PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air State Facility
Permit ID: 9-2932-00111/00001
Effective Date: 05/01/2017 Expiration Date: 04/30/2027

Permit Issued To: EMPIRE PIPELINE INC
6363 MAIN ST
BUFFALO, NY 14221-5887

Facility: Pendleton Compressor Station
North side of Killian Road
Pendleton, NY 14120

Contact: JOSHUA Z. ENNIS
NATIONAL FUEL GAS SUPPLY CORPORATION
6363 MAIN ST
BUFFALO, NY 14221
(716) 857-6902

Description:
The Empire Pipeline Inc. Pendleton Station is a new natural gas pipeline compressor station for transmission of natural gas. The compressor station is a part of National Fuel Gas Corporation’s (NFG) Northern Access 2016 Project. The purpose of the Project is to provide incremental transportation to markets in the northeastern United States and Canada through National Fuel and Empire’s existing interconnections, including Empire’s interconnection with TransCanada Pipeline at Chippawa (a receipt point), as well as markets on the Tennessee Gas 200 Line in Erie County, New York, and other interconnections with local gas distribution companies, power generators, and other interstate pipelines available on both the National Fuel and Empire systems. The Project would create approximately 350,000 dekatherms per day of capacity.

The compressor station will utilize two (2) 11626 horsepower Solar Taurus 70 Compressor Turbines. Both turbines are limited to Oxides of Nitrogen (NOx) emissions concentrations of 25 parts per million by volume on a dry basis adjusted to 15 percent oxygen to meet the requirements of 40CFR60 Subpart KKKK for new turbines firing natural gas with a heat input between 50 and 850 MMBtu/hr. The two new turbines will be equipped with Solar turbine’s SoLoNOx technology which guarantees NOx emissions will not exceed 15 parts per million by volume on a dry basis adjusted to 15 percent oxygen at all temperatures above 0° F and will meet New Source Performance Standards (NSPS) emission limits. Compliance with this emission standard shall be determined according to the annual performance tests as specified in §60.4340 and §60.4440 and will assure that the major source facility emission threshold for NOx is not exceeded.
Additionally, oxidation catalysts will be installed on both turbines for control of Carbon Monoxide (CO), Volatile Organic Compounds (VOCs) and Hazardous Air Pollutant (HAP) emissions. These oxidation catalysts are not required by any regulation. The facility will be required to comply with the requirements of NSPS Subpart OOOOa.

The turbines are also subject to 6NYCRR Part 227-1.3(a) which limits the opacity of emissions to less than 20%.

There will be one Caterpillar G3516 LE 1053 hp rich-burn emergency generator at the compressor station. The emergency generator is exempt from permitting per 6NYCRR Part 201-3.2(c)(6) but is subject to 40CFR60 Subpart JJJJ Standards of Performance for Stationary Spark Ignition Internal Combustion Engines and will be equipped with a non-selective catalytic reduction (NSCR) catalyst in order to reduce emissions if the generator is used.

In order to further reduce fugitive emissions the turbines will utilize electric drive starting motors, a vent gas recovery system, and dry gas seals. Compressed air pneumatic controls will also be implemented where appropriate and all gas-driven pneumatic devices will be of a “low bleed” or “intermittent bleed” design.

Air dispersion modeling was performed to assess the impact of the compressor station's turbines and emergency generator on short-term and long-term air quality. The specific contaminants that were modeled were nitrogen dioxide (NO2), particulate matter (PM2.5 and PM10), and formaldehyde. Predicted results were compared to the NYSDEC Annual Guidance Concentrations (AGC) and Short-term Guidance Concentrations (SGC). No adverse impacts were identified.

By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, the General Conditions specified and any Special Conditions included as part of this permit.

Permit Administrator: MICHAEL T HIGGINS
NYSDEC - HEADQUARTERS
625 BROADWAY
ALBANY, NY 12233-1750

Authorized Signature: _____________________________ Date: ___ / ___ / _____
Notification of Other State Permittee Obligations

Item A: Permittee Accepts Legal Responsibility and Agrees to Indemnification

The permittee expressly agrees to indemnify and hold harmless the Department of Environmental Conservation of the State of New York, its representatives, employees and agents (“DEC”) for all claims, suits, actions, and damages, to the extent attributable to the permittee's acts or omissions in connection with the compliance permittee's undertaking of activities in connection with, or operation and maintenance of, the facility or facilities authorized by the permit whether in compliance or not in any compliance with the terms and conditions of the permit. This indemnification does not extend to any claims, suits, actions, or damages to the extent attributable to DEC's own negligent or intentional acts or omissions, or to any claims, suits, or actions naming the DEC and arising under article 78 of the New York Civil Practice Laws and Rules or any citizen suit or civil rights provision under federal or state laws.

