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**west virginia** department of environmental protection

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## **ENGINEERING EVALUATION / FACT SHEET**

### **BACKGROUND INFORMATION**

Application No.: R13-3008  
Plant ID No.: 103-00054  
Applicant: EQT Production Company  
Facility Name: BIG-176  
Location: Wetzel County  
NAICS Code: 211111  
Application Type: Construction  
Received Date: October 31, 2012  
Engineer Assigned: Joe Kessler  
Fee Amount: \$2,000  
Date Received: December 27, 2012  
Complete Date: January 3, 2013  
Due Date: April 3, 2013  
Applicant Ad Date: November 21, 2012  
Newspaper: *Wetzel Chronicle*  
UTM's: Easting: 537.8 km Northing: 4,379.1 km Zone: 17  
Description: Permit for construction and operation of a natural gas production facility at the BIG-176 well-pad.

### **DESCRIPTION OF PROCESS**

EQT Production Company (EQT) has submitted a permit application for the after-the-fact construction and operation of a natural gas production facility primarily consisting of twelve (12) 1.54 mmBtu/hr natural gas-fired line heaters (S013 through S024), twelve (12) 8,820-gallon condensate storage tanks (S001 through S012), and two (2) 0.013 mmBtu/hr natural gas-fired thermoelectric generators (S025 and S026). Truck loading of condensate/ water will also take place at the site. The facility began operation on July 2, 2012.

When in production, raw gas from the wells pass through a separator where the condensate/produced-water is removed from the gas and sent to one of the storage tanks. Gas passing through the separator will be sent to pipeline for transportation. Working, breathing, and flashing losses from the storage tanks are uncontrolled. The line heaters shall be used to keep the lines at the facility from freezing and to promote gas/liquids flow.

From the storage tanks, condensate/produced-water is loaded into trucks for removal from the site. Emissions from the truck loading are uncontrolled but mitigated by using pipe racks and submerged fill methods. The thermoelectric generators are used to provide small amounts of electricity for switching/monitoring purposes when the facility is unable to generate sufficient solar power.

## **SITE INSPECTION**

On December 5, 2012, the writer conducted an inspection of the BIG-176 natural gas production facility. The BIG-176 site is located in a rural area of Wetzel County approximately 6.4 miles east of Pine Grove, WV along County Route 15 (North Fork Road). Six existing wells (along with 6 storage tanks and line heaters) were producing gas at the time of the inspection and five more were in the process of being drilled. The pad, due to the small amount of condensate produced, does not (and is not proposed to) use a vapor combustor to control VOC emissions from the storage tanks. No opacity was visible from any of the existing units and no noticeable smell was detected at the site. The nearest occupied residence was estimated to be 0.5 miles from the facility. The following is a picture of the BIG-176 well-pad taken on the day of the inspection:



*Directions:* [Latitude: 39.56076, Longitude: -80.55998] From the junction of WV State Route (SR) 20 (Galmish Road) and County Route 15 (North Fork Road) in Pine Grove, travel east on CR 15 for approximately 10.9 miles (2.8 miles after the CR 15/CR 19 junction) to the BIG-176 access road on the right.

## **AIR EMISSIONS AND CALCULATION METHODOLOGIES**

EQT included in Attachment N of the permit application air emissions calculations for the equipment and processes at the BIG-176 natural gas production facility. The following will summarize the calculation methodologies used by EQT to calculate the potential-to-emit (PTE) of the proposed facility.

### ***Gas-Fired Line Heaters/Thermoelectric Generator***

Criteria Pollutant emissions from the natural gas-fired line heaters (E013 through E024) and the thermoelectric generators (E025 and E026) were based on the emission factors provided for natural gas combustion as given in AP-42 (AP-42 is a database of emission factors maintained by USEPA) Section 1.4. Emissions of Greenhouse Gases (GHGs) were based on Tables C-1 and C-2 of 40 CFR 98 - Federal GHG Reporting Rule.

Hourly emissions were based on the maximum design heat input (MDHI) of each unit and annual emissions were based on an annual operation of 8,760 hours. A heat content of the gas of 1,050 Btu/scf was used in the calculations.

