

State Plan for Air Pollution from Oil & Natural Gas Operations

Meeting Purpose

- Inform you about new rules for Oil & Natural Gas Operations to reduce air emissions
- Seek your input on the development of a new State Rule and State Plan
- Answer your questions





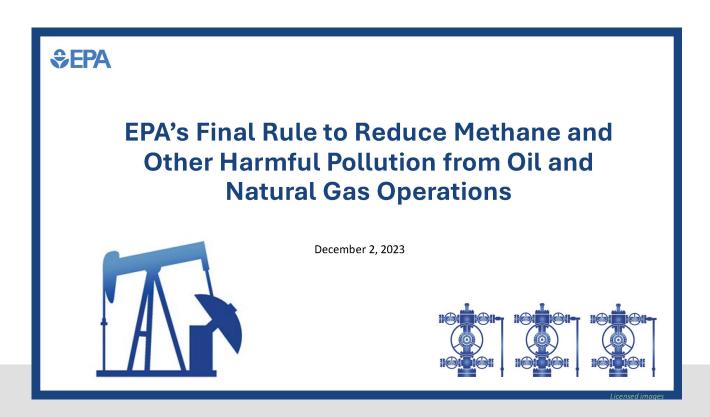




EPA's Final Rule

- U.S. Environmental Protection Agency (EPA) Administrator signed final rule for Oil & Natural Gas Operations on November 30, 2023
- Final version published in Federal Register on March 8, 2024

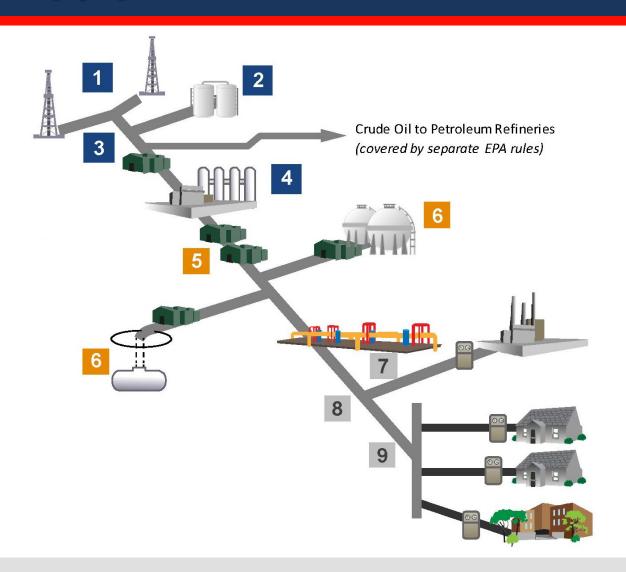
EPA considered nearly 1 million comments on two different proposals





Where the New EPA Rules Apply

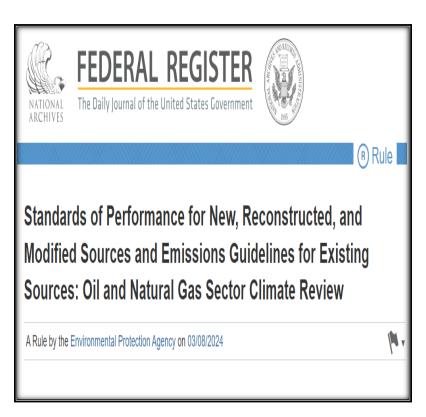
- Covers oil & natural gas production, processing, transmission, and storage – <u>not distribution</u>
- Focuses on reducing air emissions of methane, volatile organic compounds (VOCs), and air toxics (benzene, toluene)





Elements of the EPA Rules

- New Sources: New Source Performance Standard (NSPS)
 - Establish technology-based standards for pollutant emissions
 - Sources constructed after December 6, 2022
- Existing Sources: Emission guidelines
 - Sources constructed on or before December 6, 2022
 - Requires states to submit a State Plan





State Plan Requirement

- Due to EPA on March 9, 2026
- Must include 10 items in 40 CFR §60.5363c
- Standards of Performance (equivalent to Model Rule)
- Performance testing, monitoring, recordkeeping, and reporting requirements (equivalent to Model Rule)





What is a State Plan?

- EPA's final rule includes Emissions
 Guidelines for states to follow as
 they develop plans that establish,
 implement, and enforce performance
 standards for pollutant emissions
 from existing sources
- The Emission Guidelines cover the same type of facilities covered by the New Source Performance Standards (NSPS)





State Plan Requirements

- State Rule
- Compliance Schedule
- Meaningful Engagement with stakeholders, public notice, and public hearing
- If Tennessee does not submit a State Plan, the EPA will implement a Federal Plan for Tennessee





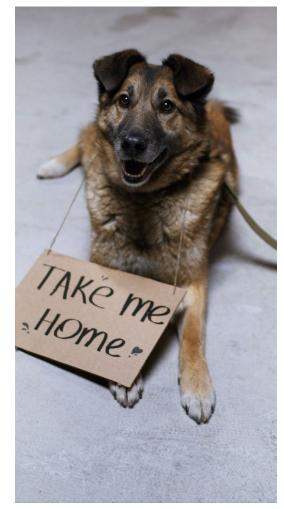




EPA's Model Rule – Adoption Option

- EPA promulgated a Model Rule as part of its rulemaking process
- Model Rule can be adopted by states to use as their State Rule for existing sources
- Tennessee is evaluating the Model Rule to see if it is appropriate for our state
 - EPA would most likely approve a State Plan that adopts the Model Rule

