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DEPARTMENT OF ENVIRONMENTAL QUALITY

AIR QUALITY ADVISORY BOARD

IN RE: PROPOSED CHANGES TO WYOMING
AIR QUALITY STANDARDS AND REGULATIONS,
CHAPTER 8, NONATTAINMENT AREA REGULATIONS

TRANSCRIPT OF MEETING PROCEEDINGS

Pursuant to notice duly given to all parties in interest, this matter came on for public hearing on the 10th day of December, 2014 at the hour of 9:00 a.m., at the Sublette County Library, Lovatt Room, 155 South Tyler, Pinedale, Wyoming, before the Wyoming Air Quality Advisory Board, Chairman Timothy Brown presiding, with board members Diana G. Hulme, Brian Boner, Joel "J.D." Wasserburger and Klaus D. Hanson also in attendance.

Also present were Todd Parfitt, DEQ Director; Steven A. Dietrich, Air Quality Administrator; Jeni Cederle, Amber Potts, Mike Morris, Andrew Keyfauber, Mark Smith, Darla Potter, Brian Hall and Adam Deppe with the Air Quality Division; and Elizabeth Lyon, Assistant Attorney General.

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1 P R O C E E D I N G S

2 (Meeting proceedings commenced

3 9:00 a.m., December 10, 2014.)

4 CHAIRMAN BROWN: Let's call this meeting to
5 order. Wyoming public advisory board meeting December 10,
6 2014. First, we would like to start with introductions of
7 the Air Quality Advisory Board and the Wyoming DEQ staff.

8 BOARD MEMBER HULME: I'm Diana Hulme. I'm
9 from Laramie, Wyoming.

10 BOARD MEMBER BONER: My name is Brian
11 Boner. I'm from Douglas.

12 CHAIRMAN BROWN: Timothy Brown, Green
13 River, Wyoming.

14 BOARD MEMBER WASSERBURGER: J.D.
15 Wasserburger, Lusk, Wyoming.

16 BOARD MEMBER HANSON: Klaus Hanson,
17 Laramie, Wyoming. City Council member there.

18 MR. DIETRICH: Steve Dietrich, Air Quality
19 administrator, and I've got some staff on the opposite side
20 of the room at the other table there. Amy Potts at the far
21 right. She works with rule and SIP development, and to her
22 right is Jeni Cederle, who is the supervisor of the rule
23 and SIP development group, and then -- I'm missing a chair
24 right there.

25 All right. Andrew Keyfauver in the NSR permit

1 program. Mark Smith, also in the NSR permit program. We
2 also have in the audience Darla Potter, who is with Air
3 Quality -- it's not a good morning. She's a program
4 manager of the Air Quality resource management. And then
5 we've got -- and just in front of her is Elizabeth Lyon.
6 She's with the Attorney General's Office.

7 I know some other folks I can't quite see. In
8 back of the room is Brian Hall, who is with -- raise your
9 hand, Brian. You saw most of these folks here last night.
10 Brian Hall is the planning group, Air Quality resource
11 management section, and to his left is Adam Deppe with the
12 planning group as well.

13 Who am I missing? And then in the complete back
14 of the room is Todd Parfitt, who most of you guys saw last
15 night as well. Am I missing anyone else? Okay. Thanks.

16 CHAIRMAN BROWN: Okay. Approval of meeting
17 minutes from the July 14, 2014 meeting and the August 4,
18 2014 meeting. Any questions or comments on those minutes?

19 BOARD MEMBER WASSERBURGER: Mr. Chairman, I
20 move to approve as presented.

21 BOARD MEMBER HULME: Second.

22 CHAIRMAN BROWN: It's been moved and
23 seconded to approve the minutes as written for July 14th
24 and August 14th. It's so approved.

25 Old business?

1 Enforcement litigation activities report. And if
2 you can't hear me, be sure to let me know. I mean, can
3 everybody hear me?

4 Okay.

5 MS. LYON: My name is Elizabeth. I'm an
6 Assistant Attorney General. I represent the Air Quality
7 Division. I'm here to provide an update on state
8 enforcement activities and also a brief summary of federal
9 litigation.

10 In the past three months, September, October and
11 November, DEQ issued 17 notices of violation to companies
12 who they alleged violated air pollution laws. They also
13 settled 17. They're not overlapping even though the number
14 is the same. And a settlement -- the total settlement was
15 for approximately \$56,000.

16 So for the federal litigation, what I've done is
17 I've broken the cases we're working on into five different
18 categories, and I'm going to kind of give a brief overview
19 of what those categories are and what is going on in them.

20 So the first category is regional haze. So under
21 the Clean Air Act, states are required to control the kind
22 of air pollution that results in ozone and causes
23 visibility problems. It's not a health standard. It's
24 just about visibility.

25 And so right now there's two relevant cases. One

1 of them is about Wyoming's plan to control sulfur dioxide,
2 and the other is about Wyoming's plan to control NOX. And
3 the plan to control sulfur dioxide, EPA originally approved
4 Wyoming's plan and then WildEarth Guardians, an
5 environmental nonprofit, then sued the EPA and said EPA
6 should not have approved Wyoming's plan, but ultimately,
7 the court decided that EPA was correct to approve Wyoming's
8 plan. So Wyoming is able to control SO2 as it relates to
9 regional haze.

10 And the second case is still pending, and that
11 one is about the state's ability to control NOX. And so
12 originally, EPA partially approved and partially
13 disapproved Wyoming's plan. Afterwards, Wyoming sued EPA
14 and said they should have fully approved it. Several
15 industry groups joined in support of Wyoming, and several
16 environmental nonprofits also sued EPA, and they argued
17 that EPA should have fully disapproved the plan. Everybody
18 has submitted their arguments to the court, and right now,
19 we're waiting to hear back.

20 And then the next category of cases is greenhouse
21 gases. Steve Dietrich is going to get a little bit more
22 into detail with the recent proposed rules under 111(d) to
23 control carbon emissions from coal-fired power plants. So
24 I'll just paint very broad brush strokes.

25 There's two lawsuits that are related to this

1 recently proposed rule, and the gist of both of the
2 lawsuits is that if you get into the nitty-gritty details
3 of the Clean Air Act and the different -- the 1990
4 amendment specifically, if you look at the one document
5 that was signed by President Bush at the time, the elder,
6 they're different, and because they're different, EPA
7 doesn't have the authority to go forward with this
8 particular rule. And usually you can't challenge a rule in
9 court until the agency has actually finalized it, but the
10 arguments in both of the cases are that because it's not
11 about content of the rule, but about whether EPA is able to
12 actually make the rule, we should be able to argue this in
13 court even before EPA finalizes the rule.

14 And so right now, in both of the cases, there's
15 briefing going forward and Wyoming is joining with other
16 states and companies to make those arguments.

17 And then there is one other greenhouse gas case.
18 It's titled Texas v. EPA. And this is kind of about the
19 relationship between controlling greenhouse gases and
20 different states' permitting programs and whether a recent
21 Supreme Court case impacts them. And so Texas and Wyoming
22 have applied for the court to basically reconsider a past
23 decision that they made in light of something that the
24 Supreme Court said recently in the UARG case. So those are
25 the greenhouse gas cases.

1 The next category is the treatment as a state.
2 And so what that means is under the Clean Air Act, Native
3 American tribes can petition to be treated as a state and
4 do certain things under the Clean Air Act related to air
5 pollution. And basically the issue that has come out is
6 that EPA and Wyoming and the tribes of the Wind River
7 Reservation are arguing about what the actual boundaries of
8 the reservation are, and so this is still in briefing.
9 There's still arguments going on about that.

10 The next category would be state plan
11 submissions.

12 So under the Clean Air Act, there is national
13 ambient air quality standards, and basically EPA sets
14 limits for six different kinds of pollutants and says that
15 states are going to have to make sure that they have laws
16 to control all of those pollutants so that they stay below
17 certain levels.

18 So for each of those six pollutants, including
19 two different categories of dust, states have to put out
20 laws and put out a plan and then EPA either approves the
21 plan or they don't, and if they don't approve the plan,
22 either EPA and the state will kind of go back and forth
23 until the state can put forward a plan that EPA approves or
24 EPA will put in its own plan until the state can replace it
25 with a plan EPA approves.

1 So there's two cases under this. The first one,
2 basically EPA has some deadlines by which they have to
3 review plans, and EPA didn't review and didn't make any
4 decision on Wyoming's nonattainment resource review plan in
5 time. So Wyoming sued EPA, said can you please meet your
6 deadlines? So after they were sued, EPA then proposed to
7 partially approve and partially disapprove the plan.

8 The thing that's a little sticky about this is
9 that what they have disapproved is that Wyoming has
10 incorporated by reference federal regulations and EPA has
11 essentially argued that the way that Wyoming has
12 incorporated those regulations makes them unenforceable
13 because of the way that EPA had drafted those regulations
14 in the first place. So Wyoming has submitted a comment in
15 response to the proposed action on that plan, and depending
16 on what EPA does next, that will determine what Wyoming
17 does next.

18 There is one other case that's also related to
19 state plans, and that one actually no longer involves
20 Wyoming, because at the time, Wyoming had not submitted the
21 plan that they were supposed to have submitted and then
22 WildEarth Guardians sued EPA to disapprove a whole list of
23 states' plans, but in the time that WildEarth Guardians and
24 EPA were negotiating, Wyoming submitted and EPA then
25 approved the plan. So an ultimate agreement between

1 WildEarth Guardians and EPA, it essentially said Wyoming is
2 not a problem because they've already submitted a plan that
3 EPA approves.

4 And then the final category is utility MATS, or
5 Mercury and Air Toxic Standards, and this is about rules
6 that EPA put out regarding mercury emissions from coal-
7 fired power plants. And there is essentially a pile of
8 states and a pile of interest groups and companies that are
9 arguing back and forth about whether or not these rules are
10 appropriate, and the Supreme Court has granted certiorari
11 in this case, and so briefs are due in January.

12 And if anybody has any questions, I'm willing to
13 either take questions now or you can come talk to me at the
14 break after, but those are the cases right now that we're
15 bringing related to the Clean Air Act. Thanks.

16 CHAIRMAN BROWN: Mr. Dietrich has to make
17 announcements. No questions for you.

18 MR. DIETRICH: Yeah. I just wanted to
19 remind everybody, as you came in the room, we need everyone
20 to sign in even if you're not going to speak, because we
21 need a record of who attended. It would be helpful to us
22 if there's a few people that we're aware that have not
23 signed in, we would appreciate it if you would do that.
24 Thank you.

25 CHAIRMAN BROWN: Next on the agenda is

1 update on Powder River Basin Natural Event Action Plan.

2 MS. POTTER: Good morning. Can you hear me
3 or do I need to get closer?

4 Louder? Thanks, Elaine.

5 I'm Darla Potter. I'm the Air Quality resource
6 manager with the Wyoming Air Quality Division out of
7 Cheyenne. I'd like to provide an update for the Board on
8 the Powder River Basin Natural Event Action Plan. We also
9 refer to it as the NEAP. So if I slip into that, that's
10 what that -- that's what that acronym means.

11 For background, in March of 2014, the Air Quality
12 Division released a memorandum discussing the results of a
13 five-year review of the Natural Event Action Plan for the
14 mines in the Powder River Basin. This was a required
15 review as part of the Natural Event Action Plan. That
16 memorandum was opened up for public comment, and it was
17 presented to the Air Quality Advisory Board at their April
18 2014 meeting. At that point in time, we accepted
19 additional comments, and we made a commitment to the Board
20 to update them on the final results of that review.

21 We received comment from five entities: The
22 Powder River Basin Resource Council, the Wyoming Mining
23 Association, Western Fuels, Thunder Basin Coal Company and
24 Westmoreland Kemmerer Mine. The Air Quality Division
25 considered all of the comments that were received, both

1 written and orally. We responded to those comments in a
2 final decision document memo that was dated September 16th
3 of 2014, and that memo was sent back to all other
4 commenters, and the final decision was also sent to the
5 Environmental Protection Agency at Region 8 in Denver.

6 That memorandum was provided to the Board in
7 their packet that they received in advance of the Board
8 meeting. We included the final decision memorandum and the
9 letter to the Environmental Protection Agency for them.

10 Now, I'd like to touch on what the final decision
11 ended up from that five-year review.

12 All of the commenters agreed with the Division's
13 assessment that the Natural Event Action Plan should be
14 discontinued, and the Natural Event Action Plan was, in
15 fact, discontinued as of September 16th of 2014.

16 The Air Quality Division committed to and will
17 preserve the working relationship that we have with the
18 National Weather Service to continue to issue high wind,
19 low wind dust notification for the Powder River Basin.

20 We will also continue to use the high wind
21 threshold that was developed in the development of the
22 Natural Event Action Plan that is specific to the Powder
23 River Basin, and the Air Quality Division is in the process
24 of developing a compilation of all of the technical
25 elements that have been submitted in an exceptional event

1 as well as Natural Event Action Plan demonstration.

2 Today, that will serve them as a resource for
3 those throughout the state that have monitors that exceed
4 the level of ambient air quality standard to be able to
5 pursue when there is an exceptional event demonstration and
6 submit that to the Division if they so choose to do so.

7 So that is the background on what has happened in
8 this regard as well as an overview of the final decision.
9 If the Board has any questions on that, I'd be happy to
10 answer those.

11 CHAIRMAN BROWN: Any questions from the
12 Board? No questions.

13 Moving on to new business, or do you have
14 anything else, Darla?

15 MS. POTTER: Nope.

16 MR. DIETRICH: I have --

17 CHAIRMAN BROWN: Go ahead.

18 MR. DIETRICH: Thank you. I was just going
19 to cover two brief updates, one on the vacancies for the
20 Air Quality Division staff, and then a little bit more on
21 the greenhouse gas for existing source ruling that
22 Elizabeth alluded to earlier.

23 Currently, we're down to six vacancies. Not too
24 long ago, it was twice that. The breakout of that is we
25 have six vacancies in the Air Quality Division. Three of

1 them are in the NSR permitting program. One of them is
2 within the Title 5, one in the inspection program and one
3 in the monitoring program. So we're making some headway on
4 filling these vacancies.

5 The next thing I was going to touch on was the --
6 I'll give a brief update on the greenhouse gases. On June
7 18, 2014, EPA proposed those carbon pollution emission
8 guidelines for existing sources for electric generating
9 units, otherwise known as power plants. This proposal is
10 one of three proposed regulations in response to the June
11 25, 2013 presidential memorandum that directed EPA to
12 address carbon pollution from power plants.

13 After much effort and many hours of staff time,
14 which included meetings with industry, the Public Service
15 Commission, the Governor's Office and the Attorney
16 General's Office, DEQ submitted its comment letter on
17 December 1, 2014, which was the end of the comment period
18 for those proposed rules. Subsequently, just before
19 Thanksgiving, the new ozone standard was proposed by EPA,
20 and they're also seeking comments on that proposed rule,
21 and Darla is going to cover that in a few minutes.

22 CHAIRMAN BROWN: Any questions?

23 Okay. Darla?

24 MS. POTTER: Darla Potter, the Air Quality
25 resource program manager with the Air Quality Division.

1 Normally, for the Board, we do an ozone update
2 that involves a presentation and gives you all kinds of
3 information. We decided today, given the open house that
4 was held last night and the fact that the Board attended
5 that open house, that I'd hit on the highlights of that
6 today and then entertain any questions that the Board may
7 have.

