UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
1595 Wynkoop Street
Denver, CO 80202-1129
Phone 800-227-8917
www.epa.gov/region8

Ref: 8ARD-PM

Kyle Hunderman
Environmental Compliance Specialist II – Air Quality
Red Cedar Gathering Company
125 Mercado Street, Suite 201
Durango, Colorado 81301

Re: Red Cedar Gathering Company, South Ignacio Central Delivery Point
Permit #SMNSR-SU-000031-2019.004
Final Synthetic Minor New Source Review Permit and Response to Comments

Dear Mr. Hunderman:

The U.S. Environmental Protection Agency Region 8 has completed its review of Red Cedar Gathering Company's (Red Cedar) application request to obtain a revised synthetic minor source permit pursuant to the Tribal Minor New Source Review (MNSR) Permit Program at 40 CFR part 49 for the South Ignacio Central Delivery Point located on Indian country lands within the Southern Ute Indian Reservation, in La Plata County, Colorado.

This permit is intended, at Red Cedar's request, only to remove facility-wide hazardous air pollutants (HAP) and formaldehyde (CH_2O) emission limits, correct listed site ratings for the seven existing lean-burn compressor engines, relax monitoring and testing requirements for the existing rich-burn compressor engine and remove carbon monoxide (CO) and/or HAP emission limits for other existing compressor engines and two tri-ethylene glycol (TEG) natural gas dehydration systems. Red Cedar requested the revisions because they prefer for the facility to become a major source of HAP emissions and an affected facility under the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Reciprocating Internal Combustion Engines (RICE) at 40 CFR part 63, subpart ZZZZ (NESHAP ZZZZ) and to comply with those applicable standards.

Based on the information submitted in Red Cedar's permit revision application, the EPA hereby issues the enclosed final revised synthetic MNSR permit for the South Ignacio Central Delivery Point. Please review each condition carefully and note any restrictions placed on this source.

An initial public comment period for the proposed revised permit was conducted from June 19, 2020 to July 20, 2020, during which the Southern Ute Indian Tribe Air Quality Program commented that the public notice bulletin, technical support document and proposed revised permit incorrectly stated that proposed changes would not increase allowable emissions at South Ignacio Central Delivery Point. We

corrected such statements, reevaluated the impact of the proposed revisions, conducted an air quality impacts analysis of the increases in allowable emissions from the proposed changes, clarified certain permit conditions and added the tribe as a recipient of required reports. As such, we made the proposed permit and supporting documents available for a second public comment period that began on October 1, 2020 and ended on November 2, 2020. The EPA received comments from Mr. Kyle Hunderman, of Red Cedar, on October 22, 2020. The EPA's responses to the public comments are enclosed. The EPA made several revisions to the permit based on Red Cedar's comments. The final permit will be effective on January 4, 2021.

Pursuant to 40 CFR 49.159, within 30 days after the final permit decision has been issued, any person who commented on the specific terms and conditions of the draft permit may petition the Environmental Appeals Board to review any term or condition of the permit. Any person who failed to comment on the specific terms and conditions of this permit may petition for administrative review only to the extent that the changes from the draft to the final permit or other new grounds were not reasonably ascertainable during the public comment period. The 30-day period within which a person may request review begins with this dated notice of the final permit decision. If an administrative review of the final permit is requested, the specific terms and conditions of the permit that are the subject of the request for review must be stayed.

If you have any questions concerning the enclosed final permit, please contact Suman Kunwar, of my staff, at (303) 312-6095 or kunwar.suman@epa.gov.

Sincerely,

12/2/2020

X Carl Daly

Signed by: CARL DALY

Carl Daly
Acting Director
Air and Radiation Division

Enclosures

cc: Danny Powers, Air Quality Program Manager, Southern Ute Indian Tribe Environmental Programs

ENCLOSURE

EPA Response to Comments from Red Cedar Gathering Company, on the Proposed Revised Synthetic MNSR Permit for the South Ignacio Central Delivery Point Pursuant to the MNSR Permit Program at 40 CFR Part 49

I Comments from Mr. Kyle Hunderman of Red Cedar

"The summary section of the proposed permit states that the changes will cause the facility to be considered a major source for the purposes of NESHAP HH and represents these restrictions as equivalent to those contained in the formerly effective permit. However, South Ignacio CDP is located prior to the point of custody transfer and is considered a field production facility. Accordingly, for purposes of NESHAP HH, only the HAP emissions from the facility's glycol dehydration units and storage vessels are aggregated for major source determination and the potential (uncontrolled) emissions of the facility's dehydration units and storage vessels is indeed less than the major source threshold. Therefore, the facility would not be considered a major source for the purposes of NESHAP HH nor would its restrictions be equivalent to those contained in the formerly effective permit.