### ***Storage Tanks***

Working and breathing emissions from the ten condensate/produced-water storage tanks were based on the TANKS 4.09d program as provided under AP-42, Section 7. Emissions from flashing in the tanks were calculated using CHEMCAD - a chemical process simulation software. Input and summary sheets for both programs were included in the permit application. An annual throughput of 2,053,000 gallons of condensate/produced-water was used in the calculations for each storage tank.

### ***Truck Loading***

Air emissions from condensate/produced-water truck loading operations occur as fugitive emissions generated by displacement of vapors when loading trucks. The emission factor used to generate the VOC emissions is based on Equation (1) of AP-42 Section 5.2-1. In this equation, EQT used variables specific to the liquids loaded and to the method of loading - in this case "submerged filling - dedicated normal service." Additionally, worst-case annual emissions were based on a maximum loading rate of 24,636,000 gal/year of condensate/produced-water. As no maximum hourly pumping rate was provided, hourly emissions were based on 1,000 hours of loading per year.

## Fugitives

EQT based their fugitive equipment leak calculations on emission factors taken from the document EPA-453/R-95-017 - "Protocol for Equipment Leak Emission Estimates." Emission factors were taken from Table 2-4 and no control efficiency, as based on a Leak Detection and Repair (LDAR) protocol, was applied. Emissions of Greenhouse Gases (GHGs) were based on Subpart W of 40 CFR 98 - Federal GHG Reporting Rule.

## Emissions Summary

Based on the above estimation methodology, which is determined to be appropriate, the PTE of the BIG-176 natural gas production facility is given in the following tables:

**Table 1: Facility-Wide Aggregate Hourly (lb/hr) Criteria Pollutant PTE Summary.**

Source	CO	NO <sub>x</sub>	PM <sup>(1)</sup>	SO <sub>2</sub>	VOCs	HAPs
Process Heaters/Generator <sup>(2)</sup>	1.48	1.76	0.13	0.01	0.10	<0.01
Fugitive Emissions	0.00	0.00	0.00	0.00	3.21	0.00
Storage Tanks	0.00	0.00	0.00	0.00	13.88	0.34
Truck Loading <sup>(3)</sup>	0.00	0.00	0.00	0.00	2.48	0.08
<b>Facility-Wide Totals →</b>	<b>1.48</b>	<b>1.76</b>	<b>0.13</b>	<b>0.01</b>	<b>19.67</b>	<b>0.43</b>

(1) Conservatively, all particulate matter emissions are assumed to be less than 2.5 microns. Includes condensables.

(2) Aggregate emission rate of all such units.

(3) As a maximum hourly pump rate was not provided, hourly emissions based on 1,000 hours/year.

**Table 2: Facility-Wide Aggregate Annual (ton/yr) Criteria Pollutant/GHG PTE Summary.**

Source	CO	NO <sub>x</sub>	PM <sup>(1)</sup>	SO <sub>2</sub>	VOCs	HAPs	CO <sub>2</sub> e
Process Heaters/Generator <sup>(2)</sup>	6.48	7.71	0.59	0.05	0.42	0.15	9,476.00
Fugitive Emissions	0.00	0.00	0.00	0.00	14.07	0.00	1,187.28
Storage Tanks	0.00	0.00	0.00	0.00	60.81	1.50	299.56
Truck Loading	0.00	0.00	0.00	0.00	1.24	0.04	0.00
<b>Facility-Wide Totals →</b>	<b>6.48</b>	<b>7.71</b>	<b>0.59</b>	<b>0.05</b>	<b>76.54</b>	<b>1.69</b>	<b>10,962.84</b>

(1) Conservatively, all particulate matter emissions are assumed to be less than 2.5 microns. Includes condensables.

(2) Aggregate emission rate of all such units.

**Table 3: Facility-Wide Aggregate Annual (ton/yr) Speciated HAP PTE Summary.**

Pollutant	ton/yr
Formaldehyde	0.01
Hexane	1.56
Benzene	0.03
Toluene	0.05

Pollutant	ton/yr
Xylene	0.02
Ethylbenzene	~0.00
Total HAPs	1.68

## **REGULATORY APPLICABILITY**

The proposed EQT natural gas production facility is subject to substantive requirements in the following state and federal air quality rules and regulations: 45CSR2, 45CSR13, and 40 CFR 60 Subpart OOOO. Each applicable rule (and ones that have reasoned non-applicability), and EQT's compliance therewith, will be discussed in detail below.

