TCEQ Office of Air Updates

Steve Hagle, P.E., Deputy Director

Air & Waste Management Association Meeting
Arlington, Texas
October 15, 2013
Overview of Updates

- Legislative Implementation from 83rd Session
- DFW State Implementation Plan
- Emissions Banking and Trading
- Flexible Permits
- Oil & Gas
83rd Legislative Session

HB 788: Greenhouse Gas PSD Permitting

- Changes six rule chapters (39, 55, 101, 106, 116, and 122)

- Requires authorization of major sources of GHGs (above EPA’s Tailored Thresholds) through PSD permit

- No requirement to permit minor sources of GHGs (below EPA’s Tailored Thresholds)

- All existing public participation requirements remain, except there is no contested case hearing opportunity per HB 788
HB 788: Greenhouse Gas PSD Permitting, cont.

- No reportable quantity for excess emissions of GHGs (except existing HFCs RQs)

- Emissions of GHGs will not be reported to the EI.
  - However, sources that become PSD based on emissions of GHGs will be required to report criteria pollutants and HAPs to the EI. (Title V sources will likely report to the EI as well)

- No EI fees for GHG emission, but sources that become Title V major based on emissions of GHGs will pay fees on criteria pollutants.
83rd Legislative Session

HB 788: Greenhouse Gas PSD Permitting, cont.

Anticipated Rulemaking Timeline:

- Proposal: October 23, 2013
- Texas Register publication date: November 8, 2013
- Public hearing date: December 5, 2013
- Public comment period: November 8, 2013 - December 9, 2013
- Adoption date: March 26, 2014
**83rd Legislative Session**

**HB 788: Greenhouse Gas PSD Permitting, cont.**

- EPA “parallel” processing.....
83rd Legislative Session

SB 1756: Expedited Air Permitting

- Tex. Health & Safety Code § 382.0515 provides TCEQ authority to:
  - Grant requests for expedited processing of an air permit application if it will benefit the economy of Texas or an area of this state
  - Add a surcharge to the application fee for expedited permit applications
  - Use overtime or contract labor to process these applications

- Tentative Rulemaking Timeline
  - Proposal - January 2014
  - Adoption - June 2014
SB 1727 – Texas Emission Reduction Plan Grant Programs

• Significant changes to existing programs and establishment of new programs

• Existing programs with changes:
  – Emissions Reduction Incentive Grants (removed cost-effectiveness limits)
  – New Technology Implementation Grants, Texas Clean Fleet, Alternative Fueling Facilities, Clean Transportation Triangle, Texas Natural Gas Vehicle Grants Program

• New programs: Drayage Truck Incentive Program, plus other programs to support congestion mitigation to reduce mobile source ozone precursor emissions

• Four rule packages, three guidelines changes, plus other program changes that do not require Commission approval
DFW

State Implementation Plan
Dallas-Fort Worth Area Trends in Ozone Design Values and Human Population from 1991-2012

- Eight-Hour Ozone Design Values
- One-Hour Ozone Design Values
- 1997 Eight-Hour Ozone NAAQS: 84 ppb
- 2008 Eight-Hour Ozone NAAQS: 75 ppb

*Design Values are from EPA’s AQS.
**Population from US Census Bureau.
Number of Days Eight-Hour Ozone Daily Max Greater Than 75 ppb and Greater Than 84 ppb in the DFW Area

*Source: Ozone - EPA's Air Quality System.
**Eight-hour values of 85 ppb or greater exceed the 1997 eight hour NAAQS, and eight-hour values of 76 ppb or greater exceed the 2008 eight-hour NAAQS.
Eight-Hour Ozone Regulatory Design Value ($D_{VR}$) Changes by Monitor - 2003 / 10-09-2013

**Color Coding:**
- Monitors in red were operational prior to 2000
- Monitors in blue began operation in 2000
- Monitors in green began operation after 2000

**Note:**
- 2013 values were updated on September 4 and are subject to change by the end of the ozone season.
Monitored regulatory ozone design value ($DV_R$): three-year rolling average of the fourth highest reading per year.

Example: The 2012 monitored design value is an average of the fourth highest monitored levels from 2010, 2011, and 2012.
DFW Eight-Hour Ozone Regulatory Design Values
Current Monitors That Began Operation in 2000

Monitored regulatory ozone design value ($DV_R$): three-year rolling average of the fourth highest reading per year.

Example:
The 2012 monitored design value is an average of the fourth highest monitored levels from 2010, 2011, and 2012.

