

**Air Pollution Control
Title V Permit to Operate
Statement of Basis for Final Permit
No. V-UO-0002-05.01**

**Questar Pipeline Company - Fidler Compressor Station
Uintah and Ouray Reservation
Uintah County, Utah**

1. Facility Information

a. Location

Questar's Fidler Compressor Station is located within the exterior boundaries of the Uintah & Ouray Indian Reservation, in the northeastern part of the State of Utah, in Uintah County. The Fidler Compressor Station is located in the SW 1/4, NW 1/4, Section 16, T9S, R22E. The facility mailing address is:

Questar Pipeline Company
1140 West 200 South, P.O. Box 45360
Salt Lake City, UT 84145-0360

b. Contacts

Facility Contact:

Scott Bassett, Sr., Environmental Coordinator
Questar Pipeline Company
1140 West 200 South, P.O. Box 45360
Salt Lake City, UT 84145-0360
801-324-3820

Responsible Official:

Lawrence A. Conti, Vice President, Operations & Gas Control
Questar Pipeline Company
1140 West 200 South, P.O. Box 45360
Salt Lake City, UT 84145-0360
801-324-5061

Tribal Contact:

Manuel Myore, Energy, Minerals, & Air Director
Ute Indian Tribe
P.O. Box 460
Fort Duchesne, UT 84026
435-725-4950

c. Description of Operations

The Fidlar Compressor Station is an integral part of Questar's interstate-pipeline transmission system. The facility provides critical transportation compression needs of the natural gas shippers on Questar's southern transmission system. The Fidlar Compressor Station receives natural gas from and delivers it to any one of Questar's main lines that transport natural gas east, west and north to existing markets and interconnecting points with other interstate pipelines.

There are currently four compressors operating at Fidlar Compressor Station. Gas turbine engines drive three compressors, and an internal combustion engine drives one. The facility is also equipped with one natural gas fired reciprocating internal combustion engine used to drive a standby emergency generator. The generator provides electric power to the compressor station during power outages only. All equipment at the Fidlar Compressor Station burns pipeline quality natural gas as its only fuel source.

Gas enters the station then passes through separator tanks. The tanks allow any entrained liquids to drop out of the natural gas. Liquids and sludge are temporarily stored on site and then removed by truck. The gas then passes through gas scrubbers consisting of cloth type filters to remove gas laden impurities. Impurities are occasionally blown to the pressurized storage vessel or sludge tank. Gas pressure is then boosted by the compressor units. After compression, the gas is cooled by cooling fans which draw ambient air over the pipes to cool the gas. There is no contact between the cooling air and natural gas. There are numerous shutdown and relief valves associated with the facility. A natural gas fired boiler provides heat to the buildings. A natural gas fired line heater is used to prevent station fuel gas line freezing.

d. List of All Units and Emission-Generating Activities

Questar provided the information contained in Tables 1 and 2. Table 1 lists emission units and emission generating activities, including any air pollution control devices. Emission units identified as "insignificant" are listed separately in Table 2.

Table 1 - Emission Units
Questar Pipeline Company Fidlar Compressor Station

Emission Unit Id. No.	Description	Control Equipment
FS01	11.16 MMBtu/hr (1,019 hp), natural gas fired turbines for natural gas compression. Solar Saturn T-1001S-205	None
FS03	Serial Number: 30283 Installed: 1969 (Pre-NSPS GG) Replaced: 7/21/2004 (NSPS GG) Serial Number: 20487 Installed: 10/1/1995 (NSPS GG) Replaced: 6/12/2004 (NSPS GG)	
FS05	37.05 MMBtu/hr (4,028 hp), natural gas fired turbine for natural gas compression. Solar Centaur T4700S Serial Number: 5109C Installed: 1/21/2008 (NSPS GG) Replaced: 4/2007 (NSPS GG)*	None
FS02	10.79 MMBtu/hr (1,061 hp), natural gas fired engine for natural gas compression. White Superior 12G-825, 4 stroke rich burn Serial Number: 299499 Installed: 12/3/1983	AFR & NSCR installed 9/1995
FS07	6.54 MMBtu/hr (643 hp), natural gas fired stand by engine for emergency power generator. Cummins GTA28 CC Serial Number: 25352466 Installed: 1995 Replaced: Plan 11/2010 or 12/2010 (NSPS JJJJ, MACT ZZZZ)	AFR & NSCR
QPC Tank	400 bbl condensate sludge storage tank, 42,000 gal/year throughput: Serial Number: unknown Installed: pre-1991	None
QPC Truck Loadout	42,000 gal/year tank truck loading unit: Serial Number: unknown Installed: pre-1991	None
FS08	Fugitive emissions from valves, seals, pumps, etc.	None

* The replacement unit for FS05 was initially installed at the Blind Canyon Compressor Station after 2/18/2005, so this unit would appear to be subject to NSPS KKKK. However, Questar provided evidence that a continuous program of construction commenced prior to NSPS KKKK trigger date.

Part 71 allows sources to separately list in the permit application units or activities that qualify as “insignificant” based on potential emissions below 2 tons/year for all regulated pollutants that are not listed as hazardous air pollutants (HAPs) under section 112(b) and below 1,000 lbs/year or the de minimis level established under section 112(g), whichever is lower, for HAPs. However, the application may not omit information needed to determine the applicability of, or to impose, any applicable requirement, or to calculate the fee. Units that qualify as “insignificant” for the purposes of the part 71 application are in no way exempt from applicable requirements or any requirements of the part 71 permit.

