

# **Frequently Asked Questions**

Regulation Numbers 3, 6, 7 February 2014 Revisions

THE FOLLOWING ARE INITIAL RESPONSES TO SOME OF THE QUESTIONS THAT THE AIR POLLUTION CONTROL DIVISION HAS RECEIVED REGARDING THE FEBRUARY 2014 REVISIONS TO REGULATIONS NOS. 3, 6, AND 7. THE DIVISION WILL CONTINUE TO WORK WITH STAKEHOLDERS ON RULE IMPLEMENTATION ISSUES AND THESE RESPONSES MAY BE REVISED OVER TIME. ADDITIONALLY, THESE RESPONSES ARE NOT LEGALLY BINDING INTERPRETATIONS OF THE ACTUAL REGULATORY PROVISIONS, BUT MERELY SERVE AS A CURRENT GUIDE TO ASSIST OWNERS, OPERATORS AND OTHER INTERESTED PARTIES.

IF YOU HAVE ADDITIONAL OR SPECIFIC QUESTIONS, PLEASE SEND AN EMAIL WITH YOUR QUESTION AND CONTACT INFORMATION TO <u>CDPHE.COMMENTSAPCD@STATE.CO.US</u>.

# MISCELLANEOUS/GENERAL

28. Do the revisions to Colorado Air Quality Control Commission's Regulation Number 7 apply to gas and oil pipelines within the state of Colorado?

Natural gas and oil pipelines outside of a natural gas compressor station or well production facility are not subject to the leak detection and repair requirements of Regulation Number 7, Section XVII.F.

29. Who can I contact with questions about any of the changes that may be on the horizon regarding VOC/methane monitoring and AVO/IR detections and or Method 21?

Specific questions on monitoring and the future of acceptable technology should be directed to <u>cdphe.commentsapcd@state.co.us</u>.

30. What are the requirements for an IR camera?

At a minimum, an infrared camera or other imaging equipment must be capable of detecting the presence of hydrocarbon emissions.

# **REGULATION NUMBER 6**

# NSPS 0000

31. Will there be any ambient air monitoring implications (i.e. grab bag air sampling or installation of additional ambient air monitors for methane or other HAPs) that go along with the adoption of NSPS OOOO for the oil and gas industry?

NSPS OOOO does not require ambient air monitoring.



# **REGULATION NUMBER 7**

#### Definitions – Section XVII.A.

- 32. Well Production Facility Definition
  - a. Is a well location without tanks considered a "well production facility"?

Yes, a well location without storage tanks is considered a well production facility.

b. Is an injection well for disposal of produced water considered a "well production facility"?

No. A well production facility is limited to wells with the purpose of production of oil and/or natural gas. A disposal or injection well is not subject to the requirements of Section XVII.F.

#### General Provisions – Section XVII.B.

- 33. No visible emissions and Method 22 inspections
  - a. What should operators do if there is a Method 22 requirement in an existing permit?
  - b. How long should an operator monitor for the no visible emission standard?
  - c. When does an operator have to do a Method 22 reading?

See the memo titled Procedures on Visible Emissions. - PENDING; expected June 18, 2014

- 34. Air pollution control equipment
  - a. Will the Division allow operators to use open flares for control of storage tanks constructed and permitted after May 1, 2014?

The Commission's general intent was that combustion devices used to comply with the requirements of Section XVII be enclosed. The Division will consider alternative emissions control as requested by sources, which may include the allowance of open flares. A source must provide justification on the reason why the combustion device should not be enclosed. Any allowance of alternative emissions control equipment is subject to Division approval.

b. Is it acceptable to utilize alternative air emissions control equipment at an E&P site between the date of first production and permit issuance? If a source operates alternative air emissions control equipment prior to Division approval, is the source out of compliance?

The requirements of Section XVII.B.2.e. allow for alternative emissions control equipment only where approved by the Division. In the case of an E&P operation, the owner/operator must obtain approval for alternative emissions control prior to use.