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TCEQ Office of Air Updates • Steve Hagle, P.E. • October 15, 2013 • Page 14
DFW Area Eight-Hour Ozone Design Values Across All Monitors from 2000 to 2013

Yearly Range for Eight-Hour Ozone Design Value

- Maximum
- Minimum
- Average
- 75 ppb Standard
- 84 ppb Standard
Number of DFW Area Monitors Exceeding Eight-Hour Ozone Standard from 2003-2012

- Number of Monitors with a Design Value > 75 ppb
- Number of Monitors with a Design Value > 84 ppb
- Number of Monitors with a Valid Design Value

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TCEQ Office of Air Updates • Steve Hagle, P.E. • October 15, 2013 • Page 16
Emission banking and trading

Status of Guidance Documents

• Guidance on the Use of Allowances for Nonattainment New Source Review (NNSR) Permit Offset Requirements

• Guidance on the Inter-Pollutant (IP) Use of Credits for NNSR Permit Offset Requirements
  • Status: Currently under review and should be publically available late Oct 2013

• Guidance on the Inter-Basin (IB) Use of Credits for NNSR Permit Offset Requirements
  • Status: Currently under review and should be publically available late Oct 2013
Flexible Permits

- 30 TAC Ch. 116 Subchapter G SIP re-submittal approved at 9/24/13 Agenda – sending package (includes two letters) to EPA soon
  - EPA should propose conditional approval of this Dec/Jan

- Next flexible permit rule revision (to satisfy EPA’s condition) planned for proposal in Feb 2014
  - Essentially like the above SIP revision, plus some 2010 language repeals, as well as formatting and non-substantive (re-wording) changes

As of 10/11/13:
- 28 flexible permits remain
- 92 “de-flexed” (Subchapter G to Subchapter B)
- 22 de-flex applications pending (14 “on hold”)

TCEQ Office of Air Updates  •  Steve Hagle, P.E.  •  October 15, 2013  •  Page 18
Oil & Gas

- **NSPS OOOO**
  - Reporting
  - Revised storage tank requirements
    - [http://www.epa.gov/airquality/oilandgas/pdfs/20130805fs.pdf](http://www.epa.gov/airquality/oilandgas/pdfs/20130805fs.pdf)

- **O&G MSS Authorization – New PBR 30 TAC §106.359**
  - 7/26/13 – TCEQ adopted §106.359 – authorizes planned MSS emissions at oil and gas handling and production facilities
  - 9/10/13 – rule effective
  - 1/15/14 – due date to claim the PBR

- **Monitors in DFW Region – SB 527 (82nd Legislature)**
  - See maps on next two slides
North Texas 2013
Volatile Organic Compound
Air Monitors
Auto GC Benzene Annual Averages
part per billion - by volume (ppbv)

NOTES:
DISH and Eagle Mountain Lake AutoGC monitors established in April 2010.
Decatur AutoGC monitor established October 2010.
Flower Mound AutoGC monitor established in November 2010.
Everman Johnson Park monitor was established in July 2011.
Kennedale monitor was established in July 2012.
Arlington Campus monitor was established in September 2012.
Mansfield monitor was established in October 2012.
Rhome monitor was established in December 2012.
Godley monitor was established in July 2013.

Long-Term Ambient Monitoring Comparison Value = 1.4 ppb

Year

ppbv

TCEQ Office of Air Updates • Steve Hagle, P.E. • October 15, 2013 • Page 21
Oil & Gas, cont.

Summer 2013 Flyovers

- 23 counties in Eagle Ford Shale and Permian Basin area
- Proactive tool to identify new air emission sources, allow staff to focus resources, and work with regulated community to address observed emissions
- Screening tool only, no direct violations based solely on the videos

- Staff ranked 426 videos
  - If a site is ranked high enough, then a survey will be sent out to the owner/operator

- TCEQ staff will conduct on-site visits if a response was not received and/or the survey or video indicated further concerns
Oil & Gas, cont.

Monitoring and the Eagle Ford Shale Area

- Under a contract with the TCEQ, the University of Texas at Austin will be conducting mobile monitoring upwind and downwind of the Eagle Ford Shale area.

- Monitoring for ozone precursors to determine if there is a significant increase in ozone precursors downwind of the shale play.

- Also looking to see if the existing Wilson County monitor provides data representative of a large area downwind of the Eagle Ford Shale play.
Questions?

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