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

Air Pollution Control
Synthetic Minor Source Permit to Construct

40 CFR 49.151

 # SMNSR-SU-000010-2020.003A

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:

Arkansas Loop and Simpson Treating Plants
Southern Ute Indian Reservation
La Plata County, Colorado

Effective Date:

December 18, 2025

Summary

The Arkansas Loop and Simpson Treating Plants (Arkansas Loop) are located within the exterior boundaries of the Southern Ute Indian reservation in Colorado. The plants provide natural gas field compression, carbon dioxide (CO_2) removal, and dehydration to remove entrained water vapor from the gas stream. The natural gas comes from upstream coal-bed methane production wells and compressor stations connected to a gathering pipeline system to the inlet of the facilities.

Upon compliance with this synthetic MNSR permit, the legally and practicably enforceable emissions limitations can be used when determining the applicability of National Emission Standards for Hazardous Air Pollutants (NESHAP) Subparts HH and ZZZZ, as well as other Clean Air Act (CAA) requirements, such as the Title V Operating Permit Program at 40 CFR Part 70 (Part 70), in accordance with the Southern Ute Indian Tribe's (SUIT's) Environmental Protection Agency (EPA)-approved Part 70 Operating Permit Program, and other NESHAP at 40 CFR Part 63.

On June 11, 2024, the EPA and the Southern Ute Indian Tribe (Tribe) entered into the Agreement for Delegation of Partial Administrative Authority (Agreement) between the Tribe and the EPA for the EPA's partial delegation of authority to the Tribe to assist the EPA in administering the Federal Minor New Source Review Program in Indian country, 40 Code of Federal Regulations (C.F.R.) Part 49, Subpart C, Sections 49.151 through 49.164 (EPA Indian country MNSR Program), to include the issuance of new and revised MNSR permits by the Tribe's Air Quality Division (AQD).

This 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. A brief permitting history is provided below:

A. An initial synthetic minor permit to construct issued to Red Cedar by the EPA for the Arkansas Loop and Simpson Treating Plants, effective June 5, 2014, incorporating the requirements from a Part 71 operating permit and incorporation of limits requested by Red Cedar. *(SMNSR-SU-000010-2011.001)*

B. An October 26, 2020, synthetic minor administrative revision application from Red Cedar to revise the minimum compressor engine catalyst inlet temperature from 550°F to 450°F in order to align with 40 CFR Part 63, Subpart ZZZZ requirements and to change the subsequent performance testing frequency from "within 12 months" to "within 14 months" of the most recent performance test to allow annual testing to be conducted at around the same time and to more closely align with guidance provided by the Southern Ute Indian Tribe's Air Quality Program. This revision was issued by the EPA to Red Cedar for the Arkansas Loop and Simpson Treating Plants, effective September 12, 2022. *(SMNSR-SU-000010-2020.001B)*

C. A November 1, 2024, application from Red Cedar requesting a synthetic minor permit revision for the Arkansas Loop and Simpson Treating Plants to revise CO_2 analysis procedures and language relating to the frequency of pressure drop measurements across the catalyst bed. As part of this permit revision, the Tribe replaced the EPA as the permit issuance authority and as the primary agency for synthetic minor permit administration and reporting. This revision was issued on February 20, 2025. *(SMNSR-SU-000010-2020.002A)*

On October 20, 2025, Red Cedar submitted a synthetic minor (SMNSR) permit revision application to the Tribe requesting changes to increase the natural gas throughput capacities of one (1) custom amine

plant, from 100 to 115 MMscf/day, as well as two (2) TEG dehydrators, from 70 to 75 MMscf/day. This request does not increase the allowable emissions at Arkansas Loop.

