



**NAVAJO NATION ENVIRONMENTAL PROTECTION
AGENCY**

**Navajo Nation Operating Permit Program
Rt. 112 North, Building F004-051
P.O. Box 529, Fort Defiance, AZ 86504**



Detailed Information

Permitting Authority: NNEPA

County: San Juan

State: New Mexico

AFS Plant ID: 35-045-N0565

Facility: El Paso Natural Gas Company (EPNG) – White Rock Compressor Station

Document Type: RESPONSES TO COMMENTS

RESPONSES TO COMMENTS

**on the Part 71 Permit to Operate
El Paso Natural Gas Company (EPNG) – White Rock Compressor Station**

Permit No. NN OP 05-008

On February 28, 2008, the Navajo Nation Environmental Protection Agency (NNEPA) had a notice published in the Navajo Times of Window Rock, Arizona and the Gallup Independent of Gallup, New Mexico stating that El Paso Natural Gas Company (EPNG) – White Rock Compressor Station, located at Portion NE 1/4 Section 15, Township 23-N, Range 14-W, 22 miles east of Newcomb, New Mexico, had applied for a Part 71 Operating Permit renewal to operate a natural gas compressor station. The notice also stated that NNEPA proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

On March 28, 2008, EPNG – White Rock Compressor Station (referred to as "the permittee") submitted comments on the proposed Part 71 Operating Permit. Their comments are listed in Comments 1 through 7. On April 10, 2008, U.S. EPA submitted comments on the proposed Part 71 Operating Permit. Their comments are listed in Comments 8 through 26. This Response to Comment document provides responses to all of these comments. When permit language is included in the response, bolded language indicates additions to the permit and language with a line through it has been deleted from the permit. The summary of the comments is as follows:

Comments from the Permittee (Comments 1 through 7)

Comment 1:

The permittee proposed a correction to the unit A-01 horsepower rating under Section I from 6,668 hp to 10,040 hp, a correction to the unit A-02 horsepower rating from 9,716 hp to 13,830 hp, and a correction to the unit AUX-01 horsepower rating under Section I from 672 hp to 365 hp.

Response to Comment 1:

Section 1. of the permit has been updated as follows:

Unit ID/ Stack ID	Unit Description	Maximum Capacity	Commenced Construction Date	Control Device
A-01	One (1) natural gas-fired regenerative-cycle turbine	76.7 MMBtu/hr 6,668 10,040 hp	1966 and modified in 1991	N/A
A-02	One (1) natural gas-fired regenerative cycle turbine w/ dry low NOx combustion	170.2 MMBtu/hr 9,716 13,830 hp	prior to 1977	N/A
AUX-01	One (1) natural gas-fired RICE, for auxiliary power generation	2.6 MMBtu/hr 672 365 hp	2005	N/A
...

The capacity and PTE information in Appendix A to the Statement of Basis (SoB) and the SoB have been corrected accordingly.

Comment 2:

The permittee requested a correction to Condition II.A.1, which incorrectly indicated the ton/yr NOx emission rate for AUX-02.

Response to Comment 2:

Condition II.A.1 has been updated as follows:

Emission Unit ID#	Emission Unit	Emission Rates (tons/yr)	
		NOx	CO
...
AUX A-02	One (1) natural gas-fired RICE, for auxiliary power generation	2.0 0.4	0.05

The SoB has also been updated accordingly.

Comment 3:

The permittee requested a minor correction to Condition II.A.12(a).

Response to Comment 3:

Condition II.A.12(a) has been updated as follows:

12. ...

- a. Sampling must be conducted in accordance with EPA Reference Method 20 for the concentration of NOx and Oxygen; Method 10 for the concentration of CO, and Method 9 for Opacity. ~~Consistent~~ Consistent with Condition II.A.9, EPA Reference Method 7E is also approved for sampling the concentration of NOx and oxygen.

Comment 4:

The permittee requested changes to Condition III.A.2 and III.A.4. The permittee requested to revise Condition III.A.2 to specify that all source tests shall be performed at maximum available operating rates (90% to 110%) of device design capacity. The permittee requested to remove the language in Condition III.A.4 that specifies that the permittee must record parametric data 2 hours before and 2 hours after a stack test.

Response to Comment 4:

Condition III.A.2 has been revised accordingly. Condition III.A.4 will remain unchanged. The permittee must record the information required under Conditions III.A.4 (a) through (d) for two (2) hours prior to the test and two (2) hours after the completion of the test, to provide an accurate evaluation of equipment operation.

Comment 5:

The permittee requested revisions to the PSD discussion in the Existing Approvals section on page 2 and the PSD Applicability section on page 8 of the SoB to remove references to BACT, correct the date of issuance of the minor modification, and to correct the permit conditions cited.

Response to Comment 5:

The Statement of Basis, Existing Approvals discussion (Section 1.e) has been updated as follows. The discussion has also been updated to reflect the changes requested by U.S EPA in comments 24 and 25, and Change 1 made by NNEPA:

Conditions II.C.1 through ~~II.C.3~~, II.C.2, II.C.4, and II.C.5 (NN-OP 00-04): The permittee has elected to use natural gas which meets the definition in 40 CFR

60.331(u) and not to monitor the total sulfur content of the natural gas combusted in turbines A-01 and A-02 as allowed by 40 CFR 60.334(h)(3). The permittee has provided an excerpt from its current tariff from the Federal Energy Regulatory Commission (FERC) demonstrating that the fuel delivered to this plant satisfied the "natural gas" definition in 40 CFR 60.331(u). Therefore, Conditions II.C.1, II.C.2, II.C.4 and II.C.5 in NN-OP 00-04, issued on December 26, 2000, have been removed.

