THE NAVAJO NATION

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Detailed Information
Permitting Authority: Navajo Nation Environmental Protection Agency

County: Coconino **State:** Arizona **AFS Plant ID:** 04-005-N0137

Facility: Transwestern Pipeline Company, LLC – Leupp Compressor Station Number 3
Document Type: STATEMENT OF BASIS

Part 71 Federal Operating Permit
Statement of Basis

Transwestern Pipeline Company, LLC
Leupp Compressor Station Number 3
Permit No. NN OP 18-001

1. Facility Information

a. Permittee

Transwestern Pipeline Company, LLC
6381 North Main
Roswell, NM 88201

b. Facility Location

Section 5/6, Township 22-N, Range 14-E
8 miles East of Leupp, Arizona in Coconino County, AZ

c. Contact Information

Facility Contact: Larry Campbell, Environmental Representative
Phone: (575) 625-8022

Responsible Official: David Roybal, Director of Operations
Phone: (618) 543-7546

d. Description of Operations, Products:

The facility is a natural gas compressor station that performs gas inlet filtration and natural gas compression and transmission.

Pre Draft

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e. Permitting and/or Construction History

This plant was initially constructed in 1967 to provide gas compression for a natural gas pipeline. In 2002, Transwestern Pipeline Company, LLC ("TWP") replaced three engine-driven gas compressors with a new natural gas-fired turbine (Unit 304), and two power generator engines (Units 323 and 324) at the Leupp Compressor Station Number 3 ("Leupp") . US EPA issued a significant modification on November 16, 2001 to install the new turbine and the power generators. The modification required that Units 323 and 324 not operate simultaneously, except during startup/shutdown transition from one generator unit to the other and that there be no more than 24 transition cycles in any twelve month period with each transition not lasting more than 5 minutes. Also, the total combined hours of operation for Units 323 and 324 were limited to 8760 hours in any 12 month period and 8784 hours in 12 months period with leap year cycle.

In the Part 71 renewal application submitted on November 17, 2009, the permittee requested an increase in the operating hours for the two generator engines combined, from 8,760 to 9,000 hours in any 12-month period, to allow for instances where both engines run simultaneously during the engine start-up sequence and during brief periods of maintenance.

The source did not trigger review under the Prevention of Significant Deterioration (PSD) permitting program at the time because the operating hours limit was not taken to avoid PSD. Therefore the question of whether the proposed hours increase is a relaxation that could possibly trigger PSD under 40 C.F.R. § 52.21(r)(4) did not arise. Furthermore, the potential emission increase associated with the hours increase by itself does not constitute a new major stationary source; therefore U.S. EPA determined that this action did not trigger PSD (or any other CAA applicable requirements).

In their current Part 71 renewal application, the permittee is requesting to increase the number of transition cycles from 24 to 48 in a calendar year with the total overlap period of all the transitions to last no more than 240 hours per year. The permittee is requesting this change due to longer maintenance times that are currently being required on Units 323 and 324 and the amount of time it takes to take down one unit and bring another unit up to normal temperature and operational efficiency to ensure a consistent supply of electricity for the entire facility. The requested change does not result in any emission increase as the total operating hours of the two generators would still be limited to 9,000 hours per year and 9,024 hours every leap year. The renewal permit consequently contains the requested change.

f. Permitted Emission Units and Control Equipment

Table 1 lists the permitted emission-generating units and activities at the facility.

ED_004016Q_00001094-00002

Table 1. List of Emission Units

Unit ID/ Stack ID	Unit Description	Maximum Capacity	Commenced Construction Date	Control Device
304	One (1) natural gas-fired turbine compressor	390.20 MMBtu/hr 33,915 hp	2002	N/A
323	One (1) natural gas-fired RICE*, for power generation	4.47 MMBtu/hr 526 hp	2002	N/A
324	One (1) natural gas-fired RICE*, for power generation	4.47 MMBtu/hr 526 hp	2002	N/A

*RICE – Reciprocating Internal Combustion Engine

g. <u>Insignificant Emissions</u>

This facility also emits pollutants at insignificant levels, as described in 40 CFR § 71.5(c)(11)(ii), as follows:

i. Fugitive VOC emissions from connections, flanges, open-ended lines, valves, and other components.

ii. Emissions released during the use of the emergency shutdown system and pressure relief valves.

iii. Emissions released during blowdown activities (during startup and shutdown).

iv. Fire pump and air compressor engine emissions.

v. Emissions released from any emission unit, operation, or activity that handles or stores a VOC or HAP organic liquid with a vapor pressure less than 1.5 psia.

vi. Storage tank emission. Table 2 contains a list of storage tanks present at the facility.