8 The Department has made a commitment to do two
9 public meetings a year in Pinedale. We do a pre-winter
10 ozone season open house that was held last night, and thank
11 you all for attending. It was really great to see a number
12 of you last night and today as well. We wanted to focus on
13 what to be expecting this winter. The winter ozone season
14 starts in January, goes January, February and March.

15 The Division will, once again, be doing daily
16 forecasts. We will be doing forecasts for the weather
17 conditions that based on prior monitoring years we've
18 identified as being very important and when we have ended
19 up with elevated ozone formation in the Upper Green River
20 Basin. Three of those forecasts, we'll issue daily winter
21 ozone updates.

22 In addition to deciding whether or not to issue
23 an ozone action day, on an ozone action day, we are
24 considering those weather conditions to be kind of the
25 perfect storm, so to speak, for the potential for elevated

1 ozone formation in the Upper Green River Basin. When we
2 issue those, we are hopeful that everyone in the Upper
3 Green River Basin will take actions to minimize the
4 emissions that they're producing into the basin at that
5 point in time because it's essentially a capping inversion
6 and any emissions that are produced stay here during that
7 period of time.

8 We have, once again, encouraged all stakeholders
9 to develop ozone contingency plans. Those are advance,
10 thinking about what short-term measures could you put into
11 place with 24 hours notice. So far, as of Monday, December
12 8th, we've received 32 of those plans. We've talked to
13 some additional contacts and we're expecting a few more of
14 those still to come in.

15 During the winter ozone season, we will be
16 conducting our -- and continuing our regulatory monitoring
17 at our long-term monitoring stations, but in addition to
18 that, this winter, we will have five locations throughout
19 the basin to collect speciated canisters that will pull in
20 air to be analyzed for individual volatile organic
21 compounds. We call that speciated.

22 We have contracted for 12 of those events, and
23 those canisters then get sent off to a laboratory to be
24 analyzed. And we'll trigger those when we believe that the
25 weather conditions are right for ozone formation based on

1 what we've seen in the past, and we'll do that at five
2 locations throughout the basin.

3 So that's kind of an overview of what to expect
4 this winter. Very similar to what we've done in previous
5 winters.

6 There will be a new DEQ website that will come
7 out yet within the month of December. So the look and feel
8 of what you see for those updates will be a little bit
9 different, but if you go to the winterozone.org website, it
10 will take you right to those winter ozone updates even with
11 the change to the DEQ website.

12 We have -- switching gears, we have an ozone
13 strategy that's been developed by the Division to describe
14 the agency's overall ozone reaction strategy for the Upper
15 Green River Basin. That strategy is intended to be an
16 evolving document.

17 The most recent strategy was dated in April of
18 2014. That continued through September of 2014. In
19 October, we released an updated version of that strategy.
20 It very much focuses on continuing the work that we've been
21 working on and embarking on, but also emphasizes those
22 winter ozone season activities that we'll be focusing on as
23 well. That strategy will be in place through March of
24 2015. So another six-month time frame.

25 And all of the elements that we're working on and

1 completing as we go through those strategies really are
2 helping us to build the foundation to bring the area back
3 into attainment. That's really the focus of those
4 strategies.

5 One of the pieces in those strategies is
6 rulemaking in regard to existing sources, and that will be
7 the primary focus today. Staff will have a presentation to
8 take you through the existing source proposal, and so that
9 has been a huge endeavor. That's been a lot of staff time
10 that's been devoted to that, and we're very proud of the
11 results.

12 And lastly, as Steve mentioned, just before
13 Thanksgiving, the Environmental Protection Agency announced
14 proposed revisions to the ambient air quality standard for
15 ozone. There is a requirement for the Environmental
16 Protection Agency to do a five-year review for each ambient
17 air quality standard, and so that review -- it was time for
18 that review for the ozone ambient air quality standard.

19 This announcement has yet to be published in the
20 Federal Register. Once it is published in the Federal
21 Register, there will be a 90-day public comment period.
22 Those comments go back to the Environmental Protection
23 Agency. This is their action.

24 Their proposal is to revise the ozone standard to
25 make it more stringent, in a range from 65 to 70 parts per

1 billion. The current standard is at 75 parts per billion.

2 EPA, in their proposal, has also announced that
3 they will seek comment on a level as low as 60 parts per
4 billion, and so we will be watching that very closely.

5 There are multiple locations throughout the state
6 of Wyoming, not just in the Upper Green River Basin, that
7 with a more stringent ozone standard, we have the potential
8 for a number of stations to be over the level of that
9 standard, not uniquely because of wintertime ozone
10 formation, which is why we have the nonattainment area for
11 the Green River Basin, but just as a formation primarily in
12 the summer months, which is more standard.

13 This process, I had a lot of questions last
14 night, so I'll try to walk you through how this will work.

15 The Environmental Protection Agency is under a
16 court-ordered deadline to finalize the ozone ambient air
17 quality standard. That deadline is October of 2015. Then
18 the governors for each state have one year after that to
19 consider all of their monitoring information and make a
20 recommendation on designations to the Environmental
21 Protection Agency. So expect that governor recommendation
22 in October of 2016, and then the Environmental Protection
23 Agency has a year after that to make designations.

24 So that would make any designations, the time
25 frame for those, in October of 2017. With that schedule,

1 our understanding and the announcement indicates that the
2 monitoring data used to determine compliance with that new
3 standard will be the years of 2014, 2015 and 2016. So we
4 are watching that very closely.

5 Once that comes out in the Federal Register, the
6 staff will be diving into it because there are a lot of
7 different aspects to a proposal from the Environmental
8 Protection Agency, and we'll be deciding what comments are
9 necessary for us to make as an agency.

10 But I'd urge you to continue to watch that and
11 see where that goes. We won't know what the final number
12 is until October of 2015. So at this point in time, it's
13 that range. And we're looking at a monitoring statewide to
14 see what that monitor is currently showing us, but it is
15 concerning to the state, and we're watching that very
16 closely.

17 Any questions from the Board?

18 CHAIRMAN BROWN: What were the years --
19 excuse me, the years that the average was going to be used?
20 2014 through --

21 MS. POTTER: 2014, 2015, 2016.

22 CHAIRMAN BROWN: Thank you.

23 Any questions from the Board?

24 Klaus?

25 BOARD MEMBER HANSON: Does this change

1 require congressional action or is this just out of the
2 EPA?

3 MS. POTTER: This is just out of the
4 Environmental Protection Agency.

5 BOARD MEMBER HANSON: Thank you.

6 CHAIRMAN BROWN: Any other questions from
7 the Board?

8 Okay. Thank you, Darla.

9 Next on the agenda is rulemaking, and I believe
10 we have a presentation. Go ahead, Steve.

11 MR. DIETRICH: Thank you. I'm going to
12 introduce the next topic, Steve Dietrich, Air Quality
13 administrator.

14 We've come to the most anticipated subject for
15 the day. I want to thank everyone here today who has had
16 an interest in the Air Quality Division's Chapter 8,
17 Section 6 proposed regulation for existing sources in the
18 Upper Green River Basin.

19 Chapter 8, Section 6 is a proposal to adopt a
20 permit by rule applicable to oil and gas production
21 facilities and sources, including compressor stations, in
22 the Upper Green River ozone attainment area.

23 At a previous Air Quality Advisory Board held on
24 July 14th of this year, the Division proposed regulations
25 developed to reduce volatile organic compounds, or VOC

1 emissions, from oil and gas production facilities located
2 in the ozone nonattainment area.

3 At that meeting, the Petroleum Association of
4 Wyoming representative commented that the Board should not
5 approve the proposed rule as written. Industry proponents
6 requested that the approval of the rule be remanded until
7 they have additional opportunity to discuss their concerns
8 regarding the proposed rule with the Air Quality Division.

9 Based on the comments the Board heard that day,
10 the Board deferred voting on the proposed regulation to a
11 date certain pending the outcome of discussions with
12 stakeholders. Subsequently, the Air Quality Division held
13 a public meeting on July 31st with all interested parties
14 to try to address comments.

15 The Air Board met again on August 4th and voted
16 to defer consideration of the proposed regulation to a
17 future Air Quality Advisory Board meeting because there
18 were enough concerns expressed by stakeholders to warrant
19 further review of the proposal. Since then, the Air
20 Quality Division has held three additional public meetings
21 with individual stakeholder groups to discuss and clarify
22 their comments received during the public comment period
23 leading up to that July 14th Air Quality Advisory Board
24 meeting.

25 Air Quality staff Jeni Cederle, Amber Potts,

1 Andrew Keyfauver and Mark Smith attended all of these
2 meetings and paid close attention to what was being said.
3 The team then worked on revising the originally proposed
4 regulation to better address those comments and concerns.
5 The comments received has helped us develop a clear,
6 concise and effective program by rule. We see it as our
7 responsibility to keep this rulemaking process moving
8 forward.

9 Today, Air Quality requests Board approval to
10 continue through the statutory rulemaking process with the
11 proposed Chapter 8, Section 6 Upper Green River Basin
12 existing source regulations.

13 And we may be faced with some minor revisions in
14 the course of our rule discussions today. These can allow
15 us still to move forward to the next step in the rulemaking
16 process; namely, the Environmental Quality Council, or the
17 EQC. In the event that our discussions end up in some
18 significant or substantive changes that are necessary to
19 the rule as proposed, it will be necessary to have another
20 Air Quality Advisory Board meeting before going to the
21 Environmental Quality Council.

22 With that, I'll turn it over to the review of the
23 proposed permit or rule to Jeni Cederle and Amber Potts.

24 MS. CEDERLE: Again, my name is Jeni
25 Cederle. I'm the Air Quality Division SIP and rule

1 development section supervisor. I have with me presenting
2 today Amber Potts. She joined the rules group this last
3 July while we were in Rock Springs discussing this very
4 topic.

5 Also new to the rules group is Mr. Mike Morris.
6 He just started with us in mid-November. And today, we
7 also have Andrew Keyfauber and Mark Smith of the New Source
8 Review Permitting Program. They're here to help us answer
9 technical questions moving through the proposed regulation.

10 As Steve just mentioned, a lot of work and
11 outreach has gone into preparing the proposal before you
12 today, and we hope to get the Board's approval to continue
13 on through the statutory rulemaking process on the proposed
14 Chapter 8 regulation. Because today's proposal includes
15 several sections, and we have a lot of focused interest on
16 Section 6, the proposed permit by rule, I would like to
17 suggest to the Board that I present Sections 1 and 10 first
18 and then circle back around to Section 6. Would the Board
19 agree to proceeding in that manner?

20 CHAIRMAN BROWN: Excuse me. Could you
21 repeat that, please?

22 MS. CEDERLE: Sure.

23 CHAIRMAN BROWN: Sorry.

24 MS. CEDERLE: We have three sections to go
25 through with the proposal today, Sections 1, 6 and 10, and

1 because Section 6 has the most interest, I would propose to
2 go through Sections 1 and 10 first, and then we can circle
3 back around to Section 6, the proposed rule.

4 CHAIRMAN BROWN: Do we have any discussion
5 or questions with that? Everybody okay with going with 1
6 and 10 first?

7 MS. CEDERLE: Okay. Terrific.

8 CHAIRMAN BROWN: Let's do that. Thank you.

9 MS. CEDERLE: All right. Starting with Air
10 Quality Standards and Regulations, Chapter 8, Section 1 on
11 page 8-1, we are revising introduction to nonattainment
12 area regulations, which will now incorporate Section 6 as
13 the upper Green River Basin existing source regulations.
14 This establishes requirements for existing oil and gas
15 production facilities and sources and compressor stations
16 located in the Upper Green River Basin in existence as of
17 January 1, 2014. Sections 7, 8 and 9 will remain reserved
18 for potential future rulemaking.

19 That covers the changes to Sections 1 and now
20 we'll skip to the end of Chapter 8 to page 8-94.

21 Section 10 is the IBR, or incorporation by
22 reference, section located at the bottom of the page. In
23 this section, you'll see that we've updated the year to
24 adopt by the reference, adopt by reference from the Code of
25 Federal Regulations, or CFR, from July 1, 2012 to 2013.

1 We make this revision in our regulations to keep
2 them as up to date as possible. Every time we cite the
3 Code of Federal Regulations within our rules, we need a
4 mechanism to update the reference through time as well.
5 Rather than cite the Code of Federal Regulations at each
6 incorporation within the rule, we consolidate them into one
7 section and generally at the end of each chapter.

8 There's also some new content to our
9 incorporation by reference sections that I'd like to share
10 with you today.

11 Copies of the Code of Federal Regulations can be
12 obtained from the Cheyenne Air Quality Division office;
13 however, because there are plans to renovate our state
14 capitol and displace Herschler staff to parts unknown on a
15 still unknown time frame, we've gone ahead and removed the
16 street address and replaced it with a Department web
17 address. The web address will provide interested parties a
18 mechanism to go ahead and provide the proper contact
19 information to receive copies of the Code of Federal
20 Regulations from the Division, but you could also receive
21 copies of the Code of Federal Regulations from Government
22 Institutes, which is another outlet we've included in the
23 IBR section for interested parties.

24 Also, due to a new statute that went effective
25 July 1, 2014, we are now required to provide a web address

1 for incorporated matter within our regulations as defined
2 in Wyoming Statute 9-2-1035. We have provided a web link
3 to the electronic Code of Federal Regulations provided by
4 the Governmental Printing Office to satisfy the statute
5 requirement.

6 That concludes the updates, the revisions to
7 Chapter 8, Sections 1 and 10, pretty basic and
8 straightforward, but are there any questions from the
9 Board?

10 Yes, Klaus.

11 BOARD MEMBER HANSON: Just one question.
12 In the last Section 10, you still refer to July 2013.
13 Should that be '14? Because you just mentioned '14.

14 MS. CEDERLE: I'm sorry if I misspoke. It
15 should be 2013.

16 BOARD MEMBER HANSON: Should be '13.

17 MS. CEDERLE: Yes.

18 BOARD MEMBER HANSON: Okay. Thank you.

19 CHAIRMAN BROWN: Any other questions from
20 the Board? Okay.

21 MS. CEDERLE: Okay. We'll now focus our
22 attention on Chapter 8, Section 6, the Upper Green River
23 Basin existing source regulations. Before we get into the
24 meat of the rule itself, Amber is going to provide some
25 background information on how the regulation was developed

1 and the steps we have taken to get here. I would also like
2 to ask that questions be held -- on the proposed regulation
3 be held until the end of the presentation. And with that,
4 I'll turn it on over to Amber.

5 MS. POTTS: Good morning. I'm Amber Potts
6 with the SIP and rulemaking section, and this morning, I'm
7 going to help step you through the Air Quality Division's
8 Chapter 8, Section 6, proposed regulation for existing
9 sources in the Upper Green River Basin.

10 During this rulemaking, the Division has some
11 goals and responsibilities to adhere to. The Department of
12 Environmental Quality's mission statement is to protect,
13 conserve and enhance the quality of Wyoming's environment.

14 In the Air Quality Division, we have the
15 responsibility and are committed to staying at the
16 forefront of sensible oil and gas regulations. The
17 Division continues to work diligently to adopt effective
18 strategies to meet these goals.