Condition II.C.10 (NN-OP 00-04): On February 11, 2008, the permittee sent a letter to U.S. EPA Region IX requesting an amendment to Permit no. PSD-NM-1000-B, issued ~~December 26, 2000~~ **July 29, 2005**, to incorporate changes to ~~BACT conditions referencing NSPS Subpart GG~~. Subpart GG was revised on July 8, 2004. The Permittee is requesting that the Permit PSD-NM-~~999~~**1000-B** be revised to be consistent with the revisions to Subpart GG. Condition II.C.~~8~~**10** required fuel **nitrogen and** sulfur content monitoring of the fuel being fired in the turbines. The changes to Subpart GG included changes to sulfur and nitrogen monitoring requirements. 40 CFR 60.334(h)(2) was changed to only require fuel nitrogen content monitoring if the source claims an allowance for fuel bound nitrogen. The Permittee does not make this claim. Additionally, changes in 40 CFR 60.334(h)(3) allow the source to opt out of monitoring sulfur content, provided the permittee can demonstrate that their fuel meets the definition of natural gas in 40 CFR 60.331. The Permittee uses natural gas meeting the definition. El Paso Natural Gas can demonstrate compliance with the emission requirements of NSPS, Subpart GG ~~and BACT~~ without performing fuel sulfur or fuel nitrogen monitoring. ~~Therefore, the proposed amendment will remove the existing monitoring requirements for nitrogen and sulfur content in Special Condition VI.J.1. U.S. EPA has indicated that they will process the revisions to Permit no. PSD NM 1000 B concurrently with NNEPA processing this Part 71 Renewal.~~ **On June 18, 2008, U.S. EPA revised the PSD permit for EPNG-White Rock Compressor Station (PSD-NM-1000-B), to address the revisions requested in EPNG's February 11, 2008 letter. U.S. EPA agreed to remove the fuel nitrogen and sulfur content monitoring requirement (Special Provision 12). Therefore, NNEPA has not included Special Provision 12 in the Part 71 renewal.**

The PSD applicability discussion (Section 3 of the SoB) has been updated as follows. The following language also incorporates changes as discussed in Comments 22, 23, and 24:

The El Paso Natural Gas White Rock compressor station was constructed in 1966 and modified in 1991. This existing source ~~is~~ **was** not in one of the 28 source categories defined in 40 CFR 52.21(b)(1)(iii) and ~~has had a~~ **has had a** potential to emit NOx ~~greater than~~ equal to 250 tons per year. Therefore, this source is an existing PSD major source. The initial construction of this source predated the PSD applicability date. Therefore, the construction of this source ~~is~~ **was** not subject to PSD review. In 1991, El Paso Natural Gas installed one (1) GE Frame 3 gas turbine (unit A-02), and two (2) reciprocating combustion engines for auxiliary

power (units AUX A-01 and AUX A-02). At the same time, Unit A-01 was modified to increase the maximum capacity. The 1991 modification ~~is~~ **was** subject to PSD Review and was permitted in PSD Permit NM-1000, issued by U.S. EPA on October 1, 1991. This PSD permit included federally enforceable emission limitations for NO_x and CO.

On July 29, 2005, U.S. EPA issued ~~an amendment~~ **a minor modification** to the original PSD permit (PSD Permit NM-1000-B), for the replacement of the existing 672 hp full-time generator (unit AUX A-01) with a smaller unit.

On February 11, 2008, the permittee sent a letter to U.S. EPA Region IX requesting an amendment to Permit no. PSD-NM-1000-~~B~~, issued ~~December 26, 2000~~ **July 29, 2005**, to incorporate changes to ~~BACT conditions referencing NSPS Subpart GG. Subpart GG was revised on July 8, 2004. The Permittee is requesting~~ **requested** that the Permit PSD-NM-~~999~~**1000-B** be revised to be consistent with the revisions to Subpart GG. ~~Condition II.C.8 required fuel sulfur content monitoring of the fuel being fired in the turbines. The changes to Subpart GG included changes to sulfur and nitrogen monitoring requirements. 40 CFR 60.334(h)(2) was changed to only require fuel nitrogen content monitoring if the source claims an allowance for fuel bound nitrogen. The Permittee does not make this claim. Additionally, changes in 40 CFR 60.334(h)(3) allow the source to opt out of monitoring sulfur content, provided the permittee can demonstrate that their fuel meets the definition of natural gas in 40 CFR 60.331. The Permittee uses natural gas meeting the definition. El Paso Natural Gas can demonstrate compliance with the emission requirements of NSPS, Subpart GG and BACT without performing fuel sulfur or fuel nitrogen monitoring. Therefore, the proposed amendment will remove the existing monitoring requirements for nitrogen and sulfur. U.S. EPA has indicated that they will process the revisions to Permit no. PSD-NM-1000 concurrently with NNEPA processing this Part 71 Renewal.~~ **On June 18, 2008, U.S. EPA revised the PSD permit for EPNG-White Rock Compressor Station (PSD-NM-1000-B), to address the revisions requested in EPNG's February 11, 2008 letter. Subpart GG no longer requires facilities to monitor fuel sulfur content if a turbine subject to the NSPS uses a fuel that meets the definition of "natural gas" in 40 C.F.R. 60.331(u). Additionally, Subpart GG exempts "regenerative cycle turbines" with a heat input of less than or equal to 100 MMBtu/hour from the NO_x emission limit. Both turbines at the White Rock Compressor Station qualify for this exemption. The Part 71 Renewal contains Condition II.C.3, which requires turbines A-01 and A-02 to "operate as regenerative cycle turbines, as defined in 40 CFR 60.331, at all times." Since the facility satisfies the requirement to use a fuel that meets the definition of "natural gas" in 40 C.F.R. 60.331(u) and has provided the documentation required by 40 C.F.R. 60.334(h)(3), and the engines A-01 and A-02 will operate as regenerative cycle turbines, U.S. EPA agreed to remove the fuel nitrogen and sulfur content monitoring requirement (Special Provision 12). NNEPA has not included Special Provision 12 in the Part 71 renewal.**

Comment 6:

The Permittee requested that the NESHAP discussion for 40 CFR 63, Subpart HHH (Oil and Natural Gas Production) be revised to clarify that there are no affected sources at this facility.

