WYOMING AIR QUALITY ADVISORY BOARD

TRANSCRIPT OF MEETING PROCEEDINGS

Pursuant to notice duly given to all parties in interest, this matter came on for meeting on the 28th day of October, 2015, at the hour of 9:04 a.m., at the Laramie County Library, Cottonwood Room, 2200 Pioneer Avenue, Cheyenne, Wyoming before the Wyoming Air Quality Advisory Board, Diana Hulme, Vice Chair, presiding, with Klaus D. Hanson, Ph.D., in attendance, and Timothy Brown, Chairman, attending by telephone.

Mr. Cole Anderson, Acting Air Quality Administrator; Ms. Amber Potts, Ms. Darla Potter, Mr. Andrew Keyfauver, Mr. Chris Sorensen, Ms. Heather Bleile and Mr. Mike Morris of the Air Quality Division; and Ms. Elizabeth Morrisseau, Assistant Attorney General, were also in attendance.

I N D E X

P R O C E E D I N G S

(Meeting proceedings commenced 9:04 a.m., October 28, 2015.)

VICE CHAIR HULME: So we're going to call this meeting of the Air Quality Advisory Board to order. Just one quick announcement for everybody in the audience. We have two of our board members here today, a third one on the phone who had to travel, he's in Georgia, Tim Brown who is our chair.

I'm Diana. I'm the vice chair. So since Tim is remote, I'm going to be acting as chair today.

We do have two new people that just joined the board as of yesterday; is that correct?

MR. ANDERSON: Yep.

VICE CHAIR HULME: Doug Vickery from Converse County.

MR. ANDERSON: Doug is from Sublette County.

VICE CHAIR HULME: Sublette County. I apologize.

And John Heyneman from Sheridan County, I believe. But as I said, they were just appointed yesterday and not able to make the meeting today.

So our first item of business will be, I think, discuss maybe a change in the agenda order, given that

Tim has to depart the phone because he's on business. I believe there's agendas and things on the back table, and if you haven't signed in, please do so.

Excuse me. But on the agenda, under New Business, item III, we would like to consider moving Item B, the rulemaking, to be the first item under the New Business, so that Tim can participate in that vote.

Is there a motion to change that agenda?

BOARD MEMBER HANSON: So moved.

CHAIRMAN BROWN: Second.

VICE CHAIR HULME: Thanks, Tim.

Any discussion about that, about changing the agenda?

All in favor state by saying aye.

BOARD MEMBER HANSON: Aye.

VICE CHAIR HULME: Aye.

CHAIRMAN BROWN: Aye.

VICE CHAIR HULME: Thanks, Tim.

So we'll do that. We'll move rulemaking up to first item under new business.

First thing we need to do is to approve the minutes from the meeting that was held April 28, 2015.

BOARD MEMBER HANSON: So moved.

CHAIRMAN BROWN: Second.

VICE CHAIR HULME: Any discussion at all?

We good?

CHAIRMAN BROWN: That's good for me.

VICE CHAIR HULME: All in favor of approving the minutes from the April 28 meeting say aye.

BOARD MEMBER HANSON: Aye.

VICE CHAIR HULME: Aye.

CHAIRMAN BROWN: Aye.

VICE CHAIR HULME: Minutes approved.

We'll go to Item II, Old Business, Enforcement/ Litigation Activities Report. I believe we have --

MR. ANDERSON: Elizabeth Morrisseau.

VICE CHAIR HULME: She going to present that update for us, correct?

MS. MORRISSEAU: Good morning. My name is Elizabeth Morrisseau, M-O-R-R-I-S-S-E-A-U. I'm Assistant Attorney General who represents the Air Quality Division, and I'm here to do a litigation update report on some of the cases that Wyoming is involved with. There are -- I do this at every Air Quality Advisory Board meeting, and there have been some cases where there have not been any change, but I'll still do a quick overview of those. And there's been some with some changes as well.

So for the cases with little change, I'll start out with our Treatment as a State case. That's Wyoming versus EPA, in the Tenth Circuit. That case is about

whether the EPA made inappropriate boundary determination when it granted the Wind River Reservation "treatment as a state" status under the Clean Air Act. The case has now been fully briefed, and it is going to be argued on November 17th in Denver.

The next -- our Regional Haze case, again, titled Wyoming versus EPA. This case is about whether the EPA was correct to partially disapprove of our NOx SIP for regional haze, and right now Wyoming and industry are challenging EPA from one angle, and environmental groups are challenging EPA from the other angle. The case is now fully briefed, but argument has not yet been set on it. And the specific challenge that EPA made to our regional haze NOx SIP was our BART determination Laramie River Station, Dave Johnston Unit 3 and Wyodak Unit 1.

And then the third case has had little change since the last Air Quality Advisory Board meeting is Wyoming versus McCarthy in the Tenth Circuit, and that's related to the EPA's disapproval our nonattainment New Source Review State Implementation Plan. And the essence of the EPA's argument was that our SIP was not approvable because of the way that requirements were incorporated. That case is currently in mediation, so nothing is happening with that.

Recently, the Environmental Quality Council

approved new Nonattainment New Source Review regulations, and we expect to send those to EPA shortly.

And then -- so two cases that you may have heard about for -- because they're in the news right now. The first one would be the MATS case, or the Mercury Air Toxic Standard. And that was recently decided by the Supreme Court. The Supreme Court found that the EPA acted illegally when it passed the mercury rules for coal-fired power plants because under Section 112(n)(1) of the Clean Air Act, the EPA has to first make a decision of whether it is appropriate and necessary to regulate mercury emissions from coal-fired power plants before doing so. And EPA explicitly said they're not going to consider costs and went ahead and promulgated a rule.

So right now that's on remand to the D.C. Circuit Court of Appeals which first heard the case, and there is briefing back and forth about whether the rule should be remanded to EPA with or without vacating the rule. So, basically, the D.C. Circuit Court is going to send the rule back to EPA to do further work on it, and the only question is whether or not the rule will remain in place during that time period.

Another case that you probably heard about is West Virginia versus EPA, and that's related to the Clean Power Plan. Last Friday, Wyoming joined a coalition of 23

other states suing the EPA for their regulations to control existing coal-fired power plants. And that just started, and I'm sure there will be lots of interesting updates from that case moving forward.

The other thing I'd like to do with the updates is to provide generally an update about how our state enforcement is going. So, generally, we have about 40 notices of violation that are currently outstanding and in some phase of negotiation. There's about 30 additional ones that are in some process of being settled. And there's about 5 to 10 that are on their way to state court, whether because they are a big enough violation that the DEQ has decided they should go to court, or because they fall under what the EPA calls their high priority violation classification, and those cases we will tend to settle through court as opposed to out of court.

And if anyone has any questions about any of the cases, please feel free to come talk to me at any time.

VICE CHAIR HULME: Thanks, Elizabeth.

Are there any questions from the board for Elizabeth?

BOARD MEMBER HANSON: Do the -- yes, one question. Notices of violations, what do they deal with, basically? Coal, or what are we dealing with?

MS. MORRISSEAU: Sure. They run the gamut

for all of the Air Quality relations. So there are some that are, for example, related to improper renovation of buildings that contain asbestos.

BOARD MEMBER HANSON: Okay.

MS. MORRISSEAU: There's some in the oil and gas industry related to venting and flaring, there's some that are relating to maybe a source exceeds a permit limit or something of that nature. So they're related to any of the Air Quality regs that we have.

BOARD MEMBER HANSON: Thank you.

MS. MORRISSEAU: Sure.

CHAIRMAN BROWN: Tim has no questions. No questions for Tim.

VICE CHAIR HULME: Great. Thanks, Tim.

So we're going to move on to new business, and as we change the agenda, we'll start with Item B, Rulemaking, Proposed Changes to Chapter 1, General Rules of Practice and Procedure of the Rules of Practice and Procedure.

MS. MORRISSEAU: Yep, that's me.

VICE CHAIR HULME: Elizabeth.

MS. MORRISSEAU: Sure. I'm going to present some background information on the proposed decision of Chapter 1, Section 16 to the rules of practice and procedure.

This is a small addition that memorializes

certain preexisting requirements for handling conflicts of interest and appointment to the Environmental Quality Council.

Just to put this in context, I'll give a little bit of background about the Clean Air Act and how some of this all plays out. So like many other federal environmental statutes, the Clean Air Act has a process whereby the state can gain primacy to control sources of pollution within our borders. In the Clean Air Act context, this is done through the mechanism of a state implementation plan. That's essentially a collection of all statutes, laws and regulations that enable a state to enforce Air Quality Standards.

The State Implementation Plan is broken into different sections. Some of them relate to the specific criteria pollutants, others relate to controlling pollution in certain areas. The regional haze and others are related to more general state regulatory powers. So this rule change falls into the latter category, which is also commonly referred to as an infrastructure SIP. It is really the mechanism by which the EPA makes a determination that we have the ability, the authority, and the means to regulate our air quality, as is required by the Clean Air Act.

So under the Clean Air Act, there's requirements

for state boards who have the power to approve Clean Air Act permits or enforcement orders. So in Wyoming, that would be our Environmental Quality Council, because if the DEQ issues an Air Quality permit and somebody contests to the Environmental Quality Council, then they would have the authority to either approve or deny that permit.

I've provided Section 128 to the Air Quality Advisory Board members.

Tim, I'm sorry I didn't get to email it to you, but I can, if you want, I can read it into the record or we can email it to you later, whatever your preference.

CHAIRMAN BROWN: Would you read it into the record right now?

MS. MORRISSEAU: "Not later than the date one year after the date of the enactment of this section, each applicable implementation plan shall contain requirements that... (1), any board or body which approves permits or enforcement orders under the Act shall have at least a majority of members who represent the public interest and do not derive any significant portion of their income from persons subject to permits or enforcement orders under the Act, and (2), any potential conflicts of interest by members of such board or body, or the head of an executive agency with similar powers, be adequately disclosed."

So essentially what Section 128 says is that, one, no state board can be comprised of a majority of people who work for companies that are subject to the Clean Air Act. The oil and gas folks in the room, you couldn't be a majority of our Environmental Quality Council under the Clean Air Act. That seems like a no-brainer.

And then, two, any member of the state board must disclose any potential conflicts of interest in any Air Quality issue that is before the state board.

Now, if you analyze our current statutes, regulations and executive orders related to governmental ethics and the governor's power to appoint and remove members to the Environmental Quality Council, Wyoming is already in compliance with Section 128, and there's no question that our Environmental Quality Council could ever be comprised of a majority of industry representatives who would fail to disclose potential conflicts of interest.

Now, that's why I purposely described this rule in the beginning as memorializing preexisting requirements. That being said, when it comes to primacy, it is often better to take the route that is more guaranteed to get the EPA's approval instead of the route that is most likely to lead to a fight. So the reason that the DEQ wants to go ahead and revise Chapter 1 of the rules of practice and procedure is to ensure that the EPA will be approving any

subsequent infrastructure SIPs related to Section 128.