19 With this Chapter 8, Section 6 rulemaking effort,
20 we are identifying and implementing strategies to improve
21 the effectiveness and efficiency of our air quality
22 program. We will address existing oil and gas development
23 through the adoption of reasonable emission reduction
24 strategies. This permit by rule will help lay the
25 foundation for ongoing and future efforts to reduce oil and

1 gas emissions.

2 As you know, the Upper Green River Basin was
3 designated nonattainment for the 2008 ozone standard on
4 July 20, 2012. Since then, a task force has made
5 recommendations, and over the past two years, multiple
6 ozone strategies have been published by the Division, the
7 latest being October of this year.

8 The nonattainment area of concern is pictured
9 here. It is all of Sublette County and portions of Lincoln
10 and Sweetwater Counties. This 2008 nonattainment area for
11 ozone is defined by EPA in the Code of Federal Regulations
12 and the Division's Oil & Gas Guidance. The JPAD and NPL
13 area, outlined in red, is also defined in the Oil & Gas
14 Guidance.

15 So this is kind of repeating some of what Steve
16 talked about earlier, but it's on a timeline. So we'll
17 walk you through all of this.

18 The permit by rule, which you are being showed
19 today, has been on quite the journey. Many Air Quality
20 Division man-hours and a great deal of effort has been
21 invested in this process. To recap the progression of the
22 proposed rule, I'll begin at the last Air Quality Advisory
23 Board meeting on July 14, 2014, my first day.

24 At that Board meeting, the Division proposed
25 regulations developed to target volatile organic compound

1 emissions, or VOCs, from oil and gas production facilities
2 located in the ozone nonattainment area.

3 At that board meeting, comments against the
4 Board's approval for the proposed rule as it was written
5 were given. Industrial proponents requested that approval
6 of the rule be stayed until they had the opportunity to
7 discuss their concerns with us, the Division.

8 Based on what the Board heard from industrial
9 representatives that day, the Board deferred voting on that
10 proposed regulation. The Division then held a public
11 meeting on July 31st with all interested parties to try to
12 address comments.

13 The Board met again on August 4th and voted to
14 defer consideration of the proposed regulation to a future
15 Air Quality Advisory Board meeting. Enough concerns were
16 noted to warrant further review of that proposed rule.

17 The Division then held three additional public
18 meetings, the first being on October -- or sorry, August
19 18th with environmental groups. The second was on August
20 26th with industrial proponents, and the third was
21 September 3rd here in Pinedale for all interested parties.

22 The team then took all that info back home and we
23 worked on revising the original proposed regulation to
24 better address those comments and concerns.

25 The public comment period, the purple flags up

1 there, for this public meeting was opened October 31st and
2 ran through December 1st. Written comments were received
3 from the American Lung Association, Meredith Taylor, Dave
4 Hohl, John Karney Jr., Jennifer Wilson, Todd Herreid, Jim
5 Roscoe, Environmental Defense Fund, Wyoming Outdoor Council
6 and CURED. These comments will be included as part of the
7 public record.

8 Additionally, any comments verbally presented
9 today or signed comments submitted to Steve Dietrich before
10 the end of the board meeting will also be included in the
11 public record, which brings us to the orange ball up there
12 today, December 10, 2014, and we are here requesting Board
13 approval to continue through the statutory rulemaking
14 process for this permit by rule, Chapter 8, Section 6.

15 On the first go-around for this proposed rule,
16 the Division and Board heard concerns from environmental
17 and industrial proponents that warranted further review.
18 The Division has the responsibility to sensibly address
19 those concerns without jeopardizing public welfare.

20 Our goal during this whole process is to
21 proactively address noncompliance to the 2008 ozone
22 standard in a timely manner for the Upper Green River
23 Basin.

24 We are now going to step you through each
25 subsection of this rule, including key points and updates

1 made from the previous rule you saw in July of 2014. Jeni
2 will now begin with Chapter 8, Section 6.

3 MS. CEDERLE: The Upper Green River Basin
4 existing source regulation is a permit by rule. This means
5 that facilities subject to the regulation will not have to
6 get a permit to satisfy requirements of the rule. The rule
7 itself focuses on existing oil and gas production
8 facilities or sources and compressor stations in the Upper
9 Green River Basin.

10 Section 6 begins on page 8-85. Starting towards
11 the bottom of the page, we have Subsection (a),
12 Applicability. Under (a)(i), you will see that this rule
13 applies to all pad and single-well oil and gas production
14 facilities or sources, and compressor stations, all located
15 in the Upper Green River Basin nonattainment area for ozone
16 in existence as of January 1, 2014.

17 For those of you that have been following the
18 genesis of this rule, you will note that "compressors" have
19 been added to this proposed regulation. This decision was
20 based on comments we received over the summer and our
21 additional outreach with stakeholders.

22 Continuing to move through the applicability
23 subsection on page 8-86, Paragraph (ii) says that pad and
24 single-well oil and gas production facilities or sources
25 are subject to these regulations unless a Wyoming Chapter

1 6, Section 2 permit has been issued that meets or exceeds
2 the requirements of the rule.

3 Paragraph (iii) is new, added for compressor
4 stations. This text explains that applicable compressor
5 stations will comply with Subsection (g), or the fugitive
6 section of the rule, unless a Wyoming Chapter 6, Section 2
7 permit has been issued that meets or exceeds the
8 requirements of Subsection (g). It is quite possible that
9 the compressor stations in the Upper Green River Basin
10 nonattainment area are already obligated to perform the
11 requirements set forth in this rule at a higher stringency
12 because of an existing permit condition.

13 The text in paragraph (iv) lets owners and
14 operators know that they do not have to get a permit to
15 satisfy these regulations unless they are required to
16 obtain a permit under PSD, the prevention of significant
17 deterioration program, or they are subject to nonattainment
18 new source review permitting. If you are required to get a
19 permit under either of these programs, the Division wants
20 you to continue down the typical permitting path. The
21 permit by rule is not applicable to those sources.

22 Paragraph (v) allows for innovation. Should an
23 operator want to use a control device or equipment not
24 covered by this permit by rule, it's absolutely possible,
25 but Division approval is required.

1 That brings us to the end of Subsection (a),
2 Applicability. We'll now walk through Subsection (b).

3 MS. POTTS: Subsection (b), beginning on
4 page 8-86, tackles definitions. We made an addition with
5 the definition of "compressor station." Once we added
6 "compressor station" to this rule, we had to define the
7 term. So we went searching and came up with this
8 definition, which is taken straight from 40 CFR, Part 60,
9 Subpart 0000 for consistency and future SIP approvability
10 (sic).

11 The definition of fugitive emissions was removed.
12 This definition can be found in the Wyoming Air Quality
13 Standards and Regs, Chapter 1, and rather than redefining
14 it in this permit by rule, we'll rely on the common
15 provisions in Chapter 1 for that definition.

16 And that concludes information changed from the
17 original rule you saw in July to this one. We will now
18 guide you through Subsection (c).

19 MS. CEDERLE: Subsection (c), Flashing
20 Emissions, starts on page 8-87. This section applies to
21 VOC emissions from storage tanks and separation vessels
22 located at pad and single-well facilities. This includes
23 emissions from all produced oil, produced condensate and
24 produced water tanks. The applicability date being
25 considered an existing source is January 1, 2014.

1 Under Subparagraph (A), the permit by rule
2 requires that uncontrolled VOC emissions from flashing that
3 are greater than or equal to four tons per year be
4 controlled to 98 percent manufacturer-designed VOC
5 destruction efficiency by January 1, 2017.

6 The four tons per year threshold aligns with the
7 four tons per year threshold used in the September 2013 Oil
8 & Gas Permitting Guidance for new and modified sources and
9 facilities. The four ton per year threshold will bring
10 existing sources to the same level as new and modified
11 sources in the same nonattainment area. The Division sees
12 this leveling of the playing field as a positive outcome,
13 as it can serve as a starting point for any Phase 2 or
14 future emissions budget work for the Upper Green River
15 Basin.

16 The 98 percent control efficiency language has
17 been expanded for clarity. The language meets the intent
18 and purpose of the rule and has been used throughout the
19 proposal.

20 The compliance date of January 1, 2017 has been
21 extended from the previous date of January 1, 2016 to
22 provide operators ample time to satisfy the requirements of
23 the rule, and this date has also been adjusted throughout
24 the proposed regulation.

25 Continuing through the flashing portion of the

1 permit by rule, we have language that spells out how
2 storage tanks can be utilized. In Subparagraph (B), the
3 rule specifies that storage tanks being used for emergency
4 or upset conditions are not subject to the flashing
5 requirements.

6 In Subparagraph (C), the rule specifies that
7 emergency, open-top and/or blowdown tanks are not to be
8 used as active storage but may be used for temporary
9 storage.

10 Then on page 8-88, we put some side bars on how
11 these types of tanks will be utilized. Under (I),
12 emergency tanks used for unavoidable equipment malfunctions
13 will be done so as defined by Wyoming Air Quality Standards
14 and Regulations, Chapter 1, Section 5.

15 And under (II), if emergency open-top and/or
16 blowdown tanks are utilized, they must be emptied within
17 seven days. This requirement ensures that tanks used for
18 emergencies or temporary storage do not morph into some
19 type of longer-term active storage category.

20 Under Subparagraph (D) on page 8-88, we have
21 requirements for the removal of flashing control devices.
22 This is allowed one year after installation if uncontrolled
23 VOCs are less than and will remain less than four tons per
24 year and a demonstration that shows emissions will be less
25 than four tons per year is required.

1 Moving on to Subsection (C)(II), the calculation
2 for flashing emissions, we have included requirements on
3 how to calculate flashing emissions to determine
4 applicability.

5 Under Subparagraphs (A) and (B), an operator will
6 determine the average daily production for the previous 12
7 calendar months and use a flash model or direct measurement
8 of tank emissions to determine uncontrolled VOC emissions.
9 The 12-month time frame provides a long enough time frame
10 to accurately characterize normal operations. The flash
11 model language has been revised to align with language
12 utilized in the federal regulation for flashing emissions
13 from 40 CFR, Part 60, Subpart 0000.

14 Under Subparagraph (C), the model input shall
15 consist of operational parameters such as the average
16 production rate, an analysis of the liquids that includes
17 separator, temperature and pressure, the API gravity, the
18 Reid vapor pressure and will be no older than three years.

19 That brings us to the end of Subsection (C),
20 Flashing Emissions, and we'll now move on to Subsection
21 (d).

22 MS. POTTS: Subsection (d), Dehydration
23 Units, begins at the bottom of page 8-88. For all
24 facilities or sources that have dehydration units,
25 Subsection (d) applies to total uncontrolled VOC emissions

1 from those dehy's greater and/or equal to four tons per
2 year. Controls must meet the 98 percent manufacturer-
3 design value and must be installed before January 1, 2017.

4 Although we have heard control removal on dehy's
5 is a very uncommon practice, there is an option for control
6 removal under Subparagraph (B) on page 8-89. Controls may
7 be removed if uncontrolled VOC emission concentrations are
8 less than four tons per year and only if that control
9 equipment has been installed for more than one year.

10 Continuing on page 8-89 of Subsection (b)(ii),
11 you will see calculation strategies for dehydration units.
12 We will be using average daily production from the previous
13 12 months operational parameters and GRI-GLYCalc noted in
14 subparagraphs capital (B) and capital (C).

15 We will now take you through Subsections (e) and
16 (f).

17 MS. CEDERLE: At the bottom of page 8-89 in
18 Subsection (e) are requirements for existing pneumatic
19 pumps. Controlling pneumatic pumps really depends on
20 whether or not the pump itself emits or if the emissions
21 can be captured in a closed loop system or rather to a
22 combustion device. This permit by rule requires that all
23 existing pneumatic pumps at pad and single-well facilities
24 or sources be controlled to at least 98 percent
25 manufacturer-designed VOC destruction efficiency or routed

1 into some type of closed loop system such as a sales line
2 or fuel supply line or be replaced by a non-emitting type
3 of pump such as a solar, electric or air-driven pump by the
4 compliance date of January 1, 2017.

5 I would like to point out to the Board that
6 previously, we had included control removal language for
7 pneumatic pumps. This language has been removed because
8 the equipment -- the requirement applies to all existing
9 pumps. There is no threshold associated with pneumatic
10 pump applicability; therefore, there is no basis for a
11 demonstration for control removal. So the language is no
12 longer there.

13 Moving on to page 8-90. In Subsection (f), we
14 have requirements for existing pneumatic controllers. This
15 permit by rule requires that all existing pneumatic
16 controllers at pad and single-well facilities or sources be
17 low or zero bleed or routed into a type of closed looped
18 system by a compliance date of January 1, 2017.

19 And with that, we're going to move on to a very
20 popular section of the rule, the fugitive section, and
21 Amber will walk us through that.

22 MS. POTTS: Subsection (g), beginning on
23 page 8-90, deals with fugitive emissions at pad and single-
24 well facility or sources as well as compressor stations in
25 existence prior to January 1, 2014. To fall under the

1 purview of this subsection, the facility must have fugitive
2 emissions greater than or equal to four tons per year.
3 Under this section of the rule an LDAR, or leak detection
4 and repair program, must be implemented beginning January
5 1, 2017.

6 To satisfy the requirements of this permit by
7 rule as noted on page 8-90, an LDAR protocol must be in
8 place. LDAR protocols must include a leak repair schedule.
9 This protocol must also consist of monitoring no less than
10 quarterly. Each quarter, the protocol must include some
11 sort of instrument-based monitoring, audiovisual-olfactory
12 monitoring, or AVO, or some combination as noted in
13 subparagraph capital (C).

14 To be clear, AVO is not allowed by itself. As an
15 example, during four quarters of the year, each quarter
16 will need to have a Method 21 or instrument-based
17 measurement. This instrument-based measurement -- method
18 can be accompanied by an AVO inspection.

19 The calculation used for fugitive emission in
20 (ii) at the pad and single-well facilities or sources as
21 well as compressor stations will include the use of the
22 protocol for equipment leak emission factors. This EPA
23 Table 2-4 is also used in the Division's Oil & Gas Guidance
24 and has a long-standing history of use. Facility or
25 compressor stations will use a component count along with

1 site-specific VOC concentrations in the calculations laid
2 out at the bottom of page 8-90.

3 This wraps up information about specific
4 components of facilities or sources. We will now walk you
5 through all the monitoring, recordkeeping and reporting.

6 MS. CEDERLE: All regulations generally
7 include an applicability section, some type of emission
8 limit or requirement section and an administrative section
9 that houses monitoring, recordkeeping and reporting
10 requirements. Subsection (h) on page 8-91 includes
11 provisions for monitoring, recordkeeping and reporting.
12 These requirements will pertain to each applicable pad and
13 single-well facility, or compressor station.

14 The first, Subparagraph (A), in the monitoring
15 section, deals with the operation of a combustion device
16 used to control emissions. The combustion device must be
17 monitored continually to ensure that the 98 percent
18 manufacturer-design VOC destruction efficiency is being
19 met. The combustion device must be designed, constructed,
20 operated and maintained to be smokeless, satisfying the
21 requirement of Wyoming Air Quality Standards and
22 Regulations, Chapter 3, Section 6, and any exceedance of
23 visible emission limits will be determined by 40 CFR, Part
24 60, Appendix A, Method 22.