### ***45CSR2: To Prevent and Control Particulate Air Pollution from Combustion of Fuel in Indirect Heat Exchangers***

The Line Heaters (S013 through S024) each have been determined to meet the definition of a "fuel burning unit" under 45CSR2 and are, therefore, subject to the applicable requirements therein. However, pursuant to the exemption given under §45-2-11, as the MDHI of the units are less than 10 mmBtu/hr, they are not subject to sections 4, 5, 6, 8 and 9 of 45CSR2. The only remaining substantive requirement is under Section 3.1 - Visible Emissions Standards.

Pursuant to 45CSR2, Section 3.1, the line heaters are subject to an opacity limit of 10%. Proper maintenance and operation of the units (and the use of natural gas as fuel) should keep the opacity of the units well below 10% during normal operations.

### ***45CSR10: To Prevent and Control Air Pollution from the Emission of Sulfur Oxides (non-applicability)***

45CSR10 has requirements limiting SO<sub>2</sub> emissions from "fuel burning units," limiting in-stack SO<sub>2</sub> concentrations of "manufacturing processes," and limiting H<sub>2</sub>S concentrations in process gas streams. The only potential applicability of 45CSR10 to the BIG-176 natural agas production facility is the limitations on fuel burning units. Pursuant to the exemption given under §45-10-10.1, as the MDHI of the Line Heaters (S013 to S024) - each of which have been determined to meet the definition of a "fuel burning unit" under 45CSR10 - are less than 10 mmBtu/hr, the units are not subject to the limitations on fuel burning units under 45CSR10.

### ***45CSR13: Permits for Construction, Modification, Relocation and Operation of Stationary Sources of Air Pollutants, Notification Requirements, Administrative Updates, Temporary Permits, General Permits, and Procedures for Evaluation***

The construction of the BIG-176 natural gas production facility has a potential to emit a regulated pollutant in excess of six (6) lbs/hour and ten (10) TPY and, therefore, pursuant to §45-13-2.24, the facility is defined as a "stationary source" under 45CSR13. Pursuant to §45-13-5.1, "[n]o person shall cause, suffer, allow or permit the construction . . . and operation of any stationary source

to be commenced without . . . obtaining a permit to construct.” Therefore, EQT is required to obtain a permit under 45CSR13 for the construction and operation of the natural gas production facility.

As required under §45-13-8.3 (“Notice Level A”), EQT placed a Class I legal advertisement in a “newspaper of general circulation in the area where the source is . . . located.” The ad ran on November 21, 2012 in the *Wetzel Chronicle* and the affidavit of publication for this legal advertisement was submitted on December 21, 2012.

#### ***45CSR14 (NON APPLICABILITY)***

The facility-wide potential-to-emit of the BIG-176 natural gas production facility (see Table 2 above) is below the levels that would define the source as “major” under 45CSR14 and, therefore, the construction evaluated herein is not subject to the provisions of 45CSR14.

#### Potential Source Aggregation

Classifying multiple facilities as one “stationary source” under 45CSR13, 45CSR14, and 45CSR19 is based on the definition of “Building, structure, facility, or installation” as given in §45-14-2.13 and §45-19-2.12. The definition states:

“Building, Structure, Facility, or Installation” means all of the pollutant-emitting activities which belong to the same industrial grouping, are located on one or more contiguous or adjacent properties, and are under the control of the same person (or persons under common control). Pollutant-emitting activities are a part of the same industrial grouping if they belong to the same “Major Group” (i.e., which have the same two (2)-digit code) as described in the Standard Industrial Classification Manual, 1987 (United States Government Printing Office stock number GPO 1987 0-185-718:QL 3).

The proposed BIG-176 natural gas production facility will be located approximately 0.94 miles from the known nearest other EQT facility (BIG-176/BIG-57 Meter Site). BIG-176/BIG-57 Meter Site shares the same SIC code as BIG-176 and is owned by EQT. Therefore, the potential classification of the BIG-176 facility as one stationary source with BIG-176/BIG-57 Meter Site depends on the determination if these stations are considered “contiguous or adjacent properties.”