And so I'm open to any questions that members of the air board would have at this time.

VICE CHAIR HULME: Questions?

BOARD MEMBER HANSON: Yes, I do have a question. I serve on other boards, and the number 2 here, any potential conflicts of interest, who then determines the propriety of that conflict of interest? On other boards that I serve on, then, the majority of the people on the board decide this is a conflict of interest or it is not a conflict of interest. Here it seems very kind of nebulous as somebody declares a conflict of interest and is it then accepted, or is there somebody who would rule on the -- that it is indeed a conflict of interest? So I -- I just notice that because of other boards that I serve on, somebody has to make the decision as to the properness or the propriety of that conflict.

MS. MORRISSEAU: Sure. And under other sections of our rules of practice and procedure, there's a process whereby somebody who's involved in a contested case hearing can self-disclose a conflict of interest and take themselves off of that contested case. But in terms of simply being in compliance for the Clean Air Act and getting EPA's approval, we only need to have something that says that a member of the EQC would disclose potential

conflicts of interest.

BOARD MEMBER HANSON: Okay. Thank you.

MS. MORRISSEAU: Yep.

VICE CHAIR HULME: Any other questions? Tim, do you have any questions?

CHAIRMAN BROWN: No. Just so if this is pushed through, this will make dealing with the EPA -- that will make it a little easier operation, is that what we're doing here.

VICE CHAIR HULME: Did you say if we push this through, it will make dealing with the EQC smoother? Is that -- or EPA? Is that what you said? You kind of blanked out in the middle there.

CHAIRMAN BROWN: I'm sorry. Just, you know, it's just the way the EQC -- you know, the EPA, or whatever we're discussing, whatever, you know, working and dealing with EPA as far as making it easier to work.

VICE CHAIR HULME: Make it easier to work with EPA.

MS. MORRISSEAU: It will make it easier to obtain the EPA's approval of several pending infrastructure SIPs.

CHAIRMAN BROWN: Okay. All right. That's what I wanted clarification. Thank you.

VICE CHAIR HULME: Anything else?

BOARD MEMBER HANSON: No more questions.

VICE CHAIR HULME: Do we have a motion? Oh, I'm sorry. Cole.

MR. ANDERSON: I'm sorry. So, Ms. Chairperson, I have something on behalf of the division to read into the record.

VICE CHAIR HULME: Okay.

MR. ANDERSON: May I do that?

VICE CHAIR HULME: Probably some public discussion.

MR. ANDERSON: Public discussion? If I could read this, and then --

VICE CHAIR HULME: Tim, Cole has something he wants to read into the record as well for this, and then we'll open up for public comment.

CHAIRMAN BROWN: Okay. Okay. Thank you.

VICE CHAIR HULME: Uh-huh. Thanks.

MR. ANDERSON: I'm going to read a statement on behalf of the division. The Division will be asking you for your consideration on proposed changes to Chapter 1, General Rules of Practice and Procedure. Chapter 1, General Rules of Practice and Procedure is being updated to add Section 16, titled Air Quality Division State Implementation Plan. This addition ensures that the Environmental Quality Council remains in compliance with

Section 128 of the Clean Air Act. Upon promulgation, this rule will be submitted to the Environmental Protection Agency for inclusion in the Wyoming State Implementation Plan.

VICE CHAIR HULME: Okay.

MR. ANDERSON: Thank you.

VICE CHAIR HULME: Thanks.

CHAIRMAN BROWN: I keep losing you, Cole.

VICE CHAIR HULME: I'm sorry, Tim?

CHAIRMAN BROWN: Cole. I lost Cole there. I couldn't hear him at all. He kind of faded out.

MR. ANDERSON: Would you like me to repeat it? I can do that.

VICE CHAIR HULME: Would you like him to repeat that?

CHAIRMAN BROWN: Yeah. (Unintelligible.)

MR. ANDERSON: Sorry about that, Tim. I'll do it one more time. Let me know if I cut out or anything.

CHAIRMAN BROWN: Okay. Thank you.

MR. ANDERSON: The Division will be asking you to consider proposed changes to Chapter 1, General Rules of Practice and Procedure. Chapter 1, General Rules of Practice and Procedure is being updated to add Section 16 titled Air Quality Division State Implementation Plan. This addition ensures that the Environmental Quality

Council remains in compliance with Section 128 of the Clean Air Act. Upon promulgation, this rule revision will be submitted to the Environmental Protection Agency for inclusion in the Wyoming State Implementation Plan. And that's the statement.

CHAIRMAN BROWN: Okay. Thank you. I got all that. I appreciate that.

MR. ANDERSON: Absolutely. Thanks, Tim.

VICE CHAIR HULME: Klaus, do you have another question?

BOARD MEMBER HANSON: I just have a question. Then these statements will be added to Section 16, or are they at a different place? I'm a little confused as to where this section goes versus what is going to be added here.

MS. MORRISSEAU: What will be added in Section 16 is what it is in the packet, and that verbiage will satisfy the requirements of Section 128. So I provided Section 128 just for your reference.

BOARD MEMBER HANSON: This is just for information. This is already in existence.

MS. MORRISSEAU: That is the Clean Air Act and that is essentially the checklist EPA will use.

BOARD MEMBER HANSON: Thank you. It is clear to me now.

VICE CHAIR HULME: We have any comments from the audience? Anyone wish to comment or have questions?

BOARD MEMBER HANSON: Oh, we're supposed to sign this.

MR. ANDERSON: No, it's just a list of attendees.

VICE CHAIR HULME: People that wanted to comment.

MS. POTTS: So are there Xs on there?

VICE CHAIR HULME: I don't know if this is for those particular items. They could be for the following items.

BOARD MEMBER HANSON: Why don't --

VICE CHAIR HULME: I did.

Anybody have any comments on this particular item?

Okay. Motion for action on this?

BOARD MEMBER HANSON: I move to approve the inclusion of Section 16 into the general rules of practice and procedure.

VICE CHAIR HULME: Do we have a second?

CHAIRMAN BROWN: Second.

VICE CHAIR HULME: Any discussion, additional discussion?

All those in favor state by saying aye.

BOARD MEMBER HANSON: Aye.

VICE CHAIR HULME: Aye.

CHAIRMAN BROWN: Aye.

VICE CHAIR HULME: No opposed. Motion passes.

All right. We'll go back to the first item under new business, which was general update on ozone from the Division, correct?

Tim, do you want to stay on for this or --

CHAIRMAN BROWN: No, I'm going to have to go, but I want to thank everybody for making arrangements form me to participate.

VICE CHAIR HULME: No problem. Appreciate you taking the time to do it on your schedule here. Thanks so much.

CHAIRMAN BROWN: Thank you. I'm going to sign off, so I appreciate everybody's help.

MR. ANDERSON: Thanks, Tim. We'll sign off here.

CHAIRMAN BROWN: Thank you, Cole. Appreciate it.

(Chairman Brown is no longer present.)

MS. POTTER: If we can have the board reposition so they can see the screen, we'll proceed.

I'm Darla Potter. I'm the Air Quality Resource Program Manager for the Air Quality Division. And today I'm going to provide the board with an ozone update. This ozone update is so that the board has an update regarding things that have changed since that April board meeting of this year. We want to keep the board up to date on this issue. It is an ever-changing and ever-evolving issue, and as we do these briefings on a continual basis, then it makes it easier as we bring things forward to the board for their consideration.

Okay, Mike.

The presentation today will focus primarily on the 2015 Ozone National Ambient Air Quality Standards that were just finalized by the Environmental Protection Agency, then we'll transition into items specific to the Upper Green River Basin. Specifically, we'll talk about a determination of attainment for the Basin, the 2016 winter ozone season coming up, evolution of the ozone strategy for the Upper Green River Basin, and a public meeting that's coming.

So, first, the 2015 ozone NAAQS, National Ambient Air Quality Standards.

Mike, if you'll go to the next one.

When we met with the board in December of 2014, the EPA had just proposed the federal ozone NAAQS review.

EPA is required every five years to do a NAAQS review. That proposal was published in the Federal Register mid-December of 2014, was signed on October 1st, as a final rule, of this year, and appeared in the Federal Register on October 26th.

This final rule will be in effect December 28, 2015. In this final rule, EPA is revising the standard levels for the ozone standard. They will be referred to as the 2015 ozone standards. The primary level, the primary standard, is set to 70 parts per billion to protect public health with an adequate margin of safety. The secondary standard is also set to 70 parts per billion. That is requisite to protect public welfare from known or anticipated adverse effects.

For ozone, these are predominantly harmful effects on plants and trees. So to meet these standards, an area will meet it if the fourth highest daily maximum eight-hour ozone concentration per year, averaged over three years, is equal to or less than 70 parts per billion. So the form of the standard has remained the same. The level of the standard has changed.

It is a map of all the ozone monitors that we have statewide that have data that are sufficient to meet the requirements established by EPA for monitoring ozone. All sites in the state are attaining the 70 parts per

billion level based on the 2012 through 2014 monitoring data. The two highest sites that we have in the state, we have a 68 part per billion at the Centennial clean air status and trends and network site in Albany County, and we have a 67 part per billion at the Cheyenne NCore station in Laramie County.

Okay, Mike.

The final rule that EPA published is more than just a number. And I think it is very important for the board to realize all of the other intricacies that the division and staff have to be concerned with. The first of those that I'll take you through is the extension of the ozone monitoring season.

With this action, EPA amended the ozone monitoring season for all of the states shown in pink. For Wyoming, specifically, that monitoring season now becomes January through September. For all of the NCore sites throughout the nation. Those monitors will have to run year-round. This, in effect, doesn't change anything in the state of Wyoming. The Wyoming Air Quality Division has always run its own zone monitor year-round. We haven't run them for just a portion of the year specific to the ozone monitoring season.

So for the state of Wyoming, we'll continue to

collect the data we've collected year-round, and, in effect, there's no change for Wyoming.

There are a number of implementation items that are of note. First of which is for the prevention of significant deterioration permitting program. There are grandfathering provisions for pending applications that are built into the final rule which is customary to not delay processing of pending PSD applications. The criteria established in the rule is twofold. An application that is deemed complete as of October 1st of 2015 qualifies for this provision, or if a public notice -- notice is published prior to December 28th of this year, then that is how those prevention of significant deterioration grandfathering provisions are applicable.

