STATE OF MISSISSIPPI AIR POLLUTION CONTROL PERMIT

TO CONSTRUCT AIR EMISSIONS EQUIPMENT

THIS CERTIFIES THAT

BGGCO LLC West Baxterville Compressor Station Lease Road Off Gulf Camp Road Lamar County Baxterville, Mississippi

has been granted permission to construct air emissions equipment to comply with the emission limitations, monitoring requirements and other conditions set forth herein. This permit is issued in accordance with the provisions of the Mississippi Air and Water Pollution Control Law (Section 49-17-1 et. seq., Mississippi Code of 1972), and the regulations and standards adopted and promulgated thereunder.

MISSISSIPPI ENVIRONMENTAL QUALITY PERMIT BOARD

AUTHORIZED SIGNATURE MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

Permit No.: 1440-00039

Issued: MAY 1 8 2016

SECTION 1

A. GENERAL CONDITIONS

- 1. This permit is for air pollution control purposes only. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D.)
- 2. Any activities not identified in the application are not authorized by this permit. (Ref.: Miss. Code Ann. 49-17-29 1.b)
- 3. The knowing submittal of a permit application with false information may serve as the basis for the Permit Board to void the permit issued pursuant thereto or subject the applicant to penalties for operating without a valid permit pursuant to State Law. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(5).)
- 4. It is the responsibility of the applicant/permittee to obtain all other approvals, permits, clearances, easements, agreements, etc., which may be required including, but not limited to, all required local government zoning approvals or permits. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D(6).)
- 5. The issuance of a permit does not release the permittee from liability for constructing or operating air emissions equipment in violation of any applicable statute, rule, or regulation of state or federal environmental authorities. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(7).)
- 6. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit, unless halting or reducing activity would create an imminent and substantial endangerment threatening the public health and safety of the lives and property of the people of this state. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(a).)
- 7. The permit and/or any part thereof may be modified, revoked, reopened, and reissued, or terminated for cause. Sufficient cause for a permit to be reopened shall exist when an air emissions stationary source becomes subject to Title V. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(b).)
- 8. The permit does not convey any property rights of any sort, or any exclusive privilege. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(c).)
- 9. The permittee shall furnish to the DEQ within a reasonable time any information the DEQ may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the DEQ copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee shall furnish such records to the DEQ along with a claim of confidentiality. The permittee may furnish such

records directly to the Administrator along with a claim of confidentiality. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(d).)

- 10. Design and Construction Requirements: The stationary source shall be designed and constructed so as to operate without causing a violation of an Applicable Rules and Regulations, without interfering with the attainment and maintenance of State and National Ambient Air Quality Standards, and such that the emission of air toxics does not result in an ambient concentration sufficient to adversely affect human health and well-being or unreasonably and adversely affect plant or animal life beyond the stationary source boundaries. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.A.)
- 11. Solids Removal: The necessary facilities shall be constructed so that solids removed in the course of control of air emissions may be disposed of in a manner such as to prevent the solids from becoming windborne and to prevent the materials from entering State waters without the proper environmental permits. (Ref.: Miss. Code Ann. 49-17-29)
- 12. Diversion and Bypass of Air Pollution Controls: The air pollution control facilities shall be constructed such that diversion from or bypass of collection and control facilities is not needed except as provided for in 11 Miss. Admin. Code Pt. 2, R. 1.10., "Air Emission Regulations for the Prevention, Abatement, and Control of Air Contaminants", Section 10. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.10.)
- 13. Fugitive Dust Emissions from Construction Activities: The construction of the stationary source shall be performed in such a manner so as to reduce fugitive dust emissions from construction activities to a minimum. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.A(4).)
- 14. Right of Entry: The permittee shall allow the Mississippi Department of Environmental Quality Office of Pollution Control and the Mississippi Environmental Quality Permit Board and/or their representatives upon presentation of credentials:
 - a) To enter upon the permittee's premises where an air emission source is located or in which any records are required to be kept under the terms and conditions of this permit; and
 - b) At reasonable times to have access to and copy any records required to be kept under the terms and conditions of this permit; to inspect any monitoring equipment or monitoring method required in this permit; and to sample any air emissions. (Ref.: Miss. Code Ann. 49-17-21)
- 15. Permit Modification or Revocation: After notice and opportunity for a hearing, the Permit Board may modify the permit or revoke it in whole or in part for good cause shown including, but not limited to:
 - a) Persistent violation of any of the terms or conditions of this permit;

- b) Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or
- c) A change in federal, state, or local laws or regulations that require either a temporary or permanent reduction or elimination of previously authorized air emission.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.C.)