The throughput increase for the custom amine plant would result in an estimated potential to emit VOC increase of up to 6.02 tons per year (tpy) and HAP decrease of up to 2.70 tpy. The throughput increases for the TEG dehydrators resulted in a 0.46 tpy increase of VOCs and a 0.44 tpy increase of HAPs. Overall, the revision would result in an actual emissions increase of up to 6.48 tpy of VOCs, and a decrease of up to 2.26 tpy of HAPs for Arkansas Loop. The estimated VOC increase is likely due to updated gas analysis and calculations that are more representative of the gas currently being processed, along with the increased throughput of the custom amine plant. The estimated HAP decrease is due to the gas composition changes of the gas being processed at Arkansas Loop. Emissions calculation estimates were provided by Red Cedar and verified by the AQD. Arkansas Loop is classified as major for Prevention of Significant Deterioration (PSD) permitting purposes. Any modification at Arkansas Loop must be compared to the PSD significance levels. An evaluation of significant emission rate for regulated NSR pollutants under the CAA's PSD Permit Program at 40 CFR Part 52 shows the emission increases from the increased throughputs to be below the significant emission rates. Therefore, PSD permitting is not applicable.

The Tribe completed this as an administrative permit revision as this revision does not authorize an increase in any previously established emission limits. The Tribe reissued the SMSNR permit as *SMNSR-SU-000010-2020.003A*.

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I. Conditional Permit to Construct

A. General Information

Facility:	Red Cedar Gathering Company Arkansas Loop and Simpson Treating Plants
Permit number:	SMNSR-SU-000010-2020.003A
SIC Code and SIC Description:	1311 – Crude Petroleum/Natural Gas

Site Location:
Arkansas Loop & Simpson Treating Plants
NW ¼ Sec 1 T32N R9W
Southern Ute Indian Reservation
La Plata County, Colorado

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

The equipment listed in this permit may only be operated by Red Cedar Gathering Company (Red Cedar) at the following location:

Latitude 37.052783 N, Longitude -107.784875 W

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 avoid the requirements of the Prevention of Significant Deterioration (PSD) Permit Program at 40 CFR Part 52 for construction of the Simpson Treating Plant (an otherwise PSD significant modification to the Arkansas Loop Treating Plant) and to establish legally and practicably enforceable restrictions for limiting cumulative facility volatile organic compound (VOC) emissions and compressor engine nitrogen oxides (NO_X), carbon monoxide (CO), VOC and formaldehyde (CH_2O) 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 PSD Permit Program or the MNSR Permit Program shall continue to apply.

4. By issuing this permit, the Tribe 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. Equipment Removal from Arkansas Loop Treating Plant

1. The Permittee shall shut down, permanently remove from service, and physically remove from the Arkansas Loop Treating Plant, an existing 1,283 site-rated horse-power (hp), 4-stroke lean-burn (4SLB) natural gas-fired reciprocating internal combustion engine used for compression and an existing 37 million standard cubic feet per day (MMscfd) TEG dehydration system with

its associated 0.6 million British thermal units per hour (MMBtu/hr) natural gas-fired reboiler prior to starting up any emission units at the Simpson Treating Plant.

2. The Permittee shall submit to the Tribe documentation sufficient to verify that the engine and dehydration system have been physically removed from the Arkansas Loop Treating Plant prior to starting up any of the emission units at the Simpson Treating Plant. This documentation shall be submitted within 30days of the physical removal of the engine and dehydrator.

Note: *The EPA received notification from Red Cedar that the Arkansas Loop Treating Plant equipment removal was completed on February 16, 2011, and that the new equipment at the Simpson Treating Plant commenced operation on March 22, 2011.*

