

Montana DEQ  
Air Resources Management Bureau

Future  
Compliance Assistance

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ARMB - MPA Air Quality Information Exchange

August 11, 2009

Lewistown, Montana

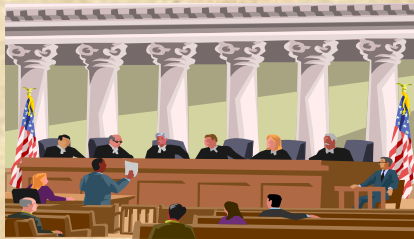
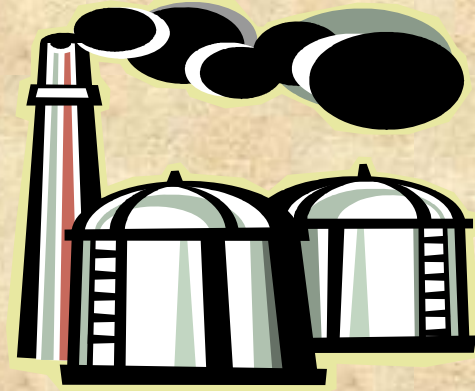




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# Outline

- **Current Compliance Issues**
  - Non-Permitted/Unregistered Companies
  - Recordkeeping/Reporting
  - Controlling Tank Emissions
  - Operation of Controls



- **Future Compliance Issues**
  - Federal Rules
  - Subchapter 17 Rule Change

- **Path Forward**
  - Future of Compliance Assistance?
  - Current/Future Process
  - Department Objectives



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# Current Compliance Issues

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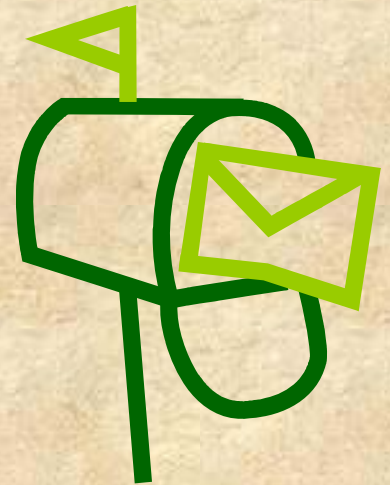
# Current Compliance Issues

- Department identified:
  - Unregistered Companies
  - Recordkeeping/Reporting
  - Controlling Tank Emissions
  - Operation of Controls
- Department identification/assistance "tools"
  - Registration review/acknowledgement
  - Inspection reports
  - Correspondence (e.g., letters, e-mail, phone calls)



# Unregistered Companies

- Time and resource intensive
  - ~200 companies operating producing oil wells (DNRC Online Database)
  - Education
  - Determination-Registration
- 1<sup>st</sup> round of unregistered outreach
  - Began in early 2008
  - Higher producing wells
- 2<sup>nd</sup> round of unregistered outreach
  - In progress
  - Identified companies
  - Drafting letter
- Additional guidance material now available



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# Recordkeeping/Reporting

- Daily production - ARM 17.8.1705(3)
- Monthly inspection - ARM 17.8.1713
  - Minimum information
    - Date of the inspection
    - Findings of the inspection;
    - Leak determination method (sight, sound, smell)
    - Any corrective action taken
    - Inspector's name and signature
  - Incorporate into current site inspection routine
  - Nothing Found ≠ Nothing Written
  - Nothing Written=Nothing Done



# Example Inspection Form

**Oil Well Facilities Monthly Inspection Form**  
Date: \_\_\_\_\_ Facility: \_\_\_\_\_  
Inspection Findings:  
Treater: \_\_\_\_\_  
\_\_\_\_\_   
Tanks: \_\_\_\_\_  
\_\_\_\_\_   
Emission Control Lines: \_\_\_\_\_  
\_\_\_\_\_   
Flare: \_\_\_\_\_  
\_\_\_\_\_   
Well head: \_\_\_\_\_  
\_\_\_\_\_   
Inspection Method:  
Sight \_\_\_\_\_ Sound \_\_\_\_\_ Smell \_\_\_\_\_  
Corrective Action(s): \_\_\_\_\_  
\_\_\_\_\_   
Comments: \_\_\_\_\_  
\_\_\_\_\_   
Inspector: \_\_\_\_\_  
Signature: \_\_\_\_\_

