Uintah Basin Ozone Stakeholder Meeting August 12, 2013

DEQ Board Room 195 N 1950 W, Salt Lake City

Summary of July 30, 2013 Meeting

- Topics
 - Overview of wintertime ozone in the Uintah Basin
 - Ozone Advance
 - Initial Emission Reduction Strategies
 - Best Management Practices DEQ web-based resource and poster
 - Episodic Controls
- Materials posted at <u>www.deq.utah.gov/locations/uintahbasin/meetings.htm</u>
- Comments requested by August 30th

Rulemaking – General Approval Order

- R307-401 requires new or modified sources to submit a notice of intent and receive an approval order prior to commencing operation
- Proposed rule R307-401-19 would allow the development of a general approval order that could be applied to similar sources
 - Air Quality Board proposed for public comment on July 3rd
 - Public comment period August 1st 30th
 - Final adoption possible at October or November Board meeting
- Rule is not specific for oil and gas industry
- GAO for oil well sites is under development
 - If rule is adopted the GAO could be issued early next year

General Permit



Permitting Purpose



Public Health & Welfare



National Parks



Types of Permits

- New Source Review Permits
 - Pre-Construction Permits
- Title V Permits
 - Operating Permits
 - State & Federal Rules





Source Types



Permit-Exempt Sources

- Emissions are Less Than 5 Tons per Year
- Regulated by:
 - Rules



Minor Sources

- Emissions are Less Than 100 Tons per Year
- Regulated by:
 - Rules
 - New Source Review Permits

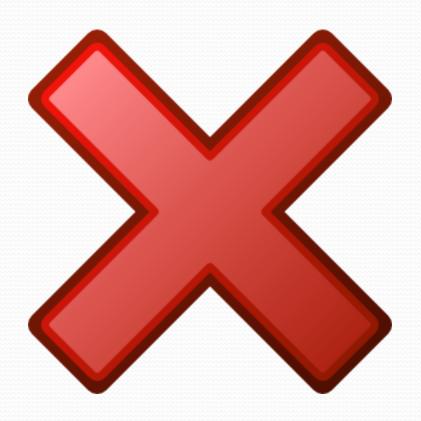


Major Sources

- Emissions are Greater Than 100 tons per year
- Regulated by:
 - Rules
 - New Source Review Permits
 - Title V Permits







Attainment Area vs. Nonattainment Area

Attainment Permits

- Best Available Control Technology
- Demonstration of Attainment/Maintenance of the National Ambient Air Quality Standards

Nonattainment Permits

- Federal Clean Air Act Requirements for Major Sources
 - Lowest Achievable Emission Rate
 - Offsets
 - State-wide Compliance
 - Analysis of Alternatives



Ozone Nonattainment Areas

- Major Source Thresholds:
 - Marginal or Moderate > 100 tons per year
 - Serious > 50 tons per year
 - Severe > 25 tons per year
 - Extreme > 10 tons per year



Lowest Achievable Emission Rate

- Most Stringent Limit that is Technically Feasible
- Costs <u>NOT</u> Considered





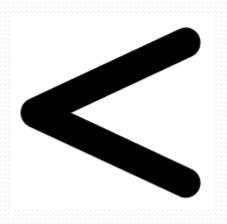
Offsets

An Increase in Emissions

Must be Offset by

A Decrease in Emissions

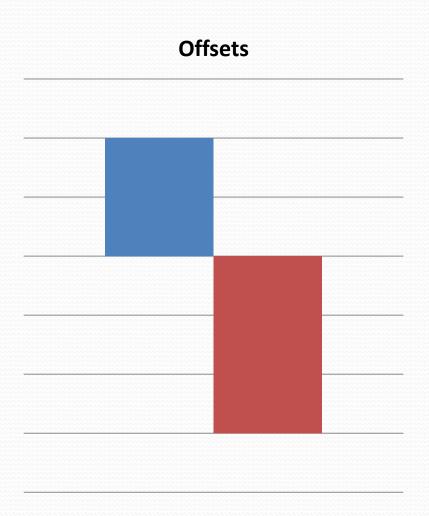






Offset Ratios

- Marginal = 1.10 to 1.0
- Moderate = 1.15 to 1.0
- Serious = 1.20 to 1.0
- Severe = 1.30 to 1.0
- Extreme = 1.50 to 1.0



