Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

August 7, 2009

Mr. Lee Conley
Optigas, Inc.
1675 Broadway, Suite 2250
Denver, CO 80202

Re: Notice of Violation

Dear Mr. Conley:

Enclosed you will find a Notice of Violation (NOV) issued to Optigas, Inc. by the Department of Environmental Quality, Air Quality Division, for Powder River Compressor Station located in Johnson County, Wyoming. The violation consists of failing to comply with formaldehyde emission limits from three Caterpillar G3516LE engines E4 (S/N: 4EK-04724), E5 (S/N: WPW-00215) and E6 (S/N: 4EK-04719) in violation of conditions F3 and F10 of permit 3-0-214.

As the Department and this Division consider the failure to comply with air quality permit conditions to be a serious matter, I am considering recommending the Department refer this violation to the State Attorney General's office requesting a suit be filed in District Court to recover appropriate penalties. If you would like to discuss settlement of this Notice of Violation prior to referral to the Attorney General's office, please contact Ms. Karen Godman, Air Quality Compliance Program Principal, at 307-777-8601 no later than ten (10) days after receipt of this letter.

Should you have any questions or comments regarding this matter, please feel free to contact me or Ms. Karen Godman.

Sincerely,

David A. Finley
Administrator
Air Quality Division

cc: Bob Gill
Tanner Shatto
Nancy Vehr
Keith Guille

BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF VIOLATION	)	
ISSUED TO OPTIGAS, INC.,	)	**DOCKET NO.** 4545-09
MR. LEE CONLEY,	)	
1675 BROADWAY, SUITE 2250	)	
DENVER, COLORADO 80202	)	

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Optigas, Inc. to be in violation of permit 3-0-214 issued in accordance with W.S. 35-11-801 of the Wyoming Environmental Quality Act and Chapter 6, Section 3 of the Wyoming Air Quality Standards and Regulations in the operation of the Powder River Compressor Station located in Johnson County, Wyoming.

2. W.S. 35-11-801 states, "In granting permits, the director may impose such conditions as may be necessary to accomplish the purpose of this act which are not inconsistent with the existing rules, regulations and standards."

3. Chapter 6, Section 3 of the Wyoming Air Quality Standards and Regulations prescribes the applicability and procedures for issuing permits to major sources under Wyoming's operating permitting program.

4. Permit 3-0-214 was issued to the Optigas, Inc. on or about October 3, 2007. Condition F3 of permit 3-0-214 limits the formaldehyde emissions from the Caterpillar G3516LE engines to 0.21 lb/hr. Condition F10 of permit 3-0-214 requires that Optigas, Inc. measure formaldehyde emissions from each Caterpillar G3516LE engine at least once every calendar year for comparison with the emission limits specified in condition F3.

5. On November 13, 2008, Aspen Consulting & Testing, Inc. (Aspen) conducted the required formaldehyde emission tests on six Caterpillar G3516LE engines, three of which showed results higher than the permitted formaldehyde limit. The test results were provided to the Air Quality Division under a cover letter dated December 10, 2008. Based on a review by the Air Quality Division, the following engines exceeded the allowable limit for formaldehyde emissions of 0.21 lb/hr: Caterpillar G3516LE engines E4 (S/N: 4EK-04724) with a result of 0.316 lb/hr, E5 (S/N: WPW-00215) with a result of 0.269 lb/hr and E6 (S/N: 4EK-04719) with a result of 0.303 lb/hr. This is a violation of both condition F3 and F10 of permit 3-0-214.

6. Said violation consists of failing to comply with formaldehyde emission limits from three Caterpillar G3516LE engines: E4 (S/N: 4EK-04724), E5 (S/N: WPW-00215) and E6 (S/N: 4EK-04719) in violation of both condition F3 and F10 of permit 3-0-214.

7. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental Quality Act] ... is subject to a penalty not to exceed ten thousand dollars ($10,000.00) for each violation for each day during which the violation continues, a temporary or permanent injunction, or both a penalty and an injunction.

8. This notice is being sent to you pursuant to W.S. 35-11-701(c), which requires that, in any case of failure to correct or remedy an alleged violation, the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

DATED this 20th day of August, 2009.

David A. Finley
Administrator
Air Quality Division

John V. Corra
Director
Department of Environmental Quality

Please direct all inquiries to David A. Finley, Administrator, Division of Air Quality, Department of Environmental Quality, Herschler Building, 2nd Floor, 122 W. 25th Street, Cheyenne, Wyoming 82002. (Telephone: 307/777-7393)