

ADDITIONAL TECHNICAL INFORMATION FOR NATURAL GAS SWEETENING FACILITY

The following information will be used for the technical review of a permit to install application for a **natural gas sweetening process.** This information is in addition to the general requirements outlined in the AQD document "Information for an Administratively Complete Permit to Install Application", Part 2 - Additional Supporting Information, Items A through F. All of the information may not be needed for each application. Also, this document may not be all inclusive. Additional information beyond that identified may be necessary to complete the technical review of any individual application. In the event a determination is made that new additional information is needed for a technical review, this document will be updated.

All referenced guidance documents are available at <u>http://www.deq.state.mi.us/aps</u> or you may contact the Permit Section at 517-373-7023.

A. Process Description

- 1. Describe the flame arrestor, automatic flame reigniter and automatic shutdown system used in the event of flame loss at each flare and incinerator.
- 2. List all wells being served by the proposed facility. Provide a complete hydrocarbon and sulfur analysis for each well.
- 3. Describe the vapor return or equivalent system to be used during loading or unloading of all storage tanks.
- 4. Include a commitment that sour gas will not be used for flare or incinerator pilot fuel.
- 5. Identify the pilot fuel and the pilot fuel usage rate in standard cubic feet per day (scfd) for each combustion device.
- 6. Describe the monitoring system to be used to measure the mass flow rate of hydrogen sulfide entering the plant, entering each air pollution control device, and going to each flare and incinerator.
- 7. Provide a commitment that all emergency relief valves, all storage tanks and all dehydrators will be vented to an emergency flare, an incinerator or a vapor recovery unit. Describe the system that will be used.
- 8. Describe the hydrogen sulfide monitoring system that will be used for fugitive emissions. The levels requiring automatic facility shutdown currently are: 100 parts per million (ppm) in the building enclosing a sweetening process, or 20 ppm in the ambient air if the equipment is not housed.
- 9. Describe the sulfur removal process and sulfur disposal process.

B. Regulatory Discussion

The following state air pollution control regulations may be applicable. Please review these regulations carefully to determine if they apply to your process and summarize the results in the application. The Air Pollution Control Rules may be viewed and downloaded from the AQD website at: www.michigan.gov/deqair.

- 1. State of Michigan, Department of Environmental Quality, Act 451 of 1994, Natural Resources and Environmental Protection Act, Part 55 Air Pollution Control and the following promulgated rules:
 - a) Rules 215 and 216 apply to an existing facility which has a current Renewable Operating Permit (ROP). A Permit to Install issued for the installation of new equipment or modifications to existing equipment is incorporated into an ROP pursuant to Rules 215 and 216.
 - b) Rule 220 applies to a major source and/or a major modification at a source which is located in a non-attainment area. A non-attainment area is one where the National Ambient Air Quality Standards (NAAQS) are not being met. Rule 220 requires compliance with the lowest achievable emission rate (LAER) and an emission reduction (offset) for each non-attainment air contaminant emitted in significant quantities as defined by Rule 119(e). However, a source may choose to "net out" of the requirements of Rule 220. Refer to "Guidelines for a Netting Demonstration" for additional detailed information.

