



# TCEQ REGULATORY UPDATE

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*19<sup>th</sup> Annual GCA Expo and Conference  
April 7, 2014*

# OVERVIEW

- Current stats
- Maintenance Startup and Shutdown Rule
- GHG Permitting



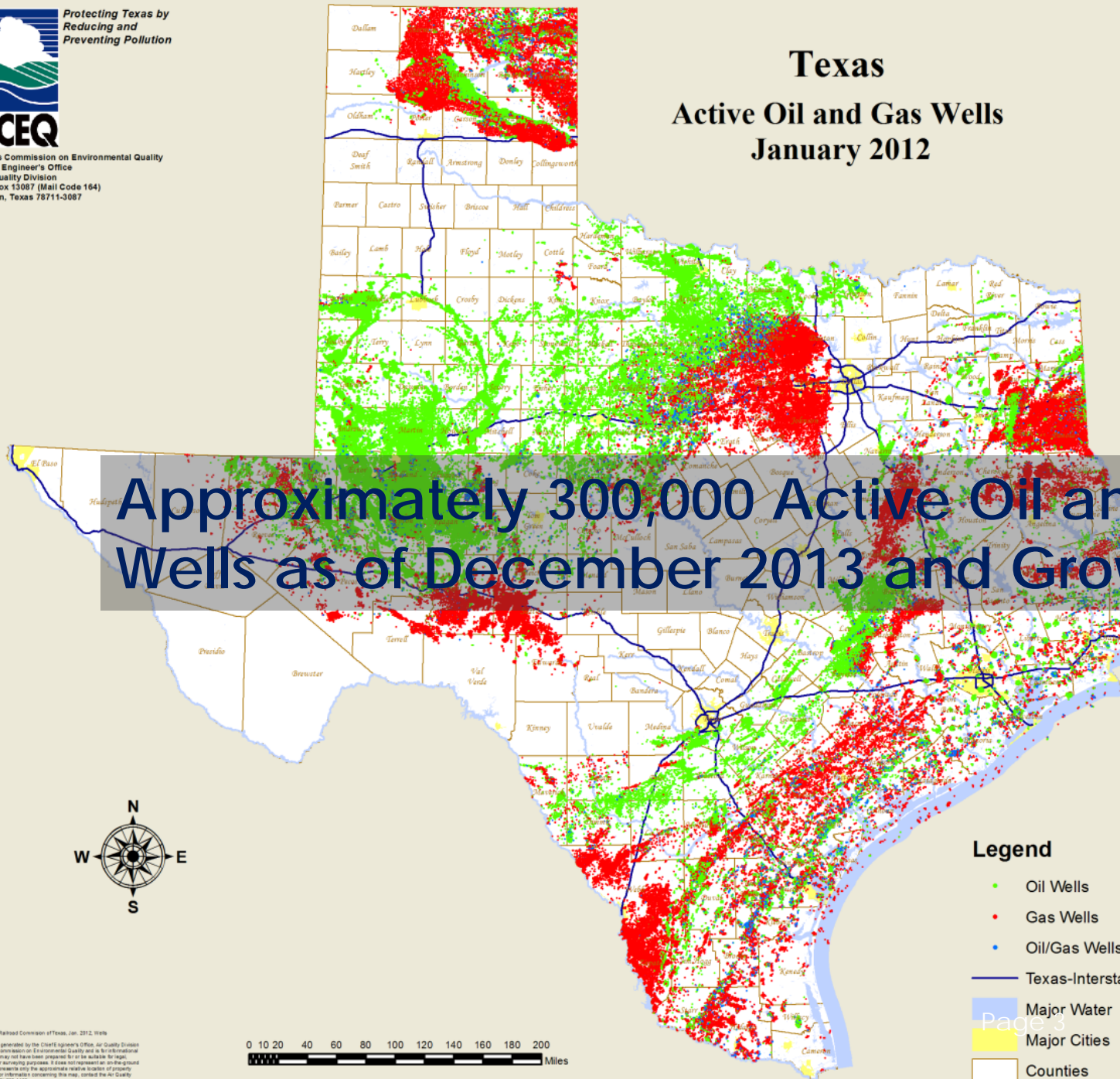
Protecting Texas by  
Reducing and  
Preventing Pollution

Texas Commission on Environmental Quality  
Chief Engineer's Office  
Air Quality Division  
PO Box 13087 (Mail Code 164)  
Austin, Texas 78711-3087

