

Oil and Gas Issues and the EAC

The Basic SIP Story

The EAC's Ozone Action Plan was approved in 2004 and approved by EPA in 2005

- Requires 47.5% reduction in "flash" emissions from condensate tanks
- Requires controls for engines
- Other measures

The overarching goal is to maintain the integrity of the EAC and avoid a nonattainment designation

The primary oil/gas concerns are the rapid growth in flash emissions and compliance issues

- Compliance must be improved and the emissions "cap" on flash emissions must be preserved. This cap is 91.3 tons of VOCs per day
- We need to amend the SIP with a more stringent control program. No modeling will be performed, only emissions analyses

Flash Emissions Growth is Exceeding Estimates

2002 flash emissions were 133.9 tons/day VOCs

2007 uncontrolled emissions were estimated to be 146.1 tons/day; 2007 controlled emissions were estimated to be 91.3 tons/day

2003 APEN reported flash uncontrolled emissions are 164 tons/day; 2004 uncontrolled emissions are 172 tons/day

2007 uncontrolled emissions will be 200 tons/day?; it does not appear that 2007 controlled emissions will be 91 tons/day with the current program

Compliance Is a Big Concern

22 companies have reported emissions to the Division; only 10 companies responded to the Division's December 2005 111 letters requesting information, 12 did not

- Of the 10 companies that responded, 6 appear to show some degree of compliance
- 4 either did not get the 37.5% required removal or didn't get any removal at all during the last summer's ozone season

20 to 30 additional companies on the Oil and Gas Commission Website are recovering some gas as well as oil and have not filed APEN's for any condensate emissions

There are also noncompliance issues for some engines in the area

Options for Addressing the Issues

For Flash Emissions: Ratchet up the required emission reductions or implement a BACT control program for condensate tanks

For Compliance issues: There will be a concentrated effort by the Division to dramatically improve compliance – the April reporting deadline is very important

Next Steps

The Division expects an immediate response to the December 2005 111 letters

The Division will explore strategies for mitigating growth and preserving the 91tons/day cap in the EAC

- The Division must develop a proposal for the AQCC by August

The Division will continue to enforce compliance with the engine requirements