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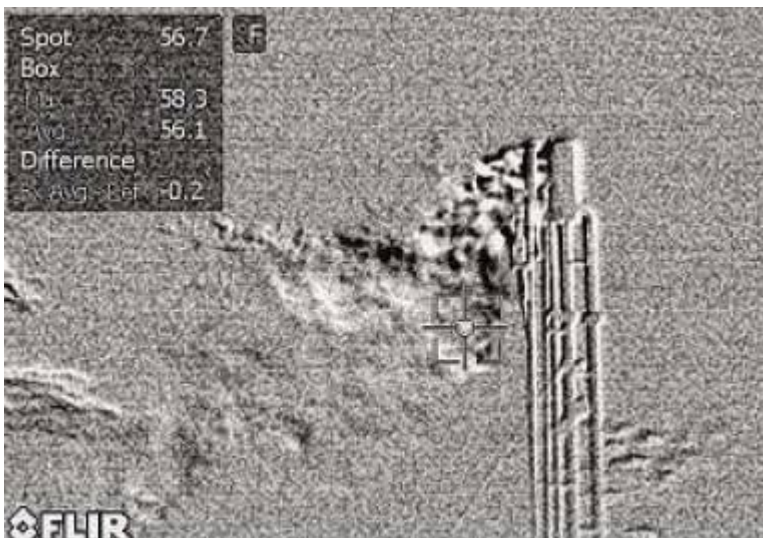
Expanded emissions rules will draw in more production sites

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Courtesy OTA Environmental

A crew from OTA Environmental Solutions inspects a production facility.



Courtesy OTA Environmental

An infrared camera shows a flare venting gas.

For more than a decade, oil and gas producers have followed Environmental Protection Agency regulations for monitoring emissions under what's known as Quad O rules, later amended to Quad Oa rules, that added methane to the volatile organic compounds and sulfur dioxide emissions to be monitored.

Later this year, the EPA is expected to enact new rules — Quad Ob and Quad Oc rules that incorporate even more production sites. Quad Ob will tighten emission restrictions for new sources constructed or modified after Nov. 15, 2021, and sets standards for previously unregulated sources including storage tanks, liquids unloading and gas processing facilities. Quad Oc will establish methane emissions reduction guidelines for existing sources and require states to create customized plans for existing sources. Those guidelines must be as strict as EPA guidelines and are subject to EPA approval.

“It has the potential to pull everything under some kind of compliance,” Luis Vasquez, vice president, environmental services at OTA Environmental Solutions, told the Reporter-Telegram in a telephone interview.

Vasquez said the EPA, in crafting the two new rules, at first based requirements on emissions levels but decided to base the requirements on the size of the production sites. That way, he said, a site with one well and a separator wouldn't be subject to the same standards as a site with 10 wells and tank batteries. Inspection frequency also increases depending on the size of the facility.

“Flaring is central to these rules,” said Vasquez. “You are expected to capture the gas and use it on site. If you have no option but to flare, you have to ensure you check all the boxes and follow all the regulations, tell why you’re flaring and inspect the flare and ensure the combustor is working right.”

Plugging a well won’t ease the burden of complying with the regulations, he added, because operators will be required to conduct regular inspections of the well to ensure it’s not leaking emissions until it is properly plugged.

Vasquez isn’t sure when the final version of the two new rules will take effect, saying the public comment period closed last month and the EPA is likely reviewing the comments and taking them into consideration.

Operators already required to comply under Quad Oa are hiring companies like OTA to conduct voluntary inspections of their production sites as they prepare for the new rules, he said.

“Some who weren’t affected by Quad Oa will be affected by Quad Oc. There will be an adjustment process,” he said.

He cautioned that operators having their existing production sites inspected for the first time and perhaps had not closely maintained them can expect troubling results. But after addressing issues found in those first inspections, he said operators can expect better results with subsequent inspections.

Grant Swartzwelder, president of OTA, said this could be burdensome for small operators who lack the financial, technical and manpower capability of large companies to address their leaks. That is why it’s important for large companies to find ways to help smaller companies, he said.

He added there are two angles addressed by these new regulations.

“One is the big, super emitter events, like pipe splitting,” he said. “Then there are a lot of different little leaks at different facilities, like pneumatic devices. They are little leaks but there are thousands and thousands of them that emit as much as a super emitter event.”

With all the technology being developed, Vasquez said operators could learn about potential problems before they occur. The key is rigorous maintenance and being proactive, he said.

Approximately 80% of emissions come from 20% of potential sources, he said. The three main sources are thief hatches, vent valves and unlit flares or combustors used to control storage tank emissions. In oil loading operations, displaced hydrocarbon vapors are released from truck tanker trailers when loading at production site storage tanks. Utilizing best practices on those main sources and committing to preventative maintenance should keep operators in good standing with regulators, he said.

“The goal of the regulations is to ensure the sites are kept up to par and not leaking,” he said.

Compliance, he added, can also prevent exposure to the pending methane intensity tax.