Questar stated in its Fidlar Compressor Station application that the emission units in Table 2 below qualified for the emission threshold exemption.

**Table 2 - Insignificant Emission Units and/or Activities
Questar Pipeline Company Fidlar Compressor Station**

Emission Unit Id. No.	Description
1	Maintenance Cabinet
2	Two Battery Banks
3	Natural gas fuel line heater (0.75 MMBtu/hr)
4	Air compressor-electric
5	Two Space heaters - natural gas (0.11 MMBtu/hr each)
6	Two diesel storage tanks (500 gal each)
7	Natural gas boiler for building heat – 1.7 MMBtu/hr
8	Bench grinder
9	Lubrication oil storage tank (500 gal)
10	Ambitrol storage tank (678 gal)
11	Blowdown

2. Establishment of Synthetic Minor Limits

EPA Authority to Create PTE Restrictions in Part 71 Permits

In consultation with Office of General Counsel at EPA Headquarters, as well as with EPA Regions 9 and 10, the EPA Region 8 office determined that authority exists under the CAA and 40 CFR 71 to create a restriction on potential to emit through issuance of a part 71 permit. The specific citations of authority are:

CAA Section 304(f)(4): provides that the term “emission limitation, standard of performance or emission standard” includes any other standard, limitation, or schedule established under any permit issued pursuant to title V ... , any permit term or condition, and any requirement to obtain a permit as a condition of operations.

40 CFR 71.6(b): provides that all terms and conditions in a part 71 permit, including any provisions designed to limit a source’s potential to emit, are enforceable by the Administrator and citizens under the Act.

40 CFR 71.7(e)(1)(i)(A)(4)(i): provides that a permit modification that seeks to establish a federally enforceable emissions cap assumed to avoid classification as a modification under any provision of title I of the CAA (which includes PSD), and for which there is no underlying applicable requirement, does not qualify as a minor permit modification. Under 40 CFR 71.7(e)(3)(i), it is therefore a significant permit modification, which, according to 40 CFR 71.7(e)(3)(ii), must meet all the requirements that would apply to initial permit issuance or permit renewal.

Applicable PTE Guidance

National EPA guidance on PTE states that air pollution control equipment (in this case, the NSCR catalyst on unit FS02) can be credited as restricting PTE only if federally enforceable requirements are in place requiring the use of such air pollution control equipment. The primary applicable guidance for

establishing PTE limits is a memo titled, “Guidance on Limiting Potential to Emit in New Source Permitting,” (NSR) dated June 13, 1989, to EPA Regional Offices, from Terrell F. Hunt, Associate Enforcement Counsel, Air Enforcement Division, Office of Enforcement and Compliance Monitoring (OECA), and from John Seitz, Director, Stationary Source Compliance Division, Office of Air Quality Planning & Standards (OAQPS). The 1989 guidance identifies the following as essential components of a restriction on PTE:

- (1) An emission limitation, in terms of mass of emissions allowed per unit of time, and
- (2) A production or operational limitation (which can include requirements for the use of in-place air pollution control equipment).

The 1989 guidance explains that restrictions on PTE must be enforceable as a practical matter. This means there must also be adequate monitoring, reporting, and recordkeeping requirements. The 1989 memo also explains that an emission limitation alone, expressed as a long-term rolling average (e.g., a rolling 12-month total) should not be relied upon as the basis for a PTE limit, with the exception of sources that are VOC surface coating operations, and where no add-on emission control equipment is employed at those sources, and where operating and production parameters are not readily limited due to the wide variety of coatings and products and due to the unpredictable nature of the operation.

A later memo to the EPA Regional Offices, dated January 25, 1995, from Kathie Stein, Director, Air Enforcement Division, OECA, titled “Guidance on Enforceability Requirements for Limiting Potential to Emit through SIP and Section 112 Rules and General Permits,” says the averaging time for the emission limitation must readily allow for determination of compliance: “EPA policy expresses a preference toward short term limits, generally daily but not to exceed one month.”

The use of the part 71 permit as a means to create these limits, however, is limited to those instances where an operating source is already required to obtain a part 71 permit by virtue of its PTE or due to other triggers as outlined in §71.3; or where the operating source already holds a part 71 permit. EPA Region 8 does not have the authority to issue part 71 permits to minor sources, unless it is a minor operating source that is required to obtain a permit pursuant to §71.3.

The part 71 program is not a preconstruction permitting program to be used in place of New Source Review (NSR) permitting. The part 71 permit is an operating permit and an application is due within twelve (12) months of starting up a title V facility.

EPA Region 8 does not knowingly issue synthetic minor limits (i.e., limits on potential to emit to avoid major source status) to sources who wish to avoid applicable requirements that have already been triggered (such as NSR or the Once-In-Always-In MACT standards). EPA Region 8 also will not knowingly issue synthetic minor limits to sources who wish to avoid applicable requirements for which there are non-compliance concerns.

