Message

From: Morales, Monica [Morales.Monica@epa.gov]
Sent: 6/24/2019 2:37:13 PM
To: Patefield, Scott [Patefield.Scott@epa.gov]; Beeler, Cindy [Beeler.Cindy@epa.gov]; Thomas, Deb [thomas.debrah@epa.gov]
Subject: RE: Options Selection for Oil and Natural Gas NSPS Technical Reconsideration (Tier 2, SAN 5719.8)

It works for me to send our recommendations to the workgroup. I have my ARD management meeting at this time and will not being joining the call.

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From: Patefield, Scott
Sent: Monday, June 24, 2019 8:30 AM
To: Beeler, Cindy <Beeler.Cindy@epa.gov>; Thomas, Deb <thomas.debrah@epa.gov>
Cc: Morales, Monica <Morales.Monica@epa.gov>
Subject: RE: Options Selection for Oil and Natural Gas NSPS Technical Reconsideration (Tier 2, SAN 5719.8)

Hi Cindy,

Yes, that's okay with me to send our recommendations to the workgroup.

I have a conflict for the start of this meeting this morning. I'm okay with you relaying our message if others don't object.

Thanks,
Scott

-----Original Appointment-----
From: Beeler, Cindy
Sent: Friday, June 21, 2019 11:53 AM
To: Thomas, Deb
Cc: Patefield, Scott; Morales, Monica
Subject: Options Selection for Oil and Natural Gas NSPS Technical Reconsideration (Tier 2, SAN 5719.8)
When: Monday, June 24, 2019 9:45 AM-10:30 AM (UTC-07:00) Mountain Time (US & Canada).
Where: WJC - N 5400 + Video with RTP + Ex. 6 Personal Privacy (PP)

All - I've updated recommendations because I would like to submit them to the national workgroup so they have a more complete description of our key points if we run out of time on this call to elaborate.

I am also placing all pieces of this virtual briefing into this single calendar invitation: (1) Key Points, (2) R8 Regulators' Comments and (3) Status of the overall NSPS OOOOa revisions.

Key Points

Ex. 5 Deliberative Process (DP)

Ex. 5 Deliberative Process (DP)

Who from R8 will be our spokesperson? Scott Patefield?

R8 Regulators' Comments on proposed NSPS OOOOa Revisions:

CO

- Keep semi-annual and quarterly LDAR for wellpads and compressor stations respectively
- Against using BOE production as threshold to reduce monitoring frequency – will be hard to link with CO's approach of VOC threshold
- Maintain the 'no detectable emissions' standard for tank thief hatches as part of the closed vent system
- Improve clarity on 'maximum average daily throughput' for first 30-days for determining tank applicability (for facilities downstream of wellpads, use permits to determine applicability of NSPS OOOOa)
- The potential emissions of storage vessels in parallel or in series, should be determined based on the production to the tank battery and not the production divided by the number of storage vessels (clarify the term tank battery to mean "any fixed roof storage vessel or series of storage vessels that are manifolded together via liquid line." Colorado uses a similar concept in Colorado's definition of "storage tank.")
- Appreciates CO being deemed an equivalent program for LDAR. But, EPA should allow compliance with an incorporated state program's reporting provisions in lieu of the NSPS OOOOa fugitive emissions reporting requirements
- Supports the flexibility provided by EPA's proposed AMEL revisions to the demonstration data requirements, including the option to supplement field data with modeling analyses, test data, or other documentation. The Division suggests that EPA revise the NSPS OOOOa AMEL process to allow owners or operators to apply for the use of an AMEL in Colorado through Colorado's alternative monitoring application and review process.

ND

- Support the use of a sliding scale where companies must achieve a certain level of compliance before moving from semi-annual LDAR to less frequent.
- Agrees with EPA's statements: "...the increase in production rate requires an increase to either the operating pressure and/or the duration or frequency of flow event." and "increased production throughput to storage vessels increases the flash emissions at those storage vessels."

- Agrees with the clarified definition that a modification of a tank battery occurs when "...production from a new, hydraulically fractured, or hydraulically refractured well is sent to an existing separate tank battery..."
- Agrees with EPA that the PE requirement is burdensome to industry and that staff engineers are likely more knowledgeable about the company's site designs, equipment, and operations for CVS and pneumatic pumps
- Agrees with EPAs assertion regarding operations (i.e. no leaks) and that thief hatches on controlled storage vessels should not be subject to a delay of repair.