D. Construction Requirements

1. The Permittee may install, maintain and operate the following equipment at the Simpson Treating Plant:

Table 1 – Approved Emission Unit Construction

Two - 1,622 maximum site rated hp, 4SLB operated, natural gas-fired reciprocating internal combustion engines used for electric generation
One - 80 MMBtu/hr, natural gas-fired custom-made heat medium heater
One - 115 MMscfd custom made amine plant
Two - 75 MMscfd TEG Dehydration Systems each with 1.2 MMBtu/hr, natural gas-fired TEG reboiler
One - 6,615 gallon inlet coalescing filter dump tank (production water)*
One - 125 gallon heat medium makeup storage tank *
One - 6,615 gallon heat medium pressure safety valve (PSV) blowdown tank *
One - 30 gallon oil tote tank (anti-foam) *
One - 1,575 gallon TEG makeup storage tank*
One - 1,316 gallon still vent tank*
One each 542 gallon coolant tank, coolant maintenance tank, used engine oil tank, engine oil tank*
One each 55 gallon coolant overflow barrel and oil overflow barrel*
One - 1,575 gallon TEG recovery tank*
One - 2,835 gallon process and oily water drain tank*
One - 2,835 gallon oily water sump tank*

*Insignificant emission unit, as defined in 40 CFR 71.2

2. Only the engines that are operated and controlled as specified in this permit are approved for installation under this permit.

E. Emission Limits

1. Total cumulative VOC emissions from the approved emission units for the Simpson Treating Plant, specified in Table 1 above, shall not exceed 41.6 tons during any consecutive 12 months.

2. VOC emissions (to include CH_2O and acetaldehyde) from each 1,622 hp 4SLB natural gas-fired engine shall not exceed the following:

   (a) 2.1 pounds per hour (lbs/hr); and

   (b) 9.4 tons per year (tpy).

3. CH_2O emissions from each 1,622 hp 4SLB natural gas-fired engine shall not exceed the following:

   (a) 1.4 lbs/hr; and

   (b) 6.3 tpy.

4. Emission limits shall apply at all times, unless otherwise specified in this permit.

F. Control and Operational Requirements

1. The Permittee shall ensure that each engine is equipped with an oxidation catalyst control system capable of reducing uncontrolled VOC and CH_2O emissions to meet the emission limits specified in this permit.

2. The Permittee shall install, operate and maintain temperature-sensing devices (i.e., thermocouple or resistance temperature detectors) before the catalytic control system on each engine to continuously monitor the exhaust temperature at the inlet of 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.

3. Except during startups, which shall not exceed 30 minutes, the engine exhaust temperature of each engine, at the inlet to the catalyst bed shall be maintained at all times the engines operate with an inlet temperature of at least 450 ºF and no more than 1,250 ºF.

4. During operation the pressure drop across the catalyst bed on each 1,622 hp engine shall be maintained to within ±2 inches of water from the baseline pressure drop reading taken during the most recent performance test. The baseline pressure drop for the catalyst bed shall be determined at 100% ± 10% of the engine load measured during the most recent performance test.

5. The Permittee shall only fire each 1,622 hp 4SLB engine with natural gas. The natural gas shall be pipeline-quality in all respects except that the CO_2 concentration in the gas is not required to be within pipeline-quality.

6. The Permittee shall follow, for each 1,622 hp 4SLB engine and its 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 each engine and its respective catalytic control system.

7. The Permittee may rebuild an existing permitted engine or replace an 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 emission limits, requirements, control technologies, testing or other provisions that apply to the permitted engines that are replaced shall also apply to the rebuilt and replaced engines.

8. 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.

G. Performance Testing Requirements

1. Performance tests shall be conducted on each 1,622 hp 4SLB natural gas-fired engine for measuring VOC, and CH_2O emissions to demonstrate compliance with the emission limits in this permit and establish a baseline percentage of the CO emissions reduction that correlates with the compliance of the VOC and CH_2O emission limits. The performance tests shall be conducted in accordance with appropriate reference methods specified in 40 CFR Part 60, Appendix A, 40 CFR Part 63, Appendix A, or an EPA-approved American Society for Testing and Materials (ASTM) method. 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 approval from the EPA.

   (a) The initial performance test shall be conducted within 90 calendar days of startup of a new engine.

   (b) For annual performance tests, the tests shall be performed each consecutive calendar year between January and December. Subsequent performance tests shall be conducted within 10 to 14 months of the most recent performance test.

   (c) Performance tests shall be conducted within 90 calendar days of the replacement of a catalyst on an engine.

