

STATE OF COLORADO

John W. Hickenlooper, Governor
Larry Wolk, MD, MSPH
Executive Director and Chief Medical Officer

Dedicated to protecting and improving the health and environment of the people of Colorado

COLORADO AIR QUALITY CONTROL COMMISSION

<http://www.cdphe.state.co.us>

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Colorado Department
of Public Health
and Environment

NOTICE OF PUBLIC RULEMAKING HEARING BEFORE THE COLORADO AIR QUALITY CONTROL COMMISSION

Regarding proposed revisions to:

Oil & Gas Rulemaking Efforts: Regulation Number 3, Parts A, B, and C Regulation Number 6, Part A Regulation Number 7

SUBJECT:

The Commission has set a rulemaking hearing to consider proposed changes to:

Regulation Number 3, Parts A, B, and C to simplify emissions reporting and permitting requirements, including removing the “catchall” provisions and removing the crude oil storage tank permit exemptions. These revisions support the Air Pollution Control Division’s proposal to fully adopt NSPS OOOO.

Regulation Number 6, Part A to fully incorporate by reference NSPS OOOO, including recent amendments and the provisions not incorporated during the partial adoption (natural gas well green completion provisions and requirements for affected facilities below current reporting and permitting thresholds).

Regulation Number 7 to establish state-only volatile organic compound (VOC) and other hydrocarbon emission control requirements for oil and natural gas operations. These requirements include: 1) enhancing the existing control program for storage tanks; 2) ensuring that emissions from controlled storage tanks are captured and routed to the control device; 3) conducting leak detection and repair programs for compressor stations and well production facilities; 4) installing auto-igniters on flare devices throughout the state; 5) requiring the use of low-bleed and no-bleed pneumatic devices; 6) requiring that the gas stream at well production facilities be connected to a pipeline or routed to a control device; 7) lowering the threshold for controlling glycol dehydrators; and 8) establishing requirements to minimize emissions from well maintenance and liquids unloading. The Commission may also consider alternative proposals to reduce VOC and other hydrocarbon emissions from oil and natural gas operations in Colorado.

HEARING SCHEDULE:

DATE: February 19, 2014
TIME: 12:00 PM - 7:00 PM
PLACE: Aurora Municipal Center – City Council Chambers
15151 East Alameda Parkway
Aurora, CO 80012

HEARING SCHEDULE:

DATE: February 20, 2014
TIME: 9:00 AM – 6:00 PM
PLACE: Aurora Municipal Center – City Council Chambers
15151 East Alameda Parkway
Aurora, CO 80012

HEARING SCHEDULE:

DATE: February 21, 2014
TIME: 9:00 AM – 6:00 PM
PLACE: Aurora Municipal Center – City Council Chambers
15151 East Alameda Parkway
Aurora, CO 80012

The hearing may be continued at such places and time as the Commission may announce. Interested parties may contact the Commission Office at 303-692-3476 to confirm meeting dates and times.

PUBLIC COMMENT:

The Commission encourages all interested persons to provide their views either orally at the hearing or in writing prior to or at the hearing. The Commission especially solicits comments and analyses from persons who will incur directly some cost or benefit from the proposed revisions. **Public testimony will be taken on February 19, 2014.** Written and/or electronic submissions are requested, but not required to be submitted prior to the hearing to allow review prior to presentation at the hearing.

Written and/or electronic submissions should be mailed to the Commission Office at least 14 days prior to the hearing. Information should be printed and should include: your name, your address, your phone number, an email address if applicable, and the name of a particular group that you may be representing if applicable.

Written submissions should be mailed to:

Colorado Air Quality Control Commission
Colorado Department of Public Health and Environment
4300 Cherry Creek Drive South, EDO-AQCC-A5
Denver, Colorado 80246

Email submissions should be emailed to: cdphe.aqcc-comments@state.co.us

PARTY STATUS:

Any person may obtain party status for the purpose of this hearing by complying with the requirements of the Commissions Procedural Rules. A petition for party status must be filed by electronic mail with the Office of the Air Quality Control Commission no later than close of business on **December 13, 2013**. The petition must: *1) identify the applicant; 2) provide the name, address, telephone and facsimile numbers, and email address of the applicants representative; and 3) briefly summarize what, if any, policy, factual, and legal issues the applicant has with the proposal(s) as of the time of filing the application.* Electronically mailed copies must also be received, by this same date, by the Division staff person and the Assistant Attorneys General representing the Division and the Commission identified below. Any person may petition the Commission to file documents in paper copy format if they are unable for any reason to comply with the requirements of Subsection III.I.2 of the Commission's Procedural Rules. An original and fifteen paper copies must be filed in the Office of the Air Quality Control Commission, Colorado Department of Public Health and Environment, 4300 Cherry Creek Drive South, Denver, Colorado 80246.

Individuals must indicate in their request to obtain party status that an **alternative proposal** may be forthcoming. The submittal of an alternative proposal must be accompanied by an electronic copy of the alternative proposed rule and all other associated documents as required by the Commission's Procedural Rules, and must be filed by electronic mail with the Office of the Commission by **December 19, 2013**. Alternative rules must also be filed by electronic mail with the Division staff person and with each of the Assistant Attorneys General.

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Requests received beyond the above stated deadline shall only be considered upon a written motion for good cause shown. The Commission reserves the right to deny party status to anyone that does not comply with the Commission's Procedural Rules.