In addition, language similar to permit conditions I.C.4.d.vi-vii has been a source of compliance complications in the past, therefore we request the following clarifications. We understand that a new performance test plan must be submitted to the EPA for approval 60 days prior to the date the test is planned but it is unclear how the permittee should proceed should the EPA not provide an approval or disapproval. This is especially a concern in those situations for which an approved performance test plan does not exist, such as will occur should this proposed permit be issued. A somewhat related concern is that the EPA could possibly approve or disapprove a performance test plan near the planned test date which could cause unnecessary expenses related to remobilizing the necessary equipment and contractors used for performance testing. Therefore, we request the condition include a statement that if, after 45 days, the EPA has not provided an approval or disapproval the permittee may presume the test plan approved. Finally, we seek confirmation that the permittee does not need to submit a performance test plan to EPA 60 days prior to the date of the test if the permittee is conducting the test according to a performance test plan for which EPA approval has already been obtained."

EPA Response: We have deleted the language in the summary section of the final permit that stated the changes would cause the facility to be considered a major source for the purposes of NESHAP HH and represented those restrictions as equivalent to those contained in the formerly effective permit.

We have not included a condition as requested that if, after 45 days, the EPA has not provided an approval or disapproval of a performance test plan the permittee may presume the test plan is approved. The final permit provides several avenues of flexibility when it comes to test plan approvals. Permit condition I.C.4.(d)(vii) states, "Performance test plans that have already been approved by the EPA for the emission units approved in this permit may be used in lieu of new test plans unless the EPA requires the submittal and approval of new test plans. The Permittee may submit new plans for EPA approval at

any time." Therefore, the Permittee does not need to submit a performance test plan to the EPA if the Permittee is conducting a test according to a performance test plan for which EPA approval has already been obtained. Further, the Permittee may submit new test plans for approval at any time and does not need to wait until 60 days prior to a planned test. An initial performance test, according to condition I.C.4.(a), is required within 90 calendar days of startup of a new, rebuilt or replaced engine or after each catalyst replacement. The condition also says that the results of performance tests conducted prior to the effective date of the permit may be used to demonstrate compliance with the initial performance test requirements for an engine, provided the tests were conducted in an equivalent manner as the performance test requirements in the permit. The revised testing requirements for the 4-stroke rich-burn (4SRB) engine did not effectively change from the previously effective permit except to remove the CH_2O emissions testing with removal of the corresponding emission limit. Therefore, there should already be an approved test plan covering nitrogen oxides (NOx) and CO emissions for the engine that could be used until a new test plan for only NOx and CO is approved. Further, a previous test conducted on the 4SRB engine currently operating at the facility that demonstrated NOx and CO compliance could be used for the initial test requirement under the revised permit if no rebuild, replacement or catalyst replacement has occurred. For further clarification, we also revised the language regarding appropriate test methods to refer to the various methods listed in Table 2 of NSPS Subpart JJJJ. If a test plan specifies use of any of those methods, we expect the plan would be approved well before the scheduled test.

United States Environmental Protection Agency
Region 8, Air and Radiation Division
1595 Wynkoop Street
Denver, CO 80202

Air Pollution Control
Synthetic Minor Source Permit to Construct

40 CFR 49.151

#SMNSR-SU-000031-2019.004

Permit to Construct to establish legally and practically enforceable limitations and requirements on sources at an existing facility

Permittee:

Red Cedar Gathering Company

Permitted Facility:

South Ignacio Central Delivery Point (CDP)
Southern Ute Indian Reservation
La Plata County, Colorado

Effective Date:

January 4, 2021

Summary

On February 14, 2017, the U.S. Environmental Protection Agency Region 8 issued an administratively revised synthetic minor permit for the South Ignacio CDP in accordance with the requirements of the Tribal Minor New Source Review (MNSR) Permit Program at 40 CFR part 49 (permit #SMNSR-SU-000031-2016.003). On April 25, 2019, Red Cedar Gathering Company (Red Cedar) requested a permit revision reflecting the removal of facility-wide hazardous air pollutant (HAP) and formaldehyde (CH_2O) emissions limits, removal of benzene emissions limits for the two tri-ethylene glycol (TEG) dehydration systems, correction of listed site horsepower ratings for the seven existing lean-burn compressor engines, removal of carbon monoxide (CO) and CH_2O emissions limits for each of the seven lean-burn engines and the CH_2O emissions limit for the rich-burn engine, a change in monitoring frequency of the pressure drop across the catalyst bed of the rich-burn engine from once every 7 days to once every 30 days and replacement of quarterly nitrogen oxides (NO_X) and CO monitoring requirements with semiannual NO_X and CO performance test requirements for the rich-burn engine. The revised permit would then better align its current compliance requirements with those in the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Reciprocating Internal Combustion Engines at 40 CFR part 63, subpart ZZZZ (subpart ZZZZ), which became applicable to the rich-burn engine upon effectiveness of this permit. As a result of the permit revision, three of the existing engines for which emissions limitations have been removed did not become subject to subpart ZZZZ. Therefore, there is an increase in allowable emissions from those existing engines of 67.4 ton per year (tpy) CO, 2.9 tpy total HAP and 2.9 tpy CH_2O. The increase in allowable emissions from the dehydration systems is 0.7 tpy volatile organic compounds (VOC), 0.4 tpy total HAP and 0.4 tpy benzene. The requested changes would cause the facility to be considered a major source of CO and NO_X for the purposes of the Title V Operating Permit Program at 40 CFR part 71 (Part 71) and a major source of HAP for purposes of subpart ZZZZ.

The South Ignacio CDP is located within the exterior boundaries of the Southern Ute Indian Reservation in Colorado and compresses and dehydrates inlet coal-bed methane gas. Gas entering the facility from the field is first fed to an inlet separator that removes water gravimetrically. Separator overhead gas is fed from a common suction header to one of eight reciprocating internal combustion engines used to compress the gas. The compressors discharge gas to a common discharge header that feeds to scrubbers. Scrubbers separate and collect liquids that may have formed during compression. The compressed gas is then fed to two TEG dehydration systems operating in parallel. TEG is circulated counter-currently and absorbs water. Rich TEG is circulated to a reboiler, where moisture is driven to the atmosphere by heating the glycol. Dry gas exits the contactors and is directed to one of two sales lines, where it is metered and exits the facility. The gas processing capacity of the facility is 70 million standard cubic feet per day (MMscfd).

An initial public comment period for the proposed revised permit was conducted from June 19, 2020 to July 20, 2020, during which the Southern Ute Indian Tribe Air Quality Program commented that the public notice bulletin, technical support document and proposed revised permit incorrectly stated that proposed changes would not increase allowable emissions at the South Ignacio Central Delivery Point. We corrected such statements, reevaluated the impact of the proposed revisions, conducted an air quality impacts analysis of the increases in allowable emissions from the proposed changes, clarified certain permit conditions and added the tribe as a recipient of required reports. As such, we made the proposed permit and supporting documents available for a second public comment period that began on October 1, 2020 and ended on November 2, 2020. The EPA received comments from Mr. Kyle Hunderman, of Red Cedar, on October 22, 2020, and made further changes to the proposed permit based on those comments.

This permit action applies to an existing facility operating on the Southern Ute Indian Reservation in Colorado.

This revised permit does not authorize the construction of any new emission sources, nor does it otherwise authorize any other physical modifications to the facility or its operations. This permit revision is intended only to incorporate revisions requested by the Red Cedar. Certain emissions units became subject to the major source requirements of subpart ZZZZ with issuance of this permit. Three of the emissions units did not become subject to subpart ZZZZ, and therefore, experienced increases in allowable CO and CH_2O emissions as a result of removal of emissions limits.

The EPA has determined that issuance of this MNSR permit will not contribute to National Ambient Air Quality Standards (NAAQS) violations or have potentially adverse effects on ambient air quality.

Table of Contents

I. Conditional Permit to Construct

A. General Information

Facility:	Red Cedar Gathering Company, South Ignacio CDP
Permit Number:	SMNSR-SU-000031-2019.004
SIC Code and SIC Description:	4922 - Natural Gas Transmission

Site Location:
South Ignacio CDP
SE ¼, Sec 32 T33N R7W
Southern Ute Indian Reservation
La Plata County, Colorado
Latitude 37.053917, Longitude -107.625222

Corporate Office Location
Red Cedar Gathering Company
125 Mercado Street
Suite 201
Durango, Colorado 81301

The equipment listed in this permit shall be operated by the Permittee at the location described above.

B. Applicability

1. This permit is being issued under authority of the MNSR Permit Program.

2. The requirements in this permit have been created, at the Permittee's request, to establish legally and practically enforceable restrictions for limiting CO and NO_X engine emissions.

3. Any conditions established for this facility or any specific units at this facility pursuant to any permit issued under the authority of the Prevention of Significant Deterioration (PSD) Permit Program or the MNSR Permit Program shall continue to apply.