The Permittee also requested that the NESHAP discussion for 40 CFR 63, Subpart ZZZZ (Reciprocating Internal Combustion Engines) be revised to reflect the source's area source status under the rule.

Response to Comment 6:

The NESHAP discussion for Subpart HH in the SoB has been revised as follows:

This source does not meet the definition of oil and natural gas production facility as specified in 40 CFR 63.760(a). ~~Additionally, this source has the potential to emit HAP is less than 10 tons per year of a single HAP and 25 tons per year of combined HAP.~~, **since there are no affected sources covered by this regulation at this facility.** Therefore, this source is not subject to the requirements of NESHAP, Subpart HH.

The SoB has been revised to discuss the changes in applicability of 40 CFR 63, Subpart ZZZZ, following revisions to the rule published on January 10, 2008. See NNEPA Change 2 for more information.

Comment 7:

The permittee requested minor changes to Appendix A of the SoB, including corrections to the emission factors used for AUX-A02.

Response to Comment 7:

Appendix A and the PTE table of the Statement of Basis have been updated as follows:

Process/facility	Potential to Emit (tons/year)						
	PM	PM-10	SO ₂	NO _x	VOC	CO	HAPs
Unit A-01	2.29	2.29	1.18	177	0.73	32.1	0.34
Unit A-02	2.71	2.71	1.40	66.4	0.86	46.8	0.40
Unit AUX A-01	0.11 0.44	0.44	0.01	7.05	8.80	13.2	2.47
Unit AUX A-02	Negligible	0.01	Negligible	0.40	0.02	0.05	0.01
Insignificant Activities*	Less than 5.00	Less than 5.00	-	-	Less than 5.00	-	Negligible
PTE of the Entire Source	10.11 10.44	10.4	2.46 2.659	250	15.4	92.1	3.21

Process/facility	Potential to Emit (tons/year)						
	PM	PM-10	SO ₂	NO _x	VOC	CO	HAPs
Title V Major Source Thresholds	NA	100	100	100	100	100	10 for a single HAP and 25 for total HAPs

Comments from the U.S. EPA (Comments 8 through 26)

Comment 8:

U.S. EPA stated that EPNG's most recent compliance certification for the White Rock facility covered a one-year period that ended on December 25, 2007. The renewal permit must ensure that as the facility is converted to calendar-year based certifications, there are no gaps in the periods of time for which the facility must certify compliance. To avoid a gap in compliance certification coverage while converting to calendar-year certifications, condition IV.C.1. should be revised to allow for two special reporting periods, the first beginning on December 26, 2007. U.S. EPA noted that the two reporting periods are necessary to convert the source to a calendar year schedule, while ensuring that no certification period covers a period of more than one year. U.S. EPA also suggested that the semi-annual monitoring reports should be handled accordingly.

Comment 9:

The proposed permit requires the permittee to submit compliance certifications to NNEPA on a semi-annual basis. U.S. EPA stated that 40 CFR Part 71 requires permitted sources to submit certifications annually. NNEPA's operating permit regulations require semiannual submittal (Part H of NNEPA's air quality control regulations). Since Part H is not part of an EPA-approved Part 70 program, neither EPA nor citizens can enforce the semiannual requirement. While NNEPA may require more frequent compliance certifications than Part 71 requires, it should do so in a separate condition that is marked as tribally enforceable only. U.S. EPA recommends revising condition IV.C.1. to require annual submittals, postmarked by January 30. The new tribally enforceable condition would require a submittal by July 31 and cover the period from January 1 through June 30.

Response to Comments 8 and 9:

Condition IV.C. has been revised as follows as a result of these comments:

IV.C. Compliance Certifications [40 CFR § 71.6(c)(5)] [NNOPR § 302(I)]

1. The permittee shall submit to NNEPA and U.S. EPA Region 9 ~~semi-annually~~ a certification of compliance with permit terms and conditions, including emission limitations, standards, or work practices, postmarked by January 30 ~~and July 31 of each year~~ and covering the previous ~~six (6) calendar months~~ **year, except that the**

first reporting period shall cover the period from December 26, 2007 through July 30, 2008 and shall be postmarked by August 30, 2008, and the second reporting period shall cover the period from August 1, 2008 through December 31, 2008 and shall be postmarked by January 30, 2009. The compliance certification shall be certified as to truth, accuracy, and completeness by the permit-designated responsible official consistent with Section IV.E. of this permit and 40 CFR § 71.5(d) [40 CFR § 71.6(c)(5)] [~~NNOPR § 302(I)~~].

2. **The permittee shall submit to NNEPA a certification of compliance with permit terms and conditions, including emission limitations, standards, or work practices, postmarked by July 30 and covering the previous six (6) months, except that the first reporting period shall cover the effective date of this Part 71 permit through December 31, 2008. The compliance certification shall be certified as to truth, accuracy, and completeness by the permit-designated responsible official consistent with Section IV.E. of this permit. This condition is enforceable by NNEPA only [NNOPR § 302(I)].**
23. The certification shall include the following:
...

