



Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

TO: Interested Parties / Applicant
DATE: September 27, 2005
RE: El Paso Production Co. / 027-21563-00051
FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval - Registration

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 4-21.5-3-4(d) this order is effective when it is served. When served by U.S. mail, the order is effective three (3) calendar days from the mailing of this notice pursuant to IC 4-21.5-3-2(e).

If you wish to challenge this decision, IC 4-21.5-3-7 requires that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Room 1049, Indianapolis, IN 46204, **within eighteen (18) calendar days of the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) The date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for considerations at any hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosures
FN-REGIS.dot 1/10/05



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We make Indiana a cleaner, healthier place to live.

Mitchell E. Daniels, Jr.
Governor

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September 27, 2005

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Indianapolis, Indiana 46204
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Mr. Gary Collipp
El Paso Production Company
1001 Louisiana Street
Houston, Texas 77002

Re: Registered Construction and Operation Status,
027-21563-00051

Dear Mr. Collipp:

The application from El Paso Production Company, received on July 22, 2005, has been reviewed. Based on the data submitted and the provisions in 326 IAC 2-5.5-1, it has been determined that the following natural gas fired compressor station, to be located at the Peterson Production Facility, CR 900 North Plainville, Indiana 47568 is classified as registered:

The source consists of the following permitted emission units and pollution control devices:

- (a) One (1) 800 HP Waukesha L-36GL natural gas fired compressor engine used to compress natural gas, by driving a Sullair PDR 32X rotary screw gas compressor, with stack vent identified as C-1. This unit has no control device.
- (b) Four (4) produced water storage tanks identified as T-1 through T-4 with a capacity of 16,800 gallons each with stacks identified as T-1 through T-4. These units have no control devices.

The following conditions shall be applicable:

Pursuant to 326 IAC 5-1-2 (Opacity Limitations) except as provided in 326 IAC 5-1-3 (Temporary Exemptions), opacity shall meet the following:

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of 15 minutes (60 readings) in a 6-hour period as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor in a six (6) hour period.

Pursuant to 326 IAC 2-1.1-11 (General Provisions; Compliance Requirements):

Within 60 days after achieving maximum rate, but no more than 180 days after startup,

the Permittee shall perform CO and NOx testing utilizing methods as approved by the Commissioner. These tests shall be repeated at least once every five (5) years from the date of this valid compliance demonstration.

Testing Requirements

The Permittee shall perform NOx and CO testing at the exhaust outlet of compressor engine C-1. Emissions from the compressor engine shall not exceed 5.70 lb/hr for NOx and 5.70 lb/hr for CO.

Performance Testing [326 IAC 3-6]

(a) All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204

no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

This registration is the first air approval issued to this source. The source may operate according to 326 IAC 2-5.5.

An authorized individual shall provide an annual notice to the Office of Air Quality that the source is in operation and in compliance with this registration pursuant to 326 IAC 2-5.5-4(a)(3). The annual notice shall be submitted to:

**Compliance Data Section
Office of Air Quality
100 North Senate Avenue
Indianapolis, IN 46204**

no later than March 1 of each year, with the annual notice being submitted in the format attached.

An application or notification shall be submitted in accordance with 326 IAC 2 to the Office of Air Quality (OAQ) if the source proposes to construct new emission units, modify existing emission units, or otherwise modify the source.

Sincerely,

Original signed by
Nisha Sizemore, Section Chief
Permits Branch
Office of Air Quality

WVH

cc: File - Daviess County
Daviess County Health Department
Air Compliance – Gene Kelso
SWRO
Permit Tracking
Compliance Data Section
Carl Lakey – El Paso Production Company
1001 Louisiana Street
Houston, Texas 77002

Registration Annual Notification

This form should be used to comply with the notification requirements under 326 IAC 2-5.5-4(a)(3)

Company Name:	El Paso Production Company
Address:	CR 900 North
City:	Plainville, Indiana 47568
Authorized individual:	Gary Collipp
Phone #:	713-420-6333
Registration #:	027-21563-00051

I hereby certify that El Paso Production Company (Peterson Production Facility) is still in operation and is in compliance with the requirements of Registration 027-21563-00051.

Name (typed):
Title:
Signature:
Date:

**Indiana Department of Environmental Management
Office of Air Quality**

Technical Support Document (TSD) for a Registration

Source Background and Description

Source Name:	El Paso Production Company- Peterson Production Facility
Source Location:	CR 900 North, Plainville, Indiana 47568
County:	Daviess
SIC Code:	1311
Permit No.:	027-21563-00051
Permit Reviewer:	Walter Habeeb

The Office of Air Quality (OAQ) has reviewed an application from El Paso Production Company relating to the construction and operation of the natural gas fired compressor station at the Peterson Production facility.

