

## **Environment Department**

## MICHELLE LUJAN GRISHAM, GOVERNOR

James C. Kenney, Cabinet Secretary Jennifer J. Pruett, Deputy Secretary

The Environment Department's mission is to protect and restore the environment and to foster a healthy and prosperous New Mexico for present and future generations.

## **NEWS RELEASE**

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## Environment Department releases new proposed rule to improve air quality in New Mexico's most ozone-polluted regions

Emissions reductions that will result from new ozone rule are equivalent to taking 8 million cars off the road

The New Mexico Environment Department (NMED) released a proposed rule today that will improve air quality for all New Mexicans by establishing innovative and actionable regulations to curb the formation of ground-level ozone in the state's most affected regions. The rule will also result in reduced emissions of dangerous greenhouse gases. The proposed rule is more protective of public health and the environment than current federal requirements — and will enable New Mexico to lead the nation as a model in smart regulation.

"Today, New Mexicans can breathe easier knowing that present and future generations will have cleaner air," said Gov. Michelle Lujan Grisham. "This rule will not only hold industry accountable, but will also spur innovation and greener practices in the oil and gas fields. The effect will be equivalent to taking eight million cars off the road every year."

Once finalized, the new rule will reduce emissions of ozone precursor pollutants – volatile organic compounds and oxides of nitrogen - by nearly 260 million pounds annually and reduce methane emissions by over 851 million pounds annually. The rule will apply in New Mexico counties with high ozone levels. Currently, this includes Chaves, Doña Ana, Eddy, Lea, Rio Arriba, Sandoval, San Juan, and Valencia counties.

"We undertook a two-year planning process, engaging with thousands of New Mexicans across the state, scientists and researchers inside and outside of our agencies, oil and gas operators, and environmental organizations," said NMED Cabinet Secretary James Kenney. "We listened closely during the public comment process, we invested significant staffing resources, and we delivered a nationally leading oil and gas rule as a result."

The revised rule builds upon a draft issued in July of last year and contains important modifications. Namely, the proposed rule filed today eliminates all exemptions for stripper wells and facilities formerly classified as "low potential to emit" that had been included in the previous draft.

Additionally, the proposed rule sets foundational requirements for all oil and gas operators to calculate emissions and confirm their accuracy through a professional engineer, perform monthly checks for leaks and fix them within 15 days, and maintain records to demonstrate continuous compliance. Building on

the foundational requirements are stricter standards for equipment and processes that can emit larger quantities of pollution.

The proposed rule establishes emission reduction requirements for equipment like storage vessels, compressors, turbines, heaters, engines, pneumatic devices, produced water management units, and more. The proposed rule also establishes emission reduction requirements for processes such as well workovers, liquids unloading, pig launching and receiving, and more.

When adopted, the rule will work in conjunction with regulations recently adopted by the Energy, Minerals and Natural Resources Department to establish a comprehensive framework across agencies that will significantly reduce emissions, protect New Mexico's valuable natural resources, and hold polluters accountable. By providing both consistency and clarity for industry, the new regulations will eliminate the potential for confusion or unintended regulatory loopholes that could undermine the protection of air quality in New Mexico.

"In addition to taking this significant step in solving our ozone problem to protect public health, this rule also puts us on course to reach the climate goals we set to reduce greenhouse gas emissions statewide by 45% or more by 2030 by reducing over 851 million pounds of methane emissions," said Secretary Kenney. "This amount of methane is equivalent to the energy needed to power 1.2 million New Mexico homes for an entire year."

Before taking effect, the new rule must be considered by the seven-member New Mexico Environmental Improvement Board. A public hearing before the Board is expected this fall. The hearing process will include additional opportunities for public engagement, including the opportunity for the public and stakeholders to provide oral and written comments and testimony. Pending the Board's decision, NMED anticipates the rule will go into effect in early 2022.

The proposed rule and supporting technical documents are available  $\underline{\text{here}}$ . Sign up for email updates from the Department  $\underline{\text{here}}$ .

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The Environment Department's mission is to protect and restore the environment and to foster a healthy and prosperous New Mexico for present and future generations. Throughout the COVID-19 pandemic, NMED's Occupational Health and Safety Bureau kept nearly 9,000 businesses open, 300,000 employees protected and countless New Mexico families safe by conducting more than 30,000 COVID-19 rapid responses. The agency oversees more than 1,000 public drinking water systems serving nearly all 2 million New Mexicans, in addition to programs that protect our land, air and water.

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