"Contiguous or Adjacent" determinations are made on a case by case basis. These determinations are proximity-based, and it is important to focus on this and whether or not it meets the common sense notion of one stationary source. The terms "contiguous" or "adjacent" are not defined by USEPA. Contiguous has a dictionary definition of being in actual contact; *touching along a boundary or at a point*. Adjacent has a dictionary definition of not distant; nearby; *having a common endpoint or border*.

The BIG-176 natural gas production facility is not located contiguous with, or *directly* adjacent to the BIG-176/BIG-57 Meter Site facility. As noted above, the facilities are 0.94 miles apart. Facilities separated by this distance do not meet the common sense notion of a single plant. Therefore, the BIG-176 and BIG-176/BIG-57 Meter Site facilities are not considered to be on contiguous or adjacent property.

### ***45CSR30: Requirements for Operating Permits - (NON APPLICABILITY)***

45CSR30 provides for the establishment of a comprehensive air quality permitting system consistent with the requirements of Title V of the Clean Air Act. The proposed facility does not meet the definition of a "major source under § 112 of the Clean Air Act" as outlined under §45-30-2.26 and clarified (fugitive policy) under 45CSR30b. However, as the facility is subject to a New Source Performance Standard (NSPS) - 40 CFR 60, Subpart OOOO - the facility would, in most cases, be subject to Title V as a "deferred source." However, pursuant to §60.5370(c), as a non-major "area source," EQT is not required to obtain a Title V permit for the proposed facility. Therefore, the BIG-176 natural gas production facility is not subject to 45CSR30.

### ***Subpart Kb—Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984 - (NON APPLICABILITY)***

Pursuant to §60.110b, 40 CFR 60, Subpart Kb applies to "each storage vessel with a capacity greater than or equal to 75 cubic meters (m<sup>3</sup>) that is used to store volatile organic liquids (VOL) for which construction, reconstruction, or modification is commenced after July 23, 1984." The largest storage tanks located at the BIG-176 facility are each 8,820 gallons, or 33.38 m<sup>3</sup>. Therefore, Subpart Kb does not apply to any of the storage tanks.

### ***40 CFR 60, Subpart OOOO: Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution***

On April 27, 2012 the USEPA issued a final rule (published in the Federal Register on August 16, 2012) that consists of federal air standards for natural gas wells that are hydraulically fractured, along with requirements for several other sources of pollution in the oil and gas industry that currently are not regulated at the federal level. Pursuant to §60.5365(a) each "gas well affected facility, which is a single natural gas well" that is constructed after August 23, 2011 is subject to the applicable provisions of Subpart OOOO as well as "[e]ach storage vessel affected facility, which is a single storage vessel, located in the oil and natural gas production segment, natural gas processing segment or natural gas transmission and storage segment."

#### Gas Wells - §60.5370

EQT has drilled, after August 23, 2011, gas wells at the BIG-176 well-pad and, therefore, these are defined as "affected facilities" under Subpart OOOO and subject to applicable provisions. The substantive requirements for gas wells drilled prior to January 1, 2015 are given under §60.5375(a)(3) of the rule. It requires that flowback emissions (gas produced from the well after fracturing) must be directed to the flow line or a completion combustion device. EQT shall direct all gas from the new wells during flowback at the BIG-176 site into the flow line. Other requirements pertaining to the gas wells include:

- EQT must maintain a log for each well completion operation at each gas well affected facility. The log must be completed on a daily basis for the duration of the well completion operation and must contain the records specified in §60.5420(c)(1)(iii).  
*[40CFR§60.5375(b)]*

- EQT must demonstrate initial compliance with the standards that apply to gas well affected facilities as required by §60.5410.  
[40CFR§60.5375(c)]
- EQT must demonstrate continuous compliance with the standards that apply to gas well affected facilities as required by §60.5415.  
[40CFR§60.5375(d)]
- EQT must perform the required notification, recordkeeping and reporting as required by §60.5420.  
[40CFR§60.5375(e)]

Storage Tanks - §60.5395 - (NON APPLICABILITY)

Under §60.5395, the requirements for storage tanks take effect on October 15, 2013. However, as the site is expected to be in production at that time, the storage tank requirements will be reviewed. The substantive requirement for storage tanks is given under §60.5395(a) of the rule. It requires that for each storage vessel “emitting more than 6 tpy VOC, [the permittee] must reduce VOC emissions by 95.0 percent or greater. . .” Based on a letter from USEPA to the American Petroleum Institute dated September 28, 2012, applicability of storage vessels to Subpart OOOO is based on individual tank PTE - which includes, if applicable, federally enforceable control devices.