4. By issuing this permit, the EPA does not assume any risk of loss which may occur as a result of the operation of the permitted facility by the Permittee, Owner and/or Operator, if the conditions of this permit are not met by the Permittee, Owner and/or Operator.

C. Requirements for 4SRB Engine

1. Construction and Operational Limits

   (a) The Permittee shall install and operate emission controls as specified in this permit on one 4-stroke rich-burn (4SRB) reciprocating internal combustion engine for natural gas compression meeting the following specifications:

      (i) Operated as a 4SRB engine;
      (ii) Fired with natural gas; and
      (iii) Limited to a maximum site rating of 1,680 horsepower (hp).

2. Emissions Limits

(a) Emissions from the one 4SRB 1,680 hp engine shall not exceed the following:

(i) CO: 12.9 lb/hr; and
(ii) NO_X: 9.2 lb/hr.

(b) Emissions limits shall apply at all times, unless otherwise specified in this permit.

3. Control and Operational Requirements

(a) The Permittee shall ensure that the 4SRB engine is equipped with a non-selective catalytic reduction (NSCR) control system and air-to-fuel ratio (AFR) control system capable of reducing uncontrolled NO_X and CO emissions to meet the engine specific emissions limits in this permit.

(b) The Permittee shall replace the oxygen (O_2) sensor on the AFR controller on the 4SRB engine within every 2,190 hours of engine run time.

(c) The Permittee shall install, operate and maintain temperature sensing devices (e.g., thermocouple or resistance temperature detectors) before the inlet to the catalyst bed in order to continuously monitor the engine exhaust temperature at the inlet to the catalyst bed. Each temperature sensing device shall be calibrated and operated according to manufacturer specifications or equivalent specifications developed by the Permittee or vendor.

(d) Except during startups, which shall not exceed 30 minutes, the engine exhaust temperature at the inlet to the catalyst bed shall be maintained at all times the engine operates within the following limits:

(i) For the 4SRB engine, an inlet temperature of at least 750 °F and no more than 1,250 °F.

(e) During operation, the pressure drop across the catalyst bed on each engine shall be maintained to within ±2 inches of water from the baseline pressure drop measured during the most recent performance test. The baseline pressure drop for the catalyst bed shall be determined as measured during the most recent performance test.

(f) The Permittee shall only fire the engine with natural gas. The natural gas shall be pipeline-quality in all respects except that the carbon dioxide (CO_2) concentration in the gas shall not be required to be within pipeline-quality.

(g) The Permittee shall follow, for the engine and respective catalytic control system, the manufacturer recommended maintenance schedule and procedures, or equivalent maintenance schedule and procedures developed by the Permittee or vendor, to ensure optimum performance of the engine and its respective catalytic control system.

(h) The Permittee may rebuild or replace the existing permitted engine with an engine of the same hp rating and configured to operate in the same manner as the engine being rebuilt or replaced. Any emissions limits, requirements, control technologies, testing or other provisions that apply to the permitted engine that is replaced shall also apply to the rebuilt or replaced engines.

(i) The Permittee may resume operation without the catalytic control system during an engine break-in period, not to exceed 200 operating hours, for rebuilt and replaced engines.

4. Performance Testing Requirements

(a) Performance tests shall be conducted on the 4SRB engine equipped with a NSCR control system and AFR controller for measuring NO_X and CO emissions to demonstrate compliance with the emissions limitations in this permit. The performance tests shall be conducted in accordance with appropriate reference methods specified in Table 2 to Subpart JJJJ of 40 CFR part 60. The Permittee may submit to the EPA a written request for approval of an alternate test method but shall only use that alternate test method after obtaining written approval from the EPA.

(i) The initial performance test shall be conducted within 90 calendar days of startup of a new engine. The results of performance tests conducted prior to the effective date of this permit may be used to demonstrate compliance with the initial performance test requirements, provided the tests were conducted in an equivalent manner as the performance test requirements in this permit.

(ii) Performance tests shall be conducted within 90 calendar days of startup of a rebuilt and replaced engine.

(iii) Performance tests shall be conducted within 90 calendar days of startup after each catalyst replacement.

(iv) Subsequent performance tests for NO_X and CO emissions shall be performed semiannually.

(A) If the results of two consecutive subsequent semiannual performance tests demonstrate compliance with NO_X and CO emissions limits, required testing frequency for NO_X and CO may change from semi-annually to annually.

(B) If the results of any subsequent annual performance test demonstrate non-compliance with the NO_X or CO emissions limits, required monitoring frequency for NO_X and CO shall change back to semiannually.

