AIR PERMITTING IN TEXAS

GAS COMPRESSOR ASSOCIATION 21ST ANNUAL EXPO AND CONFERENCE

BONNIE SINGH ARCHROCK, INC. MARCH 21, 2016

Archrock.

Agenda

I: Why do I need a permit?Air permit categories in Texas

II: Closer look at Permit By Rule (PBR) options for oil and gas Example PBR application

III: What to be aware of post-permitWhen may I operate?RecordkeepingUseful TCEQ online tools



This Presentation Does Not Cover

- Title V
- Prevention of Significant Deterioration (PSD)
- Greenhouse Gas (GHG)
- Modifications, alterations, amendments to existing permits





Legal Disclaimer

The content of this presentation reflects a brief summary of complicated emissions-related rules, regulations, legislation and the like, as well as the individual opinions of its drafters.

It is not intended or offered as legal or operational opinions or advice.

No representations or warranties are made as to accuracy or completeness.

Readers should independently consult their legal counsel, their HSE/emissions specialists, and all relevant rules, regulations, and legislation.



Why Do I Need a Permit?

Two air permitting programs:

- Preconstruction or New Source Review (NSR)
 Goal is to reduce emissions from new or modified sources
- 2) <u>Federal Operating Permit (also known as Title V)</u> for major sources, goal is to reduce ongoing emissions from continuously *operating* sources

Two permits?

Bottom line: NSR permit is required before construction begins. Operating permit is required for major sources to be able to operate.



What is a Major Site? What is Title V?

Refers to the entire site

- Any site that emits or has the potential to emit:
 - 100 tpy of any regulated pollutant
 - 10 tpy of any hazardous air pollutant (HAP) ex. HCHO
 - -25 tpy of any combination of HAPs
 - If site is in a nonattainment county, the limit may be less than 100 tpy for regulated pollutants

If not a <u>major</u> source facility, it is called an <u>area</u> source facility

Why Do I Need a Permit?

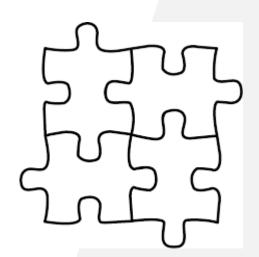
What could happen if I don't get a permit for my site?

- Violation of the law
- Non-compliance can result in fines and enforcement actions
- Negative publicity
- Individual criminal prosecution



What Do I Need to Permit?

Any equipment that emits pollutants



Consider aggregated facilities:

Located on contiguous or adjacent properties

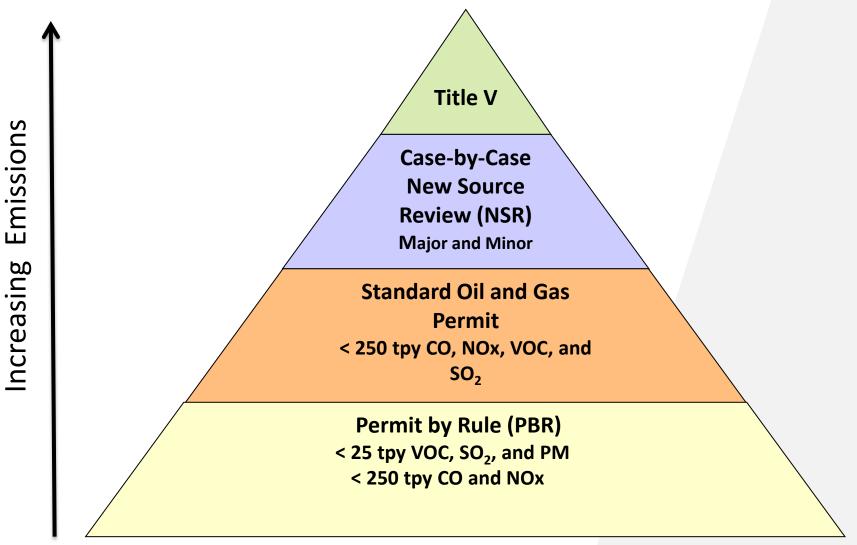
(1/4 mile rule of thumb)