The twelve (12) condensate/produced-water storage tanks are *each* calculated to have an uncontrolled PTE of less than 6 TPY of VOCs and, therefore, these storage tanks are not subject requirements under §60.5395 and are not required to reduce emissions by 95.0 percent.

Pneumatic Controllers

Pursuant to §60.5365(d)(2), “[f]or the natural gas production segment (between the wellhead and the point of custody transfer to the natural gas transmission and storage segment and not including natural gas processing plants), each pneumatic controller affected facility, which is a single continuous bleed natural gas-driven pneumatic controller operating at a natural gas bleed rate greater than 6 scfh” that is constructed after August 23, 2011 is subject to the applicable provisions of Subpart OOOO. The substantive requirements for pneumatic controllers are given under §60.5390. While not identified, it is assumed the facility will use pneumatic controllers and will be required to meet this requirement.

**TOXICITY ANALYSIS OF NON-CRITERIA REGULATED POLLUTANTS**

This section provides an analysis for those regulated pollutants that may be emitted from the BIG-176 natural gas production facility and that are not classified as “criteria pollutants.” Criteria pollutants are defined as Carbon Monoxide (CO), Lead (Pb), Oxides of Nitrogen (NO<sub>x</sub>), Ozone,

Particulate Matter (PM), Particulate Matter less than 10 microns (PM<sub>10</sub>), Particulate Matter less than 2.5 microns (PM<sub>2.5</sub>), and Sulfur Dioxide (SO<sub>2</sub>). These pollutants have National Ambient Air Quality Standards (NAAQS) set for each that are designed to protect the public health and welfare. Other pollutants of concern, although designated as non-criteria and without national concentration standards, are regulated through various federal programs designed to limit their emissions and public exposure. These programs include federal source-specific Hazardous Air Pollutants (HAPs) standards promulgated under 40 CFR 61 (NESHAPS) and 40 CFR 63 (MACT). Any potential applicability to these programs were discussed above under REGULATORY APPLICABILITY.

The majority of non-criteria regulated pollutants fall under the definition of HAPs which, with some revision since, were 188 compounds identified under Section 112(b) of the Clean Air Act (CAA) as pollutants or groups of pollutants that EPA knows or suspects may cause cancer or other serious human health effects. EQT included the following HAPs as emitted in substantive amounts in their emissions estimate: Formaldehyde, Benzene, n-Hexane, Toluene, and Xylenes. The following table lists each HAP’s carcinogenic risk (as based on analysis provided in the Integrated Risk Information System (IRIS)):

**Table 4: Potential HAPs - Carcinogenic Risk**

HAPs	Type	Known/Suspected Carcinogen	Classification
n-Hexane	VOC	No	Inadequate Data
Formaldehyde	VOC	Yes	B1 - Probable Human Carcinogen
Benzene	VOC	Yes	Category A - Known Human Carcinogen
Toluene	VOC	No	Inadequate Data
Xylenes	VOC	No	Inadequate Data

All HAPs have other non-carcinogenic chronic and acute effects. These adverse health affects may be associated with a wide range of ambient concentrations and exposure times and are influenced by source-specific characteristics such as emission rates and local meteorological conditions. Health impacts are also dependent on multiple factors that affect variability in humans such as genetics, age, health status (e.g., the presence of pre-existing disease) and lifestyle. As stated previously, *there are no federal or state ambient air quality standards for these specific chemicals*. For a complete discussion of the known health effects of each compound refer to the IRIS database located at [www.epa.gov/iris](http://www.epa.gov/iris).