(b) The Permittee shall not perform engine tuning or make any adjustments to engine settings, catalytic control system settings, processes or operational parameters immediately prior to the engine testing or during the engine testing. Any such tuning or adjustments may result in a determination by the EPA that the test is invalid. Artificially increasing an engine load to meet test requirements is not considered engine tuning or adjustments.

(c) The Permittee shall not abort any engine tests that demonstrate non-compliance with any NO_X and CO emissions limits in this permit.

(d) Performance tests conducted on the 4SRB engine for measuring NO_X and CO emissions shall meet the following requirements:

(i) The pressure drop across the catalyst bed and the inlet temperature to the catalyst bed shall be measured and recorded during all performance tests;
(ii) All performance tests for NO_X and CO emissions shall be performed simultaneously;
(iii) All performance tests shall be conducted at a maximum operating rate (90% to 110% of the maximum achievable engine load available on the day of the test). The Permittee may submit to the EPA a written request for approval of an alternate load level for testing, but shall only test at that alternate load level after obtaining written approval from the EPA;
(iv) During each test run, data shall be collected on all parameters necessary to document how emissions were measured and calculated (such as test run length, minimum sample volume, volumetric flow rate, moisture and oxygen corrections, etc.);
(v) Each test shall consist of at least three 1-hour or longer valid test runs. Emission results shall be reported as the arithmetic average of all valid test runs and shall be in terms of the emissions limits in this permit;
(vi) Performance test plans shall be submitted to the EPA for approval at least 60 calendar days prior to the date the test is planned;
(vii) Performance test plans that have already been approved by the EPA for the emission units approved in this permit may be used in lieu of new test plans unless the EPA requires the submittal and approval of new test plans. The Permittee may submit new plans for EPA approval at any time; and
(viii) The test plans shall include and address the following elements:

(A) Purpose of the test;
(B) Engines and catalytic control systems to be tested;
(C) Expected engine operating rate(s) during the test;
(D) Sampling and analysis procedures (sampling locations, test methods, laboratory identification);
(E) Quality assurance plan (calibration procedures and frequency, sample recovery and field documentation, chain of custody procedures); and
(F) Data processing and reporting (description of data handling and quality control procedures, report content).

(e) The Permittee shall notify the EPA and the Southern Ute Indian Tribe at least 30 calendar days prior to scheduled performance testing. The Permittee shall notify the EPA at least 1 week prior to scheduled performance testing if the testing cannot be performed.

(f) If the results of a complete and valid performance test of the emissions from the permitted engine demonstrates noncompliance with the emissions limits in this permit, the engine shall be shut down as soon as safely possible, and appropriate corrective action shall be taken (e.g., repairs, catalyst cleaning, catalyst replacement). The Permittee shall notify the EPA and the Southern Ute Indian Tribe in writing within 24 hours of each such shut down. The engine must be retested within 7 days of being restarted and the emissions must meet the applicable limits in this permit. If the retest shows that the emissions continue to exceed the limits in this permit, the engine shall again be shut

down as soon as safely possible, and the engine may not operate, except for purposes of startup and testing, until the Permittee demonstrates through testing that the emissions do not exceed the emissions limits in this permit.

(g) If a permitted engine is not operating, the Permittee does not need to start up the engine solely to conduct a performance test. The Permittee may conduct the performance test when the engine is started up again.

5. Monitoring Requirements

(a) The Permittee shall continuously measure the engine exhaust temperature at the inlet to the catalyst bed on the engine.

(b) Except during startups not to exceed 30 minutes, if the engine exhaust temperature at the inlet to the catalyst bed deviates from the acceptable ranges specified in this permit then the following actions shall be taken. The Permittee's completion of any or all of these actions shall not constitute, nor qualify as, an exemption from any other emissions limits in this permit:

(i) Within 24 hours upon determining a deviation of the engine exhaust temperature at the inlet to the catalyst bed, the Permittee shall investigate and document when an investigation is initiated, what the investigation consisted of and when the investigation is completed. The investigation shall include testing the temperature sensing device, inspecting the engine for performance problems and assessing the catalytic control system for possible damage that could affect catalytic system effectiveness (including, but not limited to, catalyst housing damage and fouled, destroyed or poisoned catalyst).

(ii) If the engine exhaust temperature at the inlet to the catalyst bed can be corrected by following the engine manufacturer's recommended procedures or equivalent procedures developed by the Permittee or vendor and the catalytic control system has not been damaged, then the Permittee shall correct the engine exhaust temperature at the inlet to the catalyst bed within 24 hours of inspecting the engine and catalytic control system.

