

# ***Mentoring Environment & Energy Together*** ***Webinar Session 2***

## **Air Issues for the Oil & Gas Industry**

January 14, 2013  
9:30 – 11:30 AM EST

*Hosted by*



# About This Webinar

## **Recording Available**

A recording of today's webinar will be made available in the coming days on The Horinko Group's website at <http://www.thehorinkogroup.org>.

## **Download Presentation**

A PDF version of today's slideshow will also be made available on THG's website following the conclusion of today's webinar.

## Today's Agenda

- 1 Welcome, Introductions, and Objectives
- 2 Featured Presentation
- 3 Question & Answer Discussion
- 4 Project Abstract Discussion
- 5 Key Take-Aways and Next Steps

# Meet Today's Featured Presenter



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# Featured Presentation

## **Presentation Outline**

- Brief Overview of Air Pollution Law and Regulations
- Mechanisms for Air Pollution Control
- Description of Air Emissions from Oil and Gas Sources
- Air Regulation of Oil and Gas Activity
- What is Different About Hydraulic Fracturing?
- Current Issues Regarding Air Emissions and Regulation of Oil and Gas Activity.

# Overview of Air Pollution Laws & Regulations

- Federal Clean Air Act
  - Stationary and Mobile Sources of Air Emissions
  - National Air Quality
    - Six criteria pollutants: lead, ozone, PM, SO<sub>2</sub>, CO, NO<sub>2</sub>
  - National Performance Standards
    - Hazardous Air Pollutants – 189 +/-
    - Non-hazardous air pollutants
- State Implementation of Federal Clean Air Act
- State Laws and Regulations
  - Implement federal standards
  - Can be more stringent
  - Covers state specific and local concerns

# Mechanisms for Controls for Air Emissions from Stationary Sources

- Performance standards
  - New source standards (NSPS, NESHAPs, BACT, LAER)
  - Existing source standards (RACT, NESHAPs)
- Permitting for new sources, modifications, and existing sources
  - New Source Review permits (NSR, PSD, NNSR, minor NSR)
  - Operating permits (Title V and state permits)
- Size thresholds for major vs. minor will determine applicable standards for permitting
  - Control technology, public notice, air quality impact review and other procedural steps

# Oil & Gas Air Emissions

- Oil and Gas Upstream Industry
  - Drilling, producing, gathering, compressing
  - Air emissions sources include engines (portable and stationary), wells, pipes and other components, and tanks
- Pollutants include VOCs, NOX, CO, Methane, HAPs
- Amount of emissions varies by type of activity and product
  - Compressor station engines are larger than drilling engines
  - Drilling engine emissions are short-term; compressor station engines are long-term
  - Some natural gas streams are lower in VOCs than others; sulfur content also varies by stream.



# Regulations for Oil & Gas Activities

- National Performance Standards Updated in 2012
  - New Source Performance Standards (for non-hazardous pollutants) (NSPS) – new and modified sources
  - National Emission Standards for Hazardous Air Pollutants (NESHAPs) – Maximum Achievable Control Technology (MACT) for new and existing sources
- Greenhouse Gas (GHG) Monitoring, Recordkeeping and Reporting rule
  - - Rules issued in 2009 and 2010; first reports filed September 2012. Amendments to rules still pending
- Indian Lands New Source Permit Rules issued in 2011 applies to major and minor sources in Indian Lands
- Federal and State permit rules continue to apply
- Some states have updated or are in the process of updating permit rules and performance standards specifically for oil and gas activities

# What is Different About Hydraulic Fracturing

## ***Not comprehensive, just a few thoughts...***

- The location: oil and gas activities used to take place in low population areas; shale to be fracked is often found near populated areas
- The ability to produce more from one well site; a lot more; this means fewer well sites, thus less surface impact but production from one well site is likely to mean more air emissions from one site rather than multiple sites
- Volume of activity: more attention from the public

# Current Issues in Air Regulation of Oil & Gas

- Methane emissions
  - How much is emitted and how is it regulated
  - It is not regulated directly but EPA takes credit for co-benefits from the new rule for reductions in methane from regulation of VOCs
    - NY and several other states have filed notice to EPA of intention to sue EPA for failure to set GHG standards for the industry under NSPS
- Major vs. Minor Permitting
  - Should well sites for one company be aggregated together in the calculation for the major source threshold? What are the parameters for such aggregation? How far apart is too far for aggregation?
  - Should well sites owned by different companies be aggregated if the companies have contracts with each other?
- National Ambient Air Quality Standards (NAAQS)
  - Lower air quality standards (more stringent) resulting in new nonattainment areas
  - Areas with oil and gas activities are or are expected to be classified as nonattainment for ozone
    - VOC emissions and NO<sub>x</sub> emissions are regulated for ozone.

# Question & Answer Discussion

## **Q&A**

We have allotted 30 minutes for questions and answers.

Thank you for submitting your questions.

Thank You for Joining Us!



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