35. Section XVII.B.3.c. provides that the reciprocating compressor requirements apply only to those compressors located at natural gas compressor stations. Are reciprocating compressors at natural gas processing plants subject to this new rule?

Section XVII.B.3.c. provides for replacement of rod packing on reciprocating compressors at natural gas compressor stations. Reciprocating compressors at natural gas processing plants do not need to comply with this Section XVII.B.3.c.

36. Pursuant to Section XVII.B.5., do components associated with engines and/or dehydrators complying with a federal standard still need to be included in the components that are monitored for leaks under Section XVII.F?

Yes. The exception for equipment subject to federal standards applies only to the control and emission standard requirements of Sections XVII.D. and XVII.E.

#### Storage Tank Emission Management Plans (STEM) – Section XVII.C.2.

- 37. STEM applicability for well production facilities and actual emissions
  - a. As production and emissions decrease, how does the threshold in Table 1 apply to well production facilities that have storage tanks "permitted" for VOC emissions greater than six (6) tons per year but where the storage tanks have "uncontrolled actual" emissions less than six (6) tons per year based on a rolling twelve-month total?

Sources should use uncontrolled actual emissions to determine inspection requirements and frequency under STEM, not permitted emissions. Section XVII.C.2.b.(ii) states that the threshold for well production facilities with storage tanks is based upon uncontrolled actual emissions, regardless of permitted emissions for the storage tanks.

#### Glycol Natural Gas Dehydrators – Section XVII.D.

38. Is there a phase-in schedule for dehydrators under Section XVII.D?

All dehydrators subject to control requirements pursuant to Section XVII.D.4. must achieve compliance with Section XVII.D.3. by May 1, 2015.

# LDAR Applicability and Monitoring – Section XVII.F.1. – XVII.F.7.

- 39. LDAR applicability for well production facilities and actual emissions
  - a. As production and emissions decrease, how does the threshold in Table 4 apply to well production facilities that have oil or condensate storage tanks "permitted" for VOC emissions greater than six (6) tons per year but where the storage tanks have "uncontrolled actual" emissions less than six (6) tons per year based on a rolling twelve-month total?

Sources should use uncontrolled actual emissions to determine inspection requirements and frequency under LDAR, not permitted emissions. Section XVII.F.4.c. states that the threshold for well production facilities with storage tanks is based upon uncontrolled



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actual emissions of the highest emitting oil or condensate storage tank, regardless of permitted emissions for the storage tanks. In the scenario above, the source should use the inspection frequency in Table 4 for storage tanks with uncontrolled actual emissions > 0 and  $\leq$  6 tpy VOC.

b. As production and emissions decrease, how does the threshold in Table 4 apply to well production facilities *without* oil or condensate storage tanks "permitted" for VOC emissions greater than six (6) tons per year but have "actual" emissions less than six (6) tons per year based on a rolling twelve-month total?

Sources should use facility-wide controlled actual VOC emissions to determine inspection requirements and frequency under LDAR, not permitted emissions, at well production facilities without oil or condensate storage tanks. Section XVII.F.4.c. states that the threshold for well production facilities without storage tanks is based upon controlled actual VOC emissions from the entire facility, regardless of permitted emissions for the facility. In the scenario above, the source should use the inspection frequency in Table 4 for facilities with controlled actual emissions > 0 and  $\leq$  6 tpy VOC.

40. With respect to the monitoring provisions of Section XVII.F.4.c., what is the difference between the well production facility with storage tanks and the well production facility without storage tanks?

For purposes of LDAR and determining the inspection frequency in Table 4 of Section XVII.F.4., operators need to look at the uncontrolled actual VOC emissions of the <u>highest emitting</u> oil or condensate storage tank located at each well production facility. The monitoring frequency for well production facilities without oil or condensate tanks is based on total facility controlled actual VOC emissions as prescribed in Section XVII.F.4.c.

