



# GUIDANCE

## MINOR SOURCE GENERAL PERMIT for OIL & GAS FACILITIES (GP-OGF) (March 1, 2012)

*AIR QUALITY DIVISION*

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### THE BASICS . . .

A general permit is a type of permit issued by the agency that is written for a group or category of sources, rather than for an individual source. All public notice requirements are met for all potentially eligible sources during the issuance process of the general permit. Individual sources then obtain an Authorization to Construct and/or an Authorization to Operate under the terms of the permit through a relatively simple Tier I application and review process.

The sources covered by a general permit must have similar operations and emissions that are subject to the same or similar standards, limitations, and operating and monitoring requirements. The permit must include all requirements that would apply to any activities performed at a covered facility. A goal in issuing a general permit is to provide the broadest coverage to the most applicants. However, some facilities may find that the permit conditions are not well suited to their facility and may choose to apply for a minor source construction or operating permit.

### THE SOURCE CATEGORY . . .

This general permit addresses minor source oil and gas facilities. These typically include oil and gas production sites, compressor stations, small natural gas processing plants, crude oil and refined petroleum pipeline stations, petroleum bulk stations and terminals, crude oil tank batteries and trucking stations, and wholesale distributors of refined petroleum products. NO<sub>x</sub>, CO, SO<sub>2</sub>, and VOC are the primary criteria pollutants emitted from these facilities. Hazardous Air Pollutants (HAP) can be emitted from storage of crude oil or refined petroleum products, from internal combustion engines/turbines, and from glycol dehydration units. Also, hydrogen sulfide (H<sub>2</sub>S) is emitted from atmospheric storage of sour crude oil.

### ELIGIBILITY . . .

Eligible facilities are those designed and operated for the production, gathering, processing, storage, or transportation of crude oil, refined petroleum products, natural gas, and natural gas liquids (NGL), including condensate. These facilities may include those emission units subject to 40 CFR Part 60 subparts A, Dc, K, Ka, Kb, GG, KKK, IIII, JJJJ, and KKKK, and triethylene glycol (TEG) units subject to NESHAP Subparts HH for area sources, ZZZZ and BBBB. The permit includes requirements for storage tanks, loading facilities, combustion equipment

(engines, turbines, heaters, and boilers), glycol dehydration units, fugitive emission sources, and associated control equipment. Facilities with other emissions units, unless qualified as a de minimis activity under OAC 252:100, Appendix H, are not eligible for this permit unless a minor source construction permit is first obtained.

Facilities owned or operated by applicants that have not paid all monies owed to the DEQ or that are not in substantial compliance with the Environmental Quality Code, rules of the Board, or the terms of any existing DEQ permits and orders are not eligible for this permit unless they submit an approvable compliance plan to be included in an Authorization issued under this permit.

### **PERMIT STRUCTURE . . .**

The general permit has been developed to include requirements for oil and gas facilities with potential emissions less than major source levels. Eligible facilities can sequentially obtain an Authorization to Construct and then an Authorization to Operate under the permit, or obtain a minor source construction permit and then an Authorization to Operate under the permit. The latter approach is usually used when it is necessary to include certain site-specific requirements into the Authorization to Operate.

The permit is designed to allow minor sources to fulfill the requirement to obtain a construction and operating permit for new facilities, or for modifications to existing facilities. In addition, although not required, de minimis and/or permit exempt facilities may obtain an Authorization to Operate under the general permit (e.g., the facility expects to increase capacity or add new equipment and wants the added flexibility of obtaining an Authorization now). An issued minor source construction permit, or receipt by AQD of a Notice of Intent (NOI) to Construct, is required prior to commencing construction or installation of any new facility other than a de minimis facility or a permit exempt facility. The Authorization to Construct is issued by the DEQ after confirming that the application is administratively complete, the proper fee has been received, and that the facility is eligible for coverage under the permit. After construction is complete, the permittee must submit an NOI to Operate within 180 days of start-up.

### **EMISSIONS LIMITATIONS . . .**

Emission limitations are established in an Authorization issued under this permit as a facility-wide emissions cap. The emission limitations are established in tons per year (TPY) for any one regulated air pollutant based on the potential to emit from the facility. Compliance with the facility-wide emissions cap is demonstrated on a calendar year basis based on specific conditions in the general permit.

