



October 1, 2001

Chair, Council on Environmental Quality
Executive Office of the President,
17th and G Streets NW
Washington, DC 20503

ENERGY SERVICES
1717 South Boulder Avenue
P.O. Box 21628
Tulsa, Oklahoma 74121-1628

Attention: Task Force.

In response to your request for comments, specific suggestions, and examples of permitting or other decision making processes which should be improved or streamlined, Williams Energy Services, Subsidiary of The Williams Companies, INC., offers the following comments and suggestions:

REPLACEMENT OF LIKE-KIND SOURCES

The production and transportation of natural gas includes compression to relatively high pressures for delivery through the pipeline system, to processing plants, and ultimately to the consumer. Compressors are typically driven by skid-mounted, natural gas-fired, internal combustion engines, or small natural gas-fired combustion turbines. These engines are typically located at remote sites throughout the gas-fields and along pipelines. This is also true for the transportation of natural gas liquids, which use small natural gas or natural gas liquid (NGL) fired engines or combustion turbines.

Because of the small size of these combustion turbines, or skid-mounted nature of these engines, they are easily transportable to the manufacturer, or supplier for maintenance in a controlled, environment. Throughout the United States, routine maintenance on these engines includes periodically removing them from the remote location, transporting them to a repair-shop, and performing routine maintenance. It is much easier to perform this type of maintenance in an indoor, controlled environment where parts, tools, and other equipment are readily available, and maintenance is not affected by weather conditions and extremes in temperature. Overhauled engines are then available for a like-kind replacement at another location.

An engine overhaul may take days to weeks to complete, depending on the nature of the maintenance procedure, the type of engine, and the availability of replacement parts. By replacing the original engine on-site with an essentially identical, like-kind replacement engine, the operator has minimal downtime of the compressor (or pump) during the overhaul, maintaining high levels of product delivery.

Under current federal permitting requirements found in the Clean Air Act a like-kind replacement of existing engines or combustion turbines is not allowed. Replacement for like-kind engines or combustion turbines such as these is considered a "modification" to the existing facility. And a permit needs to be issued prior to any modification of a facility.

In order to obtain a permit, several lengthy steps need to be taken. A permit application must be prepared for this like-kind replacement. This permit application may include extremely detailed information on the facility, including existing emissions information, an analysis of past actual operations and proposed future operations, an analysis of emission impacts, and possibly an analysis of available emissions control equipment. All this for a small, already existing source.

This permit application must be submitted to the proper agency, reviewed, possibly required to undergo lengthy public notice, and potentially subject to further delays due to agency or public comment. This process could take anywhere from two months to more than a year, during which time the compressor (or pump) is out of service. This is not just true for routine maintenance. This procedure also holds true for unplanned or emergency like-kind replacement of these types of engines, where there is no significant change in equipment or increase in emissions.

These regulations are unnecessarily burdensome as they apply to the like-kind replacement of currently existing sources during routine maintenance. A FEDERAL policy allowing for like-kind replacement should be allowed. As mentioned earlier, these existing engines are typically small, skid-mounted, and reasonably portable. They are either grandfathered (were installed prior to regulations affecting these sources), or are currently permitted for operation at the location. They have low levels of emissions. There is no change in current emissions either from higher emission rates or from new sources. This policy would only minimize downtime and maintain production, by allowing for the routine maintenance of existing numbers and types of engines at a shop location away from the original location, without extensive permitting delays.

PROPOSED LANGUAGE FOR FEDERAL LIKE-KIND REPLACEMENT POLICY

Applicability:

This policy will apply only to pipeline quality sweet natural gas-fired, or natural gas liquid-fired internal combustion engines or combustion turbines with a firing rate of less than 100 mmBtu/hr. This policy will apply only to like-kind replacement of engines or combustion turbines at an existing location, either permitted or grandfathered. The replacement engine or combustion turbine must be identical to the original unit, including the following: manufacturer, model number, emissions, operating specifications, and air pollution control equipment. The replacement engine or combustion turbine will be tested using either a portable analyzer or by USEPA standard methods within 90 days of the like-kind replacement to demonstrate compliance with existing permit conditions or limitations. Sources failing to meet existing emissions conditions or limitations when tested using a portable analyzer shall complete a stack test using standard USEPA methods within 60 days or be deemed out of compliance. No other restrictions or regulations, including New Source Performance Standards and/or Prevention of Significant Deterioration/Non Attainment Area new source review shall apply.

Thank you for you consideration in this matter.

Sincerely,
Williams Energy Services

A handwritten signature in cursive script that reads "Al Talley".

Al Talley, P.E
Environmental



"Talley, Allen" <Allen.Talley@Williams.com>
10/02/2001 05:29:55 PM

Record Type: Record

To: Edward A. Boling Energy Task Force/CEQ/EOP@EOP

CC:

Subject: Notice and Request for Comments - Executive Order 13212 - Chair, Council on Environmental

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Al Talley P.E.

Environmental
Williams Energy Services
allen.talley@williams.com
918-574-8304



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