To address the semiannual reporting requirements, Condition III.C.1 has been revised as follows:

III.C. Reporting Requirements [40 CFR § 71.6 (a)(3)(iii)] [NNOPR § 302 (G)]

1. The permittee shall submit to NNEPA **and U.S. EPA Region 9** reports of any monitoring required under 40 CFR § 71.6(a)(3)(i)(A), (B), or (C) each six month reporting period from January 1 to June 30 and from July 1 to December 31, **except that the first reporting period shall cover the period from the effective date of this Part 71 permit through December 31, 2008.** All reports shall be submitted to NNEPA **and U.S. EPA Region 9** and shall be postmarked by the 30th day following the end of the reporting period. All instances of deviations from permit requirements must be clearly identified in such reports. All required reports must be certified by a responsible official consistent with Condition IV.E of this permit.
- ...

Comment 10:

U.S. EPA stated that they received a request from EPNG to modify the PSD Permit (PSD-NM-1000-B) for the White Rock Compressor station on February 11, 2008. Until the amendment is finalized, all current PSD conditions must be included in the Part 71 renewal. U.S. EPA requested that NNEPA wait until the PSD amendment is issued, such that NNEPA may include the changes from the permit amendment.

Response to Comment 10:

U.S. EPA finalized the amendment for the PSD permit for the EPNG White Rock Compressor station on June 18, 2008. NNEPA has incorporated all changes from the amended PSD permit (PSD-NM-1000-B) into the Part 71 renewal. Please see NNEPA Change 1 for additional details.

Comment 11:

U.S. EPA stated that NNEPA has erroneously modified the language of conditions from EPA-issued PSD permits. All PSD conditions are applicable requirements that must be included as the exact text of the original PSD conditions. U.S. EPA requested that NNEPA review all PSD conditions applicable to the facility and ensure that they have been correctly incorporated into the Part 71 renewal permit.

Comment 12:

U.S. EPA indicated that the White Rock Statement of Basis notes that Condition II.B.1 of the initial Part 71 permit, which contains Special Condition 2 of the facility's PSD permit and requires emission point A-01 to comply with all the applicable NSPS, is redundant and has been deleted because these requirements are now in II.B and II.C. While those sections of the permits do contain NSPS requirements, they do not contain Special Condition 2 from the PSD permits. Therefore, these conditions must be included in the permit.

Comment 13:

U.S. EPA stated that NNEPA has substituted "NNEPA" for "EPA" (or cited both) in several conditions where this is not appropriate (PSD conditions as describe in Comment 11, and also NSPS conditions). Where such requirements overlap with Part 71 requirements, it is appropriate to refer to both NNEPA and EPA. However, purely NSPS requirements should not exclude EPA, since EPA has not delegated NSPS implementation to NNEPA (and some NSPS conditions are non-delegable). U.S. EPA requested that NNEPA review all conditions where NNEPA is cited to determine which are appropriate and which must be revised.

Response to Comments 11, 12, and 13:

NNEPA has revised the following conditions to be consistent with the requirements established in Permit No. PSD-NM-1000-B:

Condition II.A.1: Pursuant to PSD-NM-1000-B, issued on July 29, 2005, the Permittee shall not exceed the emissions listed in the table below. The following tables list all sources of air contaminants on applicant's property emitted by the facility covered by permit no. PSD-NM-1000-B. The emission rates shown are those

derived from information submitted as part of the application for Permit No. PSD-NM-1000-B. The hourly NO_x and CO emission rates listed below are directly enforceable. Any proposed increase in emission rates may require an application for a modification of the facilities covered by permit no. PSD-NM-1000-B. [Permit no. PSD-NM-1000-B, Special Condition VI.A]

....

Condition II.A. 4 has been modified as follows:

4. **Dry low NO_x (DLN) combustion shall be installed and in operation by June 1, 1994. After that date, and thereafter, emission point A-02 shall affect an emission reduction on this turbine such that t**The emission concentration of nitrogen oxides (NO_x) in the stack gases from the gas turbine identified as emission point A-02 shall not exceed 42 parts per million by volume (ppmv). Measured stack concentrations shall be expressed on a dry basis at 15 percent oxygen. [Permit no. PSD-NM-1000-B, Special Condition VI.C.b]

....

Condition II.A.8 (former condition II.B.1) has been included in the permit as follows:

....

8. **The upgraded gas turbine identified as emission point A-01 shall comply with all applicable requirements of Environmental Protection Agency (EPA) regulations on Standards of Performance for New Stationary Sources promulgated for stationary gas turbines in Title 40 Code of Federal Regulations Part 60 (40 CFR Part 60), Subparts A and GG. If any provision of this Permit No. PSD-NM-1000-B is more stringent than the regulations so incorporated, then for the purpose of complying with permit no. PSD-NM-1000-B, the permit shall govern and be the standard by which compliance shall be demonstrated [Permit No. PSD-NM-1000-B Special Provision VI.B]**
- ~~8.~~ **9.** Operation of the emergency generator, identified as emission point AUX A-02, shall be limited only to times when the full-time generator, identified as emission point AUX A-01, is not operational. [Permit no. PSD-NM-1000-B Special Provision VI.H]

....

Condition II.A.10: It shall be the responsibility of the ~~permittee~~ **holder of this permit** to demonstrate or otherwise justify the equivalency of emission control methods, sampling or other emission testing methods and monitoring methods proposed as alternatives to methods indicated in the provisions of permit PSD-NM-1000-B.