State-Wide Compliance

- Demonstration for All Major Sources
- All Permit Limitations
- All Applicable Standards



Alternatives

- Sites
- Sizes
- Production Processes
- Environmental Controls



Benefits outweigh Costs

Title V Permits

- Annual Inspections & Self-Reporting
- Civil & Criminal Penalties for Noncompliance
- Annual Inventories & Fees
- Increased EPA Involvement



Ozone Nonattainment Areas

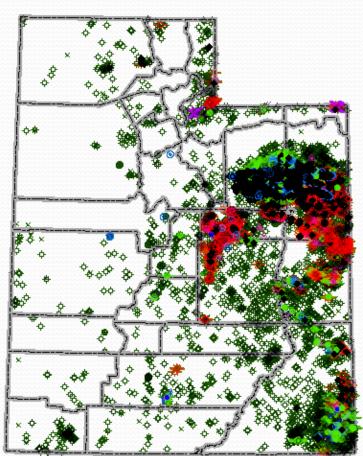
- Major Source Thresholds:
 - Marginal or Moderate > 100 tons per year
 - Serious > 50 tons per year
 - Severe > 25 tons per year
 - Extreme > 10 tons per year



General Permit

Oil & Gas Source Evaluation

- ~ 11,000 Producing Wells in the State
- Preliminary Estimate:
 - ~25% 35% in DAQ Jurisdiction
 - Remainder in EPA Jurisdiction



Oil & Gas Wells

- Oil Wells
 - Permit Exempt < 5 tons per year Emissions
 - Preliminary Estimate:
 - Production > ~4,500 barrels/year
 - ~1,000 Wells



- Evaluating Equipment
- Evaluating Emissions





General Permit Purpose

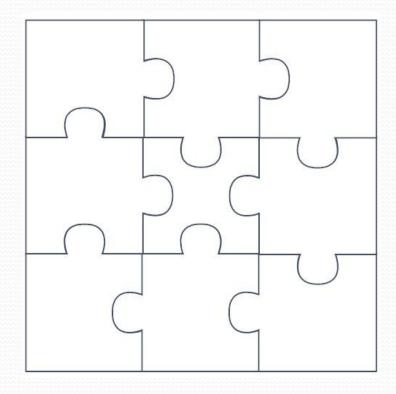
Alleviate Administrative Burdens



Permitting Process

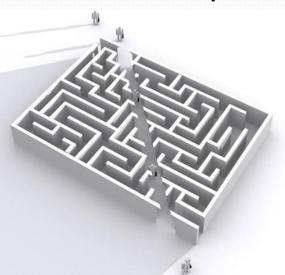
Standard

General



Pros.

- Lower Permitting Costs
- Reduced Permitting Time
- Streamlined Process
- Consistent Requirements
- Voluntary







Cons.

- Additional Monitoring Requirements
- Additional Recordkeeping Requirements
- Minimal Source Input
- No Flexibility





