

OIL & GAS EXTRACTION, STORAGE, AND PRODUCTION BEST PERFORMANCE STANDARDS (BPS)

CCAP Staff Report

- Methane emissions shall be minimized by applying VOC leak standards to components handling methane – Using District Rules 4409 and 4455.
- Rule 4409 applies to component containing or contacting VOC streams at crude oil production and natural gas production and processing facilities.
- Rule 4455 applies to petroleum refineries, chemical plants and gas liquids processing facilities.
- Components – valves, pipes, flanges, pumps, etc.
- Leak standards range from 200 ppmv to 10,000 ppmv, depending on the type of component.
- Not applicable to components at oil/gas production facilities with a VOC content of 10% by weight or less or to natural gas processing facilities with a VOC content of less than 1% by weight.
- Not applicable to components handling commercial grade natural gas.

GHG Emission Reductions

- Reports indicate that Rules 4409 and 4455 result in a 60.2% reduction of fugitive VOC emissions from the baseline period of 2002-2004 (when there were no leak standards, inspections and monitoring requirements).

Mitigation Measures

- All equipment will be operated in accordance with manufacturer specifications and approved design specifications.
- Operations shall apply leak standards, inspections and monitoring plans according to Rules 4409 and 4455.

BPS Notice of Development

The information requested below will be used when establishing Best Performance Standards for this Class and Category:

- Recommendations regarding the scope of the proposed Class and Category (Stationary GHG sources group based on fundamental type of equipment or industrial classification of the source operation).
 - Recommendations regarding processes or operational activities the District should consider when establishing Baseline Emissions for the subject Class and Category.
 - Recommendations regarding processes or operational activities the District should consider when converting Baseline Emissions into emissions per unit of activity.
 - Recommendations regarding technologies to be evaluated by the District, when establishing Best Performance Standards for the subject Class and Category.
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- Types of equipment with fugitive emissions that were in operation during the baseline period (2002-2004).
 - Aspects of operating the subject emission source unique to your equipment.
 - Proposals for basis to quantify GHG emissions (lb/bbl oil, lb/process throughput lb/equipment, etc).
 - Vapor analysis quantifying CO₂, methane and non-methane components.
 - Technologies or operational activities currently in practice to which should be considered.
 - Any other suggestions, comments, and or data.

Initial WSPA Response to SJVAPCD Information Request

General Policy Considerations

- The fugitive emissions (VOC) I&M program assures equivalent significant GHG emission reductions compared to standard of practice nationwide.
- Very small equipment should continue to be considered de minimis as is currently done with criteria pollutant policy. Specifically, some tanks including drain tanks and very small tanks are not currently controlled, are very small sources of emissions, and should retain an exclusionary element for certain conditions.
- Equipment in this category needs to be subdivided adequately to account for site and application variables.
- TEOR wells and tank VCS should allow combustion of waste gas, where possible, in available combustion equipment (consistent with criteria pollutant policy).
- Flaring is required in some situations, at least for emergency and backup purposes (consistent with criteria pollutant policy).
- Existing SJVAPCD fugitive emissions I&M reporting provides all this guidance the District needs to establish a GHG baseline.
- California ARB is also in the process of developing the same fugitive emission inventory information.

Technical Information to be Provided

For consistency and accuracy, it is recommended that SJVAPCD refer to established fugitive emissions programs with regard to this BPS category:

- It is suggested that the District utilize the information in the SJVAPCD fugitive emission I&M program.
- It is suggested that the District utilize the soon-to-be-completed California ARB AB 32 GHG-related equipment inventory.