

FACT SHEET

FINAL RULE FOR NATIONAL EMISSIONS STANDARDS FOR HAZARDOUS AIR POLLUTANTS: FOR OIL AND NATURAL GAS PRODUCTION FACILITIES

ACTION

- On December 21, 2006, the Environmental Protection Agency (EPA) issued a final rule to control hazardous air pollutant emissions from oil and natural gas production facilities. Toxic air pollutants, also known as air toxics, are pollutants known or suspected of causing cancer or other serious health problems. The final rule is posted at <http://www.epa.gov/ttn/oarpg/t3pfpr.html>.
 - The oil and natural gas production source category extends from the oil and natural gas well head through various facilities used to recover products, such as a tank battery or a natural gas processing plant.
 - This final rule applies to smaller sources of air toxics, known as area sources. The final rule requires different emission reduction requirements for triethylene glycol dehydration units (TEG units) found at oil and natural gas production facilities based on their geographical location. TEG units are used to remove excess water vapor from natural gas before it enters transmission pipelines.
 - This final rule will require emission controls for a single emission point: process vents at TEG units. Units located in densely populated areas (determined by the Bureau of Census) and known as urbanized areas with an added 2-mile offset and urban clusters of 10,000 people or more, will be required to do one of the following:
 - ▶ Vent emissions to a control device, or
 - ▶ Make process changes to achieve emission reductions comparable to a control device, or
 - ▶ Document that the unit's emissions are low enough that controls are not needed.
- Units located outside these areas will be required to do one of the following:
- ▶ Modify the unit's glycol circulation rate to an optimum rate, or
 - ▶ Document that the unit's emissions are low enough that controls are not needed.

BENEFITS AND COST

- EPA estimates that this final rule will affect 2,200 facilities that produce oil and natural gas.

- EPA estimates this final rule will reduce emissions of air toxics by 7,900 tons/year. This represents a reduction of 26% from current levels for regulated sources.
- This final rule will also reduce volatile organic compound (VOC) emissions by 16,000 tons/year. This represents a reduction of 26% from current levels for regulated sources. VOC contribute to the formation of ground-level ozone, the primary constituent of smog. When inhaled, even at very low levels, ground-level ozone can cause acute respiratory problems, aggravate asthma, reduce lung capacity, inflame lung tissue, and impair the body's immune system.
- The total capital cost for facilities to comply with this final rule will be \$2.6 million. The total annual cost will be approximately \$2.5 million.

BACKGROUND

- The Clean Air Act Amendments of 1990 (CAA), require EPA to regulate sources of 187 listed toxic air pollutants. The CAA also requires EPA to identify industrial or "source" categories that emit one or more of these pollutants.
- For major sources within each source category, the CAA required EPA to develop standards that restrict emissions to levels consistent with the lowest-emitting (also called best-performing) plants. Major sources are those that emit 10 tons a year or more of a single toxic air pollutant or 25 tons a year or more of a combination of air toxics. Facilities emitting below the major source threshold are considered "area sources."
- The CAA further required EPA to develop a strategy to identify and reduce emissions of these toxic air pollutants in urban areas. To meet that requirement, EPA published its Integrated Urban Air Toxics Strategy (Strategy) on July 19, 1999 in the *Federal Register*.
- As part of the Strategy, EPA identified a list of the 33 air toxics that present the greatest threat to public health in the largest number of urban areas (see attached table for list of urban air toxics). Of these 33 urban air toxics, EPA has identified the 30 with the greatest contribution from smaller commercial and industrial operations or so-called "area" sources.
- In the Strategy published July 19, 1999, EPA also identified 29 area source categories that contribute to the emissions of these 30 listed air toxics. Oil and Natural Gas Production was one of the area source categories listed in the Strategy. Subsequent notices published on June 26 and November 22, 2002 added 41 source categories to the list of area sources.

- EPA proposed a rule to reduce air toxics from oil and natural gas production facilities considered to be both major and area sources in February 1998. The Agency issued a final rule regulating major sources only on June 17, 1999. EPA issued a supplemental proposal on July 2005 to expand the regulation of area sources to apply to all sources nationally. EPA solicited comments on both the February 1998 and July 2005 proposed rules. As a result of the comments, EPA changed the level of emissions reduction required using source location relative to population density as a factor.
- EPA is promulgating this final rule by December 21, 2006 as agreed upon with the Sierra Club.

FOR MORE INFORMATION

- This final rule is posted at: <http://www.epa.gov/ttn/oarpg/t3pfpr.html>.
- Today's final rule and other background information are also available either electronically in EDOCKET, EPA's electronic public docket and comment system, or in hardcopy at EPA's Air and Radiation Docket and Information Center, Environmental Protection Agency, Room B102, 1301 Constitution Avenue, NW, Washington, DC (Docket ID No. EPA-HQ-OAR-2004-0238 (Legacy Docket ID No. A-94-04)). The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket and Information Center is (202) 566-1742.
- For further information about this final rule, contact Mr. Greg Nizich of the EPA's Office of Air Quality Planning and Standards by phone (919) 541-3078 or by e-mail at nizich.greg@epa.gov.
- EPA's Office of Air and Radiation (OAR) home page on the Internet contains a wide range of information on the air toxics program, as well as many other air pollution programs and issues. The OAR home page address is: <http://www.epa.gov/oar>.