# MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY AIR QUALITY DIVISION

December 27, 2023

PERMIT TO INSTALL 152-23

ISSUED TO Wolverine Gas and Oil Company of Michigan LLC

> LOCATED AT 7265 South 38<sup>th</sup> Street Scotts, Michigan 49088

IN THE COUNTY OF

Kalamazoo

# STATE REGISTRATION NUMBER P1416

The Air Quality Division has approved this Permit to Install, pursuant to the delegation of authority from the Michigan Department of Environment, Great Lakes, and Energy. This permit is hereby issued in accordance with and subject to Section 5505(1) of Article II, Chapter I, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Pursuant to Air Pollution Control Rule 336.1201(1), this permit constitutes the permittee's authority to install the identified emission unit(s) in accordance with all administrative rules of the Department and the attached conditions. Operation of the emission unit(s) identified in this Permit to Install is allowed pursuant to Rule 336.1201(6).

DATE OF RECEIPT OF ALL INFORMATION REQUIRED BY RULE 203:

# November 20, 2023

DATE PERMIT TO INSTALL APPROVED: December 27, 2023	SIGNATURE:
DATE PERMIT VOIDED:	SIGNATURE:
DATE PERMIT REVOKED:	SIGNATURE:

# PERMIT TO INSTALL

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# **COMMON ACRONYMS**

# POLLUTANT / MEASUREMENT ABBREVIATIONS

acfm BTU °C CO CO <sub>2</sub> e dscf dscm °F gr HAP Hg hr	Actual cubic feet per minute British Thermal Unit Degrees Celsius Carbon Monoxide Carbon Dioxide Equivalent Dry standard cubic foot Dry standard cubic meter Degrees Fahrenheit Grains Hazardous Air Pollutant Mercury Hour
HP	Horsepower
H₂S	Hydrogen Sulfide
kW	Kilowatt
lb	Pound
m	Meter Milligram
mg mm	Millimeter
MM	Million
MW	Megawatts
NMOC	Non-Methane Organic Compounds
NOx	Oxides of Nitrogen
ng	Nanogram
PM	Particulate Matter
PM10	Particulate Matter equal to or less than 10 microns in diameter
PM2.5	Particulate Matter equal to or less than 2.5 microns in diameter
pph	Pounds per hour
ppm	Parts per million
ppmv	Parts per million by volume
ppmw	Parts per million by weight
psia	Pounds per square inch absolute
psig	Pounds per square inch gauge
scf	Standard cubic feet
sec	Seconds
SO <sub>2</sub>	Sulfur Dioxide
TAC	Toxic Air Contaminant
Temp THC	Temperature Total Hydrocarbons
	Tons per year
tpy	Microgram
μg μm	Micrometer or Micron
VOC	Volatile Organic Compounds
yr	Year
J.	

