New Mexico
ENVIRONMENT DEPARTMENT

Air Quality Bureau
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The AQB permit specialist provides this draft permit to the applicant as a courtesy to assist AQB with developing practically enforceable permit terms & conditions and correcting any technical errors. Please note that the draft permit may change following completion of the Department's internal reviews. If AQB makes additional changes, and as time allows, the applicant may be provided an opportunity for additional review before the permit is issued.

CERTIFIED MAIL NO. 7008 0500 0001 1251 9168
RETURN RECEIPT REQUESTED

NSR Permit No:	0874M4
Facility Name:	Sims Mesa Compressor Station
Permittee Name:	Williams Four Corners LLC
Mailing Address:	188 County Road 4900 Bloomfield, NM 87413
TEMPO/IDEA No.:	1040 - PRN20110001
AIRS No.	350390078
Source Classification:	Title V
Permitting Action:	Significant Permit Revision
Facility Location:	36°48'07" N and 107°33'07" W
County:	Rio Arriba
Air Quality Bureau Contact:	Elizabeth Bisbey-Kuehn
Main AQB Phone No.:	(505) 476-4300

Richard L. Goodyear, PE
Acting Bureau Chief
Air Quality Bureau

Date

The Air Quality Bureau of the New Mexico Environment Department (Department) issues Significant Permit Revision No. 0874M4 pursuant to the Air Quality Control Act (Act) and regulations adopted pursuant to the Act including Title 20, Chapter 2, Part 72 of the New Mexico Administrative Code (NMAC), (20.2.72 NMAC), Construction Permits and is enforceable pursuant to the Act and the air quality control regulations applicable to this source.

Pursuant to 20.2.75.11 NMAC, the Department will assess an annual fee for this facility. This regulation set the fee amount at $1,500 through 2004 and requires it to be adjusted annually for the Consumer Price Index on January 1. The current fee amount is available by contacting the Department or can be found on the Department's website. The AQB will invoice the permittee for the annual fee amount at the beginning of each calendar year. This fee does not apply to sources which are assessed an annual fee in accordance with 20.2.71 NMAC. For sources that satisfy the definition of "small business" in subsection F of 20.2.75.7 NMAC, this annual fee will be divided by two.

All fees shall be remitted in the form of a corporate check, certified check, or money order made payable to the NM Environment Department, AQB and shall be accompanied by the enclosed remittance slip. Fees shall be submitted to: NM Environment Department, AQB at the address shown on the invoice.

This significant permit revision applies to and is attached to Air Quality Permit No. 0874M3 issued December 8, 2008, which authorized the modification and operation of the Sims Mesa Compressor Station, a natural gas compressor station. All terms and conditions from Air Quality Permit No. 0874M3 are still in effect unless specifically superseded by this significant permit revision.

The function of the facility is to compress natural gas through underground natural gas pipelines using reciprocating, natural gas fired compressor engines. This facility is located 17 miles E/NE of Blanco, NM in Rio Arriba County.

The Department has reviewed the significant permit revision application for the proposed changes to Air Quality Permit No. 0874M3 and has determined that the provisions of the Act will be met. Conditions have been imposed in this permit to assure continued compliance. 20.2.72.210.D NMAC, states that any term or condition imposed by the Department on a permit is enforceable to the same extent as a regulation of the Environmental Improvement Board.

SPECIFIC CONDITIONS ADDED TO AIR QUALITY PERMIT NO. 0874M3 BY THIS SIGNIFICANT PERMIT REVISION

A. The maximum allowable SSM and Malfunction emission limits for this facility are listed in the following tables and were relied upon by the Department to determine compliance with applicable regulations.

Table: Allowable SSM and Malfunction Units, Activities, and Emission Limits

Unit No.	Description	VOC tpy
SSM from 1a-6a and 11a-14a	Compressor & Associated Piping Blowdowns during Routine and Predictable Startup, Shutdown, and/or Maintenance (SSM)	8.9
M1	Venting [2] of Gas due to Malfunctions.	10.0
	Total[1]	18.9

1 Totals are for information only, not enforceable conditions.
2 This authorization does not apply to VOC emissions from combustion sources.

B. SSM VOC Emissions

Requirement: The permittee shall perform a facility inlet gas analysis once every year and complete the following recordkeeping to demonstrate compliance with routine and predictable startup, shutdown, and maintenance (SSM) emission limits.