- c) If the process or equipment was installed or modified after April 17, 1992, Rules 224 230 apply. Rule 224 requires the application of Best Available Control Technology for toxics (T-BACT) for all non VOC toxic air contaminants (TACs). T-BACT does not apply to emissions of VOCs. Rule 225 limits the emission impacts of TACs and requires a demonstration that the proposed emission of each TAC complies with a health-based screening level. Compliance can be demonstrated using any of three methods described in Rule 227(1) including the use of computerized dispersion modeling. Refer to "Guidelines for Conducting a Rule 224 T-BACT Analysis," "TACs-Demonstrating Compliance with Rule 225," and "Dispersion Modeling Guidance" for additional detailed information.
- d) Rule 403 addresses emissions from oil and natural gas producing or transporting facilities and natural gas processing facilities. Parts 4, 5 and 6 of this rule are particularly important and apply to all sweetening facilities.
- e) If the process or equipment was installed or modified after August 1, 1979, Rule 702 applies. This rule requires Best Available Control Technology (BACT) for new sources of volatile organic compounds (VOCs). Refer to "Instructions for Conducting a BACT Analysis" for additional detailed information.
- f) Rule 901 prohibits emissions of an air contaminant in quantities that cause either a) injurious effects to human health or safety, animal life, plant life of significant economic value, or property; or b) unreasonable interference with the comfortable enjoyment of life and property.
- 2. Federal Prevention of Significant Deterioration (PSD), 40 CFR Part 52.21. The federal PSD regulations apply to a major source and/or a major modification at a source which is located in an attainment area. An attainment area is one where all the NAAQS are being met. However, as with the non-attainment permitting, a source subject to the PSD regulations may choose to "net out" of the requirements. Refer to "Federal PSD Requirements," "Instructions for Conducting a BACT Analysis," and "Guidelines for a Netting Demonstration" for additional detailed information.
 - The Clean Unit test is an alternate method for determining PSD applicability. It encourages industries to invest in control equipment by providing greater operational flexibility after the control equipment is installed. Refer to "Federal PSD Requirements" and the "PSD Workbook" which is available on the Internet at <u>http://www.deq.state.mi.us/aps/downloads/permits/PSD%20Workbook.pdf</u>.
- 3. The PSD increments (40 CFR 52.21 (c)) and the NAAQS (40 CFR 52.21(d)) apply to all sources throughout the United States, regardless of size. Compliance with these air quality standards can be demonstrated using computerized dispersion modeling. An applicant for a PSD permit is required to submit PSD increment modeling for PM-10, SO₂ and NOx, and NAAQS modeling for PM-10, SO₂, NOx, CO, Ozone, and Lead as part of the application. Modeling for sources not subject to PSD may be done by the AQD. Refer to "Dispersion Modeling Guidance" for additional detailed information.
- 4. Federal Standards of Performance for New Stationary Sources (NSPS), 40 CFR, Part 60, Subpart KKK, Onshore Natural Gas Processing; Equipment Leaks of VOC.
- 5. Federal Standards of Performance for New Stationary Sources (NSPS), 40 CFR, Part 60, Subpart LLL, Onshore Natural Gas Processing; Sulfur Dioxide Emissions. NOTE: Subpart LLL applies to <u>all</u> sweetening facilities, however, smaller facilities may qualify for an exemption from control requirements.
- 6. The administrative rules of the Department require that proposed equipment be able to comply with other state laws prior to issuance of a Permit to Install. This includes obtaining other required permits and approvals. Therefore, please provide documentation that the proposed facility complies with requirements for adequate groundwater protection. Include the name and contact information for MDEQ staff involved in any formal determination.

C. Control Technology Analysis

 Rule 702 BACT applies to all sources of VOCs proposed to be installed within the State of Michigan. A Rule 702 BACT analysis is very similar to a PSD top-down BACT analysis. Michigan's air pollution control rules also define BACT as an emission limit. Rule 702 BACT should be applied on a flexible grouping of equipment – subdivisions of emission units and/or groupings of emission units – as long as it is logical to do so. Logical means that the principles on which the groupings (or subdivisions) are made are consistent with federal guidance and sound engineering practices. Refer to "Instructions for Conducting a BACT Analysis" for additional detailed information.

- 2. Best Available Control Technology for Toxics (T-BACT) means the maximum degree of emission reduction which the Department determines is reasonably achievable for each process that emits toxic air contaminants (TACs) taking into account energy, environmental and economic impacts, and other costs. T-BACT does not apply to VOCs. The analysis must be specific to the process and the TACs subject to a T-BACT review. T-BACT limits can be expressed as an emission limit, control equipment requirements, and/or work practice standards. Refer to "Guidelines for Conducting a Rule 224 T-BACT Analysis" for additional detailed information.
- 3. Lowest achievable emission rate (LAER) applies to a major source and/or a major modification at a source located in a non-attainment area. Currently the only two pollutants which may be subject to LAER in Michigan are VOCs and NOx. LAER is defined as the lowest emission limitation contained in any State Implementation Plan (SIP) or the lowest emission limitation achieved in practice. Such an emission limit is presumed to be LAER for that source class and category. If an applicant proposes to meet this presumptive LAER, no site-specific control technology determination will be necessary. When an applicant believes the presumptive LAER limit is not achievable, a site-specific determination is required. This determination should include consideration of raw material changes, process changes, and add-on control equipment. The cost of these changes is not considered. Raw material and process changes should be evaluated through technology transfer (i.e., the likelihood that such a change will transfer from one industry to another), based on the manufacture of similar products or use of similar raw materials or fuels. Add-on controls should be evaluated based on the physical and chemical characteristics of the pollutant-bearing exhaust stream.

D. Emissions Summary and Calculations

Provide a total mass balance for the proposed facility. Individual parameters based on design capacity should also be specified including: gas inlet flow rate (scfd), inlet gas and acid gas hydrogen sulfide concentration in percent by volume, and sulfur flow rate in the acid gas in long tons per day.

F. Site Description and Process Equipment Location Drawings

- 1. Provide a scaled map of the surrounding area, showing the location of the proposed facility and the locations of all residents within one mile.
- 2. List the names, addresses, and telephone numbers (telephone numbers are optional) of all residents indicated on the area map, and non-resident land owners within the same one mile area.