

NSPS OOOOa RECONSIDERATION AMENDMENTS - PROPOSED RULE

On Thursday, September 11, 2018 EPA posted the prepublication version of the <u>proposed reconsideration</u> <u>amendments</u> for the 2016 <u>NSPS OOOOa rule</u>, creating significant repercussions to rule compliance and fugitive emissions monitoring programs. We expect to see the rule published in the federal register in the coming week. EPA's reconsideration addresses three major areas:

- 1. Fugitive emissions requirements,
- 2. Well site pneumatic pump standards, and
- 3. The requirements for certification of closed vent systems by a professional engineer (PE) based on specific objections to these requirements. This is a proposed rule; therefore, EPA is requesting further comments to develop the final rule.

A Little Background

<u>NSPS OOOOa</u> was published on June 3, 2016 with an initial compliance date of August 2, 2016. Over the last two years, there have been multiple revisions of the original rule. NSPS OOOOa includes both volatile organic compounds (VOC) and greenhouse gas (GHG) (methane) emission standards for certain equipment, processes, and activities that were new, modified, or reconstructed after September 18, 2015 across the oil and natural gas source category.

What's Changing - A Quick Summary

Qualified Professional Engineer Requirements:

EPA is proposing to amend the certification requirements for closed vent system (CVS) design and technical infeasibility for pneumatic pumps. Specifically, the revision would allow certification by either a registered professional engineer (PE) or an in-house engineer with expertise on the design and operation of the CVS or pneumatic pump.

Incorporation of State Rules as Alternatives:

EPA proposed a new section (40 CFR 60.5399a) to include state requirements that qualify as alternative fugitive emissions standards:

- Includes California, Colorado, Ohio, and Pennsylvania for both well sites and compressor stations
- Includes Texas and Utah for well sites only
- North Dakota
 - Consent Decree: No alternative standards related to these requirements because by their nature, consent decrees are negotiated terms for non-compliance and contain an expiration date, after which sources return to compliance with the underlying regulatory provisions, permit terms, etc.

Initial Monitoring:

The amendments also include a possible extension of the 60-day initial monitoring timeframe. This is still written as 60 days in the proposed rule. EPA is looking for comments to support other timeframes.

Repair Provisions:

Owners/ Operators now have 60 days after fugitive emissions are detected to complete repairs; with a first attempt at repair during the first 30 days of that period.

Delay of Repair Provisions:

EPA is clarifying when a repair can be delayed. There are now three circumstances when repair can be delayed:

- 1. When the repair is technically infeasible
- 2. When the repair requires a vent blowdown, a compressor station shutdown, a well shut-in, or a well shutdown
- 3. When the repair is unsafe during operation of the unit

Monitoring Plan/ Walking Path:

In lieu of the defined observation path, the amendments state an owner or operator can do one of the following:

- 1. Describe how each type of equipment will be effectively monitored, including a description and location of the fugitive emissions components located on the equipment. The sitemap would include the locations of the pieces of equipment when complying with this option.
- 2. Extend the inventory requirement that is currently in 40 CFR 60.5397a(d)(3) for when an owner or operator chooses to perform a survey with Method 21 as an option for owners and operators who perform surveys with optimal gas imaging (essentially tagging your entire facility).

Well Sites:

The amendments for well sites include the following changes:

- 1. Definitions
 - Amends the definition of "well site," to exclude the flange upstream of the custody meter assembly, and fugitive emissions components located downstream of this flange.
 - Now specifically excludes UIC Class II oilfield wastewater disposal wells from the well site definition.
 - Changes the startup of production definition to "the beginning of the continuous recovery of salable quality gas and separation and recovery of any crude oil, condensate, or produced water."

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- 2. Monitoring Frequencies
 - Low production well sites: A low production well site has a combined oil and natural gas production of less than 15 barrels of oil equivalent per day (boe equals cubic feet gas/5658.53), averaged over the first 30 days of production.
 - Biennial monitoring would be required.
 - Consecutive biennial monitoring surveys must be conducted no more than 25 months apart.
- 3. All other well sites:
 - Annual monitoring would be required.
 - Consecutive annual monitoring surveys must be conducted at least 9 months apart and no more than 13 months apart.
- 4. For all well sites, EPA is proposing to allow monitoring to be discontinued once all major production and processing equipment is removed so that the site contains only wellheads. Separate tank batteries receiving oil or gas produced from wellhead-only sites are considered modified and would still be subject to fugitive emissions monitoring requirements.

Compressor Stations:

The amendments for compressor stations include:

- 1. Monitoring Frequency
 - Surveys must be conducted at least semiannually after the initial survey.
 - Consecutive semiannual monitoring surveys must be conducted at least four months apart and no more than six months apart. Each compressor must be monitored while in operation (i.e., not in stand-by mode) at least annually.
 - Because some of the individual compressors at a station may not be operating when a monitoring survey is conducted, the proposal would require owners or operators to keep a record of the operating mode of each compressor at the station at the time of the survey. Owners/operators also would be required to monitor each compressor at the station at least once per calendar year while operating.

What it Means

As established in the summary above, this proposed rule has a big impact on NSPS OOOOa compliance and fugitive emissions monitoring programs. Stay tuned in the coming months for a final rule. You can find a copy of the proposed rule <u>here</u>. You can also click here to view the original <u>2016 final rule</u>.

Learn More/ Need Assistance

The requirements for OOOOa are extensive and will challenge the way you track, manage, and report your leak data. Trihydro recommends using <u>LeakTracker Pro</u>, a software solution that combines efficient field data collection with easy access to data, updates, recordkeeping, repair and remonitor timeframes, as well as annual report output. Your most important data, scheduling, and trend analysis, is made readily available on an intuitive dashboard. LeakTracker Pro also provides user notifications for important events to ensure no missed deadlines.

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LeakTracker Pro may be right for you if you are interested in streamlining your processes for:

- Securely collecting and aggregating survey data, including OGI video
- · Assigning inspections based upon user role or region
- · Providing access to and categorization of data
- · Automating report generation
- Proactively alerting stakeholders

As we track these proposed updates and stay in tune with the final EPA regulation changes, LeakTracker Pro will be adapted to meet the needs of current and future compliance requirements.

If you would like further information on NSPS OOOOa or to request Trihydro's assistance in implementing a program, please contact our compliance experts:

Cal Niss Senior Vice President cniss@trihydro.com

Dan Wood Associate Staff Scientist <u>dwood@trihydro.com</u>

307-745-7474 www.trihydro.com