This rule -- and if you've heard anything about the consideration of the lowering of the ozone standard, there's been a lot of discussion in regard to background ozone. Background ozone, the easiest way to think of it is natural sources of ozone. Ozone can be produced from wildfires, can also be entrained and brought to the earth surface through stratospheric ozone intrusion. And then there is also background ozone from manmade pollution from outside the United States. These things are called background ozone because they're outside of the state's ability to control, and so there are ongoing stakeholder

discussions that EPA is planning on to assess areas for high background ozone, generally thought to be higher in the West than -- western United States than in the eastern United States. And applicable policy of tools that EPA has to deal with that, and those policy of tools are the exceptional events rule, provisions for rural transport areas, areas in which the pollution is not generated specifically within that area, but is transported in, as well as international emissions. So a lot of work is still ongoing there, and those discussions are still continuing.

A big part of any revised Ambient Air Quality Standard is the designation schedule. With EPA signing the final rule on October 1st of 2015, governors have one year to make their recommendations. So by October 1st of 2016, the governor of the state of Wyoming will need to make recommendations to the EPA for designations for the state. That will likely be based on the 2013 through 2015 monitoring data. The map I showed earlier was the 2012 through 2014 monitoring data. So we'll be watching that 2015 monitoring data closely as it becomes quality assured.

Then EPA intends to respond to the State's initial recommendation by June 1st of 2017. In that, EPA intends to identify where they would modify the governor's recommendation. The states then have an opportunity to comment and provide additional information to the

Environmental Protection Agency. And by October 1st of 2017, EPA will issue the final area designations. Those final designations will likely be based on the 2014 through 2016 monitoring data. So it will be extremely important for us to continue to watch the monitoring data that we have statewide, as that's quality assured, to see if we observe any notable changes in that.

There's a lot of work that EPA has yet to do. There are a number of upcoming EPA rules, guidance and activities that are laid out that EPA intends to still bring forth. I listed them here. Really, all of this additional work is key for the Air Quality Division in the state of Wyoming and other states to know exactly what the states are required to be doing to satisfy the rule for EPA. So we'll continue to bring these updates to the board and keep you up to date on where EPA stands with these actions, but at this point in time, just note there's a lot more work that the Environmental Protection Agency needs to do.

And finally, a number of other things that are within the final rule that aren't going to make a large difference in the state of Wyoming. There are updates to the air quality index breakpoints. There are some monitoring updates. And we're not anticipating any of those monitoring updates to have any effective changes in

the state of Wyoming that are -- that are substantive. A lot of it is behind the scenes kind of things that we'll just have to make sure we're doing.

And with that, we'll transition into the Upper Green River Basin. First we'll talk about determination of attainment. What we've done is taken a number of clips from the Federal Register notice that was published August 27, 2015.

EPA's required to go through for nonattainment areas as of the date that they were to attain and evaluate the monitoring data at that point in time. So they evaluate their most recent three years of data for all of the monitoring sites within a nonattainment area. That is evaluated to, in our case, determine if the area attained by the deadline. And for the Upper Green River Basin that is, in fact, the case.

In this Federal Register notice EPA is proposing to find that 17 marginal areas attained by the required attainment date of July 20, 2015, based on the complete quality assured and certified ozone monitoring data from 2012 through 2014. One of the important footnotes to note in the Federal Register notice is that this is not a redesignation to attainment. This is simply the determination of attainment that is required by EPA to provide. In order to redesignate the area, there are a

number of additional criteria, including EPA approval, that are yet to come, and we will have to show that we can maintain the air quality standard for 10 years after the designation. And I'll step through the pieces that are necessary for that in a couple of slides.

Going to the next slide. What I've done is I've taken the applicable portion of Table 1 from the Federal Register notice and restricted that solely to the Upper Green River Basin. Based on EPA's assessment of the 2012 through 2014 monitoring data, the design value for the Upper Green River Basin is .064 parts per million, 64 parts per billion, which, in fact, does mean that we are attaining the 2008 National Ambient Air Quality Standard. And that level was 75 parts per billion. So a level equal to or less than 75 parts per billion by the attainment date is, in fact, attaining.

I pulled the clip specifically of the map that I showed earlier for the 2012 through 2014 design values. And you can see that we have a range from 61 to 64 parts per million for the design value based on the 2012 to 2014 NAAQS data, which is huge progress. When the area was designated, it was designated because the Boulder monitor specifically had a design value of 78 parts per billion.

As we go into the next slide, I'll do my best to explain the redesignation process as we currently

understand it. There are five steps. We'll start on the left with Step 1. Step 1 is EPA needs to determine that the nonattainment area has attained the National Ambient Air Quality Standards. That's, again, based on the three-year average. We just talked about the proposed rule where EPA is, in fact, proposing that for the state of Wyoming. So we would consider that we have satisfied Step 1.

Step 2 is EPA fully approving applicable implementation plan for the nonattainment area under the Clean Air Act, Section 110K, and that must be fully approved. This is satisfied because the marginal nonattainment areas are not required to have this -- have this plan. So we've satisfied Step 2.

You'll see for Steps 3, 4 and 5, we have not satisfied those. I think the key one to focus on is Step 3. We need an EPA determination that improvements in air quality are due to permanent and enforceable emission reductions. Permanent and enforceable are the key.

Technical demonstration will need to be made showing that emission reductions are, in fact, permanent and enforceable. We cannot -- we have to make the case and demonstrate that we are not solely attaining the National Ambient Air Quality Standard due to meteorological influence, which we know plays a large part in the Upper

Green River Basin. We also need to be able to show that it is permanent and enforceable in reductions, not just a downturn in production.

So we -- we know that there's -- there's a hurdle there, and we know that that technical demonstration will require a lot of work on the part of the division.

As we move over to Step 4, EPA will need to determine that Wyoming has met all the applicable requirements for the ozone nonattainment area under Section 110, Part D of the Clean Air Act. A number of these things are already things that this board has already been part of. Examples of that are the Nonattainment New Source Review permitting requirements. Those are now state effective in Chapter 6, Section 13, specifically in the state rule language.

The emissions inventory rule specific to ozone nonattainment areas, that's been state effective in Chapter 8, Section 5 of the Wyoming Air Quality Standards of regulations. The general conformity provisions previously were brought through the board for update. Those are contained in Chapter 8, Section 3.

And lastly, in terms of our regulatory structure, transportation conformity, and that's within Chapter 8, Section 4 of the Wyoming Air Quality Standards and Regulations.

Elizabeth, in the rulemaking earlier, talked about the approvability of our infrastructure SIPs, and that's the reason why we needed to change what was proposed earlier. There's also an infrastructure SIP that's required specific to the 2008 Ozone National Ambient Air Quality Standard. So those are some of the things that will come into play in Step 4, and we're moving through that list.

And lastly, Step 5, Wyoming will need to develop a maintenance plan. And EPA will need to fully approve that plan. And the plan will need to demonstrate the Upper Green River Basin will maintain the 2008 National Ambient Air Quality Standard for ozone for the next 10 years. And as our rule group speaks to EPA, they tell us to plan on 12. So we have -- we have a road ahead of us to be able to get to the point where the area can officially be redesignated, but we know what those steps are, and we know what we need to do to move in that direction.

In the meantime, the winter, when we have had ozone elevation in the Upper Green River Basin is coming up. We consider that to be January through March.

We go to the next slide, what you'll see is our activities have now changed what we have done in years past. We are maintaining what we have done in the past. We will have forecasters, division staff, as well as

contract meteorologists that will be doing the daily forecasts. Based on the weather conditions that we've observed to lead to elevated ozone in the past, that will happen January through March. From that forecasting, they do two things. They issue daily ozone updates specific to the Upper Green River Basin that tells the public the expected conditions for today, tomorrow, and a third day out, an extended day, so they can appropriately plan their activities outdoors.

If conditions are determined to be favorable for the formation of elevated ozone the following day, we may issue an ozone action day. That's issued 24 hours in advance. Issue of some of that necessitates implementation of ozone contingency plans by those who have voluntarily developed those plans to utilize short-term emission reduction measures. Everyone's encouraged to develop those plans or at least participate, and we've already set about that process for this year.

We will also be conducting additional monitoring during the winter ozone season. Specifically, we call this our Upper Green Winter Ozone Study or UGWOS. We will continue the regulatory monitoring of the long-term stations throughout the Basin. We will supplement with select additional volatile organic compound, or VOC, locations. And all that is done to further aid in the

understanding of ozone formation in the Basin.

Also, the time of year for us to consider an evolution in regard to the ozone strategy. The ozone strategy for the Basin describes the DEQ's overall strategy for that nonattainment area specifically. The first strategy we released in March of 2013. Each of these strategies represents a period of about six months. And so today we will be releasing the ozone strategy dated October 28th of 2015. Each of these strategies is based on groupings of activities based on when the work is targeted to be worked on or completed.

And as we go to the next slide, we'll first talk about elements of the April strategy that have been completed. And a number of these have been before the Air Quality Advisory Board. Specifically, the rulemakings that are state effective for Wyoming Air Quality Standards and Regulations, Chapter 8, Section 6, which is the Upper Green River Basin permit by rule for existing sources. We refer to that as a Phase I technology-based rulemaking, and that implementation timeline incentivizes accelerated emission reductions, as well as Chapter 6, Section 13, the state-specific Nonattainment New Source Review Permit requirements.

The other elements that have been completed continue to build a foundation to bring the area back into

attainment. Things such as completing the data in the report from UGWOS's 2015, an annual ozone advance status letter to the Environmental Protection Agency, internal evaluation of the study results from the produced water tank study, and time spent by staff reviewing a couple of the documents that EPA released, specifically, the SIP requirements rule for the 2008 Ozone NAAQS, and a preliminary transport assessment and air quality modeling technical support document.

And that takes us to the strategy that we're releasing today. This strategy is an evolution from the strategy dated April 28 of 2015. We do a number of things as we consider the evolution. One is to consider the status of the elements in that strategy as of September. And information that's become available since April of 2015.

The focus of the strategy is really on winter ozone season work because it will cover that time frame. It will also focus on the continuation of work from the April ozone strategy. So in interest of the amount of time we spent on the 2015 Ozone NAAQS, I won't be going through the entire thing, but what I will point out is we only have one new element in the strategy, and that is the review and evaluation of the 2015 Ozone NAAQS final rule. We will be looking at that specifically for new requirements and

potential impacts on the Upper Green River Basin. That rule, as published in the Federal Register, is close to 200 pages in length. And so the staff will need time to conduct that review.

Okay. Excuse me. This strategy differs a little bit in that it is now based on three groups of activities. We will focus on work that we can complete by the end of March of 2016. And we have three of those activities.

We have another group that encompasses the work that will happen through the end of March, but it is anticipated to take longer and go into subsequent time periods. There are four of those such activities.

And we have 18 activities, studies and projects that are ongoing. None of those are new. They're ones you've seen in the past.