   (d) Performance tests shall be conducted within 90 calendar days of startup of all rebuilt engines and replaced engines.

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

3. The Permittee shall not abort any engine tests that demonstrate non-compliance with the VOC or CH_2O emission limits in this permit.

4. Performance tests conducted on each 1,622 hp 4SLB engine shall meet the following requirements:

(a) Portable analyzer testing shall be conducted at least once during each performance test to establish a new baseline percentage reduction of CO emissions that correlates with compliance of the VOC and CH_2O emission limits.

(b) The pressure drop across each catalyst bed and the inlet temperature to each catalyst bed shall both be measured and recorded at least once during each performance test to establish a new baseline pressure drop and to demonstrate compliance with the operating temperature limitation of this permit.

(c) All performance tests shall be conducted at a maximum operating rate (90% to 110% of the maximum achievable engine load available at the time 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 alternative level after obtaining written approval from the EPA.

(d) During each test run, data shall be collected on all parameters necessary to document how VOC and CH_2O emissions, and percent reduction of CO emissions were measured and calculated (such as test run length, minimum sample volume, volumetric flow rate, moisture and oxygen corrections, etc.).

(e) 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 emission limits (lbs/hr) for VOC and CH_2O, and percentage reduction of CO.

(f) Performance test plans shall be submitted to the Tribe for approval 60 calendar days prior to the date the test is planned.

(g) Performance test plans that have already been approved by the EPA or the Tribe for the emission units approved in this permit may be used in lieu of new test plans unless the Tribe requires the submittal and approval of new test plans. The Permittee may submit new plans for Tribe approval at any time.

(h) The test plans shall include and address the following elements:

(i) Purpose of the test;

(ii) Engines and catalytic control systems to be tested;

(iii) Expected engine operating rate(s) during the test;

(iv) Sampling and analysis procedures (sampling locations, test methods, laboratory identification);

(v) Quality assurance plan (calibration procedures and frequency, sample recovery and field documentation, chain of custody procedures); and

(vi) Data processing and reporting (description of data handling and quality control procedures, report content).

(i) The Permittee shall notify the Tribe at least 30 calendar days prior to scheduled

performance testing. The Permittee shall notify the Tribe at least 1 week prior to scheduled performance testing if the testing cannot be performed.

(j) 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.

H. Monitoring Requirements

1. The Permittee shall concurrently measure the flow rate of the acid gas entering the amine plant contactor at the Simpson Treating Plant in MMscf/hr using a flow meter and obtain an analysis of the CO_2 content of the acid gas entering the amine plant contactor, quarterly at a minimum.

(b) The CO_2 analysis shall be obtained using a gas chromatograph operated and maintained according to a monitoring protocol developed by the permittee and approved by the Tribe.

(i) The monitoring protocol shall outline the maintenance and calibration procedures for the gas chromatograph and the frequency at which those will occur.

2. The Permittee shall continuously monitor the exhaust temperature of each engine at the inlet to each catalyst bed on each 1,622 hp 4SLB engine.

3. Except during startups, which shall not exceed 30 minutes, if the engine exhaust temperature at the inlet to the catalyst bed on either 1,622 hp 4SLB natural gas-fired engine 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 emission limits in this permit.

(a) Within 24 hours of determining a deviation of the engine exhaust temperature at the inlet to the catalyst bed, the Permittee shall investigate. 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).

(b) If the engine exhaust temperature at the inlet to the catalyst bed can be corrected by following the engine manufacturer 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.

(c) 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:

(i) 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

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

4. The Permittee shall monitor the pressure drop across the catalyst bed on each 1,622 hp 4SLB engine once per 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 of the catalyst bed are fouling, blocked or blown out and thus require cleaning or replacement.]*

5. The Permittee shall perform the first measurement of the pressure drop across the catalyst bed on each engine no more than 30 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 per month. Subsequent performance tests, as required in this permit, can be used to meet the periodic pressure drop monitoring requirements provided it occurs within the 30-day window. The pressure drop reading can be a one-time measurement on that day, the average of performance test runs conducted on that day, or an average of all the measurements taken on that day if continuous readings are taken.