(iii) If the engine exhaust temperature at the inlet to the catalyst bed cannot be corrected using the engine manufacturer recommended procedures or equivalent procedures developed by the Permittee or vendor, or the catalytic control system has been damaged, then the affected engine shall cease operating immediately and shall not be returned to routine service until the following has been met:

(A) The engine exhaust temperature at the inlet to the catalyst bed is measured and found to be within the acceptable temperature range for that engine; and

(B) The catalytic control system has been repaired or replaced, if necessary.

(c) The Permittee shall monitor the pressure drop across the catalyst bed of the engine once every calendar month using pressure sensing devices before and after the catalyst bed to obtain a direct reading of the pressure drop (also referred to as the differential pressure). *[Note to Permittee: Differential pressure measurements, in general, are used to show the pressure across the filter elements. This information will determine when the elements in*

the catalyst bed are fouling, blocked or blown out and thus require cleaning or replacement.]

(d) The Permittee shall perform the first measurement of the pressure drop across each catalyst bed no more than 30 calendar days from the date of the initial performance test. Thereafter, the Permittee shall measure the pressure drop across the catalyst bed, at a minimum once a calendar month. Subsequent performance tests, as required in this permit, can be used to meet the periodic pressure drop monitoring requirement for that month. The pressure drop reading can be a one-time measurement on that day, the average of measurements taken during performance test runs, or a 12-hour average of all the measurements on that day if continuous readings are taken.

(e) If the pressure drop reading exceeds ± 2 inches of water from the baseline pressure drop reading taken during the most recent performance test, then the following actions shall be taken. The Permittee's completion of any or all of these actions shall not constitute, nor qualify as, an exemption from any other emissions limits in this permit:

(i) Within 24 hours of determining a deviation of the pressure drop across the catalyst bed, the Permittee shall investigate and document when an investigation is initiated, what the investigation consisted of and when the investigation is completed. The investigation shall include testing the pressure transducers and assessing the catalytic control system for possible damage that could affect catalytic system effectiveness (including, but not limited to, catalyst housing damage, and plugged, fouled, destroyed or poisoned catalyst).

(ii) If the pressure drop across the catalyst bed can be corrected by following the catalytic control system manufacturer's recommended procedures or equivalent procedures developed by the Permittee or vendor, and the catalytic control system has not been damaged, then the Permittee shall correct the problem within 24 hours of inspecting the catalytic control system.

(iii) If the pressure drop across the catalyst bed cannot be corrected using the catalytic control system manufacturer's recommended procedures or equivalent procedures developed by the Permittee or vendor, or the catalytic control system is damaged, then the Permittee shall do one of the following:

(A) Conduct a performance test as specified in this permit to ensure that the emissions limits are being met and to re-establish the pressure drop across the catalyst bed; or

(B) Cease operating the affected engine immediately. The engine shall not be returned to routine service until the pressure drop is measured and found to be within the acceptable pressure range for that engine as determined from the most recent performance test. Corrective action may include removal and cleaning of the catalyst or replacement of the catalyst.

(f) The Permittee is not required to conduct parametric monitoring of exhaust temperature and catalyst differential pressure on engines that have not operated during the monitoring period. The Permittee shall certify that the engine did not operate during the monitoring period in the annual report specified in this permit.

6. Recordkeeping Requirements

(a) Records shall be kept of manufacturer and/or vendor specifications and maintenance requirements developed by the manufacturer, vendor or Permittee for each engine, and each catalytic control system, temperature-sensing device and pressure-measuring device required in this permit.

(b) Records shall be kept of all calibration and maintenance conducted for each engine, and each catalytic control system, temperature-sensing device and pressure-measuring device required in this permit.

(c) Records shall be kept that are sufficient to demonstrate that the fuel for the engine is pipeline quality natural gas in all respects, with the exception of CO_2 concentrations.

(d) Records shall be kept of all temperature measurements required in this permit, as well as a description of any investigations performed in response to any deviations and corrective actions taken pursuant to this permit.

(e) Records shall be kept of all pressure drop measurements required in this permit, as well as a description of any investigations performed in response to any deviations and corrective actions taken pursuant to this permit.

(f) Records shall be kept of all required testing and monitoring in this permit. The records shall include the following:

(i) The date, place, and time of sampling or measurements;
(ii) The date(s) 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 or measurements; and
(vi) The operating conditions as existing at the time of sampling or measurement.

(g) Records shall be kept of all catalyst replacements or repairs, oxygen sensor replacements, AFR controller replacements, engine rebuilds and engine replacements.

(h) Records shall be kept of each rebuilt or replaced engine break-in period, pursuant to the requirements of this permit, where an existing engine that has been rebuilt or replaced resumes operation without the catalyst control system, for a period not to exceed 200 hours.