25 In Subparagraph (B), owners or operators will

1 monitor to make sure all control devices are working
2 properly, consistent with good engineering and maintenance
3 practices. Subparagraph (C) requires a quarterly site
4 evaluation of the control system.

5 The control system that I'm speaking about
6 includes the variety of equipment and devices as listed in
7 the subparagraph. This evaluation or inspection of the
8 control system should not be confused with requirements set
9 forth under the LDAR requirements for fugitives. The
10 control system evaluation ensures that folks are checking
11 the equipment to make sure the emissions are making it to
12 the control device and only looks at that specific
13 equipment, whereas LDAR looks at a facility in its
14 entirety.

15 This provision acts as type of a stopgap. We
16 want to make sure that sources not required to implement an
17 LDAR protocol are still checking for leaks, but on the flip
18 side, we don't want to require duplicative inspections for
19 those that are implementing an LDAR protocol and already
20 looking at all of this equipment on a quarterly basis.
21 Therefore, in (II), towards the bottom of page 8-91, we've
22 included language that says an operator subject to
23 implementing an LDAR protocol has satisfied the
24 requirements of that subsection or the control system
25 evaluation.

1 That brings us to the end of the monitoring
2 requirements and we'll now walk through the recordkeeping
3 requirements.

4 MS. POTTS: At the bottom of page 8-91,
5 Recordkeeping, Subsection (h)(ii) includes all records that
6 will need to be kept for a period of five years. Records
7 to be kept include information on the control device or
8 control equipment to manufacturer-design VOC destruction
9 efficiency.

10 We also want to make sure proper operations are
11 occurring within the control devices out there. So if the
12 equipment isn't operating in the manner it was designed,
13 records will need to be kept on the reason why, steps taken
14 to correct the issue and the date and duration during which
15 the equipment was not functioning as it was supposed to.

16 Fugitive emission records will need to be kept,
17 including dates and results of LDAR inspections and any
18 corrective actions taken as a result of those required
19 inspections.

20 And finally, records concerning emergency and
21 blowdown tank use. These records will consist of a date,
22 duration and the reason for the use of the tanks. All of
23 these records are very important. The most important will
24 be reported to the Division as Jeni will speak to now.

25 MS. CEDERLE: The reporting portion of the

1 rule begins at the bottom of page 8-92 and continues
2 through the next few pages. Again, as mentioned before,
3 these provisions apply to any applicable pad and single-
4 well facility or source, or compressor station.

5 Under Subparagraph (A), this permit by rule
6 requires that operators provide the Division with a list of
7 sources anticipated to install or implement controls by
8 January 1, 2016. This pre-implementation notification is
9 important to our Division's inspectors so they have a
10 heads-up about what changes may occur in the field.

11 Flipping over to page 8-93, Subparagraph (B) and
12 Subparagraph (C) requires the quarterly submission of
13 installation notifications for control devices, equipment
14 and pneumatics.

15 Starting 30 days after January 1, 2016 and
16 continuing in this manner every quarter through the
17 implementation year, operators are required to submit a
18 notification of control installation, including the number
19 of control devices, the date, type of control devices and
20 equipment control as well as the name and location of the
21 affected facility or source.

22 The intent of the quarterly notification of
23 installation is to provide the Division notice of control
24 equipment installed in that specific quarter. If nothing
25 was done in the first quarter, a notification will not be

1 required and we don't want a running tally.

2 For example, if you install control equipment in
3 the first quarter on A, B and C, we would expect to receive
4 a first quarter notification all about A, B and C. If no
5 installations occurred in the second or third quarters, the
6 Division is not expecting to receive a notification. If
7 then in the fourth quarter an operator installs equipment
8 on, say, X, Y and Z, we would expect to receive
9 notification all about X, Y and Z, but not A, B and C back
10 from the first quarter.

11 And that brings us to Subparagraph (D). The
12 final quarterly notification of installation shall be
13 submitted no later than January 31, 2017, roughly 30 days
14 following the fourth quarter of installation activity and
15 the final compliance date.

16 Subparagraph (E) requires that operators wishing
17 to remove controls provide a demonstration to the Division
18 that proves emissions will remain below four tons per year
19 without the control equipment in place. This demonstration
20 has been approved -- this demonstration has to be approved
21 by the Division prior to the removal of any pollution
22 control device. The demonstration must contain at a
23 minimum the average daily production rate from the previous
24 12 calendar months, emissions as determined by the
25 calculation methods provided by Subsection (C) for flashing

1 and Subsection (D) for dehydration units, additional
2 supporting data used to calculate the emissions and the
3 name and location where controls are proposed for removal.

4 On page 8-94, Subparagraph (F) requires the
5 operators with facilities, sources, or compressor stations
6 subject to the LDAR provisions submit an LDAR protocol to
7 the Division for approval prior to implementation of the
8 protocol.

9 Subparagraph (G) requires that all reports and
10 notifications be certified as being true, accurate and
11 completed by a responsible official.

12 To maintain consistency in our nonattainment area
13 regulations, the responsible official language was pulled
14 directly from Wyoming Air Quality Standards and
15 Regulations, Chapter 8, Section 5, ozone nonattainment
16 emission inventory rule.

17 Subparagraph (H) requires that report and
18 notification submissions be submitted electronically
19 through the Division's impact system or sent in hard copy
20 to the Cheyenne and Lander field office.

21 The final section of this permit by rule is the
22 compliance section, which states that compliance with
23 Chapter 8, Section 6 of the Wyoming Air Quality Standards
24 and Regulations does not relieve any owner or operator of
25 an affected facility, source, or compressor station from

1 the responsibility to comply with any other applicable
2 requirements set forth in any federal or state law, rule or
3 regulation or in any permit.

4 That brings us to the end of Section 6, Upper
5 Green River Basin existing source regulations. In wrapping
6 this up, I'd like to say that this regulation will help
7 build the foundation towards reaching attainment in the
8 Upper Green River Basin and protecting human health. It's
9 also important that we continue to keep Wyoming at the
10 forefront of sensible oil and gas regulation.

11 Now that we've completed our review of Chapter 8,
12 Section 6, we'd like to hear from the Board. Does the
13 Board have any questions or comments?

14 CHAIRMAN BROWN: Any questions or comments?
15 This is a good place to break, I think. How about we take
16 a 15-minute break and then we can start with discussions
17 and then we'll go to the public comment section.

18 (Meeting proceedings recessed
19 10:11 a.m. to 10:30 a.m.)

20 CHAIRMAN BROWN: Could we please call this
21 meeting to order?

22 All right. Let's reconvene. What we've got
23 first are questions from the Board for the Division.
24 Anybody have any comments from the Board?

25 BOARD MEMBER HULME: Are we allowed to

1 comment? Do you want questions, comments on anything in
2 the proposed rule?

3 MS. CEDERLE: Sure.

4 BOARD MEMBER HULME: I do have one. This
5 is Diana Hulme. On page 8-86, at the bottom of the
6 definitions, you said the extended hydrocarbon analysis.
7 This is likely just a grammatical nitpick. The third line
8 where it says, "Include both speciated hydrocarbons from
9 methane through decane, including the following Hazardous
10 Air Pollutants" that are listed, I would move to strike the
11 word "both" out of there because there aren't really two
12 things listed. So that it would just say, "And shall
13 include both speciated hydrocarbons from methane through
14 decane, including the following Hazardous Air Pollutants."

15 MS. CEDERLE: Noted.

16 CHAIRMAN BROWN: Go ahead.

17 BOARD MEMBER HULME: I actually have two
18 more comments, questions, clarification. On page 8-90,
19 Section (g) under the Fugitive Emissions, and then subpart
20 (i) and (C), capital (C), Jeni, when you -- or Jeni and
21 Amber, when you gave the presentation, I think I heard you
22 say that each quarter of the year would require instrument
23 measurement at a minimum, but could also include the AVO
24 technique as well; is that correct? Did I hear that
25 correctly?

1 MS. POTTS: Yes.

2 BOARD MEMBER HULME: So for sure,
3 instrumentation that has been listed is required, but they
4 could add VOC to that?

5 The way -- when I first read this language, to
6 me, reading (C) and (D), (C) mentions that it "Shall
7 consist of optical gas imaging instrument, other
8 instrument-based technologies, audiovisual-olfactory
9 inspections, or some combination," and then (D) says, "An
10 LDAR Protocol consisting of only AVO inspections will not
11 satisfy the requirements."

12 When I read that, I took that to mean that three
13 of the four quarters could be AVO. So what I'm
14 wondering -- I'm not sure everyone has this issue, but I'm
15 just wondering, for potential clarification of that
16 language in (C), whether (C) could say that "An optimal gas
17 imaging instrument or other instrument-based technology and
18 audiovisual-olfactory inspections," and leave off "some
19 combination thereof." To me, it was just unclear that
20 until you said that this morning in the explanation, it was
21 unclear to me that instrument-based readings were required
22 and then AVO could be supplemental to that. I'll just
23 throw that out for consideration.

24 MS. CEDERLE: We've actually received
25 comment in regards to clarifying that language as well.

1 BOARD MEMBER HULME: And then my last
2 comment of clarification, again, on page 8-93, this would
3 be capital letter (E), towards the bottom of that page, on
4 "Removal Notification of Control Devices." Just a
5 clarification question. Is that notification of -- or
6 demonstration of the ability to remove control, is that a
7 one-time demonstration that has to be done or is that
8 required -- is that demonstration required any further down
9 the road past one time?

10 MS. CEDERLE: Our intent is a one-time
11 demonstration. We have to remember that these are existing
12 sources and that it's very unlikely that the production
13 level would spike back up.

14 BOARD MEMBER HULME: I just wanted a
15 clarification. Thank you.

16 CHAIRMAN BROWN: Any other comments from
17 the Board?

18 Okay. Before we get going with public
19 comments -- excuse me.

20 BOARD MEMBER HANSON: One comment.

21 CHAIRMAN BROWN: Okay. Sorry.

22 BOARD MEMBER HANSON: That's on page 8-88.
23 I discussed it with them already on the calculation of
24 flashing emissions and Jeni, in her presentation, added the
25 word "by operators," and I wondered whether that would

1 clarify it. It's sort of a minor matter. It's probably
2 understood that it should be by the operators, but I
3 thought it would be clarified if we added just the words
4 under this -- the (ii), "Calculation for Flashing Emissions
5 by operators," and then it would refer to (A) and (B),
6 determine the average and use in any generally accepted
7 model, et cetera.

8 MS. CEDERLE: Klaus, I have that noted
9 right now, but I also wanted to clarify with you that since
10 we have a calculation for dehydration emissions on the next
11 page, 8-89, is that something you would suggest to have
12 that language incorporated there as well?

13 BOARD MEMBER HANSON: It would be good,
14 yes.

15 MS. CEDERLE: Okay.

16 BOARD MEMBER HANSON: And I think it's
17 minor. It is just to add the word "by operators."

18 CHAIRMAN BROWN: Any other comments from
19 the Board or questions?

20 For the public comments, we're requesting if you
21 haven't signed in, please sign in to the sign-in sheet at
22 the back of the room, and if you wish to make a comment,
23 please check the comment box so we can make sure that we
24 have all the records taken care of properly at the end of
25 the meeting.

1 And then for the public comment, would you please
2 come up to the podium and state your name, and we'll have
3 the microphone available there. And please make your
4 comments directed to the Board and then we can do some
5 questions -- answer some questions if there's some
6 technical questions that we can address.

7 I had a request. Mr. John Robitaille would like
8 to make a statement.

9 MR. ROBITAILLE: All right. Thank you very
10 much. John Robitaille with the Petroleum Association of
11 Wyoming. I'm going to try to limit my comments strictly to
12 Section 6. I appreciate the efforts of the Division going
13 forward with this. It's been a long process.

14 We really appreciate the effort and the support
15 for the intent of the rule. I can tell you I don't think
16 we really have anything substantive. We're making some
17 clarifying edits and some suggestions in our comments.

18 So if you would turn to page 2 of our large
19 document here, you'll notice our first comment would be
20 under (v), asking for some clarification by striking the --
21 striking the 98 percent manufacturer-designed control
22 efficiency.

23 And really what we're trying to do is just avoid
24 some confusion, because there are alternative controls over
25 the life of the well life that extend farther than that.

1 And so we're just -- we're trying not to limit that, just
2 trying to clarify and avoid a little bit of confusion in
3 that one provision.

4 If you turn the page to page 3, we go to the
5 definition of extended hydrocarbon analysis. We're asking
6 that the word "pressurized" be removed simply because we do
7 not think that it is really -- that type of analysis, it's
8 not really dependent to be pressurized. An example is we
9 can take those types of analysis from an atmospheric tank.
10 So just have that removed to clarify that just a touch for
11 us.

12 Go to page 4. Under flashing emissions -- and
13 you'll see this throughout the document. We've asked for
14 this provision throughout the document.

15 What we're suggesting -- while we greatly
16 appreciate the move to 2017, there are instances where we
17 may get into a situation where things are out of our
18 control. It may be a vending problem. It may be a
19 permitting with a different agency problem. If that should
20 happen, then the operator would then be in noncompliance
21 due to no fault of their own.

22 So what we're asking for is by November 1, 2016,
23 if we foresee these problems, we could come in and ask for
24 an extension on that date.

25 Of course, it would have to be for good cause.

1 You know, it couldn't just be, well, I just didn't get to
2 it. You know, just if we foresee these problems, if we're
3 having permitting problems, if we've talked to the vendor,
4 we can't get that particular piece that we need, what have
5 you, come in prior to the date November 1, 2016 and see if
6 we could get an extension granted.

7 In addition, on that, under (c)(i)(B), you'll see
8 that we're asking for some inclusion of some language,
9 suggesting that these tanks be temporary and in use for
10 maintenance and blowdowns as they are not only used for
11 blowdowns or emergencies or upsets. There are other
12 reasons that they could be used, and so we'd like to
13 clarify that just a little bit as well.

14 On the next page, on 5, you'll see that we are
15 asking to remove the requirement to empty the tanks within
16 seven calendar days. The reason being -- several reasons.
17 One being when we do a blowdown, typically, we could
18 produce less than one barrel, which would be below the
19 level at which it would be sucked off. So it wouldn't do
20 any good.

21 We can also -- even if it is full and we drain
22 it, there's still going to be some in the bottom. And in
23 addition to that, if you accept the provision we put in
24 just a minute ago where it says "temporary," then, of
25 course, it wouldn't be -- it wouldn't be perceived as

1 something that would be a permanent addition to the
2 operation.

3 Moving on to calculation for flashing emissions
4 under (C) there, we'd just like the word "representative"
5 inserted so that it would read "representative composite"
6 just for clarification, again, just to make it easier on
7 our guys to be able to follow the regulation.

8 Go over to page 6 now, and we are in the dehys,
9 and again, you see that extension language. The same
10 reasons as before, just in case we run into problems,
11 which, you know, never happens, but just in case.

12 We roll over to page 7 now. Again, we're into
13 calculations for dehys. Under (B), we would request
14 removal of the word "uncontrolled" and insert the word
15 "existing" under (B). Simply just easier for us to follow,
16 easier to understand what we're looking for here.