# Texas

## Active Oil and Gas Wells

### January 2012

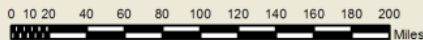


Approximately 300,000 Active Oil and Gas Wells as of December 2013 and Growing



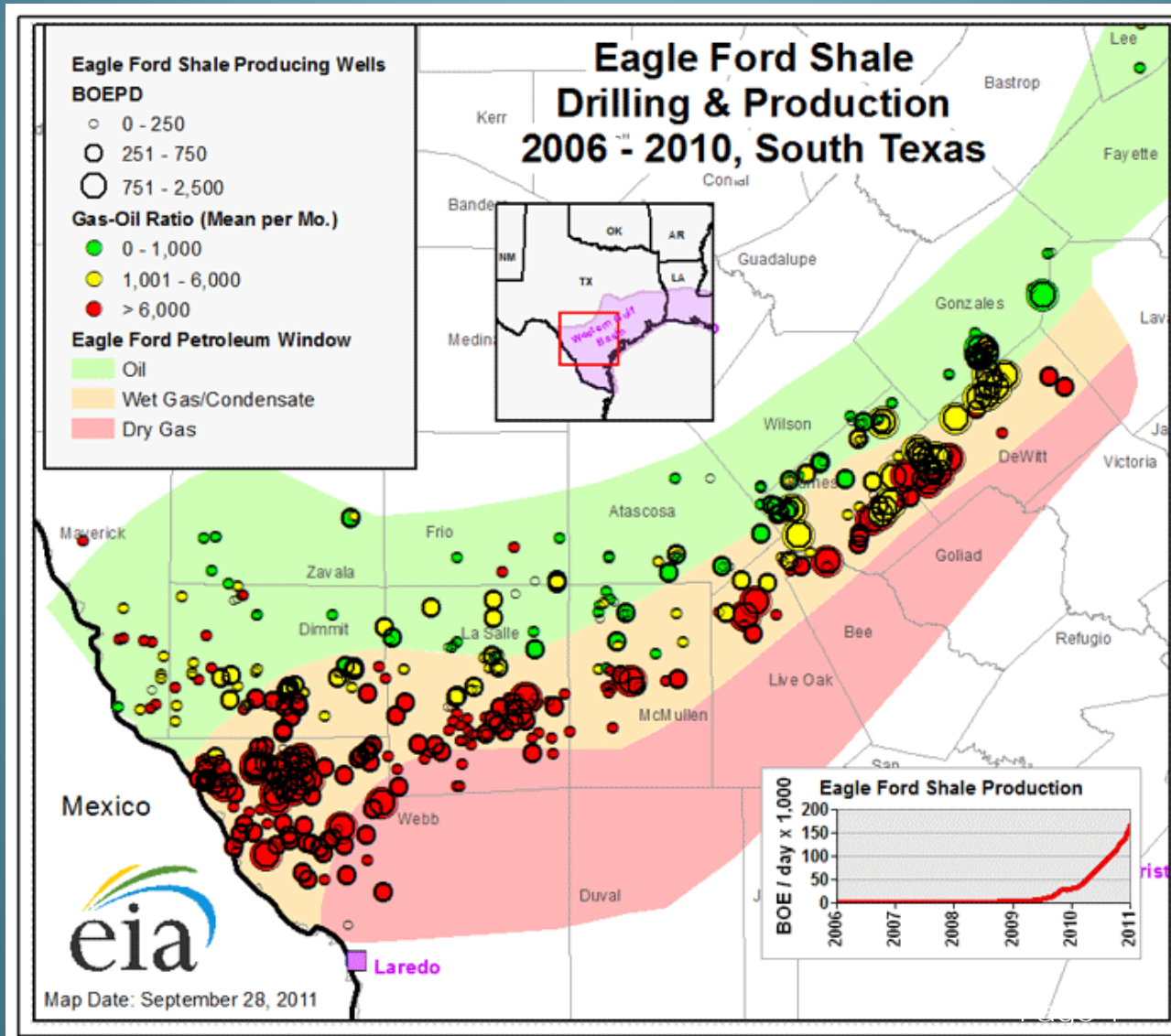
### Legend

- Oil Wells
- Gas Wells
- Oil/Gas Wells
- Texas-Interstates
- Major Water
- Major Cities
- Counties

