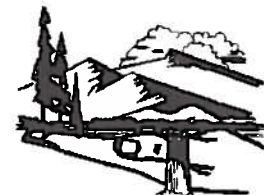




Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor

Todd Parfitt, Director

To: Honorable Matthew H. Mead, Governor
From: Todd Parfitt, Director, Department of Environmental Quality
Subject: Proposed Rules for Chapter 8 (R-24)
 Department of Environmental Quality, Air Quality Division
Date: February 13, 2015
Priority: **HIGH** – Deadline for response is **February 27, 2015**
Summary: Notice of Agency Rulemaking

The Air Quality Division (Division) is proposing revisions to the Wyoming Air Quality Standards and Regulations (WAQSR) listed above. The following is a brief summary of the proposed rule changes:

- Establishes requirements for existing oil and gas production facilities and compressor stations located in the Upper Green River Basin (UGRB) ozone nonattainment area (NAA).
 - The regulation is a “Permit by Rule” which applies to all PAD and single-well oil and gas production facilities or sources, and all compressor stations, that are:
 - Located in the UGRB ozone nonattainment area
 - In existence as of January 1, 2014
 - The Permit by Rule for existing sources was developed to reduce volatile organic compound (VOC) emissions, a precursor to ozone formation, from existing oil and gas sources, and compressor stations, operating in the ozone nonattainment area.
 - A Permit by Rule is a standard set of requirements that can apply to multiple sources with similar emissions and other characteristics.
 - The Permit by Rule is a cost-effective way to reduce emissions from existing sources in a nonattainment area.
 - Any facility or source subject to the Permit by Rule will be subject to enforcement if they fail to satisfy the requirements of the regulation.
 - The proposed regulation utilizes the same applicability thresholds as those used to permit new and modified oil and gas sources in the UGRB.
 - The requirement to control VOC emissions from existing sources to the same level as new and modified sources in the NAA will help build the foundation to bring the UGRB back into attainment for the 2008 Ozone National Ambient Air Quality Standard (NAAQS).
- Annual updates to Nonattainment Area Regulations, to be adopted by reference from the 2013 Code of Federal Regulations (CFR). If the State does not adopt the most recent versions of these sections by reference, the rule still applies at the federal level. Adopting these national standards into the State rules allows for State implementation of the rules.

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The Wyoming Air Quality Advisory Board (AQAB) met in Pinedale, Wyoming on December 10, 2014, and recommended that the rules proceed to formal rulemaking before the Environmental Quality Council (EQC).

Specific information regarding changes made to the proposed regulation after the December 10, 2014, AQAB meeting is included in the enclosed WAQSR Chapter 8, Section 6, Explanation of Changes (draft 1/26/15). The Division reviewed the written and verbal comments received during the public process, and identified for consideration those that were minor in nature and do not change the purpose or intent of the proposed regulation. The Division's further consideration of the proposed regulation yielded additional minor revisions that do not change the purpose or intent of the proposed regulation as it was proposed and presented to the public and AQAB. The proposed Chapter 8 regulation (draft 2/2/15) will include these minor revisions as the final iteration of the Upper Green River Basin permit by rule for existing sources that will continue through the statutory rulemaking process for adoption by the State of Wyoming.

The proposed revisions can be seen in the attached draft rules. Specific information on the changes can be found in the Statement of Principal Reasons (SOPR). Chapter 8, Sections 6 and 10 involve changes to the State Implementation Plan (SIP).

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Governor's Response Options (to be completed by Governor's Office):

- Agency may proceed.
 Delay public comment and set up meeting with

 2-13-15
Signature: Governor's Counsel

If no response has been received by the 10th working day, the agency will proceed with these rules.