

Texas Commission on Environmental Quality

Interoffice Memorandum

To: Commissioners **Date:** February 21, 2013

Thru: Bridget C. Bohac, Chief Clerk
Zak Covar, Executive Director

From: Steve Hagle, P.E., Deputy Director 
Office of Air

Subject: Docket No. **2012-2017-RUL** / Project No. 2012-030-106-AI
Highlight/Strikeout Version of Maintenance, Startup, and Shutdown
(MSS) for Oil and Gas Preamble/Rule Proposal

The attached documents contain revisions identified in highlight/strikeout and are provided as *REVISED BACK-UP MATERIAL* to the documents filed on February 8, 2013, scheduled for your consideration on the February 27, 2013, Agenda.

CHANGE(S) TO PREAMBLE

- On page 4 – Added clarifying sentence “There is a need to develop an MSS authorization for planned MSS activities and facilities other than those that are required to register under §106.352(a) - (k) or subsections (a) - (k) of the non-rule Air Quality Standard Permit for Oil and Gas Handling and Production Facilities” and removed the sentence “There is currently no specific PBR available for OGSs that covers all known planned MSS activities.”
- On Page 38 – Removed references to effective dates. Added language “subsections (a) - (k) of” for clarification.

CHANGE(S) TO RULE

- On page 70 – Added language “subsections (a) - (k) of” for clarification.

Attachments:
Pages 4, 38 and 70 of Preamble/Rule Proposal

Commissioners

Page 2

February 20, 2013

cc: Chief Clerk, 2 copies
Executive Director's Office
Susana M. Hildebrand, P.E.
Anne Idsal
Curtis Seaton
Tucker Royall
Office of General Counsel
Tasha Burns
Bruce McAnally

and Gas Facilities). Some companies have chosen to include planned MSS emissions in their construction authorization. However, of the more than 10,000 oil and gas projects reviewed by the commission in the last four years, only a small percentage has voluntarily included planned MSS activities. PBR §106.263, Routine Maintenance, Start-up and Shutdown of Facilities, and Temporary Maintenance Facilities, may authorize planned MSS emissions for some oil and gas related activities. However, it is limited in scope and specifically precludes its use for facilities authorized under the most common oil and gas construction authorizations, such as PBRs, §106.352 and §106.512, Stationary Engines and Turbines. **There is a need to develop an MSS authorization for planned MSS activities and facilities other than those that are required to register under §106.352(a) - (k) or subsections (a) - (k) of the non-rule Air Quality Standard Permit for Oil and Gas Handling and Production Facilities.** ~~There is currently no specific PBR available for OGSs that covers all known planned MSS activities.~~ Instead of requiring previously registered sites to revise existing authorizations, the commission is proposing this new PBR to provide an effective authorization mechanism of all planned MSS at an OGS.

What information did the commission use to develop the proposed PBR?

The commission conducted significant research to develop the proposed rule. Staff analyzed oil and gas registrations submitted to the agency and conducted further review of the projects that included representations regarding planned MSS activities. The commission formed a rule team with representatives from the following commission

§106.353, Temporary Oil and Gas Facilities; §106.354, Iron Sponge Gas Treating Unit; §106.492, Flares; §106.511, Portable and Emergency Engines and Turbines; and §106.512.

OGSs that claim §106.352(l) may be eligible to claim the proposed PBR. However, OGSs that are required to register under §106.352(a) - (k), ~~effective November 22, 2012,~~ or **subsections (a) - (k)** of the non-rule Air Quality Standard Permit for Oil and Gas Handling and Production Facilities, ~~effective November 8, 2012,~~ have planned MSS addressed in those authorizations and are not eligible to use the proposed PBR. Sites that are located outside of the counties listed in §106.352(a)(1) that have voluntarily registered under the §106.352(a) - (k), or the non-rule Air Quality Standard Permit for Oil and Gas Handling and Production Facilities, may opt to claim §106.352(l), or the standard permit in §116.620, if eligible, and claim this PBR to authorize planned MSS emissions.

The PBR §106.355, Pipeline Metering, Purging, and Maintenance, authorizes sections of pipelines between sites. These sources should continue to use that authorization and are not eligible to claim this proposed PBR.

Tanks that are authorized under §106.478, Storage Tank and Change of Service, or other PBRs in Chapter 106, Subchapter U (Tanks, Storage and Loading) have historically been eligible to authorize planned MSS activities under §106.263. This will not change as a

application to authorize maintenance, startup, and shutdown emissions to January 5, 2014; and §382.057, concerning Exemption, which authorizes exemptions from permitting.

The proposed new rule implements THSC, §§382.002, 382.011, 382.012, 382.017, 382.051, 382.05196, 385.051961, 382.051962, and 382.057.

§106.359. Planned Maintenance, Startup, and Shutdown (MSS) at Oil and Gas Handling and Production Facilities.

(a) Applicability. This section applies to certain authorized oil and gas handling or production facilities or sites, and authorizes emissions from planned maintenance, startup, and shutdown (MSS) facilities and activities if all of the applicable requirements of this section are met.

(1) This section does not apply to oil and gas handling or production facilities or sites authorized under §106.352(a) - (k) of this title (relating to Oil and Gas Handling and Production Facilities), subsections (a) - (k) of the non-rule Air Quality Standard Permit for Oil and Gas Handling and Production Facilities, §106.355 of this title (relating to Pipeline Metering, Purging, and Maintenance), or Subchapter U of this chapter (relating to Tanks, Storage, and Loading.)