STATEMENT OF BASIS

Southern Natural Gas Company, LLC Reform Compressor Station Reform, Pickens County, Alabama Facility No. 409-0009

This draft Title V Major Source Operating Permit (MSOP) 4th renewal is issued under the provisions of ADEM Admin. Code r. 335-3-16. The above named applicant has requested authorization to perform the work or operate the facility shown on the application and drawings, plans and other documents attached hereto or on file with the Air Division of the Alabama Department of Environmental Management, in accordance with the terms and conditions of this permit. The current MSOP was originally issued on June 8, 2015, and is scheduled to expire on March 9, 2020. There have been no modifications to or additions of significant emission sources at this facility since the issuance of the 3rd renewal MSOP.

Southern Natural Gas Company, LLC (SNGC) operates a compressor station for the transmission of pipeline natural gas. The significant sources of air pollutants at this facility are nine 1,350 hp Cooper-Bessemer GMV-10-STF, 2-stroke lean-burn (2SLB) natural gas-fired reciprocating engines (RICE) (Compressor Engine Nos. 8 – 16); one 800 hp Cooper-Bessemer GMV-8, 2SLB natural gas-fired RICE (Compressor Engine No. 17); three 3,000 hp Clark TLAD-8, 2SLB natural gas-fired RICE (Compressor Engine Nos. 18 – 20); and one 872 hp Caterpillar G399 4-stroke, rich-burn (4SRB) emergency generator (Emergency Generator No. 1). Insignificant emission sources at this station include one 9,500 gallon oil storage tank; one 9,000 gallon oil storage tank; two 1,500 gallon used oil storage tanks; one 4,500 gallon pipeline condensate tank; four electric air compressors; one 16 hp natural gas-fired air compressor; five space heaters; and water heaters.

Applicability: Federal Regulations

Title V

This facility is a major source under Title V regulations because the potential emissions for nitrogen oxides (NOx), carbon monoxide (CO), and volatile organic compounds (VOC) exceed the 100 TPY major source threshold. It is also a major source of Hazardous Air Pollutants (HAP) because individual HAP potential emissions are greater than 10 TPY (formaldehyde, has the potential to emit of 55.43 TPY) and the total HAP potential emissions are greater than 25 TPY.

Prevention of Significant Deterioration (PSD)

This facility is located in an attainment area for all criteria pollutants, and the facility operations are not one of the 28 listed major sources categories; therefore, the applicable major source threshold is 250 TPY for criteria pollutants. The facility is a major source under PSD regulations because the facility-wide potential emissions for NO_X and CO each exceed 250 TPY. The three 3,000 hp Clark engines (Compressor Engine Nos. 18, 19, and 20) underwent PSD review prior to their installation in 1980 and have applicable NO_X emission limitations established as Best

Available Control Technology (BACT). The remaining engines were installed prior to the PSD applicability date and have not been modified since their installation.

NSPS

Compressor Engine Nos. 8 - 20 and the emergency generator at this facility are not subject to 40 CFR Part 60, Subpart JJJJ, Standards of Performance for Stationary Spark Ignition Internal Combustion Engines [Adopted by reference in ADEM Admin. Code r. 335-3-10-.02(88)] based on the date that these engines were manufactured (see permit application for manufacturer dates), all of which are prior to each unit's applicability date.

In addition, the storage tanks do not meet the applicability criteria for 40 CFR Part 60, Subpart K, Ka, or Kb [Adopted by reference in ADEM Admin. Code r. 335-3-10-.02(9), (9)(a), and (9)(b), respectively], and the water heaters do not meet the applicability criteria for 40 CFR Part 60, Subpart D, Db, or Dc [Adopted by reference in ADEM Admin. Code r. 335-3-10-.02(2), (2)(b), and (2)(c), respectively].

The compressors associated with Compressor Engine Nos. 8 - 12 were installed prior to the August 23, 2011, applicability of 40 CFR Part 60, Subpart OOOO, Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distributions [Adopted by reference in ADEM Admin. Code r. 335-3-10-.02(91)]; therefore, these units are not subject to this subpart.