Item B: Permittee's Contractors to Comply with Permit

The permittee is responsible for informing its independent contractors, employees, agents and assigns of their responsibility to comply with this permit, including all special conditions while acting as the permittee's agent with respect to the permitted activities, and such persons shall be subject to the same sanctions for violations of the Environmental Conservation Law as those prescribed for the permittee.

Item C: Permittee Responsible for Obtaining Other Required Permits

The permittee is responsible for obtaining any other permits, approvals, lands, easements and rights-of-way that may be required to carry out the activities that are authorized by this permit.

Item D: No Right to Trespass or Interfere with Riparian Rights

This permit does not convey to the permittee any right to trespass upon the lands or interfere with the riparian rights of others in order to perform the permitted work nor does it authorize the impairment of any rights, title, or interest in real or personal property held or vested in a person not a party to the permit.
LIST OF CONDITIONS

DEC GENERAL CONDITIONS
General Provisions
Facility Inspection by the Department
Relationship of this Permit to Other Department Orders and Determinations
Applications for permit renewals, modifications and transfers
Permit modifications, suspensions or revocations by the Department

Facility Level
Submission of application for permit modification or renewal-REGION 9 HEADQUARTERS

DEC SPECIAL CONDITIONS
Required Water Permits
DEC GENERAL CONDITIONS
***** General Provisions *****
GENERAL CONDITIONS - Apply to ALL Authorized Permits.

Condition 1: Facility Inspection by the Department
Applicable State Requirement: ECL 19-0305

Item 1.1:
The permitted site or facility, including relevant records, is subject to inspection at reasonable hours and intervals by an authorized representative of the Department of Environmental Conservation (the Department) to determine whether the permittee is complying with this permit and the ECL. Such representative may order the work suspended pursuant to ECL 71-0301 and SAPA 401(3).

Item 1.2:
The permittee shall provide a person to accompany the Department's representative during an inspection to the permit area when requested by the Department.

Item 1.3:
A copy of this permit, including all referenced maps, drawings and special conditions, must be available for inspection by the Department at all times at the project site or facility. Failure to produce a copy of the permit upon request by a Department representative is a violation of this permit.

Condition 2: Relationship of this Permit to Other Department Orders and Determinations
Applicable State Requirement: ECL 3-0301 (2) (m)

Item 2.1:
Unless expressly provided for by the Department, issuance of this permit does not modify, supersede or rescind any order or determination previously issued by the Department or any of the terms, conditions or requirements contained in such order or determination.

Condition 3: Applications for permit renewals, modifications and transfers
Applicable State Requirement: 6 NYCRR 621.11

Item 3.1:
The permittee must submit a separate written application to the Department for renewal, modification or transfer of this permit. Such application must include any forms or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing.

Item 3.2:
The permittee must submit a renewal application at least 180 days before the expiration of permits for Title V and State Facility Permits.

Item 3.3
Permits are transferrable with the approval of the department unless specifically prohibited by the statute, regulation or another permit condition. Applications for permit transfer should be submitted prior to actual transfer of ownership.
Condition 4: Permit modifications, suspensions or revocations by the Department
Applicable State Requirement: 6 NYCRR 621.13

Item 4.1:
The Department reserves the right to exercise all available authority to modify, suspend, or revoke this permit in accordance with 6NYCRR Part 621. The grounds for modification, suspension or revocation include:

a) materially false or inaccurate statements in the permit application or supporting papers;
b) failure by the permittee to comply with any terms or conditions of the permit;
c) exceeding the scope of the project as described in the permit application;
d) newly discovered material information or a material change in environmental conditions, relevant technology or applicable law or regulations since the issuance of the existing permit;
e) noncompliance with previously issued permit conditions, orders of the commissioner, any provisions of the Environmental Conservation Law or regulations of the Department related to the permitted activity.

**** Facility Level ****

Condition 5: Submission of application for permit modification or renewal-REGION 9
HEADQUARTERS
Applicable State Requirement: 6 NYCRR 621.6 (a)

Item 5.1:
Submission of applications for permit modification or renewal are to be submitted to:
NYSDEC Regional Permit Administrator
Region 9 Headquarters
Division of Environmental Permits
270 Michigan Avenue
Buffalo, NY 14203-2915
(716) 85
Condition 6: Required Water Permits

Applicable State Requirement: 6 NYCRR Part 608

Item 6.1: Commencement of construction is not authorized pursuant to this permit and is prohibited, unless and until National Fuel Gas receives all other State and federal permits necessary for the construction of the Northern Access 2016 Pipeline Project (Project), including but not limited to a Water Quality Certification for the Project from the Department pursuant to Section 401 of the Clean Water Act (33 U.S.C. sec. 1341).
Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - AIR STATE FACILITY

