

STATEMENT OF BASIS

To: Reviewers
Through: Lori Bocchino, Operating Permit Program Manager
From: Brian Fehr, Operating Permit Program
Subject: Draft Operating Permit 3-3-034-2 for QEPM Gathering I, LLC
Dry Piney Compressor Station
Date: January 22, 2014 *Addendum March 4, 2014*

Attached for your review is the draft modified Wyoming Air Quality Standards and Regulations (WAQSR) Chapter 6, Section 3 operating permit 3-3-034-2 for the QEPM Gathering I, LLC, Dry Piney Compressor Station. Permit 3-3-034-1 was issued April 19, 2013. The operating permit is being modified to incorporate new requirements which have become applicable to the Dry Piney Compressor Station since the issuance of permit 3-3-034-1.

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 (SO₂) 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 Dry Piney 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 3 or more years. On October 18, 2013, QEPM Gathering I, LLC was notified that the Division intended to reopen operating permit 3-3-034-1 to add applicable requirements from 40 CFR 60, Subpart OOOO and to include applicable requirements from the following permit.

Permit MD-15150 (10/7/13): authorized the replacement of the Ingersoll Rand 12-SVGA compressor engine with a Waukesha H24GSI compressor engine. Applicable requirements include NO_x, CO, and VOC emission limits, emission testing, and catalyst monitoring requirements.

The permit revisions include the following:

- Table of Contents is updated for the addition of Subpart OOOO and repagination.
- The Source Emission Points Table and the Total Facility Estimated Emissions Table are updated for the Waukesha compressor engine.
- Condition F2 includes the authorization for the Waukesha engine and wording currently utilized in permits being issued by the Division.

- Condition F4 adds emission limits and operation and maintenance requirements for the Waukesha engine.
- Condition F5 is updated to reflect the potential replacement of the Ingersoll Rand engine and to ensure CAM requirements are considered for any temporary replacement engine.
- Condition F6 now includes commencement of construction requirements for the Waukesha engine.
- Conditions F7, F10, and F13-F17 are renumbered from the previous permit due to the insertion of additional permit conditions. Cross-references to these permit conditions are renumbered throughout the permit as well.
- Condition F8 is for the initial performance testing of the Waukesha engine once it is installed.
- Condition F9 is for required annual testing of the Waukesha compressor engine once it is installed.
- Condition F11 now refers to the catalyst monitoring and maintenance requirements for the Waukesha compressor engine when it is installed and operational.
- Condition F12 has updated permit references for the testing and monitoring records and includes recordkeeping requirements for the catalyst monitoring.
- Condition F13 now specifies notification requirements.
- Condition F14 now includes reporting requirements for engines that test out of compliance.
- Condition F15 has monitoring reporting wording for the Waukesha engine.
- 40 CFR 60 Subpart JJJJ has been updated to include the potential applicability of the Waukesha compressor engine once it is installed.
- 40 CFR 60 Subpart OOOO has been added.
- 40 CFR 63 Subpart ZZZZ has been updated to include the Waukesha compressor engine once it is installed.
- Condition C1 includes compliance certification requirements for the Waukesha engine and 40 CFR 60 Subpart OOOO, updated cross-references, and re-numeration of sub-conditions, as appropriate.
- Summary Tables are updated to include the addition of the Waukesha engine and to reflect changes made in the permit.

Addendum March 4, 2014

Condition S1 is updated to include wording used in permits currently issued by the Division. This change is administrative in nature and does not warrant an additional public notice period.