WY

- Against using BOE production as threshold to reduce monitoring frequency – use a VOC threshold (seemed to misunderstand how BOE is calculated)
- LDAR monitoring at CSs should start at semi-annual (or quarterly as is currently), and then move to annual (or semi-annual) if no leaks found in two or more successive surveys
- Supports allowing closed vent system design to be certified by PE or in-house engineer.
- Welcomes emerging technology for fugitive emissions monitoring AMEL.
- LDAR State plans - fugitive emission plans in WY are case specific (BACT analysis) to each well site, compressor station, and company. To develop a State-AMEL, which could be incorporated into the proposed OOOOa revisions, would be resource intensive - request EPA take into account that BACT determinations will likely exceed the EPA's threshold for AMEL. EPA should allow industry to follow their case-specific plans in lieu of the proposed fugitive emissions monitoring in the proposed rule.
- Agrees with the expansion of the technical infeasibility provision for pneumatic pumps where only a high-pressure flare on site.

Ute Tribe

- As a sovereign government and co-regulator of air quality in the Uintah Basin, the Tribe expects the EPA to work with the Tribe on a government-to-government basis. The EPA must ensure an equal playing field in its implementation of this proposed rule and other regulations that apply on our Tribal lands. Restrictions that apply to tribal lands cannot exceed those on state or federal lands, because this will drive development off the reservation. Industry operations cross these boundaries and our partners' operation plans cannot carve out tribal land from overall project development.
- EPA must finalize the amendments to the National Federal Implementation Plan for Indian Country and work with the Tribe to complete the Reservation-specific Federal Implementation Plan.

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Deb –

This meeting has moved around quite a bit – I think this date (Fri, 6/21 at 8am MT) is the current scheduled

time for Options Selection briefing with Wehrum on the "technical package" portion of NSPS OOOOa revisions. I have Friday, 6/21 off but can sit in on the call from home.

OAQPS is still working on management review of the materials for Options Selection but is sharing the attached **draft** that their management is reviewing. OAQPS is still reviewing the information in the materials and this will likely be updated before Friday.

Let me know if you have any specific questions.

******** Further Background ********

Deb –

The national workgroup has not received a copy of the briefing document that is to be used for Options Selection with Bill Wehrum. I will forward it to you once I receive it. I have Friday, 6/21 off but can sit in on the call from home.

FYI, here is the status of the revisions to NSPS OOOOa:

REGULATORY REVISIONS TO NSPS OOOOA

Status 6/10/19

The regulatory revisions to 2016 NSPS OOOOa are occurring in two packages:

Ex. 5 Deliberative Process (DP)

<u>Status & Next Steps of Technical Package</u>

- Option Selection on Final rule – scheduled for Fri, 6/14/19.
- R8 sent in FAR for the proposed rule as 'concur-with-comments' on 4/18/18.
- Proposed rule published 10/15/18. Public comments closed 12/17/18.

Ex. 5 Deliberative Process (DP)

- OAQPS is currently preparing Options Selection briefing material for Division Director and ultimately for Wehrum for the final rule. Current schedule:
  - FAR - June/July 2019
  - OMB Review – July 2019
  - Final Package for signature – August 30, 2019
- R8 has agreed to the following requested expediting and waivers of the ADP process during this rulemaking:
  - Down-tier SAN 5719.8 from Tier 1 to Tier 2 (R8 sent 12/11/17 recommending Tier2 rather than down to Tier 3 – this will now be a Tier 2)
  - Waive Analytic Blue Print on SAN 5719.8 (R8 sent 1/4/18)
  - Waive Early Guidance on SAN 5719.8 (R8 sent 1/24/18)
  - Expedite FAR on proposed SAN 5719.8 (R8 sent 2/7/18)
  - Waive Analytic Blueprint as the technical package goes final (R8 sent 5/13/19)

Status & Next Steps of Policy Package

- R8 sent in FAR for the proposed rule as 'concur-with-comments' on 4/16/19.

Ex. 5 Deliberative Process (DP)

- On 5/30/19 OAQPS began routing the proposed rule through OAR – then to OP (typically ~2 weeks) – then to OMB.
- R8 has agreed to the following requested expediting and waivers of the ADP process during this rulemaking:
  - Waive Analytic Blue Print on SAN 6616 (R8 sent 1/29/18)
  - Expedite FAR on proposed SAN 6616 (R8 sent 5/7/18)

Other

- CTGs (Control Techniques Guidelines)

Ex. 5 Deliberative Process (DP)