- 16. Public Record and Confidential Information: Except for data determined to be confidential under the Mississippi Air & Water Pollution Control Law, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Mississippi Department of Environmental Quality, Office of Pollution Control. (Ref.: Miss. Code Ann. 49-17-39)
- 17. Permit Transfer: This permit shall not be transferred except upon approval of the Permit Board. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.16.B)
- 18. Severability: The provisions of this permit are severable. If any provision of the permit, or the application of any provision of the permit to any circumstances, is challenged or held invalid, the validity of the remaining permit provisions and/or portions thereof or their application to other persons or sets of circumstances, shall not be affected thereby. (Ref. 11 Miss. Admin. Code Pt. 2, R. 2.1.D(7).)
- 19. Permit Expiration: The permit to construct will expire if construction does not begin within eighteen (18) months from the date of issuance or if construction is suspended for eighteen (18) months or more. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(1).)
- 20. Certification of Construction: A new stationary source issued a Permit to Construct cannot begin operation until certification of construction by the permittee. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(3).)
- 21. Beginning Operation: Except as prohibited in Part I, Condition 24 of this permit, after certification of construction by the permittee, the Permit to Construct shall be deemed to satisfy the requirement for a permit to operate until the date the application for issuance or modification of the Title V Permit or the application for issuance or modification of the State Permit to Operate, whichever is applicable, is due. This provision is not applicable to a source excluded from the requirement for a permit to operate as provided by 11 Miss. Admin. Code Pt. 2, R. 2.13.G. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(4).)
- 22. Application for a Permit to Operate: Except as otherwise specified in Part I, Condition 24 of this permit, the application for issuance or modification of the State Permit to Operate or the Title V Permit, whichever is applicable, is due twelve (12) months after beginning operation or such earlier date or time as specified in the Permit to Construct. The Permit Board may specify an earlier date or time for submittal of the application. Beginning operation will be assumed to occur upon certification of construction, unless the permittee specifies differently in writing. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(5).)

- 23. Operating Under a Permit to Construct: Except as otherwise specified in Part I, Condition 24 of this permit, upon submittal of a timely and complete application for issuance or modification of a State Permit to Operate or a Title V Permit, whichever is applicable, the applicant may continue to operate under the terms and conditions of the Permit to Construct and in compliance with the submitted application until the Permit Board issues, modifies, or denies the Permit to Operate. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(6).)
- 24. Application Requirements for a Permit to Operate for Moderate Modifications: For moderate modifications that require contemporaneous enforceable emissions reductions from more than one emission point in order to "net" out of PSD/NSR, the applicable Title V Permit to Operate or State Permit to Operate must be modified prior to beginning operation of the modified facilities. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(7).)
- 25. Compliance Testing: Regarding compliance testing:
 - a) The results of any emissions sampling and analysis shall be expressed both in units consistent with the standards set forth in any Applicable Rules and Regulations or this permit and in units of mass per time.
 - b) Compliance testing will be performed at the expense of the permittee.
 - c) Each emission sampling and analysis report shall include but not be limited to the following:
 - (1) detailed description of testing procedures;
 - (2) sample calculation(s);
 - (3) results; and
 - (4) comparison of results to all Applicable Rules and Regulations and to emission limitations in the permit.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.6.B(3), (4), and (6).)

B. GENERAL NOTIFICATION REQUIREMENTS

- 1. Within fifteen (15) days of beginning actual construction, the permittee must notify DEQ in writing that construction has begun. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(2).)
- The permittee must notify DEQ in writing when construction does not begin within eighteen (18) months of issuance or if construction is suspended for eighteen (18) months or more. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(3).)
- 3. Upon the completion of construction or installation of an approved stationary source or modification, the applicant shall notify the Permit Board that construction or installation was

performed in accordance with the approved plans and specifications on file with the Permit Board. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(1).)

4. The Permit Board shall be promptly notified in writing of any change in construction from the previously approved plans and specifications or permit. If the Permit Board determines the changes are substantial, it may require the submission of a new application to construct with "as built" plans and specifications. Notwithstanding any provision herein to the contrary, the acceptance of an "as built" application shall not constitute a waiver of the right to seek compliance penalties pursuant to State Law. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(2).)

SECTION 2 EMISSION POINT DESCRIPTION

The permittee is authorized to construct and operate, upon certification of construction, air emissions equipment, as described in the following table.