Hourly emission limitations are also established for all engines with a control device, and for all uncontrolled engines located at a facility with potential emissions of NO<sub>x</sub> or CO above 80 TPY. These limitations are established either in an Authorization or in a Notice of Modification from the permittee. The emissions from all other engines are based on potential to emit and no emission limits or periodic testing is required. An initial stack test is required for each engine except: emergency engines; natural gas-fired engines that have been certified to an emissions

standard under NSPS Subpart JJJJ; and any NSPS Subpart JJJJ-applicable certified engine operated as a non-certified engine less than 100 HP.

### **MODIFICATIONS . . .**

Facility-wide emission caps allow a permittee to make changes at the facility in a more expeditious manner. Minor facilities, for which the permit is valid for the life of the facility, will typically only need a minor source construction permit when adding a piece of equipment subject to an NSPS requirement under 40 CFR 60, other than those addressed by Subparts A, Dc, K, Ka, Kb, GG, KKK, IIII, JJJJ or KKKK; or when adding a piece of equipment subject to a NESHAP requirement under 40 CFR Part 61 or Part 63, other than a TEG unit subject to NESHAP Subpart HH, engine subject to ZZZZ, or an area source gasoline distribution facility under BBBB.

Facilities operating under the general permit must notify AQD of (1) any modification or change of operations at the facility that would add or modify equipment such that it is subject to an NSPS or NESHAP subpart covered under the general permit, (2) any modification to add a storage tank with a capacity of 400 gallons or more storing VOC, a VOC loading operation, any combustion equipment, or any dehydration unit, (3) any modification to change or set hourly emission limitations for an engine, or (4) any modification to add, modify, or replace an engine.

### **EMISSIONS OF H<sub>2</sub>S FROM SOUR CRUDE OIL . . .**

Facilities that store sour crude oil (defined as having a total sulfur content of greater than 0.5 weight percent) are not eligible for an Authorization to Construct unless they can demonstrate that the maximum concentration of H<sub>2</sub>S in the categories of crude oil stored is no more than 135 ppmw. Appendix B of the permit explains several options for demonstrating compliance with the H<sub>2</sub>S content limitation.

### **MAKING APPLICATION . . .**

Contact the Air Quality Division or visit the DEQ website for the application forms required for the GP-OGF. If you are unsure as to whether you need a permit for a facility, you may request an Applicability Determination (AD). An AD is used to determine whether a particular source or operation is subject to the requirements of a rule. The AD fee is \$500 and, generally, must contain the same information as a permit application. In addition, you may contact the Customer Assistance Program (405-702-9100 or toll free at 1-800-869-1400) or Air Quality Division (405-702-4100) and request a pre-application conference. Staff will meet with you to identify any areas needing further work. The best way to expedite issuance of your permit is to ensure that the application is administratively and technically complete.

### **ISSUANCE . . .**

DEQ Uniform Permitting Tier Rules, OAC 252:100-4-7, categorize applications as Tier I, Tier II, or Tier III, depending on their complexity and the amount of public interest. All Authorizations under a General Permit are issued as Tier I, unless a compliance schedule is needed. Authorizations that include a compliance schedule are issued as Tier II. If a facility is

not in compliance with all applicable requirements and the applicant needs additional time in which to come into compliance, then a schedule of activities and milestone dates (a compliance schedule) must be included in the application. An approved compliance schedule will be included in an individual construction permit, or an Authorization to Construct, and/or an Authorization to Operate.

**FEES . . .**

A fee is required for the processing of a permit application and must be paid at the time the application is filed.

**Permit Processing Fees:**

Permit processing fees for minor sources are based on OAC 252:100-7-3.

<b>Individual Minor Source Permit</b>		
<b>Construction</b>	<b>New Operating</b>	<b>Modification</b>
\$2000	\$750	\$500 <sup>a</sup> \$750 <sup>b</sup>

a to modify a construction permit  
b to modify an operating permit

<b>Authorization</b>		
<b>To Construct</b>	<b>To Operate</b>	<b>Notice of Modification</b>
\$500	\$500	\$0

**Annual Operating Fees:**

An annual operating fee is required in accordance with OAC 252:100-5-2.2. The operating fee is based on an annual emissions inventory, which must be submitted to AQD each year by April 1 of the following year and in accordance with OAC 252:100-5-2.1.