The Reform Compressor Station is considered a natural gas compressor facility and is potentially subject to 40 CFR Part 60, Subpart OOOOa, Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification, or Reconstruction Commenced After September 18, 2015 [Adopted by reference in ADEM Admin. Code r. 335-3-10-.02(91)(a)]. However, all equipment and processes potentially subject to this regulation were installed and modified prior to the applicability date, therefore, this facility is not subject to this subpart.

NESHAP Part 63

This facility is a major source for HAPs and operates thirteen 2SLB RICE (Compressor Engine Nos. 8 - 20) that were installed between 1947 and 1980. These units are affected sources under 40 CFR Part 63, Subpart ZZZZ, National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE MACT) [Adopted by reference in ADEM Admin. Code r. 335-3-11-.06(103)]. In accordance with 40 CFR §63.6590(b)(3)(i), existing lean burn engines (2-stroke and 4-stroke) >500 hp located at a major source of HAP do not have to meet the requirements of 40 CFR Part 63, Subpart ZZZZ and Subpart A. An initial notification is also not required for these engines. Therefore, although these engines are not excluded from the applicability of the RICE MACT, there would be no applicable requirements.

The emergency generator is also an affected source under the RICE MACT. Because it's site rating exceeds 500 hp, 40 CFR §63.6590(b)(3)(iii) specifies that except for the requirement to submit an initial notification, SNGC does not have to meet the requirements of 40 CFR Part 63, Subpart ZZZZ or Subpart A for the emergency generator. This unit does not have to meet the requirements of Subpart ZZZZ.

Applicability: State Regulations

Although the compressor engines and the emergency generator are fuel combustion sources, they are not subject to any particulate matter (as TSP) emission limitation of ADEM Admin. Code chap. 335-3-4 or any sulfur dioxide (SO₂) emission limitation of ADEM Admin. Code chap. 335-3-5 because they do not meet the definition of fuel burning equipment nor is the facility considered one of the process industries, general or specific. The compressor engines and the emergency generator are, however, subject to the visible emissions requirements of ADEM Admin. Code r. 335-3-4-.01(1). Since these units would be fired exclusively with natural gas, they would be expected to be able to comply with this standard.

Emission Testing and Monitoring

SNGC would be required to certify on a semiannual basis that only natural gas was burned in the reciprocating engines as a method for monitoring compliance with the visible emission requirements of ADEM Admin. Code r. 335-3-4-.01(1) since opacity would be negligible while combusting natural gas.

To demonstrate compliance with the applicable BACT limits for NOx for Compressor Engine Nos. 18, 19, and 20, emission testing would be required twice per calendar year at a frequency of once per semiannual period (Jan 1st – Jun 30th and Jul 1st – Dec 31st), with a minimum of three (3) calendar months elapsing between tests. The first emission testing conducted following the effective date of this renewal permit shall be conducted using the appropriate EPA Reference Method. Emission testing for the remainder of the permit term may be conducted using either the appropriate EPA Reference Method or an alternate method with a portable analyzer if approved in advance by the Air Division.

Compliance Assurance Monitoring (CAM)

Compressor Engine No. 8 - 12 do not use an active control device as defined in the CAM regulations to meet the applicable emission standards. As such, the facility is not subject to CAM requirements.

Recordkeeping and Reporting

As part of the Semiannual Monitoring Report, SNGC would be required to include a statement addressing whether only natural gas was fired in each unit during the respective reporting period. In addition to certifying that only natural gas was fired in the emergency generator, SNGC would be required to record the hours of operation for this unit on a monthly and 12-month rolling total basis to ensure that the permittee operates the engine as an emergency stationary RICE as specified by 40 CFR §63.6640(f). These records would be required to be maintained in a permanent form suitable for inspection and be made available upon request.

Recommendation

Based on the above analysis, I recommend that the Title V Major Source Operating Permit (409-0009) be renewed with the requirements noted above pending resolution of any comments received during a 30-day public comment period and a 45-day EPA review.

Brandon Cranford

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Chemical Branch

Air Division

October 29, 2019

Date

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