Creation of synthetic minor limits in part 71 permits is a temporary, gap-filling measure for those sources operating in Indian country that do not have the ability to obtain these synthetic minor limits through other programs, such as exists in state jurisdictions. Upon promulgation of a Minor NSR rule for sources operating in Indian country, it is expected that this gap-filling measure will no longer be needed. It should be noted that the part 71 rule and the guidance referenced above do not obligate EPA to grant requests from part 71 permit applicants for synthetic minor limits.

In response to Questar’s request to create federally enforceable limits to recognize NSCR on engine FS02, EPA established NO_x emission limitations in this significantly modified permit for the Fidlar Compressor

Station. The requirements established engine-specific grams per horsepower-hour (g/hp-hr) concentration and short-term pounds per hour (lbs/hr) NO_x emission limits.

Development of PTE Restrictions and Associated Requirements in the Significantly Modified Operating Permit

EPA Region 8 considers the PTE restriction to conform to all relevant PTE guidance. The PTE restriction that EPA is proposing includes the following components:

(1) Emission limits

Questar requested that the enforceable NO_x emission limits account for the beneficial reductions that would occur from using NSCR on engine FS02. The following concentration and short-term NO_x emission limits on FS02 in the permit were specifically requested by Questar:

2.0 g/hp-hr and 4.68 lb/hr.

It is important to note that this approach to taking credit for beneficial reductions must necessarily be determined on a case-by-case basis as the circumstances for applicable requirements, control technology options, compliance options, targeted pollutants, degree of reductions, etc., can vary widely. An evaluation of the amount of beneficial reductions, the practical enforceability of those reductions, and the applicability of pre-construction permitting requirements, such as PSD, should be made before construction is commenced. Typically, the beneficial reduction must be incorporated into a valid permit with enhanced monitoring and reporting to make it practically enforceable.

This permit specifies any additional requirements necessary to establish enforceability of the NO_x emission limits.

(2) Operational Requirements

Equip FS02 with AFR and NSCR.

Install temperature-sensing devices at the inlet of the catalyst to ensure the temperature at the inlet of the catalyst does not exceed optimal range specified by the manufacturer.

Install pressure-sensing devices before and after the catalyst to ensure that the pressure drop across the catalyst does not exceed the optimal range specified by the manufacturer.

Fire FS02 with pipeline quality natural gas ensuring that there are no contaminants in the fuel that might foul the oxidation catalysts.

(3) Emission Testing and Monitoring

An initial performance test is to be conducted within 45 days of engine start-up and upon engine replacement. During this test, determine pressure drop parameters and exhaust temperature requirements to be maintained.

NO_x emissions from engine FS02 are to be tested annually and measured quarterly to demonstrate compliance with the NO_x emission limit. The NO_x is to be tested using EPA Reference test methods and measured using a portable analyzer and a monitoring protocol approved by EPA. Monitoring for NO_x emissions from engine FS02 is to commence during the first complete calendar quarter following the submittal of the initial performance test results for NO_x to EPA.

Temperature of exhaust entering the catalyst is to be measured hourly during operation of the engine. Immediately upon determining a deviation of the NSCR inlet temperature, the cause is to be investigated. Investigation may include monitoring of NO_x emissions to ensure the NSCR system is functioning and testing the temperature sensing device. If the cause is determined to be the NSCR system, then the catalyst is to be inspected and cleaned or replaced, if necessary. If the problem can be corrected by following the engine and/or the NSCR manufacturer's recommended procedures, then the problem is to be corrected within 24 hours of inspecting the engine and NSCR. If the problem cannot be corrected using the manufacturer's recommended procedures, then the engine is to be pulled from operation until the NSCR inlet temperature is measured and found to be within the acceptable temperature range for the engine. The permittee is to notify EPA in writing of the problem within 10 working days of observing the problem and include in the notification the cause of the problem and a corrective action plan that outlines the steps and timeframe for bringing the NSCR inlet temperature range into compliance. (The corrective action may include removal and cleaning of the catalyst according to the manufacturer's methods, or replacement of the catalyst.)

The pressure drop across an NSCR system is to be measured at least hourly during the operation of the engine. If the pressure drop exceeds four (4) inches of water from the baseline pressure drop reading taken during the initial performance test, the cause is to be investigated. Investigation may include monitoring of NO_x emissions to ensure the NSCR system is functioning, and testing the pressure transducers. If the cause is determined to be the NSCR system, then the catalyst is to be inspected and cleaned or replaced, if necessary. Removal or replacement of the catalyst will require a new performance test whereby the pressure differential is to be re-established.

(4) Recordkeeping Requirements

Records are to be kept of the results of all NO_x performance tests and monitoring required in this permit; all temperature measurements required by this permit, as well as a description of any corrective actions taken when deviations occur; all pressure drop measurements required by this permit, as well as a description of any corrective actions taken when deviations occur; and vendor specifications to demonstrate that the accuracy of the temperature and pressure-sensing devices on the NSCR system is at least as accurate as that required in this permit.

(5) Reporting Requirements

Submit to EPA a written report of the results of the NO_x performance tests and temperature and pressure drop measurements required in the permit.

Submit to EPA semi-annual monitoring reports of any instances where the NSCR system inlet temperature deviates from the acceptable range and where the pressure drop across the NSCR system deviates from the acceptable reading, as well as a description of any corrective actions. If no such instances have been detected, then a statement shall be provided to say so.