6. If the pressure drop reading exceeds ± 2 inches of water from the baseline pressure drop established 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 emission limits in this permit.

(a) Within 24 hours of determining a deviation of the pressure drop across the catalyst bed, the Permittee shall investigate. 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).

(b) If the pressure drop across the catalyst bed can be corrected by following the catalytic control system manufacturer 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.

(c) If the pressure drop across the catalyst bed cannot be corrected using the catalytic control system manufacturer 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:

(i) Conduct a performance test within 90 calendar days, as specified in this permit to ensure that the VOC and CH_2O emission limits are being met, and to re-establish the baseline pressure drop across the catalyst bed. The Permittee shall measure CO emissions and determine the percent reduction using a portable analyzer and a monitoring protocol approved by the Tribe to establish a new temporary pressure drop baseline until a performance test can be scheduled and completed; or

(ii) 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.

7. The Permittee shall monitor VOC and CH_2O emissions from the exhaust of the catalytic control system on each 1,622 hp 4SLB engine at least quarterly to demonstrate compliance with the emission limits in this permit. To meet this requirement, the Permittee shall:

(a) Commence monitoring within 90 days of the Permittee's submittal of initial performance test results for VOC and CH_2O emissions, and the percentage reduction of CO emissions to the Tribe; and

(b) Measure CO emissions and the percentage reduction at the normal operating load using a portable analyzer and a monitoring protocol approved by the Tribe as a surrogate to confirming compliance with the VOC and CH_2O emission limits using the baseline correlation established during the most recent performance test or conduct a performance test for VOC and CH_2O emissions as specified in this permit.

[Note to Permittee: The purpose for the option to measure CO emissions and percent reduction using a portable analyzer is to demonstrate VOC and CH_2O emissions reductions on a quarterly basis using CO as a surrogate, as there are currently no EPA-approved protocols for monitoring VOC or CH_2O emissions using a portable analyzer. If the catalyst is operating such that CO is effectively being reduced by at least as much as was measured during the most recent performance test where a correlation between compliance with the VOC and CH_2O emission limits was established, it can be verified that VOC and CH_2O limits are being achieved.]

8. The Permittee shall not perform engine tuning or make any adjustments to engine settings, catalytic control system settings, or processes or operational parameters on the day of or during measurements. Any such tuning or adjustments may result in a determination by the Tribe or EPA that the result is invalid. Artificially increasing an engine load to meet the testing requirements is not considered engine tuning or adjustments.

9. For any engine: If the results of 2 consecutive quarterly portable analyzer measurements for percentage reduction of CO, or VOC and CH_2O performance tests, demonstrate compliance with the VOC and CH_2O emission limits, the required monitoring frequency for VOCs and CH_2O may change from quarterly to semi-annually.

10. For any engine: If the results of any subsequent annual portable analyzer measurements for percentage reduction of CO, or VOC and CH_2O performance tests, demonstrate non-compliance with the VOC or CH_2O emission limits, the required monitoring frequency for VOCs and CH_2O shall change from semi-annually to quarterly.

11. The Permittee shall submit portable analyzer specifications and monitoring protocols to the Tribe at the following address for approval at least 45 calendar days prior to the date of initial portable analyzer monitoring:

by United States Postal Service:
Southern Ute Indian Tribe
Air Quality Division
P.O. Box 737 MS #84
Ignacio, Colorado 81137

Or by Common Carrier:
Southern Ute Indian Tribe
Air Quality Division
398 Ouray Drive
Ignacio, CO 81137

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

12. Portable analyzer protocols that have already been approved by the EPA for the emission units approved in this permit may be used in lieu of new protocols unless the Tribe requires the submittal and approval of a new protocol. The Permittee may submit a new protocol for Tribe approval at any time.