Under common control

Same SIC code



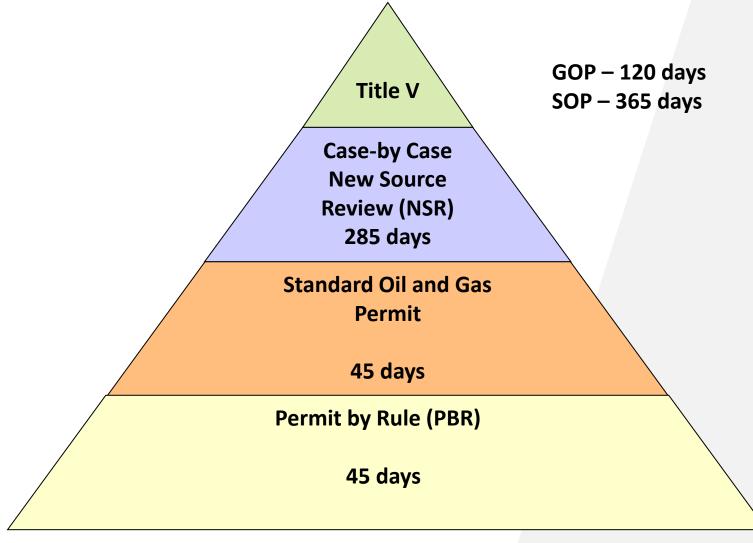
State Air Permit Categories in Texas



De minimis

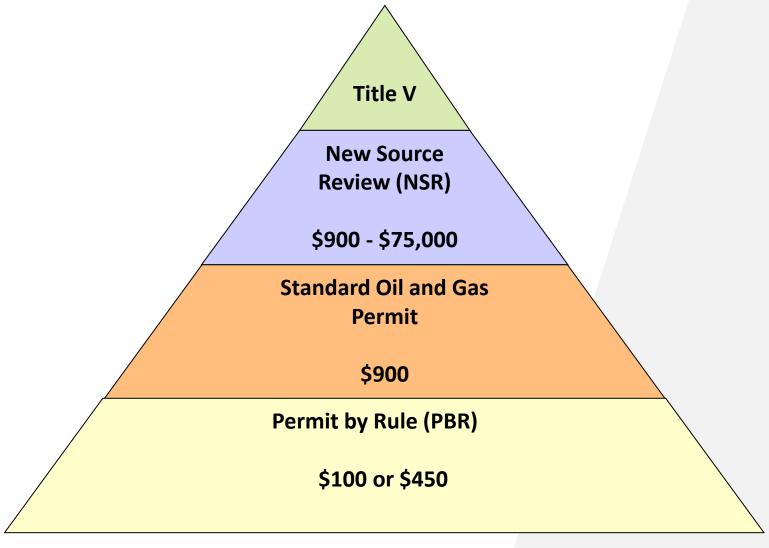


How Long Will it Take to Get a Permit?





How Much Does a Permit Cost?





Standard Permit Options

 "Traditional" rule version in 30 TAC 116.620, Installation and Modification of Oil and Gas Facilities Last amended in 2000

- 2. New "Non-Rule" version, effective November 8, 2012
 - Required if located in Barnett Shale county
 - Any facility may voluntarily claim the "Non-Rule" version

Differences?