3. Potential to Emit

Table 3 includes potential to emit data provided by Questar. Potential to emit means the maximum capacity of the Fidlar Compressor Station to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the Fidlar Compressor Station to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, may be treated as part of its design if the

limitation is enforceable by EPA. Potential to emit is meant to be a worst case emissions calculation. Actual emissions may be much lower.

**Table 3 - Potential to Emit in Tons per Year
Questar Pipeline Company Fidlar Compressor Station**

Emission Unit Id.	Regulated Air Pollutants						
	NO _x (tons/yr)	VOC (tons/yr)	SO ₂ (tons/yr)	PM ₁₀ (tons/yr)	CO (tons/yr)	Lead (tons/yr)	HAP (tons/yr)
FS01	29.22	0.11	0.07	0.34	47.43	0	0.04
FS02	20.49	10.25	0.07	0.97	20.49	0	1.42
FS03	29.22	0.11	0.07	0.34	47.43	0	0.04
FS05	24.67	0.36	0.23	1.13	19.80	0	0.12
FS07	0.71	0.36	0	0.03	1.42	0	0.05
FS08	0	3.56	0	0	0	0	0.02
QPC Tank	0	7.90	0	0	0	0	0.21
QPC Loadout	0	0.44	0	0	0	0	0.003
Insignificant Units	0.32	1.25	0	0.02	0.27	0	0.28
TOTAL	104.64	24.01	0.45	2.83	136.84	0	2.18

NO_x - oxides of nitrogen

SO₂ - sulfur dioxide

CO - carbon monoxide

VOC - volatile organic compounds

PM₁₀ - particulate matter with a diameter 10 microns or less

HAP - hazardous air pollutants (see Clean Air Act Section 112(b))

4. Tribe Information

a. Indian Country:

The Fidlar Compressor Station is located in “Indian country” as defined at 18 U.S.C. §1151, within the exterior boundaries of the Uintah and Ouray Reservation. The Ute Tribe does not have a federally-approved CAA title V operating permits program nor does EPA’s approval of the State of Utah’s title V program extend to Indian country. Thus, EPA is the appropriate governmental entity to issue the title V permit to this facility.

b. The Reservation

The Uintah and Ouray Reservation consists of two separate but contiguous tracts of land set aside in the nineteenth century for the exclusive use and occupancy of the three bands of Indians (Uncompahgre, Uintah and Whiteriver) who make up the present-day Ute Indian Tribe. The Uintah Valley Reservation along the Duchesne River was established in 1861 and confirmed by Congress in the Act of May 5, 1864. An Executive Order, dated January 5, 1882, established the Uncompahgre Reservation for the use and occupancy of the Uncompahgre Utes.

c. Tribal Government

The Ute Tribe operates under a constitutional government organized pursuant to the authority of section 16 of the Indian Reorganization Act of June 16, 1934, 48 Stat. 986. The Tribe adopted its Constitution

and By-Laws on December 19, 1936, for the government, protection and common welfare of the Ute Indian Tribe and its members. It was approved by the Secretary of the Interior on January 19, 1937.

The governing body of the Ute Tribe consists of six individuals who are elected to the Ute Tribal Business Committee. Members of the Business Committee are elected by band: two representatives each from the Uncompahgre, Uintah, and Whiteriver Bands. Members are elected for a term of four years by the eligible members of the respective bands. The Business Committee is responsible for the overall social, economic and natural resource development of the Reservation and for the members of the Ute Tribe. They are delegated broad powers under the Tribe's Constitution to carry out these responsibilities. The Tribe also operates an extensive tribal court system, including a lower court, a court of appeals, and a juvenile court.

d. Local Air Quality and Attainment Status

The Uintah and Ouray Reservation either attains the national ambient air quality standard or is "unclassifiable" for all criteria pollutants. An area is unclassifiable when there is insufficient monitoring data. The Ute Indian Tribe has operated samplers to collect data for PM₁₀ (particulate matter with an aerodynamic diameter less than or equal to ten micrometers). Until 2006, two stations reported daily and annual averages of PM₁₀ concentrations under a grant from EPA Region 8. As of mid-2009 the Tribe began independently monitoring criteria pollutants (including particulate matter, ozone, and oxides of nitrogen) and meteorological conditions at two sites (Myton and Whiterocks). In addition, two other industry-funded monitors also collect data for particulate matter, ozone, and oxides of nitrogen at the Ouray and Redwash stations.

4. Analysis of Applicable Requirements

The following discussion addresses some of the regulations from the Code of Federal Regulations (CFR) at title 40. Note, that this discussion does not include the full spectrum of potentially applicable regulations and is not intended to represent official applicability determinations. These discussions are based on the information provided by Questar in the most recent part 71 application and are only intended to present the information certified to be true and accurate by the Responsible Official of this facility.