Emission Point	
ID	Description
AA-008	Up to 500 hp (3.9 MMBTU/HR) natural gas fired, 4 stroke rich burn internal combustion engine (Manufacture date to be determined)

SECTION 3

EMISSION LIMITATIONS AND STANDARDS

Emission Point ID	Applicable Requirement	Condition Number(s)	Pollutant/ Parameter	Limitation/Standard
AA-008	Table 1 to 40 CFR 60, Subpart JJJJ (Applicable to Engine Option 1 and Engine Option 2 only) Permit to Construct issued [PERMIT ISSUANCE DATE]	3.1	Option 1	for engines manufactured from 1//1/2011
			NOx	1.00 g/hp-hr
			СО	2.00 g/hp-hr
			VOC (excluding formaldehyde)	0.70 g/hp-hr
			Option 2	for engines manufactured between 7/1/2008 and 1/1/2011
			NOx	2.00 g/hp-hr
			СО	4.00 g/hp-hr
			VOC (excluding formaldehyde)	1.00 g/hp-hr
			Option 3	for engines manufactured before 7/1/2008
			NOx	4.12 lb/MMBTU
			СО	2.94 lb/MMBTU
		3.2	NOx	70 tpy (on a 12 month rolling total basis)
			СО	50 tpy (on a 12 month rolling total basis)
	11 Miss. Admin. Code Pt. 2, R. 1.3.D(1)(b)	3.3	РМ	$E = 0.8808*(I)^{-0.1667}$
	Engine Option 1 and Engine Option 2 only: NSPS Subpart JJJJ	3.4		
	-	25		
	40 CFR 60.4236 (a) and (e)	3.5		Installation requirement for engines produced in previous model years
	40 CFR 63, Subpart ZZZZ	3.6		
	11 Miss. Admin Code Pt. 2, R.1.3A(1)	3.7	Opacity	≤ 40 %

3.1 For Emission Point AA-008, the permittee shall comply with the following limitations depending upon the manufacturing date of the selected engines:

<u>Option 1:</u> For engines manufactured after 1/1/2011, NSPS Subpart JJJJ emission limitations apply.

 NOx:
 1.00 g/hp-hr

 CO:
 2.00 g/hp-hr

 VOC:
 0.70 g/hp-hr

<u>Option 2:</u> For engines manufactured between 7/1/2008 and 1/1/2011, NSPS Subpart JJJJ emission limitations apply.

 NOx:
 2.00 g/hp-hr

 CO:
 4.00 g/hp-hr

 VOC:
 1.00 g/hp-hr

<u>Option 3:</u> For engines manufactured prior to 7/1/2008, federally enforceable emission limitations established in the Permit to Construct apply.

 NOx:
 4.12 lb/MMBTU

 CO:
 2.94 lb/MMBTU

(Ref.: Permit to Construct issued [PERMIT ISSUANCE DATE] for Engine Option 3 and 40 CFR 60, Subpart JJJJ for Engine Option1 and Option 2)

- 3.2 For Emission Point AA-008, the permittee shall limit NOx emissions to 70 tpy on a 12month rolling total basis and CO emissions to 50 tpy on a 12-month rolling total basis. (Ref.: Permit to Construct issued [PERMIT ISSUANCE DATE])
- 3.3 For Emission Point AA-008, the maximum permissible emission of ash and/or particulate matter from fossil fuel burning installations of less than 10 million BTU per hour heat input shall not exceed 0.6 pounds per million BTU per hour. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.D(1)(a))
- 3.4 For Emission Point AA-008, the permittee is subject to and shall comply with all applicable requirements of the Standards of Performance for Stationary Spark Ignition Combustion Engines, 40 CFR 60, Subpart JJJJ and the General Provisions in Subpart A if Engine Option 1 or Engine Option 2 is selected. (Ref.: 40 CFR 60, Subpart JJJJ)
- 3.5 For Emission Point AA-008, the permittee may not install stationary internal combustion engines with a maximum power less than 500 hp that do not meet the applicable requirements in 40 CFR 60.4233. This requirement does not apply to the engines if the engines installed were removed from one existing location and reinstalled at a new location. (Ref.: 40 CFR 60.4236 (a) and (e))

- 3.6 For Emission Point AA-008, the permittee is subject to and shall comply with all applicable requirements of the National Emission Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines in 40 CFR 63, Subpart ZZZZ and the General Provisions in Subpart A. (Ref.: 40 CFR 63, Subpart ZZZZ)
- 3.7 The permittee shall not cause, permit, or allow the emission of smoke from a point source into the open air from any manufacturing, industrial, commercial or waste disposal process which exceeds forty (40) percent opacity subject to the exceptions provided in (a) & (b).
 - (a) Startup operations may produce emissions which exceed 40% opacity for up to fifteen (15) minutes per startup in any one hour and not to exceed three (3) startups per stack in any twenty-four (24) hour period.
 - (b) Emissions resulting from soot blowing operations shall be permitted provided such emissions do not exceed 60 percent opacity, and provided further that the aggregate duration of such emissions during any twenty-four (24) hour period does not exceed ten (10) minutes per billion BTU gross heating value of fuel in any one hour.
 - (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.A.)

