittee fails to comply with its proposed permit terms and conditions during this period, however, the existing permit terms and conditions it seeks to modify may be enforced against it.

[RAC 2-111(3)(e)]

- 5. The permit shield under RAC § 2-110(10) does not extend to minor permit revisions.

[RAC 2-110(10)(d)]

IV.I. Significant Permit Revisions [RAC 2-111(4)]

- 1. The permittee must request the use of significant permit revision procedures as defined in RAC § 1-103.
- 2. Significant permit revisions shall meet all requirements of the RAC for permit issuance and renewal, including those for applications, review by the Administrator and affected programs, and public participation.

[RAC 2-111(4), 2-109, and 2-106(3)]

IV.J. Permit Reopenings, Revocations and Reissuances, and Terminations [RAC 2-112]

1. The permit may be reopened and revised for any of the reasons listed in paragraphs (a) through (d) below. Alternatively, the permit may be revoked and reissued for the reasons listed in paragraphs (c) and (d) below:
 - a. Additional requirements under the Clean Air Act become applicable to a major source with a remaining permit term of 3 or more years, provided that the Tribe shall revise such permits to incorporate such additional requirements no later than 18 months after promulgation of such requirements, and no such reopening is required if the effective date of the requirement is later than the permit expiration date unless the original permit or any of its terms or conditions have been extended past the permit expiration date pursuant to RAC § 2-104(2)(b)(iii);
 - b. Additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program. Upon approval by the Administrator, excess emissions offset plans shall be deemed to be incorporated into the permit;
 - c. The Tribe or the Administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the terms or conditions of the permit; or
 - d. The Tribe or the Administrator determines that the permit must be revised or revoked and reissued to assure compliance with applicable requirements.

2. The permit may be terminated for any of the reasons in (a) through (g) below:
 - a. The permittee fails to meet the requirements of an approved compliance plan;
 - b. The permittee has been in significant or repetitious noncompliance with the operating permit terms or conditions;
 - c. The permittee has exhibited a history of willful disregard for environmental laws of any tribal or state authority, or of the United States;
 - d. The permittee has knowingly misrepresented a material fact in any application, record, report, plan, or other document filed or required to be maintained under the permit;
 - e. The permittee falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under the permit;
 - f. The permittee fails to pay fees required under RAC §§ 2-118 and 2-119; or

- g. The Administrator has found that cause exists to terminate the permit.

IV.K. Property Rights [RAC 2-110(3)(e)]

This permit does not convey any property rights of any sort, or any exclusive privilege.

IV.L. Inspection and Entry [RAC 2-110(9)(b)]

Upon presentation of credentials and other documents as may be required by law, the permittee shall allow authorized representatives of the Tribe or other authorized representative to perform the following:

1. Enter upon the permittee's premises where a source is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;
2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;
3. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and
4. As authorized by the Clean Air Act, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

IV.M. Emergency Situations [RAC 2-117]

1. The permittee may seek to establish that noncompliance with a technology-based emission limitation under this permit was due to an emergency as defined in RAC § 1-103. To do so, the permittee shall demonstrate the affirmative defense of emergency through properly signed, contemporaneous operating logs, or other relevant evidence that:
 - a. An emergency occurred and that the permittee can identify the cause(s) of the emergency;
 - b. The permitted facility was at the time being properly operated;
 - c. During the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards, or other requirements in this permit; and
 - d. The permittee reported the emergency to the Tribe in compliance with RAC § 2-110(7).

[RAC 2-117(1)]

2. In any enforcement preceding the permittee attempting to establish the occurrence of an emergency has the burden of proof.

[RAC 2-117(2)]

3. This emergency situation provision is in addition to any emergency or upset provision contained in any applicable requirement.