Prevention of Significant Deterioration (PSD)

PSD is a preconstruction review requirement of the CAA that applies to proposed projects that are sufficiently large (in terms of emissions) to be a "major" stationary source or "major" modification of an existing stationary source. The PSD regulations are found at 40 CFR 52.21. Source size is defined in terms of "potential to emit," which is its capability at maximum design capacity to emit a pollutant, except as constrained by existing federally and practically enforceable conditions applicable to the source. A new stationary source or a modification to an existing minor stationary source is major if the proposed project has the potential to emit any pollutant regulated under the CAA in amounts equal to or exceeding specified major source thresholds, which are 100 tons per year (tpy) for 28 listed industrial source categories and 250 tpy for all other sources. PSD also applies to modifications at existing major sources that cause a "significant net emissions increase" at that source. Significance levels for each pollutant are defined in the PSD regulations at 40 CFR 52.21. A modification is a physical change or change in the method of operation.

According to Questar, this facility is no longer a major PSD source. Any analysis of future construction is currently based on the major source trigger level of 250 tpy. The emissions increases associated with the modifications to the facility proposed in this permit action are not sufficient enough to trigger PSD.

New Source Performance Standards (NSPS)

40 CFR Part 60, Subpart A: General Provisions. This subpart applies to the owner or operator of any stationary source which contains an affected facility, the construction or modification of which is commenced after the date of publication of any standard in part 60. The general provisions under subpart A apply to sources that are subject to the specific subparts of part 60.

As explained below, the turbines operating at the Fidlar Compressor Station are subject to subpart GG of part 60 and the generator engine is subject to subpart JJJJ of part 60 therefore, the General Provisions of part 60 apply.

40 CFR Part 60, Subpart GG: Standards of Performance for Stationary Gas Turbines. This rule applies to stationary gas turbines, with a heat input at peak load equal to or greater than 10.7 gigajoules per hour (10 million Btu/hr), that commenced construction, modification, or reconstruction after October 3, 1977.

Turbines FS01, FS03, and FS05 are affected units and are subject to this rule.

40 CFR Part 60, Subpart JJJJ: Standards of Performance for Stationary Spark Ignition Internal Combustion Engines. This subpart establishes emission standards and compliance requirements for the control of emissions from stationary spark ignition (SI) internal combustion engines (ICE) that commenced construction, modification or reconstruction after June 12, 2006, where the SI ICE are manufactured on or after specified manufacture trigger dates. The manufacture trigger dates are based on the engine type, fuel used, and maximum engine horsepower.

For the purposes of this subpart, the date that construction commences is the date the engine is ordered by the owner or operator (See 40 CFR 60.4230(a)).

Questar provided the following information:

**Table 4 –NSPS Subpart JJJJ Applicability
Questar Pipeline Company Fidlar Compressor Station**

Unit	Serial Number	Unit Description	Fuel	BHP	Commenced Construction Date - Manufacture Date	Startup Date	Subpart JJJJ Trigger Date – Manufactured on or after
FS02	299499	White Superior 12G-825 engine / 4SRB	Natural Gas	1061	Prior to 6/12/06 – Prior to 1/1/2008	1983	1/1/2008
FS07	25352466	Cummins GTA28 CC engine / 4SRB (emergency use)	Natural Gas	643	August 4, 2010	NA	1/1/2009

The combustion engine (FS02) currently operating at the Fidlar Station commenced construction, reconstruction, or modification prior to June 12, 2006. Therefore, this subpart does not currently apply to this engine.

According to Questar, the emergency combustion engine (FS07) to be installed at the Fidlar Station commenced construction, reconstruction, or modification after January 1, 2009. Therefore, this subpart applies to this engine.

40 CFR Part 60, Subpart KKKK: Standards of Performance for Stationary Combustion Turbines. This subpart establishes emission standards and compliance schedules for the control of emissions from stationary combustion turbines that commenced construction, modification or reconstruction after February 18, 2005. The rule applies to stationary combustion turbines with a heat input at peak load equal to or greater than 10.7 gigajoules (10 MMBtu) per hour.

According to Questar, turbines FS01 and FS03 operating at the Fidler Compressor Station were initially installed or have been replaced prior to February 18, 2005. FS05 was replaced in November of 2005, after the trigger date of this subpart. However, Questar provided evidence in its renewal applications dated May 27, 2005, April 4, 2007, and November 23, 2007 that the turbine was installed previously at the Blind Canyon Compressor Station and a continuous program of construction commenced prior to the subpart KKKK applicability date. EPA has no other evidence that indicates that the turbines have been replaced with new units or have been modified or reconstructed after February 18, 2005. Therefore, based on the information provided by Questar, this rule does not apply.

However, if any of the turbines replaced via the Alternative Operating Scenario and the Off Permit Change Provisions of this permit are constructed, modified, or reconstructed (as defined in 40 CFR 60) on or after February 18, 2005, the replacement will require a minor modification to the permit (rather than a simple off permit change notification) so that conditions can be added to the permit to cover applicable general provisions of part 60, and specific applicable requirements of NSPS, subpart KKKK.

National Emissions Standards for Hazardous Air Pollutants (NESHAP)

40 CFR Part 63, Subpart A: General Provisions. This subpart contains national emissions standards for HAPs that regulate specific categories of sources that emit one or more HAP regulated pollutants under the Clean Air Act. The general provisions under subpart A apply to sources that are subject to the specific subparts of part 63.