Monitoring: NA

Recordkeeping: The permittee shall contemporaneously record all routine and predictable startups and shutdowns and scheduled maintenance events. To demonstrate compliance, the permittee shall calculate the total VOC emissions on a monthly rolling 12 month basis, including the volume of total gas vented in MMscf using the number of events and associated volume of each event and the percent VOC of the gas based on the most recent gas analysis. The permittee shall record the demonstrated compliance in accordance with General Condition 3 of this significant permit revision, except the requirement in 3.b to record the start and end times of SSM events shall not apply to the venting of known quantities of VOC.

Reporting: Records and reports shall be maintained on-site unless specifically required to be submitted to the Department or EPA by another condition of this permit or by a state or federal regulation. Records for unmanned sites may be kept at the nearest company office.

C. Malfunction VOC Emissions

Requirement: The permittee shall perform a facility inlet gas analysis once every year and complete the following recordkeeping to demonstrate compliance with malfunction (M1) emission limits.

Monitoring: NA

Recordkeeping: The permittee shall contemporaneously record all malfunction events that result in VOC emissions including identification of the equipment or activity that is the source of emissions. The permittee shall indicate whether the emissions resulting from the event will be used toward the permitted malfunction emission limit or whether the event is reported under 20.2.7 NMAC. To demonstrate compliance, the permittee shall calculate the total VOC emissions on a monthly rolling 12 month basis, including the volume of total gas vented in MMscf and the percent VOC of the gas based on the most recent gas analysis. The permittee shall record the demonstrated compliance in accordance with General Condition 3 of this significant permit revision, except the requirement in 3.c to record the start and end times of malfunction events shall not apply to the venting of known quantities of VOC.

Reporting: Records and reports shall be maintained on-site unless specifically required to be submitted to the Department or EPA by another condition of this permit or by a state or federal

regulation. Records for unmanned sites may be kept at the nearest company office.

GENERAL CONDITIONS

1. The establishment of permitted startup, shutdown, and maintenance (SSM) emission limits do not supersede the requirements of 20.2.7.14.A NMAC. Except for operations or equipment subject to General Condition 4, the permittee shall establish and implement a plan to minimize emissions during routine or predictable startup, shutdown, and scheduled maintenance (SSM work practice plan) and shall operate in accordance with the procedures set forth in the plan. (20.2.7.14.A NMAC)

2. At all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate the source including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. (20.2.7.109, 20.2.72.210.A, 20.2.72.210.B, 20.2.72.210.C, 20.2.72.210.E NMAC) The establishment of allowable malfunction emission limits does not supersede this requirement.

3. General Recordkeeping of malfunction emissions and routine and predictable emissions during startup, shutdown, and scheduled maintenance (SSM):

   a. The permittee shall keep records of all events subject to the plan to minimize emissions during routine or predictable SSM. (20.2.7.14.A NMAC)

   b. If the facility has allowable SSM emission limits in this permit, the permittee shall record all SSM events, including the date, the start time, the end time, and a description of the event. This record also shall include a copy of the manufacturer's, or equivalent, documentation showing that any maintenance qualified as scheduled. Scheduled maintenance is an activity that occurs at an established frequency pursuant to a written protocol published by the manufacturer or other reliable source. The authorization of allowable SSM emissions does not supersede any applicable federal or state standard. The most stringent requirement applies.

   c. If the facility has allowable malfunction emission limits in this permit, the permittee shall record all malfunction events to be applied against these limits, including the date, the start time, the end time, and a description of the event. **Malfunction means** any sudden, infrequent, and not reasonably preventable failure of air pollution control and monitoring equipment, process equipment, or a process to operate in a normal or usual manner which causes, or has the potential to cause, the emission limitations in an applicable standard to be exceeded. Failures that are caused in part by poor maintenance or careless operation are not malfunctions. (40 CFR 63.2, 20.2.7.7.E NMAC) The authorization of allowable malfunction emissions does not supersede any applicable federal or state standard. The most stringent requirement applies. This authorization only allows the

permittee to avoid submitting reports under 20.2.7 NMAC for total annual emissions that are below the authorized limit.