Table 2. List of Storage Tanks

Unit ID	Unit Description
T-1	25 gal Propane Tank (Pressurized)
T-2	440 bbl Vertical Oily Waste Water Tank
T-3	210 bbl Vertical Oily Waste Water Tank
T-4	500 bbl Vertical Pipeline Liquids Tank

Pre Draft

T-5	100 bbl Vertical Used Oil Tank
T-6	5,250 gal Horizontal Lube Oil Tank
T-7	5,250 gal Horizontal Lube Oil Tank
T-8	5,148 gal Horizontal Gear Oil/Glycol Tank
T-9	400 bbl Vertical Wash Rack Water Tank

h. Emissions Calculations

See Appendix A of this document for detailed emissions calculations.

i. Potential to Emit

Potential to emit (PTE) means the maximum capacity of any stationary source to emit any CAA-regulated air pollutant under the source's physical and operational design. See 40 C.F.R. § 52.21(b)(4). Any physical or operational limitation on the maximum capacity of TWP Leupp to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of fuel combusted, stored, or processed, must be treated as part of its design if the limitation is enforceable by US EPA. PTE is meant to be a worst-case emissions calculation and is used in many cases, though not all, to determine the applicability of federal requirements. Actual emissions may be much lower than PTE. The potentials to emit are presented in Tables 3 and 4 below.

Table 3. Potential to Emit of Criteria Air Pollutants

Emission Unit	Regulated Air Pollutants in tons per year (tpy)					
	PM_{10}	SO_2	NOx	VOC	CO	Total HAPs
304	11.28	5.81	141.6	3.59	86.2	1.76
323 and 324*	0.20	0.01	112.1	0.95	7.9	1.41
Insignificant Emissions**	less than 5.00	-	-	less than 5.00	-	negligible
PTE of the Entire Source	**16.5**	**5.8**	**253.6**	**9.5**	**94.1**	**3.2**
Title V Major Source Thresholds	100	100	100	100	100	10 for a single HAP and 25 for total HAPs

*The emissions are based on the permit limit of a combined total of 9,000 operating hours for generators 323 and 324.
**This is an estimate of emissions from blowdown activities and the fugitive VOC from equipment leaks

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Table 4. Facility-Wide Greenhouse Gas Emissions Potential to Emit

Emission Unit	Greenhouse Gas Emissions (CO_2 equivalent metric tons)
304	199,968
323 and 324	2,354
Total	**202,322**

2. Tribe Information

a. General

The Navajo Nation has the largest land base of any tribe in the United States, covering 27,425 square miles in three states: Arizona, Utah, and New Mexico. The Navajo Nation is currently home to more than 300,000 people. Industries on the reservation include oil and natural gas processing, coal mining, and tourism.

b. Local Air Quality and Attainment Status

All areas of the Navajo Nation are currently designated as attainment or unclassifiable for all pollutants for which a National Ambient Air Quality Standard (NAAQS) has been established.

3. Inapplicable Requirements

a. New Source Performance Standards (NSPS) for Stationary Combustion Turbines (40 CFR §§ 60.4300 – 60.4420; 40 CFR Part 60, Subpart KKKK)

On July 6, 2006, standards of performance for stationary combustion turbines (40 CFR §§ 60.4300-60.4420) were promulgated. This subpart applies to stationary combustion turbines that commence construction, modification, or reconstruction after February 18, 2005. This subpart does not apply to turbine 304 located at TWP Leupp because the turbine was installed prior to February 18, 2005 and has not been modified or reconstructed.

b. NSPS for SO_2 Emissions from Onshore Natural Gas Processing for which Construction, Reconstruction, or Modification Commenced After January 20, 1984, and On or Before August 23, 2011(40 CFR §§ 60.640 – 60.648; 40 CFR Part 60, Subpart LLL)