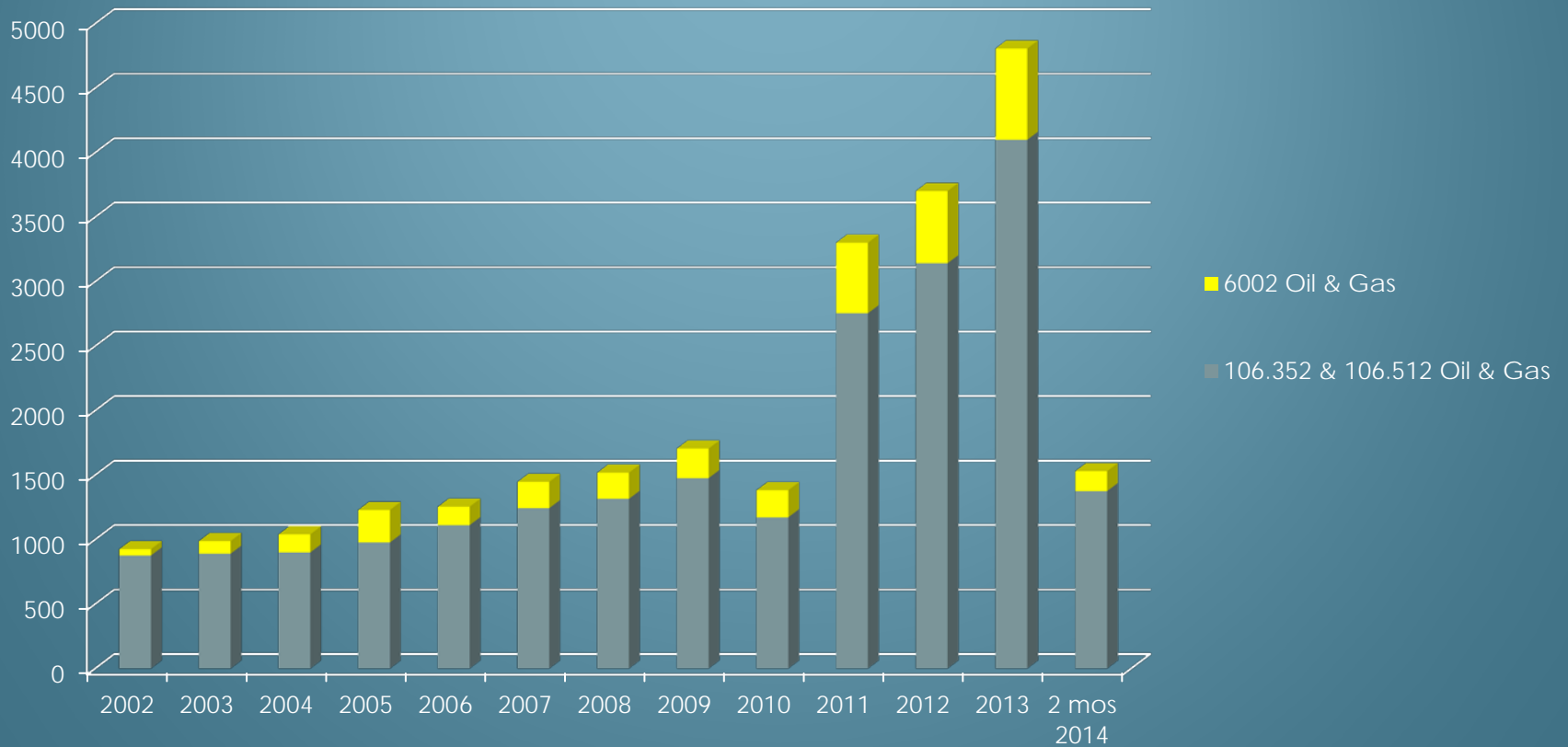


Source Data: Railroad Commission of Texas, Jan. 2012, Wells  
This map was generated by the Chief Engineer's Office, Air Quality Division  
of the Texas Commission on Environmental Quality and is for informational  
purposes and may not have been prepared for or be suitable for legal  
engineering, or surveying purposes. It does not represent an owner's  
survey and represents only the approximate relative location of property  
boundaries. For information concerning this map, contact the Air Quality  
Division at (512) 235-1455.  
Reg. Trademark (512) 235-1454 April 10, 2012

# EAGLE FORD SHALE ALMOST ZERO TO GREATER THAN > 1,000,000 BOE/DAY BY END OF 2013



# OIL AND GAS AUTHORIZATIONS 2002-PRESENT



# OIL AND GAS MAINTENANCE STARTUP AND SHUTDOWN PBR § 106.359

- Rules Adopted: October 23, 2013
- Requirements Apply: January 5, 2014



# KEY REQUIREMENTS

- Authorize all MSS emissions
- Registration not required
- Use Best Management Practices
- Develop a Maintenance Program
- Keep Records