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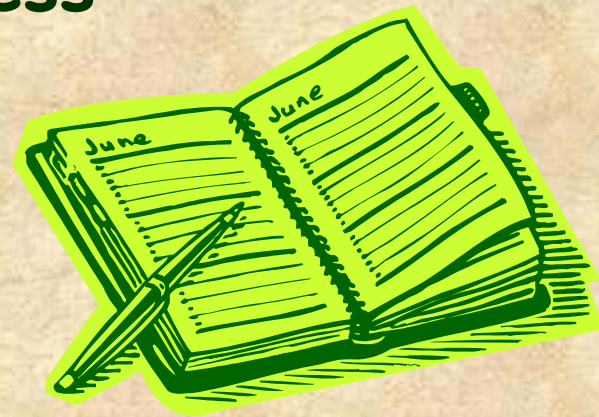
# Controlling Tank Emissions

- Tank emissions exceed 15-tpy threshold and are not controlled
  - Registration indicates controls
  - Emission estimate not adequate
    - Used model defaults
    - No site specific data
  - Previously unregistered company



# "Construction Schedule"

- Plan for bringing facilities into compliance
- Developed by industry - Approved by Department
- Complete in timely manner
  - January 2006 - Backlog
  - At time of registration - New
- Need to show substantial progress
  - Cost is not acceptable excuse
    - Currently operating out of compliance
    - Enforcement is retroactive
- Communicate progress