According to Questar, the Fidler Compressor Station has two spark ignition engines potentially subject to the area source requirements of 40 CFR Part 63, Subpart ZZZZ. While, these engines are considered affected units under Subpart ZZZZ, they are not subject to this regulation. One engine was constructed before the rule trigger date and thus not subject to Subpart ZZZZ. The other engine was constructed after the rule trigger date but must meet the NESHAP requirements by meeting the requirements of NSPS JJJJ.

40 CFR Part 63, Subpart YYYY: National Emission Standards for Hazardous Air Pollutants from Stationary Combustion Turbines. This rule establishes national emission limitations and work practice standards for HAPs emitted from Stationary Combustion Turbines. The affected source includes the stationary combustion turbine located at a major source of HAP emissions.

According to Questar, the Fidler Compressor Station is not subject to this subpart because it is not a major source of HAPs as determined from the requirements of this rule.

40 CFR Part 63, Subpart ZZZZ (MACT ZZZZ): National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines. This rule establishes national emission limitations and operating limitations for HAPs emitted from stationary spark ignition internal combustion engines (SI ICE) and stationary compression ignition internal combustion engines (CI ICE).

For the purposes of this standard, construction or reconstruction is as defined in §63.2.

Summary of Applicability to Engines at Major HAP Sources

Major HAP Sources			
Engine Type	Horse Power Rating	New or Existing?	Trigger Date
SI ICE – All ¹	≥ 500 hp	New	On or After 12/19/2002
SI ICE – 4SRB	> 500 hp	Existing	Before 12/19/2002
SI ICE – All ¹	≤ 500 hp	New	On or After 6/12/2006
SI ICE – All ¹	≤ 500 hp	Existing	Before 6/12/2006
CI ICE – All ²	≥ 500 hp	New	On or After 12/19/2002
CI ICE – Non Emergency	> 500 hp	Existing	Before 12/19/2002
CI ICE – All ²	≤ 500 hp	New	On or After 6/12/2006
CI ICE – All ²	≤ 500 hp	Existing	Before 6/12/2006

1. All includes emergency ICE, limited use ICE, ICE that burn land fill gas, 4SLB, 2SLB, and 4SRB.

2. All includes emergency ICE and limited use ICE

Summary of Applicability to Engines at Area HAP Sources

Area HAP Sources			
Engine Type	Horse Power Rating	New or Existing?	Trigger Date
SI ICE – All ¹	All hp	New	On or After 6/12/2006
SI ICE – All ¹	All hp	Existing	Before 6/12/2006
CI ICE – All ²	All hp	New	On or After 6/12/2006
CI ICE – All ²	All hp	Existing	Before 6/12/2006

1. All includes emergency ICE, limited use ICE, ICE that burn land fill or digester gas, 4SLB, 2SLB, and 4SRB.

2. All includes emergency ICE and limited use ICE

Applicability of 40 CFR 63, Subpart ZZZZ to the Fidlar Compressor Station

Questar provided the following information:

**Table 5- NESHAP Subpart ZZZZ Applicability
Questar Pipeline Company Fidlar Compressor Station**

Unit	Serial Number	Unit Description	Fuel	BHP	Commenced Construction or reconstruction Date	Startup Date	Subpart ZZZZ Trigger Date – Constructed or Re-Constructed on or after
FS02	299499	White Superior 12G-825 spark ignition compression engine	Natural Gas	1,061	Prior to 6/12/2006	1983	6/12/2006
FS07	25352466	Cummins GTA28 CC engine/4SRB (emergency use)	Natural Gas	643	10/2010	Planned for 11/2010 or 12/2010	6/12/2006

The Fidlar Compressor Station is currently a minor source of HAP emissions. Therefore, only the portions of the rule that apply to engines operating at area sources may potentially apply.

According to the information provided by Questar, FS02 is an existing spark ignition engine constructed before 6/12/2006. Therefore, this rule does not apply to FS02. Emergency engine FS07 was constructed after 6/12/2006. Therefore, this rule does apply to FS07. The MACT ZZZZ standard refers to NSPS JJJJ for applicable requirements to FS07. No further requirements apply under part 63, including subpart A.

Compliance Assurance Monitoring (CAM) Rule

40 CFR Part 64: Compliance Assurance Monitoring Provisions. According to 40 CFR 64.2(a), the CAM rule applies to each Pollutant Specific Emission Unit (PSEU) at a major source that is required to obtain a part 70 or part 71 permit if the unit satisfies all of the following criteria:

- 1) The unit is subject to an emission limitation or standard for the applicable regulated air pollutant other than an emissions limitation or standard that is exempt under §64.2(b)(1);

“§64.2(b)(1): Exempt emission limitations or standards. The requirements of this part shall not apply to any of the following emission limitations or standards:

- (i) Emission limitations or standards proposed by the Administrator after November 15, 1990 pursuant to Section 111 or 112 of the Act;*
- (ii) Stratospheric ozone protection requirements under title VI of the Act;*
- (iii) Acid Rain Program requirements pursuant to Sections 404, 405, 406, 407(a), 407(b) or 410 of the Act;*
- (iv) Emissions limitations or standards or other applicable requirements that apply solely under an emissions trading program approved or promulgated by the Administrator under the Act that allows for trading emissions with a source or between sources;*
- (v) An emissions cap that meets the requirements specified in §70.4(b)(12) or §71.6(a)(13)(iii) of this chapter;*
- (vi) Emission limitations or standards for which a part 70 or 71 permit specifies a continuous compliance determination method, as defined in §64.1.”*

“§64.1: Continuous compliance method means a method, specified by the applicable standard or an applicable permit condition, which:

- (1) Is used to determine compliance with an emission limitation or standard on a continuous basis, consistent with the averaging period established for the emission limitation or standard; and*
- (2) Provides data either in units of the standard or correlated directly with the compliance limit.”*

- 2) The unit uses a control device to achieve compliance with any such limit or standard; and
- 3) The unit has pre-control device emissions of the applicable regulated pollutant that are equal to or greater than 100 percent of the amount, in tons per year, required for a source to be classified as a major source.