Standard

Permit

PBR Options for Oil and Gas – 30 TAC 106.x

106.4

- Requirements for all PBRs
- Not to exceed: 250 tpy CO or NOx; 25 tpy VOC

106.352

Fugitives, separators, treatment and processing equipment,
 heater-treaters, methanol injection, amine units, glycol dehydrators, gas recovery units, combustion sources, truck loading, control equipment, VRUs, flares, tanks

106.359

Maintenance, startup, and shutdown (MSS)

106.492

Flares

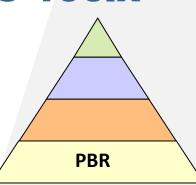
106.511

Portable and emergency engines and turbines

106.512

- Stationary engines and turbines





PBR Example – The application will address:

Administrative

Cover letter

Core Data form

CN and RN numbers, if assigned

Site location, driving directions, GPS

Responsible official

Are you certifying emissions? --> form PI-7 CERT

Area map and location

Process flow diagram

Written process description

Table 1(a), Emission Point Summary

TCEQ-provided checklists for all PBRs claimed





PBR Example – The application will address:

Technical

Final emissions results, in lb/hr and tpy

List of all emissions-producing equipment

Are you subject to any NSPS or NESHAP regs?

Claiming alternate operating scenarios?

Appropriate gas analyses

NAAQS for NOx

All calculations

Supporting information for calculations:

Manufacturer spec sheets

All calculation program results



PBR Example

Let's work through how to permit under a Permit by Rule (PBR)

Process description:

The facility is a natural gas compressor station in McMullen County.

Daily throughput is approximately 20 MMSCF of sweet natural gas and 18 barrels/day of produced liquids.

Incoming natural gas is routed through a glycol dehydrator to remove residual moisture. Small amounts of natural gas liquids are physically separated in two separators, then stored in tanks. Tank vapors are routed to an enclosed combustor. Gas is sent to the compressor engines before entering the sales line.

Liquids are truck-loaded offsite as necessary.

Explain site process, emissions sources, control devices, throughputs



PBR Example – Emissions Sources

How do we calculate emissions from:

- Natural gas engines, diesel engines, turbines?
- Oil, condensate, or water tanks?
- Flares, thermal oxidizers, vapor combustors?
- Glycol dehydrators, including reboiler and vent?
- Loading?
- Fugitives?
- MSS?

EASY! Use the TCEQ-approved Oil and Gas Emissions Spreadsheet!

NOT SO EASY - First, gather all the input values





Texas Commission on Environmental Quality Table 29 Reciprocating Engines

I. En	gine Data	ı												
Manufact	urer		Model N	o.		Serial No	É		Manufac	facture Date:				
Rebuilds	Date:		No. of C	ylinders:		Compress	:	EPN:						
Applicat	ion:	Gas Compi	ression	☐ Electric	Generati	on Re	frigeratio	n En	nergency/	Stand by				
4 Stro	ke Cycle	2 Stro	ke Cycle	Carb	ureted	Spark I	mited [Dual Fue	d DF	uel Injected	i i			
Diese	I 🗌 Na	turally Asp	irated	Blower	Pump S	cavenged	☐ Turbo	Charged a	nd I.C.	Turbo (harged			
☐ Intere	ooled		LC. Wats	er Temperat	ture	Lean Bu	um		Rich	3um				
Ignition/	Injection	Timing:					Vari	able:		10000				
Manufact	ure Horse	epower Rat	ing:			Proposed	Horsepo	wer Rating	8					
				D	ischarge	Parameter	s	- 22						
Stack	Height (Feet)	Stack	Diameter ((Feet)	Stack T	emperat	ure (°F)	Exit	Velocity (FPS)			
II. Fu	el Data		11411							100				
Type of F	uel:	Field Gas		andfill Gas	LPO	ias [Natural	Gas 🔲 I	Digester (ias 🔲 Die	sel			
Fuel Con	sumption	(BTU/bhp-	hr):	H	eat Value	1	(HHV)	5 7000	100		(LHV)			
Sulfur Co	ontent (gra	ains/100 sci	- weight	(%):				V-						
III. Em	ission F	actors (Bef	ore Cont	rol)						1				
NO) _X	CC)	SC)2	VO	C	Formale	dehyde	PM	10			
g/hp-hr	ppmv	g/hp-hr	ppmv	g/hp-hr	ppmv	g/hp-hr	ppmv	g/hp-hr	ppmv	g/hp-hr	ppmv			
Source of	Emission	n Factors:	□ Man	ufacturer D	ata 🗖	AP-42 🔲	Other (sp	ecifyly						
		ectors (Pos			ata 🔲 /	11-45 L	Critici (sp	ceny).						
NC.	CONTRACTOR DESCRIPTION	CC	Contract Contract	so	12	vo	c	Formale	lohyda	PM	10			
g/hp-hr	ppmv	g/hp-hr	ppmv	g/hp-hr	ppmv	g/hp-hr	ppmv	g/hp-hr	ppmv	g/hp-hr	ppmv			
Method o	f Emissic	n Control:	□ NSC	R Catalyst	Le	an Operatio	n 🗆 I	arameter /	Adjustmer	it				
Stratif	fied Char	ge	ПЛС	C Catalyst	Ot	her (Specify	(r):		107		- 83			
Note: Mi	ust submi	t a copy of	any mani	ifacturer co	ontrol infe	rmation th	at demon	strates cont	rol efficie	ency.				
THE RESIDENCE OF THE PARTY OF	The second second	neluded in t	Anna de la companya del la companya de la companya							☐ Yes ☐	No			
V. F	ederal a	nd State St	andards	(Check all	that app	dy)								
	and the last of th	MACT Z			Accesses the Parket of the Par	e 30 Chapte	er 117 - L	ist County:	1					
		l Informat			10 00	- 70		- 10	-					
2. Subm perce	nit a typic nt of com	al fuel gas : stituents.	analysis,	including s	ulfur con	or general r tent and hea nufacturer is	iting valu	e. For gase	ous fuels,	provide m	ole			