IDENTIFICATION INFORMATION

Permit Issued To: EMPIRE PIPELINE INC
6363 MAIN ST
BUFFALO, NY 14221-5887

Facility: Pendleton Compressor Station
North side of Killian Road
Pendleton, NY 14120

Authorized Activity By Standard Industrial Classification Code:
4922 - NATURAL GAS TRANSMISSION

Permit Effective Date: 05/01/2017  Permit Expiration Date: 04/30/2027
LIST OF CONDITIONS

FEDERALLY ENFORCEABLE CONDITIONS
Facility Level
1  6 NYCRR 211.1: Air pollution prohibited
2  40CFR 60, NSPS Subpart JJJJ: Compliance Demonstration
3  40CFR 60.4320, NSPS Subpart KKKK: Compliance Demonstration
4  40CFR 60.5390a, NSPS Subpart OOOOa: Compliance Demonstration
5  40CFR 60.5410a(j), NSPS Subpart OOOOa: Compliance Demonstration
6  40CFR 60.5420a(b), NSPS Subpart OOOOa: Compliance Demonstration

Emission Unit Level

EU=U-00001
7  40CFR 60.4320, NSPS Subpart KKKK: Compliance Demonstration
8  40CFR 60.4330, NSPS Subpart KKKK: Compliance Demonstration
9  40CFR 60.4333, NSPS Subpart KKKK: Compliance Demonstration
10  40CFR 60.4375(b), NSPS Subpart KKKK: Compliance Demonstration
11  40CFR 60.4400, NSPS Subpart KKKK: Compliance Demonstration

STATE ONLY ENFORCEABLE CONDITIONS
Facility Level
12  ECL 19-0301: Contaminant List
13  6 NYCRR 201-1.4: Malfunctions and start-up/shutdown activities
14  6 NYCRR Subpart 201-5: Emission Unit Definition
15  6 NYCRR 201-5.2 (c): Renewal deadlines for state facility permits
16  6 NYCRR 201-5.3 (c): Compliance Demonstration
17  6 NYCRR 201-5.3 (c): Compliance Demonstration
18  6 NYCRR 201-5.3 (c): Compliance Demonstration
19  6 NYCRR 211.2: Visible Emissions Limited

Emission Unit Level
20  6 NYCRR Subpart 201-5: Emission Point Definition By Emission Unit
21  6 NYCRR Subpart 201-5: Process Definition By Emission Unit
FEDERALLY ENFORCEABLE CONDITIONS

**** Facility Level ****

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS
This section contains terms and conditions which are federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Sealing - 6 NYCRR 200.5
The Commissioner may seal an air contamination source to prevent its operation if compliance with 6 NYCRR Chapter III is not met within the time provided by an order of the Commissioner issued in the case of the violation. Sealing means labeling or tagging a source to notify any person that operation of the source is prohibited, and also includes physical means of preventing the operation of an air contamination source without resulting in destruction of any equipment associated with such source, and includes, but is not limited to, bolting, chaining or wiring shut control panels, apertures or conduits associated with such source.

No person shall operate any air contamination source sealed by the Commissioner in accordance with this section unless a modification has been made which enables such source to comply with all requirements applicable to such modification.

Unless authorized by the Commissioner, no person shall remove or alter any seal affixed to any contamination source in accordance with this section.

Item B: Acceptable Ambient Air Quality - 6 NYCRR 200.6
Notwithstanding the provisions of 6 NYCRR Chapter III, Subchapter A, no person shall allow or permit any air contamination source to emit air contaminants in quantities which alone or in combination with emissions from other air contamination sources would contravene any applicable ambient air quality standard and/or cause air pollution. In such cases where contravention occurs or may occur, the Commissioner shall specify the degree and/or method of emission control required.

Item C: Maintenance of Equipment - 6 NYCRR 200.7
Any person who owns or operates an air contamination source which is equipped with an emission control device shall operate such device and keep it in a satisfactory state of maintenance and repair in accordance with ordinary and necessary practices, standards and procedures, inclusive of manufacturer's specifications,
required to operate such device effectively.

**Item D: Unpermitted Emission Sources - 6 NYCRR 201-1.2**

If an existing emission source was subject to the permitting requirements of 6 NYCRR Part 201 at the time of construction or modification, and the owner and/or operator failed to apply for a permit for such emission source then the following provisions apply:

(a) The owner and/or operator must apply for a permit for such emission source or register the facility in accordance with the provisions of Part 201.