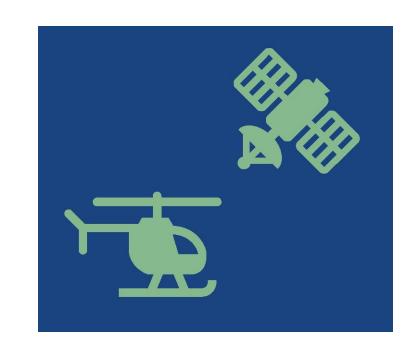






EPA's Super Emitter Program

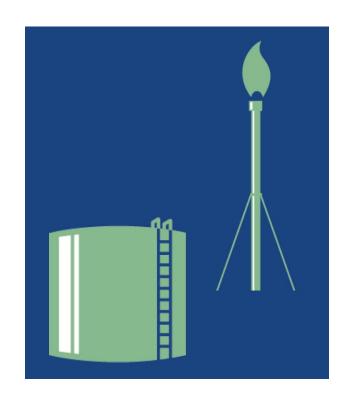
- Who New and existing sources with emissions greater than 100 kilograms per hour
- Why Detect and stop large methane emission releases
- Where Third parties submit data from remote sensing technologies
 - Third parties are not authorized to enter a site
- What EPA reviews data and contacts the owner
- How Owner must investigate and make repairs





EPA's Model Rule - Presumptive Standards

- Routine monitoring for methane leaks
 - Frequency depends on type of source
 - Repairs required when leaks found
- Eliminate or minimize air emissions from pumps, process controllers, centrifugal compressors, and storage tanks
- Limited use of flaring



Possible Paths for State Air Permits

Natural Gas Compressor Stations

- Air Quality Construction Permit
 - Individual permit, tailored to the facility
 - Construction vs. Operating
 - Major vs. Minor source
 - 5-year renewal cycle for major sources
 - 10-year renewal cycle for minor sources
 - Fees



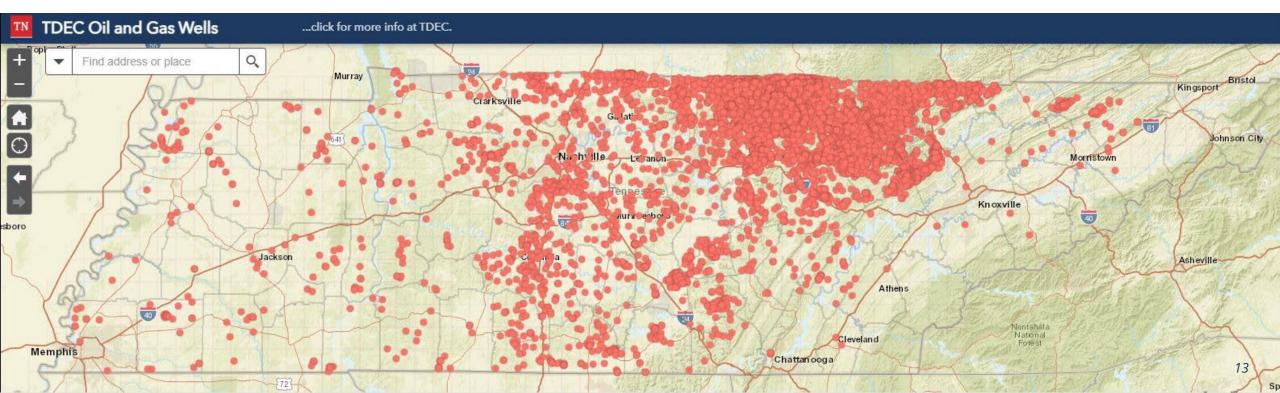


Possible Paths for State Air Permits

Oil and Gas Wells

- Permit-by-Rule
 - Faster and *free*
 - No expiration date

Simple application form



State Plan Timeline

June & July 2024 August 1, 2024

August 2024 to February 2026

March 9, 2026

March 9, 2029

- Informal Stakeholder Engagement
 - June 6 PublicMeeting
 - July 11 VirtualMeeting
 - WrittenComment Card
 - IndividualMeetings

- Deadline for Initial Public Comments
 - There will be additional opportunities for public comment on future drafts of the rule and plan.
- Formal State
 Rulemaking
 Process
 - TDEC's AirPollutionControl Board
 - TN General
 Assembly's
 Government
 Operations
 Committee
 - Public Hearing

- State Plan Due to EPA
- Sources Must Comply



Meaningful Engagement

- TDEC will conduct meaningful engagement with all pertinent stakeholders throughout the development of the State Plan
- Web resources: tn.gov/environment/air/oil-gas-ops



Submit a Written Comment. Use our virtual comment card to submit your written comments. Comments may be submitted anonymously. Submit your written comments.



on July 11, 2024, from 11:00 - 12:30 PM CDT.

TDEC will give a general overview of the State Plan requirements and field questions and comments from attendees. Download a calendar invitation.

Attend the Virtual Public Meeting via MS Teams



Join Our Listserv. Add your email to our list to receive updates and reminders through the State Plan's development. <u>Join our Listserv.</u>



Email us Directly. Contact us directly to share your thoughts or request an individual meeting with the Division of Air Pollution Control team working on this effort. Send us an email at APC.Oil.Gas@tn.gov



Questions & Comment Card