#### **GENERAL CONDITIONS**

- 1. The process or process equipment covered by this permit shall not be reconstructed, relocated, or modified, unless a Permit to Install authorizing such action is issued by the Department, except to the extent such action is exempt from the Permit to Install requirements by any applicable rule. (R 336.1201(1))
- 2. If the installation, construction, reconstruction, relocation, or modification of the equipment for which this permit has been approved has not commenced within 18 months, or has been interrupted for 18 months, this permit shall become void unless otherwise authorized by the Department. Furthermore, the permittee or the designated authorized agent shall notify the Department via the Supervisor, Permit Section, Air Quality Division, Michigan Department of Environment, Great Lakes, and Energy, P.O. Box 30260, Lansing, Michigan 48909-7760, if it is decided not to pursue the installation, construction, reconstruction, relocation, or modification of the equipment allowed by this Permit to Install. (R 336.1201(4))
- 3. If this Permit to Install is issued for a process or process equipment located at a stationary source that is not subject to the Renewable Operating Permit program requirements pursuant to Rule 210 (R 336.1210), operation of the process or process equipment is allowed by this permit if the equipment performs in accordance with the terms and conditions of this Permit to Install. (R 336.1201(6)(b))
- The Department may, after notice and opportunity for a hearing, revoke this Permit to Install if evidence indicates the process or process equipment is not performing in accordance with the terms and conditions of this permit or is violating the Department's rules or the Clean Air Act. (R 336.1201(8), Section 5510 of Act 451, PA 1994)
- 5. The terms and conditions of this Permit to Install shall apply to any person or legal entity that now or hereafter owns or operates the process or process equipment at the location authorized by this Permit to Install. If the new owner or operator submits a written request to the Department pursuant to Rule 219 and the Department approves the request, this permit will be amended to reflect the change of ownership or operational control. The request must include all of the information required by subrules (1)(a), (b), and (c) of Rule 219 and shall be sent to the District Supervisor, Air Quality Division, Michigan Department of Environment, Great Lakes, and Energy. (R 336.1219)
- 6. Operation of this equipment shall not result in the emission of an air contaminant which causes injurious effects to human health or safety, animal life, plant life of significant economic value, or property, or which causes unreasonable interference with the comfortable enjoyment of life and property. (R 336.1901)
- 7. The permittee shall provide notice of an abnormal condition, start-up, shutdown, or malfunction that results in emissions of a hazardous or toxic air pollutant which continue for more than one hour in excess of any applicable standard or limitation, or emissions of any air contaminant continuing for more than two hours in excess of an applicable standard or limitation, as required in Rule 912, to the Department. The notice shall be provided not later than two business days after start-up, shutdown, or discovery of the abnormal condition or malfunction. Written reports, if required, must be filed with the Department within 10 days after the start-up or shutdown occurred, within 10 days after the abnormal condition or malfunction has been corrected, or within 30 days of discovery of the abnormal condition or malfunction, whichever is first. The written reports shall include all of the information required in Rule 912(5). (R 336.1912)
- 8. Approval of this permit does not exempt the permittee from complying with any future applicable requirements which may be promulgated under Part 55 of 1994 PA 451, as amended or the Federal Clean Air Act.
- 9. Approval of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law.
- 10. Operation of this equipment may be subject to other requirements of Part 55 of 1994 PA 451, as amended and the rules promulgated thereunder.

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- 11. Except as provided in subrules (2) and (3) or unless the special conditions of the Permit to Install include an alternate opacity limit established pursuant to subrule (4) of Rule 301, the permittee shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of density greater than the most stringent of the following. The grading of visible emissions shall be determined in accordance with Rule 303 (R 336.1303). (R 336.1301)
  - a) A six-minute average of 20 percent opacity, except for one six-minute average per hour of not more than 27 percent opacity.
  - b) A visible emission limit specified by an applicable federal new source performance standard.
  - c) A visible emission limit specified as a condition of this Permit to Install.
- 12. Collected air contaminants shall be removed as necessary to maintain the equipment at the required operating efficiency. The collection and disposal of air contaminants shall be performed in a manner so as to minimize the introduction of contaminants to the outer air. Transport of collected air contaminants in Priority I and II areas requires the use of material handling methods specified in Rule 370(2). (**R 336.1370**)
- The Department may require the permittee to conduct acceptable performance tests, at the permittee's expense, in accordance with Rule 1001 and Rule 1003, under any of the conditions listed in Rule 1001. (R 336.2001)

# **EMISSION UNIT SPECIAL CONDITIONS**

## EMISSION UNIT SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

Emission Unit ID	Emission Unit Description (Including Process Equipment & Control Device(s))	Flexible Group ID
EUFLARE	Flare that burns excess gas from the oil and gas production equipment.	FGPRODUCTION

Changes to the equipment described in this table are subject to the requirements of R 336.1201, except as allowed by R 336.1278 to R 336.1291.