And lastly, for Upper Green River Basin, we will once again doing a prewinter ozone season meeting. It will be held Wednesday, November 18 from 6 to 8 p.m. in Pinedale, Wyoming. That will be at the Sublette County Library. It will be open-house style with multiple stations so that folks can come and visit and get their individual questions answered. Industry, as well as the Citizens United for Responsible Energy Development, CURED, have also been invited to participate with Air Quality Division. We will be touching on a number of the things

that I've covered today. We will be talking about the 2016 winter ozone season activities, the 2015 Ozone National Ambient Air Quality Standard, the determination of attainment, and the redesignation process for the 2008 Ozone National Ambient Air Quality Standard, and an update on the commercial oil field waste disposal pond study currently underway. We'll have compliance staff with us to speak to compliance activities. And we'll also be addressing the Upper Green River Basin Ozone Strategy and emissions reductions in the Basin.

So if you're in the area we'd encourage you to attend. And with that, I'll take any questions the board may have.

Klaus.

BOARD MEMBER HANSON: I do have a question. You, in your early slides, talked about the marginal stations down in our area here in Albany and Laramie County. And EPA, of course, looks at the issue over the -- across the borders, I presume, because the statement has always been -- that I've heard, is that the nonattainment in our area is probably due to prevailing southerly winds that bring issues up from Colorado, from the rather large development that is taking place down there.

Now, what is going to be done about it? That's I think the next question because the EPA then kind of looks

at us and says we need to do something about it but you mentioned before, there is nothing that we, as a state, can do about this. So what's going to be the solution on this?

MS. POTTER: So we'll have to speak hypothetically --

BOARD MEMBER HANSON: Yeah.

MS. POTTER: -- about this.

If, in fact, we had a monitoring station, being southeast Wyoming, that was at the time of the designation deemed to be over 70 parts per billion for the new standard, then we would have to go through a process to determine what's applicable for that nonattainment area, and what that nonattainment area boundary should be.

A number of things go into that determination. What sources are in the area. And this is very important to think outside of the Upper Green River Basin. And we talk about this, because the Upper Green River Basin has very geographic and meteorologically specific conditions for the wintertime ozone issues. So we would need to look at the sources. In southeast Wyoming we have a mixture of sources. We have major emissions sources, such as, you know, refineries, chemical processing plants, cement manufacturing, power generation. We also have a mixture of minor emission sources. We do have production site development. We've got mobile sources. We've got rail

transport. Transport in from another area is also a factor. You just don't stop that evaluation at your border. So you look at the monitoring data, you look at emissions inventory and the sources in your state as well as nearby. There would be a modeling assessment that would need to be conducted, and through that you would try to attribute where the impact is coming from. Topographical, geographical assessments, you know, is it fairly flat, and we don't have the same geographic consideration. So all of those things would have to be taken into account.

One of the things, when I was going through the 2015 ozone standard for something yet to come, as well as the review we just completed for the April strategy, was in regard to a transport assessment by EPA. There's a separate piece of work that happens in regards specifically to ozone transport. And if they'd be through something like that, that we can address that. But there's really -- particularly as you get to monitors that are closer to geopolitical boundaries with other states, there's a coordination that has to occur when the adjacent state, particularly, if you have reason to believe and can show that they are contributing a certain amount to that monitoring value. So we're watching those closely.

It's also important to recognize that ozone is a regional pollutant. It be can be transported considerable

distance. That's why, in fact, we need to be concerned about international emissions, as well as stratospheric and ozone intrusion. It can be transported. We know we don't have that issue specifically in the winter in the Upper Green River Basin because of the capping effect that happens with the meteorology. But as we look elsewhere throughout the state, we have to change our line of thinking from the Upper Green River Basin because each portion of the state would be a unique assessment. Does that help?

BOARD MEMBER HANSON: Thank you.

MS. POTTER: Okay.

BOARD MEMBER HANSON: One additional question. Did I understand you correctly, so at the end of the year it goes from 75 to 70 parts per billion?

MS. POTTER: So as of December 28 of 2015, the Ozone National Ambient Air Quality Standard will be 70 parts per billion.

BOARD MEMBER HANSON: 70. So it is coming even closer to --

MS. POTTER: Coming even closer.

But while that's in place, we still have to complete all of the work that's necessary for the 2008 standard at 75 parts per billion. So because we have a nonattainment area, we still need to be concerned about all

of the requirements that go with the 2008 standard of 75.

BOARD MEMBER HANSON: Thank you.

MS. POTTER: Thank you.

Diana?

Okay. Thank you for your time today.

VICE CHAIR HULME: Thank you, Darla.

All right. Moving on to the next item on the agenda. Item C under New Business, Guidance. Chapter 6, Section 2, Permitting Guidance for Oil and Gas Production Facilities.

Presentation on this, I believe?

MR. ANDERSON: Yes. So it is up to you. You're welcome to move. I did provide some handouts for the board. It is your choice, if you want.

I'll move over to the podium.

BOARD MEMBER HANSON: You going to stay here?

VICE CHAIR HULME: Yeah, I'll stay here.

MR. ANDERSON: As we get the projector warmed up and get ready to go here, I just wanted to introduce myself. I'm filling dual roles today. My name is Cole Anderson. I'm the acting air quality administrator, and I'm also the New Source Review Program manager. So I'll be filling in as the program manager for New Source Review, and I will present the proposed

revisions to the oil and gas guidance.

And I will also introduce my staff here. So today from the New Source Review we have Andrew Keyfauver and Chris Sorensen and Heather Bleile. They're all engineers who are experienced in the oil and gas work that we do.

And Heather is going to help me today. I'll get us up through slide 17, and then she'll help carry the presentation after that.

Okay. I believe we're ready to go here. So I just wanted to -- you can go to slide 2, please.

So I just wanted to share with the board that this guidance revision is different. This guidance revision is something that we've taken a new process with. Typically, it's been a discussion between the division, industry, and other members who have input. In this case, we had active outreach, and we met with our stakeholders, industry and the environmental groups. And we had six meetings, conference calls. And we even did one webinar to help discuss the changes.

We took into --

I'm sorry, Mike. Can we go back real quick?

And this started back in January of 2014. The information that we received during those discussions we have considered in our proposed revisions, and I want to

let you know the work does not stop today. We are going to take the comments received. We also have an electronic comment system that people have submitted comments on, and we will develop a response to comments document that we will provide to the board.

Okay, Mike.

So first I just wanted to break down the presentation into two main groups. We'll talk about the permitting process, which is best available control technology. It's also a general overview that I'll show you how the presumptive BACT process works. And then we'll also discuss the statute that went into effect this year that also affected the permitting process. We'll also discuss the 2015 oil and gas changes themselves.

Okay. So the BACT process, that's something that the division has had a lot of experience with since the inception of the program in the '70s. This is the language taken out of the federal Clean Air Act for BACT. As you can see, it's an emissions limitation that is based on a case-by-case determination, taking into account energy, environmental and economic impacts.

I'd like to draw your attention to the bottom there. There's also a requirement that BACT is no less stringent than a federal standard under Section 111 or Section 112.

Okay. So the BACT process that Wyoming uses. We look at the technical feasibility, economic reasonableness. When we're looking at technical feasibility, we look at what's demonstrated in practice and what is commercially available. When we're looking at economic reasonableness, we're looking at the cost of purchasing, installing and operating control equipment. We take into consideration environmental and energy impacts. And we use a metric. If you take a look at the work we produce, we use a metric called a dollar per ton.

And, again, I just want to point out through this process, through the BACT process, the floor is established by a federal standard, so that would be the NSPS or the NESHAP standards.

So here's just kind of a conceptual diagram how the BACT process works. On the left, we have the cost-effectiveness metric, dollar per ton. We have nine data points where we've done cost analyses. And as you can see, this is the typical spread that, you know, we encounter when we do our business. Oftentimes, the BACT analyses, cost analyses, they don't all line up under one number. There's often a fair amount of spread, a difference.

So then when we look at our determination, we do the analysis, and we find a reasonable cost. Again this is a hypothetical example, but in this case we thought, you

know, maybe $10,000 per ton is reasonable. Then we also have nine data points where the companies have demonstrated -- or the applicants have demonstrated that these are technologies that could be used. So we've met the two-prong requirements of reasonable cost and technical feasibility.

So that's the BACT process. And once we have a lot of experience under BACT determinations, we can move to the P-BACT process. Essentially, what that is when we have a lot of demonstrated BACT determinations, then we can set a presumptive BACT requirement. In this case, presumptive BACT means for only oil and gas sources -- presumptive BACT starts, actually, at the first date of production. So the blue area, the approved APD, and the drilling and completion, that is the activities that happen before the first date of production. The approval, the APD, is done by the Wyoming Oil and Gas Conservation Commission. And any activities, the drilling and completion, those would be covered under specific work practices that we implement. That could be your green completion permits, where we look at best management practices during that blue period.

The first date of production occurs, and then within 30 days of first date of production, the operators gather samples and use those samples to determine their emissions and applicable emission controls. Within 60 days

of the first date of production, then operators, under the presumptive BACT process, have to install controls for flashing, dehydration units and pneumatic controls. If they're required to control those.

Within 90 days of the first date of production, the application is due to the agency. That takes us approximately 150 days to process that application. And then, finally, an air quality permit is issued.

So that's a presumptive BACT process in its entirety. I'm just going to show you real quickly the last 150 days here. This is the minor NSR permitting process. These, again, are at the end, after the application is submitted. So we have an application completeness review, takes about 30 days, that's a regulatory time frame.

Technical review, that's a 60-day time frame in the regulations.

Schedule public notice. So if a public notice is required, it takes us approximately 14 days to work through the administrative functions to get that scheduled in the paper.

Public comment period is a 30-day period. That, again, is regulatory. It has to be a minimum of 30 days. Then, finally, after we receive comments after we go through the public comment period, our typical time frame is 14 days to issue the permit after the public comment

period, but that period is very flexible, depending upon the amount of comments, the technical nature of the comments. It can definitely take more than 14 days.

Couple of things to note. We've had some recent revisions to our public notice process. We have a public notice Web page. That's been in operation since August. I've listed the URL here, in case you want to go look at it. So we have one for Air Quality, and we also have one just for New Source Review Permitting. That is a public notice Web page. If you go there -- and it's dynamic, so the date you're looking at that Web page, those would be all the applications, public notices and analyses that we've done within the last 30 days and that are in the comment period. They will be on and available for your review, but once the comment period closes, we remove those documents from the website.

So that's the general permitting process. I want to point out a couple of statutes here.

Next move.

So the first one is 35-11-801(e). And this is the meat of the statute. It basically codifies what we consider the presumptive BACT process. And the legislature, in the last session, enacted this as part of our Environmental Quality Act statutes.

What you'll notice here is that it does key off

of the first date of the production. That is a term -- you want to click -- in 801(f) that's defined in the statute as well, first date of production. And it -- this one came from the 2013 guidance, and it was discussed at the legislature with questions, and they codified this definition and made it effective in July of this year.

