

**General Permit Oil & Gas Facilities (GP-OGF)**  
**2<sup>nd</sup> Round of Public Review**  
**Response to Public Comments**

The initial GP-OGF draft was finalized and was provided for public comment for a 30-day period. The public was notified by publication in the Daily Oklahoman and Tulsa World newspapers, posting to the AQD website, and direct notice by e-mail. The public review period began on August 17, 2020. During the 30-day comment period, AQD received a request for a 30-day extension. AQD approved this extension and the comment period ended on Oct. 16, 2020.

After review of all comments and appropriate changes were made, AQD determine the extent of the changes warranted another round of public review. The 2<sup>nd</sup> version of the GP-OGF draft was finalized and was provided for public comment for another 30-day period. The public was notified by publication in the Daily Oklahoman and Tulsa World newspapers, posting to the AQD website, and direct notice by e-mail. The public review period began on December 16, 2021. During the 30-day comment period, AQD received a request for an extension. AQD approved this extension and the comment period ended on February 1, 2022.

**This response includes all comments and AQD’s response. In addition to the response to comments below, AQD identified items that needed better clarification in the GP-OGF. These clarifications are listed following:**

- (1) In Section I.B of the permit, the reference to PTE was removed to reduce confusion, this has been updated to the term maximum projected actual emissions.
- (2) Section V.A of the memo was updated to include maximum projected actual emissions as an alternative option for compliance with the cap that was previously established in the permit as a result of the 1<sup>st</sup> round of comments.
- (3) Part 1 Section IV.F of permit was deleted as it was unnecessary.

**1 – Petroleum Alliance of Oklahoma dated January 31, 2020:**

**Comment #1: De Minimis Facilities Pages 8 & 9 in the Memorandum**

The Alliance questions how and why would a de minimis facility be included in the permit since it is, as the memorandum states, is listed under the SIP approved OAC 252:100, Appendix H. We question why they are not to be used for purposes of Part 70 permitting as contained in Subchapter 8 but they are to be considered for this General Permit. We also question why the two activities shown to require blowdowns and pipeline maintenance pigging activities are not included under the same emissions cap. The Alliance asks that all de minimis activities be included under a cap.

**Response:**

As indicated in previous response to comments (Altamira-US Comment #3), the De Minimis Facility list was created to assist companies to determine if a facility was exempt from permitting entirely and not intended to exempt equipment at a permitted facility. In addition, DEQ also

recognizes that many of the activities on the De Minimis Facilities list are negligible emission sources unrelated to the primary activity and as such, the General Permit is specifying which De Minimis Activities should be included in demonstrating compliance with the facility-wide cap in the General Permit.

Appendix H was specifically developed for minor source permitting and Appendix I and J were specifically developed for Part 70 permitting and serve different purposes. This is indicated by Appendix H only being referenced in the De Minimis Facility definition in OAC 252:100-7. Once a facility becomes a Part 70 source establishing limits, monitoring, and recordkeeping requirements for insignificant and trivial sources is not required. However, to determine if a facility is a major source, all emissions must be accounted for including insignificant activities.

The De Minimis Facility list specifically list those activities separately because each activity has different emissions calculation methodologies and combined emissions could have the potential to exceed 5 TPY. A facility could keep records and calculate emissions for these two activities to demonstrate actual emissions are less than 5 TPY for compliance with the facility-wide cap.

For all activities to be included under a cap, an extensive study would need to be conducted to determine a conservative value for the de minimis activity cap which would extremely limit the flexibility under the GP-OGF. Therefore, AQD determined it was best to issue the GP-OGF as is.

**Comment #2: Section V, B. STORAGE TANKS AND EFFLUENT WATER SEPARATORS pages 13 – 14 in the memorandum**

The Alliance questions the new language added: Averaging of facility-wide throughput across tanks at a storage vessel battery, constructed, modified, or reconstructed after November 16, 2020, which consists of two or more storage vessels, is allowed if it meets all of the design and operational criteria specified in §60.5365a(e)(3). How does the AQD plan on handling pre November 16, 2020 emission factors used to permit the facilities? The Alliance asks that it be made clear that emission factors used in a permit prior to the changes in AP 42 should be able to still be used until a new permit can be obtained. If calculated emissions increase as a result of newly prescribed calculation methodologies such that prior emission limits or NSPS thresholds may have been exceeded based solely on the updated calculation methodology(ies), it shall not be considered a violation or retroactive NSPS applicability provided the operator submits an updated permit application that establishes new production throughputs based on the updated methodology.

**Response #2:**

The GP-OGF was created to allow facilities to request specific tank limits to avoid applicability to NSPS OOOO/OOOOa. During the development of this GP-OGF, EPA promulgated requirements for averaging emissions across tanks. AQD incorporated these requirements for averaging emission across tanks to demonstrate compliance with specifically requested emission limits.