13. The Permittee is not required to conduct emissions monitoring of VOC and CH_2O emissions and 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(s) did not operate during the monitoring period in the annual report specified in this permit.

I. Emissions Calculations

1. Monthly emissions calculations shall be based on the actual average daily emissions for the Simpson Treating Plant for each month.

2. VOC emissions from all controlled and uncontrolled emitting units, as specified in Table 1 of this permit, shall be included in the VOC emission calculations, including, but not limited to: the engines, heaters, amine plant TEG dehydrators and reboilers, and liquid storage tanks.

3. VOC emissions from the 4SLB natural gas-fired engines shall also include acetaldehyde and CH_2O emissions.

4. At the end of the first full calendar month following the initial performance tests for the1,622 hp 4SLB engines, the Permittee shall calculate the actual VOC emissions, in tpy for the entire Simpson Treating Plant, and the actual VOC and actual CH_2O emissions in tpy from each 4SLB natural gas-fired engine for that month.

5. Prior to twelve full months of emission calculations, the Permittee shall, at the end of each calendar month, add the emissions for that month to the calculated emissions for all previous months since the initial tests for the 1,622 hp 4SLB engines and record the total. Thereafter, the Permittee shall, at the end of each month, add the emissions for that month to the calculated emissions for the preceding eleven months and record a new twelve-month total.

6. The total VOC emissions for the Simpson Treating Plant, and the VOC and CH_2O emissions for each 1,622 hp 4SLB engine shall be calculated as follows:

(a) For each 1,622 hp 4SLB engine:

(i) CH_2O emissions shall be calculated by multiplying the most recent performance test results for CH_2O for each engine, in lb/hr by the number of operating hours for the engine for that month and converting to tpy;

(ii) Acetaldehyde emissions shall be calculated using the AP-42 emission factor and accompanying conversion formulas provided in AP 42, Fifth Edition, Volume I Chapter 3: Stationary Internal Combustion Sources, Section 3.2: Natural Gas-fired Reciprocating Combustion Engines, and the number of operating hours for the engine for that month and converting to tpy;

(iii) VOC emissions for the month shall be calculated by multiplying the most recent performance test results for VOC in lbs/hr, by the number of operating hours the engine for that month, adding the calculated CH_2O and acetaldehyde emissions, and converting to tpy; and

(iv) Monthly emissions calculations shall account for any engine break-in period where the engine was operated without the catalytic control system installed. VOC and CH_2O emissions during break-in periods shall be calculated by multiplying the manufacturer-specified VOC and CH_2O emission factors in lb/hr for an uncontrolled engine by the hours the engine operated without the catalytic control system installed for that month and converting to tpy.

(b) For the remaining emission units at the Simpson Treating Plant, specified in Table 1 of this permit, except for the units identified as insignificant emission units (IEUs), total VOC emissions for the month shall be calculated as listed below and then converted to tons.

(i) For the 80 MMBtu/hr natural gas-fired custom-made heat medium heater using the manufacturer-supplied VOC emission factor of 0.019 lb/mmscf, an hourly fuel consumption rate of 88.667 mscf/hr (based on conservative fuel heat content of 900 Btu/scf), and the operating hours for the calendar month.

(ii) For the 115 MMscfd custom made amine plant acid gas vent using the hours the amine plant operated for the month, and the appropriate manufacturer-specified VOC emission factor in lb/hr from Table 2 below, based on the results of the most recent CO_2 content monitoring analysis and the concurrently measured throughput of the acid gas entering the amine plant contactor at the Simpson Treating Plant. If the results of the most recent content analysis and measured throughput do not fall within the scenarios below, the Permittee shall use 0.7 lb/hr or obtain new emission factors from the manufacturer and use those factors as appropriate:

Table 2 – Emissions from Amine Plant CO_2 Vent Stack[1]

CO_2%	6% Summer[2]	6% Winter[2]	6.5% Summer[2]	6.5% Winter[2]	8% Summer[2]	8% Winter[2]
Gas through Contactor	**115 MMscf/d**	**115 MMscf/d**	**88.8 MMscf/d**	**88.8 MMscf/d**	**79.2 MMscf/d**	**79.2 MMscf/d**
Total VOC (lb/hr)	0.62	0.69	0.58	0.65	0.59	0.66

[1] Source: Red Cedar's December 20, 2011, Synthetic Minor NSR Permit Application. Emission factors, reported in tpy, are based on CO_2 content analysis of the acid gas entering the amine plant contactor and have been converted to lb/hr.