So now we move into a little bit about the guidance itself. And so I wanted to just share with you the 2013 guidance so we can talk about what exists today and where we're headed in the future.

Today there are four areas in guidance. We've got the JPAD/NPL, the UGRB, concentrated development area, and the statewide. And we have a little animation too. So this is a picture of what it looks like in our current guidance. This is the areas that are defined. And as we were taking a look, it's important to put out -- to point out that the blue area and the pink area were the ones that changed in 2013. We had some revisions to the guidance in 2013. And those were the areas affected by that. The gray and the white areas have not been updated since 2010.

Next slide, please. Sorry. There's an animation there.

Okay. So as we start to take a look at where development has been happening, one thing that became pretty evident is that we have a lot of production

occurring in the areas that are considered the statewide area. And this brought to our attention the need to evaluate the applicable requirements in the statewide area and compare those to the concentrated development area.

Okay. So going forward, we're looking at just three areas. Statewide area, then the UGRB, which is outlined there in black, and, again, that's essentially our nonattainment area for the 2008 standard, and then the JPAD/NPL, which is a specific project area.

The new guidance will have an effective date after January 1st of 2016. This is something that we've been working on. The key is also in the first part, all of our effective dates will be based on first date of production. This was in response to the statute, and it puts us on a common base where we'll be using the first date of production going forward. In some cases, I believe the start-up date is used -- trying to think, the 2013 guidance had two of them, had the first date of production and had the --

MS. BLEILE: Spud date.

MR. ANDERSON: -- spud date. That's right.

Thank you, Heather.

Okay. So that gets us ready to talk about the requirements of the 2016 guidance division. Heather's going to help me with that.

MS. BLEILE: Hi. I'm Heather Bleile, and I'm the oil and gas permitting engineer for production sites. I will go through the different requirements.

First we'll start with flashing emissions, which occur from tanks and separation vessels. We'll go through the 2013 requirements first for single well sites.

In the CDA in the 2013 guidance for single well sites you had to control if emissions were 8 tons per year or greater within 60 days of first date of production. For the Statewide Area, you had to control if emissions were greater than 10 -- 10 tons per year or greater within 60 days of the first date of production. And modifications were included in this as well.

For the 2015 guidance, there will only be one area in this case, and it's called the Statewide Area, and the controls would be required if your emissions are 6 tons per year or greater, and it will still be within 60 days of first date of production.

For our control removals for 2013, in both the CDA and Statewide Area, if your emissions drop below 8 tons per year and were expected to remain below that threshold, then controls could be removed after they had been on a year, and it had to be upon our approval. So we had to approve before you remove those controls.

Oh, sorry. Go back.

For the 2015, the Statewide Area, that removal threshold is 4 tons per year. So if your emissions are less than 4 tons, you can remove those controls after a year, upon division approval.

Now, for pad facilities, it's a little different. The 2013 guidance for the CDA, your controls had to be installed upon start-up, regardless of what emissions were and upon modification. For the Statewide Area, within 60 days of first date of production, your tanks had to be controlled if your emissions were 10 tons per year or greater.

For the 2015 guidance, Statewide Area we'll go with the CDA requirements, and they'll have to be controlled upon first date of production or modification. For control removal, the 2013 guidance required controls beyond one year, and if emissions dropped below 8 tons per year, you can remove those controls upon division approval. For the 2015 guidance, that threshold has dropped to 4 tons per year. So if your emissions are less than 4 tons per year, you can remove those controls, upon division approval, after one year.

Now, we'll go to dehydration units. Okay. Dehydration units at single well sites, there were two scenarios in the 2013 guidance. One had to be controlled within 60 days of the first date of production if emissions

were greater than or equal to 6 tons per year. And the second scenario was if emissions were greater than or equal to 8 tons per year. For the 2015 guidance, we got rid of one of the scenarios, since it was rarely used. And we're just going with emissions have to be controlled within 60 days of first date of production, if your emissions are greater than or equal to 6 tons per year.

For control removal, we also had the two scenarios. CDA and statewide were the same for the first scenario. Your emissions had to be less than 6 tons per year, second scenario emissions less than 8 tons per year, and it's upon division approval after one year of controls being on. For the 2015 Statewide Area, the control removal threshold is 4 tons per year. You have to have it on for a year, and it has to be upon division approval before you can remove the controls.

At pad facilities in the CDA and Statewide Area, dehydrations units had to be controlled upon first date of production for the first scenario. For the second scenario, they had to be controlled within 30 days of first date of production. And that's if the emissions were above the 8 tons per year.

For the 2015 guidance, the Statewide Area, all dehys have to be controlled upon first date of production at pad facilities. For control removal, the control

removal requirements were the same as single wells for the first scenarios, 6 tons per year, second scenario, 8 tons per year, and upon division approval.

For the 2013 -- or 2015, your emissions have to be less than 4 tons per year at pad facilities, as well as controls on a year, upon division approval if your emissions are less than 4 tons per year.

For pneumatic pumps, for pad facilities we required pumps to be controlled to 98 percent, or they have to be routed to a closed loop system, replaced with solar, electric or air-driven pumps.

For single well facilities, at sites that require combustion devices, or either tanks or dehys, you have to have pumps control 98 percent routed to a closed loop system or replaced with solar, electric or air-driven pumps. And sites without combustion unit pumps should be solar, electric or air-driven in lieu of national gas-operated pumps. Wherever possible, heat trace pumps should also be solar, electric or air-driven. Requirements for the 2015 guidance are the same. So for the new Statewide Area, these are the same requirements.

For pneumatic controllers at new facilities, natural gas-operated pneumatic controllers shall be no- or low-bleed controllers or the controller discharge shall be routed to a closed loop system. At modified facilities,

new natural gas-operated controllers shall be low or no-bleed or the controller discharge stream should be up -- should be routed to a closed loop system.

Within 60 days of the modification, existing natural gas-operated controllers shall be low or no-bleed or routed to closed loop system.

There's the no-bleed note with this guidance that emissions from continuous bleed pneumatic controllers shall be based on manufacturer certified bleed rates. Emissions from intermittent vent controllers shall be based on volume of gas required for actuation and the applicant's best engineering estimate of frequency of actuations.

Blowdown and venting requirements for the new Statewide Area industry will be required to implement best management practices. During manual and automated blowdown/venting episodes associated with liquids unloading, wellbore depressurization in preparation for maintenance or repair, hydrate clearing, emergency operations, equipment depressurization, et cetera, associated VOC and HAP emissions shall be minimized to the extent practicable during manual blowdown/venting, personnel shall remain on site to ensure minimal gas venting occurs.

For existing operators, permit applications filed with the division by July 1, 2016. New operators, permit

application filed with first application for production site.

Truck loading emissions. This is a new Presumptive BACT category. We're going to require controls within 60 days of first date of production or modification. Vapor collection or equivalent device, we assume a 70 percent capture rate based on AP-42, Section 5.2.

Captured vapors routed to a smokeless combustion device or equivalent, with a manufacturer-reported destruction efficiency of 98 percent.

We will take safety issues into consideration. Applicants will be required to just demonstrate that safety issues would preclude the application of controls.

The thresholds we're proposing for the Statewide Area, if your truck loading emissions are 6 tons per year or greater, we'll require controls. For the Upper Green River Basin/JPAD/NPL, it's 4 tons per year. If you're above that, controls will be required.

Control removal for both areas will be 4 tons per year. So after a year of being controlled, if your emissions are less than 4, you can remove those controls upon approval with the division.

Produced water tanks at single well sites. The 2013 guidance in the CDA required control within 60 days of first date of production. And this was for sites that had

flashing emission controls installed. Statewide Areas, there were no requirements for water tanks.

The 2015 guidance for the Statewide Area would be controlled within 60 days of the first date of production if controls for flashing are required. Control removal, 2013 guidance was upon approval. Statewide was not applicable. For the 2015 for the Statewide Area, your emissions will have to be below 4 tons per year. And it's upon division approval. And we should note that control removal's based on flashing emissions and allowed upon approval, we will take total flashing emissions into consideration for these removals.

At pad facilities, the 2013 guidance in the CDA required controls upon first date of production. Statewide is not applicable. For the 2015, the new Statewide Area, controls upon first date of production. Control removal for the 2013 CDA was upon approval. Statewide not applicable.

For the new 2015 requirements, your emissions will have to be below 4 tons per year, and the same note about what will be based on flashing emissions and upon approval.

We have certain emission sources without presumptive BACT requirements. And we required a BACT analysis be submitted, if emissions are greater than or

equal to the thresholds in the table. For 2013 CDA, it was 8 tons per year VOC, 5 tons per year HAPs. Statewide was the same. For the new guidance, Statewide Area is 6 tons per year VOC and HAPs. We'll need to see an analysis to consider economic and technical factors for those.

Fugitive equipment leak monitoring for the Statewide Area. We're not going to have a specific Presumptive BACT requirement at this time. Case-by-case BACT for facilities with fugitive emissions greater than or equal to 6 tons per year. And the reason for this is the proposed revisions to the oil and gas NSPS (OOOOa) do not allow for reliance on state program to comply with fugitive requirements, which would create potential for complex, duplicative requirements for industry. We will continue to evaluate presumptive BACT requirements in cooperation with stakeholders.

Other new items. We've updated the permitting discussion to introduce our new impact system. We removed the outdated application forms, incorporated our March 9, 2012 pumping unit engine policy, added examples and further clarified definitions for a modified facility, established definition of tank battery to differentiate from a pad facility, established definition for zero bleed controllers.

And with that I'll open it up for questions from

the board.

VICE CHAIR HULME: Thanks, Heather.

Questions for her or Cole?

BOARD MEMBER HANSON: Well, I don't know whether this is the proper time to raise the question. I looked through this thing, which is basically the same thing. And I was concerned with the fact -- I discussed it with you before -- that being worded properly, that the control -- how shall I put it? That --

VICE CHAIR HULME: The economics.

BOARD MEMBER HANSON: The economics -- the determination of economics govern the controls. And I'm concerned that I think it should be the other way around. The controls should be the primary factor, you know, because we're interested in controlling the matter. So that concerns me, but I can see, of course, where economic factors need to play a role.

MS. BLEILE: Yes.

BOARD MEMBER HANSON: I don't know how to make it any different, but I think that's a concern.

MR. ANDERSON: Ms. Chairperson, can I respond?

VICE CHAIR HULME: Yes, please.

MR. ANDERSON: So it's a federally established process, so I can definitely understand your

point about, you know, there's not much we can change about the process. But the way we go about doing our BACT determinations, they did allow, and you'll notice in the federal citation there, that you can consider things like environmental impacts, energy impacts, and it also says other considerations. And so while we can't put a control determination above the evaluation process, there are certainly things like, for example, the UGRB, we're very aware that's a nonattainment area. And so that is an environmental concern that we acknowledge as we're undergoing BACT review. So there are some flexibility there, but it is a federal process.