(i) Records shall be kept of each time the engine is shut-down due to a deviation in the inlet temperature to the catalyst bed or pressure drop across a catalyst bed. The Permittee shall include in the record the cause of the problem, the corrective action taken, and the timeframe for bringing the pressure drop and inlet temperature range into compliance.

D. Requirements for Records Retention

1. The Permittee shall retain all records required by this permit for a period of at least 5 years from the date the record was created.

2. Records shall be kept in the vicinity of the facility, such as at the facility, the location that has day-to-day operational control over the facility, or the location that has day-to-day responsibility for compliance of the facility.

E. Requirements for Reporting

1. Annual Emission Reports

(a) The Permittee shall submit a written annual report of the actual annual emissions from all emission units at the facility covered by this permit each year no later than April 1st. The annual report shall cover the period for the previous calendar year. All reports must be certified to truth and accuracy by the by the person primarily responsible for Clean Air Act compliance of the Permittee.

(b) The report shall include NO_X and CO emissions.

(c) The report shall be submitted to:

U.S. Environmental Protection Agency, Region 8
Air and Radiation Division
Tribal Air Permitting Program, 8ARD-PM
1595 Wynkoop Street
Denver, Colorado 80202

The report may be submitted via electronic mail to r8airpermitting@epa.gov.

and by

United States Postal Service:
Southern Ute Indian Tribe Environmental Programs Division
Air Quality Program
Part 70 Program
P.O. Box 737, Mail Slot #84
Ignacio, Colorado 81137

or by

Common Carrier:
Southern Ute Indian Tribe Environmental Programs Division
Air Quality Program

Part 70 Program
398 Ouray Drive
Ignacio, Colorado 81137

Documents may be submitted via email to airquality@southernute-nsn.gov.

2. All other documents required to be submitted under this permit, with the exception of the **Annual Emission Reports**, shall be submitted to:

U.S. Environmental Protection Agency, Region 8
Enforcement and Compliance Assurance Division
Branch Chief, Air and Toxics Enforcement Branch, 8ENF-AT
1595 Wynkoop Street
Denver, Colorado 80202

Documents may be submitted electronically to r8airreportenforcement@epa.gov.

and by

United States Postal Service:
Southern Ute Indian Tribe Environmental Programs Division
Air Quality Program
Part 70 Program
P.O. Box 737, Mail Slot #84
Ignacio, Colorado 81137

or by

Common Carrier:
Southern Ute Indian Tribe Environmental Programs Division
Air Quality Program
Part 70 Program
398 Ouray Drive
Ignacio, Colorado 81137

Documents may be submitted via email to airquality@southernute-nsn.gov.

3. The Permittee shall promptly submit to the EPA and the Southern Ute Indian Tribe a written report of any deviations of permit requirements, a description of the probable cause of such deviations, and any corrective actions or preventative measures taken. A "prompt" deviation report is one that is post marked or submitted via electronic mail to r8airreportenforcement@epa.gov and airquality@southernute-nsn.gov as follows:

(a) Within 30 days from the discovery of any deviation of permit requirements that is left uncorrected for more than 5 days after discovering the deviation; and

(b) By April 1st for the discovery of a deviation of recordkeeping or other permit conditions during the preceding calendar year that do not affect the Permittee's ability to meet the emissions limits.

4. The Permittee shall submit a written report for any required performance tests to the EPA within 60 days after completing the tests.

5. The Permittee shall submit any record or report required by this permit upon EPA request.

II. General Provisions

A. Conditional Approval

Pursuant to the authority of 40 CFR 49.151, the EPA hereby conditionally grants this permit. This authorization is expressly conditioned as follows:

1. *Document Retention and Availability:* This permit and any required attachments shall be retained and made available for inspection upon request at the location set forth herein.

2. *Permit Application:* The Permittee shall abide by all representations, statements of intent and agreements contained in the application submitted by the Permittee. The EPA shall be notified 10 days in advance of any significant deviation from this permit application as well as any plans, specifications or supporting data furnished.

3. *Permit Deviations:* The issuance of this permit may be suspended or revoked if the EPA determines that a significant deviation from the permit application, specifications, and supporting data furnished has been or is to be made. If the proposed source is constructed, operated, or modified not in accordance with the terms of this permit, the Permittee will be subject to appropriate enforcement action.

4. *Compliance with Permit:* The Permittee shall comply with all conditions of this permit, including emissions limitations that apply to the affected emissions units at the permitted facility/source. Noncompliance with any permit term or condition is a violation of this permit and may constitute a violation of the Clean Air Act and is grounds for enforcement action and for a permit termination or revocation.

5. *Fugitive Emissions:* The Permittee shall take all reasonable precautions to prevent and/or minimize fugitive emissions during the construction period.

