

STATEMENT OF BASIS

To: Reviewers
Through: Lori Bocchino, Operating Permit Program Manager
From: Hillary Richard, P.E., Operating Permit Engineer
Subject: Draft Chapter 6, Section 3 Operating Permit 3-2-047-1, Merit Energy Company, Anschutz Ranch East Gas Plant
Date: April 24, 2013 (*Amended June 4, 2013*)

Attached for your review is the draft modified Wyoming Air Quality Standards and Regulations (WAQSR) Ch 6, Sec 3 operating permit 3-2-047-1 for the Anschutz Ranch East Gas Plant. Permit 3-2-047 was issued July 12, 2011 and was administratively amended on May 24, 2012 to revise site contact information. Temporary Waiver wv-12167 (6/27/11): allowed the temporary installation and operation of two 400 barrel (bbl) frac tanks for condensate storage and treatment. This waiver expired on December 27, 2011. Waiver wv-12220 (7/15/11): extended the operating timeline for the two previously waived 400 bbl frac tanks and allowed the temporary installation and operation of two additional 500 bbl frac tanks for condensate storage and treatment. This waiver expired December 31, 2011. Waiver wv-12276 (8/29/11): corrected the size of the previously waived temporary frac tanks to four tanks at 500 bbl each. This waiver expired December 31, 2011. Waiver wv-12323 (10/5/11): allowed the installation of four 400 bbl produced condensate storage tanks, with flashing vapors controlled by the existing closed system vapor recovery unit (VRU) on an existing 10,000 bbl tank. Requirements of this waiver include maintaining and operating the VRU during all periods of active operation of the four 400 bbl condensate storage tanks and maintaining records when the VRU is not operational. Waiver wv-13358 (5/18/12): allowed the temporary installation and operation of three 500 bbl frac tanks for condensate storage and treatment. This waiver expired November 23, 2012.

The operating permit revisions include the following:

- Signature Page: updated to reflect the name of the current Department of Environmental Quality Director.
- Table of Contents: repagination as needed; Appendix A through F are reserved as the Division no longer includes copies of WAQSR Chapter 5, Section 2, the Portable Analyzer Protocol, or Federal NSPS and NESHAP standards in operating permits.
- Source Table: modified to include the four 400 barrel produced condensate storage tanks.
- Condition F3: modified to include emission control requirements from wv-12323 for the four 400 bbl produced condensate storage tanks and operating requirements for the vapor recovery unit (VRU).
- Condition F7: removed the reference to Appendix B and added guidance on how to obtain a copy of the State of Wyoming Portable Analyzer Protocol.
- Condition F8: modified to include monitoring requirements for the operation of the VRU.
- Condition F12: modified to include recordkeeping requirements from wv-12323 for the VRU.

Operating permit revisions (continued):

- Condition F14: modified to include reporting requirements of periods when the VRU is not operational during active operation of the four 400 bbl produced condensate storage tanks.
- WAQSR Ch 5, Sec 2 NSPS and 40 CFR Part 60, Subpart Ka, Subpart KKK and Subpart VV: updated to be consistent with language currently in use by the Division.
- WAQSR Ch 5, Sec 3 NESHAPS and 40 CFR Part 63, Subpart HH and Subpart DDDDD: updated to be consistent with language currently in use by the Division.
- Condition C1: modified to include VRU monitoring compliance requirements and updated sub-conditions addressing compliance with NSPS and NESHAP subparts to be consistent with language currently in use by the Division.
- State Only Permit Conditions: updated to be consistent with recent revisions to the state ambient standards.
- Summary Tables: updated references to NSPS and NESHAP subparts and added a table for the four new tanks.
- Abbreviations: added “bbl – Barrel”, and “VRU – Vapor recovery unit”
- Appendix A through F: removed and reserved.

Addendum (Amended June 4, 2013)

The facility may have applicable requirements under 40 CFR 60, Subpart OOOO, or may become subject to the standard during the term of the permit. The subpart is added to the NSPS list and condition C1.