These regulations apply to sweetening units and sulfur recovery units at onshore natural gas processing facilities. As defined in this subpart, sweetening units are process devices that separate hydrogen sulfide (H_2S) and carbon dioxide (CO_2) from a sour natural gas stream. Sulfur recovery units are defined as process devices

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that recover sulfur from the acid gas (consisting of H_2S and CO_2) removed from sour natural gas by a sweetening unit. There are no sweetening units or sulfur recovery units located at TWP Leupp; therefore, this subpart does not apply.

c. **NSPS for Equipment Leaks of VOC from Onshore Natural Gas Processing Plants for which Construction, Reconstruction, or Modification Commenced After January 20, 1984, and On or Before August 23, 2011 (40 CFR §§ 60.630 – 60.636; 40 CFR Part 60, Subpart KKK)**

These regulations apply to compressors and other equipment at onshore natural gas processing facilities. As defined in this subpart, a natural gas processing plant is any processing site engaged in the extraction of natural gas liquids (NGLs) from field gas, fractionation of mixed NGLs to natural gas products, or both. NGLs are defined as the hydrocarbons, such as ethane, propane, butane, and pentane that are extracted from field gas. TWP Leupp neither extracts natural gas liquids from field gas nor fractionates mixed NGLs to natural gas products and thus does not meet the definition of a natural gas processing plant under this subpart. Therefore, subpart KKK does not apply.

d. **NSPS for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction, or Modification Commenced after June 11, 1973, and Prior to May 19, 1978 (40 CFR §§ 60.110 - 60.113; 40 CFR Part 60, Subpart K)**

These regulations apply to storage vessels for petroleum liquids with storage capacities greater than 40,000 gallons and do not apply to storage vessels for petroleum or condensate stored, processed, and/or treated at a drilling and production facility prior to custody transfer. There is no storage tank with a capacity greater than 40,000 gallons located on-site at TWP Leupp; therefore, this subpart does not apply.

e. **NSPS for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction, or Modification Commenced after May 18, 1978, and Prior to July 23, 1984 (40 CFR §§ 60.110a - 60.115a; 40 CFR Part 60, Subpart Ka)**

These regulations apply to storage vessels for petroleum liquids with storage capacities greater than 40,000 gallons and do not apply to petroleum storage vessels with capacities of less than 420,000 gallons used for petroleum or condensate stored, processed, or treated prior to custody transfer. There is no storage tank with a capacity greater than 40,000 gallons located on-site at TWP Leupp; therefore, this subpart does not apply.

ED_004016Q_00001094-00006

f. **NSPS for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for which Construction, Reconstruction, or Modification Commenced after July 23, 1984 (40 CFR §§ 60.110b – 60.117b; 40 CFR Part 60, Subpart Kb)**

These regulations apply to storage vessels with capacities greater than or equal to 75 cubic meters (471 bbl). Additionally, this Subpart does not apply to storage vessels with a design capacity less than or equal to 1,589.874 cubic meters used for petroleum or condensate stored, processed, or treated prior to custody transfer. There are no VOL storage tanks with a capacity greater than 75 cubic meters and petroleum or condensate storage tanks with a capacity greater than 1,589.874 cubic meters located on-site at TWP Leupp; therefore, this subpart does not apply.

g. **NSPS for Stationary Compression Ignition Internal Combustion Engines (40 CFR §§ 60.4200 – 60.4219; 40 CFR Part 60, Subpart IIII)**

These regulations establish emission standards and compliance requirements to control emissions from compression ignition (CI) internal combustion engines (ICE) that commence construction, modification or reconstruction after July 11, 2005, where the CI ICE have been manufactured after specified dates. For the purposes of this subpart, the date that construction commences is the date the engine is ordered by the owner or operator. The emission units 323 and 324 located at TWP Leupp are natural gas-fired reciprocating internal combustion engines (RICE) that were constructed prior to July 11, 2005 and have not been modified or reconstructed after July 11, 2005; therefore, subpart IIII does not apply.

h. **NSPS for Stationary Spark Ignition Internal Combustion Engines (40 CFR §§ 60.4230 – 60.4248; 40 CFR Part 60, Subpart JJJJ)**