# FLEXIBLE GROUP SPECIAL CONDITIONS

### FLEXIBLE GROUP SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

Flexible Group ID	Flexible Group Description	Associated Emission Unit IDs
FGPRODUCTION	All oil and gas production equipment at the facility.	EUFLARE

# FGPRODUCTION FLEXIBLE GROUP CONDITIONS

#### DESCRIPTION

All oil and gas production equipment at the facility.

Emission Unit: EUFLARE

#### POLLUTION CONTROL EQUIPMENT

Controlled by two flares; SVFLARE

#### I. EMISSION LIMIT(S)

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Monitoring / Testing Method	Underlying Applicable Requirements
1. SO <sub>2</sub>	32 tpy	12-month rolling time period as determined at the end of each calendar month	FGPRODUCTION	SC VI 3	R 336.1205(1)(a), 40 CFR 52.21(c) & (d)

### II. MATERIAL LIMIT(S)

Material	Limit	Time Period / Operating Scenario	Equipment	Monitoring / Testing Method	Underlying Applicable Requirements
1. Hydrogen	18 tpy	12-month rolling time	FGPRODUCTION	SC VI.1,	R 336.1205(1)(a),
sulfide (H <sub>2</sub> S)		period as determined at		SC VI.2	R 336.1225
sent to the		the end of each			
flare		calendar month			

#### III. PROCESS/OPERATIONAL RESTRICTION(S)

- 1. The permittee shall not allow sour gas from storage tanks, oil/gas separators, heater treaters, or other equipment in FGPRODUCTION to be emitted to the atmosphere without burning in a flare, incinerator, or equivalent control device. (R 336.1224, R 336.1225, R 336.1403, R 336.1702(a), R 336.1901, R 336.1910)
- 2. No later than 60 days after issuance of this permit, the permittee shall submit to the AQD District Supervisor, for review and approval, a preventative maintenance/malfunction abatement plan (PM/MAP) for operation of the flare associated with FGPRODUCTION. After approval of the PM/MAP by the AQD District Supervisor, the permittee shall not operate FGPRODUCTION unless the PM/MAP, or an alternate plan approved by the AQD District Supervisor, is implemented, and maintained. The plan shall incorporate procedures recommended by the equipment manufacturer as well as incorporating standard industry practices. At a minimum, the plan shall include:
  - a) Identification of the equipment and, if applicable, air-cleaning device and the supervisory personnel responsible for overseeing the inspection, maintenance, and repair.
  - b) Description of the items or conditions to be inspected and frequency of the inspections or repairs.
  - c) Identification of the equipment and, if applicable, air-cleaning device, operating parameters that shall be monitored to detect a malfunction or failure, the normal operating range of these parameters and a description of the method of monitoring or surveillance procedures.
  - d) Identification of the major replacement parts that shall be maintained in inventory for quick replacement.

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e) A description of the corrective procedures or operational changes that shall be taken in the event of a malfunction or failure to achieve compliance with the applicable emission limits.

If the plan fails to address or inadequately addresses an event that meets the characteristics of a malfunction at the time the plan is initially developed, the owner or operator shall revise the plan within 45 days after such an event occurs and submit the revised plan for approval to the AQD District Supervisor. Should the AQD determine the PM / MAP to be inadequate, the AQD District Supervisor may request modification of the plan to address those inadequacies. (R 336.1224, R 336.1225, R 336.1702(a), R 336.1901, R 336.1910, R 336.1911, R 336.1912)

#### IV. DESIGN/EQUIPMENT PARAMETER(S)

- 1. The permittee shall properly operate all of the following:
  - a) A continuously burning pilot flame at the flare. Pilot fuel shall be only natural gas.
  - b) A mechanism that will automatically stop fluid flow into the facility in the event that the flare pilot flame is extinguished. The permittee shall not resume fluid flow into FGPRODUCTION unless the flare pilot flame is re-ignited and maintained.