Alternative methods shall be applied for in writing and shall be reviewed and approved by the NNEPA prior to their use in fulfilling any requirements of permit PSD-NM-1000. [Permit no. PSD-NM-1000-B, Permit Condition I]

Condition II.A.11: If sampling of stacks or process vents is required, the ~~permittee~~ **holder of this permit** is responsible for providing sampling facilities and conducting the sampling operations at his own expense. [Permit no. PSD-NM-1000-B, Permit Condition II]

Condition II.A.13: The ~~permittee~~ **holder of this permit** shall perform stack sampling and other testing to establish the actual pattern and quantities of air contaminants being emitted into the atmosphere from each turbine. [Permit no. PSD-NM-1000-B, Special Condition VI.I]

....

- b. The NNEPA **and U.S. EPA Region 9** shall be contacted as soon as testing is scheduled but not less than 45 days prior to sampling to schedule a pretest meeting. The notice shall include:

....

A written proposed description of any deviation from sampling procedures specified in the permit provisions shall be made available to the NNEPA **and U.S. EPA Region 9** prior to the pretest meetings. The NNEPA **and U.S. EPA Region 9** shall approve or disapprove of any deviation from specified sampling procedures prior to its use. Requests to waive testing for any pollutant specified in the permit provisions shall be submitted to NNEPA **and U.S. EPA Region 9** for approval. Requests for alternate/equivalent procedures for NSPS testing shall be submitted to the NNEPA **and U.S. EPA Region 9** for approval.

- e. Sampling shall occur at such times as may be required by the NNEPA **and U.S. EPA Region 9**.
- f. Copies of the final sampling report shall be forwarded to NNEPA and **U.S. EPA Region 9** within 60 days after the sampling is completed. The report shall be sent to:

Navajo Nation Air Quality Control Program
Operating Permit Program
P.O. Box 529
Fort Defiance, AZ 86504

and

**Director, Air Division (Attn: AIR-1)
EPA Region IX
75 Hawthorne Street
San Francisco, CA 94105**

Condition II.A.14: The ~~permittee holder of this permit~~ shall perform a compliance stack test annually for NO_x, CO, and Opacity on Units A-01 and A-02. After at least one year of operation, the ~~permittee holder of this permit~~ may submit, to the ~~NNEPA U.S. EPA~~ for approval, an amendment of the protocol to include one of the following: A compliance test to be conducted every two or three years; a test to be conducted every quarter with a portable monitor; or a customized monitoring method approved by the appropriate EPA Region. [Permit no. PSD-NM-1000-B, Special Condition VI.J.2]

Condition II.A.16: ~~Within 180 days of issuance of this permit, and subsequently a~~At least once every 5 years, the permittee shall conduct a performance test for NO_x emissions from both generators AUX A-01 and AUX A-02. This test shall be conducted at the maximum available operating capacity of the equipment being tested, as the available electrical load conditions permit. If testing is performed at less than the maximum available operating capacity of the equipment being tested, the operating load must be reported, along with the test results, as a fraction of maximum capacity. ~~The test method to be used shall be specified in the test protocol submitted to NNEPA for this performance testing.~~ [40 CFR 71.6(a)(3)(i)]

Condition II.A.17: Information and data concerning production, operating hours, sampling and monitoring data, if applicable, fuel type and fuel sulfur content, if applicable, and all other information required by 40 CFR 60 shall be maintained in a file at the plant site or other previously approved location and made available at the request of personnel from the ~~NNEPA U.S. EPA~~. The file shall be retained for at least five years following the date that the information is obtained. [Permit no. PSD-NM-1000-B, Permit Condition V, 40 CFR 71.6(a)(3)(ii), 40 CFR 60.7(f)]

Condition II.A.18: In addition to other applicable recordkeeping requirements, the following information shall be maintained in a file by the ~~permittee holder of this permit~~ for a period of two years on a rolling retention basis and shall be made available on request to representatives of the ~~NNEPA U.S. EPA~~ [Permit no. PSD-NM-1000-B, Special Condition VI.K]:

Condition II.A.19: The ~~permittee holder of this permit~~ shall submit, to the ~~NNEPA appropriate EPA Regional Office~~, reports as described in 40 CFR 60.7. Such reports are required for each emission unit subject to this permit. In addition to the applicable information specified in 60.7(c), quarterly reports are required and should contain the hours of operation of the facility and a report summary of the periods of noncompliance. For the purpose of this permit, periods of noncompliance will be periods of exceedance of the parameters specified in condition II.A.11 of this permit and reported in units of

pounds per hour and tons per year, and the sulfur content limitations specified in Condition II.A.7 of this permit. [Permit no. PSD-NM-1000-B, Special Condition VI.L]

Condition III.A.1: Submit to **U.S. EPA Region 9 and NNEPA** a source test plan 30 days prior to any required testing. The source test plan shall include and address the following elements....

Condition III.A.6: Source test reports shall be submitted to **U.S. EPA Region 9 and NNEPA** within 60 days of completing any required source test.

Condition III.C.2: The permittee shall promptly report to **U.S. EPA Region 9 and NNEPA** deviations from permit requirements, including those attributable to upset conditions as defined in this permit...

Condition III.C.3: If any of the Conditions in III.C(2)(b)(i) or (ii) of this permit are met, the source must notify the permitting authority by telephone, facsimile, or electronic mail sent to **U.S. EPA Region 9 and NNEPA**, based on the timetable listed. A written notice, certified consistent with paragraph III.C(4) of this permit section must be submitted within 10 working days of the occurrence. All deviations reported under this section must also be identified in the 6-month report required under paragraph III.C(1) of this section.