These regulations establish emission standards and compliance requirements to control emissions from spark ignition (SI) internal combustion engines (ICE) that commence construction, modification or reconstruction after June 12, 2006, where the SI ICE are manufactured on or after specified dates. For the purposes of this subpart, the date that construction commences is the date the engine is ordered by the owner or operator. Units 323 and 324 located at TWP Leupp were constructed before June 12, 2006 and have not been modified or reconstructed after June 12, 2006; therefore, subpart JJJJ does not apply.

i. **NSPS for Crude Oil and Natural Gas Production, Transmission and Distribution (40 CFR §§ 60.5360 – 60.5430; 40 CFR Part 60, Subpart OOOO)**

These regulations establish emission standards and compliance schedules to control volatile organic compounds (VOC) and sulfur dioxide (SO_2) emissions from affected facilities that commence construction, modification or reconstruction after August 23, 2011. No equipment at TWP Leupp was constructed, modified or reconstructed after August 23, 2011; therefore, subpart OOOO does not apply.

ED_004016Q_00001094-00007

j. **NSPS for Crude Oil and Natural Gas Facilities (40 CFR §§ 60.5360a – 60.5499a; 40 CFR Part 60, Subpart OOOOa)**

These regulations establish emission standards and compliance schedules for the control of the pollutant greenhouse gases (GHG) from affected facilities that commence construction, modification or reconstruction after September 18, 2015. No equipment at TWP Leupp was constructed, modified or reconstructed after September 18, 2015; therefore, subpart OOOOa does not apply.

k. **National Emission Standards for Hazardous Air Pollutants (NESHAP) from Oil and Natural Gas Production Facilities (40 CFR §§ 63.760 – 63.779; 40 CFR Part 63, Subpart HH)**

These regulations apply to affected units located at oil and natural gas production facilities that are major sources or area sources of hazardous air pollutants (HAPs), as defined in 40 CFR § 63.761, and that process, upgrade, or store hydrocarbon liquids prior to the point of custody transfer, or that process, upgrade, or store natural gas prior to the point at which natural gas enters the natural gas transmission and storage source category or is delivered to a final end user. Affected units for major sources are glycol dehydration units, storage vessels with the potential for flash emissions, groups of ancillary equipment (except compressors) located at natural gas processing plants that are intended to operate in volatile HAP service, and compressors located at natural gas processing plants that are intended to operate in volatile HAP service. Affected units for area sources consist of triethylene glycol (TEG) dehydration units. TWP Leupp is not an oil or natural gas production facility; therefore, subpart HH does not apply.

l. **NESHAP from Natural Gas Transmission and Storage Facilities (40 CFR §§ 63.1270 – 63.1289; 40 CFR Part 63, Subpart HHH)**

These regulations apply to natural gas transmission and storage facilities that transport or store natural gas prior its entrance into a pipeline to a local distribution company or to a final end user and that are major sources of hazardous air pollutants (HAP), as defined in 40 CFR § 63.1271. The facilities covered by this source category include underground natural gas storage operations and natural gas compressor stations that receive natural gas via pipeline, from underground natural gas storage operations, or from natural gas processing plants. This subpart only applies to facilities that contain affected units, which consist of glycol dehydration units under 40 CFR § 63.1270(b). The TWP Leupp compressor station does not have any glycol dehydration units and is an area source of HAPs. Therefore, subpart HHH does not apply.

ED_004016Q_00001094-00008

m. NESHAP for Stationary Combustion Turbines (40 CFR §§ 63.6080 – 63.6175; 40 CFR Part 63, Subpart YYYY)

These regulations establish emission and operating limitations for hazardous air pollutant (HAP) emissions from existing, new, or reconstructed stationary combustion turbines located at major sources of HAP emissions as well as compliance requirements related to such limitations. A major source of HAP emissions is a source that emits or has the potential to emit 10 tpy of a single HAP or 25 tpy of a combination of HAPs. Under 40 CFR § 63.6090(b)(4), existing stationary combustion turbines that commenced construction or reconstruction on or before January 14, 2003 do not have to meet the requirements of this subpart. TWP Leupp is an area source of HAP emissions and turbine 304 at the facility was constructed before January 14, 2003. Therefore, the turbine 304 located at the facility is not subject to subpart YYYY.