AQD addressed the issue of changes to AP-42 tank calculation methodologies on April 9, 2020. AQD required applications submitted after this date to use the new method. AQD further clarified that demonstration of compliance with existing permit limits must use the new method after this date. The calculation method is unrelated to the allowance to average emissions across tank batteries. If a facility determines the new calculation method creates an issue with compliance with specific tank limits or tank limits based on averaging, appropriate permitting action should be taken. Retroactive applicability under NSPS or violation of any permit limit should be discussed with compliance and enforcement.

**Comment #3: SECTION VI. CONTROL EFFICIENCIES AND MONITORING REQUIREMENTS page 22 in the memorandum**

The Alliance would like for it to be clear that field testing is not required on the first bullet point in the flares and other combustion control devices “Flares must meet 40 CFR §60.18 requirements for minimum heating value and maximum flare tip velocities.” Many of the above issues in the memorandum are also in the draft permit but are not relisted.

**Response #3:**

Although the GP-OGF incorporates the minimum heating value and maximum flare tip velocities of 40 CFR §60.18, it does not incorporate all other applicable requirements, i.e., specific requirements to demonstrate minimum heating value and maximum flare tip velocities through field testing. Minimum heating value and maximum flare tip velocities can be calculated, and sufficient records shall be maintained that demonstrate the flare meets these requirements.

**Comment #4: The H2S Limits for Coverage Under the GP-OGF are too Restrictive page 4 in the permit**

The Alliance believes that the H2S limits could require a number of facilities to be required to obtain a minor source permit instead of using the GP-OGF. We ask for flexibility for new permitted facilities that experience higher than expected H2S rates. For the H2S limit issue where an operator could submit a Notice of Intent to Construct (NOIC) under the GP and subsequently encounter H2S that exceeds applicability limits of the GP. If a facility authorized by NOIC under this General Permit encounters H2S that exceeds the allowable limits of the permit, the existing authorization (permit shield) shall remain in effect and allow the facility to operate provided the operator submits a permit application prior to the due date for the Notice of Intent to Operate.

**Response #4:**

Flexibility in developing a general permit is a goal, however regulatory requirements must be addressed that will inherently limit the flexibility of the general permit. Setting up the GP-OGF for compliance with ambient standards is a particularly difficult task when the general permit must consider worst-case assumptions in the model. At this time, AQD does not have information that indicates this requirement will dramatically reduce the usefulness and availability of the general permit for facilities that process crude oil or natural gasses with higher H<sub>2</sub>S contents.

H<sub>2</sub>S limits in the GP-OGF have been addressed in the previous response to comments document. AQD reached out to various operators and responses indicated there would be no significant impact for facilities qualifying under this permit.

If a facility constructing under a NOI to Construct encounters H<sub>2</sub>S emissions greater than the limits established in this permit the applicant should seek alternative permitting as soon as possible and address any non-compliance issues through Compliance and Enforcement. No statements that are made here shall be construed to provide enforcement discretion.

**Comment #5: SECTION I. FACILITY-WIDE REQUIREMENTS page 11 in the permit**

The Alliance believes that the use of the generic term “draeger tube” will lead to confusion in the future. We ask that the phrase be changed to “colorimetric testing” to be inclusive of the various brands.

**Response #5:**

AQD agrees with the comment and the GP-OGF has been updated to reference colorimetric testing of H<sub>2</sub>S gas content.

**Comment #6: General Comment on Compliance with OOOO**

The Alliance understands that this GP-OGF will require changes when changes are made to the federal NSPS, e.g., 40 CFR part 60, subpart OOOO. We suggest that a shield be placed in the GP that states that compliance with the GP-OGF shall be compliance with the federal subparts until such time as a new GP-OGF shall be issued.

**Response #6:**

No, this request exceeds the authority of DEQ. Compliance with federal requirements is based on the promulgated regulation which supersedes any allowances in a permit.

**2 – Environmental Federation of Oklahoma (EFO)**

All comments received from EFO mirror those received from the Petroleum Alliance of Oklahoma. Please see responses to those comments

**3 – Enterprise Products Partners L.P.**

**Comment #1 - received 1/27/2022**

The proposed GP-OGF does not mention NSPS OOOOb despite the proposed rule having an applicability date of 11/15/2021. This newly proposed rule potentially adds a significant amount of emissions, equipment changes, monitoring, recordkeeping, and reporting requirements that are not accounted for within the proposed GP-OGF.

