

## **Memorandum**

**TO:** Coal Bed Methane Portable Generator Owner/Operators

**FROM:** Dan Olson, Administrator Air Quality Division

**DATE:** October 15, 2001

**RE:** Permitting Guidance For Generators Operating at CBM Wellsites

Since December of 2000, the Division has been working on the permitting issues surrounding generators used for power generation at CBM well sites. Over this period, the Division has developed a better understanding of how the CBM generation works. While there are still some unanswered questions, a permitting guidance for generators has been developed that satisfies the intent of the law while allowing industry to proceed with business. On October 9, 2001, the permitting guidance was presented before the Air Quality Advisory Board. With the Board's approval, the guidance is ready for implementation. The guidance is attached to this memorandum.

The guidance addresses diesel and gas fired generation, and is focused on temporary operations of small generation units. The procedure for gas fired generators essentially follows the process currently in place. For BACT compliant small gas generators, the Division will authorize a waiver or permit with no expiration date, and those units may be relocated without any notification. For small gas generators, the Division also proposes to not limit the time of location at any one site. For gas generators greater than 300 hp, temporary operation at any site is defined as 6 months. In order to be consistent with requirements for gas gatherers who operate engines in this same horsepower category, operation beyond this time frame will be considered a permanent installation, and a permit will be required.

The permitting path for diesel generation is dependent on whether the generator is considered existing or new. Generators with applications (AQD-GEN1) on file with the Division prior to October 31, 2001 will be considered existing. Any generator not falling in this category, will be considered new. The only real difference in the permitting process for new and existing engines is that for new engines BACT represents, at a minimum, EPA/California certified emissions. Temporary operation for all diesel generation is limited to 6 months at any one site. Operation beyond this time frame will be considered permanent and a permit will be required. Notification of relocations is required for all diesel generators. An online relocation system has been developed to track location changes. The website and general information will be provided in the waiver or permit for the generator. There will also be some limited testing required to verify emission levels identified in the application. The online relocation system will track emissions for further analysis by the Division, so it is important for us to quantify that the anticipated emissions are accurate.

The major difference between the gas and diesel generators permitting process is that all permits and waivers issued for diesel generation will expire December 31, 2003. Between now and that date, the Division will be evaluating ambient air quality in the northeast part of the State. This assessment will include all NO<sub>x</sub> sources in the area, not just diesel generators. Depending on the outcome of this analysis, the Division will revisit this particular issue and will modify guidance as appropriate.

**PERMITTING GUIDANCE FOR GAS AND DIESEL FIRED GENERATORS OPERATING IN  
COAL BED METHANE (CBM) SERVICE IN THE NORTHEAST PART OF THE STATE**

**October 15, 2001**

**Gas and Diesel Fired Generators**

Application Submittal:

●**Existing Generators:** Application form AQD-GEN1 shall be completed and submitted to this Division by October 31, 2001. A copy of the application is attached to this memorandum or an electronic copy may be downloaded at the DEQ website at <http://deq.state.wy.us/aqd.htm>. **If you have already submitted form AQD-GEN1 for the generator or have already obtained a permit or permit waiver, another form does not need to be submitted.**

Application Submittal:

●**New Generators:** Application form AQD-GEN1 shall be completed and submitted to this Division. A copy of the application is attached to this memorandum or an electronic copy may be downloaded at the DEQ website at <http://deq.state.wy.us/aqd.htm>. Documentation from the manufacturer verifying the generator meets BACT requirements shall be submitted with the application.

**Diesel Fired Generators**

**Existing Generator:** Generators currently operating, in inventory or with a purchase order dated prior to October 31, 2001.

**New Generator:** Generators purchased after October 31, 2001.

**Temporary Operation:** Less than 6 months of operation at any one site. For generators that are already operating, the 6-month clock will start from the issuance date of the waiver.

**Permanent Operation:** Greater than 6 months of operation at any one site.

**Best Available Control Technology (BACT):** For new engines, BACT represents at a minimum EPA/California certified emissions.

**Temporary Existing Generators:** The generator application will be eligible for a Chapter 6, Section 2 waiver authorizing operation in the 8-county region in the northeast part of the State.

Conditions of the waiver will include:

- The waiver shall be valid until December 31, 2003.
- An ID number, assigned by the Division, shall be clearly posted on each engine.
- Some testing will be required to verify NO<sub>x</sub> emissions submitted in the application. The waiver will specify which generators need to be tested.
- Submission of relocation information by online relocation system.
- Operation of temporary diesel generation at any one site shall be limited to 6 months.

**Temporary New Generators:** The generator application will be eligible for a Chapter 6, Section 2 waiver authorizing operation for new generators that meet BACT requirements in the 8-county region in the northeast part of the State. Please be advised that for new generators, a waiver must be issued prior to operation in the State. Conditions of the waiver will contain conditions similar to existing engines. Waiver will be valid through December 31, 2003.

**Permanent New and Existing Generators:** Generators that have a waiver for temporary operation shall obtain a Chapter 6, Section 2 permit prior to operation beyond the 6 month period at any site.

### Gas Fired Generators

**Existing Generators:** Generators currently operating, in inventory or with a purchase order dated prior to October 31, 2001.

**New Generators:** Generators purchased after October 31, 2001.

**Small Generators:** 300 horsepower or less.

**Large Generators:** Greater than 300 horsepower.

**Temporary Operation:** Less than 6 months of operation at any one site for large generators. For generators that are already operating, the 6-month clock will start from the issuance date of the waiver.

**Permanent Operation:** Greater than 6 months of operation at any one site for large generators.

**Best Available Control Technology (BACT):** In general, 1 to 2 g/hp-hr NO<sub>x</sub> emissions.

New and Existing Small Generators: The generator application will be eligible for a Chapter 6, Section 2 waiver authorizing operation for BACT compliant generators in the 8-county region in the northeast part of the State. **Please be advised that for new generators, a waiver must be issued prior to operation in the State.** Conditions of the waiver will include some testing to verify NO<sub>x</sub> emissions submitted in the application. The waiver will specify which generators need to be tested.

Temporary New and Existing Large Generators: The generator application will be eligible for a Chapter 6, Section 2 waiver authorizing operation for BACT compliant generators in the 8-county region in the northeast part of the State. **Please be advised that for new generators, a waiver must be issued prior to operation in the State.** Conditions of the waiver will include some testing to verify NO<sub>x</sub> emissions submitted in the application. The waiver will specify which generators need to be tested. Operation of temporary generation at any one site shall be limited to 6 months.

Permanent New and Existing Large Generators: Generators that have a waiver for temporary operation shall obtain a Chapter 6, Section 2 permit prior to operation beyond the 6-month period at any site.

**Timing:** Upon submission of a complete application a permit waiver can be expected to be obtained within 30 to 90 days of submission. If a permit is required, the process as outlined in Chapter 6, Section 2 can take up to 120 days.