Engine Calculations

Table 29

Accompanies the engine and catalyst mfg. spec sheets



Engine Calculations

Internal Combustion Engine Emissions

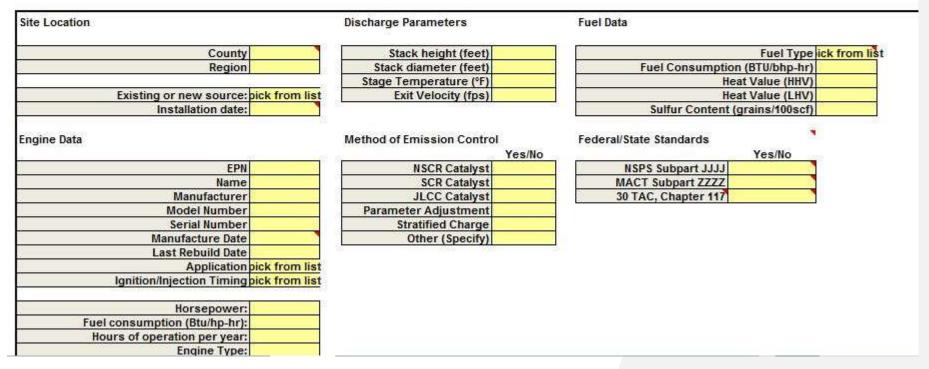
A) Enter information into the yellow boxes.

B) Use the box provided below for entering any notes necessary (such as the source/justification for any calculation inputs).

Engine Emission Calculations

Note: The TCEQ prefers the following basis for calculating emissions (in order of preference):

- 1. Stack test data from the engine
- Manufacturer's specification sheet and control specification sheet (if control used)
- 3. AP-42 emission factors





Mass Balance calculation for	sour q
Fuel Heat Value (Btu/SCF)	
Fuel H₂S content (mol%)	
SO ₂ produced (lb/hr) =	0.00
SO ₂ produced (tpv) =	0.00

MW SO₂ = 64.06 ideal Gas Law 378.61

Does the VOC emission factor being used below include formaldehyde? (pick Yes or No from list)