Permitted Emission Units and Pollution Control Equipment

The source consists of the following permitted emission units:

- (a) One (1) 800 HP Waukesha L-36GL natural gas fired compressor engine used to compress natural gas, by driving a Sullair PDR 32X rotary screw gas compressor, with stack vent identified as C-1. This unit has no pollution control device.
- (b) Four (4) produced water storage tanks identified as T-1 through T-4 with a capacity of 16,800 gallons each with stacks identified as T-1 through T-4. These units have no pollution control devices.

Unpermitted Emission Units and Pollution Control Equipment

There are no unpermitted emission units operating at this source during this review process.

Enforcement Issue

There are no enforcement actions pending.

Stack Summary

Stack ID	Operation	Height (ft)	Diameter (ft)	Flow Rate (acfm)	Temperature (°F)
C-1	Gas compressor	20.0	0.83	3,331.3	830
T-1	Storage Tank	20.0	0.25	n/a	Ambient
T-2	Storage Tank	20.0	0.25	n/a	Ambient
T-3	Storage Tank	20.0	0.25	n/a	Ambient
T-4	Storage Tank	20.0	0.25	n/a	Ambient

Recommendation

The staff recommends to the Commissioner that the construction and operation be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on July 22, 2005, with additional information received on August 16, 2005.

Emission Calculations

See Appendix A (page 1 of 1) of this document for detailed emission calculations.

Potential to Emit of the Source

Pollutant	Potential to Emit (tons/yr)
PM	0.26
PM-10	0.26
SO ₂	0.02
VOC	3.86
CO	11.59
NO _x	15.45

HAPs	Potential to Emit (tons/yr)
Formaldehyde	1.376
Methanol	0.065
Acetaldehyde	0.218
Acrolein	0.134
Benzene	0.011
All Others	Trace
Total	1.803

- (a) The potential to emit (as defined in 326 IAC 2-7-1(29)) of NO_x and CO are greater than 5 tons per year but less than 25 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-5.5-1. A registration will be issued.
- (b) Fugitive Emissions
Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive particulate matter (PM) and volatile organic compound (VOC) emissions are not counted toward determination of PSD and Emission Offset applicability.

County Attainment Status

The source is located in Daviess County.

Pollutant	Status
PM-10	Attainment
SO ₂	Attainment
NO ₂	Attainment
Ozone	Attainment
CO	Attainment
Lead	Attainment

- (a) Volatile organic compounds (VOC) and oxides of nitrogen (NOx) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Daviess County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.
- (b) Daviess County has been classified as attainment or unclassifiable for all criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

Potential to Emit After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Registration.

Potential to Emit After Issuance (TPY)							
Process	PM	PM10	SO2	VOC	CO	NOx	All HAP's
Compressor Engine C-1	0.26	0.26	002	3.86	11.59	15.45	1.803
Producer Water Tanks	-	-	-	-	-	-	-
Total	0.26	0.26	0.02	3.86	11.59	15.45	1.803

These units have no control devices therefore, the PTE after issuance is equal to the PTE for these emissions units.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

This new source is not subject to the Part 70 Permit requirements because the potential to emit (PTE) of:

- (a) each criteria pollutant is less than 100 tons per year,
- (b) a single hazardous air pollutant (HAP) is less than 10 tons per year, and
- (c) any combination of HAPs is less than 25 tons/year.

This is the first air approval issued to this source.

Federal Rule Applicability

- (a) There are no New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) applicable to this source.

- (b) The requirements of the New Source Performance Standard for Equipment Leaks of VOC from Onshore Natural Gas Processing Plants (40 CFR 60.630-636, Subpart KKK) are not applicable to this source. This NSPS applies only to emission units located at "natural gas processing plants," which are defined in the rule as "any processing site engaged in the extraction of natural gas liquids from field gas, fractionation of mixed natural gas liquids to natural gas products or both." No extraction or fractionation of natural gas liquids (such as ethane, propane, or butane) will be conducted at this source.
- (c) The requirements of the New Source Performance Standards for Onshore Natural Gas Processing: SO₂ Emissions (40 CFR 60.640-60.648, Subpart LLL) are not applicable to this source. This NSPS applies to facilities (called sweetening units) that separate H₂S and CO₂ from sour natural gas streams. This source does not plan to operate any sweetening units at this location.
- (d) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs) (326 IAC 14 and 40 CFR Part 63) applicable to this source.
- (e) This source does not have any equipment which contacts a fluid that is at least 10 percent by weight a volatile hazardous air pollutant. Therefore, the requirements of the National Emission Standards for Hazardous Air Pollutants for Equipment Leaks, Fugitive Emission Sources (40 CFR Part 61.240, Subpart V) are not applicable to this source.
- (f) This source is not subject to the requirements of the National Emission Standards for Hazardous Air pollutants for Stationary Reciprocating Internal Combustion Engines (RICE), 40 CFR 63, Subpart ZZZZ, because it is not a major source of HAP emissions.