[2] Summer vs. winter distinction based on ambient temperatures of 90° F and 10° F, respectively. Similar to natural gas dehydration units, the amine process is more efficient in colder weather, so more gas can be processed in the winter.

(iii) For the two 75 MMscfd TEG dehydration systems, adding the following, calculated as described below:

(A) The VOC emissions for each of the two (2) 1.2 MMBtu/hr natural gas-fired TEG reboilers, using: the VOC emission factor of 5.5 lb/MMscf found in AP-42 Fifth Edition, Volume I, Chapter 1: Stationary External Combustion Sources, Section 1.4: Natural Gas Combustion, Table 1.4-2; the hourly fuel consumption rate of 1.667 mscf/hr (based on conservative fuel heat content of 900 Btu/scf); and the operating hours for the calendar month; and

(B) The VOC emissions from each of the TEG dehydration system regenerator still vents and flash tanks, using GRIGlyCalc Version 4.0 or higher.

(iv) If data on operating hours is not available for a particular unit for that month, full-time operation (24 hours per day) for the month shall be assumed.

(c) Total VOC emissions for each of the liquid storage tank IEUs at the Simpson Treating Plant specified in Table 1 of this permit, for each month, shall be 1/12 of the annual emissions estimated in tons using EPA Tanks Version 4.0 or higher.

(d) Subsequent to the initial calculation, emissions of VOC for the Simpson Treating Plant shall be calculated each month, as specified above, except that for calculating VOC and CH_2O emissions from each 1,622 hp 4SLB natural gas-fired engine, results from the most recent performance tests shall be used in the calculation.

J. Requirements for Recordkeeping

The Permittee shall keep the following records:

1. The total monthly and 12-month consecutive VOC emissions for the Simpson Treating Plant and all information used to calculate the values;

2. The total monthly and 12-month consecutive VOC and CH_2O emissions for each 1,622 hp 4SLB natural gas-fired engine and all information used to calculate the values;

3. Manufacturer specifications, maintenance requirements, and all documentation pertaining to the

development of VOC emission factors for the 115 MMscfd custom-made amine plant.

4. Manufacturer and/or equivalent Permittee or vendor specifications and maintenance requirements for each engine, catalytic control system, temperature-sensing device, and pressure-measuring device;

5. All calibration and maintenance conducted for each engine, catalytic control system, temperature-sensing device, pressure-measuring device, and gas chromatograph;

6. All temperature measurements on each engine required by this permit, as well as a description of any corrective actions taken pursuant to this permit;

7. All pressure drop measurements on each engine required by this permit, as well as a description of any corrective actions taken pursuant to this permit;

8. Records sufficient to demonstrate, pursuant to this permit, that the fuel for the engines is pipeline-quality natural gas in all respects, with the exception of the CO_2 concentration in the natural gas;

9. The results of all required testing and monitoring in this permit. The records shall include the following:

   (a) The date, place, and time of sampling or measurements;

   (b) The date(s) analyses were performed;

   (c) The company or entity that performed the analyses;

   (d) The analytical techniques or methods used;

   (e) The results of such analyses or measurements; and

   (f) The operating conditions as existing at the time of sampling or measurement;

10. All catalyst replacements, engine rebuilds, and engine replacements;

11. 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 operating hours; and

12. Each time any engine is shut down due to a deviation at the inlet temperature to the catalyst bed or pressure drop across the catalyst bed. The Permittee shall include in the record the cause of the problem, the corrective action taken, and the timeframe for bringing the temperature at the inlet to the catalyst bed or the pressure drop across the catalyst bed back into the range of compliance.