17 When we get down to (C), we have some things. We
18 would prefer the removal of "wet gas analysis" and include
19 "representative composite" again. Again, just for
20 clarification. And then we would like to have the language
21 say "sample collected upstream of the contact tower."
22 That's mostly because it's my understanding you can take
23 these samples anywhere in the streams. So if we're above
24 the contact tower, that's pretty much where you would get
25 the representative sample. That's just, again, some

1 easier -- easier for us to understand and follow the rule.

2 And then we would include that any site-specific
3 or composite hydrocarbon analysis would be no older than
4 three years from the date of the dehy unit and we're
5 getting into all these various calculations.

6 We're asking that you strike 3 under that because
7 we put it up above. The same thing. And then we renumber
8 3 and 4 instead of 1 and 2 because it would seem to flow
9 easier with us. I don't know if you agree with that or
10 not.

11 We get back into pneumatic pumps. Again, you see
12 the extension language for just in case, in case we run
13 into a situation.

14 We turn to page 9, Existing Pneumatic
15 Controllers. We are asking that you include continuous
16 bleed, and then anytime you say low or no bleed, we're
17 asking for low bleed only, because no bleed is a marketing
18 term and not really a technical term. So if we want to
19 stay technical with our regulations, that's the correct
20 terms that we would be using. And again, with pneumatic
21 controllers, there's the extension language one more time
22 just in case.

23 Turning to page 10, Fugitive Emissions, under
24 (ii), we have all of these various abilities to get -- to
25 calculate fugitive emissions. We're asking for the

1 addition of if there is such a thing, an approved alternate
2 division method.

3 And then under (ii)(I), the current regulation is
4 asking for 100 similar facilities. We think that 100 is
5 excessive, and so we're requesting five. I think that you
6 can get what you need with less than 100, certainly, and we
7 think five is sufficient.

8 Turn to page 11. We are still under Fugitives, I
9 believe, under (B). When we get into this, we think that
10 we can use the emission inventory study data and think that
11 even if it was written in the response to comments that
12 that was the intent, it's really not clear enough for us,
13 so we'd prefer that we include that.

14 And then for additional clarity, at the bottom of
15 (B) where we talk about measured VOC and HAP weight
16 fractions, we'd like to include "of the specific fluids
17 leaking from a component" just so that we are -- we're
18 clear on what we're looking for.

19 Into monitoring, again, for clarification, we
20 would like that to read under (i), "Well facility or
21 source, or compressor station with a control device
22 required by this rule," just so we're clear about what we
23 are monitoring, recordkeeping and reporting. And then if
24 that was included, then (C)(II) would no longer be
25 necessary under the -- under that portion of the rule, as

1 it would be redundant. So that could be removed.

2 We go to page 12. Again, for clarification,
3 under (ii), Recordkeeping, we would suggest the inclusion
4 after or compressor station with a control device or LDAR
5 program required by this rule just so that we can be
6 certain about, again, what exactly it is we're looking for
7 and what we're intending.

8 Keeping under Recordkeeping under (B)(II)(1),
9 again, for clarification, this would be a description of
10 the parameter that is being monitored. And then under
11 (II), we would include the -- record the date, time,
12 duration, wind monitoring in the case combustion device is
13 down or malfunction.

14 Now, the reason for that, most of these pilot
15 flames are monitored automatically by telemetry, and so
16 some of them don't even have pilot flames. I mean, they
17 have like a flicker or something.

18 So to say that we need to know exactly when it
19 went down or how it went down or why it went down, so and
20 so forth, we think if we covered it this way, then, would
21 get you what you need, but it also kind of covers that
22 gamut of what may or may not be going on out in the field.

23 And again, by including that provision under
24 (ii), that would eliminate the need for (B). It would just
25 become redundant.

1 On page 14 under Reporting, again, we want to
2 clarify what it is we're looking for. So we would say,
3 "Single well facility or source, or compressor station
4 subject to any emission reduction requirements of this
5 rule," again, just to be clear.

6 Under (A)(I), at the end of the sentence, we
7 would include "during the quarter." And again, we have the
8 "Continuous Bleed Pneumatic Controller" under (C) just to
9 clarify what we're talking about.

10 Page 15, (C)(I), again, we remove the bleed rate
11 and include continuous low bleed. So it would be
12 "Continuous low bleed pneumatic controllers installed
13 during the quarter."

14 Again, in (II), it would be "Continuous low
15 bleed." And then in (D), we would include the provision,
16 "Quarterly notifications are not required for any quarter
17 in which no installations referenced in Subsections (B) and
18 (C) occurred." So that if you don't do anything, if you
19 don't have any, why would you report "I did nothing."
20 That's essentially where we are.

21 And I believe that is the end of our requested
22 edits. I can try to answer questions, if you have any.

23 CHAIRMAN BROWN: Any questions from the
24 Board for Mr. Robitaille?

25 BOARD MEMBER BONER: I have one question.

1 On page 9, you're talking about the difference between low
2 bleed or no bleed. You said that for clarification, no
3 bleed is a marketing term.

4 MR. ROBITAILLE: Uh-hum.

5 BOARD MEMBER BONER: And the marketing use
6 of the word is "no bleed," actually what you would describe
7 as low bleed? Is that a correct assumption?

8 MR. ROBITAILLE: There were a lot of bleeds
9 in there. Would you repeat that for me.

10 BOARD MEMBER BONER: Yeah. So you said "no
11 bleed" was a marketing term, right?

12 MR. ROBITAILLE: Correct.

13 BOARD MEMBER BONER: So the way that it's
14 marketed is not from a technical perspective. Is that the
15 exact same as a low-bleed device? Basically, it is --
16 there are no practical differences between a low-bleed and
17 no-bleed system.

18 MR. ROBITAILLE: You're getting too
19 technical for me.

20 BOARD MEMBER BONER: I'm sorry.

21 MR. ROBITAILLE: I've got to turn it over.

22 MS. ZIVKOVICH: I'm Angela Zivkovich with
23 Anadarko.

24 So no bleed actually refers -- no bleed or zero
25 bleed refers to an intermittent event controller, which is

1 different than a low-bleed, continuous controller, and our
2 request is that the continuous for this rule only applies
3 to continuous instead of the intermittent or no bleed or
4 zero bleed controller.

5 BOARD MEMBER BONER: Okay. Thank you.

6 MS. CEDERLE: Mr. Chairman, may I also make
7 a clarification in regards to that statement? Within the
8 regulation as proposed, we had the language zero bleed. We
9 had heard comments prior in the summer about your use of no
10 bleed being a marketing term. So we had switched it to
11 zero bleed to match with OOOO language, and that was not
12 correctly represented in their portion of these comments
13 right now. I understand that they're switching gears a
14 little bit with the continuous bleed language, but we do
15 have zero bleed language in our rule proposal before you
16 today.

17 CHAIRMAN BROWN: Thank you. Any other
18 questions from the Board? Any other comments from the
19 Division?

20 MR. DIETRICH: I've got a question. John,
21 for clarification, I just want to know, did you submit
22 these comments during the open comment period?

23 MR. ROBITAILLE: No.

24 MR. DIETRICH: Okay. Thanks.

25 MR. ROBITAILLE: We were not aware of the

1 December 1st deadline until after December 1st.

2 MR. DIETRICH: Okay.

3 MR. ROBITAILLE: We'll do our due diligence
4 next time. My apologies for that, by the way.

5 CHAIRMAN BROWN: I've got a question on
6 page 10 on the fugitive emission calculations where you
7 were suggesting using five pads as opposed to -- or sites
8 as opposed to 100. Do you think five is sufficient to get
9 a satisfactory number based on that versus what is
10 proposed?

11 MR. ROBITAILLE: You know, Mr. Chairman, I
12 think a hundred is excessive. It's my understanding that
13 five would get you to what you're looking for. I don't
14 know that we would be adamant about five, but certainly not
15 a hundred.

16 CHAIRMAN BROWN: Okay. Thank you.

17 Any other questions from the Board? From the
18 Division? Thank you.

19 MR. ROBITAILLE: Thank you.

20 CHAIRMAN BROWN: I've got another request
21 for the next presenter. Jonah Energy could not make it,
22 but Darla Potter has agreed to read their comments.

23 MS. POTTER: In looking at this letter,
24 there is -- I will be reading the letter itself. There are
25 also two attachments, and in the interest of time, I'm not

1 going to read those to you, but I will let you know what
2 is, in fact, attached to the letter.

3 So it is a letter dated December 10, 2014 to
4 attention: Steve M. Dietrich, Administrator of the
5 Department of Environmental Quality Air Quality Division.
6 And it is regarding comments on proposed regulation WAQSR,
7 Chapter 8, Nonattainment Area Regulations, Section 6 Upper
8 Green River Basin Existing Source Regulations.

9 "Dear Mr. Dietrich: Jonah Energy LLC," further
10 referred to as Jonah Energy, "appreciates the opportunity
11 to provide the following comments for consideration to the
12 Wyoming Department of Environmental Quality Air Quality
13 Division on the Wyoming Air Quality Standards and
14 Regulations proposed Chapter 8, Section 6 Upper Green River
15 Basin Existing Source Regulations. Jonah Energy currently
16 operates in the Jonah Field in Sublette County, Wyoming.
17 As an oil and gas company with significant operations in
18 the Upper Green River Basin, and with several employees
19 that live and work in the area that will be impacted by the
20 proposed regulations, Jonah Energy appreciates that a
21 shared responsibility is necessary in order to improve the
22 air quality in the Upper Green River Basin.

23 "Jonah Energy has reviewed the latest version of
24 the proposed Chapter 8, Section 6 Upper Green River Basin
25 Existing Source Regulation and we support the rule as

1 proposed. We are supportive of a timely implementation of
2 the proposed rule to further aid in continued emission
3 reductions in the Upper Green River Basin. Jonah Energy is
4 currently in compliance with the proposed Chapter 8 Section
5 6 regulation emission control requirements, Leak Detection
6 and Repair requirements and recordkeeping requirements.
7 The proposed regulation is timely, necessary and important
8 for all stakeholders involved as part of returning the
9 Upper Green River Basin to attainment with federal air
10 quality standards for ozone.

11 "While the majority of our production facilities
12 and associated production equipment are controlled to meet
13 Wyoming DEQ's presumptive BACT permitting requirements
14 through the Oil and Gas Production Facilities Chapter 6,
15 Section 2 Permitting Guidance for new and modified
16 facilities, there are some locations which are not subject
17 to the latest Chapter 6, Section 2 Permitting Guidance for
18 which we use our discretion and apply voluntary measures in
19 order to minimize emissions from those production
20 facilities.

21 "Each month, Jonah Energy conducts infrared
22 camera surveys using a FLIR," F-L-I-R, "camera at each of
23 our production facility locations. Since the
24 implementation of Jonah Energy's Enhanced Direct Inspection
25 and Maintenance Program in 2010, we have conducted over

1 16,000 inspections and have repaired thousands of leaks
2 that were identified by the FLIR camera. Based upon a
3 market value of natural gas of \$4 per million Btu, the
4 estimated gas savings from the repair of leaks identified
5 exceeded the labor and material cost of repairing the
6 identified leaks. Additionally, an estimate of hundreds of
7 tons of volatile organic compound emissions have been
8 eliminated from being emitted to the atmosphere.

9 "The result of Jonah Energy use EDI&M Program has
10 significantly reduced volatile organic compound and
11 hazardous air pollutant emissions to the Upper Green River
12 Basin airshed, has reduced the amount of sales gas lost due
13 to leaks going undetected resulting in significant sales
14 gas savings, and has reduced the number and severity of
15 enforcement actions from the Wyoming Department of
16 Environmental Quality due to fugitive leaks.

17 "Jonah Energy appreciates the Wyoming Department
18 of Environmental Quality's consideration of our comments
19 and would welcome working with the Agency on items
20 mentioned herein or raised during the public comment
21 process. Should you have any questions, please free to
22 contact me directly. Respectfully," signed by Paul Ulrich,
23 Director of Government Affairs and Regulatory.

24 And attached to the letter are two additional
25 pages. One is a summary of the Jonah EDI&M Program, and

1 the other is a list of major initiatives carried out in the
2 Jonah Field to help reduce ozone precursor emissions and
3 associated Sublette County ground level ozone
4 concentrations.

5 CHAIRMAN BROWN: Thank you.

6 Any comments from the Board? Questions from the
7 Board?

8 Will we get a copy of that?

9 MS. CEDERLE: I will provide a copy of that
10 as well to the court reporter.

11 CHAIRMAN BROWN: Okay. Let's -- we'll just
12 go down the lists that are kind of here. So next on the
13 list will be Jon Goldstein, EDF.

14 MR. GOLDSTEIN: Thank you, Mr. Chair. My
15 name is Jon Goldstein, and I'm senior energy policy manager
16 with Environmental Defense Fund.

17 And as stated in our joint written comments with
18 the Wyoming Outdoor Council and Citizens United for
19 Responsible Energy Development, we greatly appreciate the
20 Air Quality Division's continued efforts to protect and
21 improve air quality in the Upper Green River Basin.

22 We believe the Division's proposal represents
23 common sense, cost-effective and proven pollution control
24 measures, and we commend the Agency for the recent
25 improvements and clarifications contained in the October

1 draft. In particular, we strongly support the extension of
2 the quarterly instrument-based leak detection and repair
3 measure to compressor stations.

4 Many aspects of the proposal before you today
5 bolster Wyoming's tradition of national leadership on clean
6 air measures for oil and gas activities.

7 The Division's proposal to require the
8 replacement of both continuous and intermittent high-bleed
9 controllers with low or no-bleed ones, 98 percent control
10 of flash emissions from storage tanks and separation
11 vessels and glycol dehydrators, the elimination or 98
12 percent reduction of pneumatic pump emissions and quarterly
13 instrumented leak inspections at higher emitting well sites
14 and compressor stations are all praiseworthy.

15 For these reasons, we urge the Air Quality
16 Advisory Board to approve these rules today and keep the
17 process moving toward a full hearing at the Environmental
18 Quality Council.

19 While we believe work remains to be done to
20 improve the protectiveness and workability of the proposal,
21 including extending all pollution control measures to
22 compressor stations and capturing more pollution sources by
23 employing a lower fugitive emissions threshold, we believe
24 these emissions can easily be addressed as the proposal
25 moves forward to the EQC, and we see no reason for further

1 delay.

2 Studies from the Upper Green River Basin and
3 other basins clearly demonstrate that elevated levels of
4 volatile organic compounds emitted from oil and gas
5 activities contribute to harmful ozone pollution and
6 reducing these pollutants is necessary to restore healthy
7 air to the citizens of Pinedale and surrounding
8 communities.

9 Ozone is a serious public health issue, as Darla
10 mentioned earlier today, and the EPA is considering more
11 stringent ozone standards, so we believe that the more the
12 state can do now to address this issue, the better off the
13 state will be in both solving the current problem as well
14 as getting ahead of the problem that may be coming. These
15 measures will help clean up the air and better protect the
16 health of local residents.

17 Thank you for the opportunity to comment today,
18 and I'd be happy to answer any questions.

19 CHAIRMAN BROWN: Thank you. Any comments,
20 questions from the Board?

21 Let's see. Next on the list is Mr. Dave Hohl.

22 MR. HOHL: My name is Dave Hohl. I'm an
23 approximately 36 years resident of Pinedale and presenting
24 this as a local citizen. I have two presentations to make.
25 The American Lung Association had submitted comments to the

1 DEQ, but due to fog in Missoula could not make it. So I'm
2 going to read their presentation and then also some
3 comments of my own.

