STATEMENT OF BASIS

To:	Reviewers
Through:	Lori Bocchino, Operating Permit Program Manager
From:	Kyle Pollock, Operating Permit Program Engineer
Subject:	Draft Chapter 6, Section 3 Operating Permit 3-0-243-1, WGR Asset Holding Company LLC, Deer Gulch-Falcon Compressor Station
Date:	April 9, 2015

Attached for your review is the draft modified Wyoming Air Quality Standards and Regulations (WAQSR) Chapter 6, Section 3 operating permit 3-0-243-1 for the WGR Asset Holding Company LLC, Deer Gulch-Falcon Compressor Station. Permit 3-0-243 was issued June 10, 2013. The operating permit is being modified to incorporate new requirements which have become applicable to the Deer Gulch-Falcon Compressor Station since the issuance of permit 3-0-243.

In August 2012, the Environmental Protection Agency promulgated 40 CFR 60, Subpart OOOO - *Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distribution*, which were effective on October 15, 2012. These regulations establish emission standards and compliance schedules for the control of volatile organic compound (VOC) and sulfur dioxide (SO_2) emissions from affected facilities that commence construction, modification or reconstruction after August 23, 2011. The regulations cover several types of emission units, including compressors and pneumatic controllers, which may become subject to Subpart OOOO when installed, replaced, or modified. Affected emission units at the Deer Gulch-Falcon Compressor Station may be, or become, subject to Subpart OOOO during the term of this operating permit.

WAQSR Chapter 6, Section 3(d)(vii) requires the Division of Air Quality to reopen the operating permit if additional requirements under the Act become applicable to a major source with a remaining permit term of three or more years. On February 23, 2015, WGR Asset Holding Company LLC was notified that the Division intended to reopen operating permit 3-0-243 to add applicable requirements from 40 CFR 60, Subpart OOOO.

WAQSR Chapter 6, Section 2 Permit MD-7865 was amended on January 27, 2014 to extend the authorization to construct three additional compressor engines (E8, E9, and E10), one generator engine (G1), and one additional storage tank (T3) until December 16, 2014. However, permit MD-7865A was never activated as these units were not installed and have since lost authorization to be constructed. Therefore, all references to permit MD-7865 remain unchanged throughout operating permit 3-0-243-1, while several conditions and tables have been updated to reflect the current facility configuration.

The operating permit revisions include the following:

- The Table of Contents was revised to denote that 40 CFR 60, Subpart OOOO has been added to the list of applicable New Source Performance Standards (NSPS) in addition to repagination as appropriate.
- The General Information page was updated to revise the SIC and NAICS codes and the Description of Process to coincide with the current facility configuration.

- The Source Emission Points table was updated to reflect the current facility configuration.
- The Total Facility Estimated Emissions Table was updated to reflect estimated total emissions from the current facility configuration.
- Condition F1 was updated to reflect the current facility configuration.
- Condition F1(b) was reserved as all compressor engine stack height requirements have been met.
- Condition F3 was updated to reflect the current facility configuration.
- Condition F5 was reserved as no additional units are authorized to be constructed at this time.
- Condition F7 was reserved as initial performance testing has been completed for all existing units.
- Condition F8 was updated to reflect the current facility configuration.
- Condition F8(b) was reserved as the generator engine is no longer authorized to be constructed.
- Condition F11 was updated to reflect the current facility configuration.
- Condition F11(b) was reserved as the generator engine is no longer authorized to be constructed.
- Condition F12 was updated to reflect the current facility configuration.
- Condition F13 was updated to remove references to condition F7 as it has been reserved.
- Condition F14 was updated to remove startup notification requirements as these notifications have been submitted. Accordingly, condition F14(a) has been reserved.
- F14(b) was updated to include the current location of the AQD Engine Installation/Removal Form.
- Condition F14 was updated to remove references to condition F7 as it has been reserved.
- Condition F15 was updated to remove references to condition F7 as it has been reserved.
- Condition F17 was updated to reflect the revised reference to condition G4.
- NSPS List was revised to update Subpart JJJJ applicability and to include Subpart OOOO requirements.
- NESHAP List was revised to reflect the current facility configuration under Subpart HH and Subpart ZZZZ.
- Condition C1 was revised to include compliance certification requirements for 40 CFR 60, Subpart OOOO; to remove references to conditions F5 and F7, as these conditions have been reserved; to reflect the changes made to condition F14; and for re-numeration of sub-paragraphs as appropriate.
- Conditions G4 and G9 were updated to reflect permit language currently used by the Division for transitioning to electronic reporting through the Division's IMPACT system.
- Condition S1 was updated to reflect permit language currently used by the Division.
- Summary of Source Emission Limits and Requirements tables were updated to reflect the current facility configuration and to revise the Source ID#, Source Description, and permit references for the TEG Dehydration Unit Reboiler Heaters.
- The Abbreviations list was updated to include permit language currently used by the Division.