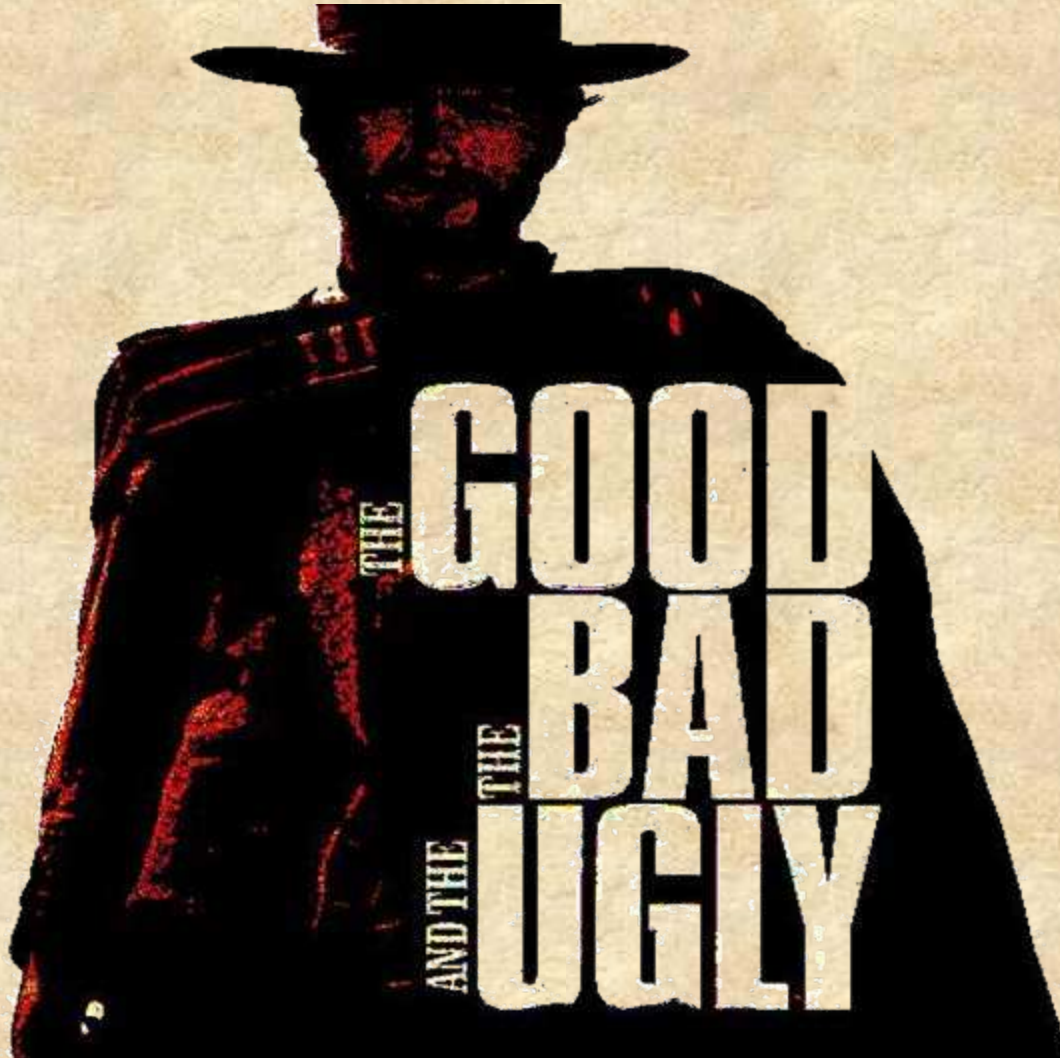
# Operation of Controls

- Controls in place but not adequate or not functioning
- Tank Emission Controls - ARM 17.8.1711(1)(a)
  - Routed to pipeline, smokeless combustion device w/ electronic ignition or continuous pilot system, or equipment w/ control efficiency  $\geq$  smokeless combustion device
- Controls observed in field
  - Flare pit (most common)
  - Manufactured combustor
  - Site equipment (e.g., heater/treater)
  - VRUs



# Examples of Tank Emission Controls

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# The Good...

## VRUs



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# The Good...

## Manufactured Combustor



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The Good...

# Flare Pit



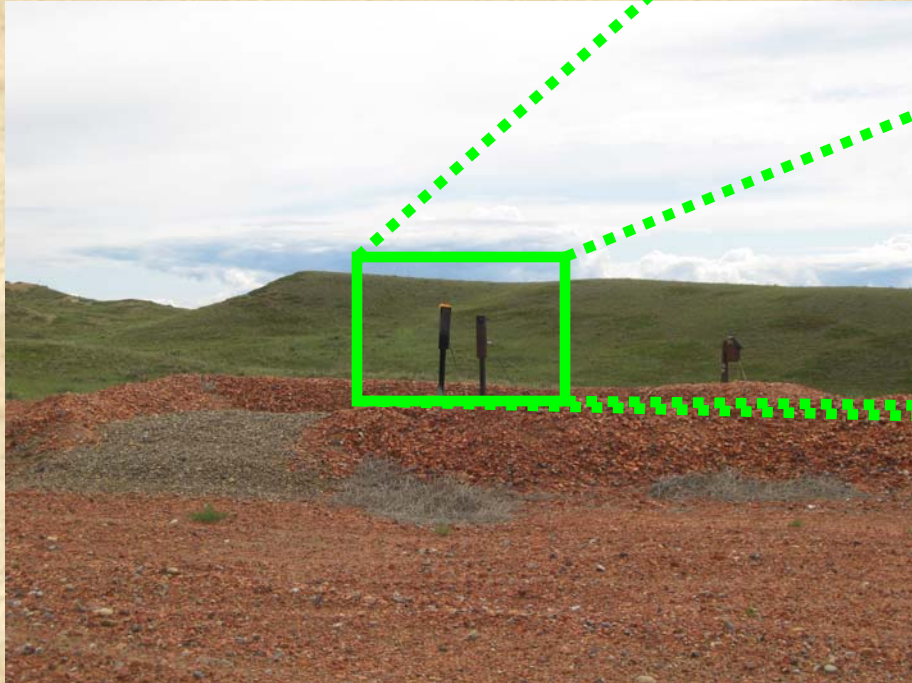
Routed to Produced  
Gas Flare

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# The Good...

