

EPA Finalizes Subpart W Greenhouse Gas Emission Reporting Requirements

BACKGROUND

On November 9, 2010, EPA finalized rules for 40 CFR Part 98 regarding reporting greenhouse gas (GHG) reporting requirements for natural gas and petroleum process operations and stationary engines. Owners or operators of these facilities must collect and report fugitive and vented emissions data, calculate GHG emissions, and keep records.

REGULATED SOURCES

The following facilities are effected by this rule if they emit more than 25,000 metric tons of GHG annually as expressed as CO₂ equivalents:

- Onshore/Offshore petroleum and natural gas production
- Natural gas processing plants
- Natural gas transmission compression
- Underground natural gas storage
- LNG storage
- LNG import and export equipment
- Natural gas distribution

IMPLEMENTATION TIMETABLE

The monitoring portions of the rules will take effect on **January 1, 2011 and the first reports to EPA are due March 31, 2012.** The reporting requirements are complicated and will likely require quick action to obtain monitoring equipment or services, train personnel, and develop recordkeeping systems.



FACILITY DEFINITIONS

EPA has defined petroleum and natural gas production facilities as all wells or facilities at wells that are commonly owned and located within a single hydrocarbon basin.

Natural gas distribution is defined as all pipelines, metering stations, and regulating facilities are under common ownership and control.



GHG EMISSION CALCULATION METHODS

EPA generally will allow estimation of emissions using engineering calculations, software models, or emission factors for various facilities and equipment.

Direct measurements of emissions can use optical gas imaging instruments, organic vapor analyzers (OVA), toxic vapor analyzers (TVA), infrared laser beam illuminated instruments, or acoustic leak detection equipment. High volume samplers, rotometers, turbine meters, calibrated bagging, or other appropriate metering devices must be used as part of the direct measuring methods. Equipment leaks (fugitive emissions) will utilize emission factors.

GHG REPORTING REQUIREMENTS

Under the final rule, subject facilities must report the following information:

Facility Type	Parameters (annual total)	Notes
Onshore or Offshore Petroleum or Natural Gas Production	CO ₂ , CH ₄ , N ₂ O, Emissions	Data from multiple units of similar sources (e.g., all compressors at a production facility) must be presented as an aggregate number. Data will also be aggregated or reported separately for differing source types within an industry segment, as specified by rule.
Onshore or Offshore Natural Gas Processing		
Onshore Natural Gas Transmission Compression		
Underground Natural Gas or LNG Storage		
LNG Import and Export Terminals		
Natural Gas Distribution		
Portable Equipment	CO ₂ , CH ₄ , N ₂ O,	Data must be reported separately.

Gosling Czubak Engineering Sciences' team of certified professional geologists, professional engineers and environmental scientists can assist the Oil & Natural Gas Industry with GHG emission reporting compliance. Contact Jeff Simsa or Sean Craven at Gosling Czubak (800) 968-1062 for more information.

PART 201 RULES REVISED

On December 15, 2010, Governor Granholm signed into law a package of bills that revises Part 201 rules. Of particular interest will be the changes to Remedial Action Plans (RAPs) and Baseline Environmental Assessments (BEAs). Gosling Czubak will provide more information about the rule revisions in the near future.

UPCOMING API MEETING

On January 6, 2011, the Northern Michigan Chapter of API will meet at the VFW Hall in Kalkaska, Michigan from 5 to 8 pm. Topics for discussion will include updates on the Reciprocating Internal Combustion Engines Maximum Achievable Control Technology (RICE MACT) and Greenhouse Gas (GHG) rules.



Gosling Czubak
engineering sciences, inc.

Gosling Czubak
1280
Business Park Dr.
Traverse City, MI
49686-8607

Telephone:
231-946-9191
1-800-968-1062

Fax:
231-941-4603

Web Site:
goslingczubak.com

Insights is intended to provide discussion and information concerning environmental issues and is not intended to provide legal advice. © 2010GCES