STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

JOHN ELIAS BALDACCI
GOVERNOR

DAVID P. LITTELL
COMMISSIONER

Maritimes & Northeast Pipeline, LLC
Penobscot County
Brewer, Maine
A-854-71-G-M (SM)

Departmental
Findings of Fact and Order
Air Emission License
Amendment #1

After review of the air emissions license amendment application, staff investigation reports and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 M.R.S.A., §344 and §590, the Department finds the following facts:

I. REGISTRATION

A. Introduction

1. Maritimes & Northeast Pipeline, LLC (M&N) was issued Air Emission License A-854-71-D-R/A on May 4, 2009 permitting the operation of emission sources associated with their gas compressor station.

2. The equipment addressed in this license is located at 207 O'Regan Rd in Brewer, Maine.

3. M&N has requested a minor revision to their license in order to extend the deadline to perform the initial compliance test on Turbine #1.

B. Revision Description

Turbine #1 is subject to New Source Performance Standards (NSPS) 40 CFR Part 60, Subpart KKKK, Standards of Performance for Stationary Gas Turbines for which construction commenced after February 18, 2005. Turbines subject to Subpart KKKK are exempt from NSPS Subpart GG, Standards of Performance for Stationary Gas Turbines for which construction commenced after October 3, 1977.

M&N's "Phase IV Project" was constructed to transport gas supplies from a new Canaport liquefied natural gas (LNG) receiving terminal near Saint John, New Brunswick, Canada. As a result, M&N expanded its existing interstate natural gas pipeline system in the U.S. by installing new facilities in Maine and Massachusetts.

Condition (24) of air emission license A-854-71-D-R/A requires M&N to perform an initial performance test within 60 days after achieving the maximum production rate at which the facility will be operated but not later than October 13, 2009. Initial startup of the turbine located at the Brewer compressor

station occurred in October 2008. One extension to the deadline to perform the initial compliance testing was granted (in A-854-71-D-R/A) because the turbine was not yet in commercial operation, had not achieved their maximum rate, and M&N lacked sufficient gas throughput necessary to perform the test.

Canaport LNG is now operating but at a reduced capacity from its design capacity and the capacity the M&N system is designed to transport. As a result, M&N still cannot insure that it will have the gas throughput necessary to run Turbine #1 at sufficient capacity to complete the initial performance testing as required in 40 CFR § 60.8 and their air emission license.

M&N requested an extension from EPA to conduct the performance testing associated with its Brewer Compressor Station. Since the initial compliance testing schedule is also listed in the air emission license, M&N has also requested a minor revision to the license to address those conditions. On October 27, 2009, EPA granted an extension to conduct the performance testing to within 180 days of the prior performance testing deadline of October 13, 2009 (i.e., up to and including April 11, 2010), or within 60 days of achieving the compressor units' maximum production rate.

C. Application Classification

This amendment will not increase emissions of any pollutant. Therefore, this modification is determined to be a minor revision and has been processed as such.

ORDER

Based on the above Findings and subject to conditions listed below, the Department concludes that the emissions from this source:

- will receive Best Practical Treatment,
- will not violate applicable emission standards,
- will not violate applicable ambient air quality standards in conjunction with emissions from other sources.

The Department hereby grants Air Emission License A-854-71-G-M subject to the conditions found in Air Emission License A-854-71-D-R/A and in the following conditions.

Severability. The invalidity or unenforceability of any provision, or part thereof, of this License shall not affect the remainder of the provision or any other provisions. This License shall be construed and enforced in all respects as if such invalid or unenforceable provision or part thereof had been omitted.

The following shall replace Condition (24) of Air Emission Licenses A-854-71-D-R/A:

(24) **Performance Tests**

A. M&N shall conduct an initial performance test within 60 days of achieving the compressor unit's maximum production rate or April 11, 2010, whichever is first. All testing shall comply with all of the requirements of the DEP Compliance Test Protocol and with 40 CFR Part 60, as appropriate, or other methods approved by the Bureau of Air Quality. A representative of the DEP or EPA shall be given the opportunity to observe the compliance testing.
[40 CFR 60 Subpart KKKK and 06-096 CMR 115, BPT]

B. M&N shall install test ports in stack #1 in accordance with the criteria of 40 CFR Part 60, Appendix A, Method 1, and test platforms, if necessary, to allow emission compliance testing for the gas turbine.
[40 CFR 60 Subpart KKKK and 06-096 CMR 115, BPT]

C. M&N shall conduct initial performance testing on the gas turbine for CO and VOCs and, upon request by the Department, total PM. Test results shall be reported in the applicable units of the standard.
[40 CFR 60 Subpart KKKK and 06-096 CMR 115, BPT]

D. M&N shall perform annual performance tests to demonstrate compliance with the NO_x emission limits. If the NO_x emission results meet the requirements of 40 C.F.R. § 60.4340, then the frequency of performance tests may be reduced to once every two years upon concurrence from the MEDEP. [40 CFR 60 Subpart KKKK and 06-096 CMR 115, BPT]

DONE AND DATED IN AUGUSTA, MAINE THIS 11th DAY OF December, 2009.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: James P. Brooks for
DAVID P. LITTELL, COMMISSIONER

The term of this amendment shall be concurrent with the term of Air Emission License A-854-71-D-R/A.

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: 9/24/09
Date of application acceptance: 9/25/09

Date filed with the Board of Environmental Protection: _____

This Order prepared by Lynn Ross, Bureau of Air Quality.

FILED
DEC 14 2009
BOARD OF ENVIRONMENTAL PROT.
STATE OF MAINE