BOARD MEMBER HANSON: I just note that, of course, in the coal industry, we have a similar problem right now. And so that -- the government all the sudden steps in and says to the detriment of the industry, here are new controls. So I wonder.

MR. ANDERSON: Sure. I want to differentiate the processes used there. So we're using the BACT provisions, best available control technologies. So I believe what you're talking about with the coal industry is the Clean Power Plan. And they're using their provisions under Section 111. That's the New Source Performance Standard. And that's a different federal process where they go and do a complex analysis, and then, as you pointed

out, they make a determination on the controls.

BOARD MEMBER HANSON: Correct.

MR. ANDERSON: And that's just the process under 111 of Clean Air Act.

BOARD MEMBER HANSON: Sequestration and all that good stuff.

VICE CHAIR HULME: I have just a couple questions for clarification --

MS. BLEILE: Uh-huh.

VICE CHAIR HULME: -- on slide 29, the slide that says -- title, Emissions Sources Without Presumptive BACT Requirements.

MS. BLEILE: Uh-huh.

VICE CHAIR HULME: What would those sources be?

MS. BLEILE: Mainly right now it's fugitives. That's the main source.

VICE CHAIR HULME: Okay. Okay. And so that leads to my next question. Can you just provide a little more clarification? I'm not clear on the third bullet on slide number 30 with the OOOOa. That's confusing to me.

MS. BLEILE: Yeah. The EPA's in the process of revising their OOOO requirements, which is NSPS oil and gas production facilities, and they're coming up

with their own LDAR requirements. And unlike tank emissions where as long as ours are more stringent, then the companies don't have to comply with the OOOO as well. Fugitives aren't that way. So if our program's way different than EPA's then companies have to comply with both. So they are potentially having to do two LDAR programs.

VICE CHAIR HULME: So does this mean -- so is OOOOa implemented yet?

MS. BLEILE: No. No. That's kind of what we're holding off on for Presumptive BACT requirements for fugitives. We still are going to do a case-by-case. If they're above 6 tons per year, we'll require them to submit a BACT analysis and review it. But as far as doing a Presumptive BACT, we want to wait and kind of see what EPA is doing with theirs to --

VICE CHAIR HULME: Okay. And then just one other question. Just what's the rationale for picking -- I mean, most of the sources in the SWA now are looking at a 6 ton per year --

MS. BLEILE: Yeah.

VICE CHAIR HULME: How did you come up with 6?

MS. BLEILE: For tanks, specifically, we're doing it to align with OOOO, the requirements. It's

controlled at 6, removal at 4. The difference in ours is we consider all tanks one source, where their control thresholds are per tank. But we want to keep ours as one source because they've changed their definition before, and we just want to be covered either way. And that's always the way we've done it, too, is consider tanks one source.

I mean, for dehys --

VICE CHAIR HULME: Yes.

MS. BLEILE: -- the 6 tons per year was already the threshold. The 4 tons per year, we want to make it consistent with what we're requiring for tanks for removal threshold.

VICE CHAIR HULME: And the reason for not making it the same as the Upper Green River/Jonah area?

MS. BLEILE: The reason we didn't do that is the nonattainment area, we feel, should be more stringent. The Statewide Area we want to dial down on the threshold, but we don't think we're at that point where we need to make it as strict as the nonattainment area.

VICE CHAIR HULME: Thanks.

BOARD MEMBER HANSON: Referring to this document, just -- this would be page 25, I think they are just linguistic problems here. Second line, sentence starts, "Even" -- it says, "Even through working..." and I think it should be "even though."

MS. BLEILE: Oh, okay. I don't have that document up here with me.

BOARD MEMBER HANSON: I don't know, because you reported on it in your document. Just a change there.

MS. BLEILE: Uh-huh.

BOARD MEMBER HANSON: And then my concern, of course, goes back to the pages 30 out of 50, where, of course, it is economy, determining the controls. And at the end of that page, there is a statement that says, "...or the applicant shall demonstrate controlling the emissions is not economically reasonable nor technically feasible." My question would be who determines that, though? The applicant, or is there some --

MS. BLEILE: The division does.

BOARD MEMBER HANSON: The division?

MS. BLEILE: The applicant will say whether they think that.

BOARD MEMBER HANSON: Yeah.

MS. BLEILE: But in the permitting process, we get final determination on that.

BOARD MEMBER HANSON: So that's included --

MS. BLEILE: Yeah, those --

BOARD MEMBER HANSON: -- or that's implying a state shall demonstrate --

MS. BLEILE: Right.

BOARD MEMBER HANSON: -- and then being approved? It doesn't say that.

MS. BLEILE: Okay.

BOARD MEMBER HANSON: I was just kind of concerned about that. And on the next page, I would presume that on -- it says the BACT cost analysis is -- that's the economic feasibility.

MS. BLEILE: Yes. Yes.

BOARD MEMBER HANSON: Okay. I think that's all -- no, I may have one more. Oh, yeah.

On page 35 of 50, the first line, "Upon receiving the application, the Air Quality Division sends a receipt letter to the applicant and is assigned to a reviewing engineer." I think the applicant, and it should say "who is assigned to a reviewing engineer," otherwise it doesn't make any sense.

MS. BLEILE: All right.

BOARD MEMBER HANSON: Okay. I think you'll find it. It's page --

MS. BLEILE: Yeah, I think Andrew is taking notes there.

MR. ANDERSON: Yeah.

BOARD MEMBER HANSON: I can give you that document. Thank you. Yes.

Page 37, out of 50. Again, the first line, "A pumping unit engine is an engine used to provide electrical or mechanical energy to a pump in order to produce a well." No, I think it should be in order to operate a well or to make it work or something like that. You don't want to produce a well. You have a well already.

MR. ANDERSON: I see what you're saying. Yeah, it's industry nomenclature. So for us, we look at produce is equal to operate, because a producing well is something that fluids and gases are coming out of, so --

BOARD MEMBER HANSON: Okay.

MR. ANDERSON: It's in operation when it's producing.

BOARD MEMBER HANSON: So normal people can understand that?

MR. ANDERSON: I can't speak for normal people.

BOARD MEMBER HANSON: Thank you. I'm abnormal. Thank you. That's all. Thank you.

MR. ANDERSON: Ms. Chairperson, can I respond real quick?

VICE CHAIR HULME: Yes.

MR. ANDERSON: So I appreciate those edits. Amber was taking some notes here. We'll make those revisions for clarification purposes.

BOARD MEMBER HANSON: Yeah.

MR. ANDERSON: And as I mentioned earlier, we're not done today. We will have a follow-up response document, and I imagine there are going to be comments brought up today that we're also listening to, taking down and will respond to.

And to Heather's point about the fugitive emissions, we are not necessarily waiting until EPA makes a final determination on LDAR and on their fugitive program. What we are going to do is provide updates to the board and we are going to be working with our stakeholders, including EPA, to come up with a strategy that we can incorporate into the guidance. I can't give you a time frame right now, but we are definitely in the process of beginning to put that strategy together and hopefully can make provisions sooner than later.

VICE CHAIR HULME: I wanted to provide the audience a chance to ask just at this point any clarifying questions of either Cole or Heather of something you might have heard. I know we have people signed up to make a comment, and we'll get to that for sure, but if anybody else that hasn't signed up to make a question, but has a question leads to some clarification on something you had heard.

Please come right up. Please state your name,

sir.

MR. BOWLER: Alex Bowler. I'm the president of Cheyenne Area Landowners Coalition.

Do these requirements also apply to oil wells? I've heard gas well, gas well, gas well. What about oil wells?

MS. BLEILE: Yes. We don't distinguish between oil and gas wells when we do our requirements. It's all wells.

VICE CHAIR HULME: Any other clarifying questions? Not comments.

MS. SMITH: My name is Paige Smith, and I'm a citizen here in Cheyenne. And I just have a procedural clarifying question to ask, and it was that I looked at the -- I noticed in the public notice for this meeting, it said that email comments would not be entered into the administrative record. So then I went to the new email form and submitted a comment that you will get that says explain to me what that means to be not be in the administrative record. And then I was curious as to whether once I was in the form, would I get the comment that my comment wasn't going to be in the administrative record, which I didn't. It actually said at the top of the form, when I was ready to hit send, that it will be -- your comment will be included in the final analysis of comments.

So there seems to be a discrepancy between your public notice and the form that I filled out. And then, Cole, when you started your remarks, you said that you will be doing an analysis of comments, which will include the email comments. So what is up with the email comments?

MR. ANDERSON: Sure. Okay. Thank you.

So the conceptual difference, even though it may not seem like it, the email is what we consider, you know, just john@gmail or hotmail, you send us a comment to a specific person or something like that. So, to us, that's the email process. The electronic process is something that the department put together. It's a Web page. And as you filled out all that information to make your comment, that's not using the email system. It's a Web page that's, you know, taking your comment just like an amazon.com purchase. You're filling out this Web page, putting your comment in there, and when you submit that, that goes to a separate system, it's not our email system, and then that tracks the electronic comment.

The important thing to note there is that the email system for the State is extremely complex, and we're just getting so many emails a day, some of it not so helpful to our jobs, like I'm not planning any trips to Bermuda any time soon. But a lot of that ends up being unhelpful, and so this electronic system does two things

for us. It provides the comments in an area we can manage and identify real easily, and then it also has that -- I don't know the official term, but you have to enter into a code, and it allows the division to know that that's not a robot or one of those electronic programs that just creates an anonymous comments.

MS. SMITH: Excellent. I appreciate that. And I think it's great that you have comments coming in on a form which actually makes emailing comments easier because you don't have to re-type, when you get. So here is a suggestion. I would suggest when you do your next public notice, you say comments submitted -- comments emailed not using this form will not be entered into -- I think for me, I read it, and I did not make a differentiation between email and your comment form, with the way it's currently worded.

MR. ANDERSON: That's good clarification.

MR. SMITH: But I like what you've done. I think that's great. Thank you.

BOARD MEMBER HANSON: I can't take credit. Keith did that, so...

MS. SMITH: So I don't need to hand in my signed email comment on the form -- the electronic form submitted comment is now part of the public record?

MR. ANDERSON: Correct.

BOARD MEMBER HANSON: Thank you.

VICE CHAIR HULME: Any other questions, clarifying questions for staff?

Board has decided we need to take a 5-minute natural break, and it will be five minutes, and then we will get to the comments of people who have signed up to make a statement.

(Meeting proceedings recessed 10:43 a.m. to 10:53 a.m.)

VICE CHAIR HULME: We'd like to get started so we can be respectful of people's time and maybe be out in time for lunch break, so call the meeting back to order.