To Determine Emissions for Ai	remining			- 20	1						
		from AP-42:				Diameter Control					
	If available, enter the test results or manufactur er's emission factors before control (g/hp-hr)	Table 3.2-1 2 stroke, lean-burn engine emission factors (lb/MMBtu)	Table 3.2-2 4 stroke, lean-burn engine emission factors (lb/MMBtu)	Table 3.2-3 4 stroke, rich burn engine emission factors (lb/MMBtu)	Uncontrolled	Uncontrolled tpy	If present, enter the efficiency of any control device (as a %)	lf present, enter the controlle d emission factor (as g/hp-hr)	control factor used	lb/hr	tpy
VOC	- DOWN COMMON CO.	0.12	0.118	0.0296	0.000	0.000	A SHOULD SELECT THE SELECT	47/JAN-1	0	0.00	0.00
NOx		3.17	4.08	2.21	0.000	0.000	0		0	0.00	0.00
CO	-	0.386	0.317	3.72	0.000	0.000	ic e		0	0.00	0.00
PM ₁₀		0.04831	0.0099871	0.01941	0.000	0.000			0	0.00	0.00
PM _{2.6}		0.04831	0.0099871	0.01941	0.000	0.000			0	0.00	0.00
SO ₂	_	0.000588	0.000588	0.000588	0.000	0.000			0	0.00	0.00
Formaldehyde		0.0552	0.0528	0.0205	0.000	0.000			0	0.00	0.00
Benzene	The state of the s	0.00194	0.000404	0.00158	0.000	0.000			0	0.00	0.00

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Calculations for Oil, Condensate, Water Tanks

Tank calculation program options for VOC

Determine working, breathing, and flash emissions via:

All three Working and Breathing Flash

E&P Tanks E&P Tanks Lab gas : oil ratio

Process simulator Tanks 4.0 Lab gas: water ratio

Process simulator Vasquez-Beggs equation

Direct measurement Direct measurement



Flares, Thermal Oxidizers, Vapor Combustors

Flare / Vapor Combustor

- A) Enter information into the yellow boxes.
- B) See notes/instructions incuded below.

inputs).

D) Make sure to select the correct Emission Type from the pull down menu below.

dene	eral information
Unit Name:	Flare 1
Unit EPN:	Flare 1
Which is utilized for this device?	continuous pilot
NOx and C	CO Emission Factors
Fo	or <u>Waste</u> Gas:
What kind of device is this? Pick from list.	non-steam assisted flare with low Btu stream flared
NOx	0.0641 lb/MMBtu
CO	0.5496 lb/MMBtu
	Pilot Stream(s):
If there is one or more pilot streams, are they made up of pipeline quality natural gas, propane, or field gas? Pick from drop down list to the right and follow instructions below.	field gas
NOx	0.0641 lb/MMBtu
co	0.5496 lb/MMBtu
Enter pilot stream information into the column for Str	0.5496 lb/MMBtu ream No. 1 below. If there is more than one pilot stream, plea one combined stream.

General Information

Emission Factors			
Emission Factors fro	m AP-42 Tab	le 1.4-1 and 1.4-2	2 (lb/MMscf)
NOx	100		
CO	84		
PM10, PM2.5	7.6	5.7	
Emission Factors fro	m TCEQ Guid	ance (lb/MMBtu)	
Non-steam assi	sted, high Bt	u Steam ass	isted, high Btu
NOx	0.138	NOx	0.0485
CO	0.2755	co	0.3503
Non-steam assi	sted, low Btu	Steam ass	isted, low Btu
NOx	0.0641	NOx	0.068
522	1272 W2127	522	100.00
CO	0.5496	CO	0.3465
Emission Factors fro	m AP-42 Tab	le 1.4-2 and 1.4-3	3 (lb/MMscf)
SO ₂	0.6		

From TCEQ Oil and Gas Emissions Spreadsheet



Flares, Thermal Oxidizers, Vapor Combustors

<u>Destruction Efficiency</u>							
VOC percent destruction efficiency (%)	98						
propane percent destruction efficiency (%) *OPTIONAL*							
H₂S percent destruction efficiency (%)	98						