(b) The emission source or facility is subject to all regulations that were applicable to it at the time of construction or modification and any subsequent requirements applicable to existing sources or facilities.

**Item E: Recycling and Salvage - 6 NYCRR 201-1.7**

Where practical, any person who owns or operates an air contamination source shall recycle or salvage air contaminants collected in an air cleaning device according to the requirements of 6 NYCRR.

**Item F: Prohibition of Reintroduction of Collected Contaminants to the Air - 6 NYCRR 201-1.8**

No person shall unnecessarily remove, handle, or cause to be handled, collected air contaminants from an air cleaning device for recycling, salvage or disposal in a manner that would reintroduce them to the outdoor atmosphere.

**Item G: Proof of Eligibility for Sources Defined as Exempt Activities - 6 NYCRR 201-3.2 (a)**

The owner and/or operator of an emission source or unit that is eligible to be exempt, may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

**Item H: Proof of Eligibility for Sources Defined as Trivial**
Activities - 6 NYCRR 201-3.3 (a)
The owner and/or operator of an emission source or unit that is listed as being trivial in 6 NYCRR Part 201 may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item I: Required Emission Tests - 6 NYCRR 202-1.1
An acceptable report of measured emissions shall be submitted, as may be required by the Commissioner, to ascertain compliance or noncompliance with any air pollution code, rule, or regulation. Failure to submit a report acceptable to the Commissioner within the time stated shall be sufficient reason for the Commissioner to suspend or deny an operating permit. Notification and acceptable procedures are specified in 6 NYCRR Subpart 202-1.

Item J: Open Fires Prohibitions - 6 NYCRR 215.2
Except as allowed by section 215.3 of 6 NYCRR Part 215, no person shall burn, cause, suffer, allow or permit the burning of any materials in an open fire.

Item K: Permit Exclusion - ECL 19-0305
The issuance of this permit by the Department and the receipt thereof by the Applicant does not and shall not be construed as barring, diminishing, adjudicating or in any way affecting any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against the Applicant for violations based on facts and circumstances alleged to have occurred or existed prior to the effective date of this permit, including, but not limited to, any enforcement action authorized pursuant to the provisions of applicable federal law, the Environmental Conservation Law of the State of New York (ECL) and Chapter III of the Official Compilation of the Codes, Rules and Regulations of the State of New York (NYCRR). The issuance of this permit also shall not in any way affect pending or future enforcement actions under the Clean Air Act brought by the United States or any person.

Item L: Federally Enforceable Requirements - 40 CFR 70.6 (b)
All terms and conditions in this permit required by the Act or any applicable requirement, including any provisions designed to limit a facility's potential to emit, are enforceable by the Administrator and citizens under the Act. The Department has, in this permit, specifically designated any terms and conditions that are not required under the Act or under any of its applicable requirements as being enforceable under only state regulations.

FEDERAL APPLICABLE REQUIREMENTS
The following conditions are federally enforceable.

Condition 1: Air pollution prohibited
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 6 NYCRR 211.1

Item 1.1:
No person shall cause or allow emissions of air contaminants to the outdoor atmosphere of such quantity, characteristic or duration which are injurious to human, plant or animal life or to property, or which unreasonably interfere with the comfortable enjoyment of life or property. Notwithstanding the existence of specific air quality standards or emission limits, this prohibition applies, but is not limited to, any particulate, fume, gas, mist, odor, smoke, vapor, pollen, toxic or deleterious emission, either alone or in combination with others.

Condition 2: Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40CFR 60, NSPS Subpart JJJJ

Item 2.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 2.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
The emergency generator is subject to Subpart JJJJ. The facility is subject to emission limits for oxides of nitrogen (NOx), carbon monoxide (CO) and volatile organic compounds (VOC), along with required monitoring, recordkeeping and reporting from the rule. The regulation should be thoroughly reviewed to determine applicable notification, reporting, and recordkeeping requirements.
The emission limits outlined in Table 1 of Subpart JJJJ are:

- NOx - 2.0 g/bhp-hr
- CO - 4.0 g/bhp-hr
- VOC – 1.0 g/bhp-hr

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

**Condition 3:** Compliance Demonstration

Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40 CFR 60.4320, NSPS Subpart KKKK

**Item 3.1:**
The Compliance Demonstration activity will be performed for the Facility.

**Item 3.2:**
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:
The Pendleton compressor station is required to meet an oxides of nitrogen (NOx) emission limit of 25 ppm @ 15% O2 per 40 CFR 60 Subpart KKKK. To meet this emission limitation the two 11,626 hp turbines at the facility are equipped with Solar’s SoLoNOx technology which guarantees NOx emissions at 15 ppm @ 15% O2 at ambient temperatures above 0o F. To ensure that the facility remains in continuous compliance with the emission limits as outlined in Table 1 of 40 CFR 60 Subpart KKKK, facility operators must:

1. Ensure that SoLoNOx is functioning when the turbines are in operation.
2. Ensure the turbine manufacturer’s operation and maintenance documents are at the facility at all times and available for review during facility inspections.
3. Perform routine monitoring and maintenance in accordance with the manufacture’s guidelines.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

**Condition 4:** Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40CFR 60.5390a, NSPS Subpart

Item 4.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 4.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
- For each pneumatic controller affected facility you must comply with the Greenhouse Gas (GHG) and Volatile Organic Compounds (VOC) standards, based on natural gas as a surrogate for GHG and VOC.

- Each pneumatic controller affected facility at a location other than at a natural gas processing plant must have a bleed rate less than or equal to 6 standard cubic feet per hour. Records must be kept of the manufacturer’s specifications indicating that the controller is designed such that natural gas bleed rate is less than or equal to 6 standard cubic feet per hour.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 5: Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40CFR 60.5410a(j), NSPS Subpart

Item 5.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 5.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
- To achieve initial compliance with the fugitive emission standards for each collection of fugitive emissions components at a well site and each collection of fugitive emissions components at a compressor station, you must comply with paragraphs (j)(1) through (5) of this section.
(1) You must develop a fugitive emissions monitoring plan as required in §60.5397a(b)(c), and (d).

(2) You must conduct an initial monitoring survey as required in §60.5397a(f).

(3) You must maintain the records specified in §60.5420a(c)(15).

(4) You must repair each identified source of fugitive emissions for each affected facility as required in §60.5397a(h).

(5) You must submit the initial annual report for each collection of fugitive emissions components at a well site and each collection of fugitive emissions components at a compressor station as required in §60.5420a(b)(1) and (7).

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 6: Compliance Demonstration Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40CFR 60.5420a(b), NSPS Subpart OOOOa

Item 6.1: The Compliance Demonstration activity will be performed for the Facility.

Item 6.2: Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:
The Pendleton Compressor Station must follow the applicable provisions as outlined in 40 CFR 60 Subpart OOOOa § 60.5420a. Reports submitted to the Department must include the following information:

(1) The company name, facility site name associated with the affected facility, US Well ID or US Well ID associated with the affected facility, if applicable, and address of the affected facility. If an address is not available for the site, include a description of the site location and provide the latitude and longitude coordinates of the site in decimal degrees to an accuracy and precision of five (5) decimals of a degree using the North American Datum of 1983.
(2) An identification of each affected facility being included in the annual report.

(3) Beginning and ending dates of the reporting period.

(4) A certification by a certifying official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

(5) Records of deviations from the operating requirements specified in 40 CFR 60.5380(a) and that occurred during the reporting period.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

**** Emission Unit Level ****

Condition 7: Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40CFR 60.4320, NSPS Subpart KKKK

Item 7.1:
The Compliance Demonstration activity will be performed for:

Emission Unit: U-00001

Item 7.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:

Empire Pipeline Inc. must assure that the facility's combustion turbines do not exceed the appropriate NOx emission limit per Table 1 of 40 CFR 60 Subpart KKKK. The limit is 25 ppm at 15% oxygen for new turbines firing natural gas with a heat input between 50 and 850 MMBtu/hr. at ambient temperatures greater than 0°F and/or loads greater than 75% peak load.

For combustion turbines less than or equal to 30 MW output operating at less than 75% peak load and/or operating at temperatures less than 0°F, the facility must not exceed the NOx emission standard of 150 ppm at 15% oxygen.
Compliance with this emission standard shall be determined according to the annual performance tests as specified in §60.4400 and will assure that the major source facility emission threshold for NOx is not exceeded.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

**Condition 8:** Compliance Demonstration

*Effective between the dates of 05/01/2017 and 04/30/2027*

**Applicable Federal Requirement:** 40CFR 60.4330, NSPS Subpart KKKK

**Item 8.1:**
The Compliance Demonstration activity will be performed for:

Emission Unit: U-00001

**Item 8.2:**
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
Empire Pipeline Inc. must not burn in the stationary combustion turbines any fuel which contain total potential sulfur emissions in excess 0.060 lb SO2/MMBtu heat input. As allowed per § 60.4365, NFGSC may elect not to monitor the total sulfur content of the fuel combusted in the turbines if the fuel is demonstrated not to exceed potential sulfur emissions of 0.060 lb SO2/MMBtu input heat. One of the following sources of information must be used to make the required demonstration:
(a) The fuel quality characteristics in a current, valid purchase contract, tariff sheet or transportation contract for the fuel, specifying that the maximum total sulfur content for natural gas use is 20 grains of sulfur or less per 100 standard cubic feet, has potential sulfur emissions of less than 0.060 lb SO2/MMBtu heat input; or
(b) Representative fuel sampling data which show that the sulfur content of the fuel does not exceed 0.060 lb SO2/MMBtu heat input. At a minimum, the amount of fuel sampling data specified in section 2.3.1.4 or 2.3.2.4 of appendix D to part 75 of this chapter is required.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