We're going to open the mic to some public comment, and I have the sign-up sheet here. People have expressed they wanted to make comments, so when I call your name, if you'd like to still make your comment, please come up to the podium and use the microphone so we can get everything reported, and introduce yourselves and provide your affiliation, if you could, that would be helpful.

Just one other announcement before we do that. I just wanted to reiterate what -- Cole had mentioned that because we don't have a quorum today of board members, we're going to be taking the public comment. DEQ staff will issue a response to that comment, but as a board, we can't take any action on anything since we do not have a

quorum. So just to make that clarification. But we do want to take your comments.

First on the list, Bruce Pendery.

Bruce, do you still want to comment?

MR. PENDERY: I would like to.

VICE CHAIR HULME: Yep, thanks.

MR. PENDERY: Thank you. Thank you for this opportunity to present comments to you today on the proposed revisions to the oil and gas production facility presumptive best available control technology guidance for the so-called Statewide Area.

My name is Bruce Pendery, P-E-N-D-E-R-Y, and I am chief legal counsel for the Wyoming Outdoor Council. Since 1967 Wyoming Outdoor Council has worked to protect air and water quality and health and quality of life for our citizens.

Overall, we support the proposed revisions and we urge you to offer your support for adoption by the Air Quality Division. We do, however, have a concern with one area that is omitted from the proposal, suggestions for improvement. I will address these issues, what we support and where we think -- where we would like to see changes in turn.

Proposed P-BACT revisions for oil and gas production facilities in the state are important and

needed. For the first time we will seek controls on air pollution that is caused by truck loading, oil and gas well completions and produced water tanks. The controls on emissions from flashing will be strengthened. There would be a requirement for 98 percent control of tank and dehydrator emissions at pad facilities in Statewide Area, a level of control on par with the strong provisions already in place in the Upper Green River Basin and the Jonah/ Pinedale Anticline fields. Additionally, there will now be controls on truck loading emissions in Upper Green River Basin and the Jonah/Pinedale Anticline fields.

These are important steps forward. Oil and gas development in the eastern part of the state in the so-called Statewide Area has become the most significant area in Wyoming for oil and gas development. 2014, Campbell County was the leading oil-producing county in the state. And Johnson County ranked behind only Sublette and Sweetwater counties in natural gas production. Since the start of 2014, more than 80 percent of the newly permitted oil and gas wells were approved in the eastern half of the state.

Furthermore, the EPA recently put in place a more stringent National Ambient Air Quality Standard for ozone, which will create compliance challenges for several Wyoming counties, particularly Laramie and Albany counties. For

these reasons the new P-BACT Guidance is needed, and we urge the Air Quality Advisory Board to support its adoption. We believe these provisions are also cost-effective as our written comments demonstrate. Adoption of these provisions will help Wyoming maintain its well-established leadership position and efforts to control area pollution from oil and gas development.

We are, however, concerned that the proposal before you does not include requirements for leak detection and repair, or LDAR, in the Statewide Area. LDAR has been required in the Upper Green River Basin and the Jonah/ Pinedale Anticline fields since 2013, and we think the same should be required in the Statewide Area. Data showed that so-called fugitive emissions are the third leading source of volatile organic compound, or VOC, emissions, behind only tanks and pneumatic pumps. And as mentioned, the eastern section of the state, in the Statewide Area, has become the leading oil and gas development area.

Leak emissions are a significant concern in this area. Consequently, we think that the lack of an LDAR requirement in the Statewide Area should be corrected as soon as possible. We believe LDAR is clearly needed and should be required in the Statewide Area; therefore, we ask the Air Quality Advisory Board to consider urging the air division to formalize LDAR in this area on an expedited

basis. We believe an LDAR proposal for the Statewide Area should be brought forward promptly, ideally by your next quarterly meeting, and we ask the air quality advisory board to consider this recommendation to the air division.

Now, in the meantime, there is a provision in the P-BACT proposal that is before you that will require LDAR in a limited way. That is the provision for emission sources that do not have a specific P-BACT requirement. It is addressed on page 12 of the proposal. This provision, which applies to emission sources that are greater than or equal to 6 tons per year, but for which no P-BACT is specified, will require consideration of LDAR for these sources, as was mentioned to you in the earlier presentation.

However, we would encourage the Air Quality Advisory Board to recommend language to be inserted into this provision that specifically states -- and I'll quote what we would propose be inserted. Leak detection and repair protocols on a quarterly basis, and not solely based on audio, visual, olfactory methods will be expected in the BACT analysis filed with permit applications. End quote.

A provision such as this could help alleviate a lack of a specific LDAR provision in the Statewide Area. It would help ensure that this catchall provision is effective in ensuring LDAR is required until a full

proposal is brought forward. We, therefore, urge adoption of language such as this.

We would note, however, that we would support application of LDAR in the Statewide Area to facilities that emit greater than or equal to 4 tons per year of emissions, as is required in the Upper Green River Basin and Jonah/Pinedale Anticline fields, or even less we'd support, but not 6 tons per year.

Now, in conclusion, we believe there is an imbalance at work when cost-effective rules that are known to be -- protect people in our environment are applied to and benefit only a small part of the state. The development now occurring in some of Wyoming's densely populated counties, it makes sense to learn from our collective experience in the Upper Green and to make good decisions for the people in the rest of the state. On behalf of the thousands of citizens we represent, Wyoming Outdoor Council believes that clean air is a fundamental right.

Today is -- today we ask the Air Quality Advisory Board to support the good aspects of these statewide rules, but also urge the Air Division to make the changes we've addressed. This will ensure the fundamental right to clean air is protected for everyone everywhere in the state.

Thank you for considering these comments.

VICE CHAIR HULME: Thanks, Bruce.

Next on the list I have Casey Quinn.

Casey, do you still want to comment?

MR. QUINN: Hello.

VICE CHAIR HULME: State your name and affiliation.

MR. QUINN: Casey Quinn. I am here on behalf of the Cheyenne Area Landowners Coalition and the Powder River Basin Resource Council and as a citizen of the Cheyenne area. We believe that if Wyoming is serious about air quality, we should adopt the rules and regulations within the Green River Basin area and apply them statewide, and specifically with leak detection and repair inspection.

Currently, Cheyenne is already approaching the threshold for ozone, and given the inevitable rise in price of oil and gas, we will see significant increase in drilling within Laramie County. We would like to see preventative care happen so we don't have to act reactively. Thank you.

VICE CHAIR HULME: Thanks, Casey.

Okay. Next, John Robitaille.

MR. ROBITAILLE: Thank you, Madam Chair. John Robitaille, Petroleum Association of Wyoming.

I have to admit, this is a little different for me. I've been coming to these and been talking about the

guidance for 13 years. This is the first time in those 13 years that I will speak in opposition to some factors in this guidance. I'm not opposed to the entire guidance document. There are some items that I have problems with.

Let me address a couple of things quickly before I get specific. We need to understand that BACT has an economic analysis portion in it when we move control requirements from southwest Wyoming, which was mainly gas, into areas that have been producing oil for over a hundred years. There are wells in these areas -- I'm talking about the Big Horn basin, I'm talking about the Powder River Basin. These areas in these -- there's wells in these areas that have been producing for a very long time. When we put these new requirements on these wells, the economic burden on these wells -- and I'm talking about little wells, stripper wells, 10 to 15 barrels a day -- the economic burden on these wells is going to be such that you're likely to see them shut in prematurely, and in other areas potentially we won't see wells drilled. I cannot express to you enough the economic benefit from these wells for our cities, our counties and our state.

When we -- when we talk about -- when we talk about oil -- in Wyoming last week, October 23rd, the low price of oil for an asphalt oil was $22 a barrel. $22. The highest amount was coming, for our sweet crude, was

$36.80. We are in an economic crisis. Our governor the other day mentioned we're at 600-some million dollars. It's going to get worse before it gets better. And when we start putting these requirements on these things, we're going to run into a bigger problem. Economics and the cost of putting these things on these wells has got to be factored. It has to be factored. It's very, very important.

We've been producing oil and gas in the state for over 130 years. I look outside and I breathe very clean air, and I drink very clean water. We need to be cautious going forward. Just a cautionary tale for all of you. We need to be careful.

Now, specifically, on the -- on the idea that OOOO is going to require tank controls at 6 and removal at 4, yes, that's true, OOOO requires that for a single tank. What we're talking about here today is a facility, using those same controls for a facility. That may be a number of tanks. We're not asking for a higher control threshold. We are asking that that threshold removal be allowed at the same threshold that the -- that is required. Partly, the reason for that is if we get down to such a low amount of tons per year, we will have to bring in additional gas to run the control equipment. That's just counterintuitive. That does not make sense. We're creating more emissions to

reduce emissions. We think it would make a lot more sense, particularly with flashing -- if we put controls on them when we're above 6 and we remove controls when we're below 6.

Pneumatic controllers, don't have a problem with how that's done, but I would prefer that the definition of low-bleed pneumatic controller include a provision for intermittent vent control. What we're talking about is an intermittent vent controller actuates, it goes -- it pumps on a regular basis, and when it does, when it pumps, it bleeds a little bit. Now, what it bleeds is 6 cubic feet per hour. That's not very much. If we considered a hundred percent VOC going through that pump, we would be looking at one and a half tons per year.

If we get a little bit more accurate because, of course, we're not going to be 100 percent VOCs. If we get a little more accurate, get down to 20 percent, which is relatively high, we're looking at .3 tons per year. It's going to take a lot of these pumps to get up to 6 tons per year that we're controlling on the tanks. So really all I would prefer -- you know, we've discussed this previously, we talked about the Upper Green stuff. All I would prefer is that we consider it the same as low-bleed controller which EPA does as well.

Talk about truck loading. I've had problems with

truck loading in the past, been concerned about truck loading. When we talk about truck loading, there is an opportunity for oxygen to get into the system. Oxygen from the truck into the tank can create a bomb. God forbid anybody gets hurt by this requirement. I have no idea what the Division's exposure would be in something like that, but God forbid something like that should happen. In addition to that, we're always -- always under the thumb of BLM. BLM is concerned about additional surface use. BLM is concerned about various wildlife, sage grouse. Mule deer now are on the horizon. By requiring this, we're going to require additional surface impacts.

All of these things need to be taken into account when we start talking about all of these revisions and what's required. I don't know how many facilities are going to be required at 6 tons. I'd suggest it would be less than 8, and I would prefer that you move that control requirement from 6 tons to 8.

Produced water tank emissions. Right now there is not a ton-per-year threshold on produced water tanks. I would ask you include 6. Just make that a little bit more clear for us.

One of my biggest problems is with the definition of modified facility. And the reason goes back to what we -- what we talked about at the beginning, is these older

wells, that will be affected when their permits are considered to be modified. If we're getting to a modified program, where these older wells are going to be required to put these controls on and they're going to be shut in because they're not economically run anymore, we're going to run into problems economically across the state deeper than we are now.