n. Acid Rain Program (40 CFR Parts 72 – 78)

These regulations establish general provisions and operating permit program requirements for affected sources containing affected units. TWP Leupp does not contain any affected units, as specified in 40 CFR § 72.6(a). Therefore, the emission units at TWP Leupp are not subject to requirements of the Acid Rain Program.

o. Compliance Assurance Monitoring (CAM) Program (40 CFR Part 64)

These regulations apply to pollutant-specific emission units at major sources that are required to obtain 40 CFR part 70 or 71 permits where a unit is subject to an emission limitation or standard for the applicable regulated air pollutant, uses a control device to achieve compliance with such limitation or standard, and has potential pre-control device emissions of the applicable regulated air pollutant that equal or exceed the amount required for the source to be classified as a major source. No emission unit at TWP Leupp uses an add-on control device as defined in 40 CFR § 64.1. Therefore, pursuant to 40 CFR § 64.2, the requirements of 40 CFR Part 64 are not applicable.

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4. Applicable Requirements

The following requirements apply to the TWP Leupp compressor station.

Table 5. Summary of Applicable Federal Requirements

Applicable Requirements	Emission Point/Unit
Federal Air Quality Requirement	304, 323, 324
Requirements for Specific Units	304, 323, 324
NSPS Subpart A (General Provisions)	304
NSPS Subpart GG (Gas Turbines)	304
NESHAP General Provisions (40 CFR Part 63, Subpart A)	323, 324
NESHAP for RICE (40 CFR Part 63, Subpart ZZZZ)	323, 324
Asbestos NESHAP (40 CFR 61, Subpart M)	Facility Wide
Protection of Stratospheric Ozone (40 CFR Part 82)	Facility Wide

a. Prevention of Significant Deterioration (PSD)

TWP Leupp was constructed in 1967 and modified in 2002. This existing source is not in one of the 28 source categories defined in 40 CFR § 52.21(b)(1)(iii), but the source has potential to emit NOx greater than 250 tons per year. Therefore, this source is an existing PSD major source.

In 2002, TWP Leupp replaced three engine-driven gas compressors with a single natural gas-fired turbine (Unit 304) and two power generator engines (Units 323 and 324). On November 16, 2001, US EPA issued a significant modification to install Units 304, 323 and 324. The modifications that occurred in 2002 did not trigger PSD because the Permittee proposed emission limits of 25 ppm for both NOx and CO from the gas turbine (Unit 304) and thus the modifications did not cause a significant net emission increase as defined in 40 CFR § 52.21.

b. New Source Performance Standard (NSPS) for Stationary Gas Turbines (40 CFR §§ 60.330-60.335; 40 CFR Part 60, Subpart GG):

These regulations apply to stationary gas turbines with a heat input at peak load equal to or greater than 10.7 gigajoules (10 million Btu) per hour, based on the lower heating value of the fuel fired that were constructed or modified after October 3, 1977. There is one natural gas-fired turbine, 304, at TWP Leupp. Unit 304 was installed after October 3, 1977 and has a maximum heat input capacity greater than 10 MMBtu/hr. Therefore, Unit 304 is subject to the requirements of 40 CFR, Subpart GG and the general provisions of 40 CFR Part 60, Subpart A. The NOx limit required by Subpart GG for a turbine with a heat input at peak load greater than 100 MMBtu/hr is 75 ppm (40 CFR § 60.332(a)(1)). The significant modification permit issued by U.S. EPA on November 16, 2001 streamlined the NOx emission limit from Unit 304 to 25 ppm at 15% O2, based on a three-hour average.

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Turbine 304 is subject to the sulfur requirements in 40 CFR 60, Subpart GG. Pursuant to 40 CFR 60.333(b), the total sulfur contained in the fuel combusted shall not exceed 0.8 percent by weight (8,000 ppmw).

The permittee has elected not to monitor the total sulfur content of the natural gas combusted in turbine 304 by using natural gas which meets the definition in 40 CFR 60.331(u), pursuant to 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).