STATUS CONFERENCE:

A status conference will be held **December 19, 2013 at 9:30 a.m.**, at the Department of Public Health and Environment, Sabin/Cleere Conference Room, to ascertain and discuss the issues involved, and to ensure that parties are making all necessary efforts to discuss and resolve such issues prior to the submission of prehearing statements. Attendance at this status conference is mandatory for anyone who has requested party status.

PREHEARING CONFERENCE/PREHEARING STATEMENTS:

Attendance at the prehearing conference is mandatory for all parties to this hearing. A prehearing conference will be held **January 17, 2014 at 9:30 a.m.** at the Department of Public Health and Environment, Sabin/Cleere Conference Room. All parties must submit by electronic mail a prehearing statement to the Commission Office by close of business **January 6, 2014**. In addition, any exhibits to the prehearing statements must be submitted in a separate electronic transmission to the Commission Office by close of business **January 6, 2014**. Electronically mailed copies of these documents must be delivered by that date to all persons who have been granted party status and to the Division point of contact and each of the Assistant Attorneys General identified above by close of business **January 6, 2014**. Rebuttals to the prehearing statement may be submitted to the Commission Office and all other parties by close of business **January 30, 2014**.

EXCEPTIONS TO FILE DOCUMENTS BY ELECTRONIC MAIL:

The Commission's Procedural Rules provide for an exception to file documents by electronic mail. If granted an exception to electronic filing pursuant to the provisions of Subsection III.I.3. of the Commission's Procedural Rules, the applicant for party status shall file an original and fifteen copies of the prehearing statement and exhibits in the Office of the Air Quality Control Commission, and shall also deliver copies to each party, the Assistant Attorneys General representing the Commission and Division, and the Division staff person for the proceedings by close of business January 6, 2013.

STATUTORY AUTHORITY FOR THE COMMISSION'S ACTIONS:

Regulation Number 3: The Colorado Air Pollution Prevention and Control Act § 25-7-105(1) directs the Commission to promulgate such rules and regulations as are consistent with the legislative declaration set forth in Section 25-7-102 and are necessary for the proper implementation and administration of Article 7. C.R.S. § 25-7-105(1)(a)(I) authorizes the Commission to revise Colorado's State Implementation Plan whenever necessary and appropriate. C.R.S. § 25-7-105(12) authorizes the Commission to promulgate regulations necessary to implement the provisions of the Colorado emission notice, minor source permit, and Title V programs. C.R.S. § 109(3) authorizes the Commission to promulgate emissions control regulations pertaining to the storage and transfer of petroleum products and other VOCs. C.R.S. § 25-7-109.3(3)(c) directs the Commission to exempt classes of minor or insignificant sources of emissions of hazardous air pollutants from the Colorado hazardous air pollutant control and reduction program requirements. Section 25-7-109.3(5)(c) directs the Commission to establish de minimis emission levels for each hazardous air pollutant beneath which emissions are considered to be of minor significance.

Regulation Number 6: The Colorado Air Pollution Prevention and Control Act, C.R.S. §§ 25-7-105(1) directs the Commission to promulgate such rules and regulations as are consistent with the legislative declaration set forth in section 25-7-102 and are necessary for the proper implementation and administration of [Article 7]. C.R.S. §§ 25-7-105(1)(b) and 25-7-109 authorize the Commission to adopt emission control regulations, including emission control regulations relating to new stationary sources, for the development of an effective air quality control program. Further, C.R.S. § 25-7-106(6) authorizes the Commission to require testing, monitoring, and recordkeeping.

Regulation Number 7: The Colorado Air Pollution Prevention and Control Act, C.R.S. § 25-7-101, et seq., (“Act”), C.R.S. § 25-7- 105(1) directs the Commission to promulgate such rules and regulations as are consistent with the legislative declaration set forth in section 25-7-102 and are necessary for the proper implementation and administration of [Article 7]. The Act broadly defines air pollutant and provides the Commission broad authority to regulate air pollutants. Section 25-7-106 provides the Commission maximum flexibility in developing an effective air quality program and promulgating such combination of regulations as may be necessary or desirable to carry out that program. It also authorizes the Commission to promulgate emission control regulations applicable to the entire state, specified areas or zones, or a specified class of pollution. Sections 109(1)(a), (2), and (3) of the Act authorize the Commission to promulgate regulations requiring effective and practical air pollution controls for significant sources and categories of sources, emission control regulations pertaining to nitrogen oxides and hydrocarbons, and emissions control regulations pertaining to the storage and transfer of petroleum products and other VOCs. Section 25-7- 109(2)(c), in particular, provides broad authority to regulate hydrocarbons.

The rulemaking hearing will be conducted in accordance with Sections 24-4-103 and 25-7-110, 110.5 and 110.8 C.R.S., as applicable and amended, the Procedural Rules of the Commission and as otherwise stated in this notice. This list of statutory authority is not intended as an exhaustive list of the Commission’s statutory authority to act in this matter.

Dated this 25th day of November 2013 at Denver, Colorado

Colorado Air Quality Control Commission

A handwritten signature in dark ink, reading "Michael Silverstein". The signature is written in a cursive, flowing style. The first name "Michael" is written with a large, prominent "M". The last name "Silverstein" is written with a large, prominent "S". The signature is positioned above a horizontal line.

Michael Silverstein, Administrator