In the Clean Air Act, in the division's own rule, and in the division's guidance, previously it stated that it was a modification if we had an increase in the amount of air pollutant. I would prefer that get put back in. Right now, as I read it, I don't see that.

I have detailed requests and language submitted in our comment. Thank you very much.

VICE CHAIR HULME: Thanks.

Next I have Jon Goldstein.

MR. GOLDSTEIN: Thank you, Madam Chair. My name is Jon Goldstein, and I am senior energy policy manager with Environmental Defense Fund. Thank you for the opportunity to testify on this issue today.

Before I get into my comments, I just wanted to react to one thing that John was just talking about, and I think you clarified it a little bit at the end, but initially when you were talking about PAW's concern with sources that were going to be impacted by this proposal, I

just wanted to clarify that the P-BACT only applies to new and modified sources, so these old stripper wells would likely not be, you know, captured in this update to the requirements, especially stripper wells, since there's this threshold at which controls are applied. So before I went on, I just wanted to react to that one.

So on behalf of 1 million members across the country and here in Wyoming, I'm here today to support the state's proposed improvements to the Air Quality requirements for new and modified oil and gas sources in the Statewide Area.

The proposal before you today is an important step toward a better, more level playing field for air quality across the state, and I want to recognize the open and inclusive process the state employed in developing this proposal. But, unfortunately, because of the use of large source of pollution unaddressed at this point, it's only a step.

Over the years Wyoming has worked to build a reputation as a leader on strong, sensible requirements to limit air pollution from oil and gas development. There are several things in this proposal that continue that tradition of leadership including extending green completion requirements to oil and gas wells across the state, as well as improving emission reduction requirements

for tanks during truck loading procedures. For these reasons we support this proposal.

However, it's what is undone by this proposal that makes it disappointing. I think one of the largest sources of oil and gas air pollution in the state, equipment leaks, is being left unaddressed. Quarterly leak inspections are a hallmark of the strong air quality program Wyoming has developed in the Upper Green River Basin and we feel it should be applied statewide as well.

A growing body of scientific data and empirical evidence demonstrate that equipment malfunctions and poor maintenance leading to leaks are some of the leading causes of emissions in oil and gas sites. According to data reported by Wyoming's oil and gas producers themselves, leaks are in the top three in Wyoming as sources of emissions of both volatile organic compounds that lead to smog formation and methane, a very potent greenhouse gas. And according to this data these leak emissions are on the rise, increasing 11 percent 2013 to 2014, and overall comprising more than one-fifth of oil and gas related methane emissions in the state.

Frequent instrument-based site inspections as a part of the required leak detection and repair program are the most straightforward and effective ways to reduce these emissions. They're also extremely cost effective

according to an analysis performed by the industry consulting firm ICF, and to data analyzed by the Colorado Department of Public Health and Environment as they formalize their statewide LDAR program. According to these analyses, whether the producer performs the inspections themselves or they hire a third-party contractor, natural gas savings exceed the cost of the entire program. And even if gas savings are not monetized, quarterly LDAR programs remain one the most cost-effective clean air measures available to dramatically reduce pollution from oil and gas facilities.

This is a part of what the state has done in Upper Green River Basin, and it worked. Where Pinedale had been struggling with smog concentrations on par with Los Angeles due to emissions from nearby oil and gas activity, the Department of Environmental Quality put forward a smart set of policies to ensure drillers reduced their emissions. Chief among these policies was requirement for operators to check their equipment for leaks on a quarterly basis.

The regional policy is having positive impact. Smog levels in the basin have declined and local producers have praised the program for both its positive impact on air quality and its cost-effectiveness.

Today 80 percent of drilling in Wyoming takes

place outside the UGRB, in areas of the state with the weakest air quality protections. In the past year alone, 75 percent of the applications for permits to drill have come from just three counties, Campbell, Converse and here in Laramie.

The policies before you today are a step toward extending smart, Wyoming-developed air quality solutions to the rest of the state where the lion's share of drilling is now occurring. But they will only be a step until the state also puts in place a similar quarterly LDAR program to find and fix leaks across Wyoming.

We believe that Wyoming shouldn't give up its role as a leader on air quality, and Wyoming families living near the oil and gas fields shouldn't have to wait for sensible leak detection and repair requirements. For these reasons, we support the state's intention to quickly follow up and implement statewide quarterly LDAR program and hope they will do so by the next quarterly Air Quality Advisory Board hearing.

We look forward to working with the Air Quality Division and industry in the months ahead to make a strong, sensible program for finding and fixing leaks at oil and gas sites a reality across Wyoming. Thank you.

VICE CHAIR HULME: Thanks. Next I have Alex is it Bowler?

MR. BOWLER: Close.

VICE CHAIR HULME: Bowler? I guessed.

MR. BOWLER: Yep. Maybe that's a little better than trying to -- my name is Alex Bowler, and I'm a retired public health professional. I'm also a rural landowner in the eastern part of Laramie County. I'm president of the Cheyenne Area Landowners Coalition, which is a group of about 160 rural landowners that have concerns about oil and gas development. We're not against it in any way, shape or form, except we'd like to see it happen in environmentally sound ways.

Not too long ago the Wyoming Oil and Gas Conservation Commission revised the distance of 10 17-acre well pads with multiple wells on them, had to be away from homes. They established that distance as 500 feet. So now we're in a situation in Laramie County, which is all I can address, where we have 10 17-acre well pads being constructed a minimum 500 feet from your house. So, obviously, we are concerned about a lot of things: water quality, air quality, certainly, among those things.

We think it's enlightening that the standards are being tightened up a little bit air pollutionwise. And -- and as other speakers have addressed, we think it is an omission that we don't take a look at leaks.

And I don't know all the acronyms that get used

here, but I think that the studies that I've read, papers I've read, that indicate that a significant portion of the ozone precursors,, fossils, like any compounds, methane, may occur from leaks in equipment. And we think -- we agree with others what others have said, inspections of this equipment by whatever means practical, on every four-month basis is probably reasonable -- a reasonable compromise.

So we think revising the provisions in the standards will help us here in Laramie County, and we would encourage you to, at some point, incorporate the monitoring of leaks.

I'd be happy to try to answer any questions you guys might have. Thanks.

VICE CHAIR HULME: Thanks, Alex.

That was all I had on the list. I guess, did anyone else want to make a comment?

Thanks, everybody, for taking the time to talk to us about this. Appreciate it.

BOARD MEMBER HANSON: Good comments.

VICE CHAIR HULME: As we stated earlier, we'll be taking into consideration -- the division staff will be issuing a response to the comments. I assume we'll be addressing this in a future meeting.

MR. ANDERSON: Absolutely. Yep.

VICE CHAIR HULME: Next item on the agenda is schedule of the next meeting. Is there anything else that we need to bring up prior to that? We just as soon do a Doodle poll?

MS. POTTS: Do a Doodle poll and make sure and get --

VICE CHAIR HULME: Get the new members this time.

MS. POTTS: Yeah, new members.

BOARD MEMBER HANSON: Do you envision a certain month?

VICE CHAIR HULME: Yeah, any particular --

MS. POTTS: I think we were either thinking February or March. So after the new year.

VICE CHAIR HULME: Okay.

MR. ANDERSON: Might be a challenge. It's a budget session this year, a lot going on with the legislature. So we'll take that, I think, into consideration.

VICE CHAIR HULME: Excellent.

BOARD MEMBER HANSON: And weather.

MS. POTTS: And weather, absolutely.

MS. PARANHOS: Yes. I have a question --

THE REPORTER: Your name?

MS. PARANHOS: Elizabeth Paranhos,

Environmental Defense Fund.

If you're not taking any action today on this, when are you going to take action? When will the board meet to take action on the proposal to update the P-BACT amendment?

VICE CHAIR HULME: I don't know how soon you anticipate, Cole, to get a response back out, and then I guess will depend on when the next meeting is. I'll let you --

MR. ANDERSON: Sure. So as Ms. Smith pointed out, we have electronic comment system, and so we're going to take all comments, included in the electronic, and what we received today, develop a response to comments. I'm thinking at least two weeks to get all that compiled and then develop responses. We will also review the transcript from today and make sure we capture everyone's comments, so it could be a little longer than two weeks.

MS. PARANHOS: So will you potentially call a special meeting of the AQD prior to January meeting that, I think, would be the next scheduled one, since the P-BACT Guidance implementation date is January 21, 2016? So I'm just curious if there might be a --

MR. ANDERSON: Sure. So the question goes beyond the division. So the oil and gas permitting

guidance is not a rule, so there doesn't need to be a formal action done on it. It's the guidance that the division has for oil and gas operators. It's up to the board if they would like to schedule a meeting sooner or if we want to address that at a later date. But I think that's something probably need some time to talk about, maybe.

VICE CHAIR HULME: Yeah, I think we need to discuss that with the other board members. Since there's only two of us, I don't want to speak for the other board members on what they want to do with this until we get them up to speed. Since we have two new members as well, from just yesterday, I'd like to give them the opportunity. They haven't even seen these comments probably yet or got to read through them or even the guidance or, obviously, notice of this in the response. There's some information we're going to have to process, and I think maybe within a month or so we can make a decision on that, if we need to have a special meeting or not.

MS. PARANHOS: Got it. Okay. Thanks for the clarification.

VICE CHAIR HULME: Sound good? Thank you. Unless there's anything else, motion to adjourn the meeting.

BOARD MEMBER HANSON: It occurs to me, for

the question by the Environmental Defense Fund, whatever wasn't discussed here probably would go forward as it is written at this point. So there's some guidance there as to what would exist.

MS. PARANHOS: Right. Correct, it is.

BOARD MEMBER HANSON: Yeah.

VICE CHAIR HULME: Oh.

MS. HAM: I'm Marilyn Ham. When does the comment period close?

VICE CHAIR HULME: Cole?

BOARD MEMBER HANSON: It's at the end of this board meeting.

VICE CHAIR HULME: Any other questions?

BOARD MEMBER HANSON: Fairly soon.

VICE CHAIR HULME: Going once, going twice kind of thing.

Motion to adjourn the meeting?

BOARD MEMBER HANSON: So moved.

VICE CHAIR HULME: I guess I'll second. We're adjourned.

BOARD MEMBER HANSON: Aye.

VICE CHAIR HULME: Aye.

(Meeting proceedings concluded 11:27 a.m., October 28, 2015.)

C E R T I F I C A T E

I, KATHY J. KENDRICK, a Registered Professional Reporter, do hereby certify that I reported by machine shorthand the foregoing proceedings contained herein, constituting a full, true and correct transcript.

Dated this 30th day of November, 2015.

KATHY J. KENDRICK
Registered Professional Reporter