## Flare Pit



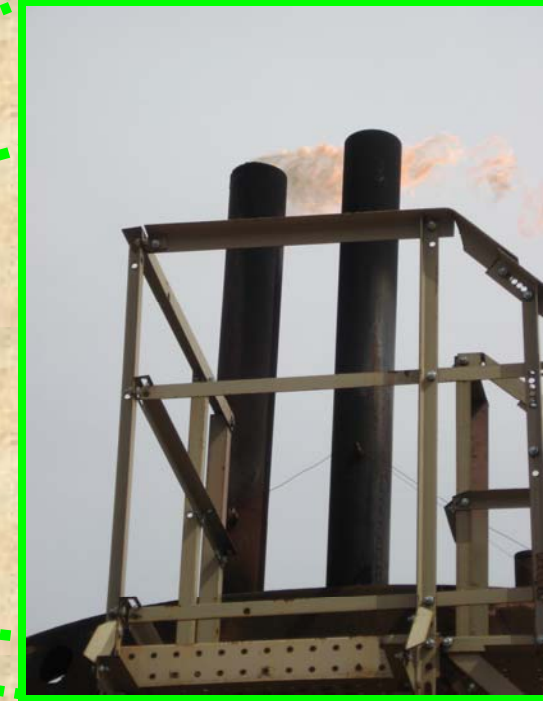
## Second Igniter Installed

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# The Good...

## Flare Pit



### Second Igniter Installed

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# The Bad...

## Flare Pit



Tank Gas Pipe  
Routed Close to  
Flare

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# The Bad...

## Flare Pit



Tank Gas Pipe  
Routed Close to  
Flare (IR Video)

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# The Bad...

## Flare Pit



Tank Gas Pipe  
Routed Close to  
Flare

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# The Bad...

## Flare Pit



Sales Gas Pipe  
Flooded

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# The Bad...

## Flare Pit



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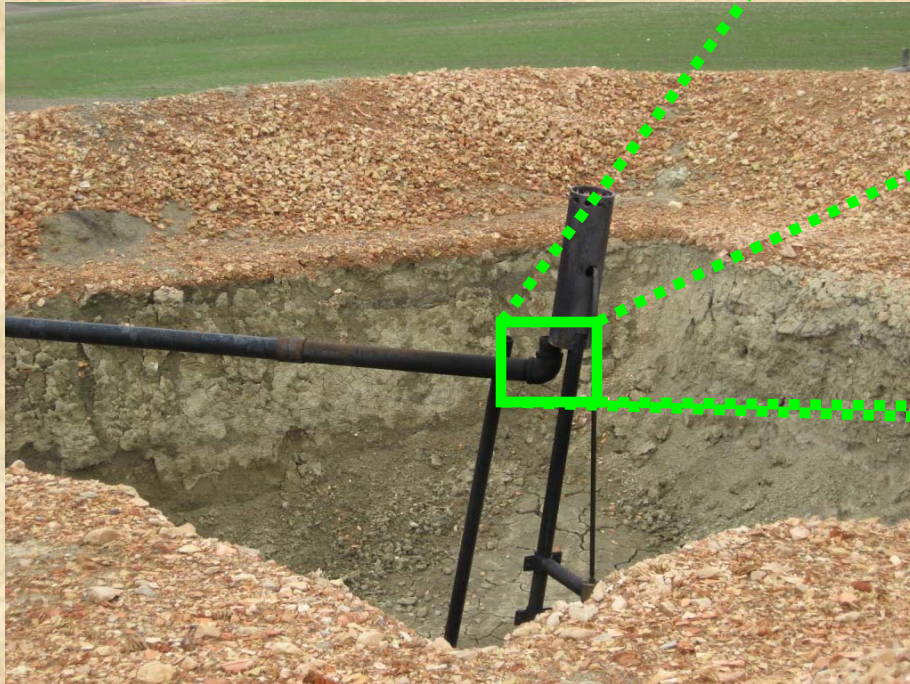


## Sales Gas Pipe Flooded (Video)



# The Bad...

## Flare Pit



Hole in Tank  
Emission Pipe

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# The Bad...