H₂S molecular weight SO₂ molecular weight seconds/hour inches/ft

			Strea	m Infor	matio	1		
Each numbered column represents a stream	. The firs	t two columns	s are al	ways fo	or pilot	and ad	ded fuel	stream
Stream Sent to Flare/Vapor Combustor No.	1	2	3	4	5	6	7	8
Stream Sent to Flare/Vapor Combustor Name (Enter Names of Each Stream Here)	pilot(s)	added fuel stream(s)			0.4	2		
Maximum Expected Hourly Volumtric Flow Rate of Stream (scf/hr)								
Amount of Time Stream Routed to Flare/Vapor Combustor (hrs/yr)					0,0	s		
Maximum Expected Annual Volumtric Flow Rate of Stream (scf/yr)								
Heat Value of Stream - from program results or gas analysis (Btu/scf)								
propane weight percent of total stream (%) *OPTIONAL*								
VOC weight percent of total stream (%) *OPTIONAL*								

Page: 1

lbs/br lbs/day tons/yr

DESCRIPTION:

Description: Dehydration Unit

20 MMSCFD

Annual Hours of Operation: 8760.0 hours/yr

Glycol Dehydrator

GRI-GLYCalc Program to estimate emissions from dehy vent

For dehy reboiler calculations, treat as heater calculations

EMISSIONS REPORTS:

CONTROLLED REGENERATOR EMISSIONS

Component	lbs/nr	ibs/day	tons/yr
Hydrogen Sulfide	0.0001	0.002	0.0003
Methane	0.0546	1.310	
Ethane	0.0905		
Propane	0.0486	1.167	0.2130
Isobutane		0.306	0.0559
n-Butane	0.0161	0.386	0.0705
Isopentane	0.0028	0.067	0.0123
n-Pentane	0.0019	0.046	0.0084
Cyclopentane	0.0004	0.011	0.0020
n-Hexane	0.0005	0.011	0.0021
Cyclohexane	0.0003	0.007	0.0013
Other Hexanes	0.0012	0.028	0.0052
Heptanes	0.0003	0.008	0.0015
Methylcyclohexane	0.0003	0.006	0.0011
2,2,4-Trimethylpentane	<0.0001	<0.001	<0.0001
Benzene	0.0020	0.048	0.0087
Toluene	0.0012	0.029	0.0054
Ethylbenzene	0.0006	0.015	0.0028
Xylenes	0.0005	0.013	0.0024
C8+ Heavies	<0.0001	<0.001	<0.0001
Total Emissions	0.2347	5.634	1.0281
Total Hydrocarbon Emissions	0.2347	5.632	1.0278
Total VOC Emissions	0.0896	2.151	0.3925
Total HAP Emissions	0.0049	0.117	0.0213
Total BTEX Emissions	0.0044	0.105	0.0192



Truck Hourly Loading Emission Calculations Using equation L₁ = 12.46* SPM/T from AP-42, Chapter 5, Section 5.2-4 S= Saturation Factor P= True vapor pressure of liquid loaded (psia) Molecular Weight of Vapors (lb/lb-mole) M = T= Temperature of bulk liquid loaded (in degrees Rankine) Hourly Loading Rate Gallons Loaded per Hour Loading Loss (lb VOC released/1000 gal liquid loaded) 0.00 VOC Uncontrolled Emissions (lb/hr) 0.00 Are loading vapors (A) uncontrolled; (B) controlled by a flare, vapor combustor, thermal oxidizer, or vapor recovery unit (VRU); or (C) controlled by another type of control device? Vapor Weight Percents VOC Vapor VOC wt% benzene Vapor Benzene wt% H2S Vapor H₂S wt% **Produced Water Reduction** Percent Reduction for Produced Water Tank Calc. as Oil/Cond. (%) **Uncontrolled Emissions** VOC Emissions Uncontrolled VOC (lb/hr) 0.00 Emissions Uncontrolled Benzene (lh/hr)

From TCEQ Oil and Gas Emissions Spreadsheet

Liquids Loading

Loading losses = SPM/T

Where:

S = saturation factor

P = true vapor

pressure

M = MW of vapor

T = temp. of liquid

Pounds/hour Tons/year



Fugitives

Service type options:

- Gas
- Heavy oil
- Light oil
- Water/oil

Tally quantities of each component:

- Valve
- Pump seal
- Connector
- Flange
- Open-ended line
- Other component

Uses EPA emission factors



MSS

MSS includes

- Planned maintenance of engines, turbines, repairs, lubrication, replacement of piping components, meters, analyzers, engine or turbine swaps
- Pigging and purging of piping
- Blowdowns
- Emptying, purging, degassing, or refilling of process equipment, storage tanks, and vessels
- Abrasive blasting and surface coating



NAAQS - Background



 National Ambient Air Quality Standards (NAAQS) are set by the EPA for 6 pollutants:

O₃, NO₂, SO₂, CO, PM₁₀, and Pb

Ozone-causing pollutants = VOC and NOx

Areas that do not meet the EPA limit are considered "nonattainment"

Currently considered nonattainment for O₃ in Texas:

10 counties in DFW

8 counties in HGB

NAAQS in Oil and Gas --> NOx emission limits set by the states



NAAQS for Permitting

- Must show compliance with 1-hour and annual NAAQS standards for NO₂
- Determine the NO₂ for the site, then add it to background concentration for the county (published value). Total must be below 188 μg/m³
- TCEQ offers three options for NAAQS:

Modelling – SCREEN 3

Height

Property line distance



Post Permitting Details

I submitted my PBR application. When may I begin to construct or operate?

You may begin construction when you are notified by the TCEQ of written site approval.

What does "construction" mean?

- Any activities other than site clearance or site preparation.
- Equipment may be received at a plant site and stored, but may not assembled.
- Work such as excavation, form erection, or steel laying pertaining to foundations is considered construction.
- Before a permit is granted, the only allowed activities are land clearing and site preparation

Must factor permitting issuance time into plant mobilization and start-up schedule!



What Records Must I Keep?

Recordkeeping discussed in 30 TAC 106.8:

- Maintain a copy of each PBR
- Maintain sufficient records to demonstrate compliance with the annual emissions limits and specific conditions of each PBR
 - Copy of the permit application
 - Recent gas analyses
 - Engine and turbine test results
 - Maintenance records
 - Loading bills of lading
- Keep records at the site, or at an attended office in Texas





Helpful Online Resources – Air Permit Search Database



Questions or Comments >>

Search Options

CR Query

TCEQ Home

Go To: Title V Federal Operating Permits

Online Help Search Again Last Updated Date: 03/14/2016

Air Permitting Actions for:

region name: REGION 13 - SAN ANTONIO

program area: NSR permit type: PBR project status: PENDING order by: proj_id

Click on the Project Number to see details about that permit application.

Program Area	Permit Number			Project Number	Customer Name	Legal Name	la a la	type	TCEQ Received Date	Project Complete Date	Renewal Date		Project Name	The second secon	Physical Location	Regio Name
NSR	137482	PBR	PENDING	245641	AERO (SAN	Standard Aero (San Antonio) Inc.	CN600285944	INITIAL	12/09/15			PENDING	MIXING OF ISOPROPYL ALCOHOL AND NITRO MEHTANE	RN102339231	3523 GENERAL HUDNELL DR BLDG 360-2	REGION 13 - SA ANTON
NSR	92556	PBR	EFFECTIVE	245740	VANGUARD OPERATING, LLC	Vanguard Operating, LLC	CN604693499	OWNCHANGE	11/16/15			IDENIES INC.	CHANGE OF OWNERSHIP	RN105440218	FROM JOURDANTON TAKE HIGHWAY 97 WEST FOR 6.0 MILES TURN SOUTH ON CR 319 GO 1.5 MILES TURN LEFT ON BLUNTZER ROAD AND TURN TURN	REGION 13 - SA ANTON



Helpful Online Resources – Remote Document Server





Helpful Resources

TCEQ File Room

TCEQ website and guidance documents

Permit application form instructions





Questions?

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Archrock