The Permittee is required to conduct an annual performance test as described in 40 CFR § 60.8 for NOx and CO from Unit 304, at the maximum operating capacity, to demonstrate compliance with the NOx and CO emission limit pursuant to 40 CFR § 71.6(a)(3)(i).

c. NESHAP for Stationary Reciprocating Internal Combustion Engines (40 CFR §§ 63.6580 – 63.6675; 40 CFR Part 63, Subpart ZZZZ)

Subpart ZZZZ establishes national emission limitations and operating limitations for hazardous air pollutants emitted from stationary reciprocating internal combustion engines (RICE) located at major and area sources of HAP emissions as well as compliance requirements related to these limitations. The TWP Leupp compressor station is an area source of HAP emissions and consists of two 4-stroke lean burn generating engines (323 and 324) with more than 500 hp each. Pursuant to 40 CFR § 63.6603(a), units 323 and 324 must meet the requirements of Table 2d:8.

d. Asbestos NESHAP (40 CFR Part 61, Subpart M)

TWP is subject to the national emission standard for asbestos, 40 CFR Part 61, Subpart M, for all renovation and demolition projects, as specified in the permit document.

e. Protection of Stratospheric Ozone (40 CFR Part 82)

TWP is subject to the requirements for protecting stratospheric ozone under 40 CFR Part 82. Applicable requirements are specified in the permit document.

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Table 6. Incorporation of Applicable Requirements into the Part 71 Permit

Requirement	Condition/ Section	Condition in Part 71 Permit	Description/Notes
Emission Limits	71.6	II.A.1	Limit of NOx emission concentration for Unit 304
	71.6	II.A.2	Limit of CO emission concentration for Unit 304
	71.6	II.A.3	Operational Requirement for Units 323 and 324
	71.6	II.A.4	Operational Requirement for Units 323 and 324
	71.6	II.A.5	Annual Testing Requirement for Unit 304
	71.6	II.A.6	Recordkeeping Requirement for Units 323 and 324
	71.6	II.A.7	General Recordkeeping Requirement
	71.6	II.A.8	Reporting Requirement
NSPS - 40 CFR Part 60, Subpart A	60.1	n/a	Applicability (no requirements)
	60.2	n/a	Definitions (no requirements)
	60.3	n/a	Units and abbreviations (no requirements)
	60.4(a)	II.B.1	Submit reports to EPA Region IX and NNEPA
	60.4(b)	n/a	Submit reports to delegated agencies (Tribe is not the delegated authority for NSPS)
	60.5	n/a	Applicability determinations (places requirements on US EPA, not the facility)
	60.6	n/a	Review of plans (places requirements on US EPA, not the facility)
	60.7(a)	II.B.9	Notification of construction or reconstruction (one-time only)
	60.7(b)	II.B.2	Records of startup, shutdown, and malfunction
	60.7(c)	n/a	CEMS reporting
	60.7(d)	n/a	Report format for CEMS reporting
	60.7(e)	n/a	Reporting frequency (PSD permit requires semi-annual excess emissions reports)
	60.7(f)	II.A.7	Maintain monitoring records for 5 years (PSD permit requires 2 years)
	60.7(g)	n/a	Notification required by state/local agency (no such notification required)
	60.7(h)	n/a	Disclaimer that subpart may clarify or make inapplicable any general provisions
	60.8	n/a	Initial performance tests (one time only)
	60.9	II.B.3	Availability of information
	60.10	n/a	State authority (no requirements)
	60.11(a)	II.B.4	Compliance with non-opacity standards