4 So I'll start with the American Lung Association.
5 "Dear Administrator Dietrich: As the country's preeminent
6 organization committed to saving lives by improving lung
7 health and preventing lung disease, we strongly urge the
8 Wyoming Department of Environmental Quality Air Quality
9 Division to adopt changes to Wyoming Air Quality Standards
10 and Regulations, Chapter 8, Nonattainment Area of
11 Regulations. This process represents an important
12 opportunity to protect public health in the Upper Green
13 River Basin. Adopting the proposed regulations
14 establishing requirements for existing oil and gas
15 production facilities and compressor stations located in
16 the Upper Green River Basin ozone nonattainment area, with
17 the suggested modifications identified below, will better
18 protect the health of people living in that area. For
19 these reasons we believe the proposed rule should be
20 approved at the Air Quality Advisory Board meeting on
21 December 10th in Pinedale.

22 "Health studies show that exposure to high levels
23 of ozone pollution (commonly referred to as 'smog') leads
24 to lung problems; causes respiratory harm, such as worsened
25 asthma and worsened chronic obstructive pulmonary disease,

1 including emphysema and chronic bronchitis; causes
2 increased susceptibility to infections and other
3 respiratory ailments; is a leading cause of hospital
4 visits, especially among children; and is linked to
5 cardiovascular harm (e.g., heart attacks, strokes, heart
6 disease, and congestive failure), central nervous system
7 harm, reproductive and developmental harm, and even
8 premature deaths.

9 "The American Lung Association has long advocated
10 measures to protect Americans from breathing dangerous
11 levels of ozone pollution. All available strategies,
12 including regulation, should be employed as necessary to
13 protect the public health against acute and chronic adverse
14 health effects. The American Lung Association is
15 especially concerned about the effects of air pollution on
16 the health of vulnerable populations, including people with
17 lung diseases such as asthma, lung cancer, and chronic
18 obstructive pulmonary disease, the elderly, and children.
19 Currently nearly 132 million people across the U.S. live in
20 counties where monitors show unhealthy levels of ozone or
21 particulate pollution. Unfortunately, one of those
22 counties is Sublette County, Wyoming, in the heart of the
23 Upper Green River Basin ozone nonattainment area.

24 "The unhealthy ozone levels in Sublette County
25 have, for the past several years, led to failing grades in

1 the American Lung Association's annual 'State of the Air'
2 reports. At times, ozone levels in Sublette County have
3 exceeded those in Los Angeles, California. A recent study
4 by the Wyoming Department of Health documented an increase
5 in clinic visits for adverse respiratory-related effects on
6 particularly smoggy days in Sublette County. Reducing
7 ozone pollution is an important health issue -- public
8 health issue and we are glad to see the Wyoming DEQ make a
9 serious attempt at better -- to better protect local
10 citizens in its proposed rules.

11 "Ozone pollution is created by interaction
12 between the two different kinds of air pollutants, oxides
13 of nitrogen and volatile organic compounds. Oil and gas
14 development is a significant source of both of these
15 contaminants. In fact, oil and gas development is the
16 largest emission source for these pollutants in the Upper
17 Green River Basin's Sublette, Lincoln, and Sweetwater
18 counties.

19 "The Department's proposal to reduce harmful
20 emissions from local oil and gas facilities and to restore
21 healthy, clean air to the residents of Sublette,
22 Sweetwater, and Lincoln counties is strong in several
23 aspects. We support the DEQ's proposed requirements at
24 well sites to replace both continuous and intermittent
25 high-bleed pneumatic controllers with low or no-bleed ones

1 or zero bleed. We support the proposed requirements for 98
2 percent control of flash emissions from storage tanks,
3 separation vessels, and glycol dehydrators, as well as the
4 elimination or 98 percent reduction of pneumatic pump
5 emissions. We also strongly support the proposed quarterly
6 instrument-based leak inspections at well sites and
7 compressor stations included in the most recent draft
8 rules.

9 "However, the Department could realize even more
10 pollution reductions (and thus greater public health
11 benefits) by further utilizing proven, highly cost-
12 effective technologies and practices that in many instances
13 save operators money. To ensure the AQD fulfills its
14 mandate to eliminate pollution and enhance the air quality
15 in the basin, as well as protect the public health, we
16 recommend the following further improvements:

17 "Extending all air pollution reduction
18 requirements the state has proposed for well sites to
19 compressor stations. By addressing pneumatic controllers,
20 pumps, and dehydration units at the compressor stations,
21 the Department could realize even more cost-effective
22 pollution reductions.

23 "Second, extending the requirements for
24 quarterly, instrument-based lead inspections to more
25 sources of emissions. If the proposal were adopted as

1 currently drafted, many of the wells in the Upper Green
2 River Basin would fall below the four-ton-per-year
3 emissions threshold the state has proposed for quarterly
4 inspections. The state's rules would therefore only apply
5 strong, regular leak inspections to a small percentage of
6 the sources in the basin. A lower, more inclusive
7 threshold will capture more sources and reduce more
8 pollution, since regular leak inspections, together with
9 timely and effective repairs, are one of the best ways to
10 reduce harmful ozone pollution in our air.

11 "Reducing emissions of air pollutants from
12 natural gas and oil operations is crucial to minimizing
13 health impacts to Wyoming citizens. We urge you to adopt
14 the proposal with the improvements noted above.

15 "Thank you for your efforts on this critical
16 public health issue. Sincerely, Ronni Flannery, American
17 Lung Association of the Mountain Pacific."

18 And I've written my own personal comments. I
19 find I can do a more credible job than just ad-libbing.

20 I would like to thank the Air Quality Advisory
21 Council for your efforts in the rulemaking process to
22 reduce ozone-producing emissions and other air pollutants
23 that accompany them resulting from gas production in the
24 Upper Green River Valley. I also appreciate the
25 opportunity to participate in this process as a citizen.

1 The proposed rule to control emissions from
2 existing sources makes great progress, and over the past
3 three months, DEQ has made improvements making it even more
4 effective. At this point the most important action is to
5 move the rule along towards approval and implementation.

6 In order to take full advantage of this current
7 opportunity, there are still a couple of further
8 improvements that could be included:

9 1. The rules have been improved to include leak
10 detection and repair on compressors. This leaves many
11 other sources of emissions related to compressor stations
12 without the benefit of the improvements required of and at
13 well sites. These include engines, pneumatic pumps and
14 controllers, dehydration units and other devices. I would
15 like to see the rule require controls on emissions for the
16 compressor station as a whole rather than only a specific
17 element of the facility.

18 Number 2. The four ton per year threshold for
19 LDAR -- leak detection and repair -- flashing emissions,
20 dehy units, et cetera, leaves 90 percent of the facilities
21 and 87 to 95 percent of the emissions from those facilities
22 unregulated, as their emissions are below four tons per
23 year. While the emissions from any given facility is
24 small, the large number of these facilities results in a
25 large cumulative volume of emissions in the basin. The

1 four ton per year threshold accomplishes only a marginal
2 reduction. I would like to see this threshold at a level
3 that reduces emissions and leaks from these facilities by
4 75 to 90 percent. Though not being considered here, this
5 comment applies to new and modified sources as well, where
6 the four tons per year standard is equally ineffective.

7 These improvements contribute to the goal of
8 establishing a level playing field where rules for existing
9 facilities and new and modified sources as well are the
10 same.

11 Conventional opinion views regulations as harmful
12 to industry. I feel differently. Strong rules and low
13 emissions benefits everyone. Rules resulting in low
14 emissions place both industry and the DEQ in a position to
15 accommodate the increases in production in existing fields,
16 activity moving closer to Pinedale, periodic winter weather
17 conducive to ozone production, potentially three new mega
18 fields coming on line within the nonattainment area and a
19 probable reduction reduced ozone standard. In this manner,
20 the DEQ and industry will maintain good air quality in the
21 Pinedale area in a proactive manner. This better protects
22 the security of industry and the health of local residents
23 in the long term, allowing industrial activity to continue
24 and increase.

25 Again, and most importantly, this rule needs to

1 move forward. I would like to see that occur with the
2 additional improvements I've mentioned. Thank you.

3 CHAIRMAN BROWN: Thank you, Mr. Hohl.

4 Any comments, questions?

5 Thank you.

6 Let's see. Next on this list -- I can't read
7 your writing, but this looks like John Roscoe, Jim Roscoe?

8 MR. ROSCOE: Thank you, Mr. Chairman. I'm
9 Jim Roscoe. I'm a property owner in Boulder. I'd just
10 like to encourage the Board to accept this rule. I think
11 it's a step in the right direction. I believe we have
12 farther to go.

13 I agree with both governors that I served under
14 in the legislature saying that we want to develop our
15 natural resources in a responsible way and on our own
16 terms, and I believe that if we can do this, the decisions
17 we can make in Wyoming is far preferable than the decisions
18 being made in Washington. And if we can get ourselves out
19 of this nonattainment mess that we created, it would also
20 set a great example for the industry to move forward and be
21 accepted.

22 Let's see. How do I want to say this? I think
23 -- I was a strong proponent of natural gas. Worldwide and
24 nationally, it's a fantastic fuel and that we need to
25 improve on the development of the resource. Thank you very

1 much.

2 CHAIRMAN BROWN: Thank you, Mr. Roscoe.

3 Any comments?

4 Thank you.

5 Let's see. Next on the list is Mr. John
6 Anderson.

7 MR. ANDERSON: Thank you for the
8 opportunity to talk to you, provide my perspective. This
9 is probably going to be fairly short.

10 My background on this is as a citizen of
11 Pinedale, and I served on the Air Force Advisory Task
12 Force, and that's the primary role I want to speak from
13 here. We worked very hard at that and bringing those
14 proposals forward, and this is one step among many that we
15 recommended, and I would really like to see you move this
16 forward. I think there are many other areas that need to
17 be addressed also, but this isn't the proper forum for
18 that. But I would support you passing this along to the
19 next step in the process. Thank you.

20 CHAIRMAN BROWN: Thank you.

21 Next on the list is Chad Schlichtemeier.

22 MR. SCHLICHTEMEIER: Chad Schlichtemeier,
23 Rockies air manager with Anadarko Petroleum Corporation.

24 CHAIRMAN BROWN: Excuse me, Chad.

25 MR. SCHLICHTEMEIER: And if I'm pausing

1 here, it's not because I fell asleep, it's because I'm
2 having troubles reading my handwriting here. So bear with
3 me.

4 I first want to say Anadarko supports and would
5 like to commend the Division on all the work that they've
6 done to date. You know, we do a lot of work in Utah and
7 deal with Region 8 on a frequent basis and Wyoming's
8 program is always held to be the gold standard when it
9 comes to taking proactive approaches to addressing areas of
10 concern. And so I think it's -- while this rule -- and we
11 support, you know, the Board going forward with this rule,
12 we still think there's some areas where we can make this a
13 more effective rule.

14 So that would be the caveat. Move forward with
15 the rule with no further delays, but have the Division work
16 with all parties to make sure we can get this to be an
17 effective rule when it gets to the end result here.

18 Just a couple things that I'd like to go over.

19 On the innovative part, the previous commenter
20 talked about, you know, all the small sources is cumulative
21 to really make a difference here, and that's why one of the
22 things we're pushing for in this rule is to have the
23 ability to think outside the box.

24 Your conditional combustors, when you start
25 getting down to small sources, you have to have makeup gas

1 in order to have them operate properly.

2 So if you have to start weighing in the amount of
3 gas that's being burned just to make the combustor operate
4 properly is not going to make sense as we move down in
5 these smaller sources.

6 So removing the requirement, yeah, you could do
7 innovative approaches, but it has to meet 98 percent, kind
8 of takes away some of the flexibility and why we want to
9 have innovative technologies.

10 We think that there's -- by thinking outside the
11 box, there may be some technologies out there which may not
12 meet 98 percent, but you can run them for a longer period
13 of time and not taking them off at four tons. So having
14 that flexibility may, in the long run, actually lead to
15 less emissions. And it also helps, moving forward, when we
16 start looking to the Division's Phase 2 and things like
17 that on innovative control technologies to be able to
18 address these smaller sources in an economic manner.

19 Another thing on blowdowns. You know, we've had
20 a lot of discussions on whether those tanks, you know,
21 should be addressed in this rulemaking here. You know, I
22 think it's something that, you know, I think is sensible,
23 has been used a lot here on coming up with a rule that
24 makes sense and control requirements.

25 You know, the rule focuses on flash emissions.

1 If you use a tank for blowdowns and stuff like that, once
2 the liquid is sitting in there, it's already been
3 stabilized, there's no flashing occurring. So the only
4 emissions you're getting there is working and breathing
5 emissions. So you go out there, there could be a small
6 amount. As the rule is written today, any amount of liquid
7 in the bottom of the tank, you need to take a truck out
8 there.

9 Typically, where you load out is above the bottom
10 of the tanks. So you go out there, no matter how much you
11 unload it, there's still going to be a residual amount of
12 condensate or crude in the bottom of those tanks. So
13 realistically, short of taking off the top and going to
14 some type of suction in there, you're never going to get
15 all that material removed from the tank.

16 So I guess when it comes to, I hear -- I read in
17 the response to comments that this rule is going to be no
18 more stringent than what's currently being required. That
19 condition, my understanding, is not in every permit going
20 forward. There were some selected permits that condition
21 was negotiated with.

22 So I think that should be considered in going
23 forward in saying this is a one size fits all that we
24 should have for all blowdown tanks or emergency tanks the
25 requirement to have to load those out.

1 Pneumatic controllers. This is a -- seems like
2 there's been a lot of noise made about this, but this is
3 important. And I know working in Colorado a lot, there's a
4 lot of discussion there on intermittent controllers, how
5 should they be addressed through emissions controls.

6 And one thing that -- you know, if you look at an
7 intermittent controller, an intermittent controller just
8 vents when the controller is actuated, such as you have on
9 a separator that's doing a level control. When that liquid
10 gets up to a certain level, it actuates to allow liquid to
11 flow out of it. There's venting emissions during that
12 certain period of time. When the level goes down and the
13 controller shuts off, there's no emissions during that
14 period.

15 In general, intermittent controllers have less
16 emissions than low bleed, six standard cubic feet per hour.
17 That's why we think it's imperative that this rule is clear
18 that the source we're after here is the high-bleed,
19 continuous controllers, and that's why we've basically
20 asked for the word "continuous" and also asked for the
21 language to be less than the six standard cubic feet per
22 hour that's defined under 0000.

23 So I think if we talk about low bleed, no bleed,
24 those are all marketing terms, zero bleed. What we're
25 after is making sure the controller you have in is less

1 than the standard -- six standard cubic feet per hour
2 that's currently required. That does not then limit
3 industry from continuing to use the intermittent
4 controllers, which is good for the environment.

5 On the monitoring part, there's a requirement in
6 there that talk about, you know, we need to continually
7 record on the pilot light to ensure the control device
8 maintains 98 percent control efficiency.

9 The pilot light has no bearing on a 98 percent
10 control efficiency. The pilot light is being monitored to
11 ensure the gas coming from the source is being combusted,
12 and that's basically the intent of why you're monitoring
13 the pilot light is to ensure your combustor is working.