6. *NAAQS and PSD Increment:* The permitted source shall not cause or contribute to a NAAQS violation or a PSD increment violation.

7. *Compliance with Federal and Tribal Rules, Regulations, and Orders:* Issuance of this permit does not relieve the Permittee of the responsibility to comply fully with all other applicable federal and tribal rules, regulations, and orders now or hereafter in effect.

8. *Enforcement:* It is not a defense, for the Permittee, in an enforcement action, to claim that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

9. *Modifications of Existing Units/Limits:* For proposed modifications, as defined at 40 CFR 49.152(d), that would increase an emissions unit's allowable emissions of a pollutant above its existing permitted annual allowable emissions limit, the Permittee shall first obtain a permit

modification pursuant to the MNSR regulations approving the increase. For a proposed modification that is not otherwise subject to review under the PSD or MNSR regulations, such proposed increase in the annual allowable emissions limit shall be approved through an administrative permit revision as provided at 40 CFR 49.159(f).

10. *Relaxation of Legally and Practically Enforceable Limits:* At such time that a new or modified source within this permitted facility/source or modification of this permitted facility/source becomes a major stationary source or major modification solely by virtue of a relaxation in any legally and practically enforceable limitation which was established after August 7, 1980, on the capacity of this permitted facility/source to otherwise emit a pollutant, such as a restriction on hours of operation, then the requirements of the PSD regulations shall apply to the source or modification as though construction had not yet commenced on the source or modification.

11. *Revise, Reopen, Revoke and Reissue, or Terminate for Cause:* This permit may be revised, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee, for a permit revision, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. The EPA may reopen this permit for a cause on its own initiative, e.g., if this permit contains a material mistake or the Permittee fails to assure compliance with the applicable requirements.

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

13. *Property Rights:* This permit does not convey any property rights of any sort or any exclusive privilege.

14. *Information Requests:* The Permittee shall furnish to the EPA, within a reasonable time, any information that the EPA may request in writing to determine whether cause exists for revising, revoking and reissuing, or terminating this permit or to determine compliance with this permit. For any such information claimed to be confidential, you shall also submit a claim of confidentiality in accordance with 40 CFR part 2, subpart B.

15. *Inspection and Entry:* The EPA or its authorized representatives may inspect this permitted facility/source during normal business hours for the purpose of ascertaining compliance with all conditions of this permit. Upon presentation of proper credentials, the Permittee shall allow the EPA or its authorized representative to:

    (a) Enter upon the premises where this permitted facility/source is located or emissions-related activity is conducted, or where records are required to be kept under the conditions of this permit;

    (b) Have access to and copy, at reasonable times, any records that are required to be kept under the conditions of this permit;

    (c) Inspect, during normal business hours or while this permitted facility/source is in operation, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;

(d) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or other applicable requirements; and

(e) Record any inspection by use of written, electronic, magnetic and photographic media.

16. *Permit Effective Date:* This permit is effective immediately upon issuance unless a later effective date is specified in the permit, or unless comments resulted in a change in the proposed permit, in which case this permit is effective 30 days after issuance. If within 30 days after the service of notice of the final permit issuance, a person petitions the Environmental Appeals Board to review any condition(s) of the final permit in accordance with 40 CFR 49.159(d), the specific terms and conditions of the permit that are the subject of the request for review must be stayed.

17. *Permit Transfers:* Permit transfers shall be made in accordance with 40 CFR 49.159(f). The Air and Radiation Division Director shall be notified in writing at the address shown below if the company is sold or changes its name.

U.S. Environmental Protection Agency, Region 8
Air and Radiation Division
Tribal Air Permitting Program, 8ARD-PM
1595 Wynkoop Street
Denver, Colorado 80202

18. *Invalidation of Permit:* Unless this permitted source of emissions is an existing source, this permit becomes invalid if construction is not commenced within 18 months after the effective date of this permit, construction is discontinued for 18 months or more, or construction is not completed within a reasonable time. The EPA may extend the 18-month period upon a satisfactory showing that an extension is justified. This provision does not apply to the time period between the construction of the approved phases of a phased construction project. The Permittee shall commence construction of each such phase within 18 months of the projected and approved commencement date.

19. *Notification of Start-Up:* The Permittee shall submit a notification of the anticipated date of initial start-up of this permitted source to the EPA within 60 days of such date, unless this permitted source is an existing source.

B. Authorization

Authorized by the United States Environmental Protection Agency, Region 8

12/2/2020

X Carl Daly

Signed by: CARL DALY
Carl Daly
Acting Director
Air and Radiation Division