The turbines at the Fidler Compressor Station (FS01, FS03, and FS05) are PSEUs subject to an emission limit, but none of these turbines use add-on control devices to achieve compliance. Therefore, none of the turbines are subject to the CAM requirements.

EPA has determined that the short-term lbs/hr and g/hp-hr NO_x emission limits requested by the applicant for engine FS02 are subject to the CAM rule. However, the work practice, operational, testing, monitoring, recordkeeping, and reporting requirements already in the permit associated with those limits satisfy the requirements of the CAM rule at 40 CFR 64.6(c) and EPA determined that no additional

monitoring requirements were necessary to assure compliance. Specifically, the permit requires the temperature of the gas at the inlet to the oxidation catalyst and the pressure drop across the oxidation catalyst, both indicators of the oxidation catalyst's proper operation, to be maintained within an optimum range specified by the manufacturer of the control equipment. The permit requires initial and quarterly performance testing of the compressor engine to demonstrate compliance with the requested emission limits, as well as performance testing of the engine each time the catalyst is changed out. Additionally, the permit requires hourly monitoring of the temperature and pressure drop parametric indicators. The permit requires immediate corrective action to be taken if the parametric measurements deviate from the optimum ranges specified in the permit. The permit also requires monitoring of the CO emissions from the engines using a portable analyzer and EPA-approved portable monitoring protocol at least quarterly. The permittee must record and report to EPA semi-annually the results of all the required work practice, operational, testing, and monitoring.

b. Conclusion

Since the Fidler Compressor Station is located in Indian country, the State of Utah's implementation plan does not apply to this source. In addition, no tribal implementation plan (TIP) has been submitted and approved for the Ute Tribe, and EPA has not promulgated a federal implementation plan (FIP) for the area of jurisdiction governing the Uintah and Ouray Indian Reservation. Therefore, the Fidler Compressor Station is not subject to any implementation plan.

EPA recognizes that, in some cases, sources of air pollution located in Indian country are subject to fewer requirements than similar sources located on land under the jurisdiction of a state or local air pollution control agency. To address this regulatory gap, EPA is in the process of developing national regulatory programs for preconstruction review of major sources in nonattainment areas and of minor sources in both attainment and nonattainment areas. These programs will establish, where appropriate, control requirements for sources that would be incorporated into part 71 permits. To establish additional applicable, federally-enforceable emission limits, EPA Regional Offices will, as necessary and appropriate, promulgate FIPs that will establish federal requirements for sources in specific areas. EPA will establish priorities for its direct federal implementation activities by addressing as its highest priority the most serious threats to public health and the environment in Indian country that are not otherwise being adequately addressed. Further, EPA encourages and will work closely with all tribes wishing to develop TIPs for approval under the Tribal Authority Rule. EPA intends that its federal regulations created through a FIP will apply only in those situations in which a tribe does not have an approved TIP.

5. EPA Authority

a. General authority to issue part 71 permits

Title V of the Clean Air Act requires that EPA promulgate, administer, and enforce a federal operating permits program when a state does not submit an approvable program within the time frame set by title V or does not adequately administer and enforce its EPA-approved program. On July 1, 1996 (61 FR 34202), EPA adopted regulations codified at 40 CFR 71 setting forth the procedures and terms under which the Agency would administer a federal operating permits program. These regulations were updated on February 19, 1999 (64 FR 8247) to incorporate EPA's approach for issuing federal operating permits to covered stationary sources in Indian country.

As described in 40 CFR 71.4(a), EPA will implement a part 71 program in areas where a state, local, or tribal agency has not developed an approved part 70 program. Unlike states, Indian tribes are not required to develop operating permits programs, though EPA encourages tribes to do so. See, e.g., Indian Tribes: Air Quality Planning and Management (63 FR 7253, February 12, 1998) (also known as the "Tribal

Authority Rule”). Therefore, within Indian country, EPA believes it is generally appropriate that EPA administer and enforce a part 71 federal operating permits program for stationary sources until tribes receive approval to administer their own operating permits programs.

6. Use of All Credible Evidence

Determinations of deviations, continuous or intermittent compliance status, or violations of the permit are not limited to the testing or monitoring methods required by the underlying regulations or this permit; other credible evidence (including any evidence admissible under the Federal Rules of Evidence) must be considered by the source and EPA in such determinations.

7. Public Participation

a. Public Notice

There was a 30-day public comment period for actions pertaining to the draft permit. Public notice was given providing notification of EPA’s intent to issue the draft permit to the permit applicant, the affected state, tribal and local air pollution control agencies, the city and county executives, the state and federal land managers and the local emergency planning authorities that have jurisdiction over the area where the source is located. Notification is provided to all persons who submitted a written request to be included on the mailing list. Additionally, the general public in the affected community is notified by an advertisement in the local newspaper.