14 It doesn't tell you whether it's 90 percent, 98
15 percent or a hundred percent. It just tells you that when
16 the gas is going to the combustor, the combustor is
17 working.

18 So we've asked for language to be changed there
19 so there's not saying that monitoring the pilot light
20 correlates to 98 percent control efficiency, because there
21 is no correlation. Basically we're after to ensure the
22 emissions from the source are being combusted.

23 LDAR. It's important that we understand what
24 LDAR covers. You know, during the presentation, if I heard
25 it correctly, that LDAR was said to be all-inclusive of

1 your control equipment plus your components.

2 LDAR covers components such as valves, flanges,
3 connectors and things like that. You go out with your FLIR
4 camera, your Method 21, or whatever, and you determine
5 whether those -- you see a leak, and if there's a leak,
6 then you fix it.

7 On a tank such as a tee hatch and NARO valve,
8 those are not components. They do not fall under the LDAR
9 program. That's why there's two separate programs set up
10 in a rule that says you have one that addresses sites that
11 are controlled, that you go there and make sure your
12 control equipment and the equipment getting there is all
13 being monitored, and then there's the LDAR program that
14 basically addresses component counts.

15 That's why there needs to be two separate paths
16 here, one for the control equipment, the tanks and stuff
17 covered under their quarterly inspection, and then there
18 needs to be the LDAR program. So I think that needs to be
19 re-looked at to make sure we clearly understand what the
20 LDAR program encompasses.

21 And also, I'd like to talk about Miss Hulme's
22 comment that she had earlier on the quarterly inspections.
23 That was -- when I heard the presentation today, I guess
24 that's the first it's been, I guess, presented in such a
25 manner that the AVO basically is in conjunction with some

1 type of either FLIR or Method 21.

2 I think if you go back and read the response to
3 comments that the quarterly inspections is referenced to
4 what we follow to what's in the Oil & Gas Guidance.

5 I think if we look at what's in the Oil & Gas
6 Guidance, as Miss Hulme pointed out, it's basically three
7 of the four quarters should be AVO with one of the quarters
8 being then either through a third camera or Method 21.

9 I guess getting back to the no more stringent
10 than what's being done in current permits, I think we need
11 to take a look at that and make sure requiring some type of
12 Method 21 or flare requirement every quarter is consistent
13 with what we're doing in current permits.

14 Once again, I guess I just want to thank the
15 Division and the Board for taking the time. And I do think
16 the Division has a lot of great things in this rule, and
17 it's a proactive rule going forward. And I think it's
18 important to take the time here. As it was conveyed at the
19 beginning of their presentation, this rule is probably
20 going to set precedence for other areas, given the
21 potential lowering of the ozone standard. Depends on where
22 it goes, we're probably going to have other areas of the
23 state that are going to be brought in.

24 So I think it's important that we take the time
25 now to get in the weeds and really get this thing worked

1 out to where we need to be so at the end that this can be
2 the standard that we look at going forward in other areas
3 as it fits. Thank you very much.

4 CHAIRMAN BROWN: Thank you.

5 Any questions for Mr. Schlichtemeier? Spelled
6 just like it sounds.

7 MR. SCHLICHTEMEIER: Yeah.

8 CHAIRMAN BROWN: Any questions or comments?
9 Thank you.

10 Let's see. Next on the list is Mark Kot.

11 MR. KOT: My name is Mark Kot. I'm the
12 Sweetwater County public lands planner, and I'm here on
13 behalf of the Sweetwater County Board of County
14 Commissioners. I'd like to thank the Board for the
15 opportunity to speak today and certainly appreciate the
16 hard work that the DEQ has put into this important rule.

17 Sweetwater County is a portion -- has a portion
18 of the ozone attainment area in its county, and 43 percent
19 of the county's tax base derives from oil and gas, so this
20 is a very important rule for the economy of Sweetwater
21 County.

22 With that in mind, the county encourages the Air
23 Quality Advisory Board to make a recommendation that is
24 balanced. We believe that the rule should improve air
25 quality in public health while at the same time recognizing

1 the ability of the oil and gas industry to implement and to
2 absorb the costs of this rule.

3 The county believes that if this balance is not
4 maintained and is upset and becomes too stringent and
5 inflexible, the oil and gas industry may experience some
6 economic setbacks. If this happens, it would negatively
7 impact the tax and employment base of Sweetwater County and
8 other counties in southwest Wyoming who are home to many
9 oil and gas industries and employees who work on a daily
10 basis in the Upper Green River Basin.

11 Keeping this potential impact in mind, again,
12 Sweetwater County strongly encourages the Air Quality Board
13 to keep balance in mind and to strive to have a rule that
14 protects air quality and public health while at the same
15 time maintaining the viability of the oil and gas industry
16 which provides the tax and employment base and the high
17 quality of life that is enjoyed by many individuals and
18 families in southwest Wyoming. Thank you for your time.

19 CHAIRMAN BROWN: Thank you, Mark.

20 Any questions, comments?

21 Thank you.

22 Next on the list, Christy Woodward.

23 MS. WOODWARD: Hi. My name is Christy
24 Woodward, and I'm a senior environmental engineer for QEP
25 Energy.

1 We also wanted to thank the Division for all the
2 work that they've done on this rule and definitely support
3 the rulemaking. I'm here on behalf of QU, which is a QEP
4 and Ultra organization that works together on the Anticline
5 for development.

6 We just had two outstanding concerns with the
7 existing rule, and I have provided comments as such. And
8 the first major concern that we have is with the hundred
9 similar facility component counts. This is under Chapter
10 8, Section 6(c), emergency -- or excuse me, I'm ahead of
11 myself. 6(g)(ii), pad and single-well facility or source
12 component counts shall be determined by actual field count,
13 or a representative count from the same geographical area,
14 taken from no less than 100 facilities.

15 We also believe along with PAW and some of the
16 organizations represented here that that is an excessive
17 number. We do have similar facilities on each pad, and we
18 kind of put those together in a cookie-cutter fashion. And
19 we also believe that five similar facilities is a more
20 appropriate number.

21 The second concern that we have is related to the
22 blowdown tanks. We do have small amounts of liquids that
23 occasionally go to those.

24 As some of you may be aware, we have a liquids
25 gathering system on the Anticline and have very small

1 amounts of liquids that go to those tanks, and so we feel
2 that having to empty those tanks every seven days would
3 actually potentially increase emissions on the Anticline
4 due to excessive truck traffic and would request that if
5 the Division wants to set a limit on those that they set a
6 limit of a hundred gallons for the tanks or exempt
7 facilities that have liquid-gathering facilities.

8 So again, I do appreciate the Division's efforts
9 to work with us and just wanted to reiterate those two
10 points.

11 We have provided statistics in our comments as
12 well as studies as to the emissions that come from those
13 tanks that will hopefully support our points. Thank you.

14 CHAIRMAN BROWN: Thank you.

15 Any questions, comments?

16 Next on the list, Cortnie Morrell.

17 MS. MORRELL: Hello. My name is Cortnie
18 Morrell. I'm with Williams Field Services. I just, along
19 with everyone else, want to thank the Division for the hard
20 work they've put in. I appreciate the man-hours and the
21 work and especially appreciate the additional stakeholder
22 meetings that were held earlier this year in efforts to
23 understand and clarify comments. I think that's always how
24 we work together best and that's how we get to our best
25 products.

1 So we have prepared a brief comment letter, and
2 I'm going to speak to those two comments. I might deviate
3 from the text a little bit as written, however.

4 Williams, obviously, contributed and supports the
5 comments that were submitted and read today by John
6 Robitaille with Petroleum Association of Wyoming, and we
7 have two additional items that we just want to highlight,
8 and those are specific to how the rule affects dehydration
9 units.

10 Particularly when it comes to the applicability
11 analysis and the calculations used in that, Williams does
12 operate dehydration units in the Upper Green River Basin
13 that are currently permitted with limited operating hours,
14 and they've been permitted that way for several years.
15 It's not clear in the rule if the use of those limited
16 operating hours would be allowed in determining the
17 applicability with a four ton per year threshold, and
18 Williams asserts that it needs to be accounted for since
19 they're operating under a federally enforceable permit
20 condition.

21 And as stated also in Chapter 8 later on, this
22 rule does not supersede any other permits, so language or
23 anything from the Division that could clarify that that is
24 acceptable would be appreciated.

25 The other comment, also in relation to

1 dehydration units and the applicability determination, is
2 in relation to the use of condensers. Previous versions of
3 the Oil & Gas Permitting Guidance have had scenarios such
4 that an operator could choose to install a flashing
5 condenser in lieu of a combustion device, or conversely,
6 the rule allows for removal of combustion devices as long
7 as a condenser remains installed on the unit.

8 In terms of existing sources, I think not
9 allowing an existing dehy using a condenser to take into
10 account it's a condenser would be a mistake.

11 I also believe that because -- provisions in the
12 rule that allow for the removal of control equipment refer
13 back to the calculation method used in the applicability,
14 again, which, based on the Division's comments, does not
15 allow the specific condenser. That would make it a little
16 more stringent than what applies to new sources.

17 In the current Oil & Gas Permitting Guidance, on
18 page 9, there's a definition of what potential is, and in
19 the rule when it talks about making your determination to
20 remove a control device, it refers to this calculation of
21 potential emissions, and in that definition, it
22 specifically says that it allows the use of worst case
23 operating parameters of the flash tank condenser when
24 determining control removal.

25 I think that really the point for this is that

1 when we're dealing with the existing equipment, it is a
2 different animal than a brand-new piece of equipment, and
3 we do need to be mindful of existing conditions, especially
4 when they exist in current permits, and take those into
5 account when we're determining applicability. Thank you.

6 CHAIRMAN BROWN: Thank you.

7 Any questions, comments?

8 Thank you, Cortnie.

9 Let's see. Next on the list is Mary Lynn Worl.

10 MS. WORL: Thank you. My name is Mary Lynn
11 Worl. I'm a citizen here in Sublette County, and I'm also
12 the vice chair of Citizens United for Responsible Energy
13 Development.

14 So thank you for this opportunity to address the
15 advisory board on behalf of CURED, and some of these
16 comments may be my own personal comments.

17 My comments are going to be centered around
18 health, the reason that we really need to move forward with
19 these regulations.

20 Last night at the open house, I was at the CURED
21 booth, and three people in the course of conversation
22 indicated to me that they had a chronic cough, chronic sore
23 throat, and that would be simply stupid of me to stand here
24 and say to you, well, that's because of the chemicals in
25 our air, our air pollution. But this is a real common

1 thread that we hear here in Sublette County talking to each
2 other and individuals coming to our group CURED, talking
3 about many of the signs and symptoms that Dave read in the
4 letter from Ronni Flannery from the American Lung
5 Association.

6 But when we stop and think about epidemiology
7 studies, possible epidemiology studies, or health risk
8 studies that would be done here in Sublette County,
9 statistics simply are not on our side because of our low
10 population. If we had, you know, rather than 10,000 and
11 some people, if we had 50, 60, a hundred thousand people,
12 then we could probably generate some statistical power,
13 some statistical significance with what's happening with
14 our health here in Sublette County.

15 However, science certainly is on our side. The
16 science is very strong regarding the health impacts, not
17 only of ozone in terms of acute impacts and chronic
18 impacts, but also with the NOX and VOX, the toxicity of
19 these chemicals.

20 And when we stop and think back to all of us here
21 that live here in Sublette County and work here, recreate
22 here, we're not immune to the toxicity of the chemicals in
23 our air. Right now, we just do not have the scientific
24 data to prove that we are being impacted. But in my heart
25 and my -- I have a background in physiology -- I am certain

1 that we have many people, not only babies developing
2 asthma, COPD with some of our older people and other
3 impacts that we probably will never know that are
4 occurring.

5 So on behalf of CURED, I encourage the Board to
6 pass on the regulations. There's a lot of time that has
7 been spent, there's a lot of time that has been available
8 for comment and for changes, but I think any further delays
9 is just more delays with the impacts that we're feeling
10 with our health.

11 I also encourage DEQ to go back and review all of
12 the recommendations that were made by the ozone advisory
13 board, not only those that got a hundred percent thumbs up,
14 but some of those that didn't get a hundred percent thumbs
15 up, and by doing so help to move our air along to a more
16 healthy situation.

17 And last of all, I would encourage all citizens
18 within Sublette County and surrounding areas to become
19 involved, to become informed and speak your mind. So thank
20 you.

21 CHAIRMAN BROWN: Thank you, ma'am.

22 MS. WORL: Thank you.

23 CHAIRMAN BROWN: Any comment?

24 Let's see. We have two commenters left, and I
25 think we can get through those fairly quickly. The next

1 commenter, Susan Kramer.

2 MS. KAIL: I think she left.

3 CHAIRMAN BROWN: Okay. Then we'll go to
4 Carmel Kail.

5 MS. KAIL: I will be fast. My name is
6 Carmel Kail, and I want to echo most of what has been said.
7 I don't have a whole lot to add.

8 I do feel that more can be done on lots of
9 fronts, probably not within this rule, perhaps relating to
10 the four tpy threshold on all kinds of things, and perhaps
11 starting with the presumptive BACT since there's been a lot
12 of reference to the consistency with permits for new
13 sources nonetheless, although more can be done and should
14 be done.

15 Rulemaking to control emissions from existing
16 sources was recommended by the governors of the Green River
17 Basin Citizens Advisory Board something over two years ago.
18 This has taken a lot longer since the two years from that
19 broad-based group than I ever expected to get to this
20 stage. I'm glad we're here. Let's get her done.

21 CHAIRMAN BROWN: Thank you.

22 Any comments?

23 We do have one last speaker, Mr. Bruce Pendery.

24 MR. PENDERY: Thank you. Thank you for
25 this opportunity to provide comments to you on the proposed

1 nonattainment area Upper Green River Basin existing source
2 rule regulations.

3 My name is Bruce Pendery. I'm the chief legal
4 counsel for the Wyoming Outdoor Council.

5 WOC appreciates the proposed rules and urges the
6 Air Quality Advisory Board to register its approval of the
7 proposal so that these needed and important air pollution
8 controls can move on to the Environmental Quality Council
9 for formal adoption. The health and welfare of people
10 living in the Upper Green River Basin demands that these
11 regulations be endorsed at this time.

12 We note that the current proposal has been
13 improved since the initial proposal was released last June.
14 We are especially appreciative of the addition of a new
15 provision that leak detection and repair requirements will
16 be extended to compressor stations. For these reasons, we
17 again urge the Air Quality Advisory Board to endorse these
18 rules.

19 While as the comments we submitted on the
20 proposal make clear, we would still like to see additional
21 improvements in the rules, we believe that these additional
22 improvements can be made by the Environmental Quality
23 Council when it holds its hearing and need not be made here
24 at this time. Attempting to make these changes here now
25 will only lead to additional delay in the adoption of these

1 rules and the people of the Upper Green River Basin deserve
2 the protection of these -- that these rules will offer to
3 them now, not at some uncertain time in the future. There
4 has been too much delay already. So please move this
5 regulatory proposal on to the Environmental Quality
6 Council.