Comment 14:

U.S. EPA requested that NNEPA modify the language in section 1 of the statement of basis that states "There are no enforcement actions pending." Instead, NNEPA should state that there are no known noncompliance issues that must be addressed in this permitting action, and therefore the renewal can be proposed and issued. NNEPA should address any recent enforcement actions in its statement of basis, especially if there are repercussions in the permit such as a compliance schedule. EPA recommends that NNEPA discontinue use of the boilerplate language stating there are no pending enforcement actions.

Response to Comment 14:

The SoB has been updated accordingly.

Comment 15:

U.S. EPA recommends that NNEPA delete "or NNEPA" from the following language in the Statement of Basis, PTE discussion:

Any physical or operational limitations on the maximum capacity of this plant 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 a part of its design if the limitation is enforceable by US EPA or NNEPA.

Until EPA has promulgated a rule that allows PTE limits to be created by conditions that are tribally enforceable only, conditions imposed only by NNEPA are not sufficient to limit a source's PTE.

Response to Comment 15:

The phrase "or NNEPA" has been removed from the language accordingly.

Comment 16:

U.S. EPA recommends deleting the following language from the Statement of Basis [cite which part of the SoB it's in]:

Therefore, fugitive NO_x and SO₂ emissions from this source are counted toward determinations associated with PSD review.

Since the facility is currently a major source under PSD due to their PTE of criteria pollutants, they are not making a physical change or a change in the method of operation, and it is not clear that the facility has fugitive NO_x and SO₂ emissions, there is no need to address how the fugitive emissions are evaluated for PSD applicability purposes.

Response to Comment 16:

NNEPA has removed the language accordingly.

Comment 17:

U.S. EPA stated that the "Summary of Applicable Federal Requirements" at the end of Section 5 of the Statement of Basis should include the PSD permit issued by EPA.

Response to Comment 17:

The summary table has been updated accordingly.

Comment 18:

U.S. EPA recommends that the phrase "after issuance" in the heading "Potential to Emit after Issuance" in section 1.1 in the Statement of Basis be deleted, because the facilities are not voluntarily taking limits on their PTE.

Response to Comment 18:

Section 1.1 has been updated accordingly.

Comment 19:

U.S. EPA stated that the citation for the PSD major source threshold in Section 1.1.ii of the Statement of Basis should be 40 C.F.R. 52.21(b)(1)(i)(a).

Response to Comment 19:

The citation has been updated accordingly.

Comment 20:

U.S. EPA stated that the NO_x tpy limit for AUX A-02 in the table in Condition II.A.1 should be 0.4, not 2.0.

Response to Comment 20:

The table has been updated accordingly as indicated in the response to Comment 2.

Comment 21:

U.S. EPA stated that the initial TV permit was issued to White Rock by U.S. EPA, not NNEPA, as section 1.d of the SoB indicates.

Response to Comment 21:

The SoB has been revised as follows:

d. History

....

The initial Title V permit for this source was issued by ~~NNEPA~~ **U.S. EPA** on December 26, 2000.

Comment 22:

U.S. EPA suggested revising section 1.e of the SoB to indicate that the first administrative amendment of the permit (January 14, 2005) was issued by NNEPA, following delegation of Part 71 from EPA Region 9. U.S. EPA also recommended that the U.S. EPA's July 29, 2005 PSD permit revision be referred to as a "modification" or "revision", not an amendment. The 2005 permit modification was a minor modification that included an opportunity for public comment. Similarly, Section 3 should say "modified" instead of "issued an amendment".

Response to Comment 22:

The SoB was updated as follows:

e. Existing Approvals

The source has been operating under Part 71 Operating Permit NN-OP 00-04, issued on December 26, 2000 and the following approvals:

- (a) First Administrative Amendment, issued **by NNEPA** on January 14, 2005, **following delegation of Part 71 to NNEPA from U.S. EPA Region 9.**
- (b) ~~An amendment~~ **minor modification** to the PSD Permit NM-1000-B, issued **by U.S. EPA** on July 29, 2005.

Section 3 (PSD Applicability) was updated as follows:

On July 29, 2005, U.S. EPA issued ~~an amendment~~ **a minor modification** to the original PSD permit (PSD Permit NM-1000-B), for the replacement of the existing 672 hp full-time generator (unit AUX A-01) with a smaller unit.

Comment 23:

U.S. EPA requested that NNEPA should reconcile conflicting parts of the SoB under Section 3 (PSD Applicability) and the PTE table under section 1.1.

Comment 24:

U.S. EPA recommended that the PSD Applicability discussion of the initial construction of the source and its 1991 modification be in the past tense.

Response to Comments 23 and 24:

Section 3 of the SoB has been updated as follows:

The El Paso Natural Gas White Rock compressor station was constructed in 1966 and modified in 1991. This existing source ~~is~~ **was** not in one of the 28 source categories defined in 40 CFR 52.21(b)(1)(iii) and ~~has had a~~ **potential** to emit NO_x ~~greater than~~ **equal to** 250 tons per year. Therefore, this source is an existing PSD major source. The initial construction of this source predated the PSD applicability date. Therefore, the construction of this source ~~is~~ **was** not subject to PSD review. In 1991, El Paso Natural Gas installed one (1) GE Frame 3 gas turbine (unit A-02), and two (2) reciprocating combustion engines for auxiliary power (units AUX A-01 and AUX A-02). At the same time, Unit A-01 was modified to increase the maximum capacity. The 1991 modification ~~is~~ **was** subject to PSD Review and was permitted in PSD Permit NM-1000, issued by U.S. EPA on October 1, 1991. This PSD permit included federally enforceable emission limitations for NO_x and CO.