K. 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 at the facility or the location that has day-to-day operational control over the facility.

L. Requirements for Reporting

1. The Permittee shall submit an annual written report of compliance with the conditions of this permit no later than April 1st each year. The report shall cover the previous calendar year. The report shall include: a summary of all testing, inspection and monitoring results and recordkeeping required under this permit for the reporting period; all required calculations of actual annual benzene emissions from each TEG dehydration system and actual NO_X, CO, VOC and CH_2O emissions from each engine for the reporting period; and a clear identification of all instances of deviations from permit requirements and corrective actions taken during the reporting period. All required reports must be certified by the person primarily responsible for CAA compliance of the Permittee.

2. <u>All documents required to be submitted under this permit shall be submitted to:</u>

   Branch Manager, Air and Toxics Enforcement Branch, 8ENF-AT
   Enforcement and Compliance Assurance Division
   U.S. Environmental Protection Agency, Region 8
   1595 Wynkoop Street
   Denver, Colorado 80202-1129

   Documents to the U.S. EPA Region 8 may be submitted via email to R8AirPermitting@epa.gov

   and by

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

   or by

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

   Documents to the Southern Ute Indian Tribe Environmental Programs Department may be submitted via email to airquality@southernute-nsn.gov.

   The Permittee shall send all required notifications, reports and test plans to the EPA through the EPA's Central Data Exchange/Compliance and Emission Data Reporting Interface

(CDX/CEDRI), by email, or in hardcopy through postal service at the addresses listed above. Items sent by postal service shall be postmarked by the applicable due date identified in this permit.

CDX/CEDRI
https://cdx.epa.gov

(First-time users will need to register with CDX. If no specific reporting option is available in CEDRI, select "Other Reports." If the system is unavailable contact the EPA Region 8 at these email addresses: R8AirReportEnforcement@epa.gov and R8AirPermitting@epa.gov.)

3. The Permittee shall promptly submit to the EPA 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, emailed, or submitted electronically via CDX/CEDRI as follows:

   (a) Within 30 days from the discovery of any deviation of conditions in this permit that would cause the Permittee to exceed the NO_X, CO, VOC or CH_2O emissions limits or operational limits in this permit if left un-corrected for more than 5 days after discovering the deviation; and

   (b) By April 1st or October 1st, for the discovery of a deviation of recordkeeping or other permit conditions during the preceding reporting period 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 test to the Tribe and EPA Regional Office within 60 days after completing the tests.

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

II. General Provisions

A. Conditional Approval

Pursuant to the authority of 40 CFR 49.151, the Tribe 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 Tribe 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 Tribe 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 emission 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. *National Ambient Air Quality Standard and PSD Increment:* The permitted source shall not cause or contribute to a National Ambient Air Quality Standard 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 Emissions 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 for the 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 Practicably 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 practicably 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 Tribe 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 Tribe, within a reasonable time, any information that the Tribe 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, to include the Tribe, 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, the Tribe 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 Tribe shall be notified in writing at the address shown below if the company is sold or changes its name.

    by United States Postal Service:
    Southern Ute Indian Tribe
    Air Quality Division
    P.O. Box 737 MS #84
    Ignacio, Colorado 81137

Or by Common Carrier:
Southern Ute Indian Tribe
Air Quality Division
398 Ouray Drive
Ignacio, CO 81137

The notification may be submitted electronically to airquality@southernute-nsn.gov

18. *Invalidation of Permit:* Unless this permitted source 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 Tribe 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 Tribe within 60 days of such date, unless this permitted source is an existing source.

B. Authorization

Authorized by the Southern Ute Indian Tribe, Air Quality Division

Daniel Powers 12/18/2025

Daniel Powers Date
Air Quality Division Head
Environmental Programs Department
Southern Ute Indian Tribe