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December 23, 2019

Ms. Elena Hofmann
President, EOSolutions
13201 NW Freeway, Suite 220
Houston, TX 77040

Sent by electronic mail to: elena.hofmann@eosolutions.net

Subject: Request for Additional Information for Four-Factor Analyses under the Regional Haze Program

Dear Ms. Hofmann:

This letter is to request additional information and analysis for the Davis Gas Processing Four-Factor Analysis for the Denton Gas Plant. The four-factor analysis reports were received by the New Mexico Environment Department (NMED) Air Quality Bureau (aqb) in November 2019. Pursuant to NMED's [Regional Haze Guiding Principles](#), the four-factor analysis must consider new ideas that potentially offer better solutions to problems and must evaluate the newest engineering methods and technology advances in potential control measures.

Based on our initial review, the NMED requires additional information, analyses and clarifications on your four-factor analysis as follows:

1. Sour Gas Amine Treating Unit:

- a. Consider and discuss replacing the primary control device, flare Unit 9F, with a sulfur recovery unit (SRU), such as Claus or LO-CAT sulfur recovery technologies. If technically feasible, include a four-factor analysis.
- b. Thank you for providing the cost analysis for acid gas injection (AGI) system amine unit control. It appears that the cost analysis that was submitted used the average of 2017-2018 emissions. Please explain the rationale for using these emissions instead of using 2016 emissions, as NMED did during its source selection process.
- c. Please include a discussion on the technical feasibility for redundant compression for the acid gas injection (AGI) system. If feasible, include the costs of completing a geophysical analysis and injection well/geologic reservoir feasibility study in a four-factor analysis.
- d. Provide the electronic spreadsheets used for control technology calculations.

Please note that per EPA's Guidance on Regional Haze State Implementation Plans for the Second Implementation Period (August 20, 2019), "as part of meeting the requirement of the Regional Haze Rule for the state to document the cost and engineering information on which the State is relying every source-specific cost estimate used to support an analysis of control measure must be documented in the SIP". If you feel that your supplemental information should be classified as confidential business

information (CBI), it will need to be reviewed and approved as such by NMED and EPA. Submit CBI with the word 'confidential' included in the electronic file name and on each page of the document. Do not combine non-confidential business information and CBI in the same files. Also, the claimant must satisfy the conditions in 20.2.1.115.B(3)(a)-(d) NMAC when the CBI is submitted. Until NMED and EPA determines if the information qualifies as CBI, the information will not be disclosed to anyone other than those listed in 20.2.1.115 NMAC.

NMED respectfully requests that your company submit the additional information on four-factor analysis electronically as soon as possible to Mark Jones at mark.jones@state.nm.us and myself at kerwin.singleton@state.nm.us. Please contact NMED if you have questions about the additional information request. We encourage your questions in order to help expedite the technical analysis required under the Regional Haze Program. Staff would be happy to meet with you in person to discuss these requirements in more detail. Likewise, staff may further contact you with questions or require additional information during its review of your submittals.

Thank you for your assistance in this matter. If you have questions or need clarification, please contact me at (505) 476-4350, or Mark Jones at (505) 566-9746.

Sincerely,

Kerwin Singleton
Planning Section Chief