Comment 25:

U.S. EPA requested that duplicate discussions of the February 11, 2008 letter of request and subsequently issued amendment to PSD Permit no. PSD-NM-1000-B on pages 3 and pages 6 and 7 of the SoB be revised to avoid duplication.

Response to Comment 25:

Section 3 and Section 1.e of the SoB have been revised to avoid duplication of language. See response to Comment 5 for the updated language.

Comment 26:

U.S. EPA requested that section 3.a on page 7 of the SoB be edited as follows:

Pursuant to PSD-NM-1000-B, issued on July 29, 2005, the Permittee shall not exceed the emissions listed in the table below. The hourly NOx and CO emission rates listed below are directly enforceable. Any proposed increase in emission rates ~~may~~ **would** require a **PSD permit** modification ~~application to permit no. PSD-NM-1000-B.~~ [Permit no. PSD-NM-1000-B, Special Condition VI.A]

Response to Comment 26:

Section 3.a has been updated accordingly.

Upon further review, NNEPA has decided to make the following additional changes to the permit:

1. U.S. EPA received a letter of request from EPNG to revise the PSD Permit (PSD-NM-1000-B) for EPNG-White Rock Compressor Station on February 11, 2008. On June 18, 2008, U.S. EPA revised the PSD permit for EPNG-White Rock Compressor Station (PSD-NM-999) to address the requested revisions. U.S. EPA addressed the deletion of the fuel sulfur and nitrogen content monitoring requirements (Special Condition 12). The New Source Performance Standard (NSPS) for gas turbines, 40 C.F.R. Part 60, Subpart GG, was revised on July 8, 2004 (69 FR41360). Subpart GG no longer requires facilities to monitor fuel sulfur content if a turbine subject to the NSPS uses a fuel that meets the definition of "natural gas" in 40 C.F.R. 60.331(u). Additionally, Subpart GG exempts "regenerative cycle turbines" with a heat input of less than or equal to 100 MMBtu/hour from the NOx emission limit. Both turbines at the White Rock Compressor Station qualify for this exemption. The Part 71 Renewal contains Condition II.C.3, which requires turbines A-01 and A-02 to "operate as regenerative cycle turbines, as defined in 40 CFR 60.331, at all times." Since the facility satisfies the requirement to use a fuel that meets the definition of "natural gas" in 40 C.F.R. 60.331(u) and has provided the documentation required by 40 C.F.R. 60.334(h)(3), and the engines A-01 and A-02 will operate as regenerative

cycle turbines, U.S. EPA agreed to remove the fuel nitrogen and sulfur content monitoring requirement (Special Provision 12). NNEPA has not included Special Provision 12 in the Part 71 renewal. The SoB has been revised accordingly. See the response to comment 5 for the revised language.

2. The National Emission Standards for Reciprocating Internal Combustion Engines (RICE) (40 C.F.R. 63, Subpart ZZZZ) were updated on January 10, 2008. This standard previously applied to stationary reciprocating internal combustion engines (non-road) equal to or greater than 500 brake horsepower (bhp) that are located at major HAP sources (≥ 10 tons/year of individual HAP or ≥ 25 tons/year of combined HAPs). However, on January 10, 2008, Subpart ZZZZ was revised to extend coverage to RICE that are less than 500 bhp and to RICE of all sizes that are located at area sources of HAP. Pursuant to 40 CFR 63.6590(b)(3), a stationary RICE that is considered an existing emergency stationary RICE or is an existing compression ignition (CI) RICE does not have to meet the requirements of 40 CFR 63, Subpart ZZZZ and no initial notification is necessary. Therefore, the existing two (2) reciprocating internal combustion engine (AUX A-01 and AUX A-02), which commenced construction before June 12, 2006, do not have any applicable requirements. For the purposes of this subpart, “commence construction” means when the installation of the unit began at the source. The SoB discussion for NESHAP Subpart ZZZZ has been updated to reflect this change. There were no changes to the permit.
3. The SoB has been updated to discuss the applicability of the New Source Performance Standards for Stationary Compression Ignition Internal Combustion Engines (40 CFR 60.4200-4219, Subpart IIII), Stationary Spark Ignition Internal Combustion Engines (40 CFR 60.4230-4248, Subpart JJJJ), and Stationary Combustion Turbines (40 CFR 60.4230-4248, Subpart KKKK), which were promulgated on January 10, 2008.
4. For clarification purposes and in order to be consistent with recently issued Part 71 permits, Condition IV.A - Fee Payment has been revised as follows:

IV.A. Fee Payment [NNOPR Subpart VI] [40 CFR § 71.6(a)(7) and § 71.9]

1. The permittee shall pay an annual permit fee in accordance with the procedures outlined below [NNOPR Subpart VI §§ 603(A) and (B)].
 - 1a. The permittee shall pay the annual permit fee by April 1 of each year.
 - 2b. The fee payment shall be in United States currency and shall be paid by money order, bank draft, certified check, corporate check, or electronic funds transfer payable to the order of the Navajo Nation EPA Air Quality Control Program.