If you would like to be added to our mailing list to be informed of future actions on these or other Clean Air Act permits issued in Indian country, please send your name and address to the contact listed below:

Part 71 Lead
U.S. Environmental Protection Agency, Region 8
1595 Wynkoop Street (8P-AR)
Denver, Colorado 80202-1129

Public notice was published in the Ute Bulletin and Vernal Express on February 2, 2011, giving opportunity for public comment on the draft permit and the opportunity to request a public hearing.

b. Opportunity for comment

Members of the public were given an opportunity to review a copy of the draft permit prepared by EPA, the application, this Statement of Basis for the draft permit, and all supporting materials for the draft permit. Copies of these documents were available at:

Uintah County Clerk’s Office
147 East Main Street, Suite 2300
Vernal, Utah 84078

and

Ute Indian Tribe
Environmental Programs Office
910 South 7500 East
Fort Duchesne, Utah 84026

and

US EPA Region 8
Air Program Office
1595 Wynkoop Street (8P-AR)
Denver, Colorado 80202-1129

All documents were available for review at the U.S. EPA Region 8 office Monday through Friday from 8:00 a.m. to 4:00 p.m. (excluding federal holidays).

Any interested person could submit written comments on the draft part 71 operating permit during the public comment period to the Part 71 Permit Contact at the address listed above. EPA keeps a record of the commenters and of the issues raised during the public participation process. All comments have been considered and answered by EPA in making the final decision on the permit.

Anyone, including the applicant, who believed any condition of the draft permit was inappropriate could raise all reasonable ascertainable issues and submit all arguments supporting their position by the close of the public comment period. Any supporting materials submitted must have been included in full and may not have been incorporated by reference, unless the material was already submitted as part of the administrative record in the same proceeding or consisted of state or federal statutes and regulations, EPA documents of general applicability, or other generally available reference material.

No comments on the draft permit and Statement of Basis were received during the public comment period.

c. Opportunity to request a hearing

A person could submit a written request for a public hearing to the Part 71 Permit Contact, at the address listed in section 8.a above, by stating the nature of the issues to be raised at the public hearing. No request for a public hearing was received. EPA did not receive any requests for a public hearing during the public comment period.

d. Appeal of permits

Within 30 days after the issuance of a final permit decision, any person who filed comments on the draft permit or participated in the public hearing may petition to the Environmental Appeals Board to review any condition of the permit decision. Any person who failed to file comments or participate in the public hearing may petition for administrative review, only if the changes from the draft to the final permit decision or other new grounds were not reasonably foreseeable during the public comment period. The 30-day period to appeal a permit begins with EPA's service of the notice of the final permit decision.

The petition to appeal a permit must include a statement of the reasons supporting the review, a demonstration that any issues were raised during the public comment period, a demonstration that it was impracticable to raise the objections within the public comment period, or that the grounds for such objections arose after such a period. When appropriate, the petition may include a showing that the condition in question is based on a finding of fact or conclusion of law which is clearly erroneous; or, an exercise of discretion, or an important policy consideration that the Environmental Appeals Board should review.

The Environmental Appeals Board will issue an order either granting or denying the petition for review, within a reasonable time following the filing of the petition. Public notice of the grant of review will establish a briefing schedule for the appeal and state that any interested

person may file an amicus brief. Notice of denial of review will be sent only to the permit applicant and to the person requesting the review. To the extent review is denied, the conditions of the final permit decision become final agency action.

A motion to reconsider a final order shall be filed within 10 days after the service of the final order. Every motion must set forth the matters claimed to have been erroneously decided and the nature of the alleged errors. Motions for reconsideration shall be directed to the Administrator rather than the Environmental Appeals Board. A motion for reconsideration shall not stay the effective date of the final order unless it is specifically ordered by the Board.

e. Petition to reopen a permit for cause

Any interested person may petition EPA to reopen a permit for cause, and EPA may commence a permit reopening on its own initiative. EPA will only revise, revoke and reissue, or terminate a permit for the reasons specified in 40 CFR 71.7(f) or 71.6(a)(6)(i). All requests must be in writing and must contain facts or reasons supporting the request. If EPA decides the request is not justified, it will send the requester a brief written response giving a reason for the decision. Denial of these requests is not subject to public notice, comment, or hearings. Denials can be informally appealed to the Environmental Appeals Board by a letter briefly setting forth the relevant facts.

f. Notice to affected states/tribes

As described in 40 CFR 71.11(d)(3)(i), public notice was given by notifying the air pollution control agencies which have jurisdiction over the area in which the source is located, the chief executives of the city and county where the source is located, any comprehensive regional land use planning agency and any state or Federal land manager whose lands may be affected by emissions from the source. The following entities were notified:

- State of Colorado, Department of Public Health and Environment
- State of Utah, Department of Environmental Quality
- State of Wyoming, Department of Environmental Quality
- Uintah County, County Clerk
- National Park Service, Air, Denver, CO
- U.S. Department of Agriculture, Forest Service, Rocky Mountain Region
- WildEarth Guardians
- Ute Indian Tribe