(R 336.1224, R 336.1225, R 336.1403(2), R 336.1702(a), R 336.1910)

#### V. TESTING/SAMPLING

NA

#### VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

- 1. The permittee shall monitor and record all of the following at the frequency indicated:
  - a) Volumetric flow rate of sour gas going to the flare per day, per calendar month, and per 12-month rolling time period.
  - b) Readings of the concentration of hydrogen sulfide in the sour gas sent to the FGPRODUCTION flare monthly. Both of the following are acceptable means of determining the concentration of hydrogen sulfide in the sour gas:
    - i) Colorimetric detector tube.
    - ii) Laboratory gas analysis.

The permittee shall perform 6 consecutive monthly readings of the concentration of hydrogen sulfide in the sour gas. After successful completion of the 6 consecutive monthly readings, the permittee may request an alternative monitoring schedule. Any request for an alternative monitoring schedule shall be submitted to the AQD District Supervisor for approval. The requested monitoring frequency shall be no less than annual. (R 336.1205, R 336.1225, 40 CFR 52.21(c) & (d))

- 2. The permittee shall calculate and record the mass flow rate of H<sub>2</sub>S that went to the flare each calendar month using all of the following:
  - a) The most recently determined concentration of hydrogen sulfide in the sour gas.
  - b) The monthly volume of sour gas that went to the flare.
  - c) The following equation:

$$\frac{lbs H_2S}{month} = \frac{ft^3 sour \ gas}{month} \times \frac{ft^3 H_2S}{100 \ ft^3 sour \ gas} \times \frac{lbmol \ H_2S}{385 ft^3 H_2S} \times \frac{34 \ lb \ H_2S}{lbmol \ H_2S}$$

The permittee shall complete the calculations in a format acceptable to the AQD District Supervisor by the last day of the calendar month, for the previous calendar month. The permittee shall maintain the records monthly and 12-month rolling time period as determined at the end of each calendar month. The permittee shall keep these records on file at a location approved by the AQD District Supervisor and make them available to the Department upon request. (R 336.1205, R 336.1225, R 336.1403(5)(a), 40 CFR 52.21(c) & (d))

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- 3. The permittee shall keep, in a satisfactory manner, monthly and 12-month rolling time period calculation records of SO<sub>2</sub> emissions for all emission units in FGPRODUCTION. The permittee shall use an assumed 95% H<sub>2</sub>S destruction efficiency to calculate SO<sub>2</sub> emissions, unless the AQD District Supervisor approves the use of a different destruction efficiency for the calculations. The permittee shall complete the calculations in a format acceptable to the AQD District Supervisor by the last day of the calendar month, for the previous calendar month. The permittee shall keep these records on file at a location approved by the AQD District Supervisor and make them available to the Department upon request. (R 336.1205, 40 CFR 52.21(c) & (d))
- 4. The permittee shall maintain a log of all maintenance activities conducted according to the PM/MAP (pursuant to SC III.2). The permittee shall keep this log on file at a location approved by the AQD District Supervisor and make it available to the Department upon request. (R 336.1911, R 336.1912)
- 5. The permittee shall monitor and record the presence of a pilot flame at the flare on a continuous basis using a thermal sensor. (R 336.1403(2), R 336.1702(a), R 336.1910)

#### VII. <u>REPORTING</u>

NA

#### VIII. STACK/VENT RESTRICTION(S)

The exhaust gases from the stacks listed in the table below shall be discharged unobstructed vertically upwards to the ambient air unless otherwise noted:

Dimensions (inches)	Above Ground (feet)	Requirements
33	20	R 336.1225, 40 CFR 52.21(c) & (d)
	(inches)	

#### IX. OTHER REQUIREMENT(S)

1. The permittee shall comply with all provisions of the federal Standards of Performance for New Stationary Sources as specified in 40 CFR Part 60 Subparts A and OOOOa, as they apply to FGPRODUCTION. (40 CFR Part 60 Subparts A & OOOOa)