- 3c. The permittee shall send **the** fee payment and a completed fee filing form to:

Navajo Nation Air Quality Control Program
Operating Permit Program
P.O. Box 529
Fort Defiance, AZ 86504

2. **The permittee shall submit a fee calculation worksheet form with the annual permit fee by April 1 of each year. Calculations of actual or estimated emissions and calculation of the fees owed shall be computed on the fee calculation worksheets provided by the EPA. Fee payment of the full amount must accompany each fee calculation worksheet. [40 CFR § 71.6(a)(7) and § 71.9(e)(1)] [NNOPR Subpart VI § 603(A)]**

3. **The fee calculation worksheet shall be certified by a responsible official consistent with 40 CFR § 71.5(d). [40 CFR § 71.6(a)(7) and § 71.9(e)(3)]**

- ~~4. The permittee shall send an updated fee calculation worksheet form and a photocopy of each fee payment check (or other confirmation of actual fee paid) submitted annually by the same deadline as required for fee payment to the address listed in Section IV.E. of this permit. [Permittee should note that an annual emissions report, required at the same time as the fee calculation worksheet by NNOPR Subpart VI § 603(B), has been incorporated into the fee calculation worksheet form as a convenience.]~~

54. Basis for calculating annual fee:

- a. The annual emissions fee shall be calculated by multiplying the total tons of actual emissions of all ~~“regulated fee pollutants” (for fee calculation)~~ emitted from the source by the ~~presumptive~~ **applicable** emissions fee (in dollars/ton) in effect at the time of calculation. **Emissions of any regulated air pollutant that already are included in the fee calculation under a category of regulated pollutant, such as a federally listed hazardous air pollutant that is already accounted for as a VOC or as PM10, shall be counted only once in determining the source’s actual emissions. [NNOPR Subpart VI §§ 602(A) and (B)(1)]**

- ~~(1)~~a. “Actual emissions” means the actual rate of emissions in tpy of any ~~regulated fee~~ pollutant ~~(for fee calculation)~~ emitted from a part 71 source over the preceding calendar year. Actual emissions shall be calculated using each emissions unit’s actual operating hours, production rates, in-place control equipment, and types of materials processed, stored, or combusted during the preceding calendar year. **Actual emissions shall not include emissions of any one fee pollutant in excess of 4,000 TPY, or any emissions**

that come from insignificant activities [See NNOPR Subpart VI, and Subpart I § 102.5].

~~(2)~~**b.** Actual emissions shall be computed using methods required by the permit for determining compliance, such as monitoring or source testing data [See ~~NNOPR Subpart VI, and Subpart I § 102.5~~ **40 CFR § 71.6(a)(7) and § 71.9(e)(2)**].

~~(3)~~**c.** If actual emissions cannot be determined using the compliance methods in the permit, the permittee shall use other federally recognized procedures [See ~~NNOPR Subpart VI, and Subpart I § 102.5~~ **40 CFR § 71.6(a)(7) and § 71.9(e)(2)**].

d. The term “fee pollutant” is defined in NNOPR Subpart I § 102(24).

~~(4)~~**e.** The term “regulated air pollutant” ~~(for fee calculation)~~ is defined in NNOPR Subpart I § 102.50, **except that for purposes of this permit the term does not include any pollutant that is regulated solely pursuant to 4 N.N.C. § 1121 nor does it include any hazardous air pollutant designated by the Director pursuant to 4 N.N.C. § 1126(B).**

~~(5)~~**f.** The permittee should note that the ~~presumptive~~ **applicable** fee amount is revised each year to account for inflation, and it is available from NNEPA starting on ~~September~~ **March** 1 of each year.

g. **The total annual fee due shall be the greater of the applicable minimum fee and the sum of subtotal annual fees for all fee pollutants emitted from the source. [NNOPR Subpart VI § 602(B)(2)]**

~~b.~~ ~~The permittee shall exclude the following emissions from the calculation of fees:~~

~~(1)~~ ~~The amount of actual emissions of each regulated pollutant (for fee calculation) that the source emits in excess of 4,000 tons per year [See NNOPR Subpart VI, and Subpart I § 102.5].~~

~~(2)~~ ~~Actual emissions of any regulated pollutant (for fee calculation) already included in the fee calculation [See NNOPR Subpart VI, and Subpart I § 102.5]; and~~

~~(3)~~ ~~The quantity of actual emissions (for fee calculation) of insignificant activities [Defined in NNOPR Subpart I § 102.29, and~~

~~40 CFR § 71.5(c)(11)(i)] or of insignificant emissions levels from emissions units identified in the Permittee's application pursuant to NNOPR Subpart I § 102.30, and 40 CFR § 71.5(c)(11)(ii) [See NNOPR Subpart VI, and Subpart I § 102.5].~~

- ~~6. Fee calculation worksheets shall be certified as to truth, accuracy, and completeness by a responsible official. [Permittee should note that the fee calculation worksheet form already incorporates a section to help you meet this responsibility.]~~
- 75.** The permittee shall retain, **in accordance with the provisions of 40 CFR § 71.6(a)(3)(ii), all** fee calculation worksheets and other emissions-related data used to determine fee payment for 5 years following submittal of fee payment. Emission-related data include, for example, emissions-related forms provided by NNEPA and used by the permittee for fee calculation purposes, emissions-related spreadsheets, and ~~emissions-related data, such as records of emissions monitoring data and related support information required to be kept in accordance with 40 CFR § 71.6(a)(3)(ii) [See NNOPR Subpart III § 302(F), and Subpart VI § 602(B)~~ **40 CFR § 71.6(a)(7) and § 71.9(i)**].
- 86.** Failure of the permittee to pay fees in a timely manner shall subject the permittee to assessment of penalties and interest in accordance with NNOPR Subpart VI § 603(C).
- 97.** When notified by NNEPA of underpayment of fees, the Permittee shall remit full payment within 30 days of receipt of notification [~~NNOPR Subpart VI § 603(C)~~ **40 CFR § 71.9(j)(2)**].
- ~~108.~~ **108.** A Permittee who thinks an NNEPA-assessed fee is in error and wishes to challenge such fee shall provide a written explanation of the alleged error to NNEPA along with full payment of the NNEPA assessed fee [~~See NNOPR Subpart VI § 603(B)~~ **40 CFR § 71.9(j)(3)**].