41. Are components which service a stream with minimal hydrocarbon content (*i.e.* less than a certain weight percentage), but which are not listed in the exemptions of "component" under Section XVII.A.5., required to be tested for leaks using AIMM under Section XVII.F, or are they exempt?

There are no exemptions based on weight percentage of the hydrocarbon stream. <u>All</u> equipment defined as "components" located at well production facilities and compressor stations are subject to LDAR requirements.

42. Will the Division consider providing some additional guidance on how storage tanks are to be evaluated, if at all, under the LDAR program in Section XVII.F?

The PRV, thief hatch and other access points on a storage tank are subject to the monitoring requirements of STEM. Any other components on or associated with the storage tank will be subject to the monitoring requirements under LDAR. The Division is interested in exploring this distinction further, and further guidance is forthcoming.



43. How does the 5 day clock work when a leak is found with an IR camera and then confirmed with Method 21?

Pursuant to Section XVII.F.6.e, once a "leak" is discovered with an IR camera, the operator has 5 days <u>either</u> to make a first attempt to repair the leak in accordance with Section XVII.F.7 <u>or</u> to conduct follow up monitoring using EPA Method 21. If the existence of a leak is confirmed by Method 21, operators must make a first attempt to repair the leak within the original five day time period of leak discovery with the IR camera or as required in the schedule set forth in Section XVII.F.7.

# LDAR Recordkeeping and Reporting – Section XVII.F.8. – XVII.F.9.

44. Will the video, if using LDAR thermal imaging cameras, need to be kept for 2 years?

No, the video is not required to be maintained for any length of time. However, in accordance with Section XVII.F.8., the owner/operator should document that an inspection occurred with an IR camera or other equipment, along with any leak findings, and maintain those records for a period of two years.

45. Will there be an annual report due May 31, 2014 since no LDAR requirements are effective?

No. The first report will be due May 31, 2015 for those facilities constructed on or after October 15, 2014, which have their initial inspection in the 2014 calendar year.

46. Can the annual reports under the LDAR requirements of Section XVII.F.9. be submitted before May 31st? Can sources set up with the Division a different date of reporting?

Yes. Section XVII.F.9 requires that operators submit their LDAR annual reports <u>on or before</u> May 31<sup>st</sup> of each year.

47. When is a report due if May 31<sup>st</sup> falls on a weekend or holiday?

In those situations, the report will be due on the next business day after May 31<sup>st</sup>.

48. For well production facilities that require monthly AVO monitoring (per Section XVII.F.4.c), how are the records to be maintained?

The records identified in Section XVII.F.8. cover AVO inspections, must be maintained for a period of two years, and should be sufficient to enable the source to demonstrate compliance with this rule.

49. What goes into the annual leak report of Section XVII.F.9?

Section XVII.F.9. specifically identifies what needs to be included in the LDAR annual report.



50. What should operators include in the report required under Section XVII.F.9. for well production facilities with storage tanks that have emissions below APEN thresholds and do not have an AIRS ID assigned? Do the sites have to be identified?

No site information or AIRS ID is required as part of the annual report for any facility, regardless of size. For reporting, the owner/operator is required to submit a summary of the number of facilities inspected as well as other values identified Section XVII.F.9. on a company-wide basis. The owner/operator is not expected to report the site information for each inspection identified.

However, per Section XVII.F.8., the owner/operator should maintain a record of the site information for each inspection, even at sites with emissions less than reportable thresholds. Such site information may include the well identification number (API number), an AIRS ID where available, the geographic location and/or the site name.

51. Do sources have to quantify the leak or identify the gas composition?

No. Sources may elect to quantify the leak concentration in accordance with Section XVII.F.6.e., but this is not required for leak identification.

52. How is the Division handling documentation of verifications of repair after an AIMM inspection?

Records should sufficiently demonstrate that repairs have been conducted and a leak is no longer detected.