## Flare Pit



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Hole in Tank  
Emission Pipe  
(Video)



# The Ugly...

## Flare Pit



Tank Gas Pipe  
Routed to a Pit

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# The Ugly...

## Flare Pit



Tank Gas Pipe  
Routed to a Pit

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# Future Compliance Issues

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# Federal Rules - ZZZZ Revision

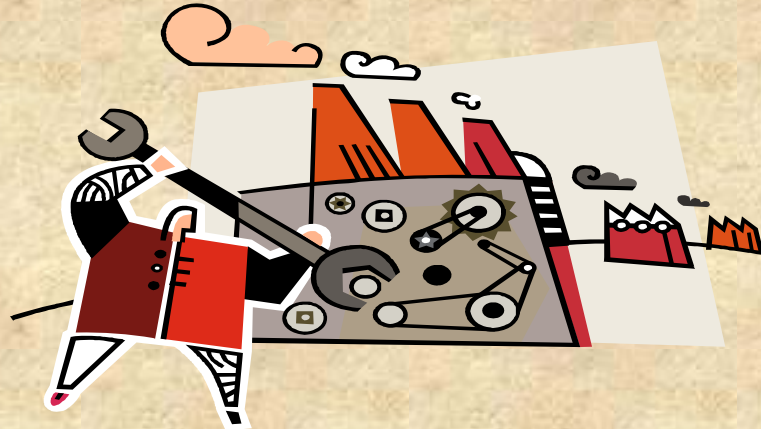
- NESHAP to reduce HAPs emissions from existing RICEs
  - Comments due May 2009
  - Promulgate by February 2010.
  - Affected engines
    - Existing stationary RICE  $\leq 500$ -HP located at major HAP source
    - Existing non-emergency CIE  $>500$  HP located at major HAP source
    - Existing stationary RICE of any power rating located at area HAP source





# Federal Rules (contd.)

- Rulemaking consists of:
  - MACT standard applied to major sources
  - Generally Available Control Technology (GACT) applied to area sources
    - Meet numeric emissions standards
- Or
  - Comply with management practices (e.g., regular replacement of oil filters, spark plugs, and as necessary, hoses and belts)



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# Subchapter 17 Rule Change

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- Anticipated questions

To Be  
Determined



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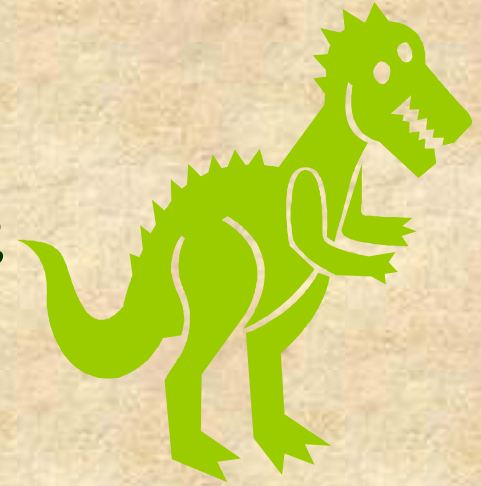
# Path Forward

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# Future of Compliance Assistance?

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The Big Question...  
When will compliance  
assistance end?



The Answer...  
Never.