# WHAT DOES THE RULE REQUIRE?

§106.359

A. Applicability

B. Activities and Facilities

C. Best Management Practices





# APPLICABILITY

- Use §106.359 with:
  - §106.352(l) or its predecessors
  - §106.492 Flares
  - §106.512 Stationary Engines and Turbines
  - §116.620 Standard Permit Installation and/or Modification of Oil and Gas Facilities
  - Case-by-case NSR permits – in certain circumstances
  - At Title V sites



- *Use a different authorization mechanism for MSS if you are using one of these construction authorizations:*
  - *§106.355 Pipeline Metering, Purging, and Maintenance*
  - *§106.352 (a)-(k) Barnett Shale PBR*
  - *Subsections (a)-(k) Non-Rule Standard Permit*
  - *Case-by-case NSR permits – in certain circumstances*

# ACTIVITIES AND FACILITIES

- MSS activities can be broken into two groups
  - Lower emitting activities and facilities in (b)(1)-(6)
  - Activities and facilities with the potential for higher levels of emissions (b)(7)-(10)



# LOWER EMITTING ACTIVITIES

- (1) engine, compressor, turbine, and other combustion facilities maintenance;
- (2) repair, adjustment, calibration, lubrication, and cleaning of site process equipment;
- (3) replacement of piping components, pneumatic controllers, boiler refractories, wet and dry seals, meters, instruments, analyzers, screens, and filters;
- (4) turbine or engine component swaps;
- (5) piping used to bypass a facility during maintenance;
- (6) planned MSS activities with the same character and quantity of emissions as those listed in paragraphs(1-5) of this subsection;

# HIGHER EMITTING ACTIVITIES

- (7) pigging and purging of piping;
- (8) blowdowns;
- (9) emptying, purging, degassing, or refilling of process equipment, storage tanks and vessels (except landing floating roof tanks for convenience purposes), if subparagraphs (A-C) are met;
- (10) abrasive blasting, surface preparation, and surface coating of facilities and structures.

# BEST MANAGEMENT PRACTICES

- Facilities must be maintained in good condition and operated properly
- Develop a Maintenance Program to address
  - cleaning and routine inspection of all equipment
  - repair of equipment
  - training for appropriate personnel
  - records of conducted planned MSS activities

# OTHER REQUIREMENTS

- §106.4 emission limits
- §106.8 recordkeeping requirements
- Other requirements if in a nonattainment area



# GUIDANCE AND TOOLS

- Default number for lower emitting activities and facilities
- Calculation Spreadsheet
- Maintenance Program Templates
- FAQs



