MITCHELL WILLIAMS

Little Rock Rogers Jonesboro Austin **MitchellWilliamsLaw.com**

Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.



Walter Wright, Jr. wwright@mwlaw.com (501) 688.8839

Natural Gas Compressor Station: Petition Filed Before U.S. EPA Environmental Appeals Board Challenging Title V Permit Renewal Denial

10/24/2022

Harvest Four Corners, LLC, ("Harvest") submitted a Petition for Review ("Petition") on October 11th before the United States Environmental Protection Agency ("EPA") Environmental Appeals Board ("EAB").

The Petition challenges the EPA Region 6 denial of a Title V Air renewal application and renewal permit for Harvest Los Mestenios compressor station facility ("Facility") located within the boundaries of the Jicarilla Apache Reservation in Rio Arriba County, New Mexico.

The Petition describes the Facility as accepting produced natural gas gathered from various wellheads from a surrounding gas field. It compresses the gas for delivery to natural gas processing facilities.

The Facility includes:

- A single 1200 HP natural gas-fired Solar Saturn combustion turbine used to drive a natural gas compressor,
- One 400-barrel condensate tank
- A 400-barrel overflow condensate tank
- An emergency generator engine

The most recent Title V Permit issued by EPA was provided to the Facility in 2017 with an expiration date of August 8, 2022.

Harvest is stated to have submitted a Title V renewal application on February 4th. The renewal application was submitted in a timely manner. Further, the application is stated to have been complete and contain over 100 pages of substantiating information. As a result, Harvest states that the submission contained all elements required under Part 71 for a completeness determination.

The Petition states that:

... After six months of iterative dialogue between Harvest and U.S. Environmental Protection Agency ("EPA") Region 6 regarding the renewal application, EPA denied Harvest's renewal application and renewal permit, declaring that it "will not reissue the renewal" of the Facility's Permit based on allegedly insufficient information necessary to process the application.

The EPA is further stated to have asserted that:

... if Harvest wishes to proceed with obtaining a Part 71 permit, a new initial application will need to be submitted for the Facility.

Harvest states that the previously referenced final permit decision "came after the expiration of Harvest's existing permit and terminates its right to operate Los Mestenios." The Petition before the EAB challenges EPA's action which it alleges is "clearly erroneous and an abuse of discretion."

Harvest also argues:

In addition, without this review, EPA's new permitting approach raises troubling precedent that would require existing facilities to shut down during the pendency of a Title V permit renewal application where, as here, applicants supplied robust initial applications and worked diligently to provide EPA with requested supplemental information. Thus, the EAB has separate grounds to review the final permit decision as raising an important and adverse programmatic implementation issue or exercise of discretion by EPA. 40 C.F.R. § 124.19(a)(4)(i)(B).

Therefore, Harvest's Petition requests that EAB order EPA to rescind its final permit decision and deem the application timely and complete. This action is deemed necessary so that the Facility can operate during the time needed for EPA to process and issue a renewal permit.

Harvest's argument in support of its Petition includes:

- 1. EPA's Final Permit Decision Lacks Reasoned Judgment and is Clearly Erroneous.
 - 1. Harvest's Initial Permit Application was Timely and Complete
 - 2. EPA's Initial Incompleteness Determination is Clearly Erroneous and an Abuse of Discretion
 - EPA's Failure to Promptly Provide Notice to Harvest of Whether the Application was Complete in Response to Harvest's April 14, 2022, Submittal Resulted in a Determination of Completeness by Operation of Law
 - 4. EPA's Determination That Harvest Failed to Submit Sufficient Supplemental Information Also Constituted Clear Error
- The Extreme Outcome Caused by EPA's Final Permit Decision Reflects An "Exercise of Discretion" Appropriate for EAB Review and Raises "Important Policy Considerations" that Must be Resolved by the EAB.
- 3. The Part 71 Regulations Do Not Authorize the Agency to Deny a Permit Based on an Incompleteness Determination
- 4. EPA Denial of Harvest' Application and Renewal Permit Were Procedurally Inadequate

A copy of the Petition can be downloaded <u>here</u>.