4. NSPS and/or MACT Startup, Shutdown, and Malfunction Operations
   a. If a facility is subject to a NSPS standard in 40 CFR 60, each owner or operator that installs and operates a continuous monitoring device required by a NSPS regulation shall comply with the excess emissions reporting requirements in accordance with 40 CFR 60.7(c), unless specifically exempted in the applicable subpart.
   b. If a facility is subject to a NSPS standard in 40 CFR 60, then in accordance with 40 CFR 60.8(c), emissions in excess of the level of the applicable emission limit during periods of startup, shutdown, and malfunction shall not be considered a violation of the applicable emission limit unless otherwise specified in the applicable standard.
   c. If a facility is subject to a MACT standard in 40 CFR 63, then the facility is subject to the requirement for a Startup, Shutdown and Malfunction Plan (SSM) under 40 CFR 63.6(e)(3), unless specifically exempted in the applicable subpart.

5. Permit Cancellations, requires that (20 NMAC 2.72 Section 211):
   a. The Department shall automatically cancel any permit for any source which ceases operation for five (5) years or more, or permanently. Reactivation of any source after the five (5) year period shall require a new permit.
   b. The Department may cancel a permit if the construction or modification is not commenced within two (2) years from the date of issuance or if, during the construction or modification, work is suspended for a total of one (1) year.

6. 20.2.73 NMAC contains requirements related to Notice of Intent and Emission Inventory. Please refer to that regulation for details.

7. Applications for permit revisions and modifications shall be submitted to:

   Program Manager, Permits Section
   New Mexico Environment Department
   Air Quality Bureau
   1301 Siler Road, Building B
   Santa Fe, New Mexico 87507-3113

8. Stack Test Protocols and Stack Test Reports shall be submitted electronically to Stacktest.AQB@state.nm.us.

9. Regularly scheduled reports shall be submitted to:

   Manager, Compliance and Enforcement Section
   New Mexico Environment Department

Air Quality Bureau
1301 Siler Road, Building B
Santa Fe, New Mexico 87507-3113

10. The permittee shall submit reports of excess emissions in accordance with 20.2.7.2.110.A NMAC. Excess Emission Reports shall be submitted electronically to eereports.aqb@state.nm.us.

11. Contents of test notifications, protocols and test reports shall conform to the format specified by the Department's *Universal Test Notification, Protocol and Report Form and Instructions.* Current forms and instructions are posted to NMED's Air Quality web site under Compliance and Enforcement Testing.

12. Definitions

    a. **"Shutdown"**, for requirements under 20.2.72 NMAC, means the cessation of operation of any air pollution control equipment, process equipment or process for any purpose, except routine phasing out of batch process units.

    b. **"SSM"**, for requirements under 20.2.7 NMAC, means routine or predictable startup, shutdown, or scheduled maintenance.

    c. **"Shutdown"**, for requirements under 20.2.7 NMAC, means the cessation of operation of any air pollution control equipment or process equipment.

    d. **"Startup"**, for requirements under 20.2.7 NMAC, means the setting into operation of any air pollution control equipment or process equipment.

    e. **"Startup"**, for requirements under 20.2.72 NMAC, means the setting into operation of any air pollution control equipment, process equipment or process for any purpose, except routine phasing in of batch process units.

REVOCATION

The Department may revoke this significant permit revision if the applicant or permittee has knowingly and willfully misrepresented a material fact in the application for the permit. The Department will make revocations in writing. The Secretary of the Department will accept administrative appeals within thirty (30) days from the effective date of this permit in accordance with the Department's Rules Governing Appeals From Compliance Orders.

APPEAL PROCEDURES

20.2.72.207 NMAC, provides that any person who participated in a permitting action before the Department and who is adversely affected by such permitting action, may file a petition for hearing before the Environmental Improvement Board. The petition shall be made in writing to the Environmental Improvement Board within thirty (30) days from the date notice is given of the Department's action and shall specify the portions of the permitting action to which the petitioner objects, certify that a copy of the petition has been mailed or hand-delivered and attach

a copy of the permitting action for which review is sought. Unless a timely request for hearing is made, the decision of the Department shall be final. The petition shall be copied simultaneously to the Department upon receipt of the appeal notice. If the petitioner is not the applicant or permittee, the petitioner shall mail or hand-deliver a copy of the petition to the applicant or permittee. The Department shall certify the administrative record to the board. Petitions for a hearing shall be sent to:

Environmental Improvement Board
1190 St. Francis Drive, Runnels Bldg. Rm. N2153
P.O. Box 5469
Santa Fe, New Mexico 87502