7 When the proposal gets to the Environmental
8 Quality Council, we will have ample time to ask for, and
9 hopefully get, the additional improvements we seek. As our
10 comments indicate, this would include making the new leak
11 detection and repair requirements applicable to compressors
12 also to include other emissions from compressor stations,
13 not just leaks. We will also seek to have the threshold
14 for the LDAR reduced from four tons per year of emissions
15 to say two tons per year. But again, the Environmental
16 Quality Council is the appropriate place for us to seek
17 these changes, not this hearing. Others will have the same
18 opportunities before the Environmental Quality Council.

19 These proposed existing sources rules represent
20 an important step forward. Over two years ago, the Upper
21 Green River Basin Air Quality Citizens Advisory Task Force,
22 on which I served, put together ten recommendations for how
23 ozone levels in the Pinedale area could be reduced and
24 nearly two years ago, the Department of Environmental
25 Quality agreed to pursue those recommendations.

1 The first two recommendations, which were the
2 most important of the ten recommendations, and they were
3 recommendations to reduce emissions from existing oil and
4 gas stationary sources in the ozone nonattainment area,
5 particularly in areas where the DEQ PBACT requirements were
6 not applicable.

7 These proposed existing source rules represent
8 fulfillment of that promise to the citizens of the Upper
9 Green River Basin and for that reason, the Air Quality
10 Advisory Board should give its endorsement to them at this
11 time. Thank you.

12 CHAIRMAN BROWN: Thank you.

13 Any questions, comments?

14 This is a great time to take another break. We
15 can break for an hour for lunch, or have a quick break, but
16 it's kind of been a long morning already. Why don't we at
17 least take a one-hour break and reconvene here at one
18 o'clock.

19 (Meeting proceedings recessed

20 11:59 a.m. to 1:07 p.m.)

21 CHAIRMAN BROWN: Let's go ahead and
22 reconvene for the afternoon session. So we've gone through
23 all the public comment and presentation by the DEQ. Now
24 it's time for questions from the Board or clarifications
25 from the DEQ, or do you have any comments from the

1 Division?

2 MS. CEDERLE: This is Jeni Cederle with the
3 Air Quality Division. Considering that we got a lot of
4 comments just here at this board meeting, I don't know that
5 we're ready to address everything that we've taken in
6 today, but we are more than willing to hear from the Board
7 and attempt to clarify any questions that you might have or
8 have generated through any of the comments that we heard
9 this afternoon.

10 CHAIRMAN BROWN: Okay.

11 BOARD MEMBER HULME: Jeni, just to -- or
12 for anyone on the staff, just a clarification. Some of the
13 comments we received were post the December 1st end date
14 for the comment period. Do we consider those or not?

15 MS. CEDERLE: Yes, absolutely we do. Part
16 of that was because those entities were here today and
17 spoke verbally and handed in signed comments to Steve
18 Dietrich. Everything that was submitted to Steve Dietrich
19 signed or anything that was presented verbally is part of
20 the public record and we will be addressing those.

21 CHAIRMAN BROWN: Any other questions from
22 the Board?

23 Klaus.

24 BOARD MEMBER HANSON: I'm a little unclear.
25 There were some changes -- or not very many changes that

1 were of any substance. I remember the one on the hundred
2 versus five. You know, that's something that might be
3 entertained, and we could come up with 20 or 50, or
4 whatever, you know, instead of five or a hundred, but
5 basically my feeling is there wasn't that much substantive
6 that would prevent this from a vote going forward.

7 The only question that I have, could staff --
8 what seems sensible, what we heard today, what we haven't
9 tackled yet, could that be incorporated at a later point
10 just as amendments? I have the feeling the region needs --
11 deserves something to go ahead to take care of their
12 problem and I just wondered, from the staff perspective,
13 how things that might be of interest could be incorporated
14 at a later point?

15 MS. CEDERLE: Klaus, I don't believe that
16 there's anything against possible incorporation or
17 discussions internally about what we heard today. I do
18 know that I'm unable to speak comfortably and directly to
19 some of the comments that were presented here today, but
20 absolutely, it will be taken under consideration and at any
21 point could be incorporated into the rule.

22 MR. DIETRICH: There's still another
23 comment period preceding the Environmental Quality Council
24 meeting that's yet to be even scheduled. So there's time
25 to make revisions, considering the comments that we

1 received, up until the close of the public comment period
2 as well as what we heard today.

3 CHAIRMAN BROWN: Yeah, I just have a couple
4 of clarifications. On emptying tanks, emptying within
5 seven days, there was some concern about the verbiage on
6 the definition of empty or when do you require it. Has any
7 thought been entertained to what the definition of empty
8 is, you know? Because in other regulations, there are
9 specific empty definitions and I don't know if there was a
10 possibility of looking into that or not.

11 MR. SMITH: Yeah. This is Mark Smith.
12 We've taken that condition out of permits for some of the
13 facilities that already have those type of tanks on those
14 sites. So that's why we incorporated it in this rule was
15 to be for facilities that may have those conditions already
16 and not have been modified and then would then be subject
17 under this rule. So it was to be consistent with how we
18 have other conditions related to those tanks.

19 We've never looked at a definition of what's
20 empty. I mean, I think it would be fair to say that it's
21 not going to be, you know, spit-shined clean on the inside
22 of the tank. I think they can only get so much of it out.

23 Just the way the liquids sit in the bottom of the
24 tank, it doesn't drain from the bottom of the tank. It's
25 out from the side, near the bottom. So there's probably

1 always going to be some bit of residual liquids left in
2 there. The majority of it was just to get that -- to get
3 that out of there. If there was a larger volume of liquid,
4 to be able to get that out of there as soon as possible so
5 that it doesn't then turn into a permit-type storage tank.

6 If our inspectors go out there -- and they've
7 seen on like FLIR cameras, when they take a look at the
8 tank, they can see levels of where the liquid was at in the
9 tank, and if it's supposed to be a blowdown tank and it's
10 three-quarters of the way full and they say how long has
11 that been sitting in there, that doesn't seem like it's a
12 temporary emergency storage tank. That's a full, permanent
13 use tank.

14 CHAIRMAN BROWN: Thank you. Can you give
15 me a layman's definition of blowdown?

16 MR. SMITH: Yeah. Blowdowns occur when the
17 wells get loaded up with liquids. So when the liquids sit
18 over the top of a gas cap within the well, what they do is
19 they open up the well to atmosphere and they can create
20 that pressure differential, which then unloads that liquid
21 into a tank and allows the gas to continue flowing.

22 So once that liquid is loaded off the top, then
23 the gas starts flowing again, and they call that a
24 blowdown. So that's the emission from the gas being vented
25 out in order to purge those liquids from the wellbore.

1 CHAIRMAN BROWN: Thank you.

2 BOARD MEMBER HANSON: Was the device that
3 we saw last night, the sort of tubular thing that -- the
4 blowdown thing, was that what we saw last night?

5 MR. SMITH: I didn't get a chance to talk
6 with Todd and those guys at QEP about that, but I -- Ultra,
7 sorry. I was at the -- you guys were at the same table.

8 BOARD MEMBER HANSON: It was an interesting
9 thing that floated back up and then emptied out and would
10 go down again and collected again.

11 MR. SMITH: Yeah, I saw it, but I didn't
12 get a chance to get the full description of it. They might
13 be able to speak to that after we're done here.

14 BOARD MEMBER HANSON: Mr. Chairman, I have
15 a few more questions, just clarifying. Mr. Goldstein spoke
16 about quarterly inspections. That's already included,
17 isn't it, if I'm not mistaken?

18 MR. SMITH: I'm sorry, I didn't catch it.

19 BOARD MEMBER HANSON: The first comment we
20 heard from Mr. Goldstein was about quarterly inspections,
21 and I think that's already included, isn't it, in the
22 regulation as it is written right now?

23 MR. SMITH: For the fugitive section?

24 BOARD MEMBER HANSON: Yeah.

25 MR. SMITH: Yeah, for sites that have

1 fugitive emissions, they would be subject to the quarterly
2 monitoring.

3 BOARD MEMBER HANSON: Okay. And I was
4 unclear. In Mr. Hohl's comment, he talked about the --
5 monitoring the entire compressor station rather than the
6 compressors and I didn't know what else there was involved
7 that would pollute. I have no idea. Can you clarify that?

8 MR. SMITH: Yeah. So what we were doing
9 including the fugitives portion with the compressor
10 stations, all of the equipment is -- at the compressor
11 station are subject to BACT when they're permitted.
12 They're not subject to BACT like the production facilities
13 are.

14 So there could be some facilities that at the
15 time they were permitted, they have dehydration units and
16 all other forms of equipment that are at those sites, they
17 would be subject to BACT at the time.

18 And those are -- they're permitted based on their
19 design capacities of everything, so they're basically
20 permitted at the maximum potential, and it doesn't account
21 for any type of fluctuations in production rates or
22 anything. They're just permitted in BACT. So they have
23 controls that are probably more stringent than what we
24 would look at at production facilities. So the remainder
25 of equipment at those sites are permitted and have controls

1 already.

2 There might be some fugitives that at the time
3 that those facilities weren't above the level where we
4 would look at doing BACT at those compressor stations that
5 this would address that type of issue. At these older
6 facilities where they haven't been moved, they would be
7 subject to a lower BACT threshold.

8 BOARD MEMBER HANSON: Thank you.

9 Mr. Chairman, I have one more --

10 CHAIRMAN BROWN: That's fine.

11 BOARD MEMBER HANSON: -- if I find it right
12 now. No, that would be fine right now.

13 CHAIRMAN BROWN: I've got a relatively easy
14 question. On the hundred site count rule, or whatever,
15 what determines the hundred sites for the composite? Or
16 just what was determined for the hundred?

17 MS. CEDERLE: Oh, the 100 component
18 count --

19 CHAIRMAN BROWN: Component count.

20 MS. CEDERLE: -- came from a statistically
21 significant sample size.

22 CHAIRMAN BROWN: Okay.

23 MS. CEDERLE: Why I had emission control
24 look into the number of wells, they found --

25 CHAIRMAN BROWN: Yeah. I was wondering

1 what the basis you had where you got that.

2 Klaus, have you got a question?

3 BOARD MEMBER HANSON: I found it. I think
4 there was a comment by Ms. Worl, and she stated that the
5 dehydration units were not clearly defined, or whatever,
6 and other relations to the condensation wasn't clearly
7 defined. Is that something that needs to be addressed?
8 Because there seems to be sort of on clarity, or whatever,
9 confusion as to how this is supposed to work. Is that
10 something that was only raised by this individual or is
11 this something that would be improved?

12 MR. SMITH: The way that we handled the
13 dehydration units since the 2010 version of the guidance
14 when we allowed for -- we started allowing for the control
15 removal, the way that we've done the applicability under
16 the guidance and how we have incorporated here under the
17 rule would be a dehydration unit completely by itself
18 without accounting for a flash tank or any type of
19 condenser or anything like that, we look at the completely
20 uncontrolled emissions to determine whether or not they
21 have to put controls on.

22 The way that we word the conditions of the permit
23 to allow for those control removals, we look at it the same
24 way. We looked at it except instead of the first 30 days
25 of production with the decline as you do under the

1 guidance, we're looking at this for installing controls the
2 previous 12 months, and then if they're in the future
3 looking to remove those controls, we would look at it the
4 same way. It would just be that most current production,
5 their glycol circulation rate and then without any flash
6 tank or any condenser. So we'd be looking at completely
7 uncontrolled.

8 We know that there's some small amount of control
9 that you can get from a condenser. It's hard to put a
10 control efficiency on it. You can send emissions to a
11 combustor and it's designed to be 98 percent and say you're
12 getting 98 percent control, with a condenser, it's
13 depending upon the ambient temperature.

14 So if it's really hot out, it might not condense
15 as much, but if it's a little bit cooler, you might get
16 some more condensation, liquids drop out, therefore, you
17 get a little bit higher control efficiency with it.

18 So it's our intent to look at the completely
19 uncontrolled and not account for any control that could be
20 done with a condenser in terms of removing those combustors
21 to get to 98 percent. Because we know that that condenser
22 is still being on there we'll get some bit of additional
23 control that's going to help ensure that it won't over go
24 back above the four tons. If they're uncontrolled without
25 the condensers below four, having the condenser on there

1 will definitely make us feel more comfortable if it's not
2 going to be back above four.

3 BOARD MEMBER HANSON: And it's not a
4 process that occurs very frequently.

5 MR. SMITH: No. Like I said, I think when
6 we met back in July, we still -- I mean, those things came
7 into effect for wells that were new after August 1, 2010.
8 We've yet to have anybody submit control removal for a
9 dehydration unit under the -- even like I said the 2010
10 version of the guidance.

11 BOARD MEMBER HANSON: Thank you very much.

12 CHAIRMAN BROWN: Any other comments from
13 the Board to the Division?

14 No comments?

15 BOARD MEMBER HULME: Just from my personal
16 standpoint on what's gone on today, the comments we
17 received prior to the end of the comment period, I feel
18 like we're pretty supportive of the rule as it stands
19 before us today. So the comments that do come in today,
20 for me personally, I don't feel like I have had enough time
21 to look those over and consider the impacts of what those
22 might be, and those comments, since there is another
23 comment period coming up -- this goes to the EQC -- that
24 those comments might be better addressed by that body at
25 that point. So I personally feel ready to make a motion as

1 to what to do with this rule.

2 BOARD MEMBER HANSON: I will second it.

3 BOARD MEMBER HULME: I didn't make the
4 motion.

5 BOARD MEMBER BONER: Made.

6 BOARD MEMBER HULME: So I would move
7 adoption of Chapter 8, Sections 1, 6 and 10, I guess --

8 BOARD MEMBER HANSON: Second.

9 BOARD MEMBER HULME: -- as presented to us
10 today as the Air Quality Advisory Board.

11 BOARD MEMBER HANSON: Second.

12 CHAIRMAN BROWN: Okay. It's been moved and
13 seconded to adopt and approve the regulations as presented,
14 Section 1 -- Chapter 8, Section 1, Chapter 8, Section 6 and
15 Chapter 10, or Chapter 8, Section 10. All those in favor?

16 (All board members indicated aye.)

17 CHAIRMAN BROWN: All those opposed? Motion
18 passes.

19 On to the next item in the agenda. Schedule the
20 next meeting.

21 MS. CEDERLE: I was hoping to address the
22 Board and just start considering a springtime meeting,
23 perhaps late April, early May, for another rulemaking, but
24 if you're okay with me to do a poll, I can check the
25 calendars and taking a look ahead and reaching out to you

1 guys in that matter. But that's about the time frame I'm
2 thinking of right now so that you have that to consider
3 today.

4 CHAIRMAN BROWN: That works.

5 MS. CEDERLE: Terrific.

6 CHAIRMAN BROWN: Thank you, everybody, for
7 your attendance and your comments.

8 BOARD MEMBER WASSERBURGER: Mr. Chairman, I
9 move we adjourn.

10 BOARD MEMBER HULME: Second.

11 CHAIRMAN BROWN: Moved and seconded.

12 Adjourned. These proceedings are closed.

13 (Meeting proceedings concluded

14 1:25 p.m., December 10, 2014.)

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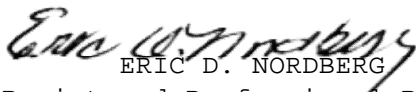
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C E R T I F I C A T E

I, ERIC D. NORDBERG, 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 22nd day of December, 2014.


ERIC D. NORDBERG
Registered Professional Reporter

