AB 617 BARCT Determination for Natural Gas Production Operations

Board of Directors Meeting
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What is AB 617?

- Assembly Bill (AB) 617 was signed into law in 2017
- Five main components:
  - Community air monitoring/Community emission reduction program
  - Increased penalties for air quality violations
  - Enhanced emission reporting (CARB’s Criteria and Toxics Reporting regulation)
  - Incentive funding and community grants
  - Expedited Best Available Retrofit Control Technology (BARCT)
What is BARCT?

• What is Best Available Retrofit Control Technology (BARCT)

  “An emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of source”

• BARCT typically impacts existing equipment and operations through District rulemaking or state regulations
Expedited BARCT

• A district in a nonattainment area must implement BARCT for each industrial Greenhouse Gas (GHG) Cap-and-Trade Source
  – Must be completed by 2022 (expedited)
  – We have three categories of industry subject
  – Natural gas production operations is the first category we will be bringing before you
What are the Natural Gas Production Operations in Sacramento County

• Almost all the gas producing wells are located in the southwest area of Sacramento County
• Natural gas is mostly methane, a potent GHG, but also contains volatile organic compounds
• Production of natural gas requires:
  – Well heads to extract natural gas from ground
  – Compressor to move the natural gas
  – Storage tanks for water
  – Pipeline and connectors
BARCT Analysis

- Staff analyzed and compared:
  - Available control technologies
  - Rules of other air districts
  - CARB’s Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities
  - GHG controls for natural gas production operations also reduce volatile organic compounds (VOC) emissions
- Staff considered whether adoption of an additional District rule is necessary to meet BARCT
Conclusions

• Staff has concluded that CARB’s existing Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities meet BARCT for VOC emissions from this source category
  – District implements and enforces the state GHG regulation through Memorandum of Agreement with CARB
  – Staff performs site inspections, checks for natural gas leaks, examines records

• No additional District rulemaking is proposed for this source category
Recommendations

• Conduct a public hearing
• Determine that the adoption of the BARCT analysis is exempt from the California Environmental Quality Act (CEQA);
• Determine that the District’s implementation and enforcement of CARB’s GHG regulation meets BARCT; and
• Approve the resolution adopting the BARCT analysis