## **AIR QUALITY IMPACT ANALYSIS**

The estimated maximum emissions from the proposed BIG-176 natural gas production facility are less than applicability thresholds that would define the proposed facility as a “major stationary source” under 45CSR14 and, therefore, no air quality impacts modeling analysis was required. Additionally, based on the nature of the proposed construction, modeling was not required under 45CSR13, Section 7.

## **MONITORING, COMPLIANCE DEMONSTRATIONS, REPORTING, AND RECORDING OF OPERATIONS**

The following substantive monitoring, compliance demonstration, and record-keeping requirements (MRR) shall be required:

- For the purposes of demonstrating compliance with maximum throughput limit of condensate/produced-water in each storage tank set forth in 4.1.3 of the draft permit, EQT shall be required to monitor and record the monthly and rolling twelve month total of condensate/produced-water (in gallons) throughput in each storage tank. Monitoring and recording the monthly and rolling twelve month total of condensate/produced-water (in gallons) unloaded from each storage tank can be used to show compliance with this requirement.
- For the purposes of demonstrating compliance with visible emissions limitations set forth in 4.1.2(d) of the draft permit, EQT shall be required to:
  - Conduct an initial Method 22 visual emission observation on the line heaters to determine the compliance with the visible emission provisions. EQT shall be required to take a minimum of two (2) hours of visual emissions observations on the line heaters.
  - Conduct monthly Method 22 visible emission observations of the line heaters stack to ensure proper operation for a minimum of ten (10) minutes each month the line heaters are in operation.
  - In the event visible emissions are observed in excess of the limitations given under 4.1.2(d) of the draft permit, EQT shall be required to take immediate corrective action.
  - EQT shall be required to maintain records of all visual emission observations pursuant to the monitoring required under 4.2.2. of the draft permit including any corrective action taken.
  - Any deviation(s) from the allowable visible emission requirement for any emission source discovered during observations using 40CFR Part 60, Appendix A, Method 9 or 22 shall be reported in writing to the Director of the Division of Air Quality as soon as practicable, but in any case within ten (10) calendar days of the occurrence and shall include at least the following information: the results of the visible determination of opacity of emissions, the cause or suspected cause of the violation(s), and any corrective measures taken or planned.
- To demonstrate continuous compliance with the emission limits in section 4.1.4., the permittee shall monitor the temperature and pressure of the last separation unit prior to the storage vessels at a minimum frequency of once per calendar month.
- EQT shall be required to meet all applicable Monitoring, Compliance Demonstration and Source-Specific Recordkeeping Requirements as given under 40 CFR 60, Subpart OOOO.

## **PERFORMANCE TESTING OF OPERATIONS**

The following substantive performance testing requirements shall be required:

- At such reasonable time(s) as the Secretary may designate, in accordance with the provisions of 3.3 of the draft permit, EQT shall be required to conduct or have conducted test(s) to determine compliance with the emission limitations established in this permit and/or applicable regulations.
- Within sixty (60) days of the issuance date of this permit, EQT shall be required to perform, or have performed, a site-specific analysis to determine the constituent properties of the condensate/produced-water. The analysis shall, at a minimum, include the same components as the analysis used to calculate storage tank emissions in Permit Application R13-3008. The sample shall be taken from the pressurized liquid stream, coming from the last separator that feeds the storage tanks. Where applicable, if the analysis shows average constituent properties that, when used to calculate emissions in the same manner as submitted in Permit Application R13-3008, result in emissions greater than the limits in 4.1.4., EQT shall be required to, within thirty (30) days of receiving the results of the analysis, submit to the Director an appropriate permit application.
- EQT shall be required to meet all applicable Testing Requirements as given under 40 CFR 60, Subpart OOOO.

## **RECOMMENDATION TO DIRECTOR**

The information provided in Permit Application R13-3008 indicates that compliance with all applicable state and federal air quality regulations will be achieved. Therefore, I recommend to the Director the issuance of Permit Number R13-3008 to EQT Production Company for the after-the-fact construction and operation of the BIG-176 natural gas production facility located near Pine Grove, Wetzel County, WV.

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Joe Kessler, PE  
Engineer

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Date

Fact Sheet R13-3008  
EQT Production Company  
BIG-176