# Understanding Compliance Assistance

*How Department provides compliance assistance will progress.*

- **Current compliance assistance**
  - Primary → Education
    - Registration acknowledgement letters
    - Inspection reports
  - Some instances more direct (i.e., warning letter)
    - Lack of progress
    - Communication ignored
- **Future compliance assistance**
  - Less assistance with previously “resolved” issues
  - More assistance through:
    - Notice of violation (Warning/Violation Letter)
    - Possible enforcement

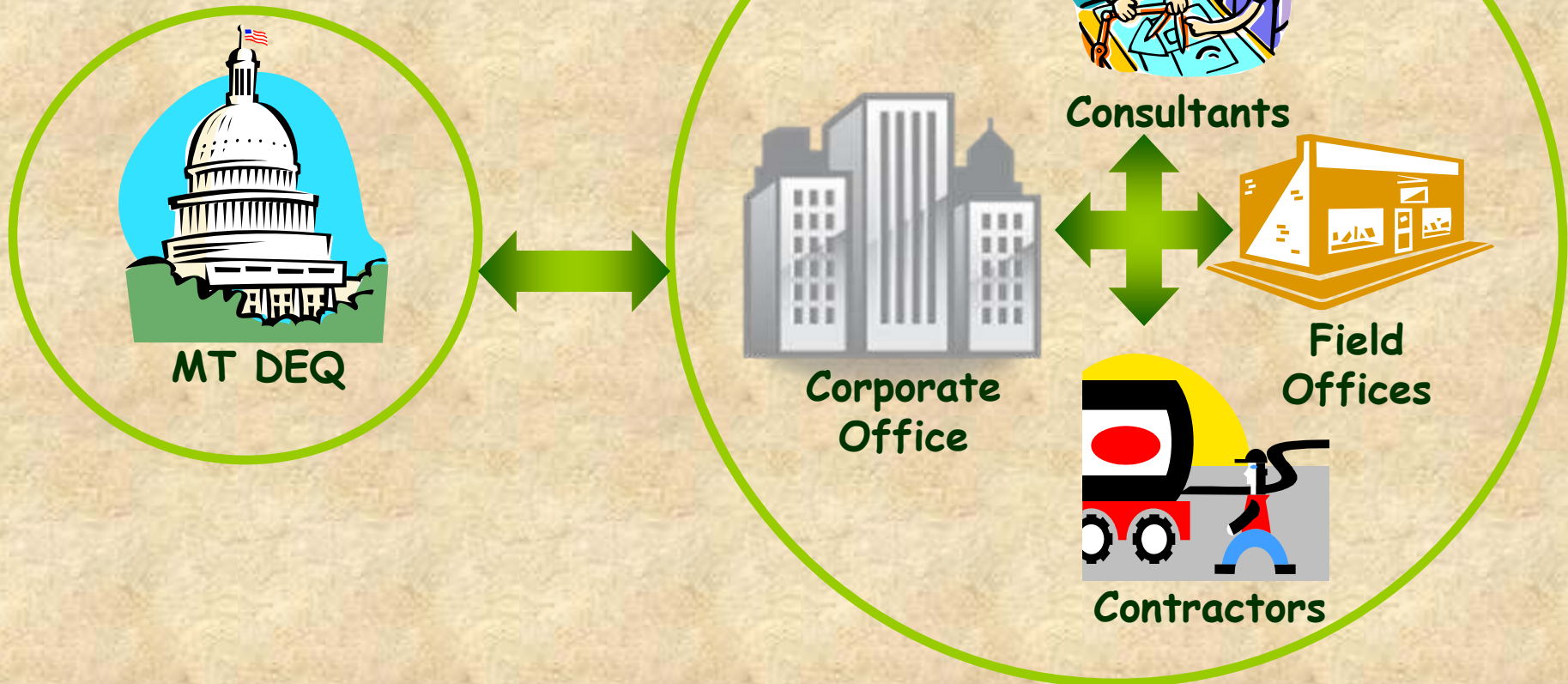


# Program Support

- **Develop, Evaluate, & Improve Resources**
  - Registration forms, instruction manuals, guidance documents, etc.
    - <http://deq.mt.gov/AirQuality/airForms.asp>
  - In the works
    - Analytical database
    - Emission estimation tool
    - Online emission inventories
- **Continue outreach**
  - Web site
    - (<http://deq.mt.gov/AirQuality/AQinfo.asp>)
  - On-going registrations and inspections
  - Montana Petroleum Association (MPA)
  - Clean Air Act Advisory Committee (CAAAC)

# Effective Communication

*Education will continue...*



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# Questions

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