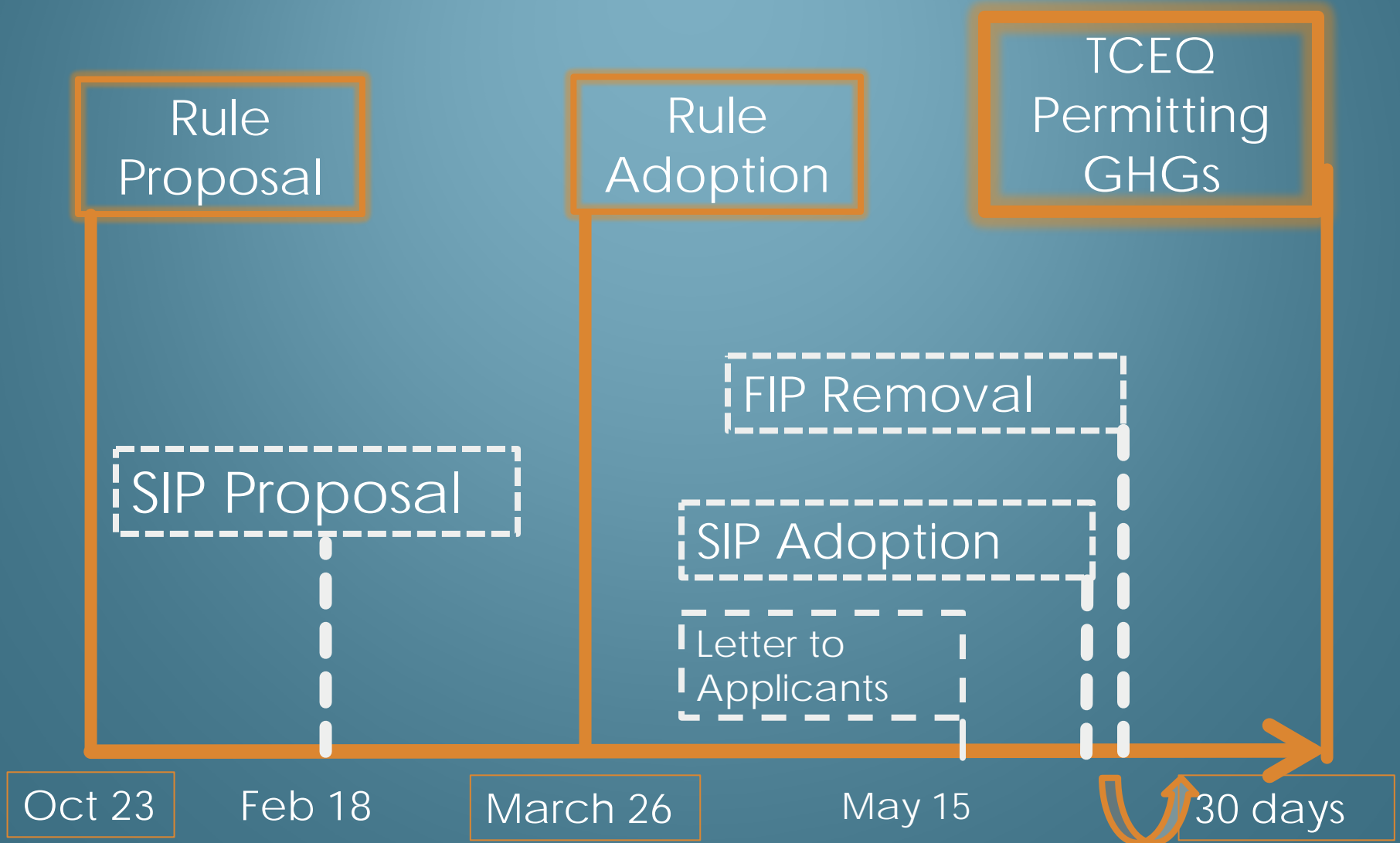
# GREENHOUSE GAS PERMITTING

- Legislative Authority
- Rule, SIP, and FIP process
- GHG Permitting Applicability
- Work-share and Other GHG Actions

# HB 788

- Amended THSC §382.0621
  - Authorizes commission to impose fees to the extent needed to cover additional reasonably necessary direct costs
- New THSC §382.05102
  - Defines GHG emissions
  - Grants the commission authority to authorize emissions of GHGs consistent with §382.051, to the **extent required under federal law**
  - Requires the commission to adopt rules, submit SIP revisions, and repeal the rules if no longer required by federal law

# TIMING



# AFFECTED RULE CHAPTERS

- 39 – Public Notice
- 55 – Contested Case Hearings
- 101 – General Air Quality Rules
- 106 – Permits by Rule
- 116 – Control of Air Pollution by Permits for New Construction or Modification
- 122 – Federal Operating Permits Program

# GREENHOUSE GASES

## Aggregate group

- carbon dioxide
- methane
- nitrous oxide
- hydrofluorocarbons
- perfluorocarbons
- sulfur hexafluoride

# PSD APPLICABILITY

- Mass Basis & CO<sub>2</sub>e thresholds
  - Mass basis – 100/250 tpy GHGs
  - New source – 100,000 tpy CO<sub>2</sub>e or more
  - Major modification - 75,000 tpy CO<sub>2</sub>e or more

# TITLE V APPLICABILITY

- Potential to Emit
  - 100 tpy or more GHGs on mass basis, **and**
  - 100,000 tpy or more CO<sub>2</sub>e

# WORK-SHARE AND OTHER GHG ACTIONS

- EPA is continuing to issue GHG permits
- TCEQ is helping in this effort through a work-share arrangement
- Pending litigation in the Supreme Court



# STAY UPDATED ON GHGS

- Sign up for e-mail updates on [tceq.texas.gov](http://tceq.texas.gov)
  - Contact Tasha Burns
    - 512-239-5868
    - [tasha.burns@tceq.texas.gov](mailto:tasha.burns@tceq.texas.gov)

# FOR MORE OIL AND GAS SPECIFIC INFORMATION

- [www.TexasOilAndGasHelp.org](http://www.TexasOilAndGasHelp.org)
- Sign up for e-mail updates: Oil and Gas Compliance-Resources Updates
- [airog@tceq.texas.gov](mailto:airog@tceq.texas.gov)
- Air Permits main line: (512) 239-1250

# QUESTIONS



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