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	60.11(b)	n/a	Compliance with opacity standards (facility is not subject to opacity standard)
	60.11(c)	n/a	Times when opacity standards apply (facility is not subject to opacity standard)
	60.11(d)	II.B.5	Good practice to minimize emissions
	60.11(e)	n/a	Demonstrating compliance with opacity standards (facility is not subject to opacity standard)
	60.11(f)	n/a	Special provisions in subpart supersede general provisions (no requirements)
	60.11(g)	II.B.6	Credible evidence
	60.12	II.B.7	Circumvention
	60.13	n/a	CEMS requirements
	60.14	n/a	Modifications
	60.15	n/a	Reconstruction
	60.16	n/a	Priority list (no requirements)
	60.17	n/a	Incorporation of test methods by reference
	60.18	n/a	Requirements for flares (facility does not use flares to comply with NSPS)
	60.19	II.B.8	General notification and reporting
NSPS - 40 CFR Part 60, Subpart GG	60.330	n/a	Applicability (no requirements)
	60.331	II.C.2	NOx standard exemption during use of emergency fuel for Unit 304
	60.332	II.C.1	Standard for sulfur oxides (fuel sulfur standard)
	60.333	n/a	Standard for sulfur oxides (fuel sulfur standard)
	60.334(a)	n/a	Monitoring of water/steam, fuel for NOx control (the turbine does not use water injection to control NOx)
	60.334(b) & (c)	n/a	CEMS requirements
	60.334(d) through (g)	n/a	Monitoring of water/steam, fuel for NOx control for turbines constructed after July 8, 2004 (the turbine does not use water injection and was constructed in 2001)
	60.334(h)	II.C.3 II.C.4	Monitoring of fuel sulfur content not required if the fuel meets definition of natural gas in 40 CFR § 60.331(u)
	60.335	n/a	Test methods and procedures
NESHAP - 40 CFR Part 63, Subpart A	63.1	n/a	Applicability (no requirements)
	63.2	n/a	Definitions (no requirements)
	63.3	n/a	Units and abbreviations (no requirements)

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	63.4	II.D.1	Prohibited activities and circumvention
	63.5	II.D.2	Preconstruction notification
	63.6	n/a	Compliance with standards (no requirements)
	63.7	n/a	Performance testing (no requirements)
	63.8	II.D.3	Monitoring
	63.9	n/a	Notification
	63.10	II.D.4	Recordkeeping and reporting
	63.11-63.16	n/a	No requirements
NESHAP - 40 CFR Part 63, Subpart ZZZZ	63.6580 through 63.6590	n/a	Applicability (no requirements)
	63.6595	II.E	Compliance date
	63.6600 through 63.6602	n/a	Emission limitations for stationary RICE located at major sources of HAP emissions (facility is an area source of HAP emissions)
	63.6603	II.E.1	Emission and operating limitations for existing stationary RICE located at an area source of HAP emissions Units 323 and 324 are generators subjected to requirements of Table 2d.8 as stated in 40 CFR § 63.6603)
	63.6604	n/a	Diesel fuel requirements for CI RICE (Units 323 and 324 are RICEs which use natural gas as a fuel)
	63.6605	II.E.2	General compliance requirements
	63.6610 through 63.6620	n/a	Performance testing
	63.6625(e)(8) and (j)	II.E.3 - II.E.6	Maintenance and operation of generators Units 323 and 324
	63.6630 through 63.6635	n/a	Initial compliance with emission and operating limitations and demonstration of continuous compliance (Units 323 and 324 are not subject to emission or operating limitations or demonstrations of continuous compliance)
	63.6640	II.E.7 - II.E.9	Demonstration of compliance & reporting
	63.6645	n/a	Notifications (facility is not required to submit notification required in this section)
	63.6650	II.E.10	Reports
	63.6655 and 63.6660	II.E.11 - II.E.13	Recordkeeping

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	63.6665	n/a	General provisions
	63.6670	n/a	Implementation and enforcement
	63.6675	n/a	Definitions (no requirements)
Asbestos NESHAP - 40 CFR Part 61, Subpart M	61.140 through 61.157	III.E	Requirements for demolition and renovation at facilities containing asbestos
Stratospheric Ozone Protection – 40 CFR Part 82	82.1 through 82.306	III.D	Requirements for treatment of class I and class II substances

EPA promulgated a Federal Implementation Plan for preconstruction review of major sources in nonattainment areas and of minor sources and minor modifications at major sources in both attainment and nonattainment areas, which became effective on August 30, 2011. (*See* 76 FR 38748, July 1, 2011.) These regulations, codified in 40 CFR Parts 49 and 51, establish pre-construction review requirements for sources that will be incorporated in Part 71 federal operating permits. TWP Leupp is not currently constructing new emission units or modifying existing emission units. In the future, if the facility constructs new emission units or modifies existing emission units, it may be required to obtain a permit from US EPA prior to construction.

5. Monitoring

The first Part 71 Operating Permit for the facility was issued by US EPA on April 25, 2000. US EPA issued a major modification to the permit on November 20, 2001. NNEPA issued the Part 71 Operating Permit NN OP 09-001 for the facility on October 12, 2010. This permit is being renewed again in this action.