The EPA also added an updated definition of Legally and Practically Enforceable, which includes the following:

- i. A quantitative production limit and quantitative operational limit(s) for the equipment, or quantitative operational limits for the equipment;
- ii. an averaging time period for the production limit in (i) (if a production-based limit is used) that is equal to or less than 30 days;
- iii. established parametric limits for the production and/or operational limit(s) in (i), and where a control device is used to achieve an operational limit, an initial compliance demonstration ( i.e., performance test) for the control device that establishes the parametric limits;
- iv. ongoing monitoring of the parametric limits in (iii) that demonstrates continuous compliance with the production and/or operational limit(s) in (i);
- v. recordkeeping by the owner or operator that demonstrates continuous Start Printed Page 63202 compliance with the limit(s) in (i-iv); and
- vi. periodic reporting that demonstrates continuous compliance.”

In other words, if the proposed GP-OGF permit does not include all of the above items then the 5.99 tpy limit for storage tanks would not be sufficient to prove that the permit is compliant with NSPS OOOOb, which in turn would make the permit not federally enforceable and not a valid method of compliance with the newly proposed rule.

The changes from OOOOb and OOOOc are numerous and broad in scope that will require all states to re-evaluate existing permitting systems to ensure they are compliant with the new rules. It is highly likely that if the new GP-OGF is approved now then it would need to be re-issued again within a few years so that it would account for the changes from NSPS OOOOb and OOOOc. Enterprise is concerned with the additional permitting and equipment costs from compliance with the proposed GP-OGF only to have to immediately go back to the table and make additional permitting and equipment changes when the GP-OGF permit is modified again to incorporate NSPS OOOOb and OOOOc.

### **Response #1:**

The GP-OGF is evaluated on an ongoing basis and updated as needed when new regulations are promulgated. Section V of the Standard Conditions of the GP-OGF states, “The permittee shall comply with any new state, NSPS, or NESHAP regulation that becomes applicable during the life of this permit.” New regulations are delegated by EPA to the AQD after incorporation by reference through the formal rule making process.

The 5.99 TPY limit in the GP-OGF meets the current federal guidance for practically enforceable limits and will ensure non-applicability of NSPS Subparts OOOO and OOOOa to the tanks which comply with this limit.

Although NSPS Subparts OOOOb and OOOOc are proposed, we cannot predict the final form of the standards. Due to the benefit to the agency and regulated community and uncertainty with the rule making of NSPS Subparts OOOOb and OOOOc, AQD has determined to move forward with issuance of the GP-OGF. AQD will evaluate ongoing rulemaking, including NSPS Subparts OOOOb and OOOOc, and will continue to evaluate the need for modifying the GP-GOF in the future.

AQD currently believes that the limits currently established in the GP-OGF will meet the requirements of the proposed rule. In general, the GP-OGF allows facilities to establish limits and incorporates appropriate monitoring, recordkeeping, and reporting to ensure compliance with those limits.

#### **4 – Park Energy Services Received 1/27/2022**

##### **Comment #1**

In section V paragraph D in the Engines section, there is an exemption for emergency use engines and engines rated less than or equal to 250-hp. Should it be "less than or equal to 25-hp?" This would make it follow 40 CFR 60 Subpart JJJJ. Otherwise, this would make the majority of oilfield engines in Oklahoma exempt.

##### **Response #1:**

No, PEA testing requirements are limited to engines rated greater than 250-hp and were not intended to mirror 40 CFR Part 60 Subpart JJJJ. The testing is in addition to anything required under federal regulations (i.e., NSPS Subpart JJJJ, NESHAP Subpart ZZZZ). Through development of the GP-OGF, AQD evaluated testing requirements for engines and determined that the minimum threshold for PEA testing should be set at 250-hp based on a review of current regulations and other states' testing requirements.

The number of permitted engines less than 250-hp, based on a review of emission inventory data, account for less than 10% of the total number of permitted engines.

##### **Comment #2**

I commented before on Section V Paragraph D in the Engines paragraph. If there is an exemption for any engine less than or equal to 250-hp, that will be the majority of oilfield engines in Oklahoma. It definitely will be over 90 percent of my company's fleet. People that are involved in the testing of these exempt engines will lose their jobs. As an environmentalist, I believe this is backwards from where we as a state need to go. To be honest, I have witnessed an improvement on mechanical quality of engines when they are made to meet emissions specifications. I recommend make this wording "less than or equal to 25-hp" to match the federal regulations in 40 CFR 60 Subpart JJJJ.

##### **Response #2:**

Please see response to Comment #1 above.

The intent for this permit is to provide an enforceable mechanism to ensure compliance with federal and state regulations. For this permit, compliance demonstrations must ensure the permitted facility requesting coverage meets the synthetic minor caps of the permit and other applicable regulations. After a review of the testing criteria, AQD determined there was no need

for additional testing for engines less than 250-hp, as stated previously, they make up less than 10% of the permitted fleet and contribute less than 5% of total NO<sub>x</sub> emissions.

The reference to the 25-hp threshold is related to the requirements for manufacturers under NSPS Subpart JJJJ and not owners and operators.

Based on this review, AQD determined no changes to the testing requirements were needed.