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FILED
AUG 28 2009
Jim Ruby, Executive Secretary
Environmental Quality Council

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

IN THE MATTER OF:)
KERN RIVER GAS TRANSMISSION CO.)
MUDDY CREEK COMPRESSOR STATION,) Docket No. 09-2601
AIR QUALITY PERMIT MD-7883)

DEPARTMENT OF ENVIRONMENTAL QUALITY'S RESPONSE

Respondent, the Wyoming Department of Environmental Quality (DEQ)/Air Quality Division (AQD), by and through the Office of the Attorney General of the State of Wyoming, in response to Kern River Gas Transmission Company's (Kern River) appeal of Air Quality Permit MD-7883 states:

The DEQ/AQD admits that on June 6, 2008, the DEQ/AQD received an application from Kern River to modify the equipment configuration at the Muddy Creek Compressor Station, located approximately six miles south-southwest of Opal, Lincoln County, Wyoming, by installing one 16,551 hp Solar Titan 130-20502S turbine and restaging the compressors on the existing five 13,192 hp Mars 100-T15000S turbines.

The DEQ/AQD also admits that it completed a Permit Application Analysis, dated December 9, 2008, which was made available for public comment and included proposed

permit conditions. The DEQ/AQD admits that it received comments from Kern River on January 29, 2009, regarding proposed permit conditions 10(b) and 13.

The DEQ/AQD further admits that, on February 17, 2009, the DEQ/AQD granted approval to Kern River to modify the Muddy Creek Compressor Station as described in the Application subject to the conditions in the Permit. Except for the portions of the permit that were incorporated by reference in Air Quality Permit MD-7883 (Permit) ¶ 2, the DEQ/AQD admits the Permit was attached as Exhibit A to Kern River's appeal.

The DEQ/AQD denies all other allegations in Kern River's appeal.

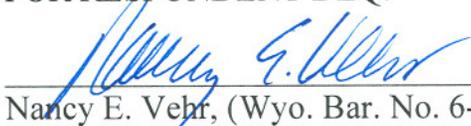
AFFIRMATIVE DEFENSES

1. Kern River has failed to state a claim upon which relief can be granted.
2. Kern River has not presented the requisite facts or evidence to warrant its requested relief.
3. The DEQ/AQD reserves the right to assert additional affirmative defenses after discovery is completed and as additional facts are learned.
4. The DEQ/AQD's actions were reasonable based on the evidence before it, and in accordance with law.

WHEREFORE, the DEQ/AQD respectfully requests this Council uphold the DEQ/AQD's issuance of Permit MD-7883 to Kern River and deny Kern River's requested relief.

RESPECTFULLY SUBMITTED this 28th day of August, 2009.

FOR RESPONDENT DEQ:



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CERTIFICATE OF SERVICE

I hereby certify that I have served a true and correct copy of the foregoing *Department of Environmental Quality's Response* through United States mail, postage prepaid on this the 28th day of August, 2009, to the following:

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