[RAC 2-117(3)]

IV.N. Permit Transfers [RAC 2-113]

This permit shall not be transferable, by operation of law or otherwise, from one location to another or from one source to another, except that a permit may be transferred from one location to another in the case of a portable source that has notified the Tribe in advance of the transfer, pursuant to the RAC. A permit for a source may be transferred from one person to another if the Tribe finds that the transferee is capable of operating the source in compliance with the permit. This transfer must be accomplished through an administrative permit revision in accordance with the Administrative Permit Revisions section of this permit.

IV.O. Off-Permit Changes [RAC 2-116(2)]

1. The permittee is allowed to make, without a permit revision, certain changes that are not addressed or prohibited by this permit provided that the following requirements are met:
 - a. Each such change meets all applicable requirements and shall not violate any existing permit term or condition;
 - b. Such changes are not subject to any requirements under title IV of the Clean Air Act and are not modifications under title I of the Clean Air Act;
 - c. Such changes are not subject to permit revision procedures under RAC § 2-111; and
 - d. The permittee provides contemporaneous written notice to the Tribe and the Administrator of each such change, except for changes that qualify as insignificant activities. Such notice shall state when the change occurred and shall describe the change, any resulting emissions change, pollutants emitted, and any applicable requirement that would apply as a result of the change.

[RAC 2-116(2)(a)]

2. The permit shield does not apply to changes made under this provision.

[RAC 2-110(10)(d)]

3. The permittee shall keep a record describing changes made at the source that result in emissions of any regulated air pollutant subject to an applicable requirement, but not otherwise regulated under the permit, and the emissions resulting from those changes.

[RAC 2-116(2)(b)]

4. A copy of each off-permit change notification shall be made available to the Tribe upon request.

[RAC 2-110(6)]

IV.P. Permit Expiration and Renewal [RAC §§ 2-104(3), 2-106(2)(b), 2-107(7)(a), 2-107(7)(b), 2-110(1)(a), and 2-106(3)]

1. This permit shall expire five years from the effective date of this permit.

[RAC 2-110(1)(a)]

2. Expiration of this permit terminates the permittee's right to operate unless a timely and complete permit renewal application has been submitted at least 6 months but not more than 18 months prior to the date of expiration of this permit.

[RAC 2-107(7)(b)]

3. If the permittee submits a timely and complete permit application for renewal, consistent with RAC § 2-106 but the Tribe has failed to issue or disapprove a renewal permit before the end of the permit term, then the permit shall not expire and all its terms and conditions shall remain in effect until the renewal permit has been issued or disapproved.

[RAC 2-104(2)(b)]

4. The ability to operate under this permit shall cease if (1) the Tribe takes final action to deny or issue the permittee a renewal permit or (2) the permittee fails to submit by the deadline specified in writing by the Tribe any additional information identified as being needed to process the application.

[RAC 2-104(3)]

5. Renewal of this permit is subject to the same procedures, including those for public participation and affected program and EPA review, as those that apply to initial permit issuance.

[RAC 2-107(7)(a)]

6. The application for renewal shall include the current permit number, description of permit revisions and off permit changes that occurred during the permit term, any applicable requirements that were promulgated and not incorporated into the permit during the permit term, and other information required by the application form.

[RAC 2-106(4)(e)(ix)]

V. Appendix

V.A. Inspection Information

1. Driving Directions to the facility:

From the CO/NM state line, drive south on US 550 (New Mexico) approximately 3.6 miles (past mile marker 171). Turn right onto San Juan County Road 2300. Drive approximately 1.3 miles and turn right on San Juan County Road 2310. Drive approximately 3.0 miles to an intersection. Turn right at intersection and travel approximately 0.5 miles crossing San Arroyo. Turn left and travel approximately 2 miles to Treating Site #7 on the west side of the road.

2. Global Positioning System (GPS):

Latitude: 37.03201

Longitude: -107.917757

3. Safety Considerations:

BP recommends all visitors to the Treating Site #7 wear a hard hat, safety glasses, safety footwear, hearing protection, and fire retardant clothing.