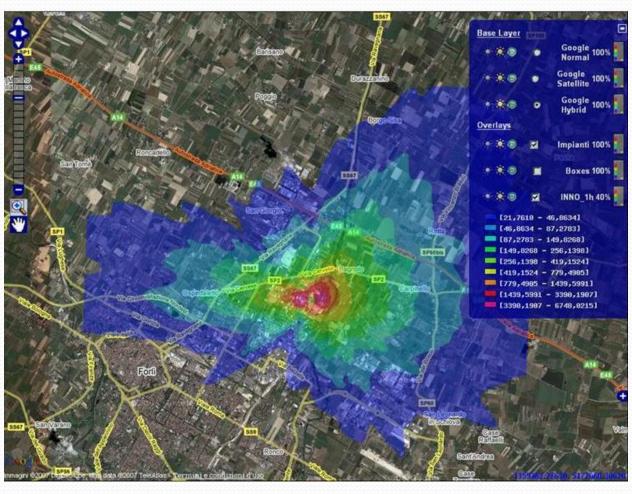
Best Available Control Technology

Energy



Environmental

Air Quality Demonstration



General Permit: Crude Oil Tank Battery



Division of Oil, Gas, & Mining

Coordinate Information

Eliminate Redundancies

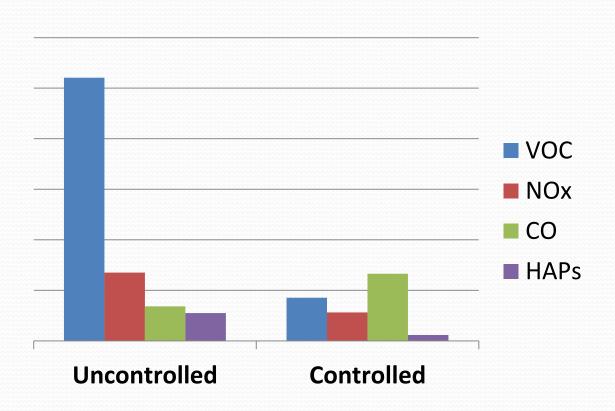
Simplify Permit Applications



Feedback & Input



Estimate of Emissions

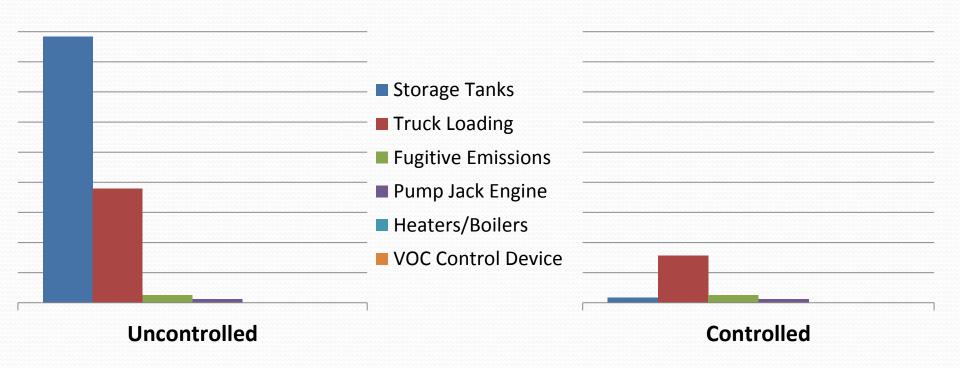


Applicability

- 80% 90% of Oil Wells
- Less than ~20,000 barrels per year
- Produced Gas is Captured



VOC Emission Sources



> 83% VOC Reduction

Tank Requirements

- Install a VOC Control Device
- Inspect the Tanks
- Maximum Tank Capacity



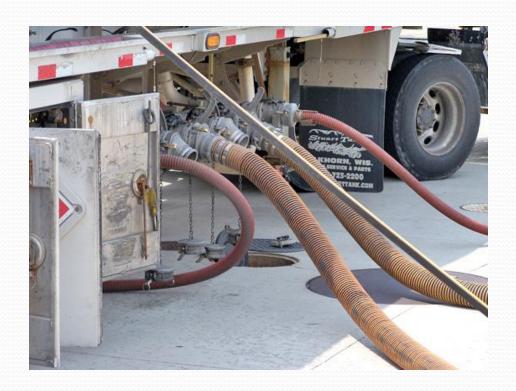
VOC Control Device Requirements

- Minimum Control Efficiency
- Proper Maintenance
- No Visible Emissions
- Minimum Stack Height



Truck Loading Requirements

Submerged/Bottom-Fill Loading



Leaks (Fugitive Emissions)

- Leak Detection And Repair
 - Infrared Camera Inspections
 - Evaluation of Leaks



Engine Requirements

- Natural Gas-Fired Only
- Current Engine Emission Standards
- Maximum Horsepower Rating
- Minimum Stack Height



Boiler/Heater Requirements

- Natural Gas-Fired Only
- Maximum Burner Rating
- Minimum Stack Height



Other Requirements

- Visible Emission Limits
- Monitoring Requirements
- Recordkeeping Requirements



Provide Input on Adequacy of:

- Equipment Specifications
- Production Limits
- Level of Control
- Recordkeeping

Also:

NAAQS Demonstration



Retrofits for Existing Sources

- How much will it cost to replace/retrofit old equipment?
- How long will it take to replace/retrofit old equipment?



Still Under Consideration:

- General Permit for Gas Wells?
- Rule versus Permit?
- Change Exemption Threshold?



Questions

 Please submit input & feedback by Friday, August 30th

Alan Humpherys ahumpherys@utah.gov (801) 536 – 4142