SECTION 4

WORK PRACTICES

Emission Point ID	Applicable Requirement	Condition Number(s)	Pollutant/ Parameter	Work Practice		
Intentionally Left Blank - No Work Practices Are Being Established Through This Permit Action.						

Emission Point ID	Applicable Requirement	Condition Number(s)	Pollutant/ Parameter	Monitoring/Recordkeeping/Reporting Requirement
AA-008	40 CFR 60.4243 and 60.4245	5.1	NOx, CO, VOC	All applicable compliance provisions, notification, testing, reporting, and recordkeeping requirements contained in 40 CFR 60, Subpart JJJJ
				(Engine Option 1 and Option 2)
	40 CFR 63, Subpart ZZZZ	5.2		All applicable monitoring, reporting and recordkeeping requirements contained in 40 CFR 63, Subpart ZZZZ
	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)	5.3		Submittal of a detailed report outlining applicable requirements of 40 CFR 60, Subpart JJJJ and 40 CFR 63, Subpart ZZZZ
	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)	5.4	NOx and CO	Stack Testing (Engine Option 3) & Reporting Requirement
	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)	5.5	Hours of Operation	Monitor and record the monthly and rolling 12- month hours of operation for each engine
	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)	5.6	NOx and CO tons/year	Calculate monthly and 12-month rolling total NOx and CO emissions
	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)	5.7		Annual Reporting Requirement for the monthly and 12-month rolling average NOx and CO emissions

SECTION 5 MONITORING, RECORDKEEPING and REPORTING REQUIREMENTS

- 5.1 For Emission Point AA-008, the permittee shall comply with the applicable compliance requirements (including initial performance testing if applicable) contained in 40 CFR 60.4243 and the applicable notification, reporting, and recordkeeping requirements contained in 40 CFR 60.4245 for Engine Option 1 or Engine Option 2. (Ref.: 40 CFR 60.4243 and 40 CFR 60.4245)
- 5.2 For Emission Point AA-008, the permittee shall comply with the applicable notification, reporting, and recordkeeping requirements contained in 40 CFR 63, Subpart ZZZZ. (Ref.: 40 CFR 63, Subpart ZZZZ)
- 5.3 For Emission Point AA-008, the permittee shall develop and submit a detailed report of all applicable requirements of 40 CFR 60, Subpart JJJJ and 40 CFR 63, Subpart ZZZZ including limitations, notifications, monitoring, testing, reporting and recordkeeping no

later than 30 days from the certification of construction date. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11))

5.4 For Emission Point AA-008 if Engine Option 3 is selected, the permittee shall perform initial stack test to demonstrate compliance with the short term NOx and CO emission limitation using EPA Reference Methods 7 and 10 respectively or approved equivalents and submittal of a test report within 60 days of achieving maximum production, but not later than 180 days after initial startup. Subsequent compliance testing shall be conducted in accordance with the testing frequency described in the Synthetic Minor Operating Permit, upon issuance.

The permittee shall submit a written stack test protocol at least thirty (30) days prior to the scheduled test date to ensure that all test methods and procedures are acceptable to the Office of Pollution Control. Also, the Office of Pollution Control must be notified prior to the scheduled test date. At least ten (10) DAYS notice should be given so that an observer may be scheduled to witness the test(s).

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11))

- 5.5 For Emission Point AA-008, the permittee shall record the monthly and rolling 12-month total hours of operation for each engine. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11))
- 5.6 For Emission Point AA-008, the permittee shall show compliance with the NOx and CO tons/year limitation by calculating each month, the monthly emissions and the 12-month rolling average using the applicable short term emission limitations in Condition 3.1, the hours of operation records required by Condition 5.5 and accepted conversion factors. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11))
- 5.7 For Emission Point AA-008, the permittee shall submit an annual report summarizing the monthly and the 12-month rolling total NOx and CO emissions. This report is due annually by January 31 for the preceding calendar year. (11 Miss. Admin. Code Pt. 2, R. 2.2.B(11))