All conditions from previous approvals are being incorporated into this Part 71 Permit Renewal. One additional monitoring requirement, which comes from 40 CFR Part 63, Subpart ZZZZ, is being included in the Title V permit. The monitoring requirements in this permit are summarized below in Table 7.

ED_004016Q_00001094-00015

Table 7. Monitoring in the Title V Permit

Requirement	Requirement Condition #	Monitoring in Part 71 Permit	Monitoring Condition #
NOx, CO, and opacity Limits (Unit 304)	II.A.1 & II.A.2	Stack testing annually	II.A.5 & II.A.14
Operating Hours Limit (Units 323 and 324)	II.A.3 & II.A.4	Limit of Operating Hours	II.A.6
Fuel sulfur content limit	II.C.1	FERC tariff with maximum total fuel sulfur content of natural gas	II.C.3 & II.C.4

6. Endangered Species Act

Pursuant to Section 7 of the Endangered Species Act (ESA), 16 U.S.C. § 1536, and its implementing regulations at 50 CFR Part 402, US EPA is required to ensure that any action authorized, funded, or carried out by US EPA is not likely to jeopardize the continued existence of any federally listed endangered species or threatened species or result in the destruction or adverse modification of the designated critical habitat of any such species. NNEPA is issuing this federal Part 71 permit pursuant to a delegation from US EPA. However, this permit does not authorize the construction of new emission units or emission increases from existing units, nor does it otherwise authorize any other physical modifications to the facility or its operations. Therefore, NNEPA and US EPA have concluded that the issuance of this permit will have no effect on listed species or their critical habitat.

7. Use of All Credible Evidence

Determinations of deviations from, continuous or intermittent compliance with, 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 TWP Leupp, NNEPA and US EPA in such determinations.

8. NNEPA Authority

Authority to administer a Part 71 Permit Program was delegated to NNEPA by US EPA in part on October 13, 2004 and in whole on March 21, 2006. In delegating to NNEPA the authority to administer the Part 71 operating permit program, US EPA determined that NNEPA had adequate independent authority to administer the program, as required by 40 CFR § 71.10(a). Specifically, US EPA found NNEPA had adequate permit processing requirements and adequate permit enforcement-related investigatory authorities.

ED_004016Q_00001094-00016

Delegation Agreement between US EPA Region IX and NNEPA, §§ IV, V, VI.1, IX.2. Moreover, before waiving its collection of fees under 40 CFR § 71.9(c)(2)(ii), US EPA determined that NNEPA could collect sufficient revenue under its own authorities to fund a delegated Part 71 Program. Delegation Agreement at 1 and § II.2.

The Title V Permit therefore refers both to federal and to tribal provisions. When federal and tribal provisions are cited in parallel, the tribal provisions are identical to the federal provisions and compliance with the federal provision will constitute compliance with the tribal counterpart. Parallel tribal citations do not create any new requirements or impact the federal enforceability of the cited Part 71 requirements. All federal terms and conditions of the permit will be enforceable both by NNEPA and US EPA, as well as by citizens, under the federal Clean Air Act.

The provisions of Navajo law referenced in the permit will only be enforceable by NNEPA and will be enforced by NNEPA under the Navajo Nation Operating Permit Regulations and the Navajo Nation Air Pollution Prevention and Control Act, 4 N.N.C. §§ 1101-1162. Proposed Section IV.A (Fee Payment) refers only to the NNOPR as its source of authority because US EPA waived its collection of fees, as discussed above. This provision will be tribally enforceable only.

9. Public Participation

a. Public Notice

As described in 40 C.F.R. § 71.11(a)(5) and NNOPR § 403(A), all draft operating permits shall be publicly noticed and made available for public comment. The public notice requirements for permit actions and the public comment period are described in 40 C.F.R. § 71.11(d) and NNOPR § 403.

Public notice of this proposed permit action will be provided to TWP, US EPA Region IX, and the affected state, local and tribal governments via a mailed copy of the notice. A copy of the notice will also be provided to all persons who submitted a written request to be included on the mailing list.

Public notice will be published in a daily or weekly newspaper of general circulation in the area affected by this source.

b. Response to Comments

NNEPA will respond to all significant comments received on the draft Part 71 permit.

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