**Condition 9:** Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40CFR 60.4333, NSPS Subpart KKKK

Item 9.1:
The Compliance Demonstration activity will be performed for:

Emission Unit: U-00001

Item 9.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
The facility must operate and maintain any applicable stationary combustion turbine, air pollution control equipment, and monitoring equipment in a manner consistent with good air pollution control practices for minimizing emissions at all times including during startup, shutdown, and malfunction.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 10: Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40CFR 60.4375(b), NSPS Subpart KKKK

Item 10.1:
The Compliance Demonstration activity will be performed for:

Emission Unit: U-00001

Item 10.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
Empire Pipeline Inc. must submit a written report of the results of each performance test before the close of business on the 60th day following the completion of the performance test completed in accordance with §60.4340(a).

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 11: Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable Federal Requirement: 40CFR 60.4400, NSPS Subpart KKKK

Item 11.1:
The Compliance Demonstration activity will be performed for:

Emission Unit: U-00001

Regulated Contaminant(s):
CAS No: 0NY210-00-0 OXIDES OF NITROGEN

Item 11.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING
Monitoring Description:
Empire Pipeline Inc. must conduct an initial NOx performance test on the combustion turbines (emission sources 00001 & 00002) within 60 days after achieving the maximum production rate at which the turbines will be operated, but not later than 180 days after initial startup.

The initial and subsequent NOx performance tests, which shall be conducted on an annual basis (no more than 14 calendar months following the previous performance test), will be conducted in accordance with § 60.4400.

The performance test must be done at any load condition within plus or minus 25 percent of 100 percent of peak load. Performance testing at the highest achievable load point is acceptable if at least 75 percent of peak load cannot be achieved in practice. Three separate test runs (minimum 20 minutes each) are required for each performance test.

If the NOx emission result from the performance test is less than or equal to 75 percent of the NOx emission limit for the turbines, frequency of subsequent tests may be reduced to once every 2 years (no more than 26 calendar months following the previous performance test). If the results of any subsequent performance test exceeds 75 percent of the NOx emission limit for the turbines, performance testing shall resume annually.

A test protocol shall be submitted to the Regional Air Pollution Control Engineer (RAPCE) at least 60 days prior to the proposed test date. Department staff will be afforded the opportunity to witness the performance test by notifying the RAPCE of the actual test date. A test report shall be submitted to the RAPCE within 60 days of
Upper Permit Limit: 25 parts per million by volume (dry, corrected to 15% O2)
Reference Test Method: US EPA Reference Method 7, 7E, 20, or 320
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST METHOD INDICATED
Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION
STATE ONLY ENFORCEABLE CONDITIONS

**** Facility Level ****

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS
This section contains terms and conditions which are not federally enforceable. Permittees may also have other obligations under regulations of general applicability.

Item A: Emergency Defense - 6 NYCRR 201-1.5

An emergency, as defined by subpart 201-2, constitutes an affirmative defense to penalties sought in an enforcement action brought by the Department for noncompliance with emissions limitations or permit conditions for all facilities in New York State.

(a) The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:

(1) An emergency occurred and that the facility owner or operator can identify the cause(s) of the emergency;
(2) The equipment at the permitted facility causing the emergency was at the time being properly operated and maintained;
(3) During the period of the emergency the facility owner or operator took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and
(4) The facility owner or operator notified the Department within two working days after the event occurred. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

(b) In any enforcement proceeding, the facility owner or operator seeking to establish the occurrence of an emergency has the burden of proof.

(c) This provision is in addition to any emergency or upset provision contained in any applicable requirement.

Item B: Public Access to Recordkeeping for Facilities With State Facility Permits - 6 NYCRR 201-1.10 (a)

Where facility owners and/or operators keep records pursuant to compliance with the requirements of 6 NYCRR Subpart 201-5.4, and/or the emission capping requirements of 6 NYCRR Subpart 201-7, the Department will make such records available to the public upon request in accordance with 6 NYCRR Part 616 - Public Access to Records.
Facility owners and/or operators must submit the records required to comply with the request within sixty working days of written notification by the Department.