State Rule Applicability - Entire Source

326 IAC 2-2 (Prevention of Significant Deterioration (PSD))

This new source is not in 1 of 28 source categories defined in 326 IAC 2-2-1(gg) and the potential to emit of any regulated pollutant before control is less than two hundred and fifty (250) tons per year. Therefore, the requirements of 326 IAC 2-2 are not applicable.

326 IAC 2-4.1 (New Sources of Hazardous Air Pollutants)

The potential HAP emissions from the entire source are less 10 tons per year for a single HAP and less than 25 tons per year for any combination of HAPs. Therefore, the requirements of 326 IAC 2-4.1 are not applicable.

326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes)

The potential particulate emissions from this source are less than five hundred fifty-one thousandths (0.551) pound per hour. Therefore, pursuant to 326 IAC(b)(14) the requirements of 326 IAC 6-3 do not apply.

326 IAC 9-1-2 (Carbon Monoxide Emission Requirements)

This source is not among the listed source categories in 326 IAC 9-1-2. Therefore, the requirements of 326 IAC 9-1-2 are not applicable.

326 IAC 10-1-3 (Nitrogen Oxide Emission Requirements)

This source is not located in Clark or Floyd County. Therefore, the requirements of 326 IAC 10-1-3 are not applicable.

326 IAC 2-6 (Emission Reporting)

This source is located in Daviess County and the potential to emit of NO_x is less than one hundred (100) tons per year. Therefore, 326 IAC 2-6 does not apply.

326 IAC 5-1 (Visible Emissions Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Exemptions), opacity shall meet the following, unless otherwise stated in the permit:

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings) as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor in a six (6) hour period.

State Rule Applicability - Individual Facilities

326 IAC 2-1.1-11 (General Provisions; Compliance Requirements):

Pursuant to 326 IAC 2-1.1-11 (General Provisions; Compliance Requirements), within 60 days after achieving maximum rate, but no more than 180 days after startup, the Permittee shall perform CO and NOx testing utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five years from the date of this valid compliance demonstration.

326 IAC 2-4.1 (Major Sources of Hazardous Air Pollutants (HAP))

The operation of this natural gas compressor engine will emit less than 10 tons per year of a single HAP or 25 tons per year of a combination of HAPs. Therefore, 326 IAC 2-4.1 does not apply.

Testing Requirements

The Permittee shall perform NOx and CO testing at the exhaust outlet of compressor engine C-1. Emissions from the compressor engine shall not exceed 5.7 lb/hr for NOx and 5.7 lb/hr for CO.

Performance Testing [326 IAC 3-6]

- (a) All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
Indianapolis, Indiana 46204

no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Conclusion

The construction and operation of this natural gas fired compressor engine shall be subject to the conditions of Registration No. 027-21563-00051.

Appendix A: Emission Calculations

Company: El Paso Production Company- Peterson Production Facility
Address: CR 900 North, Plainville, Indiana 47568
CP#: 027-21563
Plt. ID: 027-00051
Permit Reviewer: Walter Habeeb
Date: August 2, 2005

EMISSION (TPY)

**Uncontrolled Emission Factors for 800 HP Natural Gas Fired Compressor Engine
(4-Stroke Lean Burn Engine)**

	NOx	CO	SO₂	VOC	PM	PM₁₀**	HAPs (Total)
Emission Factor * (lb/hr)	3.53	2.65	3.5E-3	0.88	0.06	0.06	0.412
Emission (TPY)	15.45	11.59	0.02	3.86	0.26	0.26	1.803

* Emission Factors provided by the source

Methodology:

Where maximum heat input to the engine = 5.95 MMBtu/hr

** PM₁₀ emissions are combined PM₁₀ and PM 2.5.

Emissions were determined by the formula:

Emission (TPY) = (emission factor lb/hr) x (8760 hr/yr) x (1 ton/20000lb)