COMPLIANCE ADVISORY



Quarterly LDAR Reporting for Oil & Gas Facilities

October 16, 2019

BACKGROUND: On October 9th, 2019, the Yolo-Solano Air Quality Management District (District) Board adopted Rule 3.26, Oil and Gas Equipment Registration, to aid in the implementation and enforcement of California's Oil and Gas Methane Regulation (COGR).

Quarterly leak detection and repair (LDAR) inspections represent a key part of the Regulation's efforts to reduce fugitive methane emissions and reports of these inspections are required by the District. This advisory seeks to clarify what the District will require in these reports.

REQUIREMENTS: All oil and gas facilities must submit to the District, **within 30 days of the end of every calendar quarter**, a copy of their quarterly LDAR reports. These LDAR reports must show that <u>all</u> components were inspected at least once during the calendar quarter using EPA Reference Method 21. Company logs of LDAR inspections will also be accepted, as long they include all required information. Information on what the LDAR Reports must include can be found on the "Report Details" segment on the next page.

COVERED COMPONENTS: Components that are required to be inspected include: valves, fittings, flanges, threaded-connections, process drains, stuffing boxes, pressure-vacuum valves, pressure-relief devices, pipes, seal fluid systems, diaphragms, hatches, sight-glasses, meters, open-ended lines, well casings, natural gas powered pneumatic devices, natural gas powered pneumatic pumps, and reciprocating compressor rod packing or seals.

Components at idle wells under positive pressure are also required to be inspected.

PLUGGED AND ABANDONED WELLS: Only officially plugged and abandoned wells are exempted from LDAR inspection requirements. If a well has been permitted for plugging and abandonment by the Department of Oil, Gas and Geothermal Resources, please contact Staff Engineer Andres Perez at (530) 757-3677.

EXEMPTED COMPONENTS: Components which fall under the categories shown in the "Exemptions" segment on the next page are exempted from LDAR Requirements. Please note that all other covered components at the facility must be inspected.

FIRST REPORTING DATE: The first quarterly LDAR Report to be submitted to the District is **due no later than October 31, 2019**, for LDAR inspections done in Quarter 3 of 2019 (July 1 to September 30). LDAR Reports may be submitted to the District by emailing to <u>reports@ysaqmd.org</u> (preferred), or mailing to Yolo-Solano AQMD, 1947 Galileo Court, Suite 103; Davis, CA 95618 to the attention of Andres Perez.

ADDITIONAL INFORMATION: For additional information regarding this advisory or Rule 3.26, please contact Andres Perez at (530) 757-3677 or Compliance Manager Jeff Pinnow at (530) 757-3662

REPORT DETAILS: All LDAR reports or logs must include at least the following:

- Date of inspection(s)
- Facility name
- Owner/Operator Name
- Inspection company name (if applicable)
- ID of equipment inspected
- Type of equipment/component that is being inspected
- Total number of components inspected
- Number of leaks detected per Leak Threshold level
- US EPA Method 21 Instrument Make/Model and instrument calibration date
- If a leak above the lowest leak threshold is recorded, the following is also required for each leak (in addition to the requirements above):
 - Leak Concentration Prior to Repair
 - o Repair Date
 - o Leak Concentration After Repair
 - **Contact Person Information**
 - o Name
 - Phone Number
 - o Address

These requirements are a summary. For full requirements and for Leak Threshold levels, see District Rule 3.26 and the COGR (<u>17 CCR §§ 95665-95677</u>).

EXEMPTIONS: Components that fall under the following categories will not be required to comply with the LDAR requirements:

- Used exclusively for crude oil with an average annual API gravity less than 20
- Incorporated into produced water lines located downstream of a separator and tank system equipped with a vapor collection system
- Natural gas distribution pipelines located at a crude oil production facility used for the delivery of commercial quality natural gas and which are not owned by the crude oil production facility
- Is buried below ground
- Used to supply compressed air
- One-half inch and smaller stainless steel tube fittings used to supply natural gas to equipment and instrumentation that has been verified to be below the allowable leak threshold at startup using EPA Method 21
- Operates under negative gauge pressure
- Components at a crude oil or natural gas production facility which are located downstream from the point of transfer of custody and which are not owned/operated by the facility
- Temporary components used for general maintenance and used for less than 300 hours per year, as long as installation records are kept
- Well casing vents that are open to the atmosphere and subject to annual flow rate testing in accordance with 17 CCR 95668(g)
- Components found on steam injection wells or water flood wells
- Pneumatic devices or pumps that use compressed air or electricity to operate
- Compressor rod packing vents subject to annual emission flow rate testing in accordance with 17 CCR 95668(c)(4)(B)