Item C: **General Provisions for State Enforceable Permit Terms and Condition - 6 NYCRR Part 201-5**

Any person who owns and/or operates stationary sources shall operate and maintain all emission units and any required emission control devices in compliance with all applicable Parts of this Chapter and existing laws, and shall operate the facility in accordance with all criteria, emission limits, terms, conditions, and standards in this permit. Failure of such person to properly operate and maintain the effectiveness of such emission units and emission control devices may be sufficient reason for the Department to revoke or deny a permit.

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

**STATE ONLY APPLICABLE REQUIREMENTS**

The following conditions are state only enforceable.

**Condition 12:** **Contaminant List**

Effective between the dates of 05/01/2017 and 04/30/2027

**Applicable State Requirement:** ECL 19-0301

**Item 12.1:**

Emissions of the following contaminants are subject to contaminant specific requirements in this permit (emission limits, control requirements or compliance monitoring conditions).

CAS No: 0NY210-00-0
Name: OXIDES OF NITROGEN

**Condition 13:** **Malfunctions and start-up/shutdown activities**

Effective between the dates of 05/01/2017 and 04/30/2027

**Applicable State Requirement:** 6 NYCRR 201-1.4

**Item 13.1:**
(a) The facility owner or operator shall take all necessary and appropriate actions to prevent the emission of air pollutants that result in contravention of any applicable emission standard during periods of start-up, shutdown, or malfunction.

(b) The facility owner or operator shall compile and maintain records of all equipment malfunctions, maintenance, or start-up/shutdown activities when they can be expected to result in an exceedance of any applicable emission standard, and shall submit a report of such activities to the department when requested to do so, or when so required by a condition of a permit issued for the corresponding air contamination source. Such reports shall state whether any violations occurred and, if so, whether they were unavoidable, include the time, frequency and duration of the maintenance and/or start-up/shutdown activities, and an estimate of the emission rates of any air contaminants released. Such records shall be maintained for a period of at least five years and made available for review to department representatives upon request. Facility owners or operators subject to continuous stack monitoring and quarterly reporting requirements need not submit additional reports for equipment maintenance or start-up/shutdown activities for the facility to the department.

(c) In the event that emissions of air contaminants in excess of any emission standard in this Subchapter occur due to a malfunction, the facility owner or operator shall compile and maintain records of the malfunction and notify the department as soon as possible during normal working hours, but not later than two working days after becoming aware that the malfunction occurred. When requested by the department, the facility owner or operator shall submit a written report to the department describing the malfunction, the corrective action taken, identification of air contaminants, and an estimate of the emission rates.

(d) The department may also require the owner or operator to include, in reports described under Subdivisions (b) and (c) of this Section, an estimate of the maximum ground level concentration of each air contaminant emitted and the effect of such emissions.

(e) A violation of any applicable emission standard resulting from start-up, shutdown, or malfunction conditions at a permitted or registered facility may not be subject to an enforcement action by the department and/or penalty if the department determines, in its sole discretion, that such a violation was unavoidable. The actions and recordkeeping and reporting requirements listed above must be adhered to in such circumstances.

**Condition 14:** Emission Unit Definition

Effective between the dates of 05/01/2017 and 04/30/2027

Applicable State Requirement: 6 NYCRR Subpart 201-5

**Item 14.1:**
The facility is authorized to perform regulated processes under this permit for:

- **Emission Unit:** U-00001
- **Emission Unit Description:**
  This emission unit includes the operation of two (2) 11,626 site rated HP (11,107 ISO rated HP) Solar Taurus 70 natural gas-fired turbines with SoLoNoX technology. The turbines will drive compressors used for compression of natural gas within a transmission pipeline. The turbines will emit a maximum of 15 ppmvd NOx at 15 percent oxygen during normal operating conditions. An oxidation catalyst
control device will be installed on each of the turbine exhaust systems in order to reduce emissions of CO, VOC, hydrocarbon HAPS, and formaldehyde.

Building(s): 01
02

Condition 15: Renewal deadlines for state facility permits
Effective between the dates of 05/01/2017 and 04/30/2027
Applicable State Requirement: 6 NYCRR 201-5.2 (c)

Item 15.1:
The owner or operator of a facility having an issued state facility permit shall submit a complete application at least 180 days, but not more than eighteen months, prior to the date of permit expiration for permit renewal purposes.

Condition 16: Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027
Applicable State Requirement: 6 NYCRR 201-5.3 (c)

Item 16.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 16.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description: The facility is required to notify the Regional Air Pollution Control Engineer (RAPCE) of any release of natural gas greater than or equal to 1.0 MMscf associated with a single metering, purging and/or maintenance activity. For plan gas releases, the facility must notify the Department at least seven (7) days prior and for unplanned gas releases within seven (7) days after the event. The following information shall be submitted to the RAPCE using a form acceptable to the Department:

1) The approximate date(s) and duration of the activity;
2) The type of, and reason for, the activity;
3) The physical location including description of the processes and equipment involved; and
4) An estimate of the amount natural gas released.

The above information, included the actual volumes of
natural gas released, shall be kept on site for a minimum of five (5) years.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

**Condition 17: Compliance Demonstration**

*Effective between the dates of 05/01/2017 and 04/30/2027*

**Applicable State Requirement:** 6 NYCRR 201-5.3 (c)

**Item 17.1:**
The Compliance Demonstration activity will be performed for the Facility.

**Item 17.2:**
Compliance Demonstration shall include the following monitoring:

**Monitoring Type:** RECORD KEEPING/MAINTENANCE PROCEDURES

**Monitoring Description:**
The facility owner or operator must implement the following emission reduction measures for each centrifugal gas compressor (turbine) operated at the facility:

1) Each centrifugal compressor shall use a vent gas recovery system. This system shall be designed and operated to vent any gas released during periods of start-up or shutdown of one of the centrifugal compressors to the other if that unit is in operation. The gas piping system shall be designed and operated to minimize the quantity of natural gas vented to the outdoor atmosphere during periods of system maintenance. This system shall be operated when operationally feasible and when gas recovery does not pose a hazard to the facility or personnel.

2) Use of dry seal systems in the centrifugal compressors. Compressors using dry seal systems, which have low methane and VOC emissions, are not covered by 40 CFR 60 Subpart OOOOa.

3) Annual emergency shutdown (ESD) testing shall be conducted as "capped" tests (i.e. minimal discharge of vented natural gas to the outdoor atmosphere). The facility owner or operator may conduct an uncapped ESD test once every five years in order to ensure system safety.

4) Use of electric, as opposed to natural gas powered, pneumatic controllers wherever applicable. Pneumatic controllers are automated instruments used for maintaining liquid levels, pressure and temperature. These controllers often are powered by high-pressure natural gas and may
release gas (including methane and VOCs) with every valve movement, or continuously, in many cases, as part of their normal operations. Electric pneumatic controllers, which have no VOC emissions, are not covered by 40 CFR 60 Subpart OOOOa.

5) The turbine exhaust system on each centrifugal compressor shall be equipped with oxidation catalysts which will be used to reduce carbon monoxide (CO), volatile organic compound (VOC), hazardous air pollutant (HAP), and formaldehyde (HCHO) emissions.

6) National Fuel shall evaluate the use of electric drive starting motors for both centrifugal gas compressors at the facility. Submit the evaluation to the RAPCE prior to construction.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 18: Compliance Demonstration
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable State Requirement: 6 NYCRR 201-5.3 (c)

Item 18.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 18.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
Any reports or submissions required by this permit shall be submitted to the Regional Air Pollution Control Engineer (RAPCE) at the following address:

Division of Air Resources
NYS Dept. of Environmental Conservation
Region 9
270 Michigan Ave.
Buffalo, NY 14203

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 19: Visible Emissions Limited
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable State Requirement: 6 NYCRR 211.2

Item 19.1:
Except as permitted by a specific part of this Subchapter and for open fires for which a restricted burning permit has been issued, no person shall cause or allow any air contamination source to emit any material having an opacity equal to or greater than 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

**** Emission Unit Level ****

Condition 20: Emission Point Definition By Emission Unit
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable State Requirement: 6 NYCRR Subpart 201-5

Item 20.1:
The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: U-00001

Emission Point: 00001
Height (ft.): 55   Length (in.): 104   Width (in.): 104
NYTMN (km.): 4776.93   NYTME (km.): 189.723   Building: 01

Emission Point: 00002
Height (ft.): 55   Length (in.): 104   Width (in.): 104
NYTMN (km.): 4776.93   NYTME (km.): 189.723   Building: 02

Condition 21: Process Definition By Emission Unit
Effective between the dates of 05/01/2017 and 04/30/2027

Applicable State Requirement: 6 NYCRR Subpart 201-5

Item 21.1:
This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: U-00001
Process: NGT   Source Classification Code: 2-03-002-01

Emission Source/Control: TUR01 - Combustion
Design Capacity: 11,626 horsepower (mechanical)

Emission Source/Control: TUR02 - Combustion
Design Capacity: 11,626 horsepower (mechanical)

Emission Source/Control: K0001 - Control
Control Type: OXIDATION CATALYST

Emission Source/Control: K0002 - Control
Control Type: OXIDATION CATALYST